

Supplemental Information for the Consolidated Financial Results for the 2nd Quarter ended June 30, 2018 (FY2018 2nd Quarter)

August 10, 2018

SAKATA INX CORP.

The forecasts, etc. set out in this presentation are based on the assumptions and beliefs in light of the information currently available and determined to be reasonable. Actual results, etc. may differ materially due to change in a wide range of factors. All amounts are rounded down to nearest full unit.

FY2018 2nd Quarter (Accumulated)

Consolidated Financial Results Highlights

※There is no change in the FY2018 (Annual Forecast) from the February 14, 2018 announcement.

(Unit : million yen)

	FY2017 2Q	FY2018 2Q				FY2018 (Annual Forecast)
	Amount	Amount	Increase/ Decrease Amount	Increase/ Decrease Rate %	Increase/ Decrease Rate excluding effects of Foreign Currency Fluctuations %	Amount
Net sales	77,272	78,938	1,665	2.2	3.0	164,500
Operating income	4,558	2,680	(1,878)	(41.2)	(39.9)	7,500
Ordinary income	5,923	3,540	(2,382)	(40.2)	(39.3)	9,500
Net income attributable to owners of parent	4,630	2,609	(2,020)	(43.6)	(42.6)	6,600
Average rate (USD/YEN)	¥112.37	¥108.68				¥110.00

	FY2017 2Q	FY2018 2Q	FY2018 (Annual Forecast)
Operating income margin	5.9%	3.4%	4.6%
Ordinary income margin	7.7%	4.5%	5.8%
Net income attributable to owners of parent margin	6.0%	3.3%	4.0%
Earnings per share	¥78.47	¥44.68	¥113.01

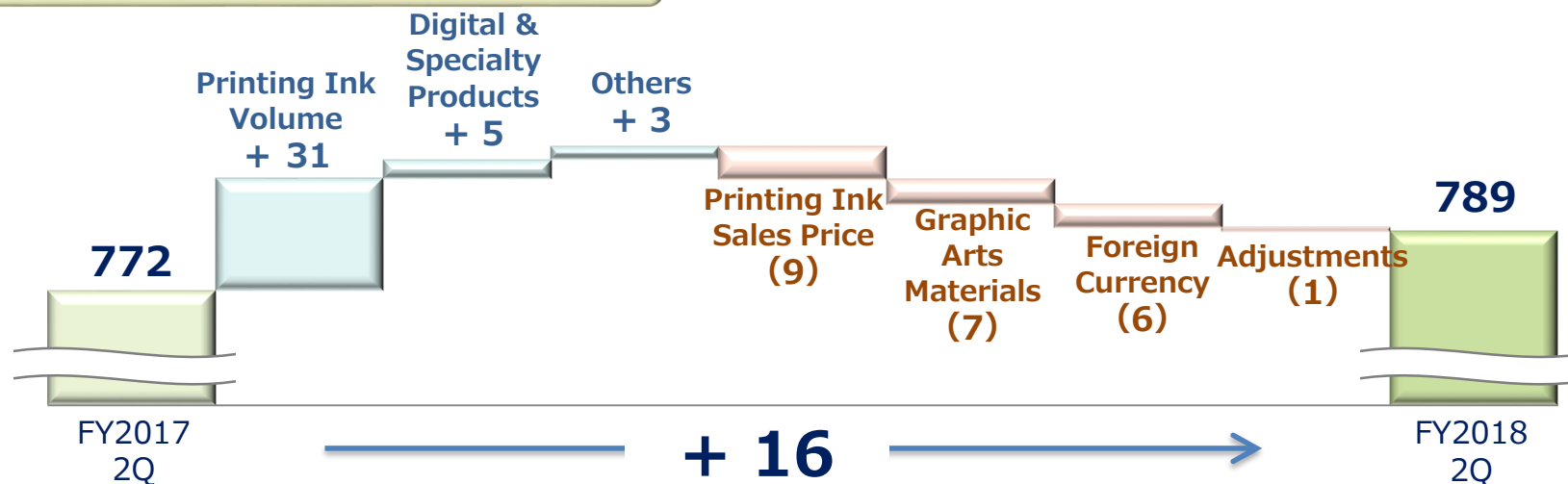
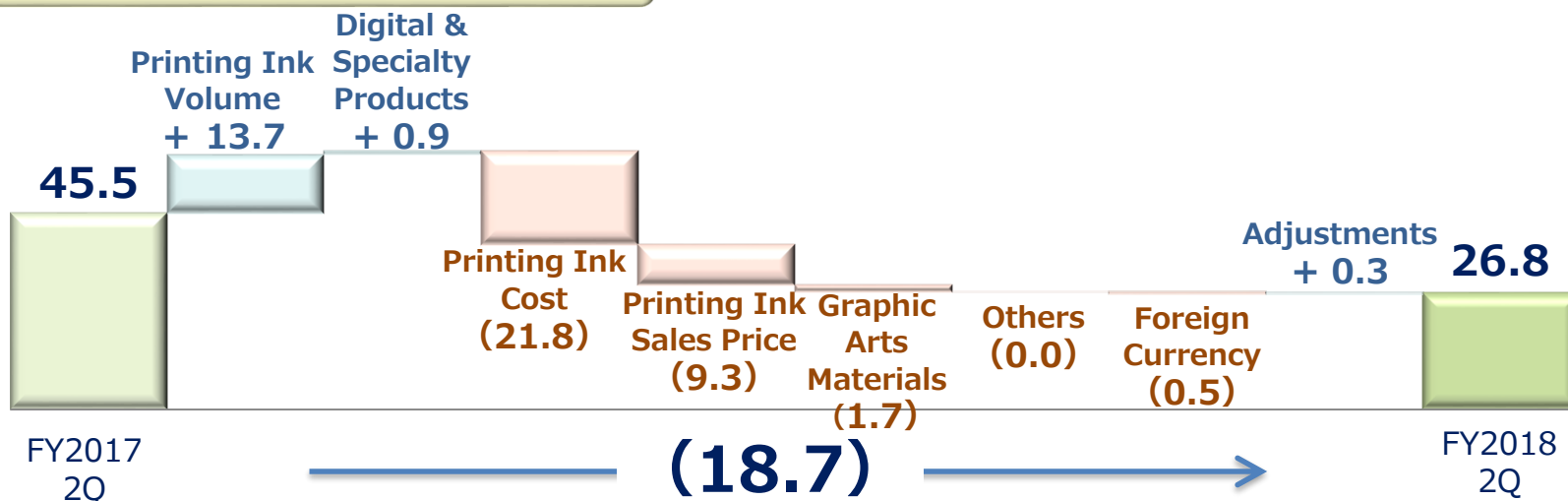
FY2018 2nd Quarter (3 months & Accumulated)

Net sales & Operating income by Reportable Segment

(Unit : million yen)

		FY2017 2Q (3 months)	FY2018 2Q (3 months)			FY2017 2Q	FY2018 2Q		
		Amount	Amount	Increase/ Decrease Rate %	Increase/ Decrease Rate excluding effects of Foreign Currency Fluctuations %	Amount	Amount	Increase/ Decrease Rate %	Increase/ Decrease Rate excluding effects of Foreign Currency Fluctuations %
N E T S A L E S	Printing inks and graphic arts materials (Japan)	13,661	13,377	(2.1)	(2.1)	27,294	26,422	(3.2)	(3.2)
	Printing inks (Asia)	7,395	7,788	5.3	7.2	14,525	15,499	6.7	8.7
	Printing inks (North America)	10,782	11,213	4.0	5.9	21,697	22,114	1.9	5.4
	Printing inks (Europe)	2,220	2,432	9.6	5.1	4,397	4,656	5.9	(0.9)
	Digital & Specialty products	2,509	3,205	27.7	26.7	5,373	5,987	11.4	10.2
	Reportable Segment Total	36,568	38,016	4.0	4.6	73,288	74,680	1.9	2.8
	Other businesses	3,963	4,078	2.9	2.9	7,727	8,106	4.9	4.9
	Adjustments	(1,945)	(1,950)	-	-	(3,743)	(3,848)	-	-
	Total	38,586	40,145	4.0	4.6	77,272	78,938	2.2	3.0
O P E R A T I N G I N C O M E	Printing inks and graphic arts materials (Japan)	572	198	(65.3)	(65.3)	1,210	356	(70.6)	(70.6)
	Printing inks (Asia)	448	290	(35.3)	(33.2)	1,111	699	(37.1)	(34.5)
	Printing inks (North America)	419	210	(49.9)	(48.7)	1,010	625	(38.1)	(35.3)
	Printing inks (Europe)	46	(58)	-	-	142	(215)	-	-
	Digital & Specialty products	260	372	42.7	38.4	598	702	17.3	15.3
	Reportable Segment Total	1,748	1,012	(42.1)	(41.8)	4,073	2,168	(46.8)	(45.4)
	Other businesses	92	99	7.2	7.2	186	176	(5.1)	(5.1)
	Adjustments	157	161	-	-	298	335	-	-
	Total	1,998	1,273	(36.3)	(36.0)	4,558	2,680	(41.2)	(39.9)

Net sales & Operating income Increase/Decrease Factor

Net sales Increase/Decrease Factor
(100 million yen)Operating income Increase/Decrease Factor
(100 million yen)

FY2018 2nd Quarter Consolidated Financial Results Highlights

(Unit : 100 million yen)

	As of December 31, 2017	As of June 30, 2018	Increase/ Decrease
Current assets	761	754	(7)
Non-current assets	692	699	6
Total assets	1,454	1,453	(1)
Current liabilities	479	497	17
Non-current liabilities	187	180	(7)
Total liabilities	667	677	10
Equity ※	756	747	(9)
Non-controlling interests	31	29	(1)
Total net assets	787	776	(11)
Total liabilities and net assets	1,454	1,453	(1)

Closing rate (USD/YEN) ¥113.00 **¥110.54**

※ Equity = Total shareholders' equity +
Total accumulated other comprehensive income

	As of December 31, 2017	As of June 30, 2018	Increase/ Decrease
Net assets per share	¥1,295.39	¥1,279.24	¥(16.15)

Total loans payable (Unit : 100 million yen)

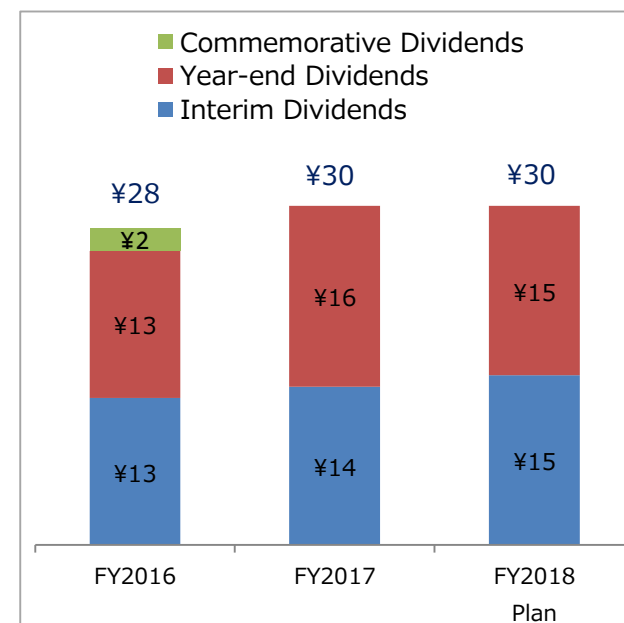
End of December 2017 156

End of June 2018 163

Equity Ratio

End of December 2017 52.0%

End of June 2018 51.4%



FY2018 Financial Forecast

※There is no change in the FY2018 (Forecast) from the February 14, 2018 announcement.

(Unit : million yen)

	FY2016	FY2017	FY2018 (Forecast)		
	Amount	Amount	Amount	Increase/ Decrease Amount	Increase/ Decrease Rate %
Net sales	151,198	157,302	164,500	7,197	4.6
Operating income	10,119	8,573	7,500	(1,073)	(12.5)
Ordinary income	11,868	11,249	9,500	(1,749)	(15.6)
Net income attributable to owners of parent	7,837	8,383	6,600	(1,783)	(21.3)
Average rate (USD/YEN)	¥109.27	¥112.19	¥110.00		

	FY2016	FY2017	FY2018 (Forecast)
Operating income margin	6.7%	5.5%	4.6%
Ordinary income margin	7.8%	7.2%	5.8%
Net income attributable to owners of parent margin	5.2%	5.3%	4.0%
Earnings per share	¥129.53	¥142.76	¥113.01

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Visual Communication Technology



This material is also available on our website (“Financial Performance & Plan” > “Financial Statements” 【<http://www.inx.co.jp/english/financial/statements/>】).