

1. Overview of Consolidated Results

JPYm*%

		FY2018								FY2019							
		1Q		2Q		1H		Full Year		1Q		2Q (F)		1H (F)		Full Year (F)	
		profit ratio	Y/Y	Y/Y	profit ratio	Y/Y	profit ratio	Y/Y	profit ratio	Y/Y	Y/Y	profit ratio	Y/Y	profit ratio	Y/Y	profit ratio	Y/Y
Net Sales		76,604		107,306	5.5	183,911	6.2	409,990	6.3	82,385	7.5	107,614	0.3	190,000	3.3	425,000	3.7
[assumed forex rate same as the previous year]										[82,675]	[7.9]			[194,922]	[6.0]	[436,923]	[6.6]
Sanwa Shutter		29,631		53,573	1.6	83,205	3.3	198,569	6.0	32,198	8.7	55,801	4.2	88,000	5.8	208,000	4.7
Japanese Subsidiaries		5,969	3.4	9,049	6.8	15,019	5.4	35,388	9.0	7,762	30.0	10,876	20.2	18,639	24.1	43,502	22.9
ODC (U.S.A.)		25,871	1.7	29,892	7.6	55,763	4.8	116,607	3.4	27,436	6.1	29,158	-2.5	56,595	1.5	118,860	1.9
Novoform (Europe)		17,798	23.4	18,300	15.0	36,099	19.0	73,464	13.1	17,609	-1.1	16,590	-9.3	34,200	-5.3	70,200	-4.4
CHINA/ASIA										1,123		1,339		2,463		7,001	
Operating Income		11	0.0	9,729	7.7	9,741	5.3	31,593	7.7	696	0.8	9,303	-4.4	10,000	5.3	34,000	8.0
[assumed forex rate same as the previous year]										[698]	[+684]			[10,213]	[4.8]	[34,777]	[10.1]
Sanwa Shutter		-786	-2.7	-79	-1.6	5,435	6.5	18,339	9.2	-305	-0.9	6,405	2.9	6,100	6.9	20,200	9.7
Japanese Subsidiaries		-396	-6.6	-184	1.9	18	0.1	1,214	3.4	-132	-1.7	525	26.7	393	2.1	2,042	5.6
ODC (U.S.A.)		1,098	4.2	2,386	13.7	3,485	6.3	8,780	7.5	979	3.6	2,065	-13.5	3,045	5.4	9,345	7.9
Novoform (Europe)		474	2.7	849	46.1	1,324	3.7	3,834	5.2	486	2.8	773	-8.9	1,260	3.7	3,600	5.1
CHINA/ASIA										-78	-6.9	39		-39	-1.6	269	3.8
Ordinary Income		-17	-0.0	9,266	3.5	9,248	5.0	30,437	7.4	630	0.8	8,969	-3.2	9,600	5.1	33,000	7.8
[assumed forex rate same as the previous year]										[637]	[+654]			[9,798]	[5.9]	[33,735]	[10.8]
Sanwa Shutter		-713	-2.4	-47	-1.3	5,573	6.7	18,579	9.4	-252	-0.8	6,452	2.6	6,200	7.0	20,400	9.8
Japanese Subsidiaries		-382	-6.4	-181	5.4	61	0.4	1,282	3.6	-112	-1.4	528	19.1	416	2.2	2,461	5.7
ODC (U.S.A.)		1,014	3.9	2,253	10.4	3,267	5.9	8,195	7.0	788	2.9	1,941	-13.8	2,730	4.8	8,715	7.3
Novoform (Europe)		446	2.5	803	48.4	1,249	3.5	3,675	5.0	487	2.8	712	-11.3	1,200	3.5	3,480	5.0
CHINA/ASIA										-83	-7.4	25		-57	-2.3	228	3.9
Equity method Affiliates		-73		-279	<->	-352	<->	-599	<->	-20	+53	-81	<+>	-101	<+>	-244	<+>
Net Income attributable to owners of the parent		-134	-0.2	6,067	6.8	5,933	3.2	20,910	5.1	280	0.3	5,819	-4.1	6,100	3.2	22,000	5.2
[assumed forex rate same as the previous year]										[287]	[+420]			[6,233]	[5.0]	[22,538]	[7.8]
Sanwa Shutter		-478	-1.6	-29	-2.1	3,682	4.4	12,790	6.4	-167	-0.5	4,267	2.6	4,100	4.7	14,000	6.7
Japanese Subsidiaries		-260	-4.4	-139	-3.7	-9	-0.1	813	2.3	-84	-1.1	264	5.4	180	1.0	1,499	3.4
ODC (U.S.A.)		730	2.8	1,600	22.0	2,331	4.2	4,626	4.0	566	2.1	1,428	-10.8	1,995	3.5	6,615	5.6
Novoform (Europe)		302	1.7	552	55.6	854	2.4	2,568	3.5	377	2.1	366	-33.7	744	2.2	2,400	3.4
CHINA/ASIA										-83	-7.4	26		-57	-2.3	202	2.9
Equity method Affiliates		-73		-279	<->	-352	<->	-599	<->	-20	+53	-81	<+>	-101	<+>	-244	<+>

《Local currency》

USDk・EURk

		FY2018								FY2019							
		1Q		2Q		1H		Full Year		1Q		2Q (F)		1H (F)		Full Year (F)	
		profit ratio	Y/Y	Y/Y	profit ratio	Y/Y	profit ratio	Y/Y	profit ratio	Y/Y	Y/Y	profit ratio	Y/Y	profit ratio	Y/Y	profit ratio	Y/Y
Sales	ODC (U.S.A.)	\$240,729		\$273,222	9.7	\$513,951	8.3	\$1,056,605	4.9	\$248,813	3.4	\$290,186	6.2	\$539,000	4.9	\$1,132,000	7.1
	Novoform (Europe)	€134,539		€141,764	10.6	€276,304	11.3	€565,069	10.7	€140,573	4.5	€144,426	1.9	€285,000	3.1	€585,000	3.5
Operating Income	ODC (U.S.A.)	\$10,225	4.2	\$21,898	16.7	\$32,123	6.3	\$79,563	7.6	\$8,886	3.6	\$20,113	-8.1	\$29,000	5.4	\$89,000	7.9
	Novoform (Europe)	€3,588	2.7	€6,548	39.1	€10,136	3.7	€29,495	5.3	€3,880	2.8	€6,619	1.1	€10,500	3.7	€30,000	5.2

- Figures in [] are FY2019 figures calculated on the last year's FX rates.
- Figures are round off. <+> is for increase, <-> is for decrease from the previous year.
Figures in 1Q "Y/Y" indicates increase rates for sales and increase/decrease amounts for incomes.
- Forex rate is term average.
- Figures by entities are before consolidation adjustment and do not add up to total.

- Figures in 2019 2Q (forecast) is calculated by subtracting the 2019 1Q results from the first half of 2019 (forecast).
- From FY2019, the following companies have been newly consolidated, 4 companies into "Japanese Subsidiaries" and 4 companies into "China / Asia".
JAPAN : Showa Kensan, Tajima Metalwork, Sanwa Electronics Engineering, Hayashi Kogyo
CHINA/ASIA : Baosteel-Sanwa, An-Ho Metal, Sanwa Shutter(H.K.), Vina-Sanwa

Forex Rate	FY2018			FY2019		
	1Q Actual	1H Actual	FY Actual	1Q Actual	1H Forecast	FY Forecast
USD	107.47	108.50	110.36	110.27	105.00	105.00
EUR	132.29	130.65	130.01	125.27	120.00	120.00

2. Consolidated FY2019 1Q Results

	FY2019 1Q Results
〈Summary〉	Both sales and profits increased vs. 1Q FY2018. New consolidation also contributed.
Net sales	■ Consolidated net sales increased by 7.5% or 5.8 billion yen vs. 1Q FY2018 Excluding currency impact, it would have increased by 7.9% or 6.1 billion yen. JAPAN: Increased by 12.2% vs. 1Q FY2018. Sanwa Shutter increased by 8.7%. By products, heavy-duty shutters increased by 5.9% driven by favorable factories market. Building & condominium doors increased by 14.0% with strong demands to offices and Partition rebounded by 23.9%. Since legal inspection & report for fire-proof equipment moved into full swing, Maintenance & Repair business increased by 9.9%. Japanese subsidiaries total (except Sanwa Shutter) increased by 30.0% or 1.8 billion yen. Okinawa Sanwa decreased but Sanwa Tajima increased significantly. New consolidation (4 companies total) added 1.3 billion yen. USA(ODC): Increased by 3.4% vs. 1Q FY2018 on local currency basis. Door sales increased by 4.9% partially supported by price increase effect. Garage doors increased by 4.2% and Commercial doors increased by 1.6%. Operators increased slightly by 0.4% driven by combination of increase in professional-channel and decrease in retail stores. Automatic doors increased by 4.8%. Europe(NF) : Increased by 4.5% vs. 1Q FY2018 on local currency basis. By products, Hinge doors decreased slightly by 0.9%, Garage doors increased by 3.7%, and Industrial doors continued good performance with an increase of 3.6%. CHINA/ASIA: New consolidation (4 companies total) contributed an increase by 1.1 billion yen. Sales generally increased steadily at each company.
Operating income	■ Consolidated operating income increased significantly by 0.68 billion yen vs. 1Q FY2018. JAPAN: Sanwa Shutter increased by 0.48 billion yen. Sale volume increase and selling price increase covered cost increase. In Japanese subsidiaries, Sanwa Tajima and Sanwa System Wall improved. New consolidation (4 companies total) contributed an increase of 0.12 billion yen. USA(ODC): Decreased by \$1.3 million vs. 1Q FY2018 on local currency basis. Mainly due to a decrease in Operator sales to retail store, but progress to the first half forecast is almost as planned. Europe(NF) : Increased by €0.3 million vs. 1Q FY2018 on local currency basis. Volume increase in Industrial doors covered the negative effects of Hinge doors. CHINA/ASIA: New consolidation (4 companies total) posted a loss of 0.08 billion yen, but Sanwa Shutter(H.K.) performed well.
Ordinary income	Consolidated ordinary income improved by 0.65 billion yen. Equity method affiliates improved by 0.05 billion yen.
Net Income attributable to owners of the parent	Net income attributable to owners of the parent improved by 0.41 billion yen. Extraordinary profit/loss improved by 0.01 billion yen.

3. Consolidated FY2019 first half and full year forecasts

	FY2019 first half and full year forecasts
〈Summary〉	Maintain forecasts for first half and full year announced on May 14.
Net sales	■ <u>All areas (Japan, USA, and Europe) progressing as expected, and growth expected.</u> JAPAN: Expected to achieve its forecast driven by increase in sales from high order backlog, as well as new orders received in FY2019, and increase of Maintenance & Repair sales. The selling price increase has also been steady. Japanese subsidiaries are also achieved to secure its forecasts. USA(ODC): Expected to achieve its forecast . In 1Q, there were the effects of bad weather and weak residential market, but the market is expected to recovery in the second half. Garage doors, Commercial doors, and Operators will also perform as expected. Europe(NF) : Expected to achieve its forecast driven by steady Industrial doors sales and the effect of new consolidation. CHINA/ASIA: Expected to achieve its forecast since each company performs well.
Operating income	■ <u>Japanese business are progressing as expected, overseas business expected to achieve the original forecast.</u> JAPAN: Expected to achieve its forecast since Sanwa Shutter would pass its cost increases for distribution and installation due to high demands to sales prices. USA(ODC): Expected to achieve its forecast since sales volume rebound in the second half and resolution of the ERP introduction trouble that occurred in the previous year. Europe(NF) : Expected to achieve its forecast with steady progress in each segment including Industrial doors. CHINA/ASIA: Each company is performing well and to turn to be positive by the end of the year.

4.Order Intake and Net Sales by products / Sanwa Shutter

July 31, 2019



JPYm・%

	FY2018												FY2019											
	1Q				1H			Full Year					1Q				1H (F)			Full Year (F)				
	Order Intake	% to total	Sales	% to total	Order Intake	Sales	% to total	Order Intake	% to total	Sales	% to total	Order Intake	% to total	Sales	% to total	Order Intake	Sales	% to total	Order Intake	% to total	Sales	% to total		
Lightweight Shutters	<3.3> 5,464	11.7	<4.2> 4,761	16.1	<9.6> 11,256	<3.4> 10,456	12.6	<11.2> 22,974	11.6	<9.7> 22,775	11.5	<3.0> 5,627	11.5	<0.9> 4,802	14.9	<-3.2> 10,900	<-0.5> 10,400	11.8	<-2.9> 22,300	10.5	<-3.8> 21,900	10.5		
Heavy-duty Shutters	<-6.9> 6,042	13.0	<22.7> 3,177	10.7	<3.8> 11,902	<2.7> 9,756	11.7	<8.1> 24,217	12.3	<12.4> 25,170	12.7	<2.0> 6,165	12.6	<5.9> 3,363	10.4	<3.3> 12,300	<7.6> 10,500	11.9	<4.5> 25,300	11.9	<2.9> 25,900	12.5		
Overhead Doors	<-8.0> 1,119	2.4	<5.9> 805	2.7	<0.2> 2,419	<-5.2> 2,069	2.5	<2.5> 4,906	2.5	<3.8> 4,981	2.5	<21.4> 1,358	2.8	<-5.0> 765	2.4	<7.5> 2,600	<6.3> 2,200	2.5	<8.0> 5,300	2.5	<2.4> 5,100	2.5		
Shutter-related Products	<19.9> 3,185	6.8	<8.5> 1,791	6.0	<19.4> 6,554	<13.5> 5,413	6.5	<23.8> 14,123	7.2	<13.1> 12,742	6.4	<9.3> 3,481	7.1	<24.8> 2,236	6.9	<8.3> 7,100	<1.6> 5,500	6.3	<2.0> 14,400	6.8	<0.4> 12,800	6.2		
Comm. Bldgs/ Condominiums Doors	<-23.8> 11,895	25.5	<6.6> 5,195	17.5	<-11.7> 25,156	<-0.2> 20,861	25.1	<-4.2> 51,418	26.0	<2.3> 54,372	27.4	<6.6> 12,684	25.9	<14.0> 5,922	18.4	<6.1> 26,700	<7.4> 22,400	25.5	<9.5> 56,300	26.6	<8.3> 58,900	28.3		
Residential Doors	<-5.2> 1,013	2.2	<-4.6> 1,013	3.4	<-1.1> 2,237	<-3.5> 2,180	2.6	<-4.5> 4,522	2.3	<-5.8> 4,457	2.2	<-5.3> 959	2.0	<-5.2> 961	3.0	<-19.5> 1,800	<-17.5> 1,800	2.0	<-27.0> 3,300	1.6	<-26.0> 3,300	1.6		
Window-related Products	<-1.8> 1,938	4.2	<-1.1> 1,904	6.4	<2.4> 4,250	<-0.5> 4,097	4.9	<4.3> 8,830	4.5	<2.6> 8,685	4.4	<9.9> 2,130	4.4	<8.7> 2,069	6.4	<3.5> 4,400	<7.4> 4,400	5.0	<4.2> 9,200	4.3	<5.9> 9,200	4.4		
Exterior Fittings	<-9.8> 1,047	2.2	<1.2> 990	3.3	<-17.1> 2,052	<-12.0> 2,134	2.6	<-17.4> 3,983	2.0	<-15.8> 4,244	2.1	<-5.0> 995	2.0	<-16.9> 822	2.6	<12.1> 2,300	<7.7> 2,300	2.6	<18.0> 4,700	2.2	<10.7> 4,700	2.3		
Partitions	<-12.3> 2,942	6.3	<-4.3> 1,368	4.6	<-3.3> 6,641	<-7.8> 4,616	5.5	<4.9> 13,112	6.6	<-7.8> 12,130	6.1	<16.6> 3,430	7.0	<23.9> 1,695	5.3	<14.4> 7,600	<17.0> 5,400	6.1	<21.3> 15,900	7.5	<18.7> 14,400	6.9		
Stainless-Steel Entrances	<62.1> 3,014	6.5	<125.4> 1,186	4.0	<35.7> 4,990	<55.9> 3,904	4.7	<22.3> 9,459	4.8	<24.4> 8,792	4.4	<-22.8> 2,326	4.8	<-10.3> 1,063	3.3	<14.2> 5,700	<5.0> 4,100	4.7	<16.3> 11,000	5.2	<8.0> 9,500	4.6		
Aluminum Fronts	<7.2> 635	1.4	<22.1> 389	1.3	<-3.8> 1,231	<16.5> 1,274	1.5	<-4.4> 2,472	1.3	<11.1> 2,833	1.4	<-22.5> 491	1.0	<-18.0> 319	1.0	<13.7> 1,400	<2.0> 1,300	1.5	<13.2> 2,800	1.3	<-1.2> 2,800	1.3		
Automatic door oprators	<-1.8> 603	1.3	<14.6> 485	1.6	<-5.1> 1,298	<6.9> 1,243	1.5	<-6.1> 2,582	1.3	<-3.2> 2,608	1.3	<6.2> 640	1.3	<-0.8> 481	1.5	<7.9> 1,400	<12.6> 1,400	1.6	<12.3> 2,900	1.4	<11.2> 2,900	1.4		
Maintenance & Repair	<14.0> 7,134	15.3	<8.4> 5,529	18.7	<12.4> 14,863	<10.8> 13,491	16.2	<14.2> 31,700	16.1	<15.6> 31,558	15.9	<13.6> 8,101	16.6	<9.9> 6,074	18.9	<10.3> 16,400	<10.4> 14,900	16.9	<12.0> 35,500	16.7	<11.2> 35,100	16.9		
Others	<-30.8> 614	1.3	<-35.3> 1,031	3.5	<9.4> 1,781	<-25.6> 1,704	2.0	<0.8> 3,185	1.6	<-20.0> 3,214	1.6	<-20.1> 491	1.0	<57.0> 1,619	5.0	<-10.2> 1,600	<-17.9> 1,400	1.6	<-2.7> 3,100	1.5	<-53.3> 1,500	0.7		
Total	<-4.8> 46,651	100.0	<6.6> 29,631	100.0	<1.7> 96,637	<3.3> 83,205	100.0	<5.4> 197,488	100.0	<6.0> 198,569	100.0	<4.8> 48,885	100.0	<8.7> 32,198	100.0	<5.8> 102,200	<5.8> 88,000	100.0	<7.3> 212,000	100.0	<4.7> 208,000	100.0		
	Amount				Amount			Amount					Amount				Amount			Amount				
Outstanding Order Backlog	113,666				110,182			95,868					113,705				110,068			98,468				

1) < >= % year on year 2) Outstanding Order Backlog = Backlog of orders including orders worked-in-process