Sanwa Value Creation Model

The Sanwa Group creates value by working to resolve global social issues, such as climate change, declining workforce populations, and human rights considerations, and contributes to society by providing safety, security and convenience to communities and the daily lives of people around the world. To this end, we will strive to achieve continued growth and sustainable value creation by making full use of our management resources and deepening the strengths we have cultivated since our founding.

Social Issues

Climate change

Declining workforce populations

Due consideration of human rights

Digitalization

Multipolar society

Interest rate policy changes

INPUT

Multi-product sales

Globalization

Service

Competitive Advantage
▶ p. 7–

▶ p. 9
Management Capital

Financial Capital

Intellectual Capital

Technology and Manufactured Capital

Social and Relationship Capital

Human Capital

Natural Capital

Business Activities



Housing complexes and detached houses



Plants, warehouses, and data centers



Medical and welfare facilities



Commercial facilities, office buildings, and hotels



Schools



Maintenance service

Management Strategy / Material Issues

Medium-term Management Plan 2027 ▶ p. 17–

- Strengthen and expand core businesses in Japan, North America, and Europe
- Grow Asian businesses with solid profits
- Expand business through disaster preparedness products, climate change response products, and smart products and services
- Increase productivity and expand production capacity through digitalization and manufacturing innovation
- Enhance sustainability management and human capital management

Material issues ▶ p. 31–

Environment
- Initiatives toward a decarbonized society
- Water resource conservation
- Waste reduction

Manufacturing
- Mitigate/adapt to climate change, prepare for disaster loss through products and services
- Quality assurance and enhancement

People
- Human capital development
- Promotion of diversity
- Health and safety

The Group's Management Foundation
- Corporate governance
- Respect for human rights
- Compliance

Sanwa Global Vision 2030

To be a Global Leader of Smart Entrance Solutions

Group's Mission



The Sanwa Group is committed to offering products and services that provide safety, security and convenience to further contribute to the prosperity of society.







Value Provided to Stakeholders ▶ p. 10

Our Journey

Manji Takayama founded Sanwa Shutter Manufacturing in 1956 with a fundamental ethos of passion, trust, and diligence. After that, Sanwa Shutter expanded into the door business in the 1960s and thoroughly implemented its "Multi-Product Sales Strategy" into a wide range of product lines. Furthermore, under the leadership of the company's second President, Toshitaka Takayama, Sanwa added two more pillars to its business operations through the introduction of 24-hour service in the 1980s and initiatives for globalization in the 1990s, thus achieving growth and development based on the three pillars of multi-product sales, globalization, and service.

Organizational transitions

1960

1956

Founded as Sanwa Shutter Manufacturing

In 1956, Sanwa Shutter Manufacturing was established, launching our lightweight shutter business in Amagasaki City. Despite being a latecomer to the market, we established a leading position in the shutter industry in the 1960s.



1970

1969

Established Sanwa Door Industrial

1974

Entered into technical tie-up with Overhead Door Corporation

1980

1982

Deployed 24-hour service nationwide



A history of cultivating competitive advantages

Multi-product sales

Solving a variety of problems with the industry's No. 1 product variety

Since our founding, the Sanwa Group has been providing products suited to the changing needs of the times in such areas as crime prevention, fireproofing, and disaster preparedness, aiming to solve social issues through our multi-product sales strategy.

Accelerating multi-product sales through entry into the door business and the acquisition of high-quality companies

Starting with the Sanwa Group's entry into the door business in the late 1960s, we actively expanded into areas where we could leverage the expertise we had cultivated through our shutter business. We acquired a series of quality companies with strong brands in such areas as automatic doors, partitions, and stainless steel products, accelerating our multi-product sales strategy.



Expanding our lineup in terms of function with disaster preparedness and environmentally friendly products

We strengthened our response to climate change risks by launching waterproof and wind-resistant products designed to withstand natural disasters that are becoming increasingly severe. We are expanding our product lineup to offer enhanced functionality and are contributing to building a sustainable society.

Globalization

Adapting to different cultures and needs around the world, increasing our presence

Each part of the world has different laws, regulations, climates, and cultural customs that must be accommodated. The Sanwa Group increased its global presence by developing products and cultivating markets while taking the time to understand the technologies and products of each region.

From a technical partnership with a U.S. company to a full-scale expansion into Asia and North America

In 1974, we entered into a technical partnership with Overhead Door Corporation (ODC) of the U.S. and began manufacturing and selling overhead doors. We were also quick to enter the Asian market outside our home base of Japan, establishing a Hong Kong subsidiary in 1986. With the acquisition of ODC in 1996, the Sanwa Group began engaging in full-scale joint product development and mutual sales.



Becoming a global leader of smart entrance solutions with a four-pole structure in Japan, North America, Europe, and Asia

Through M&A activities, including the acquisition of the Novoferm (NF) Group in 2003 and the Dutch company Alpha Deuren in 2014, the Sanwa Group has steadily expanded its global presence while adapting to regional cultures, legal regulations, and product characteristics.

Service

Increasing the added value of products and services with seamless support

Shutters and doors play an important role in security and disaster preparedness. The Sanwa Group's advanced installation and maintenance capabilities increase the value we provide in terms of safety, security, and comfort.

Establishing a seamless support system and expanding into mandatory inspections as well as service overseas

Supported by an integrated system spanning everything from sales to installation and repair, the Sanwa Group introduced 24-hour service across Japan in 1982. With the introduction of a mandatory periodic inspection and reporting system for fire prevention equipment in Japan in 2016 as well as our acquisition of service companies in Europe and North America, we expanded our service operations both domestically and internationally.

Creating new solutions such as smart products and services using IoT

We are developing new business models by creating novel solutions such as smart products and services using IoT.

1990

1986
Established Sanwa Shutter (HK)

1996
Acquired Overhead Door Corporation

2000

2003
Acquired Novoferm Group

2009
Acquired the door business of Wayne Dalton

2010

2014
Acquired Alpha Deuren of the Netherlands

2019
Acquired Suzuki Shutter

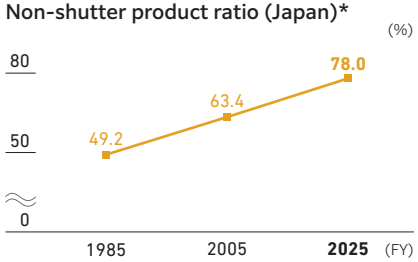


2020

2023
Established Sanwa Facade Laboratory

In Japan, the promotion of our multi-product sales strategy has significantly changed our product mix. It has resulted in an increase in the percentage of non-shutter products, including door products, partitions, entranceways, and our maintenance and service business.

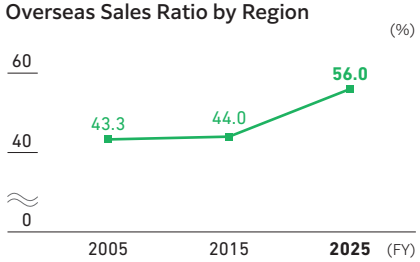
Non-shutter product ratio (Japan)*



* Percentage of products excluding heavy and lightweight shutters from consolidated Japanese sales

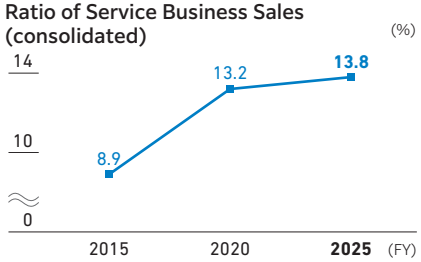
We expanded our businesses overseas through M&As with a focus on North America, Europe, and Asia. Since fiscal 2022 onward, overseas sales have accounted for more than half of the Group's total sales.

Overseas Sales Ratio by Region



With legally-required fire prevention equipment inspections as well as the need for disaster response in Japan plus our acquisition of service companies in Europe and North America, our service business is currently experiencing significant growth.

Ratio of Service Business Sales (consolidated)



Leveraging our competitive advantages, the Sanwa Group is rapidly growing as a global leader

With a focus on the three key competitive advantages of multi-product sales, globalization, and service operations, the Sanwa Group has achieved sustainable growth. Our growth has also accelerated particularly in recent years, with revenue and operating profit in fiscal 2025 reaching approximately 1.5 and 2.4 times their respective fiscal 2020 levels. And as a global leader, we are aiming to reach even greater heights.

Net sales*1
Approx. **1.5x** increase
¥427.1 billion ▸ ¥660.7 billion

Operating profit*1
Approx. **2.4x** increase
¥33.1 billion ▸ ¥79.1 billion

Operating profit ratio*1
4.3 pt increase
7.7% ▸ 12.0%

ROE*1
5.4 pt increase
12.4% ▸ 17.8%

No. of M&A transactions*2
60
(9 in Japan, 51 overseas)

*1 Compared to FY2020
*2 Since Sanwa's founding

FY2025

Service sales (consolidated)
¥91.3 billion (13.8% of sales)

Overseas sales
¥369.9 billion (56.0% of sales)

Sales of disaster preparedness and climate change response products (consolidated)
¥218.8 billion (33.1% of sales)

Net sales (consolidated)
¥660.7 billion

Sources of Value Creation

The six capitals that support the Sanwa Group's management foundation and which are the source of our value creation are financial capital, intellectual capital, technology and manufactured capital, social and relationship capital, human capital, and natural capital. By making maximum use of these capitals, we develop business activities that solve various social issues.

Competitive advantages

Multi-product sales × Globalization × Service

Capitals	Financial Capital	Intellectual Capital	Technology and Manufactured Capital	Social and Relationship Capital	Human Capital	Natural Capital
	Stable financial base ▶ p. 21–	Solutions for social issues ▶ p. 35	Robust value chain leveraging digital technology ▶ p. 19–	Global network ▶ p. 25–	Global and diverse workforce that implements the PDCA cycle ▶ p. 39–	Sustainable resource management ▶ p. 37–
Main indicators (FY2025)	Total assets **¥547.8 billion** ROE **17.8%** D/E ratio **0.13 times**	R&D expenses (consolidated) **¥7.8 billion** Product lineup (Sanwa Shutter Corporation) **19 types, 105 products** Installers (Japan) **Approx. 4,000**	Capital investments **¥14.2 billion** IT investments **¥2.2 billion** **58 production bases (39 overseas)**	Sales distributors in North America **Approx. 450** No. 1 market share in each region **6 fields** Sales network in Japan **Approx. 350 locations**	Number of employees (consolidated) **13,174** (Percentage of overseas employees: **63.7%**) Number of employees who have received training (Sanwa Shutter Corporation) **6,448**	Total energy input (Sanwa Shutter Corporation) **319,505 GJ** Water intake (Sanwa Shutter Corporation) **114,309 m³** CO_2 emissions (consolidated) **66,136 t**
Strengthening measures	• Increase capital efficiency • Maintain financial soundness • Increase financial capital for new growth	• Quality assurance and enhancement • Research and develop products that solve social issues such as climate change risks • Securing and training installation technicians	• Improve productivity by increasing production capacity and optimizing the manufacturing network • Improve business processes through digitalization such as ERP	• Build an optimal global supply system • Appropriately understand and reflect diverse stakeholder needs	• Secure and develop human capital • Creating safe and healthy workplaces and promoting wellbeing • Maximizing organizational performance through improved engagement	• Improve energy conservation in business processes • Utilize renewable energy
FY2027 targets	SVA* **¥46.0 billion** ROE **19.0%** ROIC **18.5%**	Training hours per person per year (Sanwa Shutter Corporation) **38 hours** Sales of disaster preparedness and climate change response products (consolidated) **¥230.0 billion**	Sales of maintenance and service businesses **¥102.0 billion** Sales of smart products and services **¥16.0 billion**	Overseas net sales ratio **56.0%** M&A investments (three-year total) **¥50.0 billion**	Female employee ratio (consolidated) **25% or more** (FY2030) Ratio of female managers (consolidated) **20% or more** (FY2030)	CO_2 emissions (Scope 1 and 2) reductions (Sanwa Shutter Corporation) **30% reduction** from FY2019 levels (FY2030) Water usage intensity (plants and offices) (Sanwa Shutter Corporation) **30% reduction** from FY2020 levels (FY2030) Waste intensity (Plants and offices) (Sanwa Shutter Corporation) **60% reduction** from FY2020 levels (FY2030)

* SVA: Our unique indicator of added value

Value Provided to Stakeholders

The Sanwa Group's business activities are supported by many different stakeholders, including customers, business partners, local community members, shareholders and investors, and employees and their families. We seek to engage in active communication with all our stakeholders, identify problems and issues through the statements and views they provide, and adjust our business activities in turn. We will continue to provide various values through business and social contribution activities leveraging the voices of our stakeholders and society.

	Actions taken by the Sanwa Group	Related indicators (FY2025)	Provided values and effects
Customers	● 24 hours a day 365 days a year repair service ● Responding to climate change and other needs ● Network of approximately 350 locations throughout Japan ● Building a strong network spanning 28 countries and regions around the world ● Smarter products and services	● Number of customer inquiries (Sanwa Shutter Corporation) **11,083** ● Number of general repair inquiries (Sanwa Shutter Corporation) **127,472**	● Realizing a safe, secure, comfortable, and convenient society through our products and services
Business partners	● Information sharing and mutual learning through Sanwakai, a group consisting of suppliers and plant partner companies ● Continue strengthening relationships with ODC distributors in North America	● Distributor network (North America ODC) **Approx. 450 companies** ● Green procurement ratio (Sanwa Shutter's main suppliers) **86.0%**	● Improvement of level of QCDE* and long-term mutual development * QCDE: An abbreviation for quality, cost, delivery, and environment
Installers	● Development of installation skills at the Installation Training Center and in each region, and ongoing recruitment and training ● Supporting welfare programs and information exchange at regular monthly health and safety meetings ● Publication of a biannual magazine for installers	● Installation qualifications (Japan) **19 types, 105 products** ● Service sales ratio (consolidated) **13.8%**	● Improvement of installation quality and enhancement of engagement
Employees ▶ pp. 39–42	● Securing talents, strategic personnel deployment and development, linked to regional business strategies ● Creating safe and healthy workplaces and promoting wellbeing ● Maximizing organizational performance through improved engagement	● Overseas employee ratio (consolidated) **63.7%** ● Female employee ratio (consolidated) **20.9%**	● Increased engagement through individual and organizational growth ● Realization of rewarding and attractive companies to work for
Local communities	● Disaster preparedness and mitigation initiatives ● Environmental conservation activities ● Community and social contribution activities	● Sales ratio of disaster preparedness and climate change response products (consolidated) **33.1%** ● Social contribution expenditure (consolidated) **¥15.38 million**	● Contributing to the realization of a sustainable and affluent society as a good corporate citizen
Shareholders / investors	● Timely and appropriate information disclosure ● Dialogue with shareholders and investors, and reflection in management	● Analyst/institutional investor individual meetings **377** ● Explanatory sessions for individual investors **1,075 participants in 2 sessions**	● Improved transparency of corporate activities ● Sustainable growth and enhancement of corporate value