

# SANDEN HD

**Consolidated Financial Results  
for the Year  
Ended March 31, 2017**

**May 10, 2017**

**SANDEN HOLDINGS CORPORATION**

**Takashi Shimomura**

**Corporate Officer  
General Manager, Finance Division**

**1. Consolidated Financial Results for the  
Year Ended March 31, 2017**

**2. Consolidated Financial Forecast for the  
Year Ending March 31, 2018**

## Consolidated Financial Results for the Year Ended March 31, 2017

- ◆ **Summary of Consolidated Financial Results**
- ◆ **Segment Results**
- ◆ **Summary of Consolidated Balance Sheet**

# Summary of Consolidated Financial Results

SANDEN **HD**

(100 Millions of Yen)

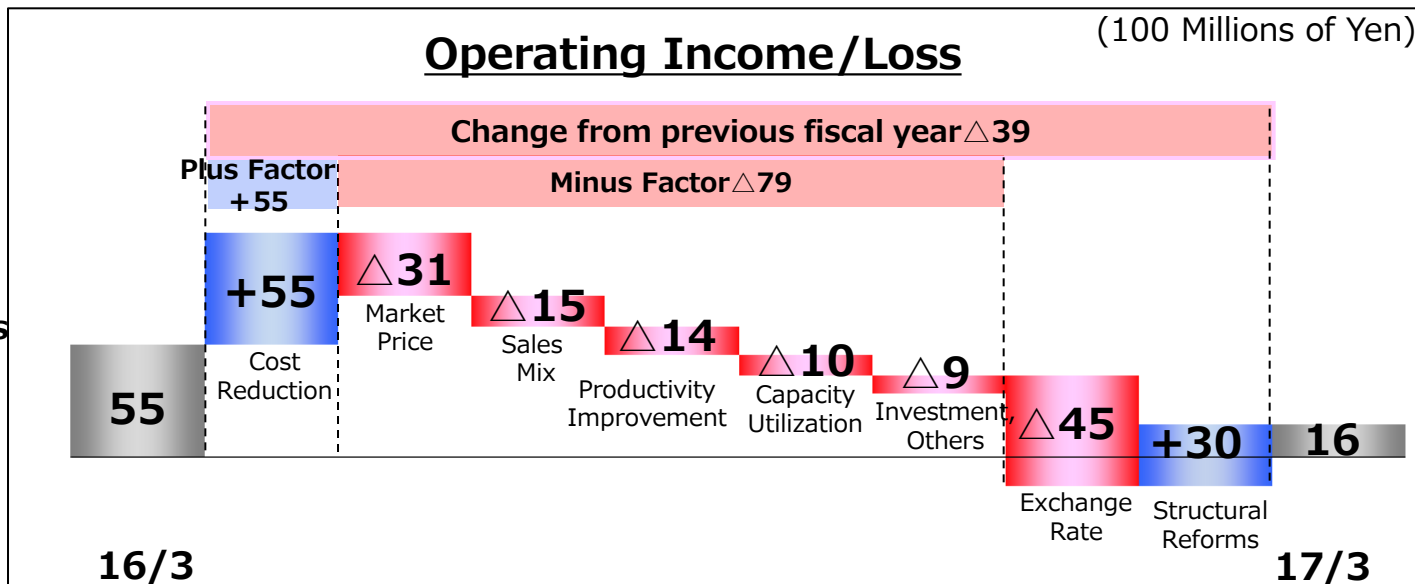
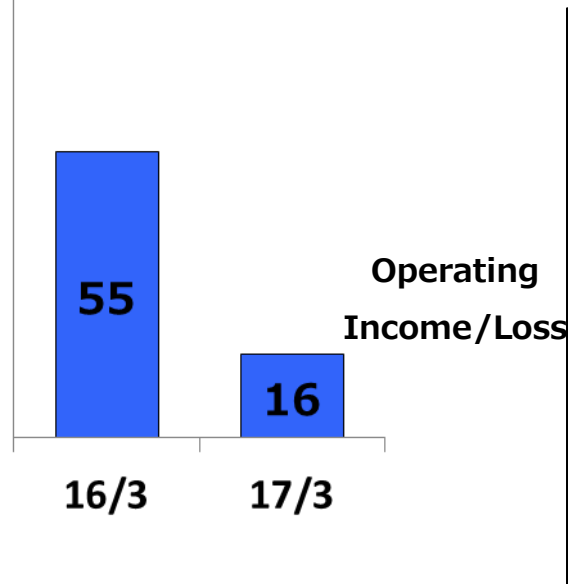
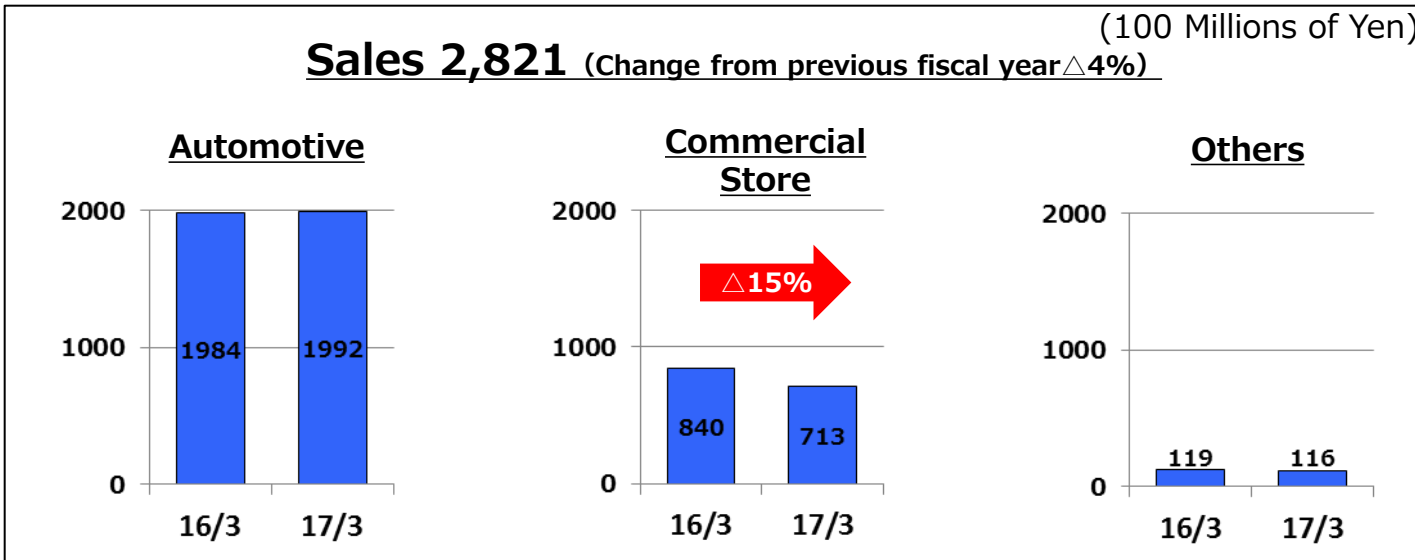
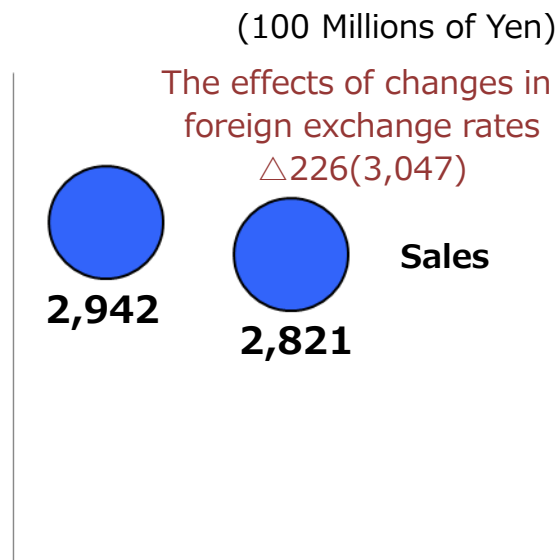
	2016/3 Results	2017/3 Results	Change from previous fiscal year (%)	
Sales	2,942	<b>2,821</b>	△122	(△4.1)
Operating Income	55	<b>16</b>	△39	(△71.2)
Ordinary Income	61	△ <b>23</b>	△84	(-)
Net Income <sup>※</sup>	70	△ <b>225</b>	△295	(-)

※Net Income: Profit of current term attributable to owners of parent

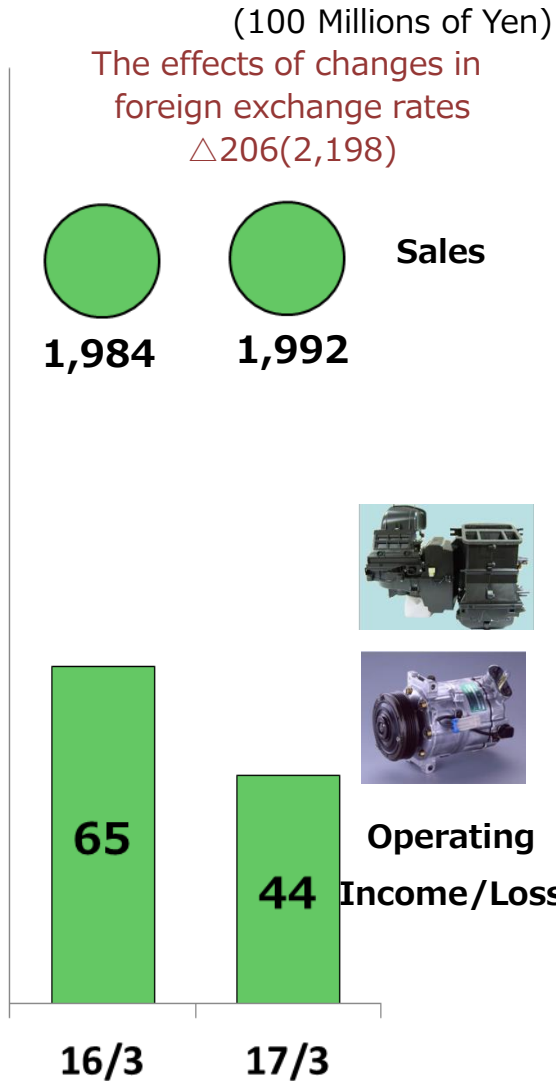
Exchange Rate	USD	120yen	<b>108yen</b>	△12yen
	EUR	133yen	<b>119yen</b>	△14yen

※Exchange: Average market rate

# Summary of Consolidated Financial Results

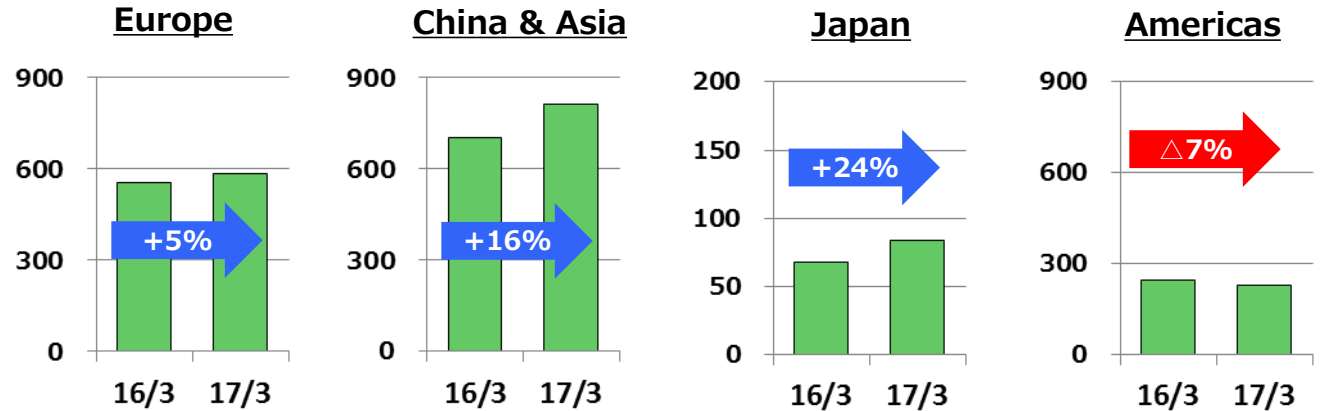


# Segment Result (Automotive Systems Business) SANDEN HD



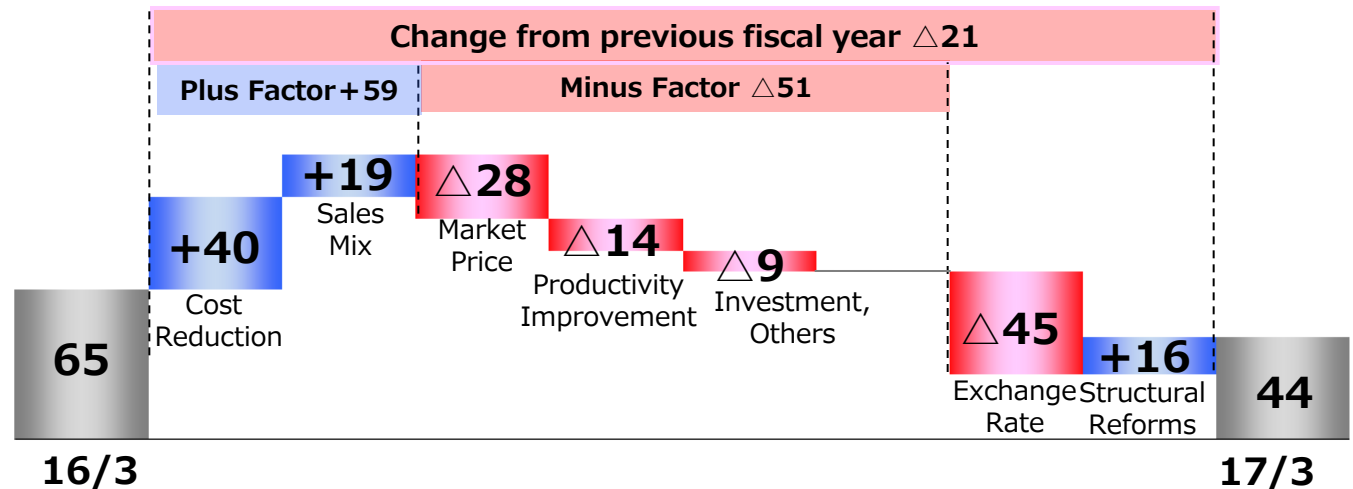
## Unit sales of compressor 1,710 (Change from previous fiscal year+9%)

(10 thousand)



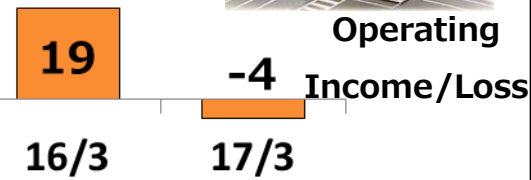
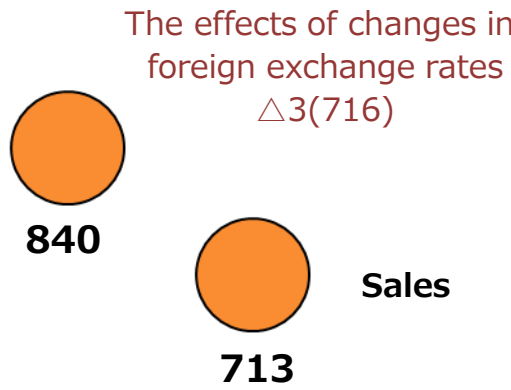
## Operating Income/Loss

(100 Millions of Yen)



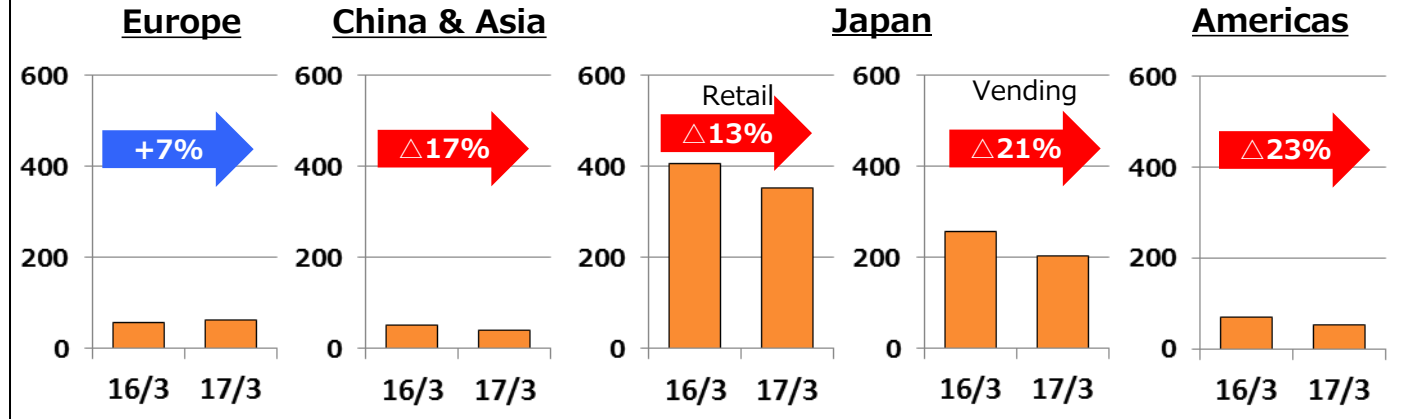
# Segment Result (Commercial Store Systems Business)

(100 Millions of Yen)



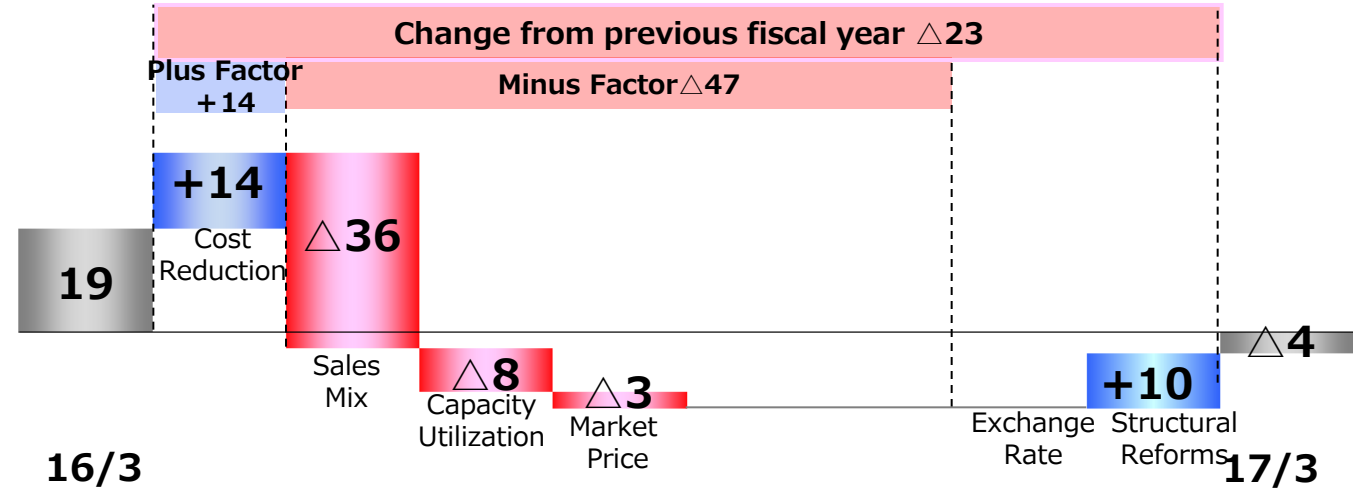
(100 Millions of Yen)

## Sales 713 (Change from previous fiscal year $\Delta 15\%$ )



(100 Millions of Yen)

## Operating Income/Loss

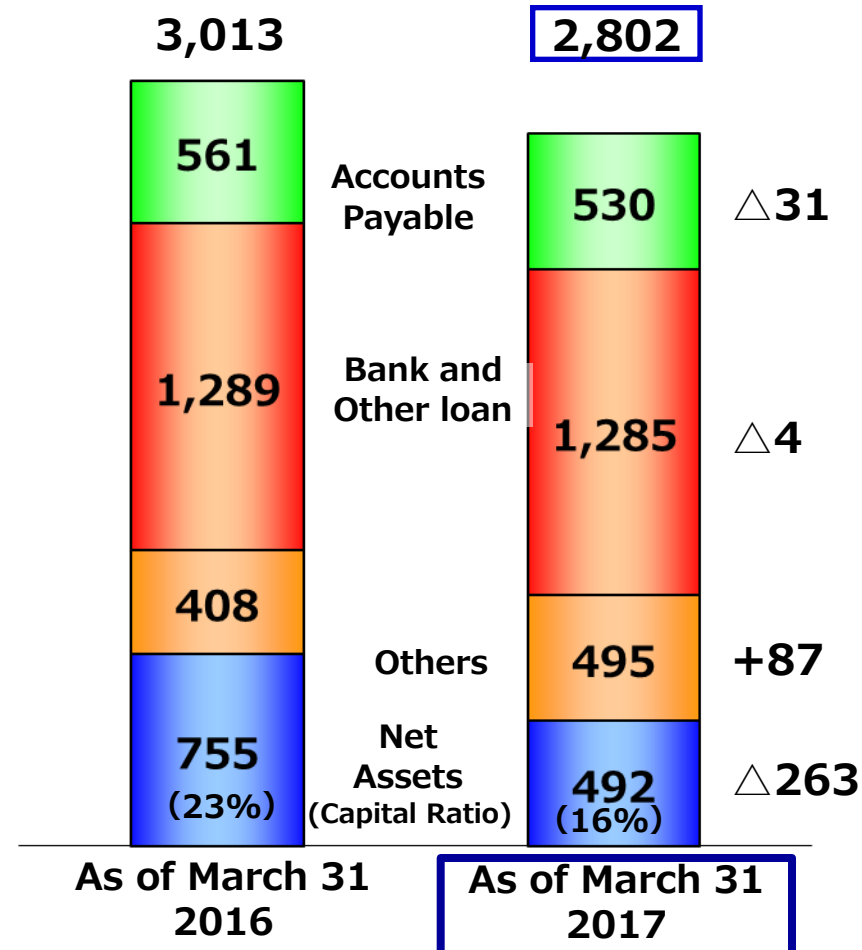
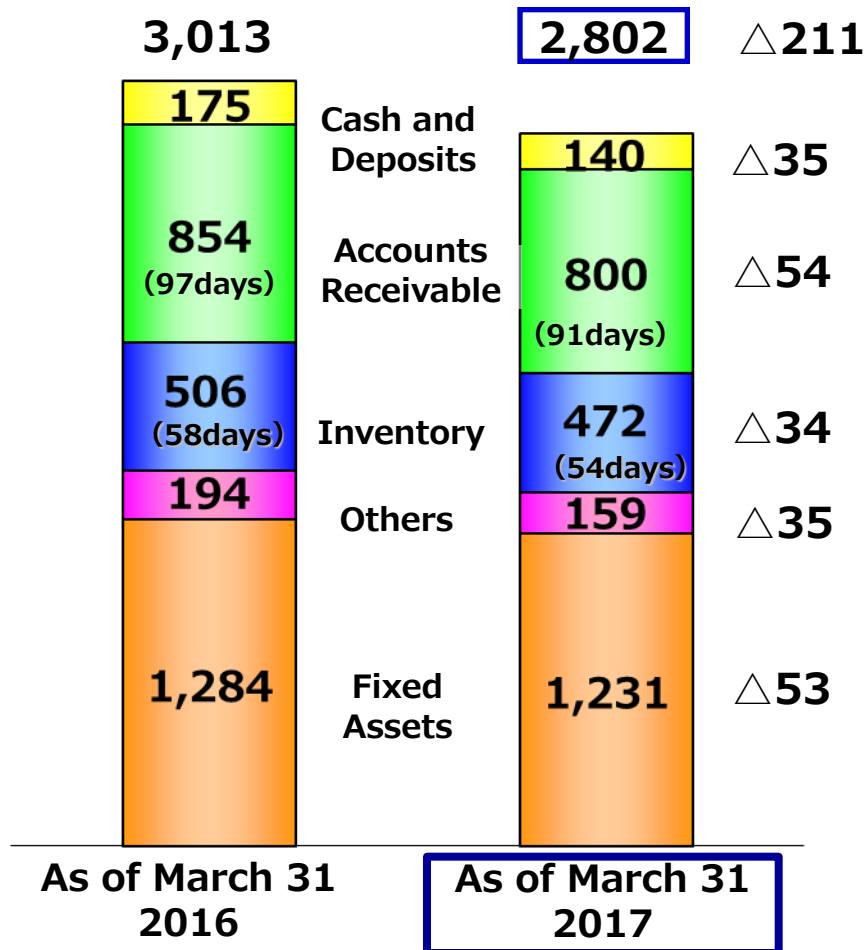


# Summary of Consolidated Balance Sheet

(100 Millions of Yen)

## Assets

## Liabilities/Net assets



※Exchange Rate : \$ = 113, € = 128

\$ = 112, € = 120

※Receivable and Inventory Days : Calculated based on sales in the last 3 months

※ Capital Ratio : (Net Assets – Minority Interests)/Total Assets



1. Consolidated Financial Results for the  
Year Ended March 31, 2017

2. Consolidated Financial Forecast for the  
Year Ending March 31, 2018

## 2. Consolidated Financial Forecast for the Year Ending March 31, 2018

- ◆ Forecast of Consolidated Financial Results
- ◆ Progress of the Drastic Structural Reforms
- ◆ Segment Forecast
- ◆ Forecast of Consolidated Capital Expenditure

# Forecast of Consolidated Financial Results

(100 Millions of Yen)

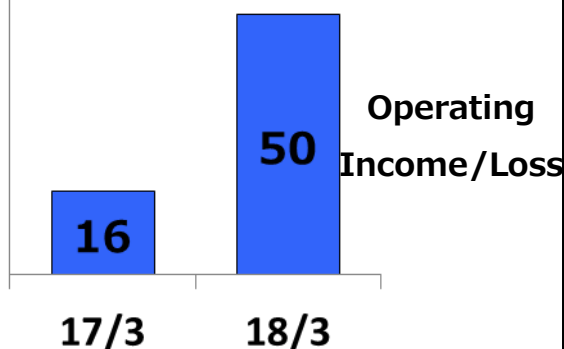
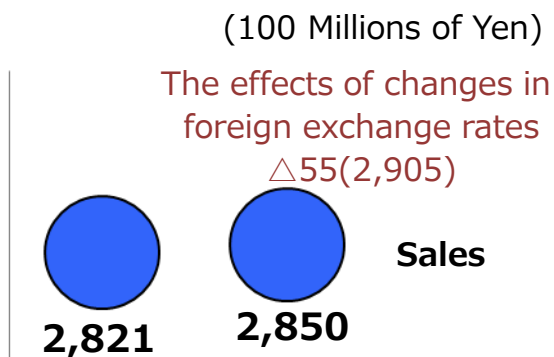
	2017/3 Results	2018/3 Forecast	Change from previous fiscal year (%)	
Sales	2,821	<b>2,850</b>	+29	(+1.0)
Operating Income	16	<b>50</b>	+34	(+216.1)
Ordinary Income	△23	<b>40</b>	+63	(-)
Net Income <sup>※</sup>	△225	<b>20</b>	+245	(-)

※Net Income: Profit of current term attributable to owners of parent

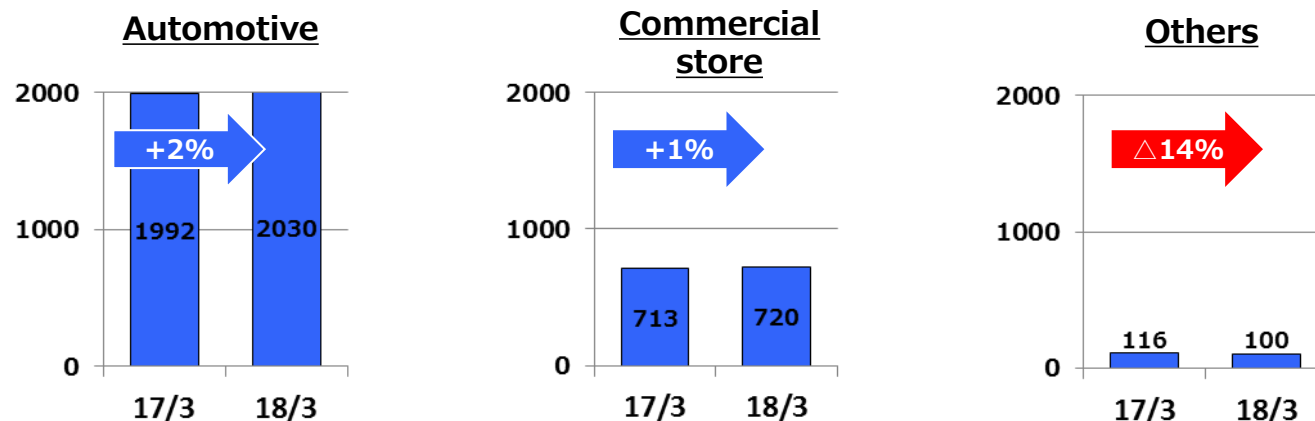
Exchange Rate	USD	108yen	<b>105yen</b>	△3yen
	EUR	119yen	<b>115yen</b>	△4yen

※Exchange: Average market rate

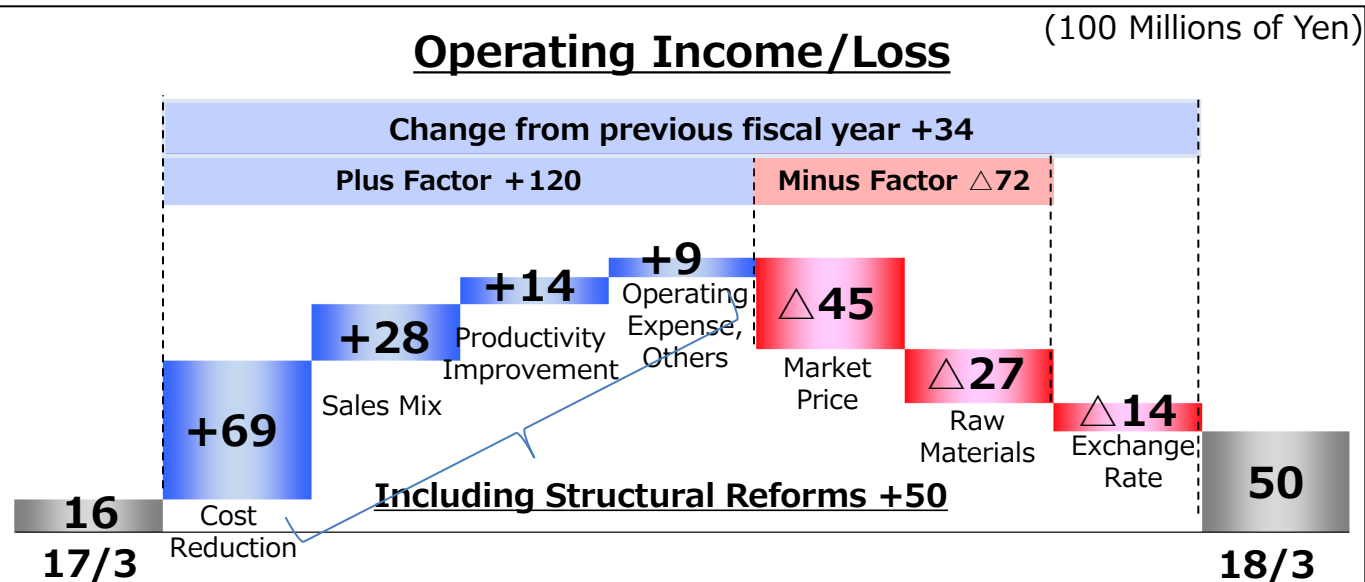
# Forecast of Consolidated Financial Results



## Sales 2,850 (Change from previous fiscal year +1%)



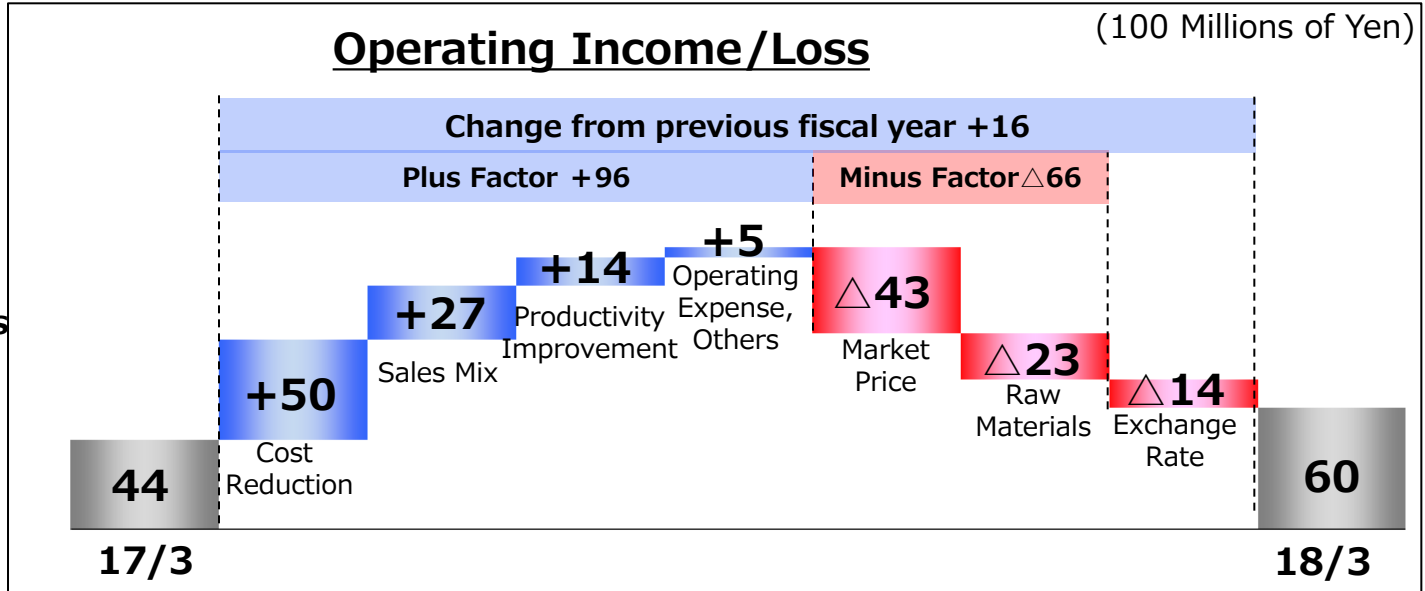
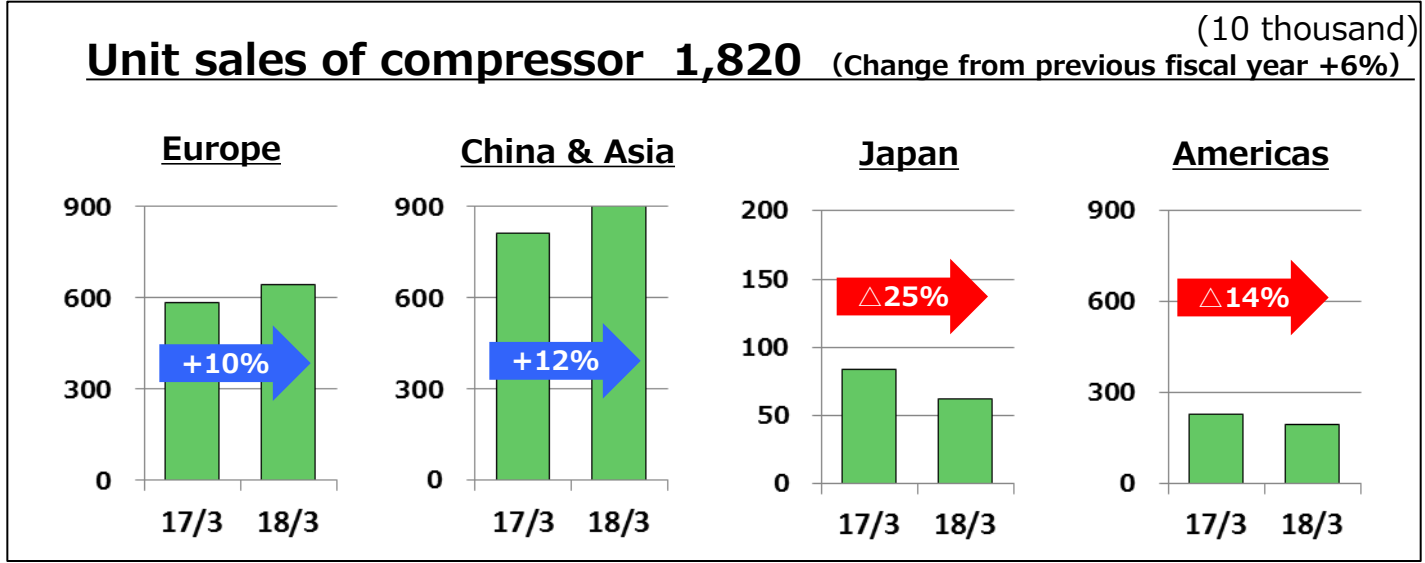
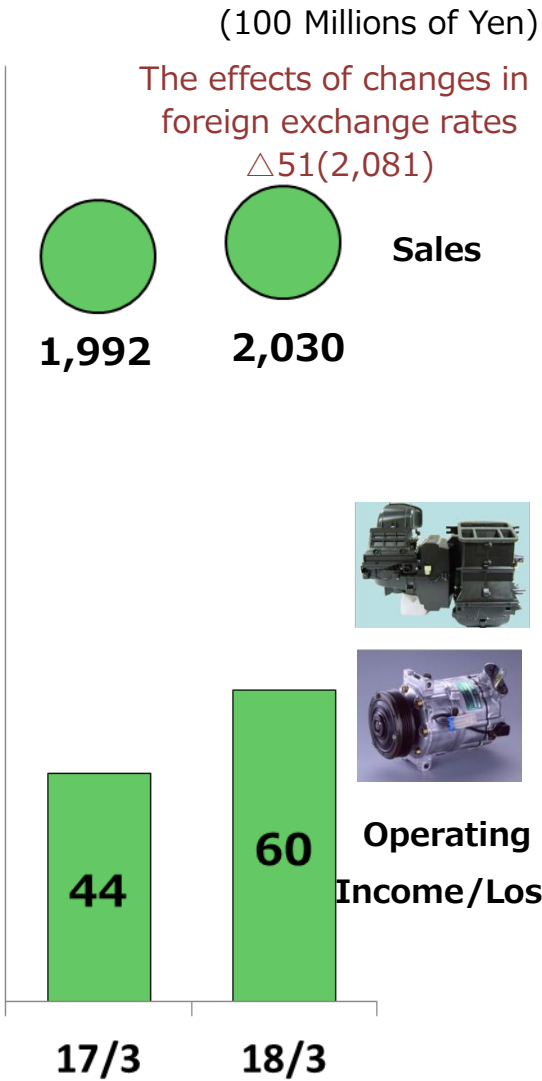
## Operating Income/Loss



# Progress of the Drastic Structural Reforms

	August 2016	Current Situation
1 Extensive review of overall business portfolio	<ul style="list-style-type: none"> <li>Clarification of positioning each business and determination of policy from Market/Technology</li> </ul>	<ul style="list-style-type: none"> <li>Improving profitability on a zero-base</li> <li>Downsizing or withdrawal from unprofitable businesses</li> </ul>
2 Integration and consolidation of operations and organizations	<ul style="list-style-type: none"> <li>Rationalization of operations and organization on a global basis</li> </ul>	<ul style="list-style-type: none"> <li>Rationalization of manufacturing facilities in Japan, Americas, and Asia</li> </ul>
3 Vitalization of organizations through optimization of personal structure	<ul style="list-style-type: none"> <li>Optimal allocation to meet environmental changes in the future</li> </ul>	<ul style="list-style-type: none"> <li>Voluntary retirement program</li> <li>Optimal allocation of human resources globally</li> </ul>
4 Improvement of investment efficiency through selection and concentration	<ul style="list-style-type: none"> <li>Revision of investment by rationalization of each project and allocation of resources into growth field</li> </ul>	<ul style="list-style-type: none"> <li>A through review to make each investment judgment based on business portfolio</li> </ul>
5 Strengthening of global competitiveness through consolidated sources of procurement	<ul style="list-style-type: none"> <li>Strengthening of QCD on a global basis with the revision of procurement strategy</li> </ul>	<ul style="list-style-type: none"> <li>Introducing the principle of competition mechanism/Centralization of procurement on a global basis</li> </ul>
6 Improvement of efficiency through drastic review of expenditures	<ul style="list-style-type: none"> <li>Inspection of inefficient operation in all aspects and promoting further cost reduction</li> </ul>	<ul style="list-style-type: none"> <li>Consolidation of logistics facilities in Europe</li> <li>Reduction of experimental manufacturing cost by using CAE</li> <li>Integrated purchasing of indirect materials</li> </ul>
7 Enhancement of cash generation through financial structure reform	<ul style="list-style-type: none"> <li>Optimization of working capital and improvement of asset efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Improving the efficiency of assets including account receivable reduction, local procurement and asset liquidation</li> </ul>

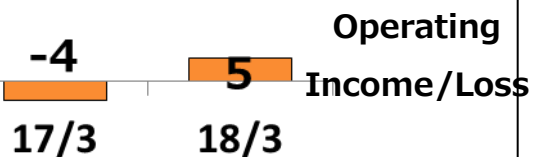
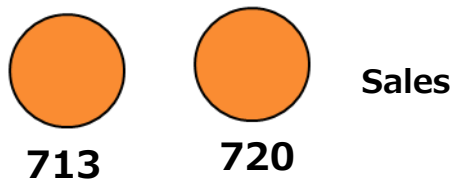
# Segment Forecast (Automotive Systems Business)



# Segment Forecast (Commercial Store Systems Business)

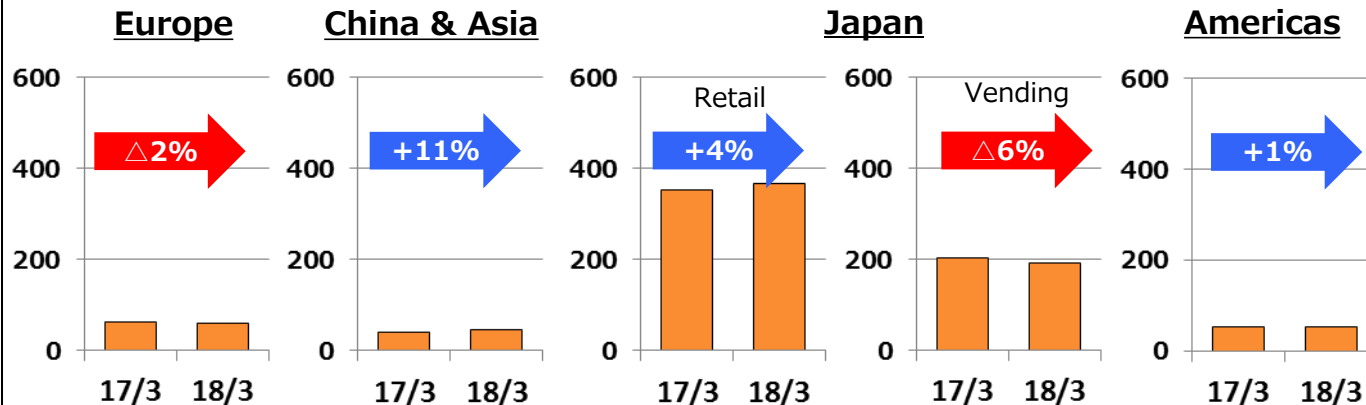
(100 Millions of Yen)

The effects of changes in foreign exchange rates  
 $\Delta 4(724)$



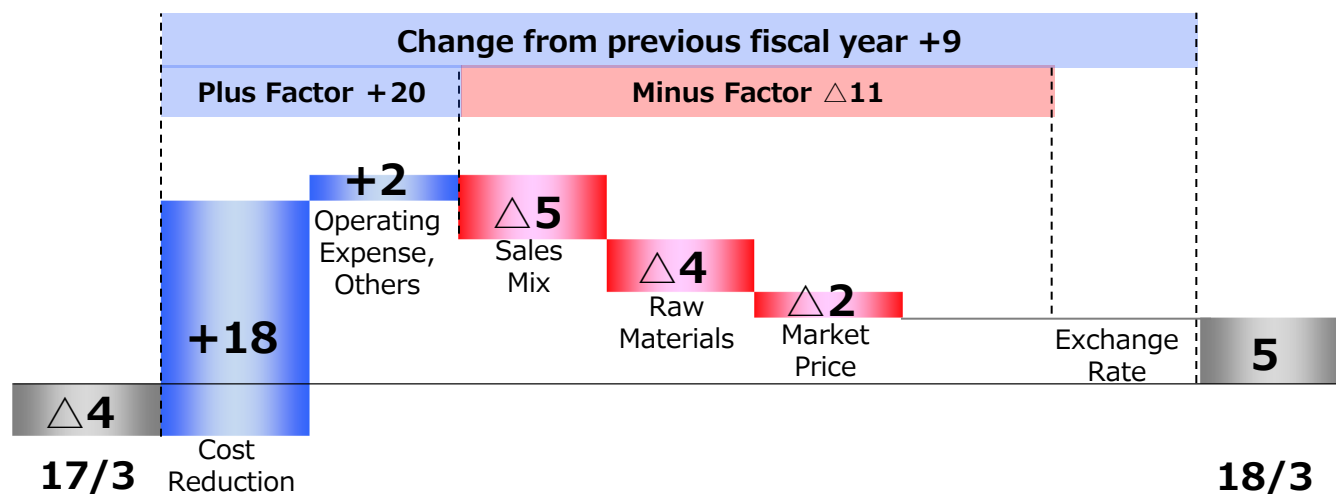
(100 Millions of Yen)

## Sales 720 (Change from previous fiscal year +1%)



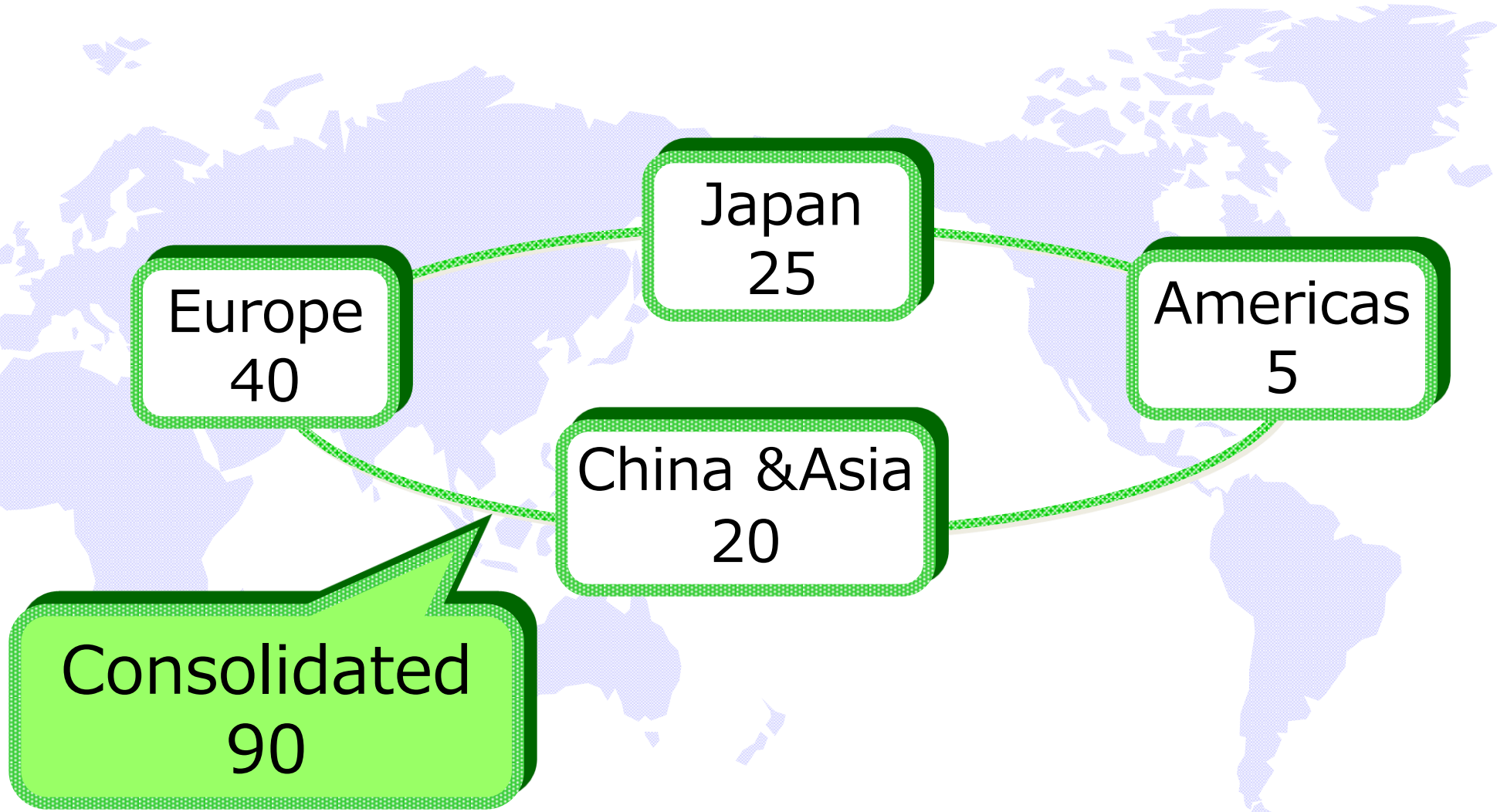
(100 Millions of Yen)

## Operating Income/Loss



# Forecast of Consolidated Capital Expenditure

(100 Millions of Yen)







### Cautionary Note Regarding Outlook Statements

※Forward-looking statements in this earnings release, such as forecast of results of operations, are based on the information currently available and the certain assumptions that we regard as reasonable. Therefore, actual results may differ materially from those contained in or suggested by any forward-looking statements.