

Note

Following the last communications regarding the possible acquisition by MIMAKI of La Meccanica in Italy we need to be more precise. In fact MIMAKI and La Meccanica executed a non-binding Letter of Intent aimed at allowing a better understanding of the business of La Meccanica.

Basic Agreement on La Meccanica Stock Purchase

Nagano, Japan, December 16, 2015

Mimaki Engineering Co., Ltd. (President: Hisayuki Kobayashi, Headquarters: Nagano, Japan, hereinafter called “MIMAKI”) hereby announces that it has concluded the basic agreement on purchasing stocks of an Italian company La Meccanica Costruzione Tessili-S.P.A. (hereinafter called “La Meccanica”) on December 16, 2015 as follows.

1. Background and Objectives

MIMAKI Group has been developing and manufacturing innovative industrial inkjet printers and distributing them throughout the world. Our products are especially highly acclaimed in the European textile and apparel markets and we are aiming to further expand the market share.

It originated in July this year, when an Italian sales agent which was one of our group's major business partners introduced us to La Meccanica, a manufacturer of devices associated with digital textile printing. La Meccanica and MIMAKI Group continued negotiations for business collaboration and finally reached the basic agreement that MIMAKI Group purchases all the stocks that have been issued by La Meccanica.

La Meccanica is located in Bergamo in Italy that is the origin of the European apparel, and it has established itself as a major brand of devices for digital textile printing over nearly 40 years. We are aiming to acquire the manufacturing knowhow of digital print devices and brand power to give a boost to our existing products, and improve our competitiveness in the textile inkjet printer industry in Europe and the world.

2. Stock Purchase Content

(1) Equity ratio before and after the stock purchase

Before the purchase	0.0%
After the purchase	100.0%

* Subject to change depending on the negotiation after this basic agreement.

* It has been agreed between the stock sellers and us that the transaction amount shall not be disclosed.

3. Outline of La Meccanica (as of the end of December 2014)

(1) Name	La Meccanica Costruzione Tessili-S.P.A.
(2) Main business	1) Manufacturing, marketing, and servicing devices for digital printing 2) Inspecting textiles, and manufacturing, marketing, and servicing packing machines.
(3) Foundation	1977
(4) Address	Via Delle Industrie174CAP24059 Urgano(Bergamo) Italia

(5) President	Paolino Gastoldi
(6) Capital	517,000 Euro
(7) Employees	32
(8) Sales	6,000,000 Euro (for year 2014)
(9) Major shareholder and ratio	President's family 100%
(10) Relation to MIMAKI Group	No financial, business, and personal relations

4. Roadmap

December 16, 2015 Conclusion of the Basic Agreement (stock purchase)
February to March 2016 (plan) Conclusion of the Formal Agreement (stock purchase)

5. Outlook

The impact caused by this purchase on the consolidated business results is negligible and there is no change in the projected performance of MIMAKI Group for the time being.

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About MIMAKI

MIMAKI is a leading manufacturer of wide-format inkjet printers and cutting machines for the Sign Graphics, Industrial Product and Textile & Apparel markets. MIMAKI develops the complete product range for each group; hardware, software and the associated consumable items, such as inks and cutting blades. MIMAKI excels in offering innovative, high quality and high reliability products, based upon its aqueous, solvent, UV-curable and textile inkjet technology. In order to meet a wide range of applications in the market, MIMAKI pursues the development of advanced on-demand digital printing solutions. Mimaki Engineering Co. Ltd., (President: Hisayuki Kobayashi) Nagano (Japan), is publicly listed on Tokyo Stock Exchange First Section.