

Consolidated Financial Results for Fiscal Year Ending March 31, 2017

Supplementary explanatory materials.

SNT Corporation

Consolidated Financial Results Overview

2016 Consolidated Financial Results

(¥million)

	2015fiscal year ①	2016fiscal year ②	Comparison with the previous period	
			②-①	Rate of change
Sales	16,559	17,222	+663	4.0%
Operating Profit	1,307	1,565	+258	19.7%
Ordinary Profit	1,593	1,833	+240	15.1%
Net Income devolved to the shareholders of parent company ※	1,216	1,068	△146	△12.1%

(Note)

•In the fiscal year 2015, 297,000,000 ¥ of extraordinary profit with claims probable in bankruptcy and 145,000,000 ¥ of an extraordinary loss by flood damage are being appropriated.

•In the fiscal year 2016, a PCB related disposal cost of 198,000,000 ¥ are being appropriated as an extraordinary loss as an environmental measurement allowance reserve.

•In January this year, achievement results for the newly subsidized company of Seitan(the net sales of 1,153,000,000 ¥ and operating profit of 73,000,000 ¥) is added in the fiscal year 2016.

【Year-end dividend】 14.0 ¥ (14.0 ¥/annual, Comparison with the previous period ; +0.0 ¥)

※Following treasury stock acquisition was performed as a part of stockholders return in addition to the above dividend.

•Acquisition total: 1,558,300 stocks.(the percentage to the all-issued stocks: 5.67%)

•Acquisition amount: 917,728,963 ¥

•Acquisition period: Feb.15, 2016 ~ Feb.14,2017.

2017 Business Forecast

(¥million)

	2016fiscal year ①	2017fiscal year			Comparison with the previous period	
		first half	The second half	Year outlook ②	②-①	Rate of change
Sales	17,222	10,100	10,300	20,400	+3,177	18.4%
Operating Profit	1,565	800	900	1,700	+134	8.6%
Ordinary Profit	1,833	900	950	1,850	+16	0.9%
Net Income devolved to the shareholders of parent company ※	1,068	500	700	1,200	+131	12.3%

(Outlook points of 2017fiscal year)

1. For the sales of whole forging business, we forecast to increase by 3,100,000,000 ¥ from the previous year. Backgrounds are;
i. Some of the related forging parts to the domestic commercial vehicles are expected to decrease due to the purchasing method change in the customers. ii. The Thai market continues to foresee the stagnation conditions, on the other hand, we expect the whole year sales contribution by the Seitan.
For the profit side, we forecast an increase in the burden of energy related cost, but we expect to increase 100,000,000 ¥ from the previous year due to the sales increase.

2. Our forecasted Thai Baht exchange rate in 2017 fiscal year is 3.16 ¥ /Thai Baht. (▲0.09 ¥/Baht compared previous year)

1.Sales amount and operating profit By the Segments.

(¥million)

		2015fiscal year ①	2016fiscal year ②	Comparison with the previous period	
				②－①	Rate of change
Forging business	Sales	12,981	13,813	+ 832	6.4%
	Operating Profit	1,104	1,414	+ 309	28.0%
Scaffolding parts business	Sales	2,408	2,293	△114	△4.8%
	Operating Profit	429	402	△26	△6.2%
Logistics products business	Sales	1,042	951	△90	△8.7%
	Operating Profit	76	71	△4	△6.4%
Real estate business	Sales	127	164	+ 36	28.7%
	Operating Profit	53	72	+ 18	35.0%
Segments total	Sales	16,559	17,222	+ 663	4.0%
	Operating Profit	1,664	1,906	+ 296	17.8%
Corporate expenses		△356	△394	△38	—
Operating Profit on P/L Account		1,307	1,565	+ 258	19.7%

2.Breakdown of forging business

①Sales amount By the country

(¥million)

		2015fiscal year ①	2016fiscal year ②	Comparison with the previous period	
				②－①	Rate of change
Domestic sales amount		6,341	7,550	+ 1,209	19.1%
Thailand sales amount		6,640	6,262	△377	△5.7%
Total		12,981	13,813	+ 832	6.4%
(Reference) Thai Baht exchange rates(1Baht:¥)		3.35¥/Baht	3.25¥/Baht	Detailed decreased amount of ¥377 Mill. Yen is caused by the weak Thai-baht.(193 Mill. Yen) and others(183mill.Yen)	

②Sales amount By the industry

		2015fiscal year ①	2016fiscal year ②	Comparison with the previous period	
				②－①	Rate of change
Automotive industry		9,650	10,182	+ 531	5.5%
Construction machinery industry		3,330	3,631	+ 300	9.0%
Total		12,981	13,813	+ 832	6.4%

※Sales amount for Automotive industry includes for passenger vehicles, commercial vehicles, trucks and forklifts.

※Sales amount for Construction machinery industry includes for Industrial machines and Scaffolding parts.

3.Non-operating income breakdown

(¥million)

	2015fiscal year ①	2016fiscal year ②	Comparison with the previous period	
			②-①	Rate of change
Non-operating income	313	314	+1	0.5%
Interest income	48	42	△5	△12.0%
Dividend income	147	141	△5	△4.0%
Steel scrap selling income	18	20	+2	+14.0%
Others	99	109	+10	+10.8%
Non-operating expense	27	46	+19	+71.0%
Interest expense	7	6	0	△12.8%
Dies disposal loss	14	29	+14	+103.1%
Others	5	10	+5	△102.4%

Note: •Former “ Scrap profit on sale(Profit on sale of scrap which generated in the manufacturing process)” has been changed to appropriate from non-operation income to cost of sales due to change in indication method from 2015 fiscal year.

4.Breakdown of capital investment and depreciation

(¥million)

	2015fiscal year ①	2016fiscal year ②	Comparison with the previous period		2017 fiscal year (initial projection)
			②-①	Rate of change	
Amount of capital investment	2,372	2,076	△296	△12.5%	1,200
(As for forging business.)	(1,573)	(860)	(△712)	△45.3%	(700)
Depreciation implementation Amount	997	1,039	+42	+4.3%	1,150

◎ Major contents of capital investment in fiscal 2016.

- ① Land acquisition of Sagamihara material center in Scaffolding parts business (Included 2015 year paid amount): 978 m
- ② Expansion of electrical substation equipment for Thai subsidiary company in forging business (Included 2015 year paid amount): 301 mill. Yen
- ③ New equipment acquisition Kita-Kanto-Materials Center in Scaffolding parts business: 185 mill. Yen
- ④ Equipment repair woks in domestic and overseas' forging factories etc.: 612 mill. yen.

* Apart from the above, we invested amount of 387. mill yen as stock transfer of Seitan.

◎ Major contents of capital investment in fiscal 2017.

- ① New installation of Axle Shaft Line NO.3 and modification of existing lines for Thai subsidiary company in forging business. : 350 mill. Yen
- ② Equipment repair woks in domestic and overseas' forging factories etc.: 850 mill. yen