

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 Three Months Ended June 30, 2019 (Based on Japanese GAAP)

August 9, 2019

Company name: MIMAKI ENGINEERING CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6638 URL <https://ir.mimaki.com>  
 Representative: President Kazuaki Ikeda  
 Executive General Manager Corporate  
 Inquiries: Planning Division Koji Shimizu TEL 0268-80-0058  
 Scheduled date to file Quarterly Securities Report: August 9, 2019  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2019	13,292	3.2	126	(83.9)	140	(75.2)	73	(77.5)
Three months ended June 30, 2018	12,879	6.3	788	114.5	565	88.0	328	63.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2019	2.45		–	
Three months ended June 30, 2018	10.93		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	57,010	17,817	30.9
As of March 31, 2019	58,463	19,010	32.2

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2019	–	7.50	–	7.50	15.00
Year ending March 31, 2020	–	–	–	–	–
Year ending March 31, 2020 (Forecast)	–	7.50	–	7.50	15.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2019	28,950	9.4	800	(47.4)	650	(47.0)	450	(41.5)	14.81
Full year	60,100	8.4	2,150	(28.5)	1,800	(31.9)	1,300	(22.6)	42.78

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019  
 (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: No
- 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 June 30, 2019	32,040,000 shares	As of March 31, 2019	32,040,000 shares
---------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of June 30, 2019	2,545,767 shares	As of March 31, 2019	1,375,767 shares
---------------------	------------------	----------------------	------------------

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

Three months ended June 30, 2019	30,115,888 shares	Three months ended June 30, 2018	30,040,210 shares
----------------------------------	-------------------	----------------------------------	-------------------

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2019	As of June 30, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	11,994,422	11,852,936
Notes and accounts receivable - trade	9,442,738	8,721,455
Merchandise and finished goods	12,292,865	12,868,802
Work in process	1,584,892	1,546,636
Raw materials and supplies	4,145,331	4,154,239
Other	2,689,769	2,537,910
Allowance for doubtful accounts	(28,793)	(37,776)
Total current assets	42,121,226	41,644,203
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,225,831	4,134,660
Land	3,262,745	3,262,745
Other, net	3,235,535	3,133,807
Total property, plant and equipment	10,724,112	10,531,212
Intangible assets		
Goodwill	1,441,724	1,358,161
Other	956,577	897,775
Total intangible assets	2,398,301	2,255,937
Investments and other assets		
Investment securities	69,552	68,963
Deferred tax assets	1,504,652	1,468,504
Other	2,088,824	1,466,330
Allowance for doubtful accounts	(443,665)	(424,945)
Total investments and other assets	3,219,364	2,578,852
Total non-current assets	16,341,777	15,366,002
Total assets	58,463,004	57,010,206
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,726,025	3,824,720
Electronically recorded obligations - operating	4,626,156	4,824,505
Short-term borrowings	11,054,710	11,596,703
Current portion of long-term borrowings	2,615,481	2,365,380
Lease obligations	101,157	84,560
Income taxes payable	327,606	113,965
Provision for bonuses	881,035	353,546
Provision for bonuses for directors (and other officers)	40,673	2,076
Provision for product warranties	1,008,315	927,160
Other	4,510,291	5,022,480
Total current liabilities	28,891,454	29,115,098
Non-current liabilities		
Long-term borrowings	9,564,594	9,106,582
Lease obligations	338,609	321,295
Deferred tax liabilities	72,326	60,725
Retirement benefit liability	452,687	456,879
Asset retirement obligations	47,600	47,091
Other	85,094	85,094
Total non-current liabilities	10,560,911	10,077,667
Total liabilities	39,452,365	39,192,765

(Thousands of yen)

	As of March 31, 2019	As of June 30, 2019
Net assets		
Shareholders' equity		
Share capital	4,357,456	4,357,456
Capital surplus	4,617,040	4,617,040
Retained earnings	11,509,976	11,353,650
Treasury shares	(618,501)	(1,329,614)
Total shareholders' equity	19,865,971	18,998,532
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	977	492
Foreign currency translation adjustment	(1,068,880)	(1,389,928)
Remeasurements of defined benefit plans	30,617	28,072
Total accumulated other comprehensive income	(1,037,285)	(1,361,364)
Share acquisition rights	12,088	16,134
Non-controlling interests	169,864	164,137
Total net assets	19,010,639	17,817,440
Total liabilities and net assets	58,463,004	57,010,206

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	12,879,317	13,292,245
Cost of sales	6,567,224	7,499,605
Gross profit	6,312,093	5,792,640
Selling, general and administrative expenses	5,523,106	5,665,796
Operating profit	788,987	126,843
Non-operating income		
Interest income	11,475	9,440
Dividend income	350	618
Insurance claim income	400	88,891
Purchase discounts	5,208	8,688
Other	8,571	40,540
Total non-operating income	26,006	148,179
Non-operating expenses		
Interest expenses	39,112	68,365
Sales discounts	22,626	22,277
Foreign exchange losses	143,473	15,398
Share of loss of entities accounted for using equity method	40,329	6,977
Other	3,767	21,743
Total non-operating expenses	249,309	134,761
Ordinary profit	565,683	140,261
Extraordinary income		
Gain on sales of non-current assets	9,583	5,865
Total extraordinary income	9,583	5,865
Extraordinary losses		
Loss on sales of non-current assets	1,272	423
Total extraordinary losses	1,272	423
Profit before income taxes	573,994	145,703
Income taxes - current	86,783	60,467
Income taxes - deferred	167,178	14,441
Total income taxes	253,962	74,908
Profit	320,032	70,794
Loss attributable to non-controlling interests	(8,191)	(2,905)
Profit attributable to owners of parent	328,224	73,700

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit	320,032	70,794
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,376)	(485)
Foreign currency translation adjustment	(272,264)	(324,356)
Remeasurements of defined benefit plans, net of tax	(3,089)	(2,545)
Share of other comprehensive income of entities accounted for using equity method	11,693	487
Total other comprehensive income	<u>(267,037)</u>	<u>(326,900)</u>
Comprehensive income	<u>52,995</u>	<u>(256,105)</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	65,387	(250,378)
Comprehensive income attributable to non-controlling interests	(12,391)	(5,726)