

Presentation Materials

FY2018 Consolidated Results

Sanwa Global Vision 2020

Third Mid-Term Management Plan (2019-2020)

May 14, 2019



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.

Introduction

FY2018 Consolidated Results

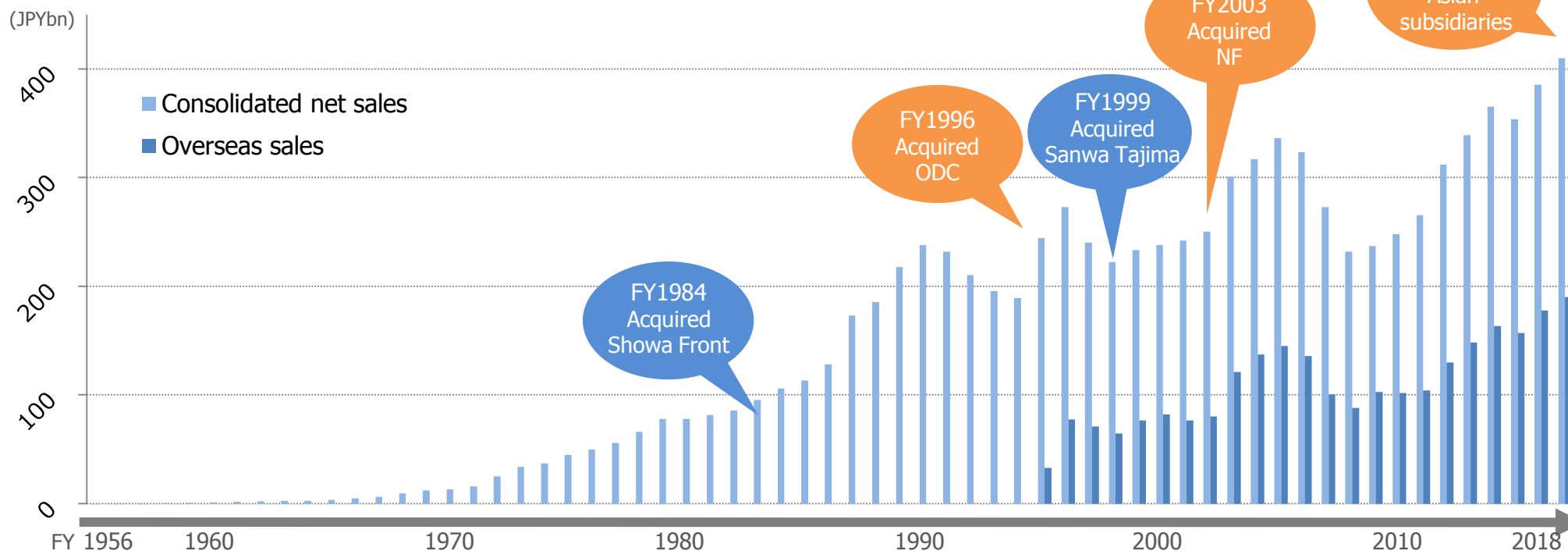
Mid-Term Management Plan

FY2019 Consolidated Forecast

1. The History of Sanwa Group's Value Creation



✓ The history of the Sanwa Group's growth is the history of multi-product sales initiatives and globalization.



Company established, entered shutter business

Entered door business, residential construction materials business and partition business

Entered aluminum store-front and automatic door businesses

Entered stainless steel fittings business and strengthened steel door and partition businesses

Enhanced disaster prevention products
Strengthened maintenance business including legal inspection

Non-shutter Sales Ratio*

FY1988
62.3 FY2018
75.8
%

Door Business Sales*

FY1988
38.3 FY2018
58.8
JPYbn

Partition Business Sales*

FY2008
5.4 FY2018
12.1
JPYbn

Maintenance & Service Business Sales*

FY2008
16.6 FY2018
31.6
JPYbn

Overseas sales ratio

FY1998
29.6 FY2018
46.4
%

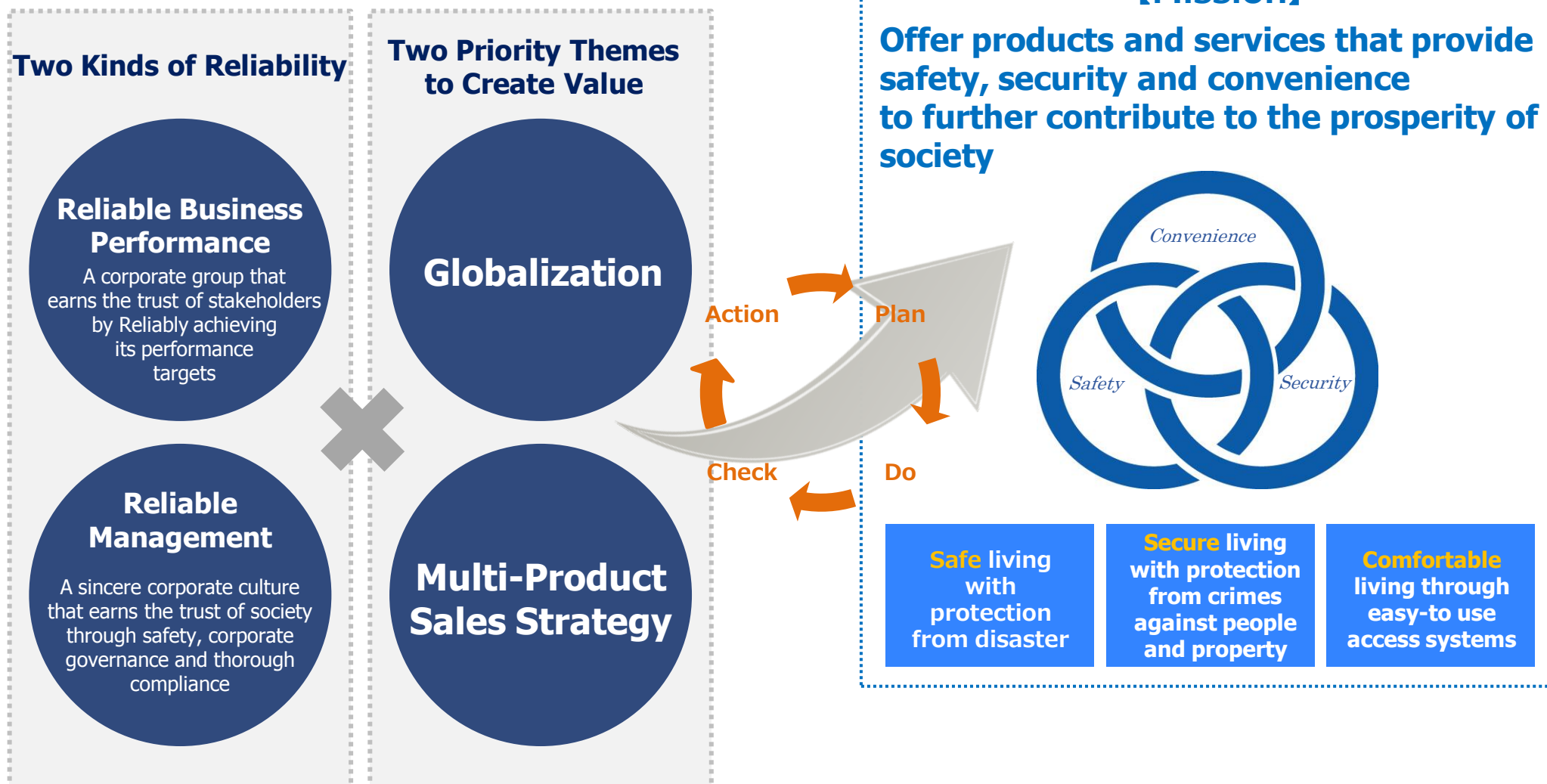
※Sanwa Shutter

2. Sanwa Group's Foundations for Growth



✓ Sanwa Group of Foundations for Growth

➡ Two Kinds of Reliability × Globalization & Multi-Product Sales Strategy × PDCA



3. Review of Second Three Year Plan (FY2016-2018)



Positioning: Three years to strengthen our competitiveness as a major global player

- ✓ Compared with the initial announcement, FY2018 operating income fell below the initial target of the Second Three-Year Plan, mainly due to higher-than-anticipated increases in steel prices and various costs in all areas, although net sales were as expected.
- ✓ However, compared with the First Three-Year Plan (FY2013 to FY2015), results grew substantially for all items, and net sales and operating income hit record highs. Corporate value also improved, and the Company has steadily strengthened its foundation as a major global player.

	First Three Year Plan	Second Three Year Plan (Target)	FY2018 Actual
Net Sales	¥365.6Bln	¥410.0Bln	¥410.0Bln
Operating Income	¥26.87Bln	¥37.00Bln	¥31.59Bln
Operating Income Ratio	7.3%	9.0%	7.7%
ROE	11.4%	※1 15.0%	13.5%
SVA	¥8.3Bln	※2 ¥12.8Bln	¥12.7Bln
Shareholders' Equity Ratio	41.7%	42.0%	47.4%
D/E ratio	0.54	0.40	0.38

【Reference】

※1 The cost of capital target is 8% ※2 Calculated at the weighted average cost of capital (WACC) of 6%, tax rate of 40% (FY2018 is 33%)
 ※Forex rate (Second Three Year Plan 1\$: ¥110.00, 1€ : ¥125.00) (FY2018 Actual 1\$: ¥110.36, 1€ : ¥130.01)

Aggregate
Market Value
(End of Term)

¥200.0Bln

¥310.0Bln

Increase
approx. ¥110.0Bln

Introduction

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4. FY2018 Business Results Highlight

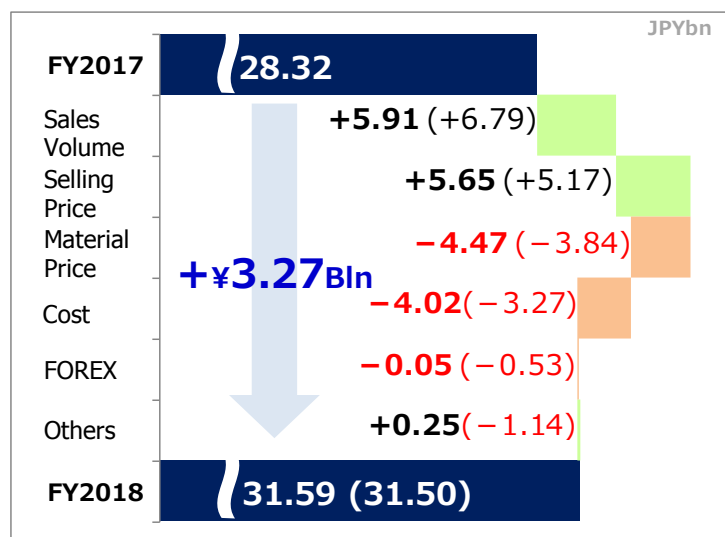


(JPYbn, %)						
《Consolidated Results》	FY2018 Actual	FY2018 Forecast	Variance vs. Revised F (amt)	FY2017 Actual	Variance vs. FY2017 (amt)	(%)
Net Sales	410.0 [410.2]	407.0	+3.0 [+3.2]	385.7	+24.3 [+24.5]	+6.3 [+6.4]
Operating Income	31.59 [31.64]	31.50	+0.09 [+0.14]	28.32	+3.27 [+3.32]	+11.5 [+11.7]
Ordinary Income	30.44 [30.48]	31.00	-0.56 [-0.52]	27.90	+2.54 [+2.58]	+9.1 [+9.3]
Net Income attributable to owners of the parent	20.91 [20.93]	20.60	+0.31 [+0.33]	18.28	+2.63 [+2.65]	+14.4 [+14.5]

[assumed forex rate same as FY2017]

ForexRate	2017	2018
1 USD	112.04	110.36
1 EUR	127.22	130.01

Operating income reconciliation(consolidated)



《Summary》

Net sales, operating income and net income met the targets of the full-year forecast, and hit record highs, including for current income.

Net sales

- Consolidated net sales were higher than FY2017 and forecast, **topping 400.0 billion yen for the first time.**
- Sales for Sanwa Shutter and NF (Europe) were higher than FY2017 and forecast, while sales for ODC (U.S.) and Japanese subsidiaries were higher than FY2017, but lower than forecast.

Ordinary income

- Consolidated operating income was higher than FY2017 and forecast, **topping 30.0 billion yen for the first time.**
- Although increases in raw material prices and various costs had a major impact, progress was made in passing these on to selling prices. Sales volume also contributed to income, although lower than forecast.

Ordinary income

- Consolidated current income was higher than FY2017, but lower than forecast.
- Non-operating profit/loss deteriorated by 0.73 billion yen due to poor results at equity-method affiliates.

Net Income attributable to owners of the parent

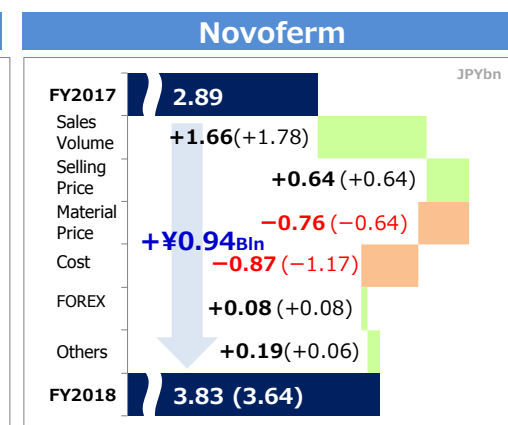
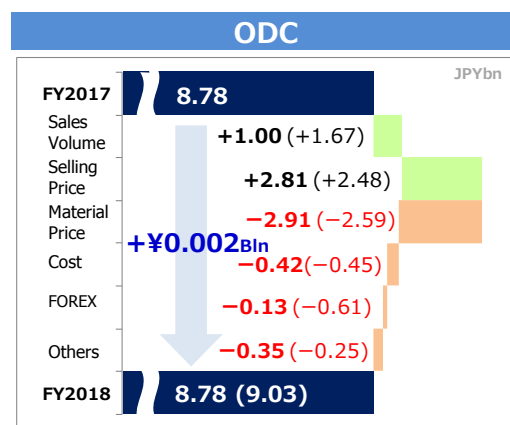
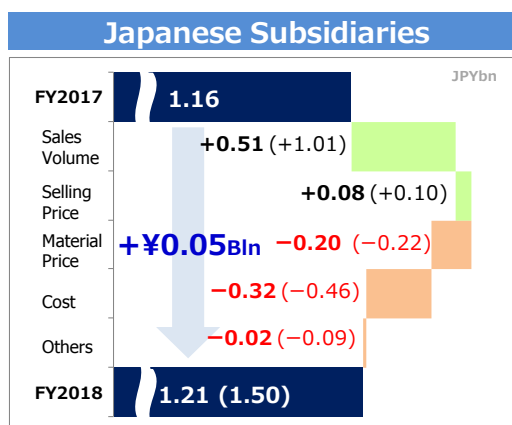
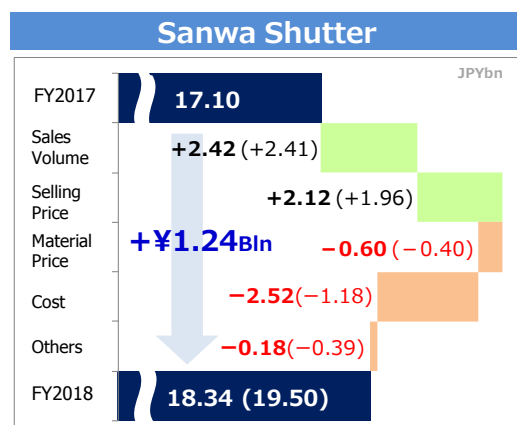
- Consolidated net income attributable to owners of the parent was higher than FY2017 and forecast, **topping 20.0 billion yen for the first time.**
- Extraordinary profit/loss deteriorated by 0.33 billion yen, but improved significantly compared with FY2017 due to substantial effects of lower income taxes, etc.

5. FY2018 Net Sales & Operating Income (By sector)



	【Net Sales】			【Operating Income】			(JPYbn, <i>USDm</i> , <i>EURm</i> , %)		
	FY2017	FY2018	Variance vs. FY2017 (%)	FY2017	Operating Income Ratio(%)	FY2018	Operating Income Ratio(%)	Variance vs. FY2017 (%)	
Sanwa Shutter	187.4	198.6	+6.0	17.10	9.1	18.34	9.2	+7.2	
Japanese Subsidiaries	32.5	35.4	+9.0	1.16	3.6	1.21	3.4	+4.6	
ODC (USA)	<i>\$1,007M</i> 112.8	<i>\$1,057M</i> 116.6	+4.9 +3.4	<i>\$ 78.3M</i> 8.78	7.8	<i>\$ 79.6M</i> 8.78	7.5	+1.6 +0.0	
NF (Europe)	<i>€511M</i> 65.0	<i>€565M</i> 73.5	+10.7 +13.1	<i>€22.7M</i> 2.89	4.4	<i>€29.5M</i> 3.83	5.2	+30.0 +32.9	
Consolidated	385.7	410.0	+6.3	28.32	7.3	31.59	7.7	+11.5	

ForexRate	2017	2018
1 USD	112.04	110.36
1 EUR	127.22	130.01



✓ Sales volume and price effects led to Higher income than LY, but results were lower than forecast, because various costs were higher than expected.

✓ Although income increased, Sanwa System Wall did not recover and were lower than forecast.

✓ Rising material costs were passed on to selling prices, but sales volume increase was lower than forecast so the results remained flat year on year. Maintained income increase on the dollar basis.

✓ Results were higher than forecast due to cost control, etc.

Introduction

FY2018 Consolidated Results

Mid-Term Management Plan

FY2019 Consolidated Forecast

6. Positioning of Third Mid-Term Management Plan



Sanwa Global Vision2020



To offer products and services that provide safety, security and convenience as a major global player in the access systems industry.

2013

2016

2019

2020

7. Business and External Environment Surrounding the Company

■ Business Environment Surrounding the Company

	Third Mid-Term Management Plan (until FY2020)	After FY2020
Japanese Market	Tight labor supply-demand balance and soaring labor costs due to aging society, declining birth rate and shrinking population	
	Maintained a level of construction investment due to continuing demand for office reconstruction, growth in e-commerce, and an increase in foreign tourists	
		Uncertainty about market after 2020 Tokyo Olympics & Paralympics and expectations for Osaka Expo 2025
Overseas Market	Short-term adjustments are expected in the residential and non-residential construction markets in the U.S., while the trend is for stable growth	
	Maintained moderate growth in Europe, mainly in Germany, despite wide variations among regions	
	High growth is expected to continue in Asia, mainly in China, and the relative position of the Asia Business has improved	
World's Markets	Advancing digitalization, acceleration of AI and IoT throughout the world	
	Frequent trade friction due to rise of populism worldwide	
		Increase in business opportunities and risks owing to climate change

■ External Environment

			2016		2017		2018		2019		2020	
									Forecast		Forecast	
Japan	Housing Starts	k units	974	5.8%	946	-2.8%	953	0.7%	925	-2.9%	916	-1.0%
	Non-res construction areas	k m ²	45,299	2.7%	47,293	4.4%	46,037	-2.7%	46,037	0.0%	46,497	1.0%
	Private-sector capital investment	JPY bn	80,744	-0.5%	84,444	4.6%	87,399	3.5%	89,235	2.1%	90,930	1.9%
USA	Housing starts	k units	1,174	5.6%	1,203	2.5%	1,250	3.9%	1,250	0.0%	1,260	0.8%
	Existing Home Sales	k units	5,450	3.8%	5,510	1.1%	5,340	-3.1%	5,300	-0.7%	5,460	3.0%
	Capital investment	USD bn	2,411	0.5%	2,538	5.3%	2,714	6.9%	2,844	4.8%	2,972	4.5%
EU	Housing completions(4 countries)	EUR m	392,649	4.1%	407,082	3.7%	413,823	1.7%	415,739	0.5%	416,474	0.2%
	Non-res investment(4 countries)	EUR m	217,066	1.2%	220,979	1.8%	225,802	2.2%	228,729	1.3%	231,320	1.1%
Germany	Housing completions	EUR m	180,901	3.8%	185,732	2.7%	188,007	1.2%	188,741	0.4%	187,716	-0.5%
	Non-res investment	EUR m	84,198	0.5%	85,019	1.0%	85,780	0.9%	85,097	-0.8%	84,169	-1.1%

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

※Ref:(JPN) MLIT Apr 2019, R.I.C.E. Apr 2019, (US) Blue Chip Economic Indicators Mar 2019, National Association of Realtors Apr 2019, (EU)Euroconstruct June 2018.

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

8. Numerical Target 1/2



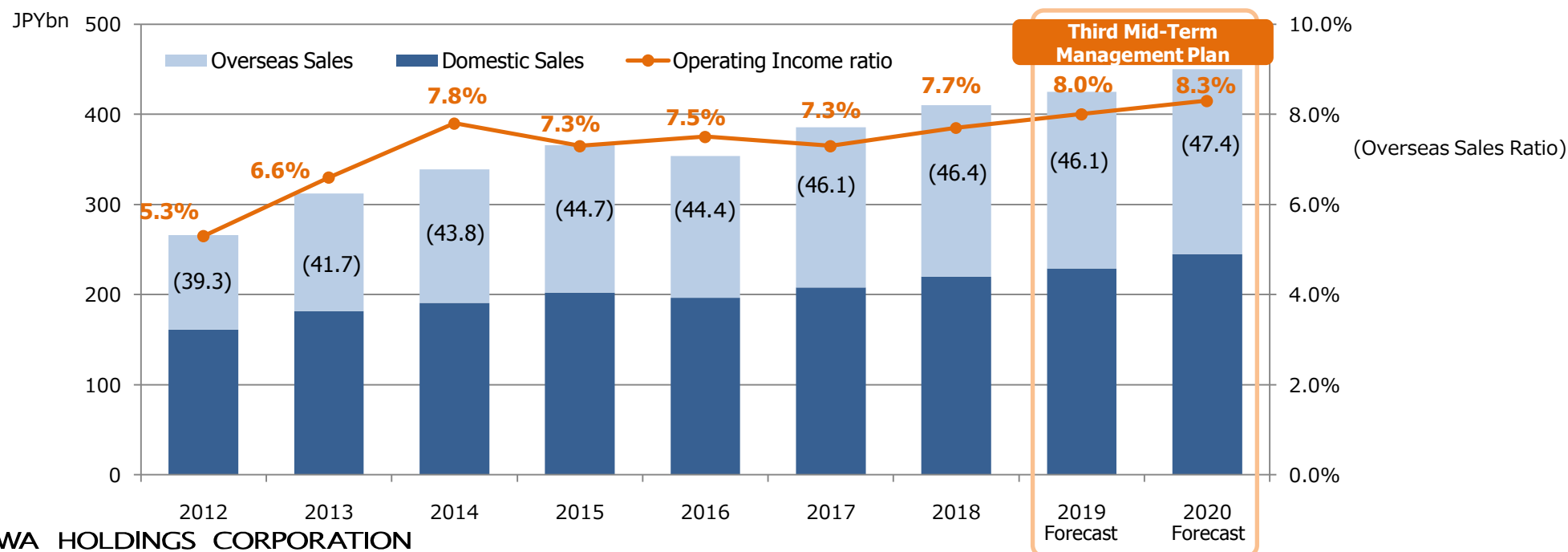
- ✓ Continue record highs in net sales and incomes, and operating income ratio in the 8% range
- ✓ Steadily improve SVA and ROE, and accumulation of corporate value is expected

	FY2018 (Actual)	FY2020 (Forecast)	Variance vs. FY2018
Net Sales	¥410.0Bln	¥450.0Bln	+9.8%
Operating Income	¥31.59Bln	¥37.50Bln	+18.7%
Operating Income Ratio	7.7%	8.3%	+0.6%
SVA	¥12.7Bln	※1 ¥15.9Bln	+¥3.2Bln
ROE	13.5%	※2 14.1%	+0.6%

ForexRate	2018	2020(F)
1 USD	110.36	105.00
1 EUR	130.01	120.00

※1 Calculated at the weighted average cost of capital (WACC) of 6%, tax rate of 40% (FY2018 is 33%)

※2 The cost of capital target is 8%



8. Numerical Target 2/2



【Net Sales】

【Operating Income】

(JPYbn, *USDm*, *EURm*, %)

	FY2018	FY2020	Variance vs.FY2018 (%)		FY2018	Operating Income Ratio(%)	FY2020	Operating Income Ratio(%)	Variance vs.FY2018 (%)
Sanwa Shutter	198.6	213.7	+7.6		18.34	9.2	21.50	10.1	+17.2
Japanese Subsidiaries	35.4	46.3	+30.9		1.21	3.4	2.72	5.9	+123.6
ODC (USA)	<i>\$1,057M</i> 116.6	<i>\$1,183M</i> 124.2	<i>+12.0</i> +6.5		<i>\$79.6M</i> 8.78	7.5	<i>\$99.5M</i> 10.45	8.4	<i>+25.1</i> +19.0
NF (Europe)	<i>€565M</i> 73.5	<i>€612M</i> 73.4	<i>+8.3</i> -0.1		<i>€29.5M</i> 3.83	5.2	<i>€36.0M</i> 4.32	5.9	<i>+22.1</i> +12.8
China & Asia	-	7.3	-		-	-	0.34	4.7	-
Consolidated	410.0	450.0	+9.8		31.59	7.7	37.50	8.3	+18.7

ForexRate	2018	2020(F)
1 USD	110.36	105.00
1 EUR	130.01	120.00

Two years to establish the foundation for becoming the top brand as a major global player

【Basic Strategies】

Core Business

1. Expand and strengthen business areas in core businesses
in Japan, the U.S. and Europe

Growing Business

2. Strengthen service segments and expand business model
3. Enhance operation bases of China Business and Asia Business

Reinforcing business base

4. Reform work styles and improve productivity
5. Promote ESG to develop a corporate structure that is more trusted by society

Japan

1. Grow as an access system company by establishing position in each business field

Core Business	Promotion of customer strategy, unrivalled product appeal
Growing Business	Strategy to defeat rival manufacturers in competition for market share
Japanese Group	Strengthening of synergies through cooperation, business optimization of Group companies in Japan
Maintenance & Service Business	Taking advantage of periodic inspection reporting system for fire prevention equipment to expand repair and maintenance businesses

2. Strengthen the structure for business expansion



10. Basic Strategies ① : Expand and strengthen business areas in core businesses 2/3



USA

ODC : Strengthening core business segments while entering adjacent business fields

Existing Businesses

Gain share in the residential and commercial door markets by improving quality and maximizing customer satisfaction

Reinforce sales channels including addition of resources in major metropolitan areas

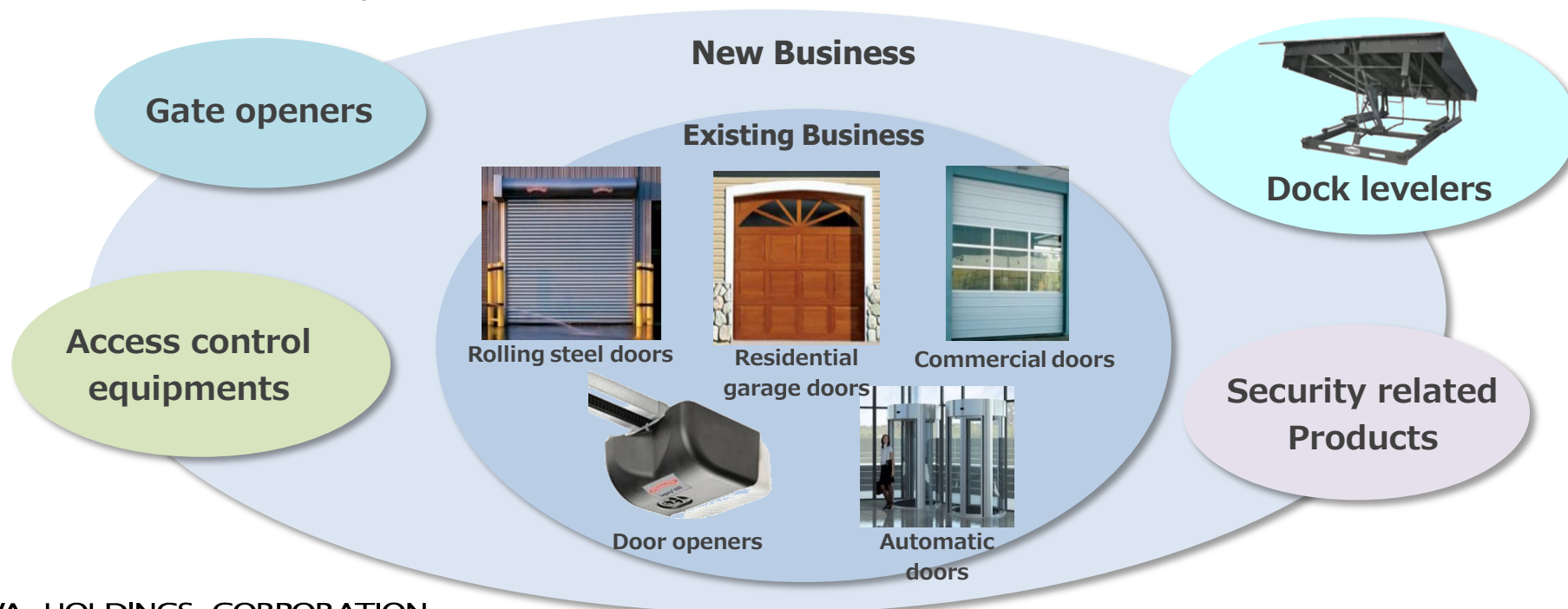
Implement the West Coast strategy in manufacturing and sales

Restructuring of the forward integration strategy

New Businesses

Expand access controls business into offering security related equipments

Enter peripheral business fields



Europe

NF : Further strengthen industrial segment and promote digitalization through NF4.0

Industrial business	Expand sales as a total solution provider
Hinge door business	Expand sales throughout Europe by enhancing product lineup
Garage door business	Increase market share throughout Europe by strengthening brand power and expanding sales channels
Reform operational processes	Promote digitalization in processes, including sales, service, production and logistics

✓ Strengthen the industrial overhead sliding door business

- Completed out expansion at the Alpha Deuren plant (Netherlands)
(Extended by 18,000 m² to total building area of 53,000 m²)
- Production started in the first quarter of 2019
- Roughly doubled the yearly production capacity



New office building



The extension part

✓ Strengthen the dock leveler business

- Expand NF Door (Poland) facilities step by step followed by robust demand, and promote multi-product sales initiatives as a total solution provider of industrial products



Dock leveler manufacturing line

10. Basic Strategies ② : Strengthen service segments and expand business model

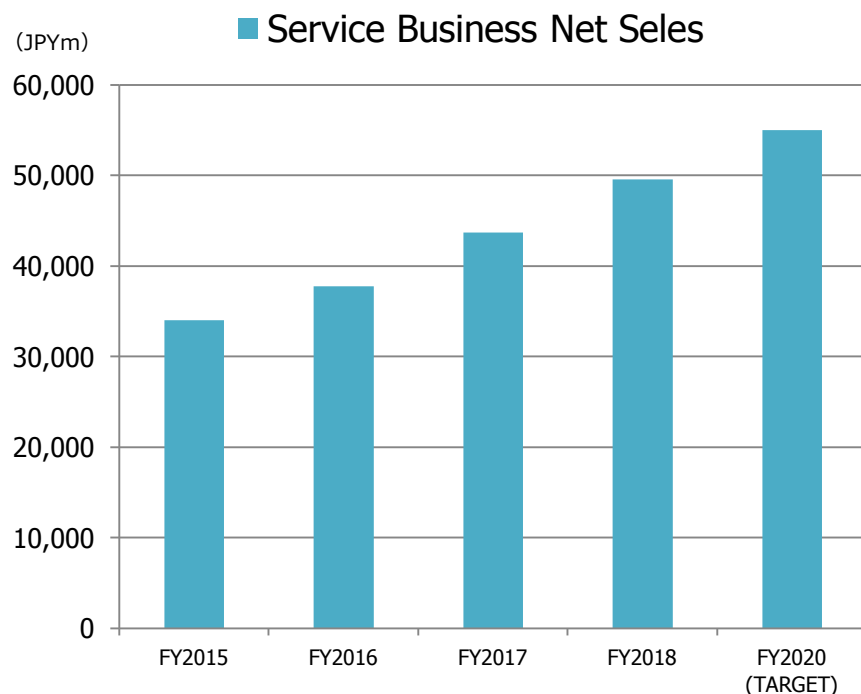


Service Business

- ✓ Providing service businesses that meet the needs of customers in various regions
- ✓ Cultivating new customers and expanding the business model

	FY2015	FY2018	FY2020 (Target)
Consolidated Service Business Net Seles	¥32.5Bln	¥49.0Bln	¥55.0Bln (vs. FY2018 +12.2%)

※Not including Asia



	Initiatives
Japan	■ Increase market share of legal inspection ■ Expand general repair and service businesses
ODC (USA)	■ Expand direct sales businesses of direct sales divisions, such as CDS ■ Introduce the field service system
NF (Europe)	■ Expand businesses centered on the industrial door business ■ Introduce the field service system

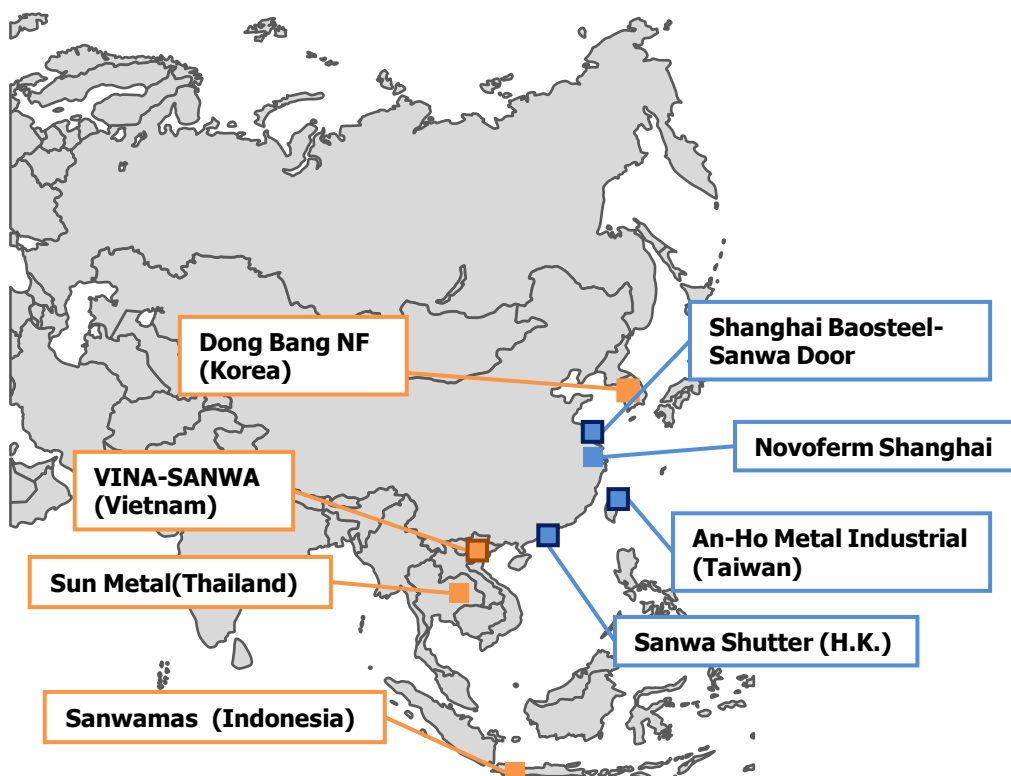
10. Basic Strategies ③ : Enhance bases of China and Asia Business



China/Asia

Strengthen integrated operations at Group companies and expand businesses under consolidation

✓Start financial consolidation of China Business (BaoSteel-Sanwa, An-Ho Metal, Sanwa Shutter (H.K.)) and Asia Business (Vina-Sanwa) starting in FY2019



China Business

BaoSteel-Sanwa, NF Shanghai, An-Ho Metal, Sanwa Shutter(H.K.)

- Integrate operations in the Eastern China, where BaoSteel-Sanwa and NF Shanghai are located
 - Strengthen the door business and businesses for logistics facilities
- Expand businesses in the Southern China
 - Strengthen collaboration with Sanwa Shutter (H.K.) and BaoSteel-Sanwa
- Expand the Taiwan business
 - Boost production capacity

FY2020 Chinese Business (Consolidated)
 •Net Sales : ¥5.6 Bln
 •Operating Income : ¥0.3 Bln

Asia Business

VINA-SANWA, Sanwamas, Dongbang NF

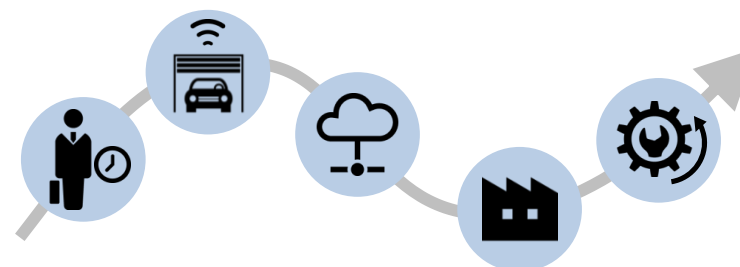
- Enhance operation basis of production and installation
 - Increase production capacity and implement measures to strengthen installation capacity at Vina-Sanwa
 - Reinforce production facilities at SANWAMAS
 - Optimize production at ASEAN areas

FY2020 Asian Business (Consolidated)
 •Net Sales : ¥ 1.7 Bln
 •Operating Income : ¥ 0.04 Bln

10. Basic Strategies ④ : Reform work styles and improve productivity



Improve productivity through work-style reforms and enhanced operational efficiency using latest information systems, such as AI and IoT, in all processes from sales, to design, manufacturing, installation, maintenance and management.



Japan

- Optimize businesses of Group companies in Japan
Collaborate on sales systems
Improve operational efficiency through use of IT, etc.
- Improve installation productivity by enhancing ease of installation
Develop labor-saving products and products that can be installed quickly
- Improve productivity by strengthening the manufacturing system
Strengthen plant supply capabilities and improve quality
Enhance prompt delivery by building the logistics system
- Reduce long work hours through work-style reforms, improve efficiency through IoT and RPA



ODC (USA)

- Achieve operational innovation by introducing ERP
- Improve productivity by introducing the field service system
- ASD (door division): Improve production capacity and quality by promoting automated production
- Automatic doors: Improve productivity and quality

Novoform (Europe)

- Continue to improve operational efficiency through NF3.0
- Reform operational processes through NF4.0 (digitalization)
- Consolidate U.K. businesses (BGS, NFUK)
- Optimize dock leveler production and supply chains, etc.
- Strengthen production capacity of industrial door plants

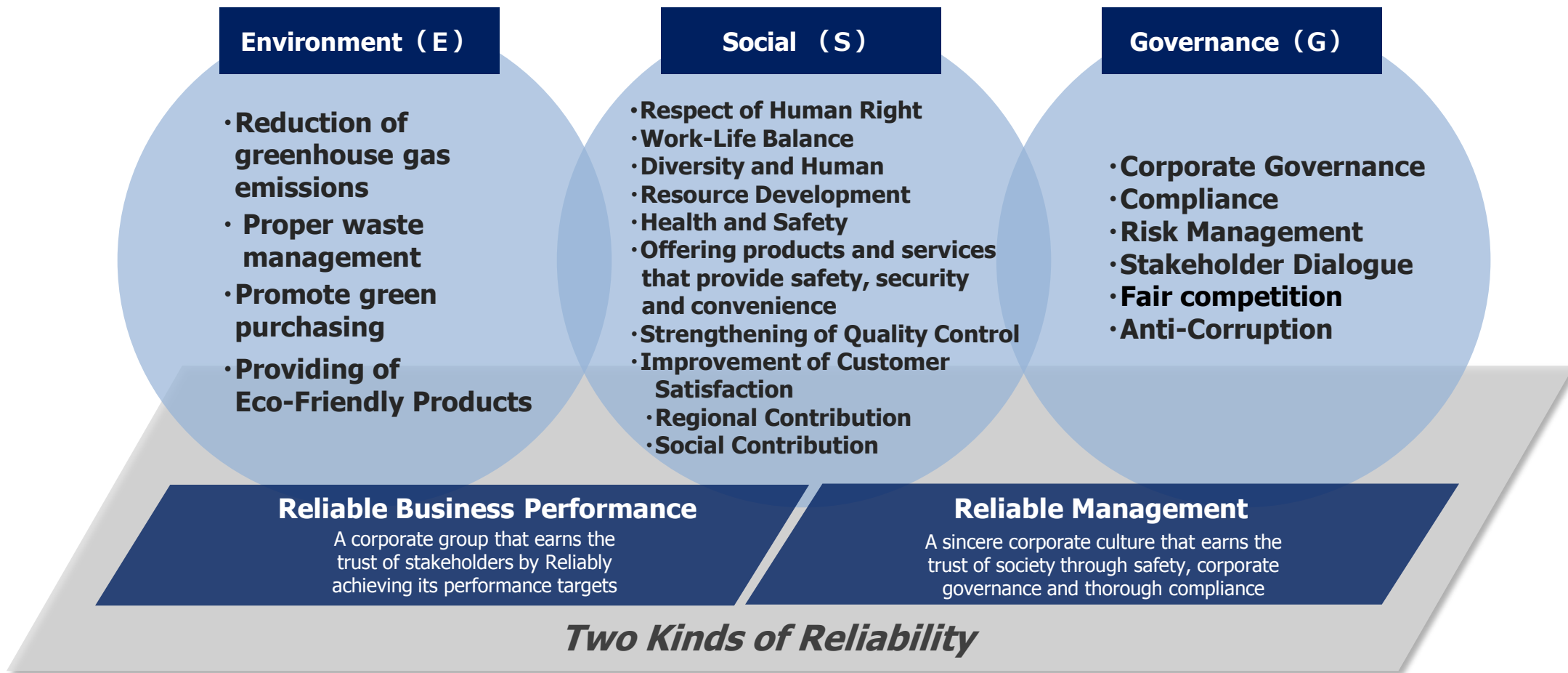
China / Asia

- Support for cooperation between two companies in Shanghai (BaoSteel-Sanwa and NF Shanghai) through Sanwa Shanghai (regional control company)
- Rebuild production and supply systems in each area

10. Basic Strategies ⑤ Promote ESG to develop a corporate structure that is more trusted by society



✓ Increase Sanwa's "two kinds of reliability" through cooperation among all divisions to promote important ESG issues, and link this to sustainable growth into the future



11. Financial Strategy



Key Figures	FY2018 Actual	FY2020 Forecast
SVA (Effective corporate tax rate : 33%)	¥12.7Bln	¥15.9Bln
ROIC (WACC : 6%)	15.0%	16.4%
※The amount of improvement in corporate value is confirmed by SVA, and the ratio of improvement by ROIC.		
ROE (Cost of capital : 8%)	13.5%	14.1%
Payout Ratio	34.4%	Around 35%
FCF (Before strategic investment allocation)	¥18.2Bln	¥28.0Bln
D/E Ratio	0.38	0.35
Shareholders' Equity Ratio	47.4%	47.8%

SVA = Net operating profit after tax
- Invested capital × WACC

ROIC = Net operating profit after tax
/ Invested capital × 100

Both indicators are expected to grow steadily during this mid-term management plan, and corporate value is expected to increase as well.

ROE targets will be achieved by improving the profit ratio.

Total payout target ratio is not set.

Priority on allocating free cash flow to strategic investments.

Debt-Equity Ratio and Shareholders' Equity Ratio are expected to remain at adequately safe levels, considering the status of ratings and interest rates.

Cash Flow Allocation

■ Shareholder returns

• FY2018 year-end dividend was ¥16 as initially forecasted, and the annual dividend was ¥32.

• FY2019 dividend (forecast)

The Company expects to increase the annual dividend by ¥2 to ¥34 based on the net income forecast.

※Payout ratio: target of 35%

• Share buybacks are carried out flexibly, taking into consideration of cash position, after the first priority needs of strategic investment.

■ Strategic investment (capital investment in M&A and growth)

• The Company expects to allocate approximately 30.0 billion yen over two years for capital investment and M&A, mainly in growth areas where promotion of multi-product sales initiatives and synergy effects are anticipated.

■ Capital investment (investment to maintain existing businesses)

• Approximately 9.0 billion yen over two years (in principle, at the same level as depreciation)

• Address aging and renewal of various plant facilities

Introduction

FY2018 Consolidated Results

Mid-Term Management Plan

FY2019 Consolidated Forecast

12. FY2019 Forecast Highlight

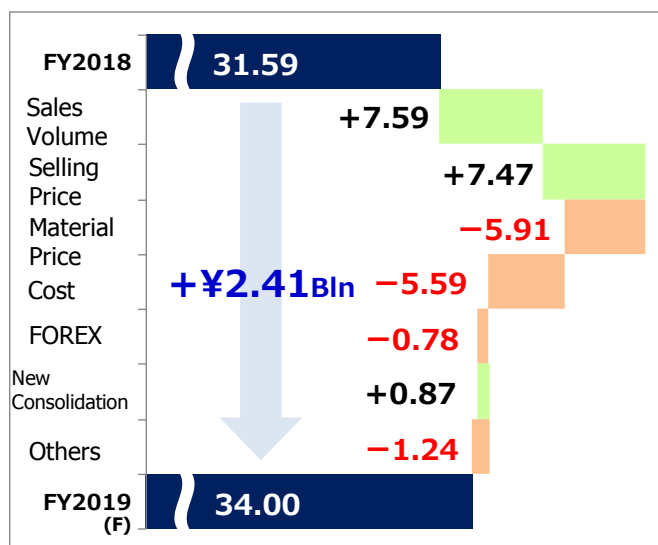


《Consolidated Forecast》	(JPYbn, %)					
	FY2019 Forecast	1H	2H	FY2018 Actual	Variance vs. FY2018 (amt)	Variance vs. FY2018 (%)
Net Sales	425.0 [436.9]	190.0	235.0	410.0	+15.0 [+26.9]	+3.7 [+6.6]
Operating Income	34.00 [34.78]	10.00	24.00	31.59	+2.41 [+3.19]	+7.6 [+10.1]
Ordinary Income	33.00 [33.74]	9.60	23.40	30.44	+2.56 [+3.30]	+8.4 [+10.8]
Net Income attributable to owners of the parent	22.00 [22.54]	6.10	15.90	20.91	+1.09 [+1.63]	+5.2 [+7.8]

【assumed forex rate same as FY2018】

ForexRate	2018	2019(F)
1 USD	110.36	105.00
1 EUR	130.01	120.00

Operating income reconciliation(consolidated)



《Summary》

Both net sales and profits expected again to hit a record.

Net sales

- Expected to increase in all areas (Japan, the U.S. and Europe) driven by continuing sales growth.
- Net sales from newly consolidated subsidiaries in Japan (four companies) and subsidiaries in China and Asia (four companies) are expected to be approximately 7.2 billion yen after internal offsetting.

Operating income

- Expected to increase driven by a significant sales volume increase and price effects in all sectors, absorbing material cost increases in Europe and the U.S. and various cost increases in Japan.
- Effect of new consolidation is expected to be approximately 0.87 billion yen.

Current income

- Expected to increase by 2.56 billion yen driven by an increase in operating income as well as significant improvement of equity-method affiliates.

Net Income attributable to owners of the parent

- Expected to increase by 1.09 billion yen, reflecting factors including an increase in current income as well as a 0.11 billion yen decrease of extraordinary losses to approximately 0.5 billion yen.

13. FY2019 Forecast Net Sales & Operating Income (By sector)



	【Net Sales】			【Operating Income】		(JPYbn、 <i>USDm</i> 、 <i>EURm</i> 、%)		
	FY2018	FY2019	Variance vs. FY2018 (%)	FY2018	Operating Income Ratio(%)	FY2019	Operating Income Ratio(%)	Variance vs. FY2018 (%)
Sanwa Shutter	198.6	208.0	+4.7	18.34	9.2	20.20	9.7	+10.1
Japanese Subsidiaries	35.4	43.5	+22.9	1.21	3.4	2.42	5.6	+98.9
ODC (USA)	<i>\$1,057M</i>	<i>\$1,132M</i>	<i>+7.1</i>	<i>\$79.6M</i>	7.5	<i>\$89.0M</i>	7.9	<i>+11.9</i>
	116.6	118.9	+1.9	8.78		9.35		+6.4
NF (Europe)	<i>€565M</i>	<i>€585M</i>	<i>+3.5</i>	<i>€29.5M</i>	5.2	<i>€30.0M</i>	5.1	<i>+1.7</i>
	73.5	70.2	▲4.4	3.83		3.60		▲6.1
China／Asia	-	7.0	-	-	-	0.27	3.8	-
Consolidated	410.0	425.0	+3.7	31.59	7.7	34.00	8.0	+7.6

■ New Consolidation in FY2019

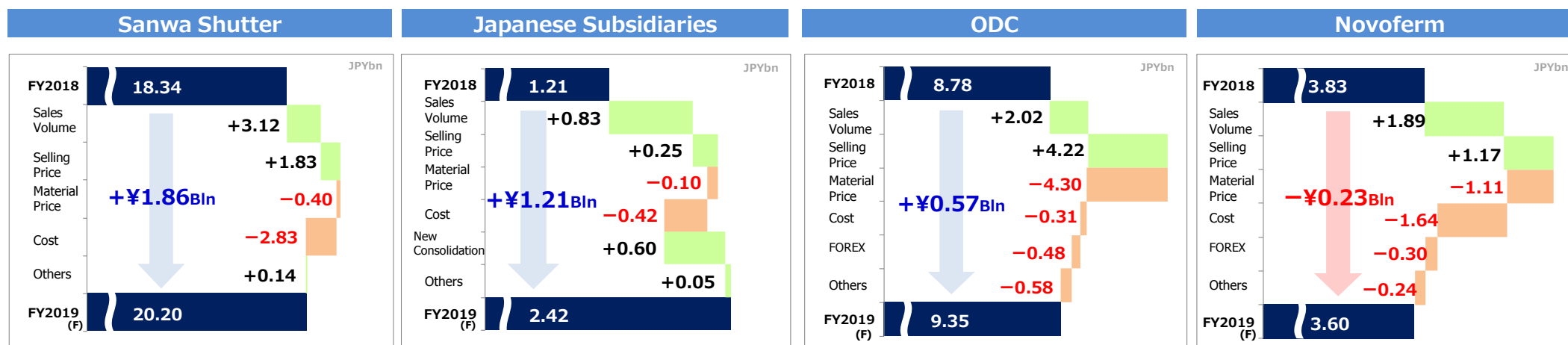
Japan : 4 Subsidiaries

Showa Kensan, Tajima
Metalwork, Sanwa Electronics
Engineering, Hayashi Kogyo

China/Asia : 4 Subsidiaries

Shanghai Baosteel-Sanwa Door,
An-Ho Metal Industrial,
Sanwa Shutter(H.K.),
Vina-Sanwa

ForexRate	2018	2019(F)
1 USD	110.36	105.00
1 EUR	130.01	120.00



✓ Expected to increase as continued cost increases are absorbed by sales volume and price effects.

✓ A significant increase in income is expected, driven by substantial effects of new consolidation.

✓ Expected to increase driven by sales volume effects. Material cost increases are expected to be passed on to sales prices.

✓ Expected to decrease on the yen basis but increase on a local currency basis.

◆ **Appendix**

1. Outline of Consolidated Results by Sector



(JPYm・USDk・EURk)

	FY2017						FY2018								FY2019(F)					
	1H			Full Year			1H			Full Year					1H			Full Year		
	(\$112.14 €122.22)	profit ratio	Y/Y	(\$112.04 €127.22)	profit ratio	Y/Y	(\$108.50 €130.65)	profit ratio	Y/Y	Revised F (\$105.00 €130.00)	(\$110.36 €130.01)	profit ratio	Y/Y	(\$105.00 €120.00)	profit ratio	Y/Y	(\$105.00 €120.00)	profit ratio	Y/Y	
Net Sales	173,125		7.9	385,673		9.0	183,911		6.2	407,000	409,990		6.3	190,000		3.3	425,000		3.7	
[assumed forex rate same as the previous year]			8.1			7.3	[183,453]		[6.0]		[410,189]		[6.4]	[194,922]		[6.0]	[436,923]		[6.6]	
Sanwa Shutter	80,519		7.0	187,388		6.3	83,205		3.3	197,000	198,569		6.0	88,000		5.8	208,000		4.7	
Japanese Subsidiaries	14,247		6.0	32,464		6.5	15,019		5.4	36,760	35,388		9.0	18,639		24.1	43,502		22.9	
ODC (U.S.A.)	\$474,502 53,210	6.1 6.4		\$1,006,919 112,815	6.2 8.7		\$513,951 55,763	8.3 4.8		\$1,073,000 112,665	\$1,056,605 116,607	4.9 3.4		\$539,000 56,595	4.9 1.5		\$1,132,000 118,860	7.1 1.9		
Novoferm (Europe)	€ 248,160 30,330	18.2 16.2		€510,634 64,962	15.3 21.6		€ 276,304 36,099	11.3 19.0		€ 554,000 72,020	€565,069 73,464	10.7 13.1		€ 285,000 34,200	3.1 -5.3		€585,000 70,200	3.5 -4.4		
Asia (CHINA,HONG KONG,TAIWAN,VIETNAM)														2,463			7,001			
Operating Income	9,045	5.2	13.4	28,322	7.3	7.1	9,741	5.3	7.7	31,500	31,593	7.7	11.5	10,000	5.3	2.7	34,000	8.0	7.6	
[assumed forex rate same as the previous year]			13.5			5.8	[9,772]		[8.0]		[31,644]		[11.7]	[10,213]		[4.8]	[34,777]		[10.1]	
Sanwa Shutter	5,614	7.0	8.4	17,104	9.1	2.8	5,435	6.5	-3.2	19,500	18,339	9.2	7.2	6,100	6.9	12.2	20,200	9.7	10.1	
Japanese Subsidiaries	195	1.4	-36.3	1,161	3.6	-2.1	18	0.1	-90.6	1,500	1,214	3.4	4.6	393	2.1	2,042.0	2,415	5.6	98.9	
ODC (U.S.A.)	\$27,621 3,097	24.2 5.8		\$78,348 8,778	9.5 7.8	12.1	\$32,123 3,485	16.3 6.3	12.5	\$86,000 9,030	\$79,563 8,780	1.6 7.5	0.0	\$29,000 3,045	-9.7 5.4		\$89,000 9,345	11.9 7.9	11.9 6.4	
Novoferm (Europe)	€ 7,571 925	6.9 3.0		€22,686 2,886	25.1 4.4	31.9	€ 10,136 1,324	33.9 3.7	43.1	€ 28,000 3,640	€29,495 3,834	30.0 5.2	32.9	€ 10,500 1,260	3.6 3.7	-4.9	€30,000 3,600	1.7 5.1	-6.1	
Asia (CHINA,HONG KONG,TAIWAN,VIETNAM)														-39	-1.6		269	3.8		
Ordinary Income	8,798	5.1	22.1	27,898	7.2	10.4	9,248	5.0	5.1	31,000	30,437	7.4	9.1	9,600	5.1	3.8	33,000	7.8	8.4	
[assumed forex rate same as the previous year]			22.2			9.0	[9,277]		[5.4]		[30,483]		[9.3]	[9,798]		[5.9]	[33,735]		[10.8]	
Sanwa Shutter	5,705	7.1	8.5	17,286	9.2	2.8	5,573	6.7	-2.3	19,650	18,579	9.4	7.5	6,200	7.0	11.2	20,400	9.8	9.8	
Japanese Subsidiaries	220	1.5	-34.5	1,219	3.8	-1.6	61	0.4	-72.2	1,540	1,282	3.6	5.2	416	2.2	579.1	2,461	5.7	91.9	
ODC (U.S.A.)	\$26,180 2,935	22.0 5.5		\$75,333 8,440	10.5 7.5	13.2	\$30,118 3,267	15.0 5.9	11.3	\$81,000 8,505	\$74,263 8,195	-1.4 7.0	-2.9	\$26,000 2,730	-13.7 4.8		\$83,000 8,715	11.8 7.3	11.8 6.3	
Novoferm (Europe)	€ 6,710 820	11.7 2.7		€21,079 2,681	31.3 4.1	38.5	€ 9,560 1,249	42.5 3.5	52.3	€ 27,000 3,510	€28,268 3,675	34.1 5.0	37.0	€ 10,000 1,200	4.6 3.5	-3.9	€29,000 3,480	2.6 5.0	-5.3	
Asia (CHINA,HONG KONG,TAIWAN,VIETNAM)														57	-2.3		228	3.3		
Equity method Affiliates	-109		< + >	-10		< + >	-352		< - >	-368	-599		< - >	-101		< + >	-244		< + >	
Net income attributable to owners of the parent	5,726	3.3	43.0	18,280	4.7	7.1	5,933	3.2	3.6	20,600	20,910	5.1	14.4	6,100	3.2	2.8	22,000	5.2	5.2	
[assumed forex rate same as the previous year]			43.2			5.8	[5,956]		[4.0]		[20,925]		[14.5]	[6,233]		[5.0]	[22,538]		[7.8]	
Sanwa Shutter	3,800	4.7	6.1	11,867	6.3	0.0	3,682	4.4	-3.1	13,360	12,790	6.4	7.8	4,100	4.7	11.3	14,000	6.7	9.5	
Japanese Subsidiaries	140	1.0	-25.2	783	2.4	-7.9	-9	0.1	< - >	920	813	2.3	3.9	180	1.0	< + >	1,499	3.4	84.3	
ODC (U.S.A.)	\$16,841 1,888	21.4 3.5		\$45,303 5,075	2.2 4.5	4.7	\$21,486 2,331	27.6 4.2	23.4	\$61,000 6,405	\$41,918 4,626	-7.5 4.0	-8.9	\$19,000 1,995	-11.6 3.5		\$63,000 6,615	50.3 5.6	50.3 43.0	
Novoferm (Europe)	€6,402 782	229.0 2.6		€16,385 2,084	95.9 3.2	106.6	€6,543 854	2.2 2.4	9.3	€17,000 2,210	€19,752 2,568	20.5 3.5	23.2	€6,200 744	-5.2 2.2	-13.0	€20,000 2,400	1.3 3.4	-6.5	
Asia (CHINA,HONG KONG,TAIWAN,VIETNAM)														57	-2.3		202	2.9		
Equity method Affiliates	-109		< + >	-10		< + >	-352		< - >	-368	-599		< - >	-101		< + >	-244		< + >	

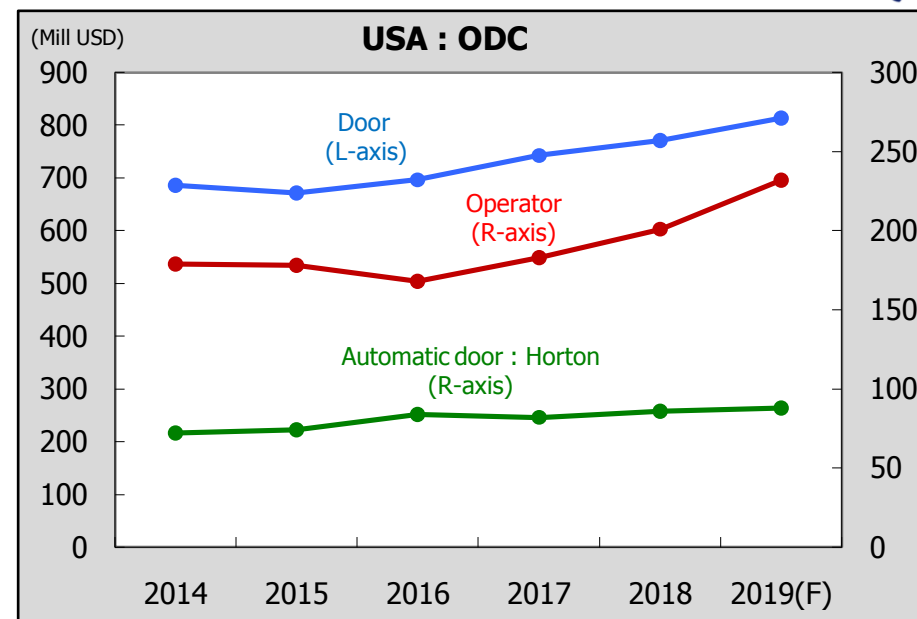
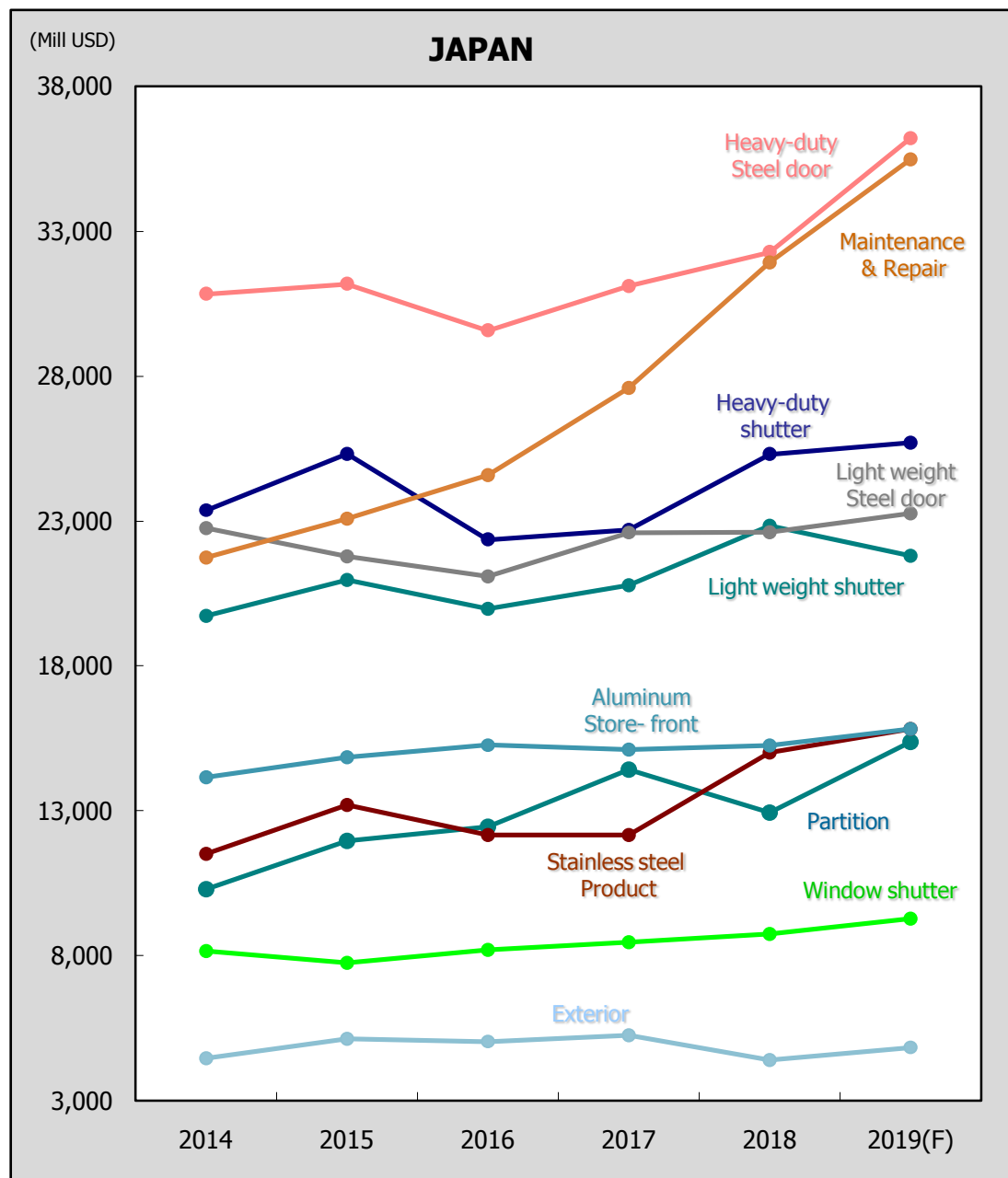
1) The relevant financial periods for each entity are as follows:

First Half
Apr.1 to Sep.30
Jan.1 to Jun.30

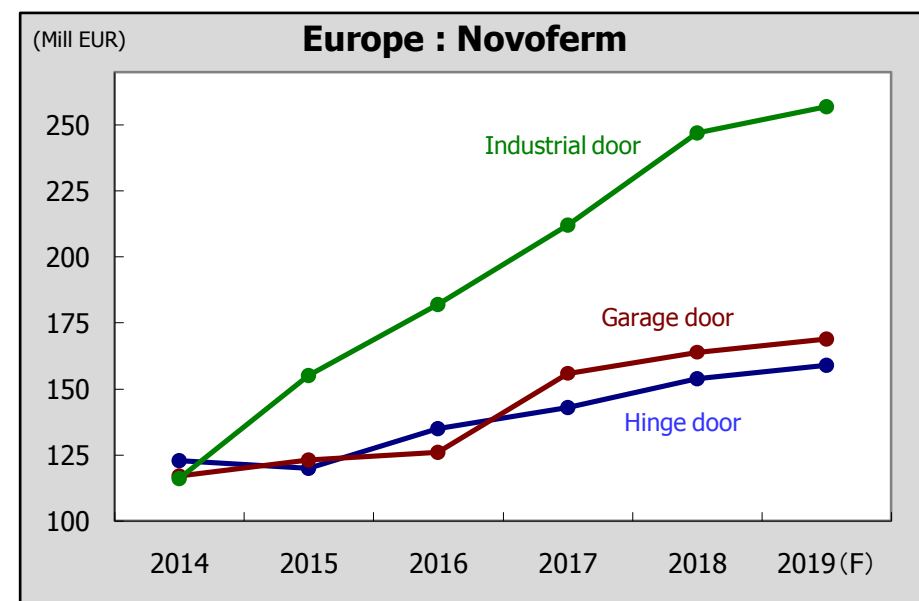
Full Year
Apr.1 to Mar.31 following year
Jan.1 to Dec.31

2) Figures are round off. < + > is for increase. < - > is for decrease from the previous year.
3) Forex rate is term average.
4) Figures by entities are before consolidation adjustment and do not add up to total.

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



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



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

JPYm・%

	FY2018										FY2019(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
Lightweight Shutters	<9.6> 11,256	<3.4> 10,456	12.6	<12.8> 11,718	<15.8> 12,319	10.7	<11.2> 22,974	11.6	<9.7> 22,775	11.5	<-3.2> 10,900	<-0.5> 10,400	11.8	<-2.7> 11,400	<-6.7> 11,500	9.6	<-2.9> 22,300	10.5	<-3.8> 21,900	10.5
Heavy-duty Shutters	<3.8> 11,902	<2.7> 9,756	11.7	<12.6> 12,314	<19.6> 15,414	13.4	<8.1> 24,217	12.3	<12.4> 25,170	12.7	<3.3> 12,300	<7.6> 10,500	11.9	<5.6> 13,000	<-0.1> 15,400	12.8	<4.5> 25,300	11.9	<2.9> 25,900	12.5
Overhead Doors	<0.2> 2,419	<-5.2> 2,069	2.5	<4.8> 2,486	<11.3> 2,912	2.5	<2.5> 4,906	2.5	<3.8> 4,981	2.5	<7.5> 2,600	<6.3> 2,200	2.5	<8.6> 2,700	<-0.4> 2,900	2.4	<8.0> 5,300	2.5	<2.4> 5,100	2.5
Shutter-related Products	<19.4> 6,554	<13.5> 5,413	6.5	<27.9> 7,568	<12.8> 7,329	6.4	<23.8> 14,123	7.2	<13.1> 12,742	6.4	<8.3> 7,100	<1.6> 5,500	6.3	<-3.5> 7,300	<-0.4> 7,300	6.1	<2.0> 14,400	6.8	<0.4> 12,800	6.2
Comm. Bldgs/ Condominiums Doors	<-11.7> 25,156	<-0.2> 20,861	25.1	<4.4> 26,262	<3.9> 33,511	29.0	<-4.2> 51,418	26.0	<2.3> 54,372	27.4	<6.1> 26,700	<7.4> 22,400	25.5	<12.7> 29,600	<8.9> 36,500	30.4	<9.5> 56,300	26.6	<8.3> 58,900	28.3
Residential Doors	<-1.1> 2,237	<-3.5> 2,180	2.6	<-7.6> 2,285	<-7.9> 2,276	2.0	<-4.5> 4,522	2.3	<-5.8> 4,457	2.2	<-19.5> 1,800	<-17.5> 1,800	2.0	<-34.4> 1,500	<-34.1> 1,500	1.3	<-27.0> 3,300	1.6	<-26.0> 3,300	1.6
Window-related Products	<2.4> 4,250	<-0.5> 4,097	4.9	<6.0> 4,579	<5.6> 4,587	4.0	<4.3> 8,830	4.5	<2.6> 8,685	4.4	<3.5> 4,400	<7.4> 4,400	5.0	<4.8> 4,800	<4.6> 4,800	4.0	<4.2> 9,200	4.3	<5.9> 9,200	4.4
Exterior Fittings	<-17.1> 2,052	<-12.0> 2,134	2.6	<-17.7> 1,931	<-19.3> 2,109	1.8	<-17.4> 3,983	2.0	<-15.8> 4,244	2.1	<12.1> 2,300	<7.7> 2,300	2.6	<24.3> 2,400	<13.8> 2,400	2.0	<18.0> 4,700	2.2	<10.7> 4,700	2.3
Partitions	<-3.3> 6,641	<-7.8> 4,616	5.5	<14.8> 6,470	<-7.7> 7,514	6.5	<4.9> 13,112	6.6	<-7.8> 12,130	6.1	<14.4> 7,600	<17.0> 5,400	6.1	<28.3> 8,300	<19.8> 9,000	7.5	<21.3> 15,900	7.5	<18.7> 14,400	6.9
Stainless-Steel Entrances	<35.7> 4,990	<55.9> 3,904	4.7	<10.1> 4,468	<7.1> 4,888	4.2	<22.3> 9,459	4.8	<24.4> 8,792	4.4	<14.2> 5,700	<5.0> 4,100	4.7	<18.6> 5,300	<10.5> 5,400	4.5	<16.3> 11,000	5.2	<8.0> 9,500	4.6
Aluminum Fronts	<-3.8> 1,231	<16.5> 1,274	1.5	<-5.1> 1,241	<7.1> 1,559	1.4	<-4.4> 2,472	1.3	<11.1> 2,833	1.4	<13.7> 1,400	<2.0> 1,300	1.5	<12.8> 1,400	<-3.8> 1,500	1.3	<13.2> 2,800	1.3	<-1.2> 2,800	1.3
Automatic door operators	<-5.1> 1,298	<6.9> 1,243	1.5	<-7.2> 1,284	<-10.9> 1,365	1.2	<-6.1> 2,582	1.3	<-3.2> 2,608	1.3	<7.9> 1,400	<12.6> 1,400	1.6	<16.8> 1,500	<9.9> 1,500	1.3	<12.3> 2,900	1.4	<11.2> 2,900	1.4
Maintenance & Repair	<12.4> 14,863	<10.8> 13,491	16.2	<15.7> 16,836	<19.4> 18,066	15.7	<14.2> 31,700	16.1	<15.6> 31,558	15.9	<10.3> 16,400	<10.4> 14,900	16.9	<13.4> 19,100	<11.8> 20,200	16.8	<12.0> 35,500	16.7	<11.2> 35,100	16.9
Others	<9.4> 1,781	<-25.6> 1,704	2.0	<-8.3> 1,403	<-12.6> 1,510	1.3	<0.8> 3,185	1.6	<-20.0> 3,214	1.6	<-10.2> 1,600	<-17.9> 1,400	1.6	<6.9> 1,500	<-93.4> 100	0.1	<-2.7> 3,100	1.5	<-53.3> 1,500	0.7
Total	<1.7> 96,637	<3.3> 83,205	100.0	<9.2> 100,850	<7.9> 115,364	100.0	<5.4> 197,488	100.0	<6.0> 198,569	100.0	<5.8> 102,200	<5.8> 88,000	100.0	<8.9> 109,800	<4.0> 120,000	100.0	<7.3> 212,000	100.0	<4.7> 208,000	100.0
	Amount			Amount			Y/Y				Amount			Amount			Y/Y			
Outstanding Order Backlog	110,182			95,868			490				110,068			98,468			2,600			

4. USA : Net Sales by products (ODC)



USDk, <△%yoy>

		FY2018						FY2019(F)					
		1H		2H		Full Year		1H		2H		Full Year	
			%to sales		%to sales		%to sales		%to sales		%to sales		%to sales
Sales breakdown by Products													
	Door	<7.9> 374,918	72.9	<0.2> 394,944	72.8	<3.8> 769,862	72.9	<2.0> 382,500	71.0	<8.8> 429,700	72.5	<5.5> 812,200	71.7
	Operator	<9.5> 96,527	18.8	<9.5> 104,347	19.2	<9.5> 200,875	19.0	<17.4> 113,300	21.0	<13.8> 118,700	20.0	<15.5> 232,000	20.5
	Automatic Door	<9.6> 42,505	8.3	<0.8> 43,361	8.0	<5.0> 85,867	8.1	<1.6> 43,200	8.0	<2.9> 44,600	7.5	<2.3> 87,800	7.8
Net Sales		<8.3> 513,951	100.0	<1.9> 542,654	100.0	<4.9> 1,056,605	100.0	<4.9> 539,000	100.0	<9.3> 593,000	100.0	<7.1> 1,132,000	100.0
Operating Income		<16.3> 32,123	6.3	<-6.5> 47,439	8.7	<1.6> 79,563	7.5	<-9.7> 29,000	5.4	<26.5> 60,000	10.1	<11.9> 89,000	7.9
Ordinary Income		<15.0> 30,118	5.9	<-10.2> 44,145	8.1	<-1.4> 74,263	7.0	<-13.7> 26,000	4.8	<29.1> 57,000	9.6	<11.8> 83,000	7.3
Net Income attributable to owners of the parent		<27.6> 21,486	4.2	<-28.2> 20,432	3.8	<-7.5> 41,918	4.0	<-11.6> 19,000	3.5	<115.3> 44,000	7.4	<50.3> 63,000	5.6

5. Europe : Net Sales by products (NF)



EURk, <Δ%yoy>

		FY2018						FY2019(F)					
		1H		2H		Full Year		1H		2H		Full Year	
			%to sales		%to sales		%to sales		%to sales		%to sales		%to sales
Sales breakdown by Products													
	Hinge Door	<7.7> 74,699	27.0	<8.5> 79,692	27.6	<8.1> 154,391	27.3	<2.4> 76,500	26.8	<3.5> 82,500	27.5	<3.0> 159,000	27.2
	Garage Door	<5.4> 81,557	29.5	<3.9> 82,018	28.4	<4.7> 163,575	28.9	<2.8> 83,800	29.4	<3.9> 85,200	28.4	<3.3> 169,000	28.9
	Industrial Door	<18.4> 120,048	43.4	<15.4> 127,053	44.0	<16.8> 247,102	43.7	<3.9> 124,700	43.8	<4.1> 132,300	44.1	<4.0> 257,000	43.9
Net Sales		<11.3> 276,304	100.0	<10.0> 288,765	100.0	<10.7> 565,069	100.0	<3.1> 285,000	100.0	<3.9> 300,000	100.0	<3.5> 585,000	100.0
Operating Income		<33.9> 10,136	3.7	<28.1> 19,358	6.7	<30.0> 29,495	5.2	<3.6> 10,500	3.7	<0.7> 19,500	6.5	<1.7> 30,000	5.1
Ordinary Income		<42.5> 9,560	3.5	<30.2> 18,707	6.5	<34.1> 28,268	5.0	<4.6> 10,000	3.5	<1.6> 19,000	6.3	<2.6> 29,000	5.0
Net Income attributable to owners of the parent		<2.2> 6,543	2.4	<32.3> 13,209	4.6	<20.5> 19,752	3.5	<-5.2> 6,200	2.2	<4.5> 13,800	4.6	<1.3> 20,000	3.4

6. Key Figures & Ratios



	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 (F)
Net Sales (JPYm)	265,913	311,957	339,045	365,615	353,922	385,673	409,990	425,000
Operating Income (JPYm)	14,174	20,649	26,334	26,870	26,440	28,322	31,593	34,000
Net Income attributable to owners of the parent (JPYm)	7,182	10,161	12,857	14,627	17,070	18,280	20,910	22,000
Operating Income Ratio (JPYm)	5.3%	6.6%	7.8%	7.3%	7.5%	7.3%	7.7%	8.0%
ROE : Net Income attributable to owners of the parent company/Shareholders' Equity	7.9%	9.6%	10.7%	11.4%	12.7%	12.7%	13.5%	13.5%
Shareholders' Equity Ratio (term end)	40.1%	40.4%	39.1%	41.7%	43.0%	45.2%	47.4%	47.4%
Net Assets (term end) (JPYm)	97,134	113,956	126,748	130,334	139,906	151,121	161,604	168,166
Total Assets (term end) (JPYm)	241,771	281,917	323,327	310,269	323,393	331,686	338,432	350,854
Interest Bearing Liabilities (term end) (JPYm)	60,799	69,153	88,484	70,798	74,739	65,945	61,217	52,901
Debt-Equity Ratio: Interest Bearing Liabilities / Shareholders' Equity (times)	0.63	0.61	0.70	0.54	0.53	0.44	0.38	0.31
SVA (Sanwa Value Added) (JPYm)	1,870	5,410	7,770	8,290	8,057	9,026	12,693	13,950
EPS : Earnings per share (JPY)	29.9	42.4	54.1	63.1	74.6	80.9	92.9	97.8
Number of shares issued (term avg.) K shares)	239,961	239,768	237,694	231,923	228,782	225,761	224,979	224,979

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

7. SVA tree

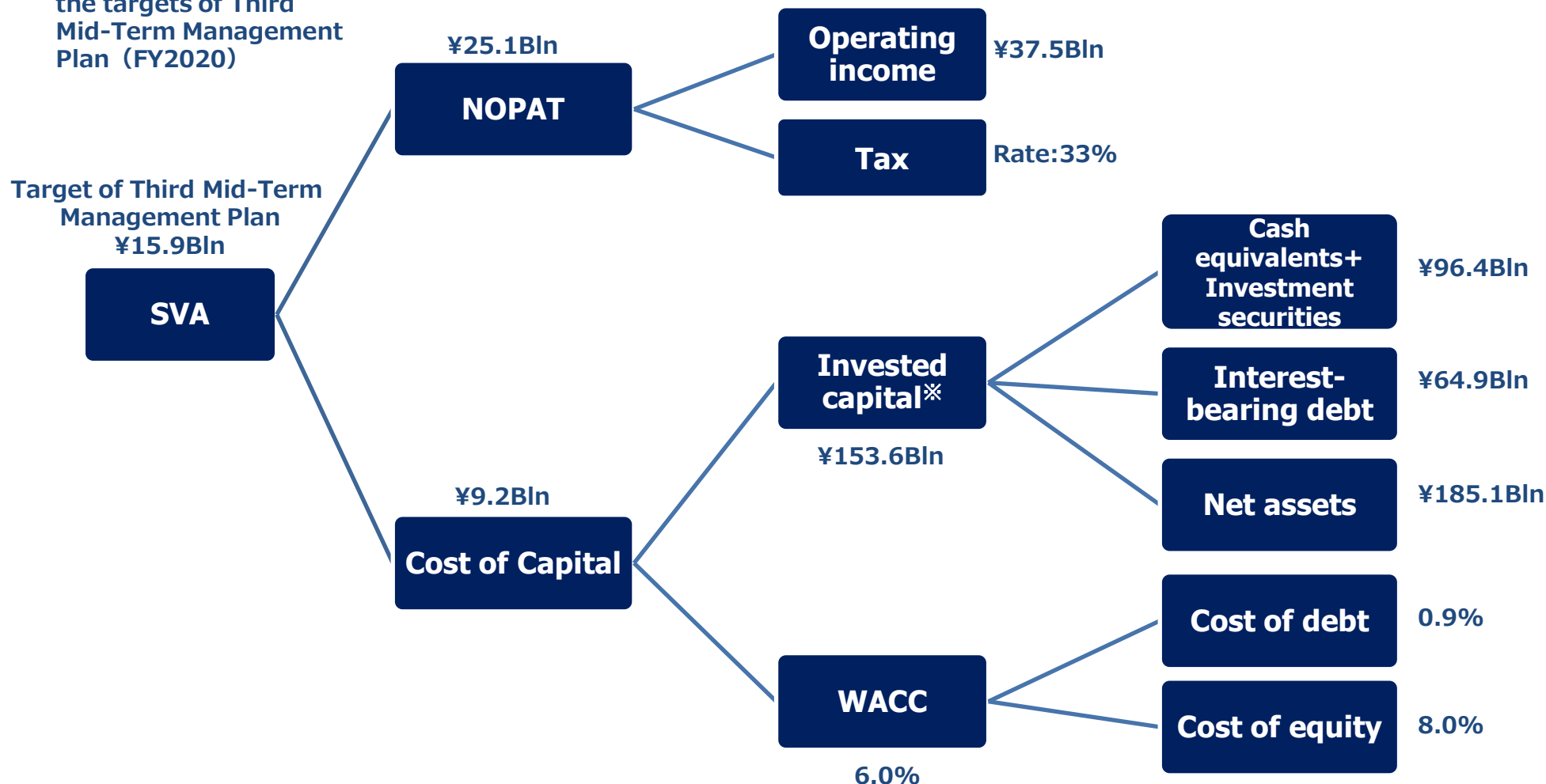


SVA

Numerical shows the targets of Third Mid-Term Management Plan (FY2020)

Sanwa Value Added (SVA) is the Company's unique indicator of economic value added used since 2001.

The purpose is to be aware of shareholders' and creditors' expectations of return when conducting business operations.



※Invested capital = working capital + noncurrent assets
= Shareholders' Equity + Interest Bearing Liabilities
– (cash equivalents + investment securities)

8. Capital Expenditure & Depreciation



JPYm

	FY2017		FY2018		FY2019(F)	
	1H	Full Year	1H	Full Year	1H	Full Year
Capital Expenditures	4,248	11,383	6,818	12,367	5,116	10,274
Sanwa Holdings	805	2,221	117	222	43	155
Sanwa Shutter	1,231	2,705	1,086	2,003	1,156	2,437
Japanese Subsidiaries	97	653	227	360	56	271
Forex rate <USD k>	112.14	112.04	108.50	110.36	105.00	105.00
ODC (U.S.A.)	<\$13,923>	<\$30,154>	<\$19,573>	<\$36,048>	<\$26,742>	<\$41,638>
	1,561	3,378	2,123	3,978	2,808	4,372
Forex rate <EUR k>	122.22	127.22	130.65	130.01	120.00	120.00
Novoform (Europe)	<€4,526>	<€19,058>	<€24,976>	<€44,642>	<€8,183>	<€21,633>
	553	2,424	3,263	5,803	982	2,596
Chinese & Asian subsidiaries	-	-	-	-	71	443
Depreciation & Amortization	4,373	9,225	4,637	9,498	4,970	10,380
Sanwa Holdings	230	474	264	532	278	556
Sanwa Shutter	778	1,758	912	1,981	980	2,215
Japanese Subsidiaries	107	230	159	333	188	395
<\$14,145>	<\$14,145>	<\$28,791>	<\$14,094>	<\$29,019>	<\$16,640>	<\$34,600>
ODC (U.S.A.)	1,586	3,225	1,529	3,202	1,747	3,633
	(€7,305)	(€15,198)	(€7,576)	(€15,371)	(€8,591)	(€17,303)
Novoform (Europe)	892	1,933	989	1,998	1,031	2,076
Chinese & Asian subsidiaries	-	-	-	-	50	129
<EUR k>	<EUR k>	<EUR k>	<EUR k>	<EUR k>	<EUR k>	<EUR k>
Amortization of goodwill	777	1,603	781	1,449	695	1,375

9. Topics

September 2018
Ryo Chikatani won
at All Japan National Cycling



February 2019
Received the volunteer award



April 2019
Renewal corporate site



URL: <https://www.sanwa-hldgs.co.jp/>

April 2018

July 2018
Novoform France
celebrated
60th anniversary

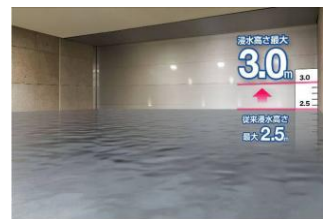


October 2018
Increased Equity
Share in
SANWAMAS

[Equity Share]
18.88%
⇒ 51.02%



December 2018
Water-proof shutter could
resist flooding up to 3.0m
deep



April 2019
Expansion of
consolidated companies

Japan : 4 Subsidiaries
Showa Kensan, Tajima
Metalwork, Sanwa Electronics
Engineering, Hayashi Kogyo
China/Asia : 4 Subsidiaries
Baosteel-Sanwa,
An-Ho Metal,
Sanwa Shutter(H.K.),
Vina-Sanwa

