



Ceaseless Creativity for a Sustainable World

SATO HOLDINGS CORPORATION

FY2015 Q1

Financial Results Briefing

Securities Code: 6287

July 24, 2015 (Fri.)

- **Sales figures are mostly on target**
- **Year-on-year profit dropped significantly**

**Due to decline in gross profit ratio
and increase in one-time costs.**



FY2015 Q1 consolidated results

Unit: JPY Million	FY15 Q1	FY14 Q1	Year-on-year change	
	(1)	(2)	(1-2)	%
Sales	25,556	23,512	+2,044	108.7%
Operating Income	660	1,536	(875)	43.0%
Operating Income %	2.6%	6.5%	(3.9pt)	--
Ordinary Income	759	1,590	(831)	47.7%
Effective Tax Rate	44.6%	44.1%	--	--
Net Income	312	886	(574)	35.3%
EBITDA*	1,843	2,361	(518)	78.0%

*EBITDA = Operating income + Depreciation + Amortization

- Depreciation FY14: JPY 577 million, FY15: JPY 833 million

(incl. JPY 156 million for new IT core systems)

- Amortization FY14: JPY 247 million, FY15: JPY 348 million

(incl. JPY 68 million for Okil)

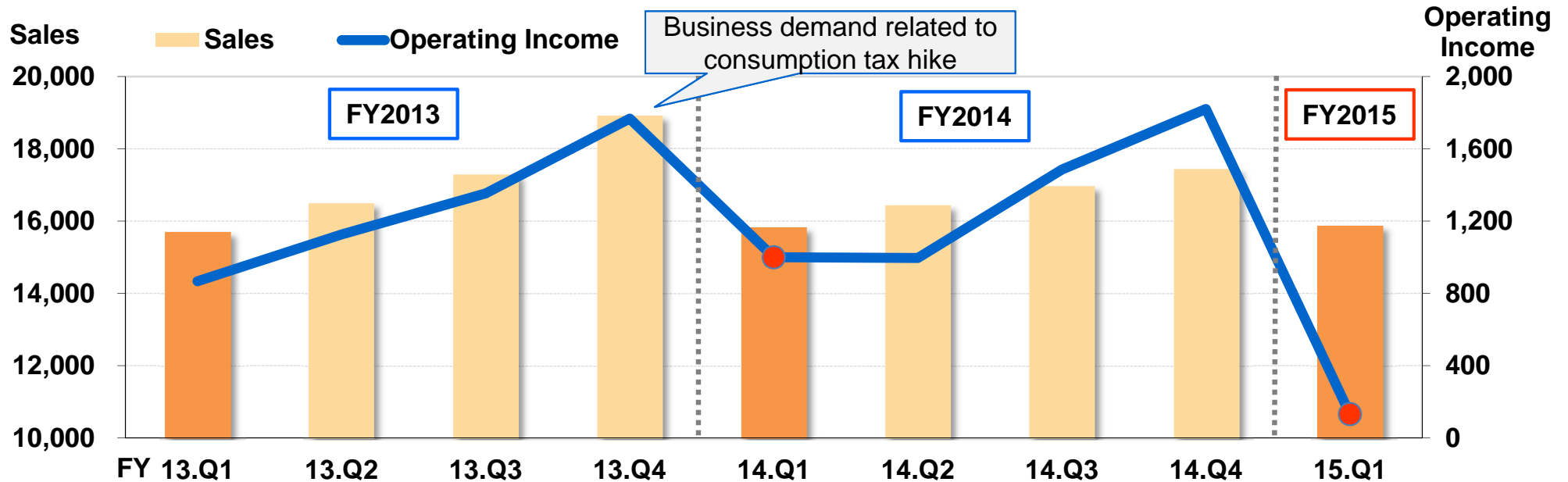


Performance by region: Japan (1)

- Gross profit dropped due to sluggish sales in base businesses and low profitability of large-scale mechatronics deals that were strategically targeted.
- Decrease in operating income owing mainly to increases in one-time personnel expenses.

(Unit: JPY Million)

	FY2015	FY2014	Year-on-year	
	Q1	Q1	change	%
Mechatronics Sales	5,658	5,372	+285	105.3%
Consumables Sales	10,221	10,462	(243)	97.7%
Total Sales	15,879	15,834	+44	100.3%
Gross Profit %	44.3%	46.6%	(2.4pt)	--
Operating Income	132	1,000	(868)	13.2%
Operating Income %	0.8%	6.3%	(5.5pt)	--



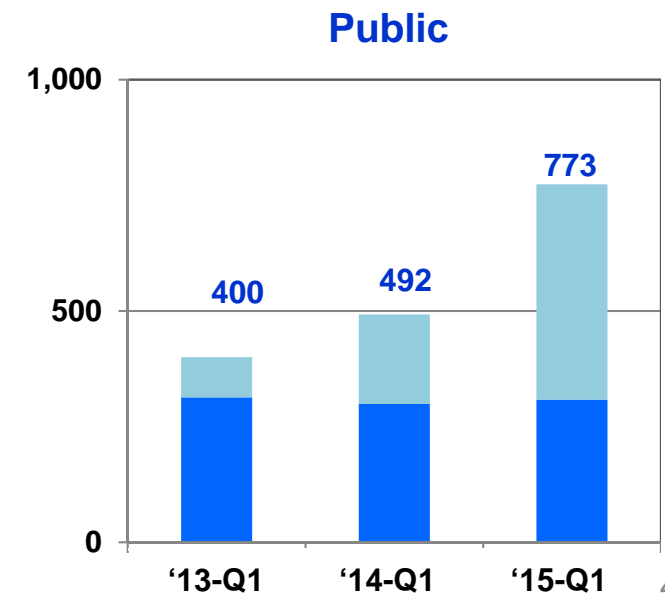
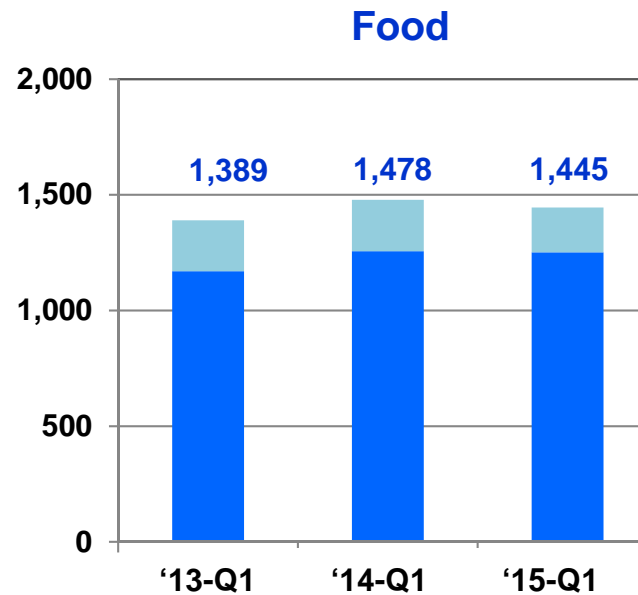
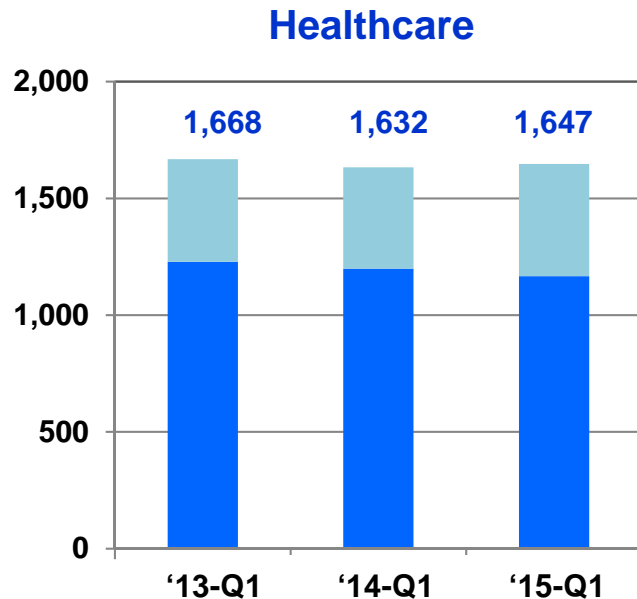
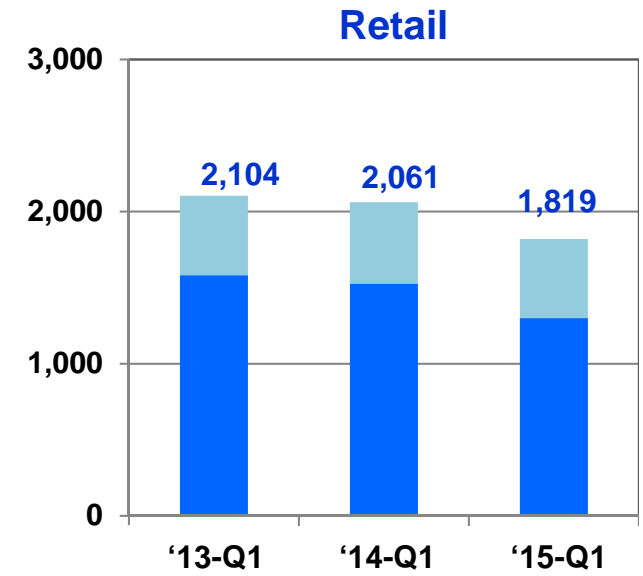
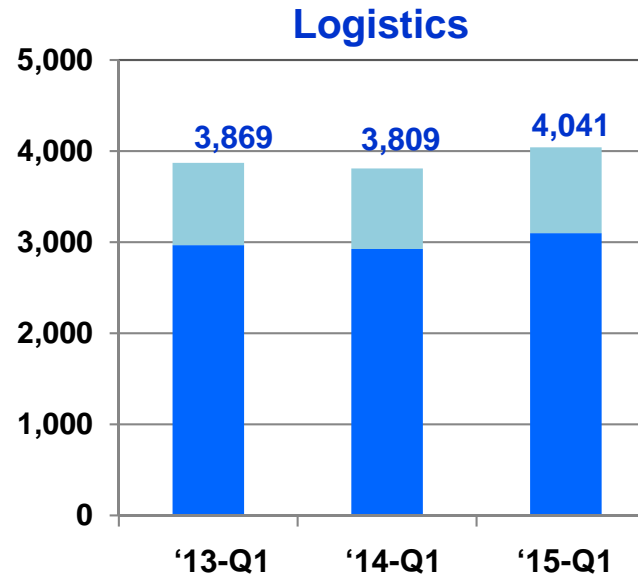
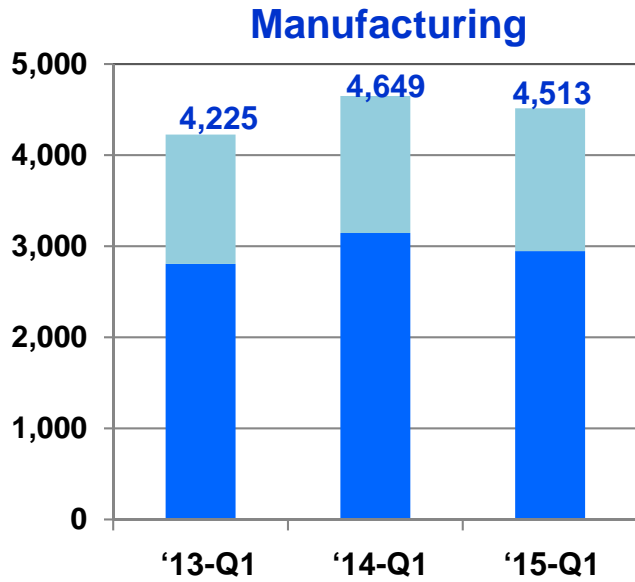


Performance by region: Japan (2)

■ : Mechatronics ■ : Consumables

Sales data by sector

Unit: JPY Million

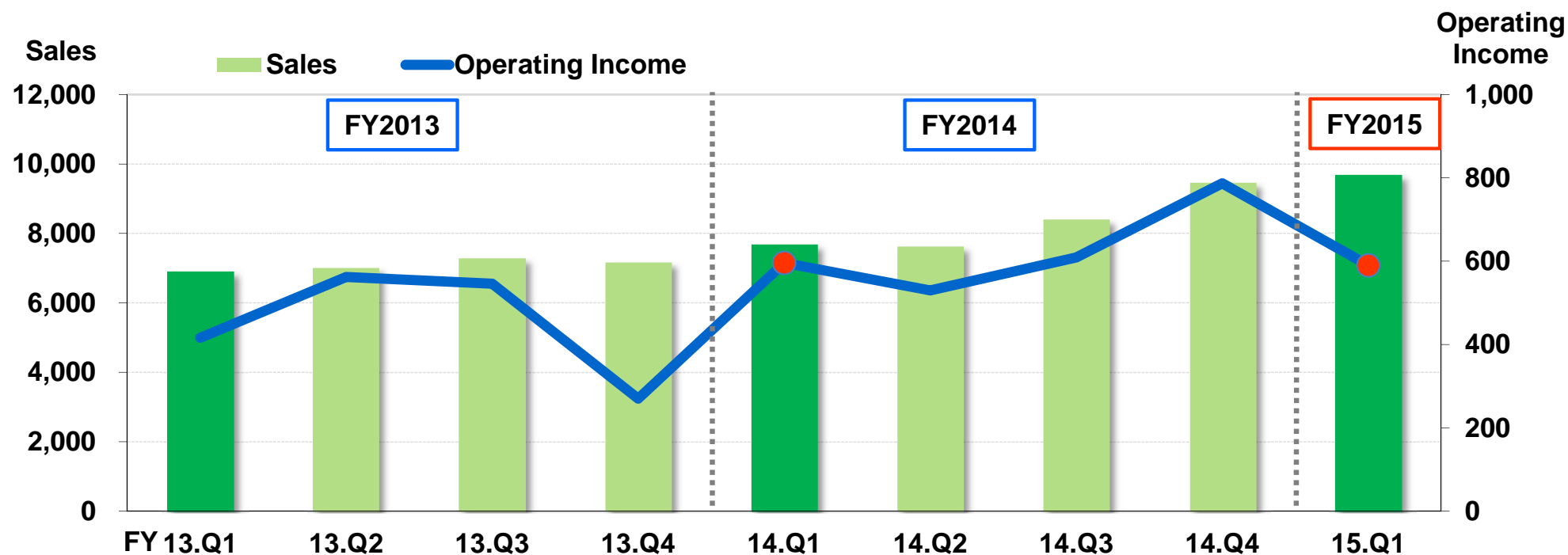




Performance by region: Overseas overall

- Progress on track with contributions from newly acquired Okil (Russia) and our strong business in Asia.

(Unit: JPY Million)	FY2015	FY2014	Year-on-year		
	Q1	Q1	change	%	Excl. exchange rate impact
Sales	9,677	7,677	+1,999	126.0%	116.8%
Gross Profit %	40.9%	41.9%	(1.0pt)	--	--
Operating Income	590	596	(6)	99.0%	--
Operating Income %	6.1%	7.8%	(1.7pt)	--	--

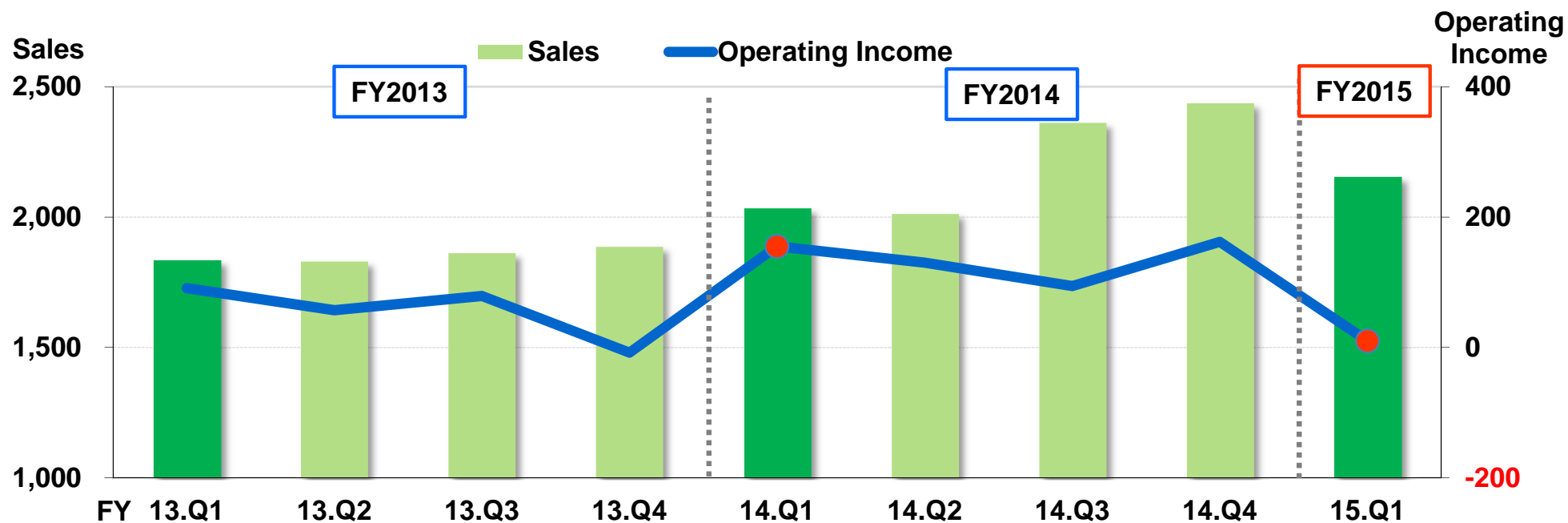




Performance by region: North America

- Prospective major orders delayed and expected to come through in Q2 or later.
- SATO Global Solutions (SGS) projected to close new business deals starting Q2.

(Unit: JPY Million)	FY2015	FY2014	Year-on-year		Excl. exchange rate impact
	Q1	Q1	change	%	
Sales	2,155	2,034	+121	106.0%	90.3%
Gross Profit %	29.5%	30.6%	(1.2pt)	--	--
Operating Income	10	155	(144)	7.0%	--
Operating Income %	0.5%	7.7%	(7.2pt)	--	--

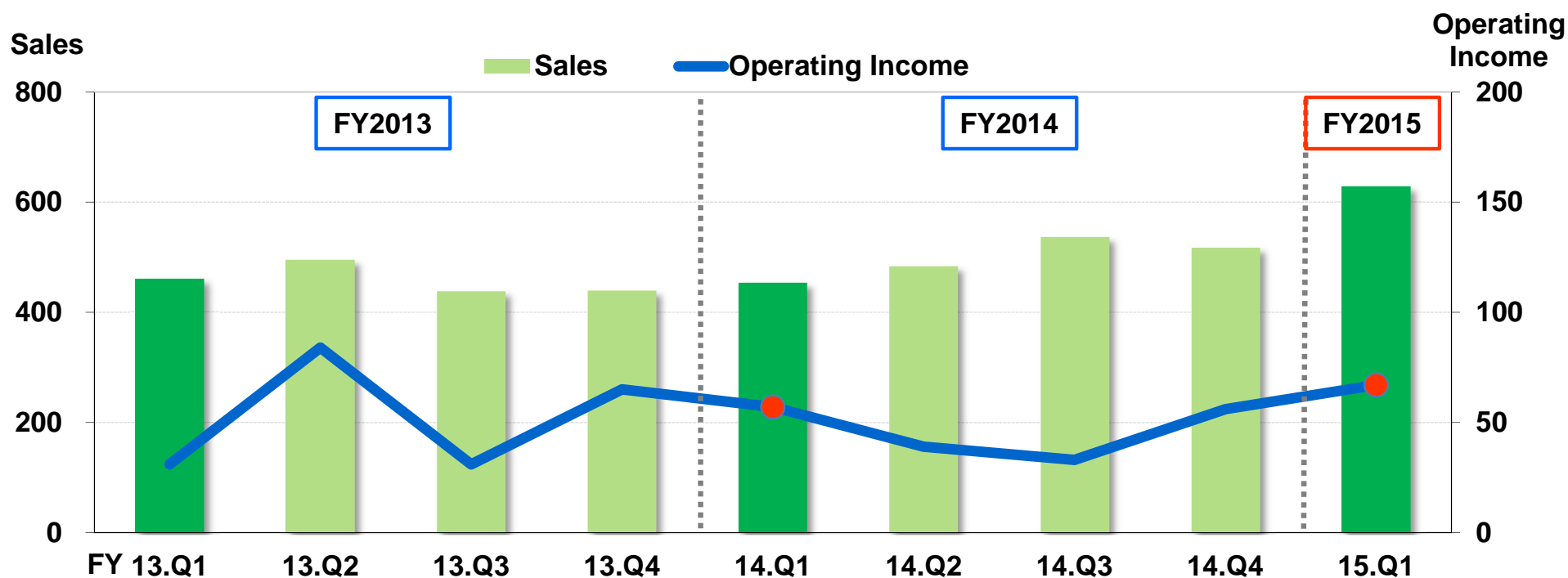




Performance by region: South America

➤ Progressing toward year-end targets as planned.

(Unit: JPY Million)	FY2015	FY2014	Year-on-year		
	Q1	Q1	change	%	Excl. exchange rate impact
Sales	629	454	+174	138.4%	125.9%
Gross Profit %	40.3%	42.4%	(2.1pt)	--	--
Operating Income	67	57	+9	116.2%	--
Operating Income %	10.7%	12.7%	(2.0pt)	--	--

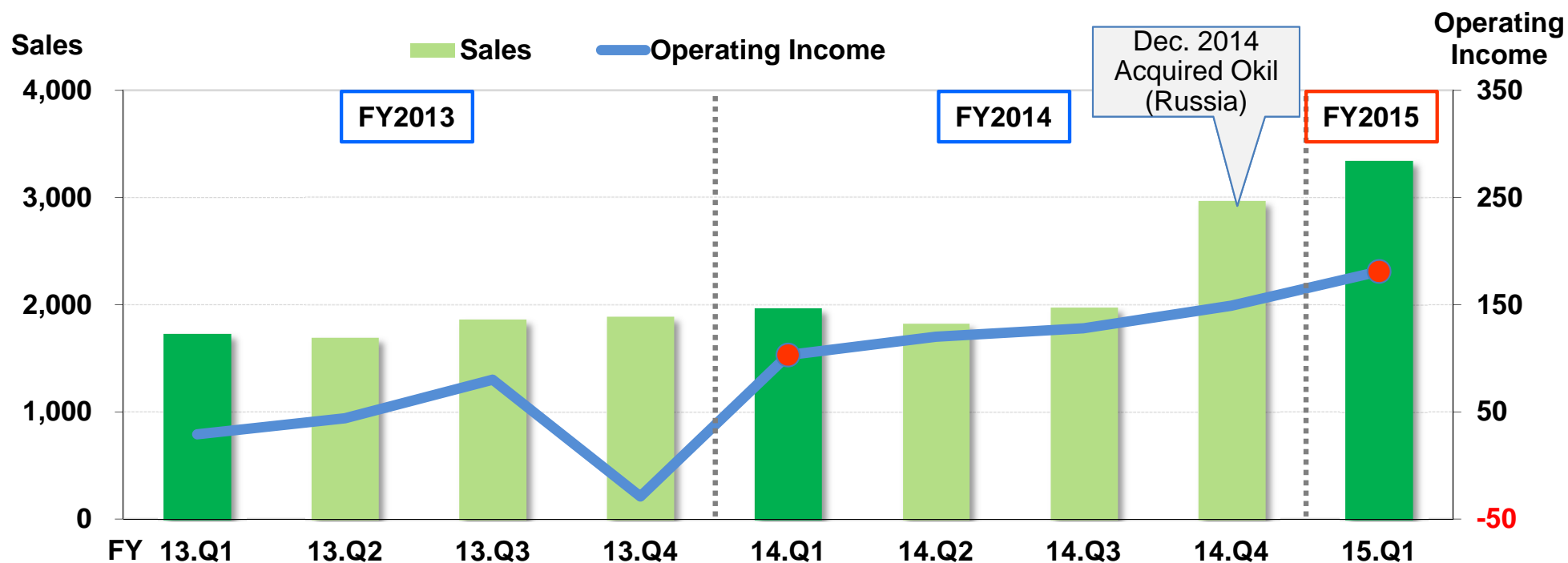




Performance by region: Europe

- Existing businesses and Okil, our newly acquired company, contributed toward steady growth in the region.

(Unit: JPY Million)	FY2015	FY2014	Year-on-year		
	Q1	Q1	change	%	Excl. exchange rate impact
Sales	3,346	1,966	+1,379	170.1%	170.8%
Gross Profit %	39.1%	44.2%	(5.1pt)	--	--
Operating Income	181	103	+78	175.2%	--
Operating Income %	5.4%	5.3%	+0.2pt	--	--

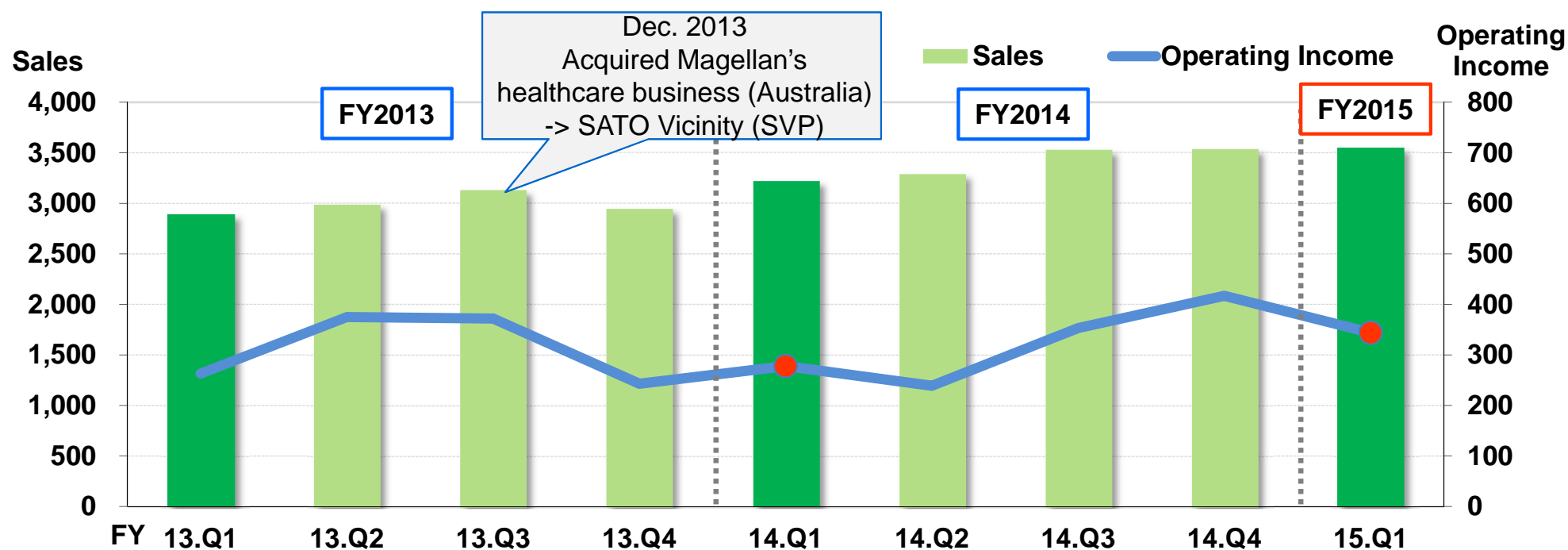




Performance by region: Asia & Oceania

➤ Progressing toward year-end targets as planned.

(Unit: JPY Million)	FY2015	FY2014	Year-on-year		
	Q1	Q1	change	%	Excl. exchange rate impact
Sales	3,546	3,221	+324	110.1%	99.2%
Gross Profit %	49.6%	47.5%	+2.2pt	--	--
Operating Income	330	278	51	118.4%	--
Operating Income %	9.3%	8.7%	+0.7pt	--	--





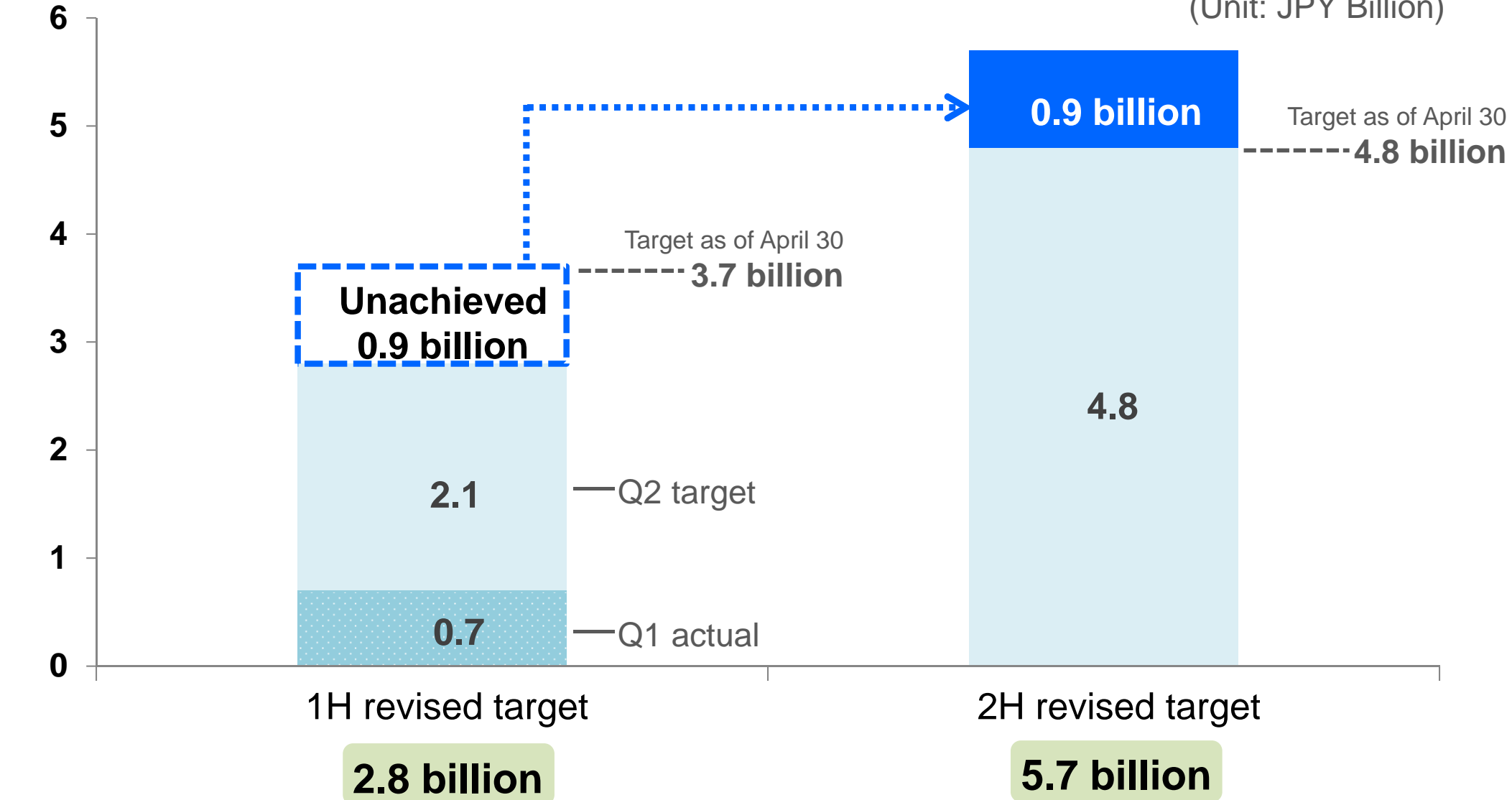
To achieve target OI of JPY 8.5 billion

- Concentrate business resources on the selling of global model CL4/6NX.

Operating income

(Due out August in Japan)

(Unit: JPY Billion)





FY2015 consolidated performance forecast

- Budget restructured to heavily depend on 2H.
- Full year targets are as disclosed on April 30, 2015.

(Unit: JPY Million)	1H		2H		Full Year	
	Planned	Vs. PY	Planned	Vs. PY	Planned	Vs. PY
	Sales	53,000 (53,000)	111.4%	57,000 (57,000)	109.1%	110,000
Operating Income	2,800 (3,700)	92.8%	5,700 (4,800)	128.8%	8,500	114.2%
Ordinary Income	2,800 (3,650)	88.3%	5,600 (4,750)	129.8%	8,400	112.2%
Net Income	1,800 (2,400)	101.3%	3,700 (3,100)	186.2%	5,500	146.1%
EBITDA	--	--	--	--	13,000	117.7%

*Figures in parentheses are targets disclosed as of April 30, 2015.

*Exchange rates used in forecast: 1 USD = JPY 118, 1 EUR = JPY 128
Actual exchange rates in Q1: 1 USD = JPY 121.43, 1 EUR = JPY 134.19

*EBITDA = Operating Income
+ Depreciation + Amortization



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