



Mimaki Engineering Co., Ltd.

Fiscal Year Ending March 31, 2024

Financial Results Briefing Materials

May 13, 2024



Securities Code
6638



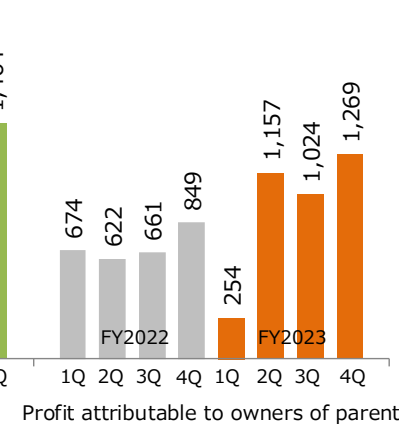
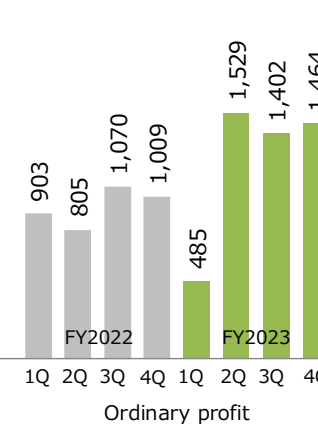
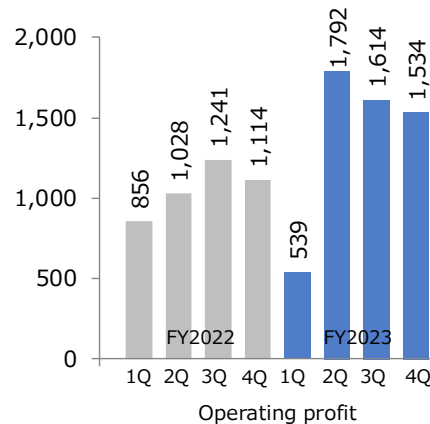
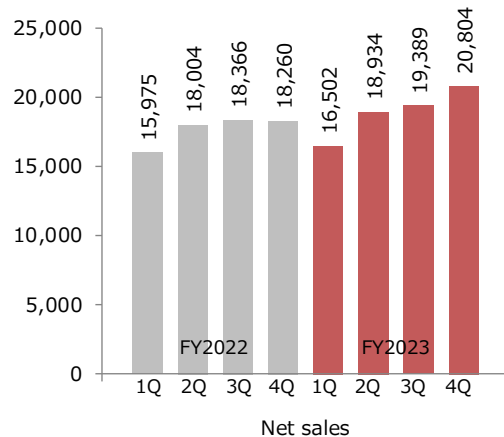
Consolidated Results for FY2023

- ❖ Fourth quarter and full-year results
- ❖ FY2024 full business year forecast

Consolidated Performance Highlights (Results for 4Q FY2023)



(Millions of yen)		FY2022		FY2023 <small>* Excluding the impact of exchange rate</small>				
		4Q Actual	Sales ratio	4Q Actual	Sales ratio	Change from FY2022		
						Amount	Percentage	Percentage*
■	Net sales	18,260	–	20,804	–	+2,544	+13.9%	+6.0%
■	Operating profit	1,114	6.1%	1,534	7.4%	+420	+37.7%	–
■	Ordinary profit	1,009	5.5%	1,464	7.0%	+454	+45.0%	–
■	Profit attributable to owners of parent	849	4.7%	1,269	6.1%	+420	+49.5%	–
Exchange rate (yen)	USD	132.32	–	148.60	–	+16.28	+12.3%	–
	EUR	142.07	–	161.30	–	+19.23	+13.5%	–



Consolidated Financial Highlights (for 4Q FY2023)



■ 4Q net sales

- Sales increased by 2,544 million yen compared to the same period of FY2022 (+14%, including +1,452 million yen due to the impact of exchange rates), down from the internal plan.
- In each region, vigorous efforts were made in participating in large-scale trade shows, implementing mini-exhibition strategy, and acquiring and closing individual business deals.
- Amid the positive impact of foreign exchange rates, TA sales increased significantly as the new TxF150 Direct to Film (DTF) printer remained strong. SG sales also increased significantly due to firm sales in each area. The sales in IP and FA were at a high level in the same period of FY2022, and IP sales this year remained on par while FA sales decreased.
- Sales in North America remained firm from 2Q onwards. Sales recovered in Europe despite the impact of the economic stagnation. Both sales increased significantly with the positive impact of foreign exchange rates. Sales in Japan, Asia, and Oceania remained strong, resulting in an increase in overall sales.
- Sales fell below the internal plan due to the impacts of operational restrictions in the Panama and Suez Canals, including prolonged transportation lead times.

■ 4Q operating profit

- Profit increased by 420 million yen compared to the same period of FY2022 (+38%, including +831 million yen due to the impact of exchange rates), exceeding the internal plan.
- The cost of sales ratio improved. While ocean freight costs, which had declined until 3Q, increased, the ratio improved as the impact of sales of products using high-cost materials procured in the previous fiscal year gradually softened. The appropriate price reviews also contributed to the improvement. Although SG&A expenses increased following proactive business activities, growth in the ratio of SG&A expenses to sales was controlled. Operating profit increased significantly, with an additional effect of the yen's depreciation on foreign exchange rates.

■ Balance sheet as of 4Q

- CCC(number of months)*, a key indicator, improved significantly compared to the end of the previous fiscal year as a result of sales expansion, accelerated collection of accounts receivable, inventory reduction, etc.

*CCC : Cash Conversion Cycle

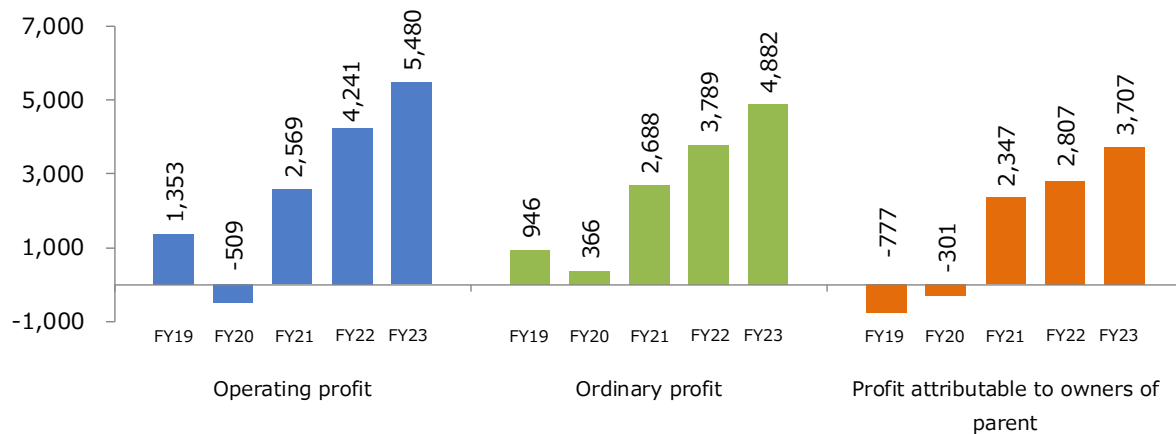
2023/end of March: 5.27 → end of June: 6.09 → end of September: 5.16 → end of December: 4.69 → 2024/end of March: 4.51

Consolidated Performance Highlights (Results for FY2023)



(Millions of yen)		FY2022		FY2023						
		Fiscal year Actual	Sales ratio	Fiscal year Actual	Sales ratio	Change from FY2022			Previous forecast	Change from previous forecast
						Amount	Percentage	Percentage*		
■ Net sales		70,607	–	75,631	–	+5,024	+7.1%	+2.2%	76,800	-1,168
■ Operating profit		4,241	6.0%	5,480	7.2%	+1,239	+29.2%	–	4,840	+640
■ Ordinary profit		3,789	5.4%	4,882	6.5%	+1,092	+28.8%	–	4,280	+602
■ Profit attributable to owners of parent		2,807	4.0%	3,707	4.9%	+900	+32.1%	–	3,160	+547
Exchange rate (yen)	USD	135.48	–	144.62	–	+9.14	+6.7%	–	142.47	+2.15
	EUR	140.97	–	156.79	–	+15.82	+11.2%	–	152.71	+4.08

* Excluding the impact of exchange rate



Factors Effecting Operating Profit (FY2022 vs FY2023)



[Impact by currency]

USD: 135.48 yen → 144.62 yen	+636
EUR: 140.97 yen → 156.79 yen	+1,239
CNY: 19.75 yen → 20.14 yen	-50
TRY: 7.65 yen → 5.51 yen	-296
BRL: 26.28 yen → 29.30 yen	+165
Other (AUD, IDR, etc.)	+194
Total	+1,889

[FX impact on net sales, cost of sales and operating profit]
 Net sales 3,443 - Cost of sales 788 - SG&A expenses 766 =
 Operating profit 1,889

[Factors behind changes in cost of sales ratio]

Although we continued selling products using high-cost materials procured in the previous fiscal year, the ratio improved due to a decrease in transportation costs and the effect of price reviews in response to rising costs.

[Factors behind changes in SG&A expenses]

Labor expenses	+696
R&D expenses	+318
Sales promotion expenses	+264
Commission paid	+258
Travel and transportation expenses	+189
Rent	+180
Others	+273
Total	+2,177

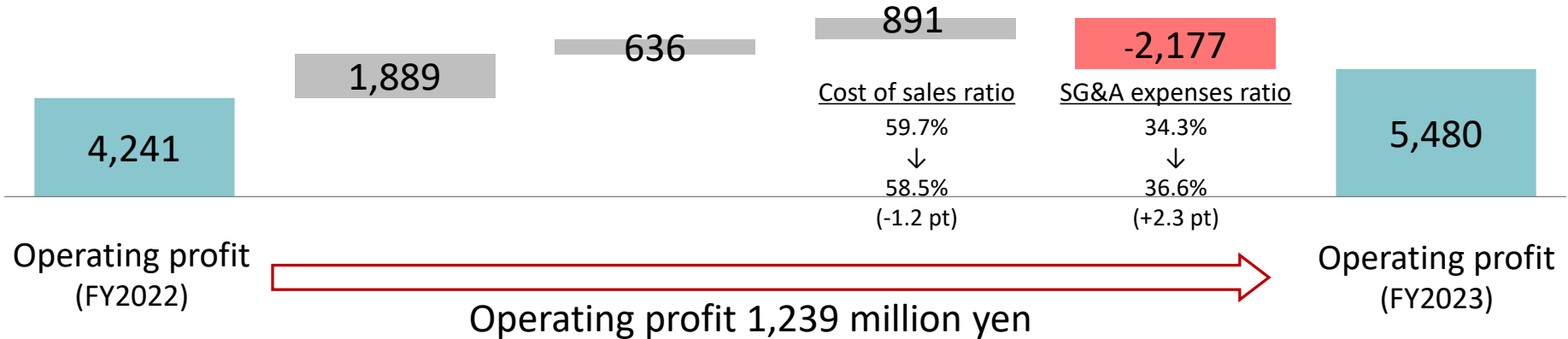
(Unit: millions of yen)

(1) FX impact

(2) Impact of change in net sales

(3) Impact of change in cost of sales ratio

(4) Impact of change in SG&A expenses



Sales by Market Segment (Results for 4Q FY2023)



(Millions of yen)	FY2022		FY2023 <small>* Excluding the impact of exchange rate</small>				
	4Q Actual	Sales ratio	4Q Actual	Change from FY2022			Sales ratio
				Amount	Percentage	Percentage*	
■ SG market	7,133	39.1%	7,967	+833	+11.7%	+1.8%	38.3%
■ IP market	5,370	29.4%	5,340	-29	-0.6%	-7.0%	25.7%
■ TA market	1,508	8.3%	2,807	+1,299	+86.2%	+70.2%	13.5%
■ FA business	1,326	7.3%	1,181	-145	-10.9%	-10.5%	5.7%
■ Others	2,922	16.0%	3,508	+586	+20.1%	—	16.9%
Total	18,260	100.0%	20,804	+2,544	+13.9%	+6.0%	100.0%

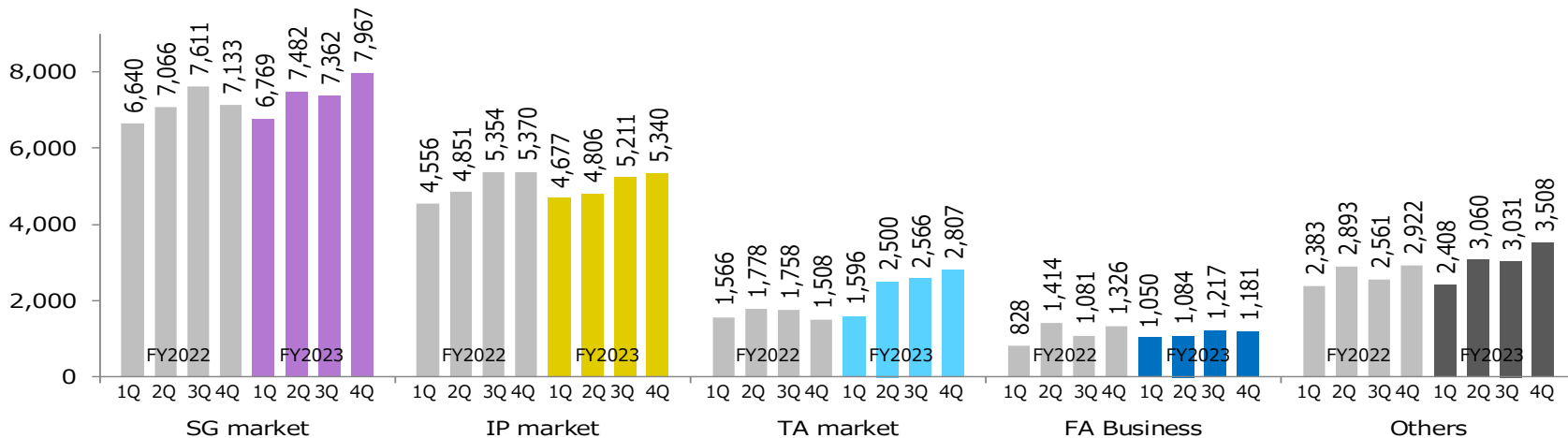
- SG market: Sales significantly increased with the positive impact of foreign exchange rates. Main unit sales were firm for both new and existing UV ink models, as well as flagship and middle-range models. Ink sales were also firm.
- IP market : Sales remained at the same level as in the same period of FY2022 with the positive impact of foreign exchange rates. Amid strong ink sales, main unit sales decreased compared to the higher level of sales in the same period of FY2022.
- TA market : Sales significantly increased. The new DTF printer introduced from this fiscal year remained strong, mainly in developed countries. The high-speed sublimation transfer model, which were also launched in this fiscal year, steadily got on track. Ink sales were strong as well.
- FA business Sales declined although sales of PCB mounting equipment and semiconductor production equipment increased. Sales of PCB inspection equipment to specific Taiwanese customers decreased compared to the same period of FY2022. Sales of FA equipment and metal processing products also decreased.

Sales by Market Segment (Results for FY2023)



(Millions of yen)	FY2022		FY2023						
	Fiscal year Actual	Sales ratio	Fiscal year Actual	Change from FY2022			Sales ratio	Previous forecast	Change from previous forecast
				Amount	Percentage	Percentage*			
SG market	28,451	40.3%	29,581	+1,129	+4.0%	-1.7%	39.1%	29,993	-412
IP market	20,132	28.5%	20,036	-96	-0.5%	-5.1%	26.5%	20,941	-905
TA market	6,611	9.4%	9,471	+2,859	+43.2%	+35.5%	12.5%	10,175	-703
FA business	4,650	6.6%	4,533	-116	-2.5%	-2.5%	6.0%	5,221	-687
Others	10,760	15.2%	12,009	+1,248	+11.6%	-	15.9%	10,468	+1,540
Total	70,607	100.0%	75,631	+5,024	+7.1%	+2.2%	100.0%	76,800	-1,168

* Excluding the impact of exchange rate



Sales by Area (Results for 4Q FY2023)



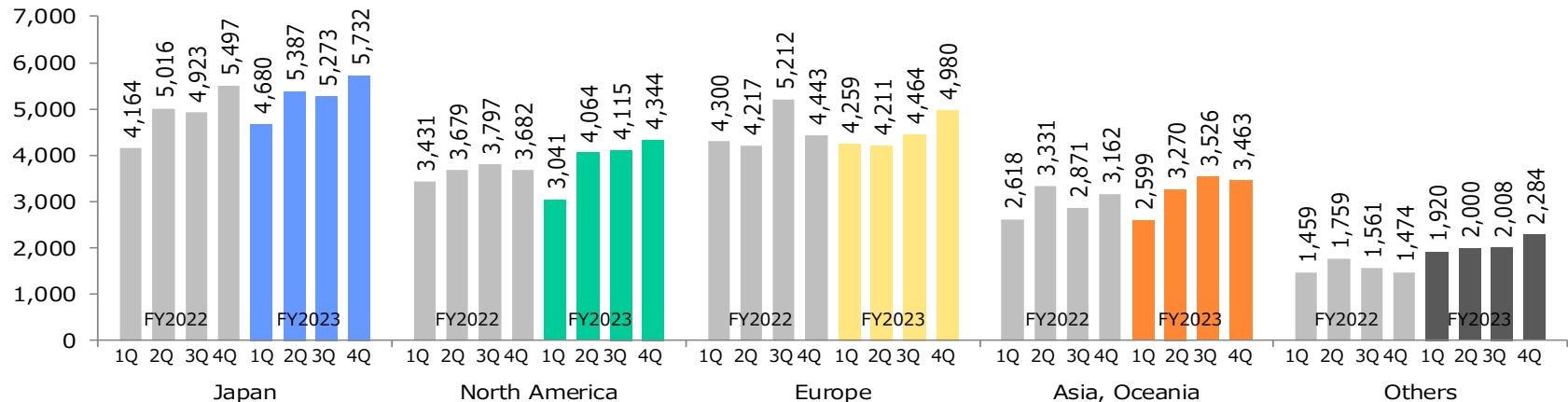
(Millions of yen)	FY2022		FY2023			
	4Q Actual	Sales ratio	4Q Actual	Change from FY2022		Sales ratio
				Amount	Percentage	
■ Japan	5,497	30.1%	5,732	+235	+4.3%	27.6%
■ North America	3,682	20.2%	4,344	+661	+18.0%	20.9%
Local currency:\$	27.8M	–	29.2M	+1.4M	+5.0%	–
■ Europe	4,443	24.3%	4,980	+536	+12.1%	23.9%
Local currency:€	31.2M	–	30.8M	-0.3M	-1.3%	–
■ Asia, Oceania	3,162	17.3%	3,463	+300	+9.5%	16.6%
■ Others	1,474	8.1%	2,284	+810	+54.9%	11.0%
Total	18,260	100.0%	20,804	+2,544	+13.9%	100.0%

- Japan : Overall sales increased steadily. SG sales were strong in main units and inks. New TA products were strong, resulting in a significant increase in sales, including ink. IP ink sales remained strong despite the decrease in main unit sales. FA sales were on par with the same period of FY2022.
- North America: Sales increased significantly with the positive impact of foreign exchange rates. TA sales increased significantly. SG sales were also steady. IP ink sales were firm, despite a decrease in main unit sales compared to the same period of FY2022, when sales of main units were at a high level due to the processing of back orders.
- Europe : Sales significantly increased with the positive impact of foreign exchange rates. Main unit sales decreased in IP while TA grew significantly, and SG performed well. Ink sales were firm in each market. Sales recovered to a slight decrease in local currency terms, showing signs of bottoming out.
- Asia and Oceania: FA sales to Taiwan decreased. Sales to China recovered significantly from the same period of FY2022. Sales to India, Thailand, the Philippines, etc. were also strong.

Sales by Area (Results for FY2023)



(Millions of yen)	FY2022		FY2023					
	Fiscal year Actual	Sales ratio	Fiscal year Actual	Change from FY2022		Sales ratio	Previous forecast	Change from previous forecast
				Amount	Percentage			
Japan	19,602	27.8%	21,074	+1,471	+7.5%	27.9%	21,728	-654
North America	14,590	20.7%	15,566	+975	+6.7%	20.6%	15,638	-72
Local currency:\$	107.6M	-	107.6M	-0.0M	-0.1%	-	0.0M	+107.6M
Europe	18,174	25.7%	17,916	-257	-1.4%	23.7%	19,490	-1,574
Local currency:€	128.9M	-	114.2M	-14.6M	-11.4%	-	0.0M	+114.2M
Asia, Oceania	11,983	17.0%	12,860	+876	+7.3%	17.0%	12,633	+227
Others	6,255	8.9%	8,214	+1,958	+31.3%	10.9%	7,309	+905
Total	70,607	100.0%	75,631	+5,024	+7.1%	100.0%	76,800	-1,168



Condensed Balance Sheet (as of March 31, 2024)



(Millions of yen)	31-Mar-23	31-Mar-24	Change	
Assets				
Cash and deposits	10,485	17,365	6,879	65.6%
Notes and accounts receivable - trade * ¹	12,303	14,105	1,802	14.6%
Inventories	28,015	24,961	-3,053	-10.9%
Other	2,888	2,334	-553	-19.2%
Total current assets	53,692	58,766	5,074	9.5%
Property, plant and equipment	12,011	12,535	523	4.4%
Intangible assets	911	1,040	128	14.1%
Investments and other assets	3,174	3,376	202	6.4%
Total non-current assets	16,097	16,951	854	5.3%
Total assets	69,789	75,718	5,928	8.5%
Liabilities and Net assets				
Notes and accounts payable - trade * ¹	9,103	8,862	-241	-2.7%
Short-term borrowings * ²	21,525	21,705	179	0.8%
Other	9,515	10,945	1,430	15.0%
Total current liabilities	40,144	41,513	1,368	3.4%
Long-term borrowings	5,476	4,887	-588	-10.8%
Other	2,112	1,927	-185	-8.8%
Total non-current liabilities	7,589	6,814	-774	-10.2%
Total liabilities	47,733	48,327	593	1.2%
Total net assets	22,056	27,390	5,334	24.2%
Total liabilities and net assets	69,789	75,718	5,928	8.5%

❖ Assets +5,928

- **Current assets (+5,074)**
→ Increase in cash and deposits, etc.
- **Property, plant and equipment (+523)**
→ Increase in buildings and structures, etc.
- **Investments and other assets (+202)**
→ Increase in deferred tax assets, etc.

❖ Liabilities +593

- **Current liabilities (+1,368)**
→ Decrease in notes and accounts payable-trade, etc.
→ Increase in short-term borrowings, etc.
- **Non-current liabilities (-774)**
→ Decrease in long-term borrowings, etc.

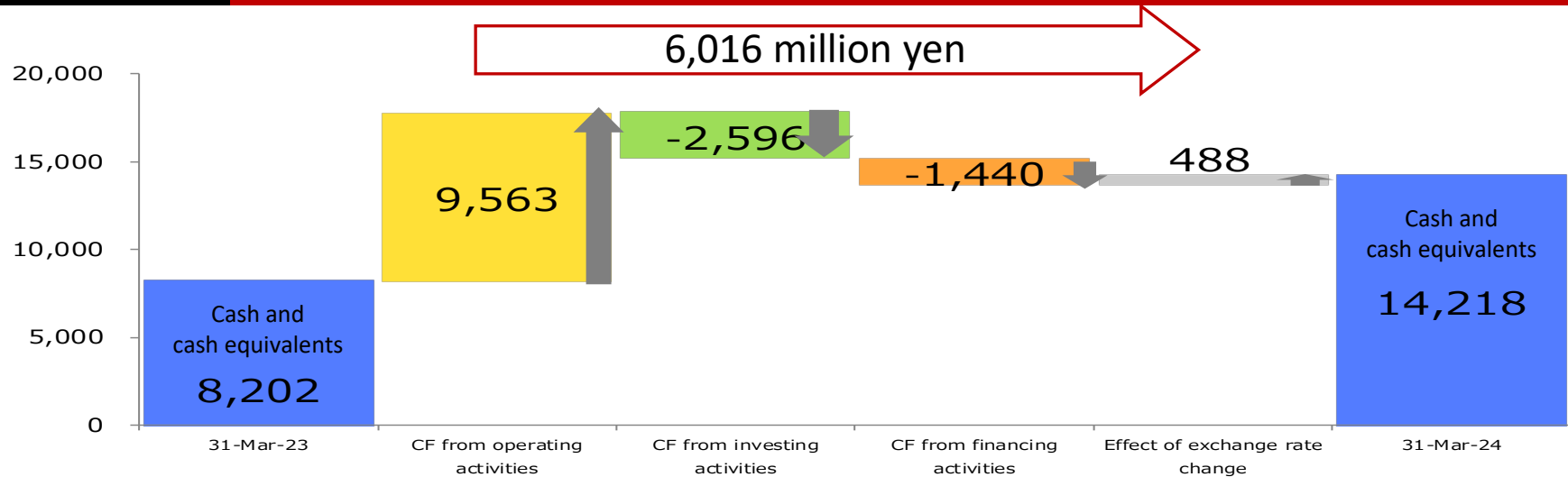
❖ Net assets +5,334

- Increase in retained earnings, etc.

(*1) Including electronically recorded monetary claims - operating and electronically recorded obligations - operating

(*2) Including current portion of long-term borrowings

Cash Flows (Results for FY2023)



Cash flows from operating activities

EBITDA (*)	7,317
Increase in working capital	4,000
Taxes, interest payments, etc.	-1,754
Total	9,563

Cash flows from investing activities

Fixed deposit balance	-824
Acquisition of non-current assets	-2,094
Others	322
Total	-2,596

Cash flows from financing activities

Proceeds from short and long-term borrowings	-452
Dividends paid	-574
Others	-412
Total	-1,440

(*) Operating profit before interest, taxes, and amortization

Consolidated Results for FY2023

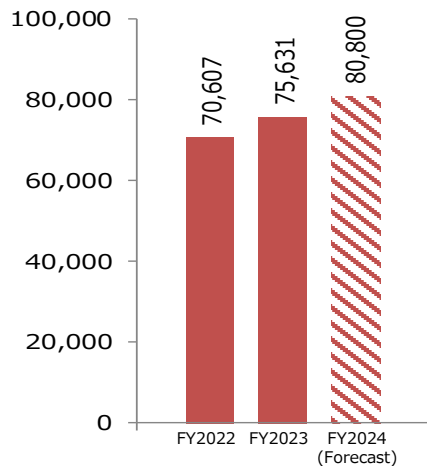
- ❖ Fourth quarter and full-year results
- ❖ FY2024 full business year forecast

Consolidated Performance Forecast Highlights (FY2024)

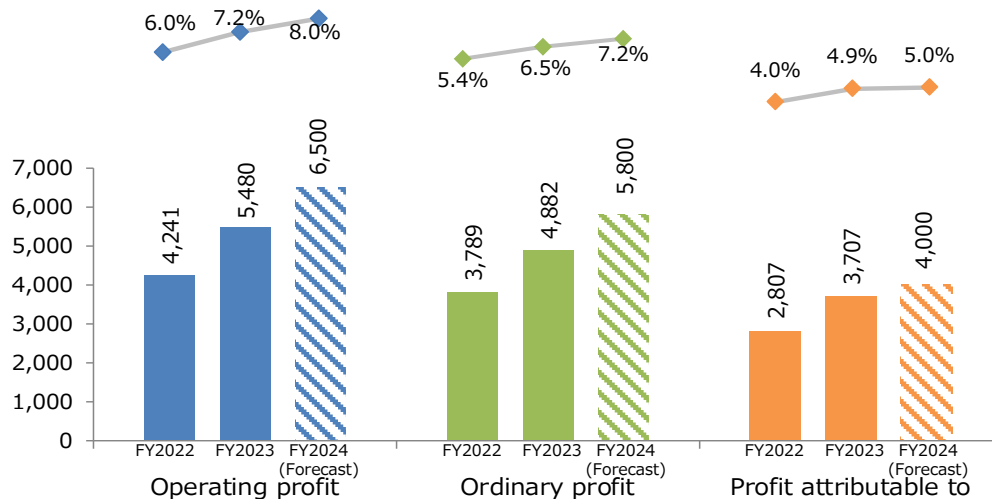


(Millions of yen)		FY2023		FY2024								
		Fiscal year Actual	Sales ratio	First half Forecast	Sales ratio	Second half Forecast	Sales ratio	Fiscal year Forecast	Sales ratio	Change from FY2023		
										Amount	Percentage	Percentage*
■	Net sales	75,631	-	39,200	-	41,600	-	80,800	-	+5,168	+6.8%	+9.5%
■	Operating profit	5,480	7.2%	3,000	7.7%	3,500	8.4%	6,500	8.0%	+1,019	+18.6%	-
■	Ordinary profit	4,882	6.5%	2,600	6.6%	3,200	7.7%	5,800	7.2%	+917	+18.8%	-
■	Profit attributable to owners of parent	3,707	4.9%	1,650	4.2%	2,350	5.6%	4,000	5.0%	+292	+7.9%	-
Exchange rate (yen)	USD	144.62	-	138.00	-	138.00	-	138.00	-	-6.62	-4.6%	-
	EUR	156.79	-	150.00	-	150.00	-	150.00	-	-6.79	-4.3%	-

* Excluding the impact of exchange rate



Net sales



Operating profit

Ordinary profit

Profit attributable to owners of parent

Key Points of the Consolidated Performance Forecast (FY2024)



- Assumptions underlying the consolidated performance forecast
 - ① Sales are expected to increase in SG, IP, and TA markets and FA business. This forecast includes negative impacts from the worsening situation in the Middle East, such as prolonged marine transportation lead times, as well as from the unstable global economy. On the other hand, further enhanced sales activities will enable existing product sales to expand while we introduce new products that meet customers' needs.
 - ② By region, sales are expected to expand not only in Japan and Asia/Oceania, but also in Europe, which was significantly impacted by the economic stagnation in the previous fiscal year. Sales increase is expected in all areas, including North America, where the steady economic expansion continues.
 - ③ Operating profit is expected to improve. The cost of sales ratio incorporates an increase in ocean freight costs. On the other hand, sales of products using high-cost materials made progress in the previous fiscal year, with an expectation of improving the cost of sales ratio. Although SG&A expenses will increase due to the expansion of business activities, the ratio of SG&A expenses to sales is expected to be on par with the previous fiscal year. As a result, profit is expected to increase.
 - ④ Exchange rate assumptions are as follows: USD: 138 yen, EUR: 150 yen
- Having chosen "Ever Evolving" as the Group's management policy for FY2024, Mimaki Engineering is committed to achieving the "Mimaki V10" goal of an operating profit ratio of 10% by FY2025 while growing net sales. Based on the issues to date, Mimaki Engineering aims to spend this year to ever evolve toward the next generation.

Factors Effecting Operating Profit (FY2023 Results vs FY2024 Forecast)



(Unit: millions of yen)

[Impact by currency]

USD: 144.62 yen → 138.00 yen	-516
EUR: 156.79 yen → 150.00 yen	-573
CNY: 20.14 yen → 21.00 yen	-110
TRY: 5.51 yen → 4.90 yen	-105
THB: 4.11 yen → 4.00 yen	-31
Other (AUD, IDR, etc.)	-89
Total	-1,427

[Exchange rate sensitivity (1 yen/year)]

	Net sales	Operating profit
USD	152	78
EUR	126	84

[Factors behind changes in cost of sales ratio]

While incorporating an increase in ocean freight costs, we expect an improvement due to the progress in sales of products using high-cost materials in the previous fiscal year.

[FX impact on net sales, cost of sales and operating profit]

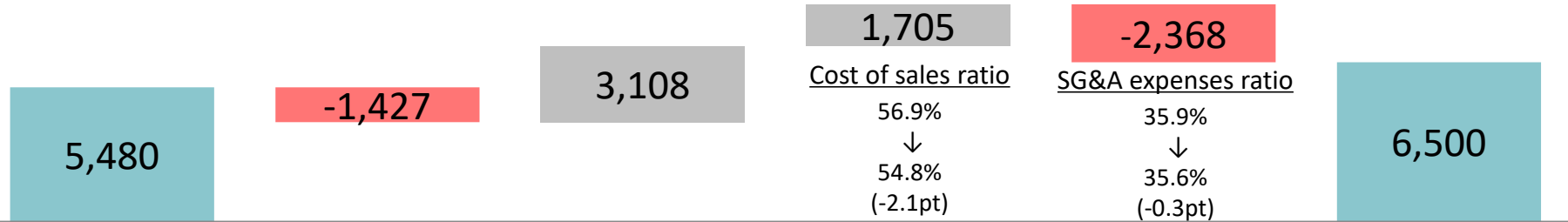
Net sales (2,036) - Cost of sales (188) - SG&A expenses (420) = Operating profit (1,427)

(1) FX impact

(2) Impact of change in net sales

(3) Impact of change in cost of sales ratio

(4) Impact of change in SG&A expenses



Operating profit (FY2023)

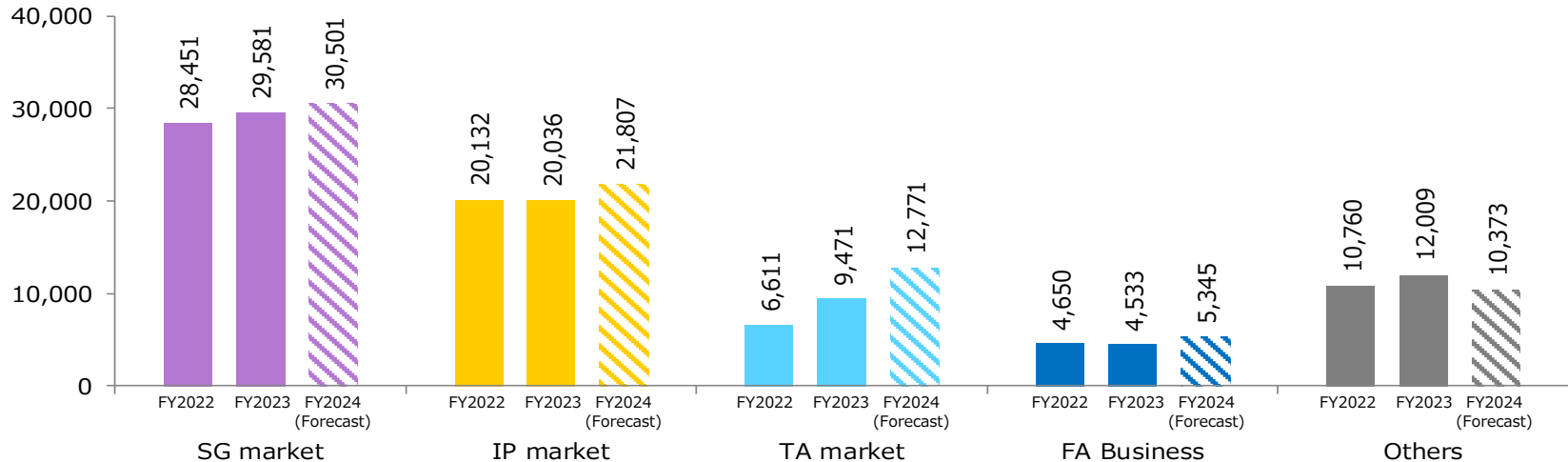
Operating profit 1,019 million yen

Operating profit (FY2024)

Sales Forecast by Market Segment (FY2024)

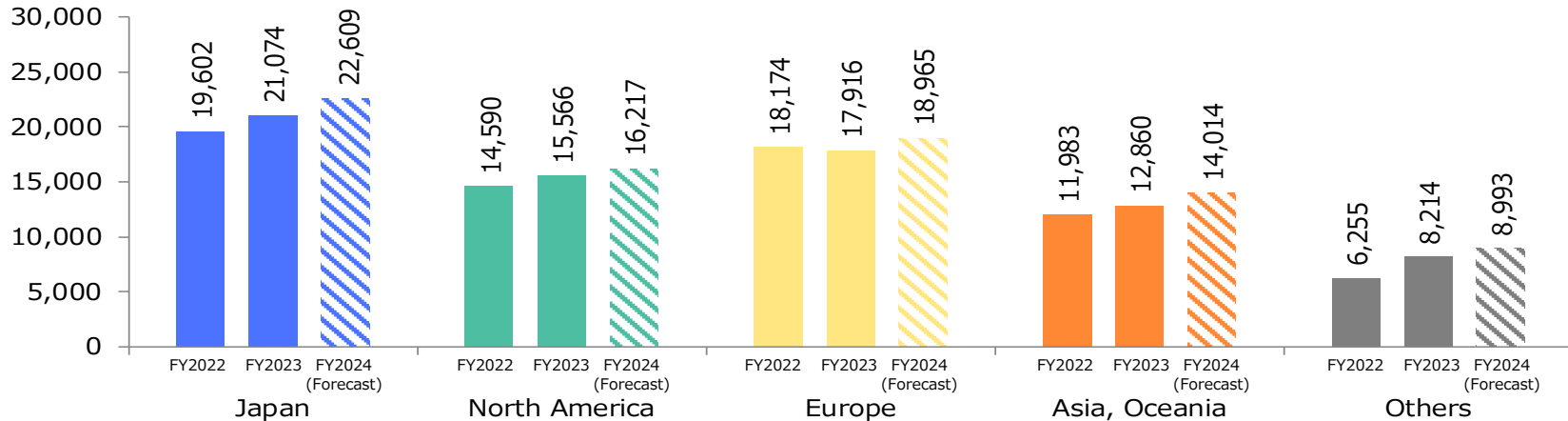


(Millions of yen)	FY2023		FY2024 <small>* Excluding the impact of exchange rate</small>						
	Fiscal year Actual	Sales ratio	First half Forecast	Second half Forecast	Fiscal year Forecast	Change from FY2023			Sales ratio
						Amount	Percentage	Percentage*	
SG market	29,581	39.1%	14,901	15,599	30,501	+920	+3.1%	+6.2%	37.7%
IP market	20,036	26.5%	10,567	11,240	21,807	+1,771	+8.8%	+11.6%	27.0%
TA market	9,471	12.5%	5,901	6,870	12,771	+3,300	+34.8%	+39.2%	15.8%
FA business	4,533	6.0%	2,651	2,693	5,345	+811	+17.9%	+17.9%	6.6%
Others	12,009	15.9%	5,177	5,195	10,373	-1,635	-13.6%	-	12.8%
Total	75,631	100.0%	39,200	41,600	80,800	+5,168	+6.8%	+9.5%	100.0%



Sales Forecast by Area (FY2024)

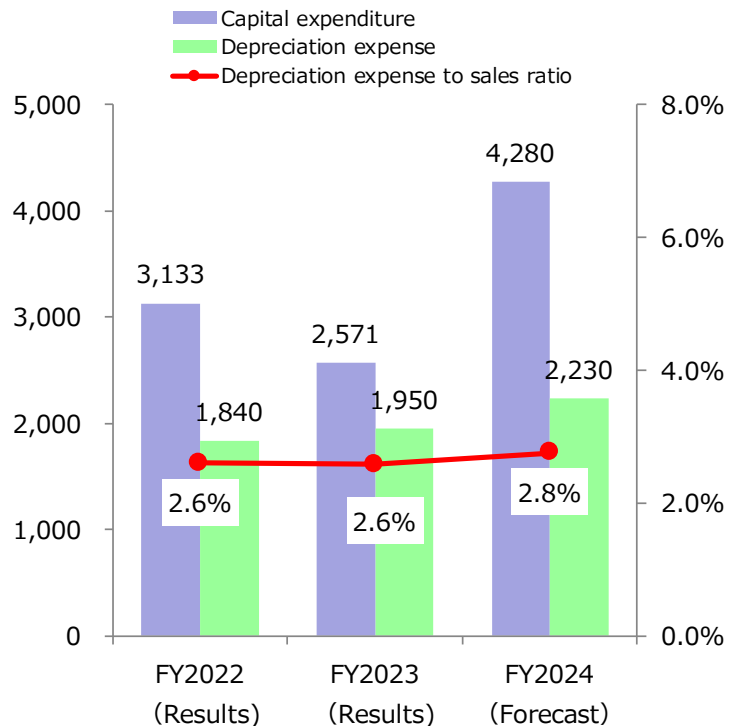
(Millions of yen)	FY2023		FY2024					
	Fiscal year	Sales ratio	First half	Second half	Fiscal year	Change from FY2023		Sales ratio
	Actual		Forecast	Forecast	Forecast	Amount	Percentage	
Japan	21,074	27.9%	11,088	11,520	22,609	+1,535	+7.3%	28.0%
North America	15,566	20.6%	7,948	8,269	16,217	+650	+4.2%	20.1%
Local currency:\$	107.6M	-	57.5M	59.9M	117.5M	+9.8M	+9.2%	-
Europe	17,916	23.7%	9,076	9,888	18,965	+1,048	+5.9%	23.5%
Local currency:€	114.2M	-	60.5M	65.9M	126.4M	+12.1M	10.6%	-
Asia, Oceania	12,860	17.0%	6,718	7,296	14,014	+1,154	+9.0%	17.3%
Others	8,214	10.9%	4,368	4,625	8,993	+779	+9.5%	11.1%
Total	75,631	100.0%	39,200	41,600	80,800	+5,168	+6.8%	100.0%



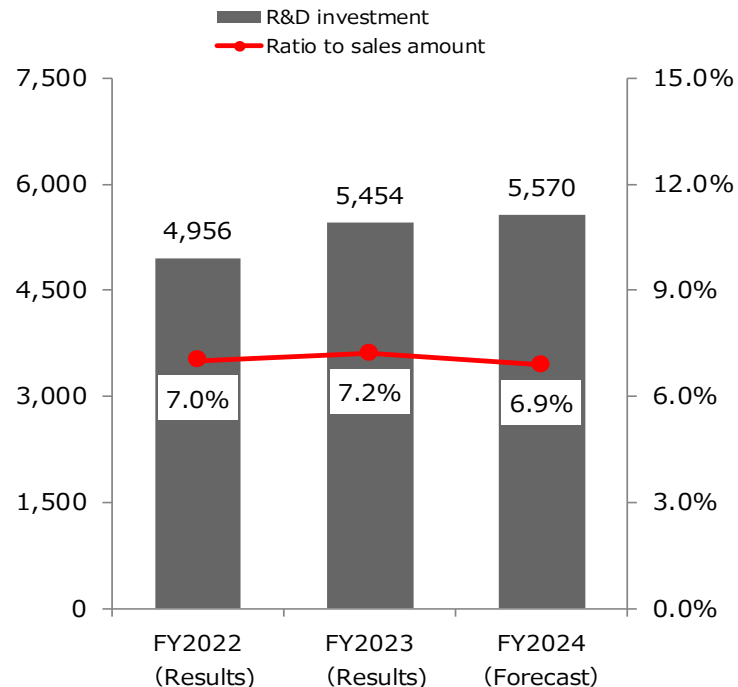
Forecast of capital expenditure, depreciation, and R&D investment (FY2024)



(millions of yen)



(millions of yen)



※ The above amount shows the total cost of research and development activities, and includes expenses related to improvement and application etc. of existing products.

Shareholder Returns

Dividend Policy

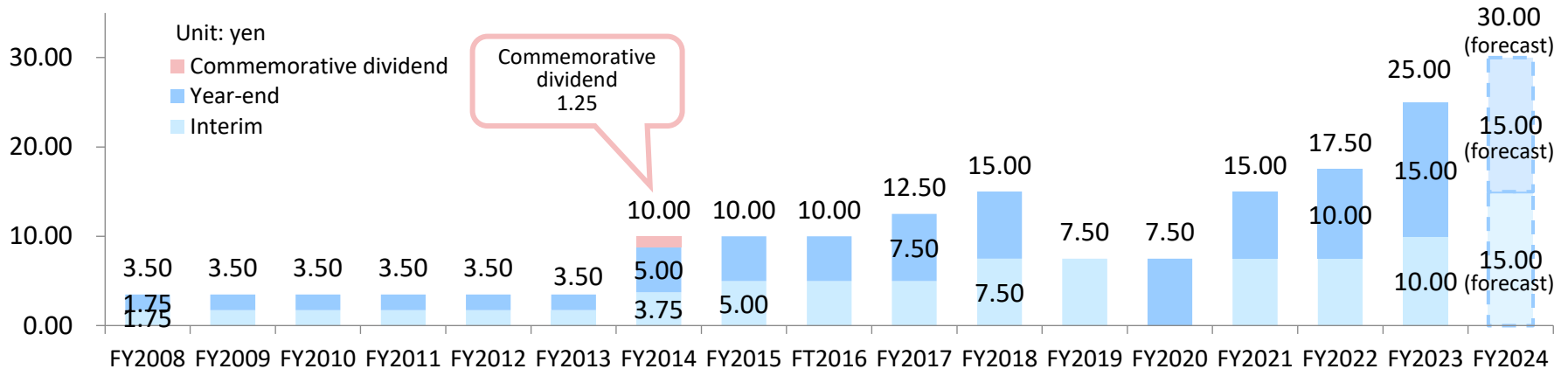
Mimaki Engineering positions shareholder returns as a crucial strategy in our management. The Company's basic policy aims to stably and continuously pay out dividends commensurate with growth in business performance.

■ Dividends for FY2023 (Results) Interim: 10.0 yen, Year-end: 15.0 yen

We increased the annual dividend to 25.0 yen, based on the business performance and outlook, as well as the Company's policies for stable and continuous shareholder returns.

■ Dividends for FY2024 (Forecast) Interim: 15.0 yen, Year-end: 15.0 yen

Based on the business outlook and our policy of stable and continuous shareholder returns, we will increase the annual dividend to 30.0 yen.



*The commemorative dividend for the fiscal year ended March 31, 2015 is related to the listing on the First Section of the Tokyo Stock Exchange.

*The Company conducted a 2-for-1 stock split effective April 1, 2015 (the dividend before the split has been adjusted retroactively).

For inquiries regarding this material,
please contact

Mimaki Engineering Co., Ltd.

IR Department

Telephone (Head Office): 0268(80)0058

Telephone (Tokyo): 03(3442)5035

E-mail: mimaki-ir@mimaki.com

[Disclaimer]

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