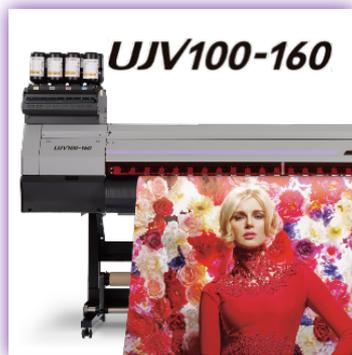


Financial Results Briefing Materials

Mimaki Engineering Co., Ltd.

February 10, 2022



Consolidated Results for FY2021

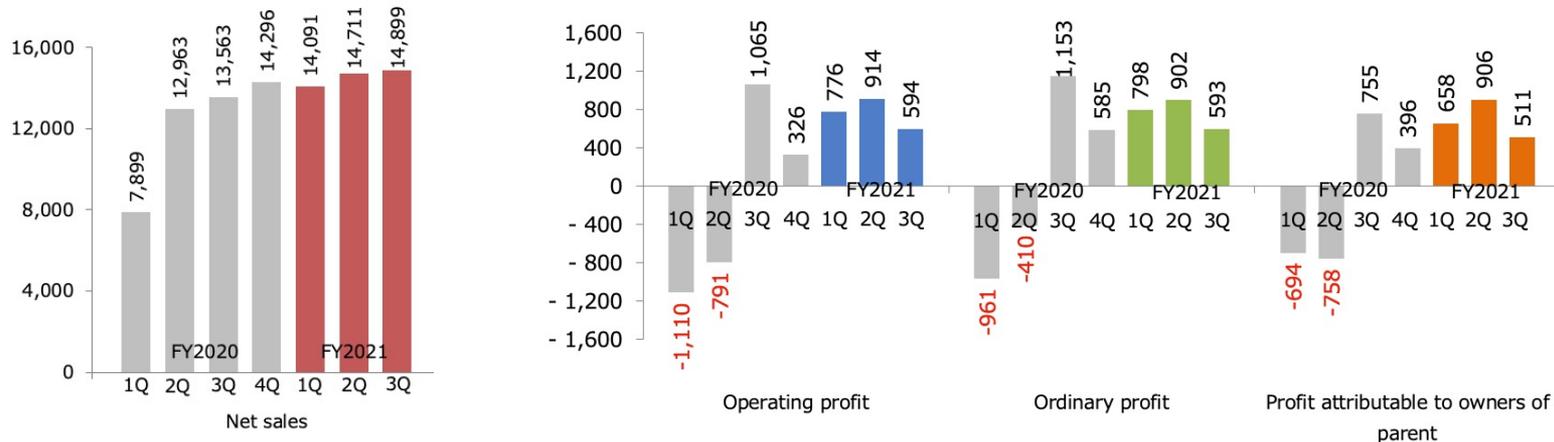
- ❖ Third quarter results
- ❖ Full business year forecast

Consolidated Performance Highlights (Cumulative Results for 3Q FY2021)



(Millions of yen)	FY2020				FY2021 <small>*Excluding the impact of exchange rate</small>						
	3Q Actual	Sales ratio	1Q-3Q Actual	Sales ratio	3Q Actual	Sales ratio	Change from FY2020			1Q-3Q Actual	Sales ratio
							Amount	Change from FY2020	Change from FY2020*		
Net sales	13,563	-	34,426	-	14,899	-	1,336	9.9%	5.7%	43,703	-
Operating profit	1,065	7.9%	-836	-2.4%	594	4.0%	-471	-44.3%	-	2,285	5.2%
Ordinary profit	1,153	8.5%	-218	-0.6%	593	4.0%	-560	-48.6%	-	2,294	5.3%
Profit attributable to owners of parent	755	5.6%	-697	-2.0%	511	3.4%	-244	-32.3%	-	2,076	4.8%
Exchange rate (USD)	104.51	-	106.11	-	113.71	-	9.20	8.8%	-	111.10	-
Exchange rate (EUR)	124.53	-	122.37	-	130.07	-	5.54	4.4%	-	130.62	-

The Company has applied the "Accounting Standard for Revenue Recognition" from the beginning of the first quarter of FY2021, and as a result, net sales increased by 131 million yen, operating profit decreased by 78 million yen, ordinary profit and net profit before taxes increased by 2 million yen each for the third quarter of the FY2021. For details, please refer to the notes to the financial statements.



Consolidated Financial Highlights (Results for 3Q FY2021)



In 3Q, although the shortage of parts and raw materials together with prolonged transportation lead times had a significant effect, greater demand for printing and increased capital investment together with the depreciation of the yen saw both sales and profit exceed plans.

■ 3Q sales

- Sales increased by 1,336 million yen compared to the same period of FY2020 (+10%, including +560 million yen due to impact of exchange rate), exceeded the forecast, and increased by +5% compared to the same period of FY2019.
- Some parts proved difficult to acquire despite active efforts to obtain them, with a consequent negative effect on production. However, sales of entry models grew, along with an associated increase in sales volumes of mainstay products. Ink and maintenance parts also saw steady growth.

■ 3Q operating profit

- Sales decreased by 471 million yen compared to the same period of FY2020 (-44%, including +168 million yen due to impact of exchange rate), exceeding the forecast, and increased by +66% compared to the same period of FY2019.
- Soaring material and transportation costs saw cost of sales increase compared to the same period of FY2020, when the cost of sales was decreased significantly due to structural reforms in the first half of the year. Although increased SG&A expenses accompanying the commencement of full-scale sales activities decreased profit significantly, profit exceeded the assumption for the full-year forecast.

■ Balance sheet as of 3Q

- CCC*, a key indicator, increased in comparison to the end of the previous fiscal year under a policy of actively procuring and securing an ample supply of parts, etc., with the goal of supplying products to the market without being affected by the global shortage of materials and leveraging recovery in demand to maximize sales opportunities.

2020/end of December: 3.70 → 2021/end of March: 3.60 → end of June: 4.22 → end of September: 4.35 → end of December: 4.27

*CCC: Cash conversion cycle, figures have changed from those disclosed in the previous fiscal year due to the inclusion of claims in bankruptcy and reorganization from the current fiscal year

Factors Effecting Operating Profit (3Q FY2020 Cumulative vs 3Q FY2021 Cumulative)



[Impact on foreign exchange by currency]

USD:106.11 yen → 111.10 yen	+231
EUR:122.37 yen → 130.62 yen	+435
CNY:15.44 yen → 17.25 yen	-283
AUD:74.29 yen → 82.70 yen	+82
TRY:14.57 yen → 12.18 yen	-90
Other (BRL, IDR, INR, etc.)	+102
Total	+476

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

Net sales 1,537 - Cost of sales 675 - SG&A expenses 384 = Operating profit 476

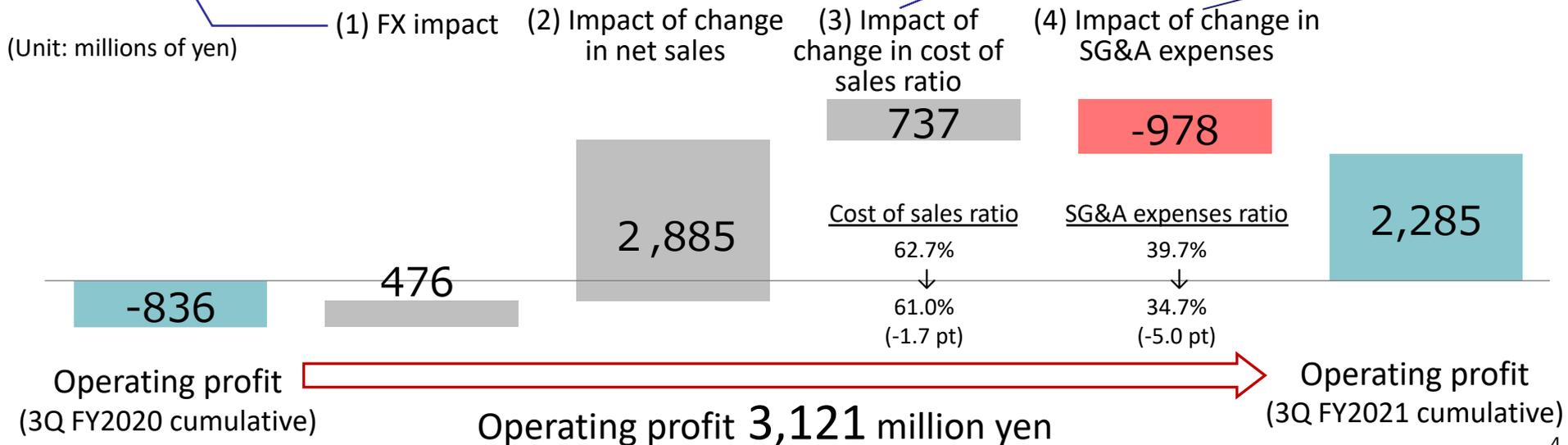
Factors behind changes in cost to sales ratio

The 3Q FY2020 cumulative cost of sales ratio (62.7%) included deterioration in the cost of sales ratio due to structural reforms (1,401 million yen: 4.1%); and excluding this, the 3Q FY2021 cumulative cost of sales ratio deteriorated by 3.1 pt compared to the actual cost of sales ratio (57.9%, assuming the same exchange rate as that for the cumulative rate in 3Q FY2021)

⇒ Impact of soaring costs of parts, raw materials, and transportation

Factors behind changes in SG&A expenses

Product repair expenses	364
R&D expenses	290
Allowance for doubtful accounts	-260
Labor expenses	241
Sales promotion expenses	224
Transportation expenses	135
Others	-16
Total	978



Sales by Market Segment (Results for 3Q FY2021)



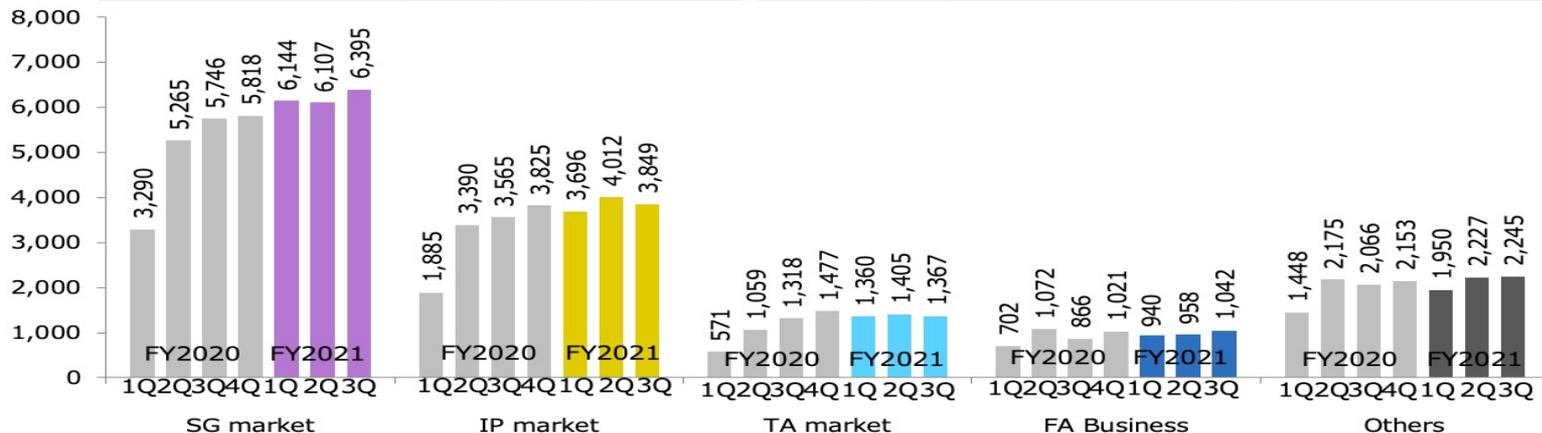
(Millions of yen)	FY2020		FY2021 <small>*Excluding the impact of exchange rate</small>				
	3Q Actual	Sales ratio	3Q Actual	Change from FY2020			Sales ratio
				Amount	Change from FY2020	Change from FY2020*	
SG market	5,746	42.4%	6,395	648	11.3%	6.5%	42.9%
IP market	3,565	26.3%	3,849	283	8.0%	3.6%	25.8%
TA market	1,318	9.7%	1,367	48	3.7%	-1.0%	9.2%
FA business	866	6.4%	1,042	176	20.3%	20.2%	7.0%
Others	2,066	15.2%	2,245	179	8.7%	–	15.1%
Total	13,563	100.0%	14,899	1,336	9.9%	5.7%	100.0%

- For the SG market: Increased capital investment saw strong sales of main products such as the JV/UJV100 entry-level models as well as JV150 and JV/UCJV300, along with increased sales of ink, primarily in developed regions such as Japan, Europe, and North America
- For the IP market: In North America and Europe, sales were sluggish as parts shortages and prolonged transport lead times prevented an ample supply of new products launched in the third quarter, although sales in Japan and Asia grew
- For the TA market: Sales grew in Europe and North America, but decreased year-on-year for the same period in Asia and Japan
- FA business: Increased demand due to economic recovery saw strong performances in the FA equipment, metal processing, and semiconductor manufacturing equipment businesses

Sales by Market Segment (Cumulative Results for 3Q FY2021)



(Millions of yen)	FY2020		FY2021 <small>*Excluding the impact of exchange rate</small>				
	1Q-3Q Actual	Sales ratio	1Q-3Q Actual	Change from FY2020		Sales ratio	
				Amount	Change from FY2020		Change from FY2020*
SG market	14,303	41.5%	18,647	4,344	30.4%	25.2%	42.7%
IP market	8,841	25.7%	11,558	2,716	30.7%	25.9%	26.4%
TA market	2,949	8.6%	4,133	1,183	40.1%	34.2%	9.5%
FA business	2,641	7.7%	2,940	298	11.3%	10.9%	6.7%
Others	5,690	16.5%	6,423	732	12.9%	–	14.7%
Total	34,426	100.0%	43,703	9,277	26.9%	22.5%	100.0%



Sales by Area (Results for 3Q FY2021)



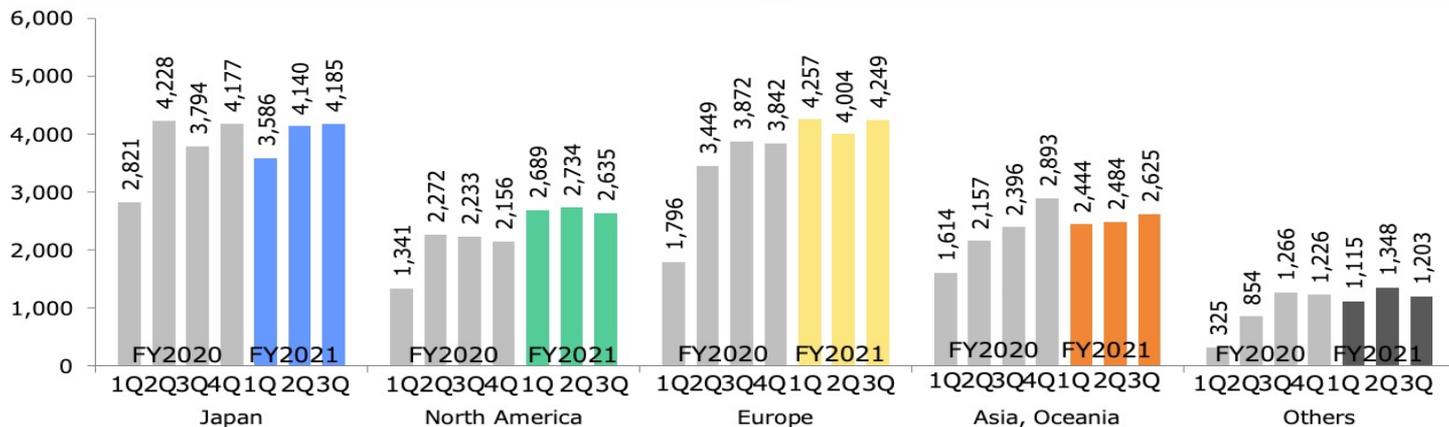
(Millions of yen)	FY2020		FY2021			
	3Q Actual	Sales ratio	3Q Actual	Change from FY2020		Sales ratio
				Amount	Change from FY2020	
Japan	3,794	28.0%	4,185	391	10.3%	28.1%
North America	2,233	16.5%	2,635	401	18.0%	17.7%
Local currency:\$	21.3M	–	23.1M	1.8M	8.4%	–
Europe	3,872	28.6%	4,249	377	9.7%	28.5%
Local currency:€	31.0M	–	32.6M	1.5M	5.1%	–
Asia, Oceania	2,396	17.7%	2,625	228	9.6%	17.6%
Others	1,266	9.3%	1,203	-63	-5.0%	8.1%
Total	13,563	100.0%	14,899	1,336	9.9%	100.0%

- Japan: Recovering economic activity brought strong sales of SG and IP, including ink sales, with improved sales of FA also contributing to the increase
- North America: Sales of SG and TA, which were high in the same quarter of the previous year, exhibited strong growth in the current fiscal year, and were also aided by the depreciating yen although IP sales were sluggish due to the inability to supply sufficient new products
- Europe: As a whole, sales of SG and TA were strong, and were also aided by the depreciating yen although IP sales were sluggish due to insufficient supply of new products
- A-O: Sales were firm in China and Australia, and increased due to recovery in areas such as South Korea and Indonesia although there were differences in individual countries

Sales by Area (Cumulative Results for 3Q FY2021)



(Millions of yen)	FY2020		FY2021			
	1Q-3Q Actual	Sales ratio	1Q-3Q Actual	Change from FY2020		Sales ratio
				Amount	Change from FY2020	
■ Japan	10,844	31.5%	11,911	1,067	9.8%	27.3%
■ North America	5,847	17.0%	8,058	2,211	37.8%	18.4%
Local currency:\$	55.1M	—	72.5M	17.3M	31.5%	—
■ Europe	9,118	26.5%	12,511	3,392	37.2%	28.6%
Local currency:€	74.3M	—	95.7M	21.4M	28.8%	—
■ Asia, Oceania	6,168	17.9%	7,554	1,385	22.5%	17.3%
■ Others	2,446	7.1%	3,666	1,220	49.9%	8.4%
Total	34,426	100.0%	43,703	9,277	26.9%	100.0%



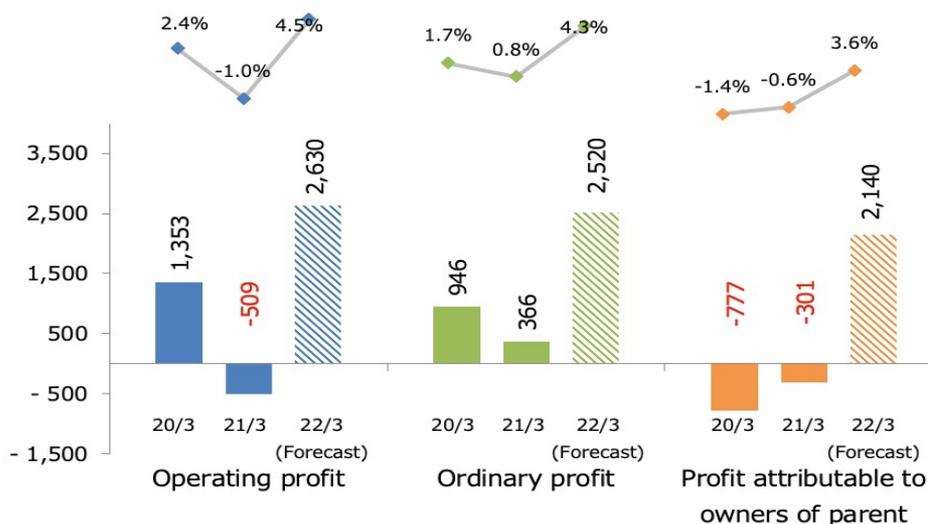
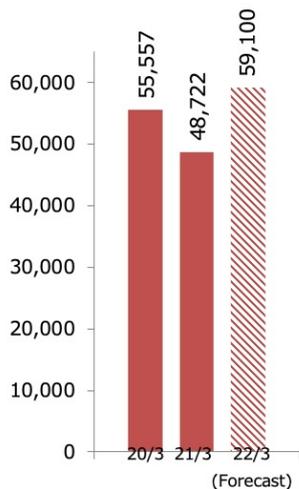
Consolidated Results for FY2021

- ❖ Third quarter results
- ❖ Full business year forecast

Consolidated Performance Forecast Highlights (FY2021)



(Millions of yen)	FY2020		FY2021 <small>*Excluding the impact of exchange rate</small>							
	Fiscal year Actual	Sales ratio	1Q-3Q Actual	Fiscal year Actual	Sales ratio	Change from FY2020			Change from previous forecast	
						Amount	Change from FY2020	Change from FY2020*		
Net sales	48,722	-	43,703	59,100	-	10,377	21.3%	18.3%	-	
Operating profit	-509	-1.0%	2,285	2,630	4.5%	3,139	-	-	-	
Ordinary profit	366	0.8%	2,294	2,520	4.3%	2,153	587.8%	-	-	
Profit attributable to owners of parent	-301	-0.6%	2,076	2,140	3.6%	2,441	-	-	-	
Exchange rate (yen)	USD	106.06	-	111.10	109.58	-	3.52	3.3%	-	-
	EUR	123.70	-	130.62	129.21	-	5.51	4.5%	-	-



Key Points of the Consolidated Earnings Forecast



- Disruptions due to the reemergence of new mutant strains of the novel coronavirus, worldwide shortage of parts and materials, and logistics are expected to have a continuing effect on the global economy in the fourth quarter
- Looking to the fourth quarter and thereafter, although we will continue active efforts to acquire and secure a supply of parts and other materials to maximize sales opportunities, some parts and materials are difficult to obtain, and we anticipate consequent production constraints which will therefore impact sales. We also expect that the drastic rise in the cost of parts, materials, and transportation costs will cause the cost of sales to deteriorate, affecting profit.
- The forecast for the full year remains the same, taking into consideration the above-mentioned environmental impact assumed in the previous forecast and the favorable results through the third quarter
- Going forward, we will work on the priority measures set forth in Mimaki V10 to ensure that we are on the right track to recovery

Factors Effecting Operating Profit (3Q FY2020 Results vs 3Q FY2021 Forecast)

[Impact on foreign exchange by currency]

USD:106.06 yen → 109.58 yen	+221
EUR:123.70 yen → 129.21 yen	+424
CNY:15.67 yen → 17.07 yen	-286
AUD:76.17 yen → 81.27 yen	+68
TRY:14.51 yen → 12.68 yen	-87
Other (BRL, IDR, etc.)	+87
Total	427

[Exchange rate sensitivity (1 yen/year)]

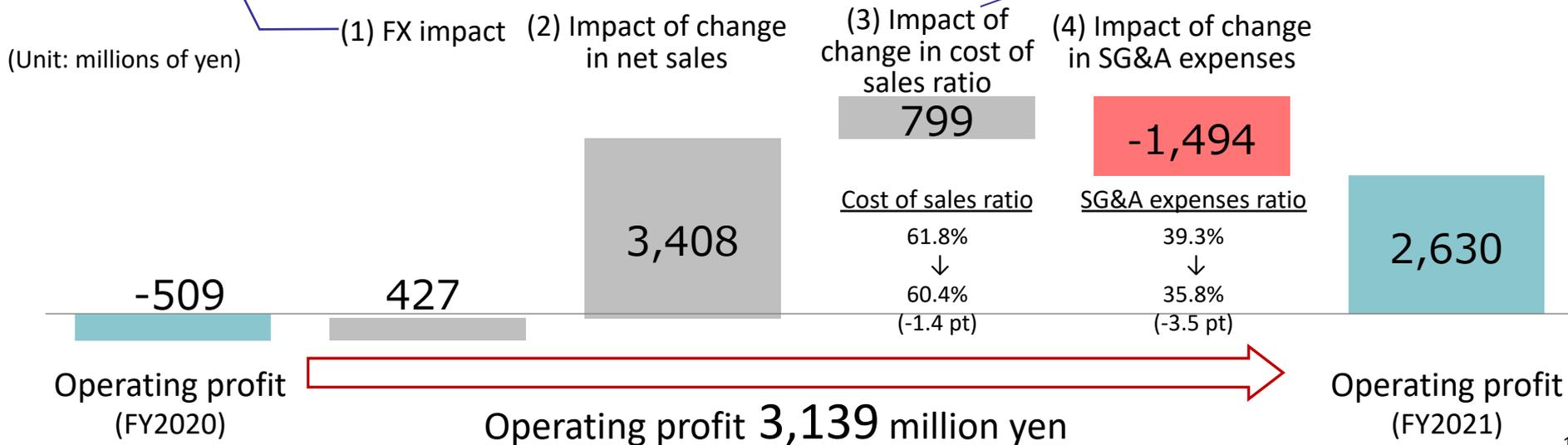
	Net sales	Operating profit
USD	124	63
EUR	118	76

Factors behind changes in cost to sales ratio

The FY2020 cost of sales ratio (61.8%) includes deterioration in the cost of sales ratio due to structural reforms in the first half (1,401 million yen: 2.9%); and excluding this, the FY2021 cost of sales ratio will deteriorate by 1.9 pt compared to the actual cost of sales ratio (58.5%, assuming the same exchange rate as that for FY2021).
 ⇒ Impact of soaring costs of parts, raw materials, and transportation, etc.

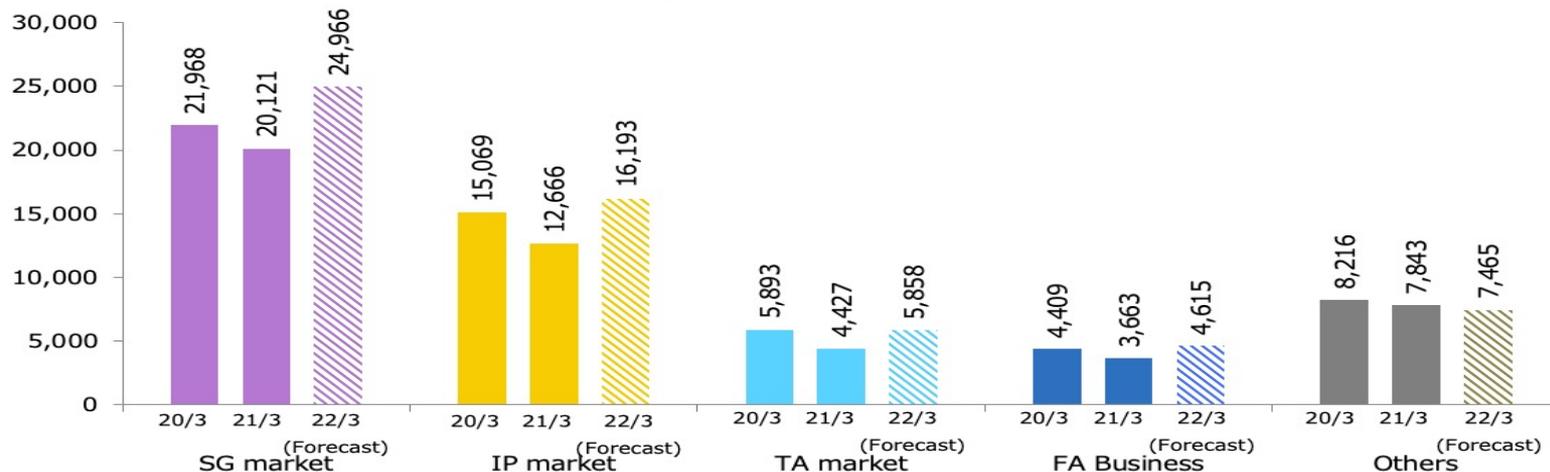
[FX impact on net sales, cost of sales and operating profit]

Net sales 1,456 - Cost of sales 676 - SG&A expenses 532 = Operating profit 427



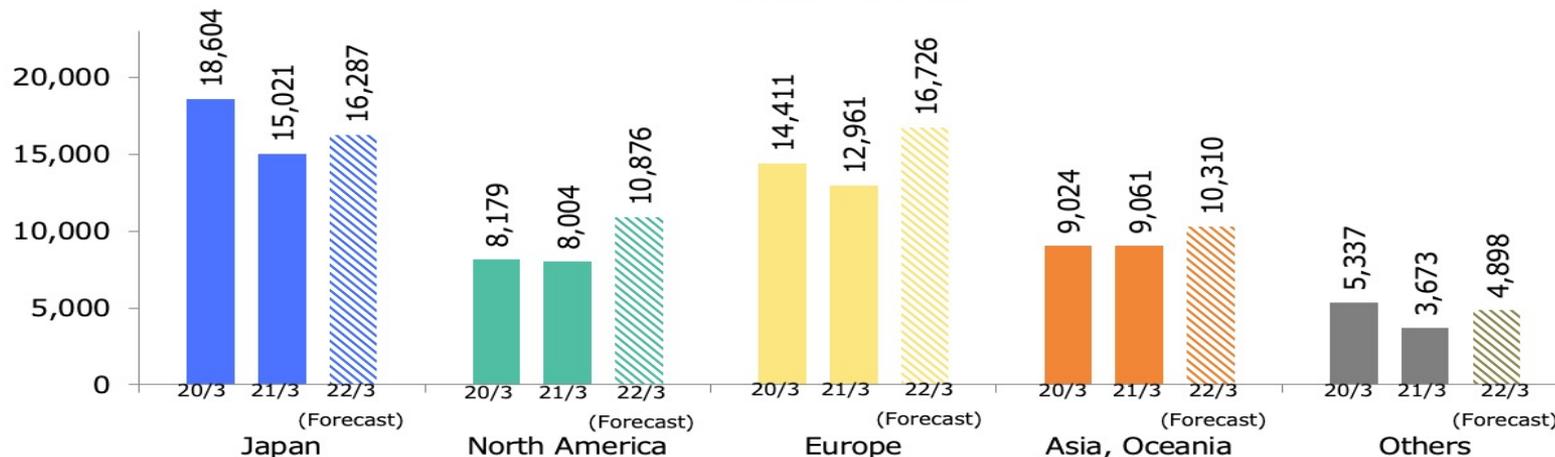
Sales Forecast by Market Segment (FY2021)

(Millions of yen)	FY2020		FY2021						
	Fiscal year Actual	Sales ratio	1Q-3Q Actual	Fiscal year Actual	Change from FY2020			Sales ratio	Change from previous forecast
					Amount	Change from FY2020	Change from FY2020*		
SG market	20,121	41.3%	18,647	24,966	4,845	24.1%	20.5%	42.2%	—
IP market	12,666	26.0%	11,558	16,193	3,526	27.8%	24.8%	27.4%	—
TA market	4,427	9.1%	4,133	5,858	1,430	32.3%	28.1%	9.9%	—
FA business	3,663	7.5%	2,940	4,615	952	26.0%	26.0%	7.8%	—
Others	7,843	16.1%	6,423	7,465	-378	-4.8%	—	12.6%	—
Total	48,722	100.0%	43,703	59,100	10,377	21.3%	18.3%	100.0%	—



Sales Forecast by Area (FY2021)

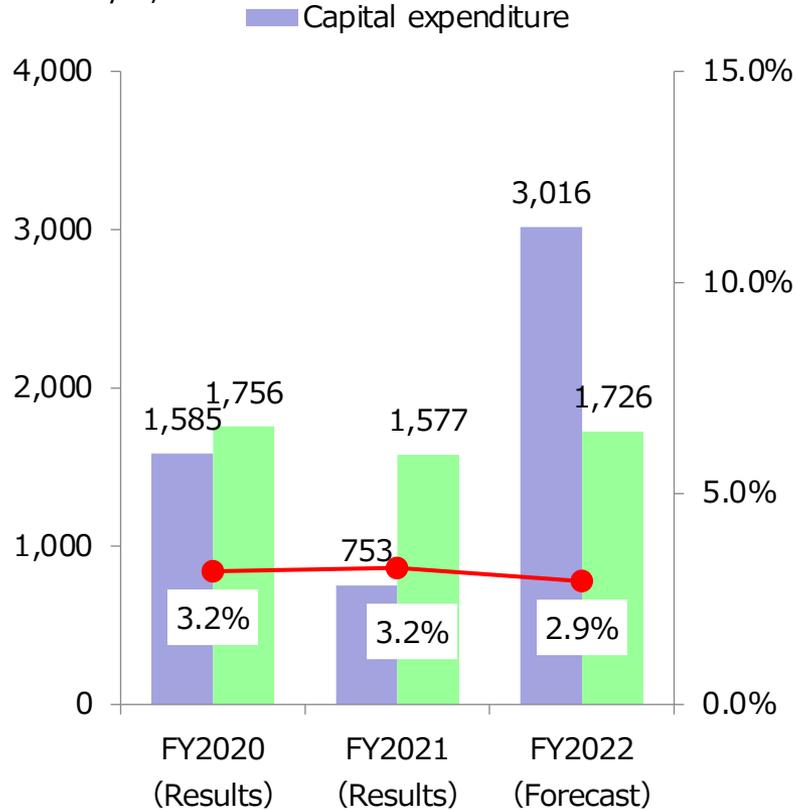
(Millions of yen)	FY2020		FY2021					
	Fiscal year	Sales ratio	1Q-3Q Actual	Fiscal year Actual	Change from FY2020		Sales ratio	Change from previous forecast
	Actual				Amount	Change from FY2020		
Japan	15,021	30.8%	11,911	16,287	1,265	8.4%	27.6%	-
North America	8,004	16.4%	8,058	10,876	2,871	35.9%	18.4%	-
Local currency:\$	75.4M	-	72.5M	99.2M	23.7M	31.5%	-	-
Europe	12,961	26.6%	12,511	16,726	3,764	29.0%	28.3%	-
Local currency:€	104.7M	-	95.7M	129.4M	24.6M	23.5%	-	-
Asia, Oceania	9,061	18.6%	7,554	10,310	1,248	13.8%	17.4%	-
Others	3,673	7.5%	3,666	4,898	1,225	33.4%	8.3%	-
Total	48,722	100.0%	43,703	59,100	10,377	21.3%	100.0%	-



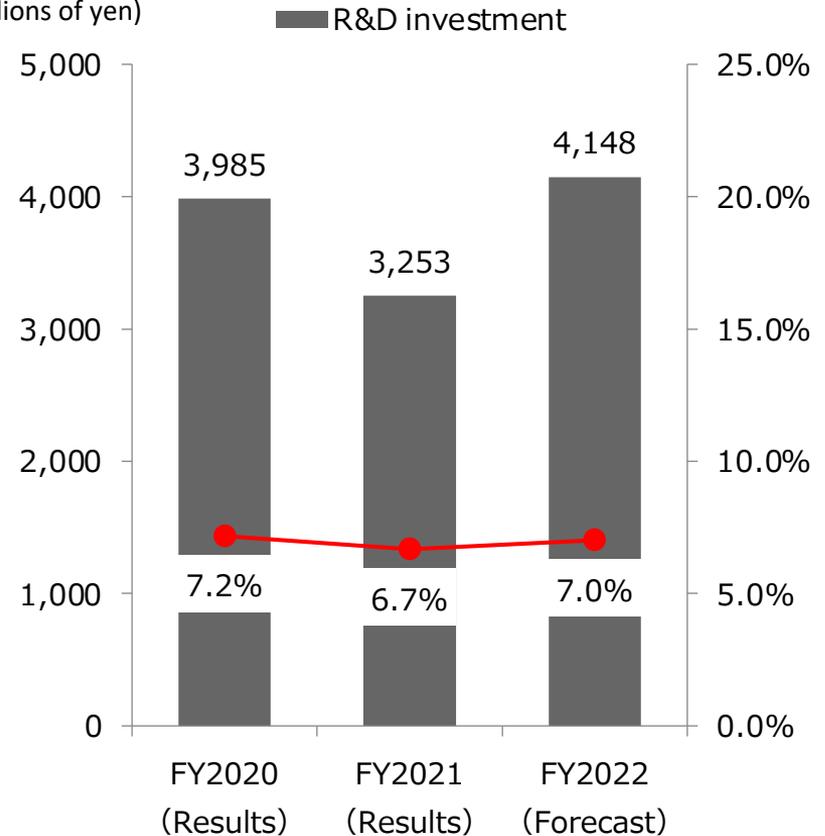
Capital Expenditure, Depreciation, and R&D Investment Forecast



(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

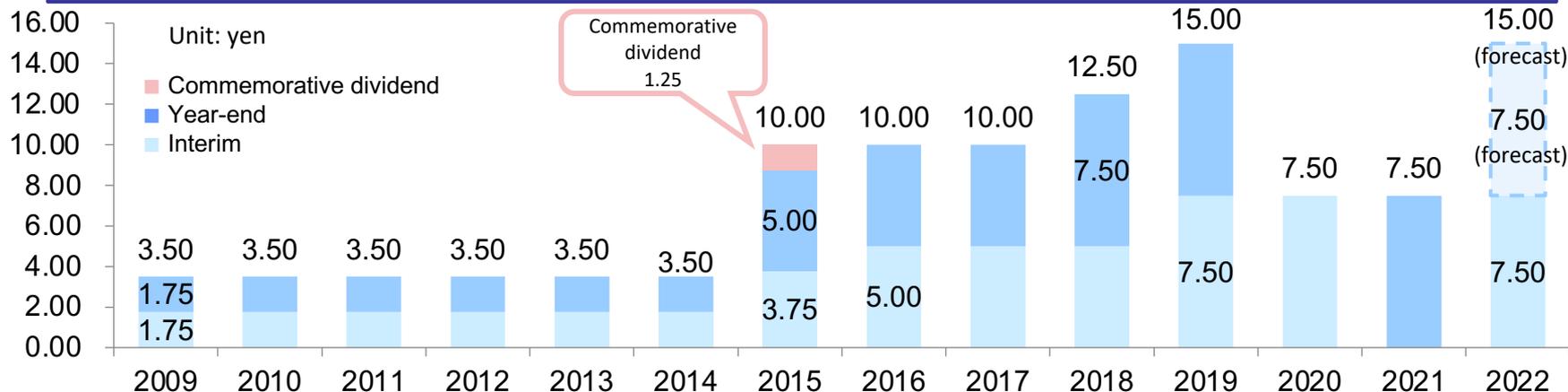
Mimaki Engineering treats shareholder returns as a key management tenet. As such, it is the Company's basic policy to stably and continuously pay out dividends commensurate with growth in business performance.

- Year-end dividends for FY2020: Resumed at 7.5 yen

Although we did not pay a dividend for the 1st half of FY2020, we have resumed paying a year-end dividend of 7.5 yen, taking into account the return to profitability in the 2nd half of the fiscal year, future business prospects, and our shareholder returns policy.

- Interim dividends for FY2021: 7.5 yen, Year-end (forecast): 7.5 yen

Based on the business outlook for the current fiscal year and our policy of stable and continuous shareholder returns, we expect to pay an annual dividend of 15.0 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,
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The utmost care was taken in ensuring accuracy during the creation of this document; however, no guarantees are made as to its completeness. The Company accepts no responsibility whatsoever for any inconveniences or damages incurred due to use of the information contained in this document.

Performance forecasts and future estimations contained in this document were formulated by the Company based on information that was available when the document was created, and are subject to potential risks and uncertainties. Therefore, various factors such as changing business environments could lead to significantly different outcomes in actual performance compared to the forecasts mentioned or described herein. Thank you for your understanding.