

# SATO HOLDINGS CORPORATION

FY2014 Q3  
Financial Results Briefing

Securities Code: 6287



# FY2014 Q3 Consolidated Performance (Accumulated)

Unit: JPY Million	FY14 (1)	FY13 (2)	Year-on-year change	
			(1-2)	%
<b>Sales</b>	72,934	70,702	+ 2,231	103.2%
<b>Operating Income</b>	4,929	4,803	+ 126	102.6%
<b>Operating Income %</b>	6.8%	6.8%	±0.0pt	--
<b>Ordinary Income</b>	5,191	5,173	+ 17	100.3%
<b>Net Income</b>	3,134	3,286	(152)*	95.4%
<b>EBITDA</b>	7,511	7,097	+ 414	105.8%

\* Amortization expenses of goodwill: FY2014: JPY 764 million  
FY2013: JPY 729 million

\* EBITDA = Operating income + Depreciation + Amortization

\* Influencing factors for net income decrease  
[1] Increase in withholding tax on dividends from group companies:  
- JPY 40 million  
[2] Negative earnings from SATO Vicinity: - JPY 90 million



# FY2014 Consolidated Performance Breakdown (Q1 to Q3)

Unit: JPY Million

		FY14 (1)	FY13 (2)	Year-on-year change	
				(1-2)	%
<b>Japan</b>	Sales	49,236	49,491	(254)	99.5%
	Operating Income	3,483	3,346	+ 136	104.1%
<b>Overseas</b>	Sales	23,697	21,211	+ 2,485	111.7%
	Operating Income	1,737	1,542	+ 194	112.6%
<b>Eliminated</b>	Operating Income	(290)	(86)	(204)	--
<b>Consolidated</b>	Sales	72,934	70,702	+ 2,231	103.2%
	Operating Income	4,929	4,803	+ 126	102.6%

Excl.  
exchange  
rate impact

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104.9%

Note: Overseas Operating Income if excluding SATO Vicinity was JPY 2,004 million (127.7% vs. PY)



# FY2014 Q1 to Q3

## Accumulated Performance Highlights

### Japan

- Lull in sales of consumables continued (97.9% vs. PY), yet sales of mechatronics increased, owing to efforts to win large-scale deals. (102.5% vs. PY)
- Gross profit rate improved, reaching 45.7%, owing to an increase in mechatronics sales, and operating income at 104.1% vs. PY.

### Overseas

- Overseas sales and operating income increased by more than 10% vs. PY. Excluding additional up-front investments made for SATO Vicinity (PJM), operating income was 128% vs. PY.



# Japan

Unit: JPY Million	FY14 (Q1 to Q3)			
	Q1	Q2	Q3	(1)
<b>Mechatronics Sales</b>	5,372	6,155	5,814	17,342
<b>Consumables Sales</b>	10,462	10,281	11,150	31,894
<b>Total Sales</b>	15,834	16,436	16,965	49,236
<b>Gross Profit %</b>	46.6%	45.0%	45.5%	45.7%
<b>Operating Income</b>	1,000	996	1,485	3,483
<b>Operating Income %</b>	6.3%	6.1%	8.8%	7.1%

FY13 (2)	Year-on-year change	
	(1-2)	%
16,919	+422	102.5%
32,571	(677)	97.9%
49,491	(254)	99.5%
44.0%	+1.7pt	--
3,346	+136	104.1%
6.8%	+0.3pt	--

Reference: Sales per market (Q1 to Q3)



Note: For easier comparison, the data shown has been normalized with the sales figures in FY2012 Q3 set at 100.



# Americas

Unit: JPY Million		FY14 (Q1 to Q3)				FY13 (2)	Year-on-year change	
		Q1	Q2	Q3	(1)		(1-2)	%
North America	Sales	2,034	2,013	2,360	6,408	5,526	+ 882	116.0%
	Operating Income	155	130	94	381	228	+ 152	166.8%
	Operating Income %	7.7%	6.5%	4.0%	6.0%	4.1%	+1.8pt	--
South America	Sales	454	484	537	1,476	1,394	+ 82	105.9%
	Operating Income	57	39	33	130	147	(16)	88.7%
	Goodwill	(21)	(22)	(24)	(68)	(78)	+ 10	--
Operating Income %	12.7%	8.2%	6.2%	8.9%	10.6%	(1.7pt)	--	
Total	Sales	2,489	2,498	2,898	7,885	6,920	+ 964	113.9%
	Operating Income	213	170	128	512	376	+ 136	136.1%
	Operating Income %	8.6%	6.8%	4.4%	6.5%	5.4%	+ 1.1pt	--

Excl. exchange rate impact  
106.1%

# Europe

Unit: JPY Million

	FY14 (Q1 to Q3)				FY13 (2)	Year-on-year change		Excl. exchange rate impact
	Q1	Q2	Q3	(1)		(1-2)	%	
<b>Sales</b>	1,966	1,827	1,974	5,768	5,285	+ 483	109.2%	101.1%
<b>Operating Income</b>	103	120	128	352	154	+ 198	228.9%	
<b>Operating Income %</b>	5.3%	6.6%	6.5%	6.1%	2.9%	+ 3.2pt	--	



# Asia & Oceania

Unit: JPY Million

		FY14 (Q1 to Q3)			
		Q1	Q2	Q3	(1)
Asia & Oceania	Sales	2,360	2,505	2,743	7,609
	Operating Income	256	292	404	953
	Operating Income %	10.9%	11.7%	14.7%	12.5%
ARGOX	Sales	861	786	786	2,434
	Operating Income	21	(52)	(50)	(81)
	Goodwill	(184)	(189)	(201)	(575)
	Operating Income %	2.5%	(6.6%)	(6.5%)	(3.3%)
Total	Sales	3,221	3,291	3,529	10,043
	Operating Income	278	239	353	871
	Operating Income %	8.7%	7.3%	10.0%	8.7%
Total Excl. SATO Vicinity	Operating Income	345	344	449	1,139
	Operating Income %	10.7%	10.5%	12.8%	11.4%

FY13 (2)	Year-on-year change	
	(1-2)	%
6,716	+892	113.3%
1,052	(98)	90.6%
15.7%	(3.1pt)	--
2,289	+144	106.3%
(39)	(41)	--
(545)	(29)	--
(1.7%)	(1.6pt)	--
9,006	+1,037	111.5%
1,012	(140)	86.1%
11.2%	(2.6pt)	--
1,039	+100	109.7%
11.5%	(0.2pt)	--

Excl. exchange rate impact  
106.2%





# Consolidated Performance for FY2014 (Forecast)

Unit: JPY Million	Q1 to Q3		Q4		Full Year	
	Actual	vs. PY	Planned	vs. PY	Planned	vs. PY
	<b>Sales</b>	72,934	103.2%	27,065	103.8%	100,000
<b>Operating Income</b>	4,929	102.6%	3,070	157.0%	8,000	118.4%
<b>Ordinary Income</b>	5,191	100.3%	2,708	141.8%	7,900	111.5%
<b>Net Income</b>	3,134	95.4%	1,865	184.9%	5,000	116.4%
<b>EBITDA</b>	7,511	105.8%	--	--	11,500	116.5%

\* Note: Exchange rates used in initial forecast: 1\$ = ¥102, 1€ = ¥138

Actual exchange rates in Q3 : 1\$ = ¥106.72, 1€ = ¥140.20

\* EBITDA = Operating Income + Depreciation + Amortization



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