

Supplemental Data: FY ended December 31, 2018 Financial Results

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The Company has implemented a change in fiscal term-end from March 31 to December 31, effective from the fiscal year ended December 31, 2017.

Accordingly, the fiscal year ended December 31, 2017 is a transitional period for the fiscal term change. The previous consolidated cumulative first quarter comprises 3 months (from April 1, 2017 to June 30, 2017) of results for the Company as well as consolidated subsidiaries and entities accounted for using the equity method whose fiscal year ends on March 31, and 6 months (from January 1, 2017 to June 30, 2017) of results for seven consolidated subsidiaries in China whose fiscal year ends December 31, resulting in irregular settlement of accounts. As a result, changes compared to the same quarter preceding fiscal year are not provided.

Sodick Co., Ltd.
February 21, 2019

● Operating Results (Quarterly)

(million yen)

FY2017/3	1Q		2Q		3Q		4Q	
	16/06		16/09		16/12		17/03	
		Year-on year change		Year-on year change		Year-on year change		Year-on year change
Net Sales	12,271	85.8%	16,116	87.6%	15,907	98.8%	17,518	107.2%
Cost of Sales	7,634	86.1%	10,429	85.9%	10,172	98.9%	11,083	109.8%
Cost of Sales Margin	62.2%		64.7%		63.9%		63.3%	
Operating Income	576	47.9%	1,406	71.5%	1,364	93.4%	1,890	109.7%
Operating Income Margin	4.7%		8.7%		8.6%		10.8%	
Ordinary Income	-85	-	1,135	63.6%	1,814	148.2%	1,756	128.8%
Ordinary Income Margin	-0.7%		7.0%		11.4%		10.0%	
Profit Attributable to Owners of Parent	71	4.7%	987	89.2%	1,430	175.2%	1,156	154.8%
Net Profit Margin	0.6%		6.1%		9.0%		6.6%	

1H		2H		Full Year		
1604-1609		1610-1703		17/03		
	Year-on year change		Year-on year change		Year-on year change	
Net Sales	28,387	86.8%	33,425	103.0%	61,812	94.9%
Cost of Sales	18,063	86.0%	21,255	104.3%	39,318	95.0%
Cost of Sales Margin	63.6%		63.6%		63.6%	
Operating Income	1,982	62.5%	3,254	102.2%	5,236	82.4%
Operating Income Margin	7.0%		9.7%		8.5%	
Ordinary Income	1,050	33.5%	3,570	138.0%	4,620	80.8%
Ordinary Income Margin	3.7%		10.7%		7.5%	
Profit Attributable to Owners of Parent	1,058	40.6%	2,586	165.5%	3,644	87.4%
Net Profit Margin	3.7%		7.7%		5.9%	

FY2017/12	1Q		2Q		3Q	
	17/06		17/09		17/12	
		Year-on year change		Year-on year change		Year-on year change
Net Sales	21,179	-	21,229	-	23,196	-
Cost of Sales	13,929	-	13,905	-	14,611	-
Cost of Sales Margin	65.8%		65.5%		63.0%	
Operating Income	1,442	-	2,764	-	3,284	-
Operating Income Margin	6.8%		13.0%		14.2%	
Ordinary Income	1,639	-	2,827	-	3,444	-
Ordinary Income Margin	7.7%		13.3%		14.8%	
Profit Attributable to Owners of Parent	1,137	-	2,022	-	2,577	-
Net Profit Margin	5.4%		9.5%		11.1%	

1H		2H		Full Year		
17/04-17/09		17/10-17/12		17/12		
	Year-on year change		Year-on year change		Year-on year change	
Net Sales	42,408	-	23,196	-	65,604	-
Cost of Sales	27,834	-	14,611	-	42,445	-
Cost of Sales Margin	65.6%		63.0%		64.7%	
Operating Income	4,206	-	3,284	-	7,490	-
Operating Income Margin	9.9%		14.2%		11.4%	
Ordinary Income	4,466	-	3,444	-	7,910	-
Ordinary Income Margin	10.5%		14.8%		12.1%	
Profit Attributable to Owners of Parent	3,159	-	2,577	-	5,736	-
Net Profit Margin	7.4%		11.1%		8.7%	

FY2018/12	1Q		2Q		3Q		4Q	
	18/03		18/06		18/09		18/12	
		Year-on year change		Year-on year change		Year-on year change		Year-on year change
Net Sales	18,385	-	23,031	-	21,161	-	20,139	-
Cost of Sales	11,612	-	14,513	-	13,084	-	13,279	-
Cost of Sales Margin	63.2%		63.0%		61.8%		65.9%	
Operating Income	2,227	-	3,050	-	2,976	-	1,635	-
Operating Income Margin	12.1%		13.2%		14.1%		8.1%	
Ordinary Income	1,947	-	3,238	-	2,903	-	1,531	-
Ordinary Income Margin	10.6%		14.1%		13.7%		7.6%	
Profit Attributable to Owners of Parent	1,324	-	2,353	-	1,955	-	830	-
Net Profit Margin	7.2%		10.2%		9.2%		4.1%	

1H		2H		Full Year		
18/01-18/06		18/07-18/12		18/12		
	Year-on year change		Year-on year change		Year-on year change	
Net Sales	41,416	-	41,300	-	82,716	-
Cost of Sales	26,125	-	26,363	-	52,488	-
Cost of Sales Margin	63.1%		63.8%		63.5%	
Operating Income	5,277	-	4,611	-	9,888	-
Operating Income Margin	12.7%		11.2%		12.0%	
Ordinary Income	5,185	-	4,434	-	9,619	-
Ordinary Income Margin	12.5%		10.7%		11.6%	
Profit Attributable to Owners of Parent	3,677	-	2,785	-	6,462	-
Net Profit Margin	8.9%		6.7%		7.8%	

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●Sales by business segment(Quarterly)

(million yen)

FY2017/3		1Q		2Q		3Q		4Q	
		16/06		16/09		16/12		17/03	
			Year-on year change		Year-on year change		Year-on year change		Year-on year change
Machine Tool Operations	Net Sales	8,692	83.8%	11,291	80.7%	11,647	95.3%	11,725	104.7%
	Segment Income	998	65.4%	1,608	77.1%	1,631	92.9%	1,976	113.1%
	Segment Income margin	11.5%		14.2%		14.0%		16.9%	
Industrial Machinery Operations	Net Sales	1,805	88.5%	2,055	97.9%	2,251	104.7%	3,255	138.9%
	Segment Income	-37	-	54	900.0%	182	505.6%	418	193.5%
	Segment Income margin	-2.0%		2.6%		8.1%		12.8%	
Food Processing Machinery Operations	Net Sales	495	80.2%	1,277	149.0%	481	86.0%	1,176	76.9%
	Segment Income	-40	-	194	120.5%	17	24.3%	-12	-
	Segment Income margin	-8.1%		15.2%		3.5%		-1.0%	
Other Operations	Net Sales	1,277	100.2%	1,493	103.0%	1,529	130.0%	1,362	108.0%
	Segment Income	251	102.4%	232	97.9%	180	86.1%	196	160.7%
	Segment Income margin	19.7%		15.5%		11.8%		14.4%	
Consolidated	Net Sales	12,271	85.8%	16,116	87.6%	15,907	98.8%	17,518	107.2%
	Adjustments	-595		-684		-645		-690	
	Operating income	576	47.9%	1,406	71.5%	1,364	93.4%	1,890	109.7%
	Operating income margin	4.7%		8.7%		8.6%		10.8%	

1H		2H		Full Year	
1604-1609		1610-1703		17/03	
	Year-on year change		Year-on year change		Year-on year change
19,983	82.0%	23,372	99.8%	43,355	90.7%
2,606	72.2%	3,607	103.0%	6,213	87.3%
13.0%		15.4%		14.3%	
3,860	93.3%	5,506	122.5%	9,366	108.5%
17	25.4%	600	238.1%	617	193.4%
0.4%		10.9%		6.6%	
1,772	120.2%	1,657	79.4%	3,429	96.3%
154	69.4%	5	1.9%	159	32.3%
8.7%		0.3%		4.6%	
2,770	101.7%	2,891	118.6%	5,661	109.7%
483	100.2%	376	113.6%	859	105.7%
17.4%		13.0%		15.2%	
28,387	86.8%	33,425	103.0%	61,812	94.9%
-1,279		-1,335		-2,614	
1,982	62.5%	3,254	102.2%	5,236	82.4%
7.0%		9.7%		8.5%	

FY2017/12		1Q *		2Q		3Q	
		17/06		17/09		17/12	
			Year-on year change		Year-on year change		Year-on year change
Machine Tool Operations	Net Sales	15,841	-	15,653	-	16,065	-
	Segment Income	1,510	-	2,710	-	3,258	-
	Segment Income margin	9.5%		17.3%		20.3%	
Industrial Machinery Operations	Net Sales	3,266	-	3,265	-	3,450	-
	Segment Income	313	-	401	-	262	-
	Segment Income margin	9.6%		12.3%		7.6%	
Food Processing Machinery Operations	Net Sales	463	-	1,030	-	1,974	-
	Segment Income	-101	-	33	-	246	-
	Segment Income margin	-21.8%		3.2%		12.5%	
Other Operations	Net Sales	1,606	-	1,282	-	1,708	-
	Segment Income	390	-	263	-	194	-
	Segment Income margin	24.3%		20.5%		11.4%	
Consolidated	Net Sales	21,179	-	21,229	-	23,196	-
	Adjustments	-669		-644		-678	
	Operating income	1,442	-	2,764	-	3,284	-
	Operating income margin	6.8%		13.0%		14.2%	

1H		2H		Full Year	
1704-1709		1710-1712		17/12	
	Year-on year change		Year-on year change		Year-on year change
31,494	-	16,065	-	47,559	-
4,220	-	3,258	-	7,478	-
13.4%		20.3%		15.7%	
6,531	-	3,450	-	9,981	-
714	-	262	-	976	-
10.9%		7.6%		9.8%	
1,493	-	1,974	-	3,467	-
-68	-	246	-	178	-
-4.6%		12.5%		5.1%	
2,888	-	1,708	-	4,596	-
653	-	194	-	847	-
22.6%		11.4%		18.4%	
42,408	-	23,196	-	65,604	-
-1,313	-	-678	-	-1,991	-
4,206	-	3,284	-	7,490	-
9.9%		14.2%		11.4%	

FY2018/12		1Q		2Q		3Q		4Q	
		18/03		18/06		18/09		18/12	
			Year-on year change		Year-on year change		Year-on year change		Year-on year change
Machine Tool Operations	Net Sales	13,366	-	16,614	-	15,137	-	13,490	-
	Segment Income	2,361	-	2,818	-	2,854	-	1,955	-
	Segment Income margin	17.7%		17.0%		18.9%		14.5%	
Industrial Machinery Operations	Net Sales	2,424	-	2,557	-	2,755	-	3,419	-
	Segment Income	148	-	154	-	302	-	198	-
	Segment Income margin	6.1%		6.0%		11.0%		5.8%	
Food Processing Machinery Operations	Net Sales	1,005	-	2,146	-	1,783	-	1,626	-
	Segment Income	68	-	356	-	194	-	56	-
	Segment Income margin	6.8%		16.6%		10.9%		3.4%	
Other Operations	Net Sales	1,588	-	1,715	-	1,486	-	1,603	-
	Segment Income	308	-	387	-	236	-	99	-
	Segment Income margin	19.4%		22.6%		15.9%		6.2%	
Consolidated	Net Sales	18,385	-	23,031	-	21,161	-	20,139	-
	Adjustments	-660		-664		-611		-672	
	Operating income	2,227	-	3,050	-	2,976	-	1,635	-
	Operating income margin	12.1%		13.2%		14.1%		8.1%	

1H		2H		Full Year	
1801-1806		1807-1812		18/12	
	Year-on year change		Year-on year change		Year-on year change
29,980	-	28,627	-	58,607	-
5,179	-	4,809	-	9,988	-
17.3%		16.8%		17.0%	
4,981	-	6,174	-	11,155	-
302	-	500	-	802	-
6.1%		8.1%		7.2%	
3,151	-	3,409	-	6,560	-
424	-	250	-	674	-
13.5%		7.3%		10.3%	
3,303	-	3,089	-	6,392	-
695	-	335	-	1,030	-
21.0%		10.8%		16.1%	
41,416	-	41,300	-	82,716	-
-1,324	-	-1,283	-	-2,607	-
5,277	-	4,611	-	9,888	-
12.7%		11.2%		12.0%	

*The Company has implemented a change in fiscal term-end from March 31 to December 31, effective from the fiscal year ended December 31, 2017.

Accordingly, the fiscal year ended December 31, 2017 is a transitional period for the fiscal term change. The previous consolidated cumulative first quarter comprises 3 months (from April 1, 2017 to June 30, 2017) of results for the Company as well as consolidated subsidiaries and entities accounted for using the equity method whose fiscal year ends on March 31, and 6 months (from January 1, 2017 to June 30, 2017) of results for seven consolidated subsidiaries in China whose fiscal year ends December 31, resulting in irregular settlement of accounts. As a result, changes compared to the same quarter preceding fiscal year are not provided.

●Overseas Sales (Quarterly)

(million yen)

FY2017/3	1Q		2Q		3Q		4Q		Full Year	
	16/06		16/09		16/12		17/03		17/03	
		Year-on year change		Year-on year change		Year-on year change		Year-on year change		Year-on year change
Japan	4,579	92.3%	6,164	103.7%	5,856	106.7%	6,472	90.1%	23,072	97.9%
North and South America	1,973	103.4%	1,507	73.7%	2,241	115.6%	1,722	82.9%	7,443	93.4%
Europe	1,487	82.9%	1,282	74.2%	1,496	88.5%	1,532	105.5%	5,796	87.0%
China	2,916	78.9%	5,456	83.0%	4,541	86.9%	5,197	148.6%	18,110	95.4%
Other Asian Countries	1,317	67.3%	1,707	81.1%	1,773	100.6%	2,596	122.1%	7,392	93.0%
Overseas Sales Total	7,693	82.3%	9,952	79.9%	10,051	94.7%	11,046	120.7%	38,741	93.2%
Net Sales	12,271	85.8%	16,116	87.6%	15,907	98.8%	17,518	107.2%	61,812	94.9%

FY2017/12	1Q *		2Q		3Q		Full Year	
	17/06		17/09		17/12		17/12	
		Year-on year change		Year-on year change		Year-on year change		Year-on year change
Japan	4,929	-	6,559	-	8,440	-	19,928	-
North and South America	1,815	-	1,862	-	1,925	-	5,603	-
Europe	1,728	-	1,742	-	2,232	-	5,702	-
China	10,461	-	8,420	-	8,298	-	27,179	-
Other Asian Countries	2,244	-	2,646	-	2,300	-	7,190	-
Overseas Sales Total	16,250	-	14,670	-	14,755	-	45,675	-
Net Sales	21,179	-	21,229	-	23,196	-	65,604	-

FY2018/12	1Q		2Q		3Q		4Q		Full Year	
	18/03		18/06		18/09		18/12		18/12	
		Year-on year change		Year-on year change		Year-on year change		Year-on year change		Year-on year change
Japan	7,129	-	6,461	-	6,083	-	8,594	-	28,266	-
North and South America	1,629	-	1,729	-	1,985	-	2,153	-	7,496	-
Europe	1,815	-	1,976	-	1,602	-	1,931	-	7,326	-
China	5,819	-	9,484	-	8,472	-	5,842	-	29,617	-
Other Asian Countries	1,991	-	3,381	-	3,018	-	1,618	-	10,008	-
Overseas Sales Total	11,255	-	16,571	-	15,078	-	11,544	-	54,450	-
Net Sales	18,385	-	23,032	-	21,161	-	20,138	-	82,716	-

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Number of EDM (Electronic Discharge Machine) Orders (unit)

	FY2017/3 (Ended March 31, 2017)					FY2017/12 (Ended December 31, 2017)				FY2018(Ended December 31, 2018)				
	4-6	7-9	10-12	1-3	Total	4-6	7-9	10-12	Total	1-3	4-6	7-9	10-12	Total
North&South America	62	71	86	63	282	67	58	88	213	67	59	79	75	280
Europe	110	104	110	131	455	154	121	122	397	101	119	83	125	428
China	446	429	377	663	1,915	887	663	692	2,242	800	743	508	246	2,297
Asia (Excluding China)	76	75	101	89	341	115	120	99	334	98	98	81	72	349
Japan	102	152	94	97	445	160	127	121	408	110	138	161	128	537
Total	796	831	768	1,043	3,438	1,383	1,089	1,122	3,594	1,176	1,157	912	646	3,891

Number of EDM (Electronic Discharge Machine) Shipments (unit)

	FY2017/3 (Ended March 31, 2017)					FY2017/12 (Ended December 31, 2017)				FY2018(Ended December 31, 2018)				
	4-6	7-9	10-12	1-3	Total	4-6	7-9	10-12	Total	1-3	4-6	7-9	10-12	Total
North&South America	64	64	93	74	295	66	64	85	215	72	65	78	82	297
Europe	100	102	116	103	421	127	109	143	379	110	124	99	137	470
China	390	406	376	329	1,501	577	711	663	1,951	491	796	704	430	2,421
Asia (Excluding China)	59	74	89	108	330	99	112	106	317	90	112	75	64	341
Japan	64	123	135	122	444	79	144	152	375	105	121	112	164	502
Total	677	769	809	736	2,991	948	1,140	1,149	3,237	868	1,218	1,068	877	4,031

Number of employees

	12/09	13/03	13/09	14/03	14/09	15/03	15/09	16/03	16/09	17/03	17/09	17/12	18/06	18/12
separate	621	617	614	609	621	622	640	645	660	661	690	701	743	755
consolidated	3,004	2,921	3,026	2,999	3,148	3,183	3,237	3,216	3,299	3,415	3,616	3,651	3,714	3,676

* Not including employee on loan to subsidiary companies in separate number

* Not including the number of temporary employee

Management index

	16/03	17/03	17/12 *	18/12
Accounts receivable collection period (month)	2.7	2.8	-	2.4
Inventories turnover period (month)	4.1	4.4	-	4.0
Accounts payable turnover period (month)	1.6	2.2	-	1.8
Fixed assets turnover ratio	2.0	2.0	-	2.2
Interest -bearing debt turnover period (month)	6.2	8.0	-	5.7
Equity ratio (%)	49.8	44.5	45.2	48.5
Equity ratio based on market value (%)	42.5	47.3	56.5	27.1
Return on Equity(ROE) (%)	8.4	7.4	-	11.4
Return on Assets(ROA) (%)	4.1	3.5	-	5.4
Debt-to-equity ratio (multiple)	0.75	0.92	0.84	0.72
Debt redemption period (year)	5.1	4.9	-	4.3
Interest coverage ratio (multiple)	13.5	20.3	-	29.3

	15/09	16/09	17/09 *	18/06
Accounts receivable collection period (month)	2.8	2.8	-	2.7
Inventories turnover period (month)	4.4	4.6	-	4.2
Accounts payable turnover period (month)	1.8	2.0	-	2.2
Fixed assets turnover ratio	2.0	1.9	-	2.3
Interest -bearing debt turnover period (month)	7.1	9.8	-	5.6
Equity ratio (%)	47.2	40.4	43.3	45.1
Equity ratio based on market value (%)	34.9	32.9	57.8	37.8
Return on Equity(ROE) (%)	10.4	4.6	-	13.2
Return on Assets(ROA) (%)	4.9	2.1	-	5.9
Debt-to-equity ratio (multiple)	0.89	1.09	0.87	0.74
Debt redemption period (year)	6.0	5.8	-	2.3
Interest coverage ratio (multiple)	13.5	18.5	-	49.0

* Accounts receivable collection period: Accounts receivable/Net sales(per month)

* Inventories turnover period: Inventories/Net sales(per month)

* Accounts payable turnover period: accounts payable/Net sales(per month)

* Fixed assets turnover ratio: Net sales/Fixed assets

* Interest-bearing Debt turnover period : Interest-bearing Debt/Net Sales

* Equity ratio based on market value:

closing stock price at fiscal year end × shares issued outstanding as of the balance sheet date(not including treasury shares)

* ROE: Profit attributable to owners of parent/average shareholders' equity

* ROE: Profit attributable to owners of parent/average shareholders' equity of the beginning and the end of the fiscal year

* ROA: Profit/average total assets of the beginning and the end of the period

* Debt-to-Equity Ratio: Interest-bearing Debt/shareholders' equity

* Debt redemption period: interest-bearing Debt/ Operating cash flow

* Interest coverage ratio: Operating cash flow / interest expenditure

*The Company has implemented a change in fiscal term-end from March 31 to December 31, effective from the fiscal year ended December 31, 2017. Accordingly, the fiscal year ended December 31, 2017 is a transitional period for the fiscal term change. The previous consolidated cumulative first quarter comprises 3 months (from April 1, 2017 to June 30, 2017) of results for the Company as well as consolidated subsidiaries and entities accounted for using the equity method whose fiscal year ends on March 31, and 6 months (from January 1, 2017 to June 30, 2017) of results for seven consolidated subsidiaries in China whose fiscal year ends December 31, resulting in irregular settlement of accounts. As a result, changes compared to the same quarter preceding fiscal year are not provided.

Foreign Exchange Rates

(Yen)

	FY2017/3 (Ended March 31, 2017)				FY2017/12 (Ended December 31, 2017)			FY2018(Ended December 31, 2018)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	1Q	2Q	3Q	4Q
AR US dollar	108.04	105.20	106.60	108.34	111.09	111.04	111.69	108.22	108.67	109.60	110.44
Chinese Yuan	17.61	17.05	16.44	16.32	16.39	16.47	16.62	17.05	17.09	16.84	16.71
Euro	121.88	118.04	117.98	118.74	122.26	126.32	128.55	133.14	131.55	130.87	130.35
Thai Baht	3.06	3.00	3.03	3.08	3.24	3.28	3.33	3.43	3.43	3.41	3.42
CR US dollar	102.91	101.12	116.49	112.19	112.00	112.73	113.00	106.24	110.54	113.57	111.00
Chinese Yuan	17.39	15.46	15.14	16.76	16.49	16.96	17.29	16.92	16.66	16.50	16.16
Euro	114.39	113.36	122.70	119.79	127.97	132.85	134.94	130.52	127.91	132.14	127.00
Thai Baht	2.93	2.91	3.24	3.26	3.29	3.38	3.45	3.40	3.33	3.50	3.41