

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 10, 2021

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 10, 2021
 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, 2021 (from April 1, 2021 to June 30, 2021)

(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, 2021	14,091	78.4	776	–	798	–	658	–
Three months ended June 30, 2020	7,899	(40.6)	(1,110)	–	(961)	–	(694)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	22.33	22.31
Three months ended June 30, 2020	(23.56)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	52,384	16,842	32.0
As of March 31, 2021	50,838	16,213	31.8

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, 2021	–	0.00	–	7.50	7.50
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	7.50	–	7.50	15.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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, 2021	27,400	31.3	1,020	–	930	–	750	–	25.43
Full year	56,800	16.6	2,430	–	2,140	484.1	1,610	–	54.59

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
 (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 June 30, 2021	32,040,000 shares	As of March 31, 2021	32,040,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	2,545,767 shares	As of March 31, 2021	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, 2021	29,494,233 shares	Three months ended June 30, 2020	29,494,233 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	10,839,746	10,388,608
Notes and accounts receivable - trade	7,746,264	–
Notes and accounts receivable - trade, and contract assets	–	7,545,863
Merchandise and finished goods	11,080,748	12,020,040
Work in process	1,871,152	2,088,957
Raw materials and supplies	4,967,614	5,930,522
Other	2,846,437	2,844,223
Allowance for doubtful accounts	(188,887)	(53,865)
Total current assets	39,163,076	40,764,350
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,670,939	3,625,328
Land	3,275,034	3,275,034
Other, net	2,342,760	2,307,396
Total property, plant and equipment	9,288,734	9,207,759
Intangible assets		
Goodwill	82,453	73,825
Other	409,249	373,889
Total intangible assets	491,702	447,715
Investments and other assets		
Investment securities	131,334	130,830
Deferred tax assets	999,448	993,310
Other	1,375,089	1,614,281
Allowance for doubtful accounts	(610,502)	(773,379)
Total investments and other assets	1,895,369	1,965,043
Total non-current assets	11,675,806	11,620,518
Total assets	50,838,883	52,384,869
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,322,168	3,529,191
Electronically recorded obligations - operating	5,449,924	5,705,640
Short-term borrowings	4,125,700	5,765,232
Current portion of long-term borrowings	3,993,954	3,958,944
Lease obligations	197,432	146,700
Income taxes payable	257,644	266,490
Provision for bonuses	884,655	509,218
Provision for bonuses for directors (and other officers)	–	11,474
Provision for product warranties	1,049,122	1,076,471
Other	4,688,449	5,637,922
Total current liabilities	24,969,051	26,607,284
Non-current liabilities		
Long-term borrowings	8,913,749	8,165,918
Lease obligations	249,070	264,224
Deferred tax liabilities	56,941	57,416
Retirement benefit liability	383,029	393,982
Asset retirement obligations	52,940	52,777
Other	650	650
Total non-current liabilities	9,656,381	8,934,968
Total liabilities	34,625,433	35,542,253

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	4,357,456	4,357,456
Capital surplus	4,617,040	4,617,040
Retained earnings	9,979,574	10,410,952
Treasury shares	(1,329,614)	(1,329,614)
Total shareholders' equity	17,624,456	18,055,834
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,478	4,891
Foreign currency translation adjustment	(1,568,988)	(1,369,623)
Remeasurements of defined benefit plans	104,767	98,016
Total accumulated other comprehensive income	(1,458,742)	(1,266,715)
Share acquisition rights	34,250	34,155
Non-controlling interests	13,486	19,340
Total net assets	16,213,450	16,842,615
Total liabilities and net assets	50,838,883	52,384,869

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, 2020	Three months ended June 30, 2021
Net sales	7,899,387	14,091,993
Cost of sales	4,665,606	8,283,798
Gross profit	3,233,780	5,808,194
Selling, general and administrative expenses	4,344,237	5,031,743
Operating profit (loss)	(1,110,456)	776,450
Non-operating income		
Interest income	2,893	3,013
Dividend income	575	629
Insurance claim income	939	1,988
Purchase discounts	2,919	5,230
Foreign exchange gains	3,294	17,803
Subsidy income	87,116	26,239
Gain on business transfer	121,091	–
Other	12,468	21,589
Total non-operating income	231,298	76,495
Non-operating expenses		
Interest expenses	49,098	34,299
Sales discounts	12,676	–
Share of loss of entities accounted for using equity method	5,033	11,195
Other	15,338	8,544
Total non-operating expenses	82,147	54,039
Ordinary profit (loss)	(961,304)	798,906
Extraordinary income		
Gain on sale of non-current assets	2,064	9,607
Other	–	610
Total extraordinary income	2,064	10,217
Extraordinary losses		
Loss on sale of non-current assets	108	349
Loss on disposal of non-current assets	47,563	–
Total extraordinary losses	47,672	349
Profit (loss) before income taxes	(1,006,912)	808,775
Income taxes - current	1,729	146,608
Income taxes - deferred	(301,795)	(1,956)
Total income taxes	(300,066)	144,651
Profit (loss)	(706,846)	664,124
Profit (loss) attributable to non-controlling interests	(11,862)	5,637
Profit (loss) attributable to owners of parent	(694,984)	658,486

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	(706,846)	664,124
Other comprehensive income		
Valuation difference on available-for-sale securities	4,070	(586)
Foreign currency translation adjustment	37,273	197,697
Remeasurements of defined benefit plans, net of tax	(2,019)	(6,750)
Share of other comprehensive income of entities accounted for using equity method	1,048	1,883
Total other comprehensive income	40,373	192,244
Comprehensive income	(666,473)	856,368
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(656,031)	850,514
Comprehensive income attributable to non-controlling interests	(10,441)	5,854