

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 12, 2020

Company name: MIMAKI ENGINEERING CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6638 URL <https://ir.mimaki.com>  
 Representative: President Kazuaki Ikeda  
 Inquiries: Executive General Manager Corporate Koji Shimizu TEL 0268-80-0058  
 Planning Division  
 Scheduled date to file Quarterly Securities Report: August 12, 2020  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 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, 2020 (from April 1, 2020 to June 30, 2020)

#### (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, 2020	7,899	(40.6)	(1,110)	–	(961)	–	(694)	–
Three months ended June 30, 2019	13,292	3.2	126	(83.9)	140	(75.2)	73	(77.5)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	(23.56)		–	
Three months ended June 30, 2019	2.45		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	52,987	15,369	28.7
As of March 31, 2020	54,221	16,033	29.2

### 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, 2020	–	7.50	–	–	7.50
Year ending March 31, 2021	–	–	–	–	–
Year ending March 31, 2021 (Forecast)	–	0.00	–	–	–

### 3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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, 2020	18,100	(33.9)	(2,680)	–	(2,540)	–	(2,330)	–	(79.00)
Full year	42,100	(24.2)	(3,630)	–	(3,500)	–	(3,320)	–	(112.56)

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020  
 (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, 2020	32,040,000 shares	As of March 31, 2020	32,040,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2020	2,545,767 shares	As of March 31, 2020	2,545,767 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2020	29,494,233 shares	Three months ended June 30, 2019	30,115,888 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2020	As of June 30, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	11,134,570	11,776,641
Notes and accounts receivable - trade	9,476,875	6,409,767
Merchandise and finished goods	12,143,940	12,138,610
Work in process	1,402,066	1,408,935
Raw materials and supplies	4,494,144	5,810,701
Other	2,510,248	2,426,215
Allowance for doubtful accounts	(58,687)	(153,245)
Total current assets	41,103,159	39,817,627
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,951,579	3,870,298
Land	3,275,034	3,275,034
Other, net	2,931,239	2,748,891
Total property, plant and equipment	10,157,854	9,894,225
Intangible assets		
Goodwill	453,783	419,245
Other	786,949	725,807
Total intangible assets	1,240,732	1,145,052
Investments and other assets		
Investment securities	63,287	121,443
Deferred tax assets	845,210	1,160,630
Other	1,282,955	1,417,037
Allowance for doubtful accounts	(471,275)	(568,732)
Total investments and other assets	1,720,178	2,130,379
Total non-current assets	13,118,765	13,169,657
Total assets	54,221,924	52,987,285
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,524,748	2,814,734
Electronically recorded obligations - operating	3,746,579	3,251,210
Short-term borrowings	10,701,488	8,003,895
Current portion of long-term borrowings	5,276,116	6,153,842
Lease obligations	111,477	98,892
Income taxes payable	69,508	66,430
Provision for bonuses	740,274	364,969
Provision for bonuses for directors (and other officers)	—	1,020
Provision for product warranties	864,481	742,049
Other	4,111,384	4,773,581
Total current liabilities	29,146,058	26,270,625
Non-current liabilities		
Long-term borrowings	8,066,340	10,390,712
Lease obligations	313,351	306,919
Deferred tax liabilities	71,669	48,785
Retirement benefit liability	450,251	466,431
Asset retirement obligations	48,255	49,359
Other	92,661	85,094
Total non-current liabilities	9,042,530	11,347,301
Total liabilities	38,188,589	37,617,926

(Thousands of yen)

	As of March 31, 2020	As of June 30, 2020
Net assets		
Shareholders' equity		
Share capital	4,357,456	4,357,456
Capital surplus	4,617,040	4,617,040
Retained earnings	10,280,826	9,585,842
Treasury shares	(1,329,614)	(1,329,614)
Total shareholders' equity	17,925,708	17,230,724
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(5,481)	(1,411)
Foreign currency translation adjustment	(2,102,648)	(2,065,746)
Remeasurements of defined benefit plans	41,984	39,965
Total accumulated other comprehensive income	(2,066,145)	(2,027,192)
Share acquisition rights	26,892	29,388
Non-controlling interests	146,880	136,438
Total net assets	16,033,335	15,369,358
Total liabilities and net assets	54,221,924	52,987,285

**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, 2019	Three months ended June 30, 2020
Net sales	13,292,245	7,899,387
Cost of sales	7,499,605	4,665,606
Gross profit	5,792,640	3,233,780
Selling, general and administrative expenses	5,665,796	4,344,237
Operating profit (loss)	126,843	(1,110,456)
Non-operating income		
Interest income	9,440	2,893
Dividend income	618	575
Insurance claim income	88,891	939
Purchase discounts	8,688	2,919
Foreign exchange gains	–	3,294
Subsidy income	–	87,116
Gain on sale of businesses	–	121,091
Other	40,540	12,468
Total non-operating income	148,179	231,298
Non-operating expenses		
Interest expenses	68,365	49,098
Sales discounts	22,277	12,676
Foreign exchange losses	15,398	–
Share of loss of entities accounted for using equity method	6,977	5,033
Other	21,743	15,338
Total non-operating expenses	134,761	82,147
Ordinary profit (loss)	140,261	(961,304)
Extraordinary income		
Gain on sales of non-current assets	5,865	2,064
Total extraordinary income	5,865	2,064
Extraordinary losses		
Loss on sales of non-current assets	423	108
Loss on disposal of non-current assets	–	47,563
Total extraordinary losses	423	47,672
Profit (loss) before income taxes	145,703	(1,006,912)
Income taxes - current	60,467	1,729
Income taxes - deferred	14,441	(301,795)
Total income taxes	74,908	(300,066)
Profit (loss)	70,794	(706,846)
Loss attributable to non-controlling interests	(2,905)	(11,862)
Profit (loss) attributable to owners of parent	73,700	(694,984)

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

(Thousands of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit (loss)	70,794	(706,846)
Other comprehensive income		
Valuation difference on available-for-sale securities	(485)	4,070
Foreign currency translation adjustment	(324,356)	37,273
Remeasurements of defined benefit plans, net of tax	(2,545)	(2,019)
Share of other comprehensive income of entities accounted for using equity method	487	1,048
Total other comprehensive income	(326,900)	40,373
Comprehensive income	(256,105)	(666,473)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(250,378)	(656,031)
Comprehensive income attributable to non-controlling interests	(5,726)	(10,441)