

Consolidated Financial Results for Fiscal Year Ending March 31, 2019

Supplementary explanatory materials.

SNT Corporation

Consolidated Financial Results Overview

2018 Consolidated Financial Results

Thai Baht exchange rates(1Baht:¥) 3.46 3.41 -0.05 (¥million)

	2017fiscal year ①	2018fiscal year ②	Comparison with the previous period	
			②-①	Rate of change
Sales	21,752	22,769	+1,017	4.7%
Operating Profit	1,559	1,722	+162	10.4%
Ordinary Profit	1,868	1,999	+130	7.0%
Net Income devolved to the shareholders of parent company	1,508	1,317	△190	△12.7%

(Note)

•In the fiscal year 2017, according to the liquidation of Shanghai Nittan formerly 100% subsidiary company in China, we appropriated 24 million yen of operation loss and 58 million yen of provision for loss on liquidation of subsidiary company, on the other hand, we appropriated 305 million yen of sales gain for investment securities selling and 102 million yen of investment transfer gain as extra ordinary profit.

【Year-end dividend】10.0 ¥ (10.0 ¥/annual, 1.50 Yen /share of commemorative dividend for 70th year anniversary included.)

2019 Business Forecast

(¥million)

	2018fiscal year ①	2019fiscal year			Comparison with the previous period	
		first half	The second half	Year outlook ②	②-①	Rate of change
Sales	22,769	10,400	10,700	21,100	△1,669	△7.3%
Operating Profit	1,722	550	600	1,150	△572	△33.2%
Ordinary Profit	1,999	700	750	1,450	△549	△27.5%
Net Income devolved to the shareholders of parent company	1,317	850	500	1,350	+32	2.5%

(Outlook points of 2019 fiscal year)

1. For the sales, we forecast a decrease in income by approx. ▲7%, reflecting the global sales' slowing down among our customers in the forging business and the termination of transaction that contributed to the previous period in the logistics business.

2. On the profit and loss point of view, we forecast less profit up to the ordinary profit stage due to the sales amount decrease and termination of compensation amount receipt by the customer's production termination that appropriated in the previous term. But we forecast that net income is as same as the previous term under the influence of merger of the subsidiary company disclosed today.

3. Our forecasted Thai Baht exchange rate in 2019 fiscal year is 3.35 ¥ /Thai Baht. (▲0.06 ¥/Baht compared with actual result in 2018).

1.Sales amount and operating profit By the Segments.

(¥million)

		2017fiscal year ①	2018fiscal year ②	Comparison with the previous period	
				②－①	Rate of change
Forging business	Sales	18,041	18,916	+874	4.8%
	Operating Profit	1,498	1,684	+185	12.4%
Scaffolding parts business	Sales	2,094	1,705	△389	△18.6%
	Operating Profit	279	161	△117	△42.0%
Logistics products business	Sales	1,439	1,974	+534	37.1%
	Operating Profit	89	180	90	100.9%
Real estate business	Sales	176	173	△3	△1.8%
	Operating Profit	85	81	△4	△5.0%
Segments total	Sales	21,752	22,769	+1,017	4.7%
	Operating Profit	1,953	2,108	+154	7.9%
Corporate expenses		△394	△386	+7	—
Operating Profit on P/L Account		1,559	1,722	+162	10.4%

2.Breakdown of forging business

①Sales amount By the country

(¥million)

	2017fiscal year ①	2018fiscal year ②	Comparison with the previous period	
			②－①	Rate of change
Domestic sales amount	11,485	11,722	+237	2.1%
Thailand sales amount	6,556	7,193	+637	9.7%
Total	18,041	18,916	+874	4.8%
(Reference) Thai Baht exchange rates(1Baht:¥)	3.46¥/Baht	3.41¥/Baht		

②Sales amount By the industry.

	2017fiscal year ①	2018fiscal year ②	Comparison with the previous period	
			②－①	Rate of change
Automotive industry	13,553	14,208	+655	4.8%
Construction machinery industry	4,488	4,707	+219	4.9%
Total	18,041	18,916	+874	4.8%

※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)

	2017fiscal year ①	2018fiscal year ②	Comparison with the previous period	
			②－①	Rate of change
Non-operating income	372	371	△1	△0.3%
Interest income	40	41	±0	+1.0%
Dividend income	201	128	△73	△36.3%
Steel scrap selling income	26	40	+13	+52.6%
Others	103	161	+57	+56.0%
Non-operating expense	63	93	+30	+48.5%
Interest expense	9	8	±0	△7.1%
Dies disposal loss	47	60	+12	+26.7%
Others	5	24	+18	+311.5%

(Note) The amount of dividend receipt in 2017 fiscal year, included the 76 million yen of dividend from the joint venture company.

(Note) The gain on sales for non-operating income of scrap selling in 2018 fiscal year, includes scraps of equipments etc. selling that were scrapped in the previous term.

(Note) Non-operating income and others in 2018 fiscal year, includes 58 million yen of compensation receipt as a result of production termination by the customer.

4.Breakdown of capital investment and depreciation

(¥million)

	2017fiscal year ①	2018fiscal year ②	Comparison with the previous period		2019 fiscal year (initial projection)
			②－①	Rate of change	
Amount of capital investment	1,174	999	△174	△14.9%	1,400
(As for forging business.)	(1,144)	(803)	(△340)	△29.8%	(1,400)
Depreciation implementation Amount	1,153	1,067	△85	△7.4%	1,100

◎ Major contents of capital investment in fiscal 2018.

① Expansion works of Tsukuba equipment center in scaffolding business (Obtaining of the land included) : 170mill. Yen.

② Facility maintenance in domestic and overseas' forging factories etc. : 829 mill.Yen.

※ 170 million yen of Renewal work for Rear Axle Shaft machining line in Thai subsidiary company scheduled in the bigining of this term is postponed to 2019 fiscal year.

◎ Major contents of capital investment in fiscal 2019.

① Renewal and expansion of Axle Shaft Machining Line in Thai subsidiary company in forging business. : 610 mill. Yen

② Renewal of the equipment for special high voltage receiving station to the domestic subsidiary company in forging business.: : 200 mill. Yen

③ Facility maintenance in domestic and overseas' forging factories etc.: 590 mill. Yen.