

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2016 (Based on Japanese GAAP)

November 10, 2016

Company name: MIMAKI ENGINEERING CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6638 URL <http://ir.mimaki.com>
 Representative: President Kazuaki Ikeda
 Executive General Manager Administration
 Inquiries: Division Hiroshi Miyake TEL 0268-64-2281
 Scheduled date to file Quarterly Securities Report: November 11, 2016
 Scheduled date to commence dividend payments: December 5, 2016
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2016 (from April 1, 2016 to September 30, 2016)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2016	22,885	(4.6)	1,110	(30.5)	939	(31.3)	388	(52.1)
Six months ended September 30, 2015	24,001	7.9	1,597	(39.0)	1,367	(42.5)	811	(48.2)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2016	12.78		-	
Six months ended September 30, 2015	25.89		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2016	45,157	14,580	32.3
As of March 31, 2016	46,132	15,642	33.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2016	-	5.00	-	5.00	10.00
Year ending March 31, 2017	-	5.00	-	-	-
Year ending March 31, 2017 (Forecast)	-	-	-	5.00	10.00

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	48,350	1.1	1,850	(42.1)	1,500	(45.6)	900	(44.8)	29.61

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2016
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2016	32,040,000 shares	As of March 31, 2016	32,040,000 shares
--------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of September 30, 2016	1,899,790 shares	As of March 31, 2016	859,790 shares
--------------------------	------------------	----------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2016	30,397,325 shares	Six months ended September 30, 2015	31,347,226 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2016	As of September 30, 2016
Assets		
Current assets		
Cash and deposits	11,034,884	10,391,611
Notes and accounts receivable - trade	7,888,065	7,342,148
Merchandise and finished goods	10,895,330	10,900,425
Work in process	266,208	266,039
Raw materials and supplies	3,306,227	3,391,296
Deferred tax assets	833,948	471,586
Other	1,578,485	2,000,928
Allowance for doubtful accounts	(122,553)	(121,457)
Total current assets	35,680,596	34,642,578
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,982,856	3,807,402
Land	2,876,214	2,876,214
Other, net	2,113,499	2,236,862
Total property, plant and equipment	8,972,570	8,920,478
Intangible assets		
Other	392,891	537,104
Total intangible assets	392,891	537,104
Investments and other assets		
Deferred tax assets	246,337	228,293
Other	962,182	963,637
Allowance for doubtful accounts	(121,697)	(134,585)
Total investments and other assets	1,086,822	1,057,346
Total non-current assets	10,452,284	10,514,929
Total assets	46,132,881	45,157,507
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,867,713	3,809,142
Short-term loans payable	6,469,851	6,340,089
Current portion of long-term loans payable	2,757,416	2,725,384
Income taxes payable	106,116	180,688
Provision for bonuses	700,491	669,573
Provision for directors' bonuses	43,678	15,625
Provision for product warranties	414,740	407,524
Other	3,766,647	7,537,358
Total current liabilities	21,126,656	21,685,386
Non-current liabilities		
Long-term loans payable	8,721,797	8,312,503
Lease obligations	136,177	112,086
Deferred tax liabilities	6,628	5,981
Net defined benefit liability	311,532	324,856
Asset retirement obligations	52,685	51,156
Other	134,868	85,364
Total non-current liabilities	9,363,689	8,891,947
Total liabilities	30,490,345	30,577,334

(Thousands of yen)

	As of March 31, 2016	As of September 30, 2016
Net assets		
Shareholders' equity		
Capital stock	4,357,456	4,357,456
Capital surplus	4,269,686	4,269,686
Retained earnings	7,803,163	8,035,780
Treasury shares	(201,831)	(737,694)
Total shareholders' equity	16,228,475	15,925,228
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(981)	302
Foreign currency translation adjustment	(605,640)	(1,361,553)
Remeasurements of defined benefit plans	20,683	16,196
Total accumulated other comprehensive income	(585,939)	(1,345,054)
Total net assets	15,642,535	14,580,173
Total liabilities and net assets	46,132,881	45,157,507

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Net sales	24,001,292	22,885,637
Cost of sales	12,857,454	12,505,982
Gross profit	11,143,837	10,379,655
Selling, general and administrative expenses	9,546,341	9,269,383
Operating income	1,597,496	1,110,271
Non-operating income		
Interest income	13,660	23,204
Dividend income	504	450
Insurance income	9,346	12,332
Insurance return	22,002	14,862
Reversal of allowance for doubtful accounts	25,759	–
Other	17,095	22,645
Total non-operating income	88,367	73,494
Non-operating expenses		
Interest expenses	58,473	63,803
Sales discounts	53,216	55,189
Foreign exchange losses	136,947	93,783
Share of loss of entities accounted for using equity method	44,683	17,058
Other	24,589	14,217
Total non-operating expenses	317,909	244,051
Ordinary income	1,367,954	939,714
Extraordinary income		
Gain on sales of non-current assets	12,762	14,784
Gain on reversal of subscription rights to shares	212	–
Total extraordinary income	12,975	14,784
Extraordinary losses		
Loss on sales of non-current assets	742	151
Total extraordinary losses	742	151
Profit before income taxes	1,380,187	954,347
Income taxes - current	470,514	190,782
Income taxes - deferred	98,220	375,047
Total income taxes	568,734	565,830
Profit	811,452	388,517
Profit attributable to owners of parent	811,452	388,517

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Profit	811,452	388,517
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,411)	1,284
Foreign currency translation adjustment	(423,296)	(799,798)
Share of other comprehensive income of entities accounted for using equity method	22,712	43,885
Remeasurements of defined benefit plans, net of tax	(6,419)	(4,486)
Total other comprehensive income	(408,415)	(759,115)
Comprehensive income	403,037	(370,597)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	403,037	(370,597)