



May 14, 2018

Presentation Materials

FY2017 Consolidated Results (The 83rd Period)

FY2018 Consolidated Forecast



SANWA HOLDINGS CORPORATION
www.sanwa-hldgs.co.jp

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Foot-note on Forecast

Any contents in this brochure are based on various assumptions, and neither promise nor guarantee the indicated results of forecast or realization of any management issue.

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1. Second Three Year Plan (FY2016-2018) & Consolidated Results

Progress of the second three year plan(2016-2018)

■ **FY2017 net sales and incomes hit a record high.**

FY2018 net sales and incomes, though missing the target of second three year plan, will also hit a record high.

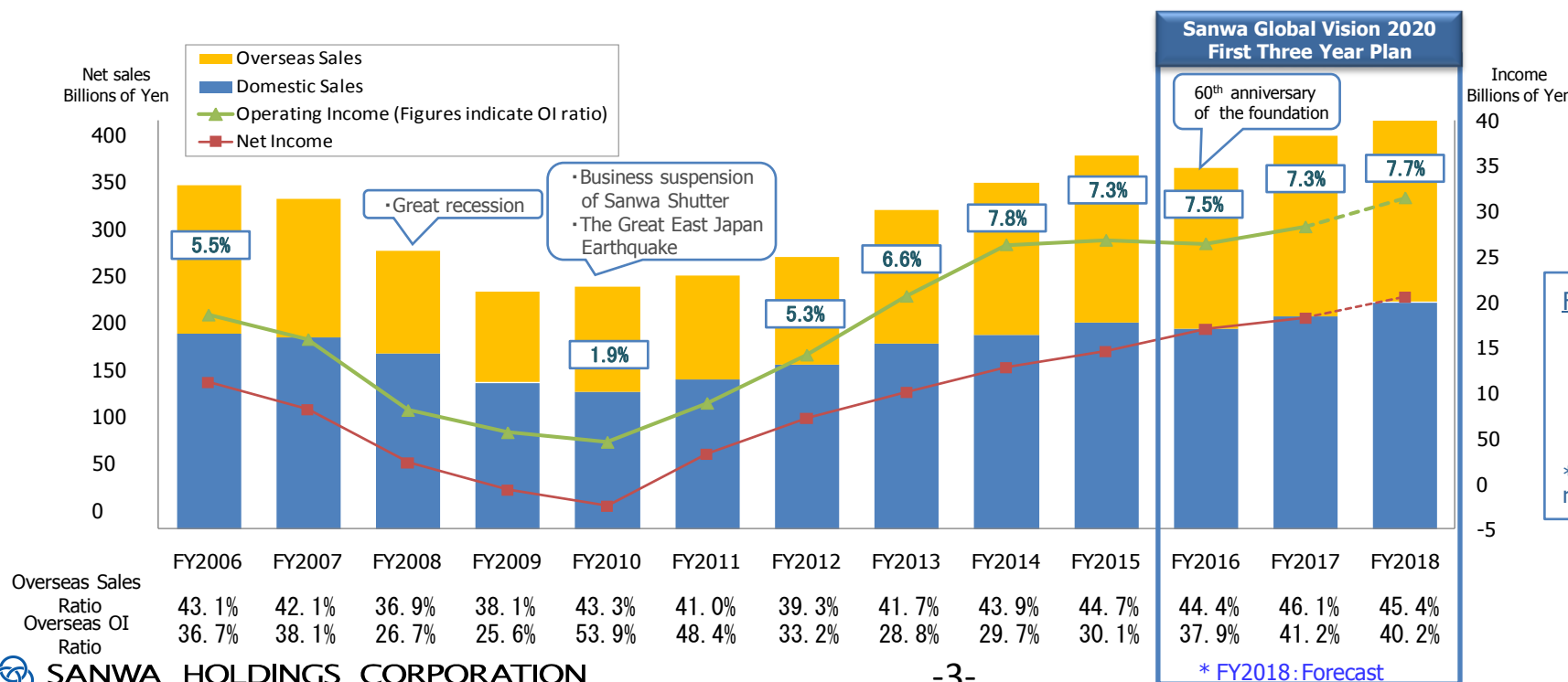
- Japan : Under steady growing market, the price increase realization lag behind higher cost.
- USA : Residential doors and Operators lead its sales, growth and profitability improvement.
- Europe : Success of structural reforms lead sales increase and profitability improvement, especially in Industrial door segment.
- Asia : Keep profitable for two years in a row, but the growth speed is behind expectation.

	Target of the second three year plan (FY2018)	Revised Forecast (FY2018)
Net Sales	¥410.0Bln	¥407.0Bln
Operating Income	¥37.0Bln	¥31.5Bln
Operating Income ratio	9.0%	7.7%
ROE *1	15.0%	13.3%
SVA *2	¥12.8Bln	¥10.3Bln
Shareholders' Equity Ratio	42.0%	47.1%
Debt-Equity Ratio	0.40	0.40

*1 Shareholder's equity cost assumed to be around 8%

*2 Calculated the weighted average cost of capital 6% and corporate tax rate 40%

*3 Forex rate: Second three year:1USD=110 yen , 1EUR=125yen
Revised Forecast: 1USD=105yen , 1EUR=130yen



Forex Rate*	USD	EUR
2014	106.46	140.35
2015	121.03	133.69
2016	109.44	120.63
2017	112.04	127.22
2018(F)	105.00	130.00

*Applying yearly average exchange rates for our consolidated figures.

2. Business Environment (Japan, USA, Europe)

■ Business Environment

			2014		2015		2016		2017		2018		2019	
									Actual		Forecast		Forecast	
Japan	Housing Starts	k units	880	-10.8%	921	4.6%	974	5.8%	946	-2.8%	965	2.0%	950	-1.6%
	Non-res construction areas	k m ²	45,013	-5.9%	44,098	-2.0%	45,299	2.7%	47,293	4.4%	47,198	-0.2%	48,000	1.7%
	Private-sector capital investment	JPY bn	79,781	3.3%	81,637	2.3%	82,602	1.2%	85,576	3.6%	88,314	3.2%	89,639	1.5%
USA	Housing starts	k units	1,003	8.4%	1,112	10.8%	1,174	5.6%	1,203	2.5%	1,290	7.2%	1,340	3.9%
	Existing Home Sales	k units	4,940	-2.9%	5,250	6.3%	5,450	3.8%	5,510	1.1%	5,500	-0.2%	5,670	3.1%
	Capital investment	USD bn	2,173	6.9%	2,224	2.3%	2,210	-0.6%	2,314	4.5%	2,435	5.2%	2,517	3.4%
Europe	Housing completions(4 countries)	k units	366,590	-1.5%	371,692	1.4%	386,727	4.0%	400,423	3.5%	409,582	2.3%	414,386	1.2%
	Non-res investment(4 countries)	EUR m	210,309	-1.9%	209,043	-1.6%	212,836	1.8%	218,025	2.4%	221,563	1.6%	224,298	1.2%
Germany	Housing completions	k units	167,547	1.9%	170,550	1.8%	176,372	3.4%	180,438	2.3%	181,736	0.7%	181,475	-0.1%
	Non-res investment	EUR m	81,964	0.2%	80,595	-1.7%	81,150	0.7%	82,278	1.4%	82,117	-0.2%	81,384	-0.9%

※EU(4 countries) include Germany, France, Italy and the Netherlands.

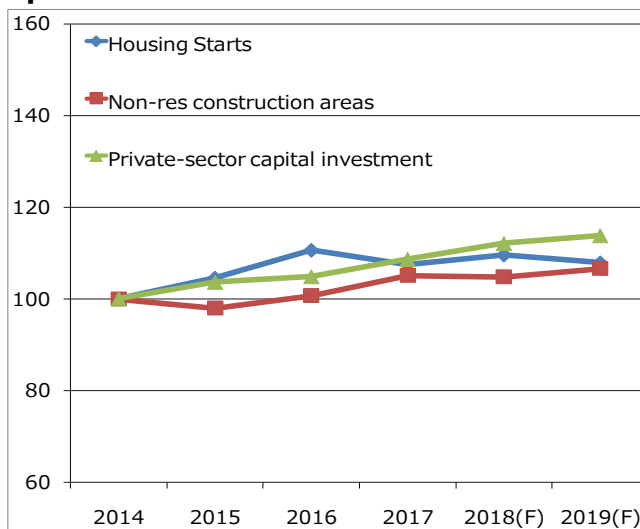
※Ref:(JPN) MLIT Apr 2018, R.I.C.E. May 2018, (US) Blue Chip Economic Indicators Apr 2018, National Association of Realtors Mar 2018, (EU)Euroconstruct June 2017.

Capital investment in JPN/US from NLI Research Institute.

※FY basis in JPN(Apr-March), US/EU on CY basis(Jan-Dec)

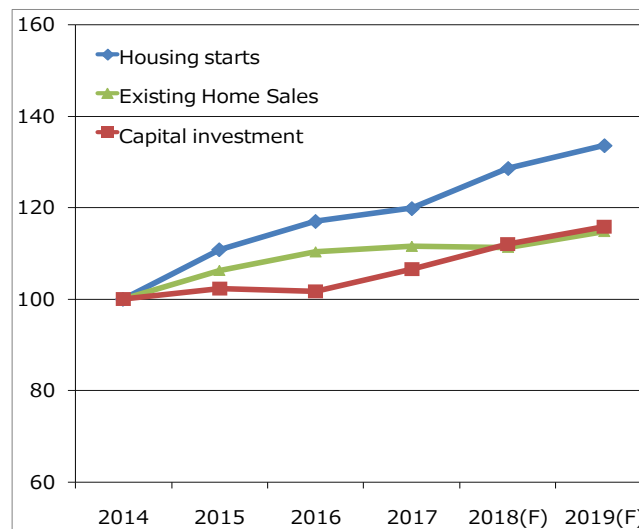
■ Change in Business Environment (2013=100)

Japan



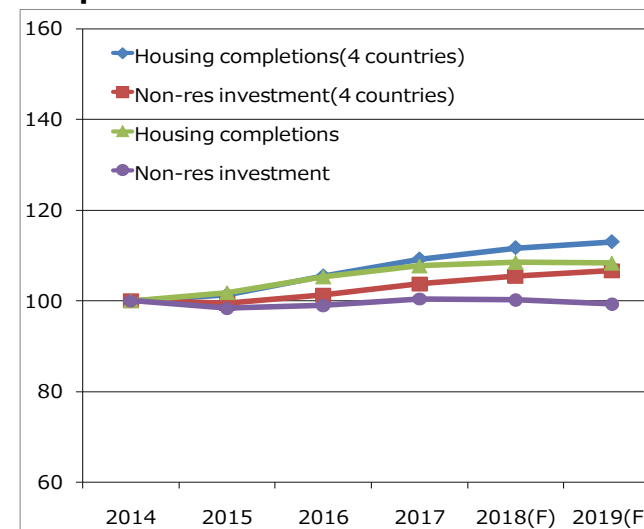
- Capital investment in recovery.
- Residential market seems bearish.

USA



- Housing starts is continuing to recover.
- Capital investment expected to recover.

Europe



- Residential market is strong.
- Non-residential market in Germany seems bearish.

■ FY2017 Consolidated Results
April 2017 – March 2018

《Consolidated Results》

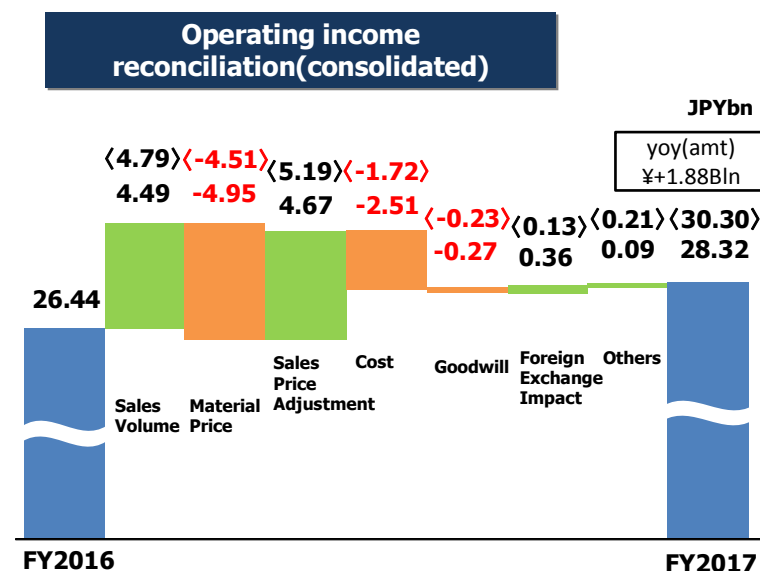
【 assumed forex rate same as FY2016】

	FY2017 Actual	FY2017 Forecast	Variance vs. Revised F (amt)	FY2016 Actual	Variance vs. FY2016 (amt)	Variance vs. FY2016 (%)
Net Sales	¥385.7Bln 【¥379.7Bln】	¥385.0Bln	¥+0.70Bln (+0.2%)	¥353.9Bln	¥+31.8Bln 【¥+25.8Bln】	+9.0% 【+7.3%】
Operating Income	¥28.32Bln 【¥27.97Bln】	¥30.30Bln	¥-1.98Bln (-7.0%)	¥26.44Bln	¥+1.88Bln 【¥+1.53Bln】	+7.1% 【+5.8%】
Ordinary Income	¥27.90Bln 【¥27.56Bln】	¥29.70Bln	¥-1.80Bln (-6.5%)	¥25.28Bln	¥+2.62Bln 【¥+2.28Bln】	+10.4% 【+9.0%】
Net Income attributable to owners of the parent	¥18.28Bln 【¥18.05Bln】	¥19.20Bln	¥-0.92Bln (-5.0%)	¥17.07Bln	¥+1.21Bln 【¥+0.98Bln】	+7.1% 【+5.8%】

《Key points of FY2017Result》

Forex Rate	2016	2017	2018(F)
1USD	109.44	112.04	105.00
1EUR	120.63	127.22	130.00

〈Summary〉	Both net sales and incomes hit a record high. Incomes were lower than forecast.
Net sales	Consolidated net sales was higher than FY2016 and forecast. All areas (Japan, USA, and Europe) were higher than FY2016 and ODC(USA) and NF(Europe) were higher than forecast.
Operating income	Consolidated operating income was higher than FY2016 but lower than forecast. That is due mainly to the time lag in passing rising material price on selling price in Japan and the increase of cost such as installation cost than expected.
Current income	Non-operating profit/loss was improved by 0.74 billion yen due to recovery of equity-method affiliates from weak FY2016.
Net Income attributable to owners of the parent	Extraordinary profit/loss remained flat vs. FY2016 including profit from sales of fixed assets in Europe.



【assumed forex rate same as FY2016】

Net Sales	FY2016 Actual	FY2017 Actual	Variance vs. FY2016 (amt)	Variance vs. FY2016 (%)	Key Points
Consolidated	¥353.9Bln	¥385.7Bln 【¥379.7Bln】	¥+31.8Bln 【¥+25.8Bln】	+9.0 【+7.3】	The impact of fluctuation in foreign exchange rates: +6.0 billion yen.
Sanwa Shutter ※refer to page 25	¥176.2Bln	¥187.4Bln	¥+11.1Bln	+6.3	①Lightweight shutters increased by 5.0% driven by increase for residential projects. ②Heavy-duty shutters increased significantly by 6.8% driven by increase for office and warehouse. ③Building/Condominium doors increased 6.4% driven by increase for office. ④Maintenance service increased by 12.1% driven by the legal inspection & report for fire-proof equipment. ⑤Partitions increased by 6.8% driven by increase for school.
Japanese Subsidiaries	¥30.5Bln	¥32.5Bln	¥+2.0Bln	+6.5	Increased driven by new consolidation of Sanwa System Wall and sales increase of all companies other than Showa Front, which lost sales due to sluggish store construction.
ODC (USA) ※refer to page 26 <i>FX (\$)</i>	¥103.8Bln <i>\$948M</i> (¥109.44)	¥112.8Bln <i>\$1,007M</i> (¥112.04)	¥+9.1Bln <i>+\$59M</i>	+8.7 <i>+6.2</i>	①Doors increased by 9.3% driven by continuing strong sales of Residential garage doors and Commercial doors. ②Installation & Services increased by 0.5% driven by strong Nation Serve (USA) sales making up for the slump of Canadian business due to weak market. ③Operators increased by 8.8% driven by strong sales at professional channel and retail. ④Automatic doors decreased by 2.4% due to the slump in USA. ⑤Truck doors decreased by 12.8% due to intensified competition and delay in developing new customer.
Novoform (EU) ※refer to page 27 <i>FX (€)</i>	¥53.4Bln <i>€443M</i> (¥120.63)	¥65.0Bln <i>€511M</i> (¥127.22)	¥+11.5Bln <i>+€68M</i>	+21.6 <i>+15.3</i>	①Hinge doors increased by 6.0% driven by increase of the big projects. ②Garage doors increased by 23.5% driven by the recovery of market and the effect of Novoform UK consolidation. ③Industrial doors increased by 16.5% driven by continuing good performance of Alpha as well as Norsurd acquisition.

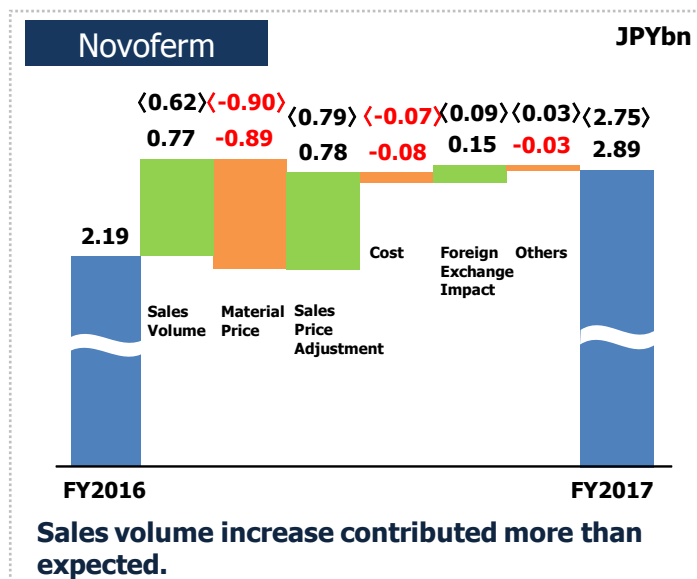
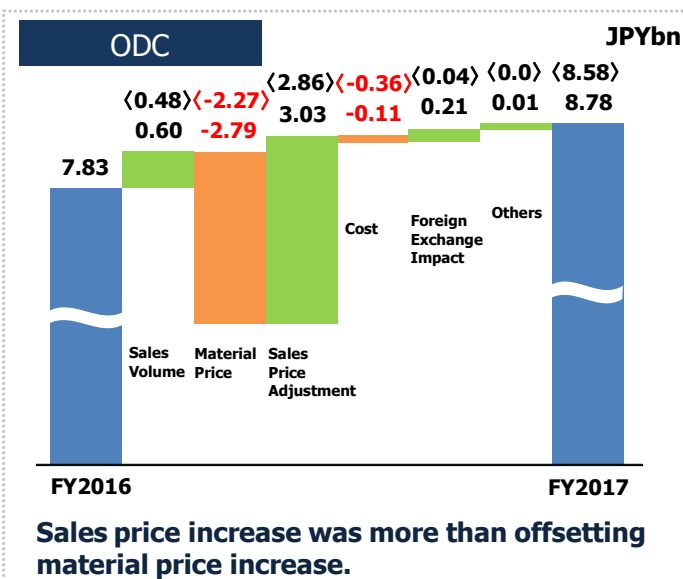
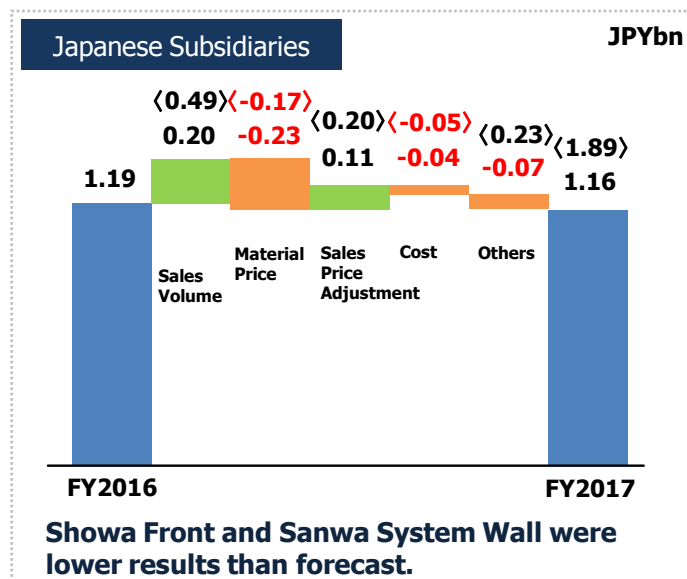
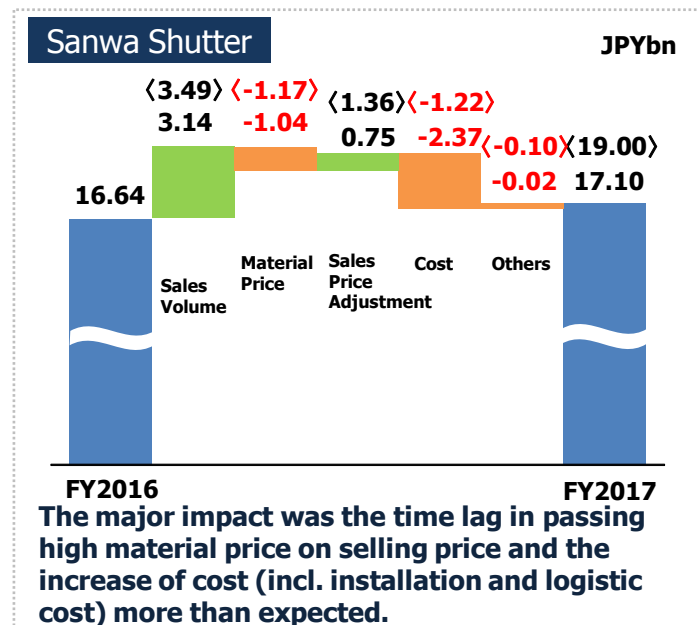
5. Operating income reconciliation (by sector)

FY2017 Results

Operating Income	FY2016 Actual	Operating Income Ratio(%)	FY2017 Actual	Operating Income Ratio(%)	Variance vs. FY2016 (amt)	Variance Vs. FY2016 (%)
Consolidated	¥26.44Bln	7.5	¥28.32Bln 【¥27.97Bln】	7.3	¥+1.88Bln 【¥+1.53Bln】	+7.1 【+5.8】
Sanwa Shutter	¥16.64Bln	9.4	¥17.10Bln	9.1	¥+0.46Bln	+2.9
Japanese Subsidiaries	¥1.19Bln	3.9	¥1.16Bln	3.6	¥-0.03Bln	-2.1
ODC (USA) <i>FX (\$)</i>	¥7.83Bln \$71.5M (¥109.44)	7.5	¥8.78Bln \$78.3M (¥112.04)	7.8	¥+0.95Bln +\$6.8M	+12.1 +9.5
Novoform (EU) <i>FX (€)</i>	¥2.19Bln €18.1M (¥120.63)	4.1	¥2.89Bln €22.7M (¥127.22)	4.4	¥+0.70Bln +€4.6M	+31.9 +25.1

【assumed forex rate same as FY2016】

< > shows the forecast



■ FY2018 Consolidated Forecast
April 2018 – March 2019



《Consolidated Results》

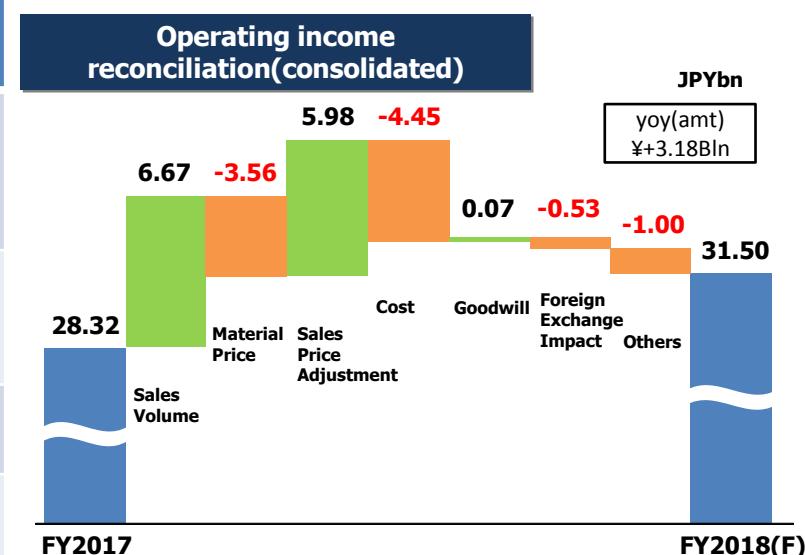
【assumed forex rate same as FY2017】

	FY2018 Forecast	1H	2H	FY2017 Actual	Variance vs. FY2017 (amt)	Variance vs. FY2017 (%)
Net Sales	¥407.0Bln 【¥413.0Bln】	¥183.0Bln	¥224.0Bln	¥385.7Bln	¥+21.3Bln 【¥+27.3Bln】	(+5.5%) 【+7.1%】
Operating Income	¥31.50Bln 【¥32.03Bln】	¥9.25Bln	¥22.25Bln	¥28.32Bln	¥+3.18Bln 【¥+3.71Bln】	(+11.2%) 【+13.1%】
Current Income	¥31.00Bln 【¥31.50Bln】	¥8.80Bln	¥22.20Bln	¥27.90Bln	¥+3.10Bln 【¥+3.60Bln】	(+11.1%) 【+12.9%】
Net Income attributable to owners of the parent	¥20.60Bln 【¥20.98Bln】	¥5.40Bln	¥15.20Bln	¥18.28Bln	¥+2.32Bln 【¥+2.70Bln】	(+12.7%) 【+14.8%】

《Key Points of FY2018 Forecast 》

〈Summary〉	Both net sales and profits expected again to hit a record high, though missing the target of second three year plan.
Net Sales	Expected to exceed 400 billion yen for the first time driven by continuing strong sales. In Japan, the final year of transitional measures for new legal inspection & report for fire-proof equipment expected to lead sales increase. USA and Europe expected to increase driven by strong demand.
Operating Income	Expected to increase in all areas (Japan, USA, and Europe) and hit a record high for two consecutive years driven by sales volume increase. Rising costs such as installation costs will be passed on to selling price.
Current Income	Expected to increase according to operating income improvement. Non-operating profit/loss to remain unchanged from the previous year.
Net Income attributable to owners of the parent	Expected the record high for fifth consecutive year as lower corporation tax rate in USA covering the increase of extraordinary losses.

Forex Rate	2016	2017	2018(F)
1USD	109.44	112.04	105.00
1EUR	120.63	127.22	130.00



7. Net Sales (by Sector)

FY2018 Forecast

【assumed forex rate same as FY2017】

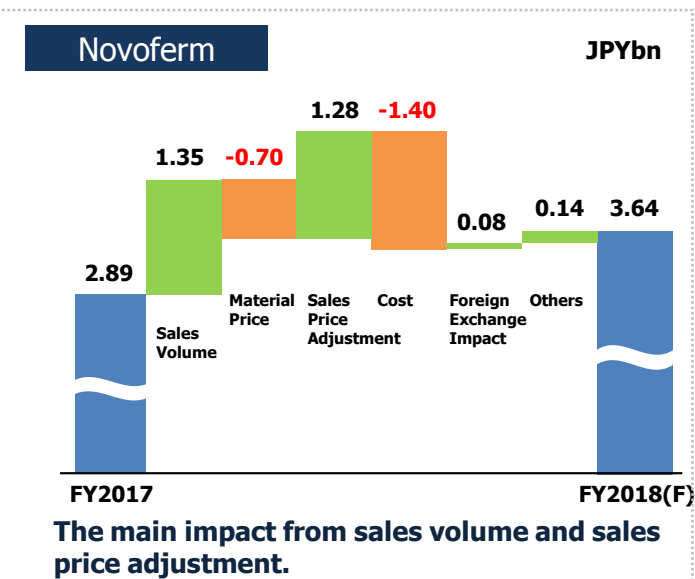
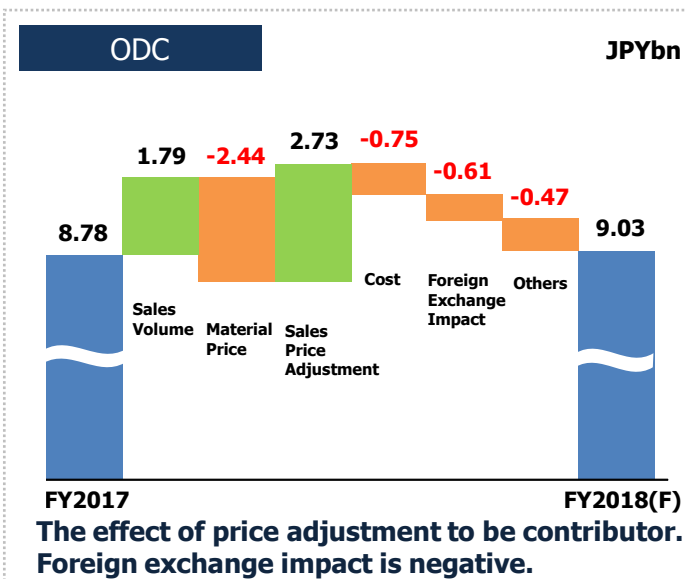
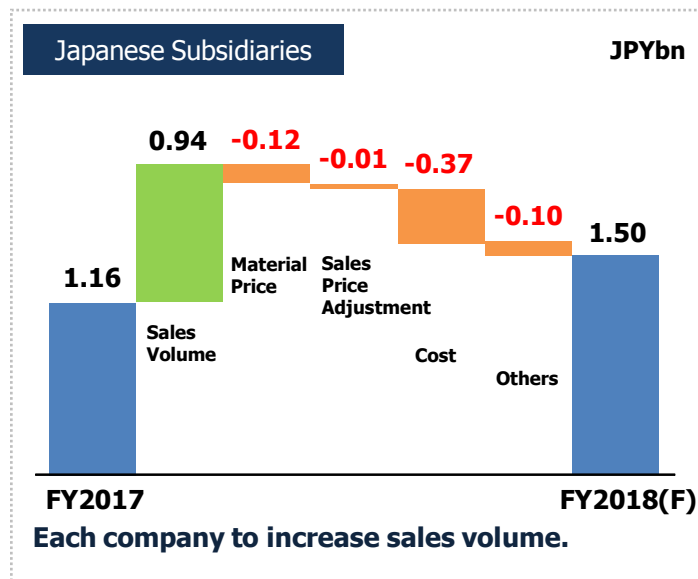
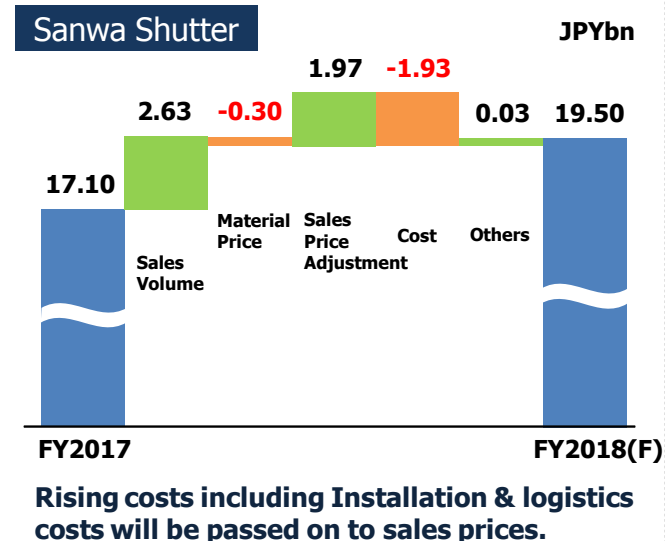
Net Sales	FY2017 Actual	FY2018 Forecast	Variance vs. FY2017 (amt)	Variance vs. FY2017 (%)	Key Points
Consolidated	¥385.7Bln	¥407.0Bln 【¥413.0Bln】	¥+21.3Bln 【¥+27.3Bln】	+5.5 【+7.1】	The impact of fluctuation in foreign exchange rate : -6.0 billion yen.
Sanwa Shutter ※refer to page 25	¥187.4Bln	¥197.0Bln	¥+9.6Bln	+5.1	①Lightweight shutters to increase by 5.9% driven by increase for residential and warehouse. ②Heavy-duty shutters to increase by 7.1% driven by sales increase for warehouse and office. ③Building/Condominium doors to increase by 3.3% driven by the increase of office construction. ④Maintenance service to increase by 17.6% driven by the increase of legal inspection. ⑤Partitions to increase by 8.7% driven by enhanced production and sales cooperation within domestic group companies.
Japanese Subsidiaries	¥32.5Bln	¥36.8Bln	¥+4.3Bln	+13.2	Expected to increase considerably driven by the strong sales in Sanwa Tajima & Okinawa Sanwa Shutter and the recovery of Sanwa System Wall.
ODC (USA) ※refer to page 26 <i>FX (\$)</i>	¥112.8Bln <i>\$1,007M</i> (¥112.04)	¥112.7Bln <i>\$1,073M</i> (¥105.00)	¥-0.1Bln <i>+\$66M</i>	-0.1 <i>+6.6</i>	①Doors to increase by 6.8% driven by the favorable residential market and the recovery of capital expenditure. ②Installation & Services to increase by 8.8% driven by the recovery of Canadian business. ③Operators to increase by 2.9% driven by the strong sales at professional channel. ④Automatic doors to increase by 10.4% driven by the progress of transit business in Lima Peru, stronger service business and the recovery from weak FY2016 performance. ⑤Truck doors to increase by 4.1% driven by strengthening development of new customer.
Novoferm (EU) ※refer to page 27 <i>FX (€)</i>	¥65.0Bln <i>€551M</i> (¥127.22)	¥72.0Bln <i>€554M</i> (¥130.00)	¥+7.1Bln <i>+€43M</i>	+10.9 <i>+8.5</i>	①Hinge doors to increase by 6.5% driven by increase of big projects. ②Garage doors to increase by 4.7% driven by the continuing recovery of markets in Germany and France. ③Industrial doors to increase by 12.6% driven by continuing strong sales of Alpha and BGS acquisition.

8. Operating income reconciliation (by sector)

FY2018 Forecast

Operating Income	FY2017 Actual	Operating Income Ratio(%)	FY2018 Forecast	Operating Income Ratio(%)	Variance vs. FY2017 (amt)	Variance vs. FY2017 (%)
Consolidated	¥28.32Bln	7.3	¥31.5Bln 【¥32.03Bln】	7.7	¥+3.18Bln 【¥+3.71Bln】	+11.2 【+13.1】
Sanwa Shutter	¥17.10Bln	9.1	¥19.5Bln	9.9	¥+2.40Bln	+14.0
Japanese Subsidiaries	¥1.16Bln	3.6	¥1.50Bln	4.1	¥+0.34Bln	+29.2
ODC (USA) <i>FX (\$)</i>	¥8.78Bln <i>\$78.3M</i> <i>(¥112.04)</i>	7.8	¥9.03Bln <i>\$86.0M</i> <i>(¥105.00)</i>	8.0	¥+0.25Bln <i>+\$7.7M</i>	+2.9 <i>+9.8</i>
Novoform (EU) <i>FX (€)</i>	¥2.89Bln <i>€22.7M</i> <i>(¥127.22)</i>	4.4	¥3.64Bln <i>€28.0M</i> <i>(¥130.00)</i>	5.1	¥+0.75Bln <i>+€0.53M</i>	+26.1 <i>+23.4</i>

【assumed forex rate same as FY2017】



■ Progress of Second Three Year Plan



Maintain the profitability of core products and growth by multi-product sales initiatives

1. Strengthening core products

Measures to Address Key Issues

- **Orders** ⇒ Non-residential construction was lower than expectations at the time the three-year plan was formulated. Orders for FY2017 were lower than the previous year and forecast, partly because we enforced stringent order backlog control.
- **Order profitability** ⇒ Selling price increases in FY2017 fell short of predictions, mainly due to the time lag. Order profitability is improving, and should boost profits in FY2018. Rising expenses, including installation and logistics costs, will be passed on to selling prices in FY2018.

2. Promote multi-product sales

Promotion of diversified products, following Shutter and Door

- **Partitions** ⇒ Enhanced production and sales cooperation between Sanwa System Wall (formerly Sanwa Spindle) and domestic Group companies.
- **Environmental building products** ⇒ ① Expanded lineup of products to meet market needs, such as High-speed sheet shutters (G14)
② Steadily expanded installation of Waterproof shutters in areas other than Tokyo, including Kyoto, Osaka and Kyushu.
- **Residential building products** ⇒ In IoT-related products, added functions linked to weather warnings to window shutters with HEMS specifications.

3. The legal inspection & report for fire-proof equipment

Enhancement of Safety of Fire Prevention Equipment

• FY2018 is the final year of transitional measures (2016-2018)

	2016	2017	2018(F)
Maintenance & Repair Net Sales	¥24.8Bln (+7.6%)	¥27.8Bln (+11.9%)	¥32.7Bln (+17.8%)

- **Number of installers (as of March 31)** ⇒ approx. 3,800 (+200 from previous year)
- **Number of qualified inspection workers (as of March 31)** ⇒ approx. 2,100 (+240 from previous year)

4. Develop in-house infrastructure

Capital Investment for Multi-Product Sales and Work-Style Reforms

- **Startup of new Osaka plant (April 2018):** Investment approx. ¥2.5 billion
⇒ Expanded capacity of Sanwa System Wall and optimized production and logistics bases in western Japan for partitions and wooden sliding doors.
《Production item》 School partitions (wood & steel), Toilet booths, Sliding doors (wood & steel), Aluminum partitions
- **Enhancing efficiency in production and logistics**
⇒ Invested in systems and will link them to progress in work-style reforms.

Grow the core business with enhancing profit base

1.ASD (Access Systems Division)

■ Sales Channel and Application

① Expand sales in New York City

and other major metropolitan areas

- Implementing regional strategy focusing on distributors and dealers for core brands Ribbon and Wayne Dalton.

② Solid sales of Commercial doors and Garage doors

- Residential market remained strong and capital investment is recovering.

〈FY2017 Net Sales〉	
Commercial doors	: +5.9%(yoy)
Garage doors	: +7.7%(yoy)

■ Response to material costs increase

- In 2017, rising costs were absorbed by price increases
- In 2018, steel prices are trending upward, and ODC will raise prices in January and June.

■ The status of new ERP implementation project

- Implementation planned at main shutter plant (Lewistown) in 2018. Implementation for all ASD will be scheduled in 2021.

■ Launch new products

- Steadily expand sales of newly introduced High-performance doors.

2. Forward Integration Strategy

■ ISD (Installation & Service for doors & operators)

- U.S. business secured sales growth backed by a solid residential market.
- In Canada, certain products for the residential market rebounded. A recovery of commercial products is expected in 2018.

■ Door Services

(Installation & Service for automatic doors)

Sales in 2017 declined after surging in the previous year, but started off solid in 2018

3. Recovery of Operators business (Genie)

■ Volume and profitability both improved

- Sales in the professional sales channel continued to grow steadily
- In IoT-related products, we are developing an application and compatible products for connecting to Wi-Fi, and will make it accessible from a smart phone. (refer to page 31)

Establish foundation for profitable growth by implementing “NF3.0”

1. Expand hinge door sales

Expand sales of hinged doors by strengthening project sales

1. Bolstered sales promotion to design offices, etc. and strengthened sales channels for project specialist customers.
2. New painting line built at the Riexinger plant (Germany) to increase productivity started up smoothly, and proved effective in meeting strong demand for Hinge doors.

2. Expand industrial door business

Expand industrial door business through enhancement of production capability for Alpha products & dock equipment products.

1. An extension of the Alpha Deuren plant (Netherlands) to expand sectional door production capacity is under way to start operation in 2019. After completion, this is expected to be one of the largest industrial sectional door plants in the European market.
2. Production capacity for dock levelers produced at the Poland plant is expanding as planned.
3. Norsud Gestion (France), acquired in 2016, steadily expanded orders and sales.
4. Acquired Bolton Gate Services Ltd. (BGS) in January 2018, enhancing our service operations in the U.K. (refer to page 31)

3. Gain market share of sectional garage doors

Performance is solid, backed by a favorable European market

1. In Germany, sales struggled in some respects due to price reduction pressure by competitors, but expanded steadily. In France, sales to dealers and DIY stores were strong.
2. Novoferm UK posted steady growth in orders and sales. In 2018, it plans to leverage synergy with BGS in the U.K..

	FY2016	FY2017		FY2018
	Actual	Actual	Revised Forecast	Forecast
Net Sales	¥7.30Bln	¥9.40Bln	¥9.10Bln	¥10.8Bln
Operating Income	¥0.01Bln	¥0.10Bln	¥0.16Bln	¥0.27Bln

• **Made a profit in 2017 for the second consecutive year, and good prospect for maintaining profitability.**

• **In 2018 to increase sales and profits.**

	FY2017 Actual	FY2018 Forecast
Shanghai BaoSteel-Sanwa	Sales and profits increased on the back of orders for large-scale projects (Shanghai World Financial Center, approx. ¥650 million) and strong sales to the logistics market.	Sales are expected to increase, driven by strong sales to the logistic market and large-scale projects. Profits are expected to remain at the level of the previous year.
NF Shanghai	Sales increased but profits fell due to a delay in reacquiring fireproof door license and problems with production capacity and product quality.	Reacquired fireproof door license. Currently revamping production system to secure adequate capacity and improve quality.
Vina-Sanwa (Vietnam)	Orders were solid, and sales increased with growth in local projects. Profits were down because of higher steel prices and a decline in selling prices due to competition.	Expansion of local market is expected to cover shrinking market for Japanese projects. Sales and profits are expected to increase through expansion of orders for local market and exports.
An-Ho Metal (Taiwan)	Despite a weak construction market, sales and profits increased with contribution of Japanese projects.	Production capacity has almost reached its limit, but sales and profits are expected to increase on improvement in production efficiency.
Sanwa Shutter (H.K.)	Sales and profits grew as large-scale projects that had been suspended were restarted due to economic recovery, and large-scale subway projects also contributed.	Sales and profits are expected to increase as the order backlog remains strong.
Dong Bang NF (South Korea)	Company holds fireproof/heat-resistant door certification in Korea, and steady sales of doors to the domestic residential market drove sales and profit growth.	Sales of doors for the domestic residential market remains strong. With exports projected to increase, sales and profits are also expected to rise.

Product development targeting to a global market

[Product Development]

- Cooperation between ODC and Sanwa Shutter for possible North American rollout of aluminum slats for quiet garage shutters "Seisei-Dodo" sold by Sanwa Shutter.
- Intra-group cooperation for commercialization of the Sanwa Group's new high-speed aluminum spiral shutter, with surveys of market needs in each region, mainly Europe and North America
⇒ODC developed products for North America, products for Europe also planned.



[Technology Exchange]

- Technology exchanges by ODC and Novoferm engineers and factory tours being conducted to solve common issues.



[Information Sharing]

- Promoting efficient solutions to each company's technical challenges by sharing information within the Group.

Expand group procurement activities

Promote procurement activities in low cost countries, China in particular, through Sanwa Global Procurement Center (SGPC), a company specialized procurement activities in China.
[Procurement amount in FY2017 : \$45 million]

Global sales network

Promoting expansion of products within the Group to other regions

- Exhibited Novoferm's High-speed metal door "NovoSpeed Thermo" in showroom of Shanghai BaoSteel-Sanwa in China.
- At exhibition of access systems in Vietnam, Vina-Sanwa displayed Window shutters of Sanwa Shutter "Madomore Blinds", Garage doors of ODC "Thermacore", and High-speed metal doors of Novoferm "NovoSpeed Thermo".



■ Financial Information Highlight

12. Financial Information Highlight ①

1. Balance Sheet

Mill Yen

	FY2017			FY2018		
	Mar.	% to total	Y/Y(amt)	Mar.	% to total	Y/Y(amt)
Current Assets	198,077	61.2%	9,502	197,610	59.6%	-467
Cash & Cashables	56,290	17.4%	14,774	49,263	15.6%	-7,027
AR s. & Inventories	128,734	39.8%	-1,353	141,095	42.5%	12,361
Fixed Assets	125,315	38.8%	3,622	134,076	40.4%	8,761
Financial Investments	27,183	8.4%	5,869	30,755	9.3%	3,572
Total Assets	323,393		13,124	331,686		8,293
Financial Debts	74,739	23.1%	3,942	65,945	19.9%	-8,794
(Debt/Equity Ratio)	0.53			0.44		
Other Liabilities	108,749	33.6%	-389	114,620	34.6%	5,871
Equities	139,905	43.3%	9,571	151,121	45.6%	11,216
currency exchange adjustment	10,806		-2,843	11,558		752

■ Market price increase of securities held.

■ Partial repayment of the loans.

2. Extraordinary gain & loss

Mill Yen

	FY2017		FY2018 Forecast
	Actual	Forecast	
Fixed asset disposal	-181	-200	0
Write-down of securities	-5	-10	0
restructuring expenses of subsidiaries	-110	-200	-330
Others	-2	-90	-320
Extraordinary loss (total)	-298	-500	-650
Extraordinary gain (total)	354	350	0
Extraordinary gain & loss	56	-150	-650

12. Financial Information Highlight ②

3. Free cash flow

Mill Yen

	FY2017	yoy	FY2018(F)	yoy
Net income before income taxes and minority interests	27,953	2,588	30,350	2,397
Depreciation & Amortization	7,622	332	8,444	822
Amortization of goodwill	1,603	271	1,534	-69
Income taxes paid	-9,046	253	-8,393	653
Working Capital	-5,840	-5,675	-4,240	1,600
Other	4,240	5,093	-524	-4,764
Net cash provided by operating activities	26,532	2,862	27,171	639
Net cash provided by investing activities	-13,172	-5,166	-25,378	-12,206
FCF (Operating CF+Investing CF)	13,360	-2,304	1,793	-11,567
Net cash provided by financing activities	-20,505	-19,667	-9,185	11,320
Cash and Cash Equivalents, End of Year	49,263	-7,028	41,871	-7,392

■ The Policy for Free Cash Flow Allocation

The highest priority is to allocate FCF except dividend paid for strategic investment (M&A ,strategic capital investment) However, if there are few strategic investment opportunities and our cash position becomes too large, we will specifically consider using it for shareholder returns.

Investment CF (FY2018 forecast): breakdown of ¥25.4Bln

- Capital investment for maintenance(¥-9.3Bln)
- Strategic investment(¥-16.1Bln)

Financial CF (FY2018 forecast) : breakdown of ¥0.92Bln

- Dividend(¥-7.0Bln)
- Payment of Financial Debts(¥-2.2Bln)

4. Stock buyback

① Dividend

■ FY2017 was as expected. In FY2018 expected to increase of ¥2.

FY2017 Dividend :¥30 (Interim: ¥15, Year end: ¥15)*payout ratio: approx. 37%
FY2018 Dividend(Forecast):¥32 (Interim: ¥16, Year end: ¥16)

*payout ratio:35% is the target

② Share buyback

■ Status of share buyback

Repurchased ¥5.0 billion of our own stock in FY2014, FY2015, and FY2017 and already retired its full amounts.

◆ Appendix

1. Outline of Consolidated Results by Sector

(JPYm・USDk・EURk)

	FY2016						FY2017						FY2018 (F)						
	1H			Full Year			1H			Full Year			1H			Full Year			
	(\$111.80 €124.36)	profit ratio	Y/Y	(\$109.44 €120.63)	profit ratio	Y/Y	(\$112.14 €122.22)	profit ratio	Y/Y	Revised F (\$110.00 €125.00)	(\$112.04 €127.22)	profit ratio	Y/Y	(\$105.00 €130.00)	profit ratio	Y/Y	(\$105.00 €130.00)	profit ratio	Y/Y
Net Sales	160,457		-0.3	353,922		-3.2	173,125		7.9	385,000	385,673		9.0	183,000		5.7	407,000		5.5
[assumed forex rate same as the previous year]							[173,495]		[8.1]		[379,690]		[7.3]	[184,541]		[6.6]	[413,014]		[7.1]
Sanwa Shutter	75,235		-0.9	176,248		-2.2	80,519		7.0	189,000	187,388		6.3	83,900		4.2	197,000		5.1
Japanese Subsidiaries	13,441		3.5	30,497		-1.1	14,247		6.0	35,000	32,464		6.5	15,520		8.9	36,760		13.2
ODC (U.S.A.)	\$447,155 49,991		4.9 -2.6	\$948,110 103,761		4.2 -5.7	\$474,502 53,210		6.1 6.4	\$1,005,000 110,550	\$1,006,919 112,815		6.2 8.7	\$510,000 53,550		7.5 0.6	\$1,073,000 112,665		6.6 -0.1
Novoform (Europe)	€ 209,928 26,106		15.1 7.0	€442,872 53,423		11.0 0.2	€ 248,160 30,330		18.2 16.2	€ 500,000 62,500	€510,634 64,962		15.3 21.6	€ 270,000 35,100		8.8 15.7	€554,000 72,020		8.5 10.9
Operating Income	7,976	5.0	31.8	26,440	7.5	-1.6	9,045	5.2	13.4	30,300	28,322	7.3	7.1	9,250	5.1	2.3	31,500	7.7	11.2
[assumed forex rate same as the previous year]							[9,052]		[13.5]		[27,969]		[5.8]	[9,401]		[3.9]	[32,028]		[13.1]
Sanwa Shutter	5,179	6.9	-7.5	16,641	9.4	-10.9	5,614	7.0	8.4	19,000	17,104	9.1	2.8	5,650	6.7	0.6	19,500	9.9	14.0
Japanese Subsidiaries	305	2.3	-22.0	1,186	3.9	-32.5	195	1.4	-36.3	1,890	1,161	3.6	-2.1	360	2.3	84.6	1,500	4.1	29.2
ODC (U.S.A.)	\$22,237 2,486		179.3 5.0	\$71,548 7,830		35.6 7.5	\$27,621 3,097		24.2 5.8	\$78,000 8,580	\$78,348 8,778		9.5 7.8	\$31,000 3,255		12.2 6.1	\$86,000 9,030		9.8 8.0
Novoform (Europe)	€ 7,083 880		< + > 3.4	€18,134 2,187		44.4 4.1	€ 7,571 925		6.9 3.0	€ 22,000 2,750	€22,686 2,886		25.1 31.9	€ 9,000 1,170		18.9 3.3	€28,000 3,640		23.4 26.1
Current Income	7,207	4.5	27.8	25,278	7.1	-3.4	8,798	5.1	22.1	29,700	27,898	7.2	10.4	8,800	4.8	0.0	31,000	7.6	11.1
[assumed forex rate same as the previous year]							[8,803]		[22.2]		[27,563]		[9.0]	[8,934]		[1.5]	[31,495]		[12.9]
Sanwa Shutter	5,257	7.0	-7.6	16,817	9.5	-10.8	5,705	7.1	8.5	19,100	17,286	9.2	2.8	5,730	6.8	0.4	19,650	10.0	13.7
Japanese Subsidiaries	336	2.5	-17.1	1,238	4.1	-31.3	220	1.5	-34.5	1,940	1,219	3.8	-1.6	380	2.4	72.7	1,540	4.2	26.3
ODC (U.S.A.)	\$21,452 2,398		246.2 4.8	\$68,157 7,459		37.4 7.2	\$26,180 2,935		22.0 5.5	\$74,000 8,140	\$75,333 8,440		10.5 7.5	\$28,000 2,940		7.0 5.5	\$81,000 8,505		7.5 0.8
Novoform (Europe)	€ 6,010 747		< + > 2.9	€16,049 1,935		45.2 3.6	€ 6,710 820		11.7 2.7	€ 20,000 2,500	€21,079 2,681		31.3 38.5	€ 8,500 1,105		26.7 3.1	€27,000 3,510		28.1 30.9
Other Affiliates	-627		< - >	-566		< - >	-109		< + >	40	10		< + >	-190		< - >	140		< + >
Net income attributable to owners of the parent	4,003	2.5	24.1	17,070	4.8	16.7	5,726	3.3	43.0	19,200	18,280	4.7	7.1	5,400	3.0	-5.7	20,600	5.1	12.7
[assumed forex rate same as the previous year]							[5,734]		[43.2]		[18,054]		[5.8]	[5,505]		[-3.9]	[20,982]		[14.8]
Sanwa Shutter	3,582	4.8	-5.4	11,863	6.7	-7.4	3,800	4.7	6.1	13,000	11,867	6.3	0.0	3,770	4.5	-0.8	13,360	6.8	12.6
Japanese Subsidiaries	187	1.4	-31.8	850	2.8	-29.4	140	1.0	-25.2	1,200	783	2.4	-7.9	240	1.5	71.0	920	2.5	17.5
ODC (U.S.A.)	\$13,876 1,551		271.7 3.1	\$44,311 4,849		43.6 4.7	\$16,841 1,888		21.4 3.5	\$47,000 5,170	\$45,303 5,075		2.2 4.5	\$21,000 2,205		24.7 4.1	\$61,000 6,405		34.6 5.7
Novoform (Europe)	€1,946 242		< + > 0.9	€8,365 1,009		40.3 1.9	€6,402 782		229.0 2.6	€15,000 1,875	€16,385 2,084		95.9 3.2	€5,800 754		-9.4 2.1	€17,000 2,210		3.7 6.0
Other Affiliates	-627		< - >	-566		< - >	-109		< + >	40	10		< + >	-190		< - >	140		< + >

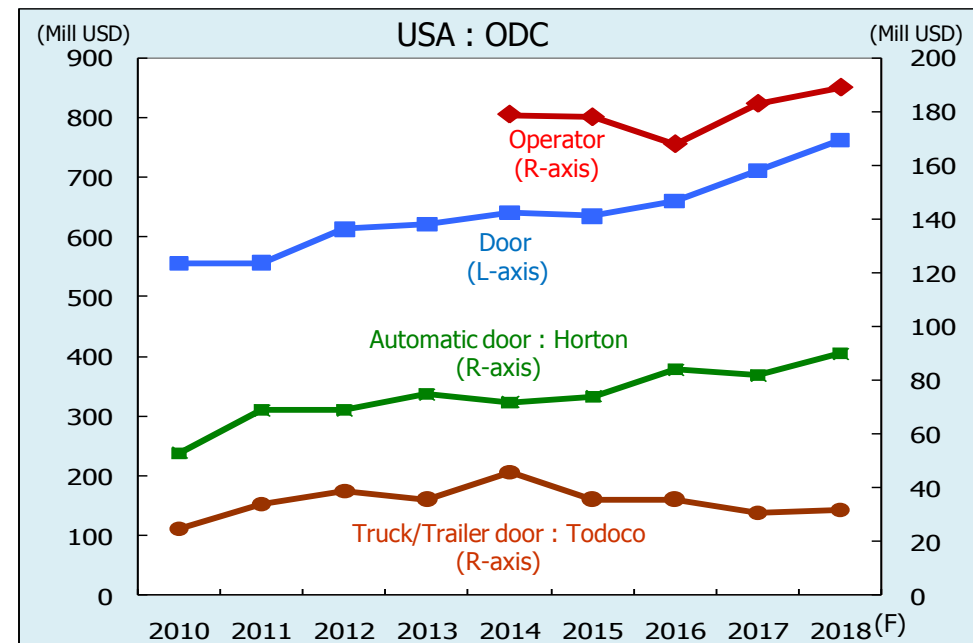
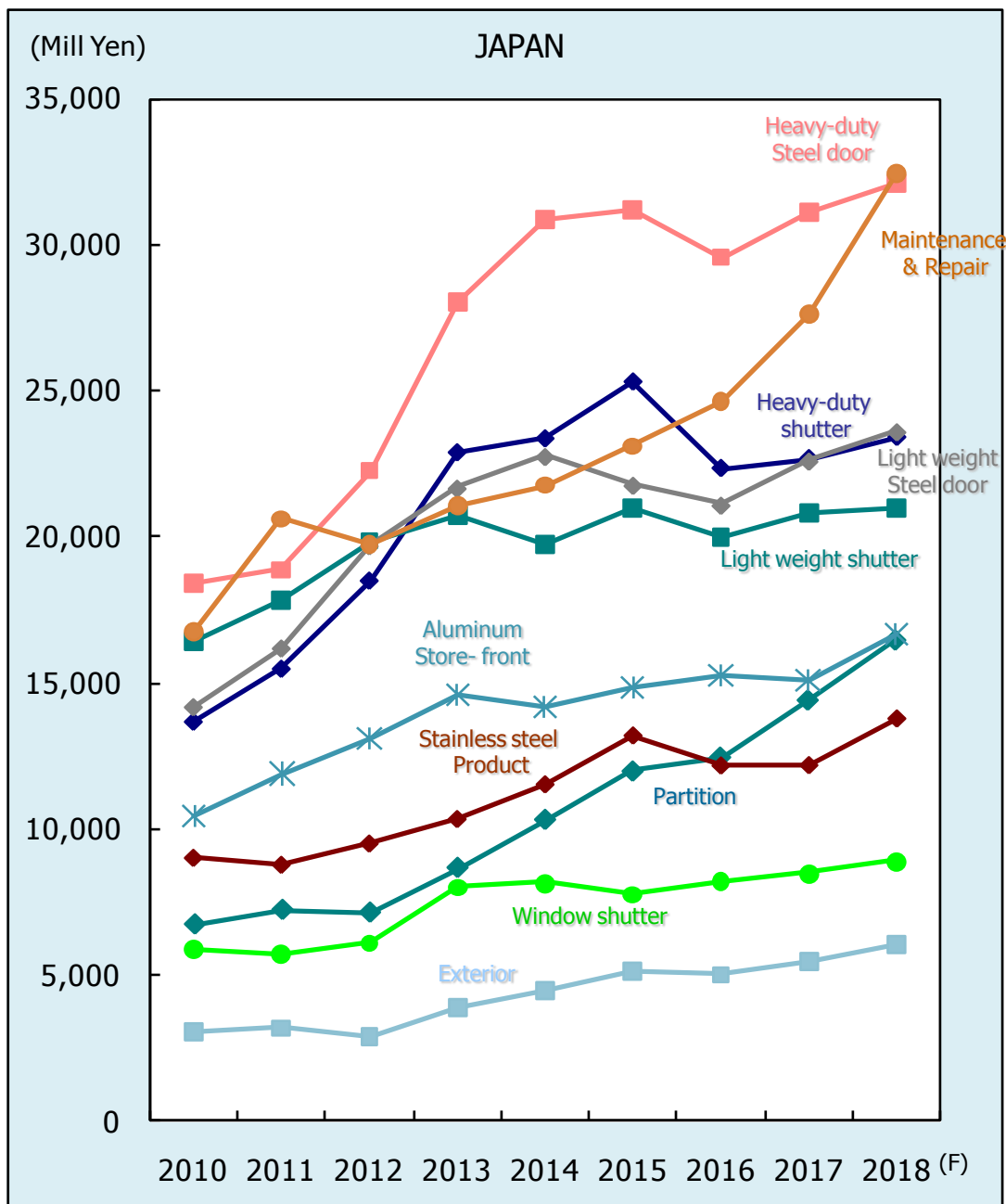
1) The relevant financial periods for each entity are as follows:

2) Figures are round off. <+> is for increase, <-> is for decrease from the previous year.

3) Each figure by entities is before consolidation adjustment.

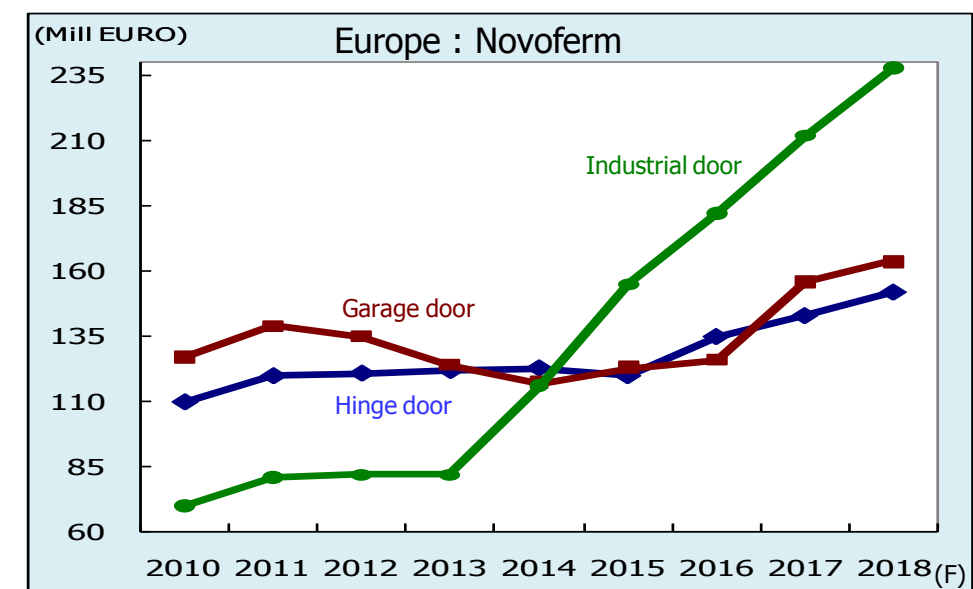
4) Forex rate is changed from end of the term to term average.

2. Sales Trend of Main Products (Japan, USA, Europe)



*Door sales Include Installation & Service(ISD) sales.

*Due to reclassification, operator sales are shown only after 2014.



3. Japan : Order Backlog & Net Sales by Products (Sanwa Shutter)

JPYm・%

		FY2017										FY2018(F)										
		1H			2H			Full Year				1H			2H			Full Year				
		Order Intake	Sales	% to total	Order Intake	Sales	% to total	Order Intake	% to total	Sales	% to total	Order Intake	Sales	% to total	Order Intake	Sales	% to total	Order Intake	% to total	Sales	% to total	
Rolling Shutters	Lightweight	<-0.2> 13,859	<1.9> 13,671	17.0	<7.3> 14,288	<8.1> 14,571	13.6	<3.5> 28,148	15.0	<5.0> 28,242	15.1	<3.2> 14,300	<3.9> 14,200	16.9	<9.2> 15,600	<7.7> 15,700	13.9	<6.2> 29,900	14.6	<5.9> 29,900	15.2	
	Heavy-duty	<-4.5> 17,631	<4.8> 14,974	18.6	<4.7> 17,832	<8.3> 20,312	19.0	<-0.1> 35,464	18.9	<6.8> 35,286	18.8	<4.9> 18,500	<5.5> 15,800	18.8	<16.1> 20,700	<8.3> 22,000	19.5	<10.5> 39,200	19.1	<7.1> 37,800	19.2	
	Sub Total	<-2.7> 31,491	<3.4> 28,645	35.6	<5.9> 32,121	<8.2> 34,883	32.6	<1.5> 63,612	33.9	<6.0> 63,529	33.9	<4.2> 32,800	<4.7> 30,000	35.8	<13.0> 36,300	<8.1> 37,700	33.3	<8.6> 69,100	33.7	<6.6> 67,700	34.4	
Shutter-related Products	Overhead Doors	<-1.0> 3,376	<4.4> 3,143	3.9	<-1.0> 3,483	<-0.7> 3,725	3.5	<-1.0> 6,859	3.7	<1.6> 6,868	3.7	<6.6> 3,600	<5.0> 3,300	3.9	<14.8> 4,000	<10.1> 4,100	3.6	<10.8> 7,600	3.7	<7.7> 7,400	3.8	
	Others	5,702	4,984	6.2	6,165	6,730	6.3	11,867	6.3	11,714	6.3	6,200	5,100	6.1	6,600	6,800	6.0	12,800	6.2	11,900	6.0	
	Sub Total	<-0.4> 9,078	<1.4> 8,128	10.1	<2.0> 9,648	<5.7> 10,455	9.8	<0.8> 18,726	10.0	<3.8> 18,583	9.9	<7.9> 9,800	<3.3> 8,400	10.0	<9.9> 10,600	<4.2> 10,900	9.6	<8.9> 20,400	10.0	<3.9> 19,300	9.8	
Doors	Comm. Bldgs/ Condominiums	<0.7> 29,344	<10.3> 21,471	26.7	<-20.5> 26,103	<4.0> 33,133	31.0	<-10.5> 55,447	29.6	<6.4> 54,604	29.1	<4.3> 30,600	<2.9> 22,100	26.3	<8.4> 28,300	<3.5> 34,300	30.3	<6.2> 58,900	28.7	<3.3> 56,400	28.6	
	Residential	<2.6> 2,261	<2.6> 2,261	2.8	<6.3> 2,472	<6.2> 2,471	2.3	<4.5> 4,733	2.5	<4.5> 4,732	2.5	<1.7> 2,300	<-2.7> 2,200	2.6	<-23.1> 1,900	<-23.1> 1,900	1.7	<-11.3> 4,200	2.0	<-13.4> 4,100	2.1	
	Sub Total	<0.8> 31,606	<9.6> 23,732	29.5	<-18.7> 28,575	<4.1> 35,604	33.3	<-9.5> 60,181	32.1	<6.2> 59,336	31.7	<4.1> 32,900	<2.4> 24,300	29.0	<5.7> 30,200	<1.7> 36,200	32.0	<4.8> 63,100	30.8	<2.0> 60,500	30.7	
Window-related Products		<5.1> 4,454	<5.0> 4,423	5.5	<1.8> 4,619	<2.0> 4,645	4.3	<3.4> 9,073	4.8	<3.5> 9,068	4.8	<1.0> 4,500	<1.7> 4,500	5.4	<10.4> 5,100	<9.8> 5,100	4.5	<5.8> 9,600	4.7	<5.9> 9,600	4.9	
Exterior Fittings		<3.4> 2,496	<8.3> 2,454	3.0	<-10.0> 2,379	<3.0> 2,644	2.5	<-3.6> 4,875	2.6	<5.5> 5,098	2.7	<8.2> 2,700	<7.2> 2,630	3.1	<13.5> 2,700	<7.4> 2,840	2.5	<10.8> 5,400	2.6	<7.3> 5,470	2.8	
Others	Partitions	<4.8> 6,867	<2.7> 5,006	6.2	<-14.3> 5,634	<9.5> 8,143	7.6	<-4.8> 12,501	6.7	<6.8> 13,150	7.0	<13.6> 7,800	<11.9> 5,600	6.7	<36.7> 7,700	<6.8> 8,700	7.7	<24.0> 15,500	7.6	<8.7> 14,300	7.3	
	Stainless-Steel Entrances	<13.5> 3,677	<-2.5> 2,504	3.1	<4.6> 4,056	<8.0> 4,564	4.3	<8.6> 7,734	4.1	<4.1> 7,068	3.8	<14.2> 4,200	<7.8> 2,700	3.2	<8.5> 4,400	<0.8> 4,600	4.1	<11.2> 8,600	4.2	<3.3> 7,300	3.7	
	Aluminum Fronts	<27.6> 1,279	<43.4> 1,093	1.4	<-4.8> 1,307	<16.5> 1,456	1.4	<8.9> 2,587	1.4	<26.7> 2,550	1.4	<9.4> 1,400	<9.7> 1,200	1.4	<30.0> 1,700	<9.8> 1,600	1.4	<19.8> 3,100	1.5	<9.8> 2,800	1.4	
	Automatic door operators	<8.1> 1,586	<4.1> 1,360	1.7	<-2.7> 1,648	<3.5> 1,822	1.7	<2.3> 3,234	1.7	<3.8> 3,182	1.7	<7.1> 1,700	<15.4> 1,570	1.9	<21.3> 2,000	<9.8> 2,000	1.8	<14.4> 3,700	1.8	<12.2> 3,570	1.8	
	Others	2,529	3,170	3.9	2,385	2,648	2.5	4,914	2.6	5,819	3.1	2,900	3,000	3.6	3,600	3,460	3.1	6,500	3.2	6,460	3.3	
	Sub Total	<7.5> 15,940	<15.4> 13,135	16.3	<-8.5> 15,032	<6.1> 18,635	17.4	<-0.9> 30,972	16.5	<9.7> 31,771	17.0	<12.9> 18,000	<7.1> 14,070	16.8	<29.1> 19,400	<9.3> 20,360	18.0	<20.8> 37,400	18.2	<8.4> 34,430	17.5	
Total		<0.8> 95,067	<7.0> 80,519	100.0	<-6.3> 92,375	<5.8> 106,868	100.0	<-2.8> 187,443	100.0	<6.3> 187,388	100.0	<5.9> 100,700	<4.2> 83,900	100.0	<12.9> 104,300	<5.8> 113,100	100.0	<9.4> 205,000	100.0	<5.1> 197,000	100.0	
Commercial Building Materials		<-1.8> 58,907	<5.0> 45,369	56.3	<-12.5> 54,500	<4.5> 67,394	63.1	<-7.2> 113,408	60.5	<4.7> 112,763	60.2	<6.6> 62,800	<4.0> 47,200	56.3	<11.2> 60,600	<3.0> 69,400	61.4	<8.8> 123,400	60.2	<3.4> 116,600	59.2	
Shop-related Materials		<0.4> 11,769	<4.0> 11,426	14.2	<4.2> 11,944	<6.5> 12,329	11.5	<2.3> 23,713	12.7	<5.3> 23,756	12.7	<2.8> 12,100	<1.5> 11,600	13.8	<4.7> 12,500	<2.2> 12,600	11.1	<3.7> 24,600	12.0	<1.9> 24,200	12.3	
Residential Housing Materials		<3.2> 9,493	<4.5> 9,422	11.7	<-1.4> 9,764	<2.6> 10,073	9.4	<0.8> 19,258	10.3	<3.5> 19,495	10.4	<3.2> 9,800	<1.9> 9,600	11.4	<1.4> 9,900	<-0.7> 10,000	8.8	<2.3> 19,700	9.6	<0.5> 19,600	9.9	
Maintenance & Repair		<12.4> 13,219	<9.4> 12,179	15.1	<11.5> 14,549	<14.3> 15,128	14.2	<11.9> 27,769	14.8	<12.1> 27,307	14.6	<6.7> 14,100	<12.5> 13,700	16.3	<27.8> 18,600	<21.6> 18,400	16.3	<17.8> 32,700	16.0	<17.6> 32,100	16.3	
Others		1,677	2,121	2.6	1,617	1,943	1.8	3,294	1.8	4,065	2.2	1,900	1,800	2.1	2,700	2,700	2.4	4,600	2.2	4,500	2.3	
		Amount			Amount			Y/Y			Amount			Amount			Y/Y					
Outstanding Order Backlog		110,804			96,358			553			113,158			104,358			8,000					
Work-in-process		21,326			16,439			500			23,100			17,600			1,160					

1) < > = % year on year 2) Outstanding Order Backlog = Unordered, unpurchased and work-in-process

4. USA : Net Sales by products (ODC)

USDk, <△%yoy>

		FY2017						FY2018(F)					
		1H		2H		Full Year		1H		2H		Full Year	
			%to total		%to total		%to total		%to total		%to total		%to total
Sales breakdown by Products													
	Door	<8.2> 271,481	57.2	<10.3> 315,480	59.3	<9.3> 586,961	58.3	<8.5> 294,500	57.7	<5.4> 332,600	59.1	<6.8> 627,100	58.4
	Install & Service	<1.6> 58,624	12.4	<-0.5> 65,047	12.2	<0.5> 123,671	12.3	<6.1> 62,200	12.2	<11.2> 72,300	12.8	<8.8> 134,500	12.5
	Operator	<10.5> 88,134	18.6	<7.4> 95,313	17.9	<8.8> 183,447	18.2	<2.7> 90,500	17.7	<3.1> 98,300	17.5	<2.9> 188,800	17.6
	Automatic Door	<-1.8> 38,786	8.2	<-3.0> 43,030	8.1	<-2.4> 81,816	8.1	<18.6> 46,000	9.0	<3.0> 44,300	7.9	<10.4> 90,300	8.4
	Truck & Trailer Door	<-9.1> 17,477	3.7	<-17.2> 13,547	2.5	<-12.8> 31,024	3.1	<-3.9> 16,800	3.3	<14.4> 15,500	2.8	<4.1> 32,300	3.0
Net Sales		<6.1> 474,502	100.0	<6.3> 532,417	100.0	<6.2> 1,006,919	100.0	<7.5> 510,000	100.0	<5.7> 563,000	100.0	<6.6> 1,073,000	100.0
Operating Income		<24.2> 27,621	5.8	<2.9> 50,726	9.5	<9.5> 78,348	7.8	<12.2> 31,000	6.1	<8.4> 55,000	9.8	<9.8> 86,000	8.0
Current Income		<22.0> 26,180	5.5	<5.2> 49,153	9.2	<10.5> 75,333	7.5	<7.0> 28,000	5.5	<7.8> 53,000	9.4	<7.5> 81,000	7.5
Net Income attributable to owners of the parent		<21.4> 16,841	3.5	<-6.5> 28,461	5.3	<2.2> 45,303	4.5	<24.7> 21,000	4.1	<40.5> 40,000	7.1	<34.6> 61,000	5.7

5. Europe : Net Sales by products (NF)

EURk, <Δ%yoy>

		FY2017						FY2018(F)					
		1H		2H		Full Year		1H		2H		Full Year	
			%to total		%to total		%to total		%to total		%to total		%to total
Sales breakdown by Products													
	Hinge Door	<3.3> 69,381	28.0	<8.6> 73,431	28.0	<6.0> 142,812	28.0	<5.2> 73,000	27.0	<7.7> 79,100	27.9	<6.5> 152,100	27.5
	Garage Door	<23.6> 77,364	31.2	<23.4> 78,918	30.1	<23.5> 156,282	30.6	<3.9> 80,400	29.8	<5.6> 83,300	29.3	<4.7> 163,700	29.5
	Industrial Door	<26.4> 101,415	40.9	<8.6> 110,125	42.0	<16.5> 211,540	41.4	<15.0> 116,600	43.2	<10.4> 121,600	42.8	<12.6> 238,200	43.0
Net Sales		<18.2> 248,160	100.0	<12.7> 262,474	100.0	<15.3> 510,634	100.0	<8.8> 270,000	100.0	<8.2> 284,000	100.0	<8.5> 554,000	100.0
Operating Income		<6.9> 7,571	3.1	<36.8> 15,114	5.8	<25.1> 22,686	4.4	<18.9> 9,000	3.3	<25.7> 19,000	6.7	<23.4> 28,000	5.1
Current Income		<11.7> 6,710	2.7	<43.1> 14,369	5.5	<31.3> 21,079	4.1	<26.7> 8,500	3.1	<28.7> 18,500	6.5	<28.1> 27,000	4.9
Net Income attributable to owners of the parent		<229.0> 6,402	2.6	<55.5> 9,983	3.8	<95.9> 16,385	3.2	<-9.4> 5,800	2.1	<12.2> 11,200	3.9	<3.7> 17,000	3.1

6. Key Figures & Ratios

Key Figures & Ratios (Consolidated)		FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast
Net Sales	(JPYm)	248,214	265,913	311,957	339,045	365,615	353,922	385,673	407,000
Operating Income	(JPYm)	8,855	14,174	20,649	26,334	26,870	26,440	28,322	31,500
Net Income	(JPYm)	3,297	7,182	10,161	12,857	14,627	17,070	18,280	20,600
Operating Income Ratio	(JPYm)	3.6%	5.3%	6.6%	7.8%	7.3%	7.5%	7.3%	7.7%
ROE : Net Income attributable to owners of		3.8%	7.9%	9.6%	10.7%	11.4%	12.7%	12.7%	13.3%
Shareholders' Equity Ratio (term end)		37.7%	40.1%	40.4%	39.1%	41.7%	43.0%	45.2%	47.1%
Net Assets (term end)	(JPYm)	85,522	97,134	113,956	126,748	130,334	139,906	151,121	159,819
Total Assets (term end)	(JPYm)	226,579	241,771	281,917	323,327	310,269	323,393	331,686	337,000
Interest Bearing Liabilities (term end)	(JPYm)	61,607	60,799	69,153	88,484	70,798	74,739	65,945	63,166
Debt-Equity Ratio:	(times)	0.72	0.63	0.61	0.70	0.54	0.53	0.44	0.40
Interest Bearing Liabilities / Shareholders' Equity									
SVA(Sanwa Value Added)	(JPYm)	-1,201	1,870	5,410	7,770	8,290	8,057	9,026	10,346
EPS : Earnings per share	(JPY)	13.7	29.9	42.4	54.1	63.1	74.6	80.9	91.6
Number of shares issued (term avg.)	(K shares)	240,306	239,961	239,768	237,694	231,923	228,782	225,761	224,980

*SVA refers to Sanwa's original indicator, following EVA concept.

7. Capital Expenditure & Depreciation

JPYm

	FY2016		FY2017		FY2018(F)	
	1H	Full Year	1H	Full Year	1H	Full Year
Capital Expenditures	3,067	8,096	4,248	11,383	5,942	12,368
Sanwa Holdings	240	723	805	2,221	134	393
Sanwa Shutter	748	2,616	1,231	2,705	1,389	3,224
Japanese Subsidiaries	81	124	97	653	133	285
Forex rate	111.80	109.44	112.14	112.04	105.00	105.00
<USD k>	<\$11,475>	<\$22,818>	<\$13,923>	<\$30,154>	<\$23,076>	<\$41,523>
ODC (U.S.A.)	1,282	2,497	1,561	3,378	2,423	4,360
Forex rate	124.36	120.63	122.22	127.22	130.00	130.00
<EUR k>	<€5,733>	<€17,699>	<€4,526>	<€19,058>	<€14,330>	<€31,584>
Novoform (Europe)	712	2,135	553	2,424	1,862	4,105
Depreciation & Amortization	4,211	8,622	4,373	9,225	4,811	9,978
Sanwa Holdings	236	479	230	474	250	502
Sanwa Shutter	858	1,848	778	1,758	964	2,134
Japanese Subsidiaries	96	206	107	230	131	279
<\$13,727>	<\$27,915>	<\$14,145>	<\$28,791>	<\$14,646>	<\$30,800>	
ODC (U.S.A.)	1,534	3,055	1,586	3,225	1,537	3,234
<€6,604>	<€14,097>	<€7,305>	<€15,198>	<€8,401>	<€17,650>	
Novoform (Europe)	821	1,700	892	1,933	1,092	2,294
<EUR k>						
Amortization of goodwill	664	1,332	777	1,603	836	1,534
Property, Plant and Equipment	2,500	5,150	2,631	5,581	2,944	6,220
Sanwa Holdings	235	477	229	472	249	500
Sanwa Shutter	510	1,133	541	1,260	690	1,497
Japanese Subsidiaries	73	160	84	182	106	230
<\$9,313>	<\$18,912>	<\$9,608>	<\$19,621>	<\$9,956>	<\$21,000>	
ODC (U.S.A.)	1,041	2,069	1,077	2,198	1,045	2,205
<€5,143>	<€10,853>	<€5,717>	<€11,534>	<€6,561>	<€13,750>	
Novoform (Europe)	639	1,309	698	1,467	852	1,787
Intangibles	1,711	3,472	1,741	3,643	1,866	3,757
Sanwa Holdings	0	1	0	1	0	1
Sanwa Shutter	347	715	236	498	274	637
Japanese Subsidiaries	23	46	23	47	24	49
<\$4,414>	<\$9,003>	<\$4,537>	<\$9,169>	<\$4,690>	<\$9,800>	
ODC (U.S.A.)	493	985	508	1,027	492	1,029
<€1,461>	<€3,244>	<€1,588>	<€3,663>	<€1,840>	<€3,900>	
Novoform (Europe)	181	391	194	466	239	507
Amortization of goodwill	664	1,332	777	1,603	836	1,534



– Supply of Partitions to Western Japan – New Osaka Plant of Sanwa System Wall



Sanwa System Wall (a consolidated subsidiary since April 2017) built a new Osaka plant as a new partition production base.

It will help to improve production and distribution efficiency by manufacturing school partitions, aluminum partitions, toilet booths and other products, and serving as the Sanwa Group's base for supplying partition products to western Japan.



–Reducing Redelivery Problem of Home Delivery – Launched Delivery Box “Orusuban Box ” for Detached Houses



Sanwa Shutter and Tajima Metalwork launched “Orusuban Box”, a delivery box for detached houses, in February.

A delivery box that allows packages to be received even if nobody is home, it features (1) large capacity, (2) simple operation, and (3) safety and security functions.



– Established in 1918: A Pioneer of Metal Products for Buildings – 100th Anniversary of Sanwa Tajima



Statue of Hirobumi Ito created in 1936 and installed in front of the Diet Building (photo taken at former Tajima Junzo Seisakusho factory)



Sanwa Tajima Corporation, a leading brand of stainless steel products, will mark its 100th anniversary in June 2018. Established in 1918 as Tajima Junzo Seisakusho, Sanwa Tajima joined the Sanwa Group in 1999. It will continue to leave historic mark on various buildings while preserving its traditional values.



– Offering an Engine and Fixture Set Using the Group's Integrated Capabilities – Launch of Pedestrian Automatic Door Set That Meets the JISA 4722 Standard



Sanwa Shutter, Showa Front, Sanwa Tajima and Showa Kensan leveraged the integrated capabilities of the Sanwa Group to develop a pedestrian automatic door set that meets the JIS A 4722 standard, and launched it in February.

The set meets the JIS A 4722 standard, a safety standard for automatic doors established in March 2017. With automatic communication functions, measures to prevent pedestrians from getting pulled in or pinching their fingers in the door during operation, enhanced presence detection functions, and other features, this is Sanwa Shutter's safest automatic door yet.



—Enables Control by Smartphone — Launch of Integrated OHD Anywhere® System in Legacy® 920 Garage Door Openers



Overhead Door Corporation has launched OHD Anywhere®, a system that is fully integrated into its Legacy® 920 garage door openers. The system allows users to control the door with a smartphone, and greatly enhances security by keeping an operation log and enabling homeowners to check if the door is open or closed, among other features.



—Exhibit Sanwa Group's Garage doors & Sliding doors— Participate in Trade Show "VIETBUILD2018"



Vina-Sanwa participated in the annual traditional trade show of Construction industry "VIETBUILD2018", held in Hanoi, Vietnam from 28th Mar. to 1st Apr. 2018.

Vina-Sanwa displayed Garage doors and Sliding doors manufactured by Sanwa Shutter, ODC, and Novoferm.



—Enhance Service Operations for Industrial Doors in UK.— The Acquisition of *Bolton Gate Services Ltd.*



Novoferm Group has acquired the 100% shares of *Bolton Gate Services Ltd.* (BGS). The acquisition of BGS will enhance non-residential /industrial doors business further, through strengthened service network in UK.



—Exhibit Industrial doors, High-speed shutters, and Operators— Participate in Trade Show "R+T"



Alpha (Nederland) and Tormatic (Germany) participated in "R+T", the leading world trade show for roller shutters, and doors/gates etc., held in Stuttgart, Germany from 28th Feb. to 3rd Mar. 2018.

Alpha displayed Industrial doors & High-speed shutters and Tormatic displayed Operators.