

Annual Securities Report

(Pursuant to Article 24, paragraph (1) of the Financial Instruments and Exchange Act)

For the 50th term

From April 1, 2024 to March 31, 2025

MIMAKI ENGINEERING CO., LTD.

2182-3 Shigeno-Otsu, Tomi-shi, Nagano

(E02114)

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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[Fiscal year]	For the 50th term (From April 1, 2024 to March 31, 2025)
[Company name]	株式会社ミマキエンジニアリング (<i>Kabushiki-kaisha</i> MIMAKI ENGINEERING)
[Company name in English]	MIMAKI ENGINEERING CO., LTD.
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[Place for public inspection]	Tokyo Branch Office, MIMAKI ENGINEERING CO., LTD. (TKB Gotenyama Building, 5-9-41 Kita-shinagawa, Shinagawa-ku, Tokyo) Osaka Branch Office, MIMAKI ENGINEERING CO., LTD. (3-36-15 Tarumi-cho, Suita-shi, Osaka) Yokohama Sales Office, MIMAKI ENGINEERING CO., LTD. (3-1-9 Shin-yokohama, Kohoku-ku, Yokohama, Kanagawa) Saitama Sales Office, MIMAKI ENGINEERING CO., LTD. (3-1-2 Miyacho, Omiya-ku, Saitama, Saitama) Nagoya Sales Office, MIMAKI ENGINEERING CO., LTD. (1-10 Sotoshincho, Nakagawa-ku, Nagoya, Aichi) Tokyo Stock Exchange, Inc. (2-1 Nihonbashi-Kabutocho, Chuo-ku, Tokyo)

Part I Company Information

I. Overview of the Company

1. Summary of business results

(1) Business results of the Group

Term	46 th term	47 th term	48 th term	49 th term	50 th term
Fiscal year-end	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales (Thousands of yen)	48,722,930	59,511,957	70,607,012	75,631,146	83,963,694
Ordinary profit (Thousands of yen)	366,381	2,688,298	3,789,949	4,882,139	8,441,607
Profit (loss) attributable to owners of parent (Thousands of yen)	(301,251)	2,347,478	2,807,384	3,707,497	6,156,161
Comprehensive income (Thousands of yen)	172,757	3,574,292	3,697,205	5,777,637	5,697,514
Net assets (Thousands of yen)	16,213,450	18,716,957	22,056,035	27,390,914	32,373,992
Total assets (Thousands of yen)	50,838,883	60,857,279	69,789,894	75,718,693	76,174,338
Net assets per share (Yen)	548.10	647.55	762.78	945.99	1,114.26
Earnings (loss) per share (Yen)	(10.21)	80.40	97.55	128.80	213.35
Diluted earnings per share (Yen)	—	80.31	97.50	128.64	212.84
Equity ratio (%)	31.8	30.6	31.5	36.0	42.3
Return on equity (ROE) (%)	(1.9)	13.5	13.8	15.1	20.7
Price earnings ratio (PER) (Times)	—	8.5	6.9	9.1	7.7
Net cash provided by (used in) operating activities (Thousands of yen)	6,634,156	(5,129,131)	490,410	9,563,672	7,861,261
Net cash provided by (used in) investing activities (Thousands of yen)	15,944	(2,711,895)	(3,500,024)	(2,596,077)	(2,437,867)
Net cash provided by (used in) financing activities (Thousands of yen)	(7,315,659)	4,275,112	3,519,846	(1,440,336)	(7,542,854)
Cash and cash equivalents at end of period (Thousands of yen)	10,683,560	7,501,498	8,202,123	14,218,296	11,875,732
Number of employees	1,952	1,983	2,044	2,047	2,114
[Separately, average number of temporary employees] (Persons)	[76]	[174]	[237]	[191]	[233]

- (Notes)
1. Diluted earnings per share for the 46th term are not presented here due to an absence of potential shares with dilutive effect, and because a loss per share was recorded.
 2. Price-earnings ratio for the 46th term is not presented here because loss attributable to owners of parent was recorded.
 3. The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standard”), etc. since the beginning of the current fiscal year. Major management indicators for the previous fiscal year have been adjusted to reflect the application of these accounting standards. The Company applies the transitional treatment set forth in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment set forth in the proviso of Paragraph 65-2 (2) of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022). Accordingly, major management indicators for the current fiscal year reflect the application of the revised standards.

(2) Business results of reporting company

Term	46 th term	47 th term	48 th term	49 th term	50 th term
Fiscal year-end	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
Net sales (Thousands of yen)	32,701,526	43,634,972	51,536,374	52,452,871	60,925,125
Ordinary profit (loss) (Thousands of yen)	(353,546)	1,635,619	2,417,472	3,102,913	6,887,150
Profit (loss) (Thousands of yen)	(860,675)	1,270,007	1,782,126	2,465,060	5,397,243
Share capital (Thousands of yen)	4,357,456	4,357,456	4,357,456	4,357,456	4,357,456
Total number of issued shares (Shares)	32,040,000	32,040,000	32,040,000	32,040,000	32,040,000
Net assets (Thousands of yen)	15,338,996	15,542,925	16,901,864	18,807,590	23,378,380
Total assets (Thousands of yen)	45,174,409	52,287,193	57,375,495	61,162,773	60,927,608
Net assets per share (Yen)	518.91	538.98	586.13	652.59	808.51
Dividends per share (Yen)	7.50	15.00	17.50	25.00	52.50
[Of the above, interim dividends per share]	[-]	[7.50]	[7.50]	[10.00]	[17.50]
Basic earnings (loss) per share (Yen)	(29.18)	43.50	61.93	85.64	187.05
Diluted earnings per share (Yen)	—	43.45	61.89	85.53	186.60
Equity ratio (%)	33.9	29.7	29.4	30.7	38.4
Return on equity (ROE) (%)	(5.5)	8.2	11.0	13.8	25.6
Price earnings ratio (PER) (Times)	—	15.8	10.8	13.6	8.8
Payout ratio (%)	—	34.5	28.3	29.2	28.1
Number of employees (Persons)	790	784	829	854	891
[Separately, average number of temporary employees]	[42]	[115]	[151]	[128]	[156]
Total shareholder return (%)	153.9	171.5	171.7	298.1	427.2
[Benchmark index: Dividend-included TOPIX] (%)	[142.1]	[145.0]	[153.4]	[216.8]	[213.4]
Highest share price (Yen)	688	1,100	758	1,179	2,230
Lowest share price (Yen)	363	622	499	612	1,058

- (Notes)
1. Diluted earnings per share for the 46th term are not presented here due to an absence of potential shares with dilutive effect, and because a loss per share was recorded.
 2. Price-earnings ratio and payout ratio for the 46th term are not presented here because loss was recorded.
 3. The highest and lowest stock prices are those from the Tokyo Stock Exchange Prime Market from April 4, 2022 onward, and those from prior to that are those from the Tokyo Stock Exchange First Section.
 4. The Company has applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standard”), etc. since the beginning of the current fiscal year. Major management indicators for the previous fiscal year have been adjusted to reflect the application of these accounting standards. In addition, the Company has applied the transitional treatment specified in the proviso of Article 20-3 of the 2022 Revised Accounting Standard. Accordingly, major management indicators for the current fiscal year reflect the application of the revised standards.

2. History

Date	Major events
August 1975	MIMAKI ENGINEERING (currently MIMAKI ENGINEERING CO., LTD.) was founded as a private limited company with share capital of 1 million yen in Kitamimaki-mura, Kitasaku-gun (currently Tomi-shi), Nagano.
October 1976	Started assembling precision parts of crystal oscillators for watches.
March 1979	Opened Tokyo Sales Office in Taito-ku, Tokyo.
May 1981	Reorganized into a stock company, MIMAKI ENGINEERING CO., LTD.
May 1984	Relocated Tokyo Sales Office to Ebisu, Shibuya-ku, Tokyo and reorganized it into Tokyo Branch Office.
March 1986	Started operation of Kazawa Factory.
June 1986	Opened Osaka Sales Office in Suita-shi, Osaka.
September 1986	Opened Nagoya Sales Office in Naka-ku, Nagoya-shi, Aichi (currently in Tenpaku-ku).
June 1988	Relocated the head office after extension of Kazawa Factory.
April 1989	Withdrew from the parts business upon the foundation of Mimaki Electronic Components Co., Ltd. by Noriyuki Tanaka, Representative Director of MIMAKI ENGINEERING CO., LTD.
April 1990- October 1995	Opened sales offices in Fukuoka, Hiroshima, Sendai, Sapporo and Kanazawa.
January 1994	Relocated Tokyo Branch Office to Osaki, Shinagawa-ku, Tokyo and opened a showroom.
July 1995	Founded MIMAKI ENGINEERING (TAIWAN) Co., Ltd. in Shengang District, Taichung City, Taiwan (currently in Tanzi District).
January 1999	Received ISO 9001 certification/registration
September 1999	Founded MIMAKI USA, INC. in Duluth, Georgia, U.S.A. (currently in Suwanee).
January 2003	Opened a showroom in Osaka Branch Office.
October 2003	Opened the Nagano Development Center in Nagano-shi, Nagano.
April 2004	Founded MIMAKI PRECISION Co., Ltd. in Ueda-shi, Nagano (currently in Tomi-shi) to spin off the parts processing business.
	Founded MIMAKI EUROPE B.V. in Amsterdam, The Netherlands (currently in Diemen).
	Opened Saitama Sales Office in Urawa-ku, Saitama-shi, Saitama (currently in Omiya-ku).
September 2004	Acquired Bokuya Factory in Tomi-shi, Nagano.
April 2005	Opened Technical Call Center to support all domestic users at one place.
April 2006	Acquired 100% shares issued by GRAPHIC CREATION Co., Ltd.
August 2006	Transferred the head office function to Bokuya Factory.
March 2007	Listed on the JASDAQ Securities Exchange.
December 2007	Founded MIMAKI IJ TECHNOLOGY CO., Ltd. in Pinghu, Zhejiang, China.
July 2008	Acquired 100% equity interest of nbn Industrie GmbH (currently Mimaki Deutschland GmbH) as a subsidiary.
January 2009	Received ISO 14001 certification.
June 2009	Founded Shanghai Mimaki Trading Co., Ltd. in Shanghai, China.
July 2009	Founded MIMAKI BRASIL REPRESENTACOES LTDA (currently MIMAKI BRASIL COMERCIO E IMPORTACAO LTDA) in Sao Paulo, Sao Paulo, Brazil.
August 2010	Founded MIMAKI PINGHU TRADING CO., LTD. in Pinghu, Zhejiang, China.
November 2011	Founded PT. MIMAKI INDONESIA in Jakarta, Indonesia.
April 2013	Founded MIMAKI AUSTRALIA PTY LTD in New South Wales, Australia.
	Founded MIMAKI SINGAPORE PTE. LTD. in Singapore.
	Opened Kyoto Sales Office in Minami-ku, Kyoto-shi, Kyoto.
June 2013	Opened Kobe Sales Office in Chuo-ku, Kobe-shi, Hyogo.
July 2013	Founded MIMAKI INDIA PRIVATE LIMITED in New Delhi, India.
September 2013	Opened Shikoku Sales Office in Takamatsu-shi, Kagawa.
October 2014	Opened Yokohama Sales Office in Yokohama-shi, Kanagawa.
March 2015	Moved stock listing to the First Section of the Tokyo Stock Exchange.
May 2015	Opened Hachioji Development Center in Hachioji-shi, Tokyo.
July 2015	Opened Shigeno Showroom in Tomi-shi, Nagano.
April 2016	Founded MIMAKI EURASIA DIJITAL BASKI TEKNOLOJILERI PAZARLAMA VE TICARET LIMITED SIRKETI in Istanbul, Turkey.

Date	Major events
July 2016	Opened JP Demonstration Center in Shinagawa-ku, Tokyo and the TA Lab Center at the head office in Tomi-shi, Nagano.
August 2016	Opened the IP Lab Center at the head office in Tomi-shi, Nagano.
October 2016	Acquired 100% shares of La Meccanica Costruzione Tessili-S.P.A (currently Mimaki La Meccanica S.R.L.) as a subsidiary.
February 2017	Founded Mimaki Lithuania, UAB in Vilnius, Lithuania.
June 2017	Founded Mimaki Bompan Textile S.r.l in Tradate, Italy.
October 2017	Opened Kitakantou Sales Office in Utsunomiya-shi, Tochigi.
October 2018	Acquired ALPHA DESIGN CO., LTD. as a subsidiary by share exchange.
November 2018	Acquired LUCK'A Inc. as a subsidiary by share exchange.
December 2018	Founded MIMAKI (THAILAND) CO., LTD. in Bangkok, Thailand.
March 2019	Opened Nishi-Tokyo Sales Office in Hachioji-shi, Tokyo.
March 2022	Acquired all the shares and ownership of Microtech corp.
April 2022	Moved from the TSE First Section to the Prime Market due to the shift in Tokyo Stock Exchange's market segmentation.
June 2023	Founded MIMAKI VIETNAM CO., LTD. in Ho Chi Minh City, Vietnam.
July 2023	Opened Okinawa Sales Office in Naha-shi, Okinawa.
November 2023	Opened the Agata Technical Training Center in Tomi-shi, Nagano.

3. Business description

The MIMAKI Group (the “Group”) consists of MIMAKI ENGINEERING CO., LTD. (the “Company”), its 25 consolidated subsidiaries (MIMAKI USA, INC., MIMAKI EUROPE B.V., MIMAKI ENGINEERING (TAIWAN) Co., Ltd., MIMAKI PRECISION Co., Ltd., GRAPHIC CREATION Co., Ltd., MIMAKI IJ TECHNOLOGY CO., Ltd., Mimaki Deutschland GmbH, Shanghai Mimaki Trading Co., Ltd., MIMAKI BRASIL COMERCIO E IMPORTACAO LTDA, MIMAKI PINGHU TRADING CO., LTD., PT. MIMAKI INDONESIA, MIMAKI AUSTRALIA PTY LTD, MIMAKI SINGAPORE PTE. LTD., MIMAKI INDIA PRIVATE LIMITED, MIMAKI EURASIA DIJITAL BASKI TEKNOLOJILERI PAZARLAMA VE TICARET LIMITED SIRKETI, Mimaki La Meccanica S.R.L., Mimaki Lithuania, UAB, Mimaki Bompan Textile S.r.l, ALPHA DESIGN CO., LTD., ALPHA SYSTEMS CO., LTD., Tonami Corporation Ltd., LUCK'A Inc., MIMAKI (THAILAND) CO., LTD., Microtech corp., MIMAKI VIETNAM CO., LTD.) and three other companies (MIMAKI KANPHOR INDIA PRIVATE LIMITED, etc.), totaling 29 companies. The Group's reportable segments are categorized by geographic region. It engages in development, manufacturing, and sales of products such as industrial inkjet printers and cutting plotters primarily as a business operation.

Also, the following describes the Group's business operations classified by markets to which end users of our products belong.

(1) SG (Sign Graphics) market

This is a product line for the sign graphics market, including advertisements and signboards. The main products are used to produce larger posters, car wrapping, banners, display boards and other products, and include the JV series of inkjet printers with eco-solvent ink, the CJV series which supports both printing and cutting functions, and the UJV/UCJV series with UV-curable ink. We also manufacture and sell products such as the CG series of cutting plotters, which use optical sensors to read positioning marks to achieve high-precision contour cutting.

(2) IP (Industrial Products) market

This is a group of products for the industrial products market, such as novelties and industrial products. The main products for this market are the UJF series of desktop flatbed UV inkjet printers primarily for A3 to A2 sizes, in addition to the JFX series of large flatbed inkjet printers employing UV-curable inks. These products cater to a number of uses including consumer products, gifts and custom-made goods, and are also used in the production processes of industrial products such as instrument panels for automobiles and operation panels for home appliances. These products cater to a number of uses including consumer products, gifts, and custom-made goods. They are also used in production processes of industrial products such as instrument panels for automobiles and operation panels for home appliances. The Group also manufactures and sells the CF series, a flatbed cutting plotter equipped with an optical sensor reading function similar to those for the SG market, that can cut thick materials such as cardboard. The Group also manufactures and sells 3D printers that print three-dimensional objects used to produce figures, models, 3D signboards, and prototypes.

(3) TA (Textile & Apparel) market

This is a group of products for the textile and apparel market, including garments and fabrics. The main consumer products in this group are the TS series of sublimation transfer inkjet printers, the Tx series of direct textile printing inkjet printers, the TRAPIS pigment transfer textile printing system and the TxF series of Direct To Film (DTF) printers. These are used for printing on fabrics such as fashion wear, sports wear, neckties, and scarves.

(4) FA (Factory Automation) business

This is the general name for the Alpha Design Group's businesses, which includes the FA equipment (custom equipment), printed circuit board (PCB) mounting equipment (irregular component mounting equipment, desiccant application equipment), semiconductor production equipment, PCB inspection equipment, and metal processing businesses.

(5) Others

This area of business includes manufacture and sales of machines outside the scope of the aforementioned categories, and also includes services.

[Outline of Classification by Markets]

[Products for SG market]

Refers to products for the Sign Graphics market including the fields such as advertisement and signboards

Major products

Inkjet Printers

- CJV200 Series
- UJV100-160Plus
- JV100-160
- JV300plus Series
- SJJ-320UV
- CJV330 Series
- UCJV300 Series
- UCJV330 Series
- JV330 Series
- UJV100-160
- UJV55-320
- JV400LX Series
- CJV300plus Series
- CJV150 Series

Cutting Plotters

- CG-AR Series
- CG-FXIIplus Series

Laminators/Trimmers

- LA-W Plus Series
- AT Series

Software

- Raster Link 7
- Raster Link 6Plus
- Raster Link Pro5 SG
- Remote Access
- Cloud Technology PICT
- MPM3
- Fine Cut 9
- Simple POP

Ink

- UV-curable inks
- Eco-solvent inks
- Solvent UV inks
- Water-based latex inks

[Products for IP market]

Refers to products for the Industrial Products market, used at sites where industrial products are manufactured

Major products

Flatbed Inkjet Printers

- JFX200-1213EX
- JFX600-2513
- UJF-6042MkIIe
- JFX200-2513EX
- JFX200-2531
- JFX600-2531
- UJF-7151plusII
- UJF-3042MkIIe
- UJF-7151plus
- JFX500-2131

3D Printers

- 3DUJ-2207
- 3DGD-1800
- 3DUJ-553
- 3DFF-222

Cutting Plotters

- CFX Series
- CFL-605RT
- CF3 Series
- CF22-1225
- CF2 Series

Fluid Plotters

- DCF-605PU

Software

- Raster Link 7
- Raster Link 6Plus
- Raster Link Pro5 IP
- 3D Print prep Pro
- Cloud Technology PICT
- MPM3
- Fine Cut 9
- Ittobori
- Remote Access
- 3D Link

Ink

- Hard UV-curable inks
- Flexible UV-curable inks
- UV-curable inks for 3D Printer

[Products for TA market]

Refers to products for the Textile & Apparel market that are capable of printing to cloth materials

Major products

Inkjet Printers

- Tx330-1800
- TS330-3200DS
- TRAPIS
- TS330-1600
- SUJV-160
- TxF150-75
- Tx330-1800B
- TxF300-1600
- Tiger600-1800TS
- TS100-1600
- TS55-1800

Cutting Plotters

- APC-130

Software

- Raster Link 7
- Raster Link 6Plus
- Raster Link Pro5 TA
- Remote Access
- PICT
- MPM3
- Tx Link 3
- Tx Link 4
- Cloud Technology

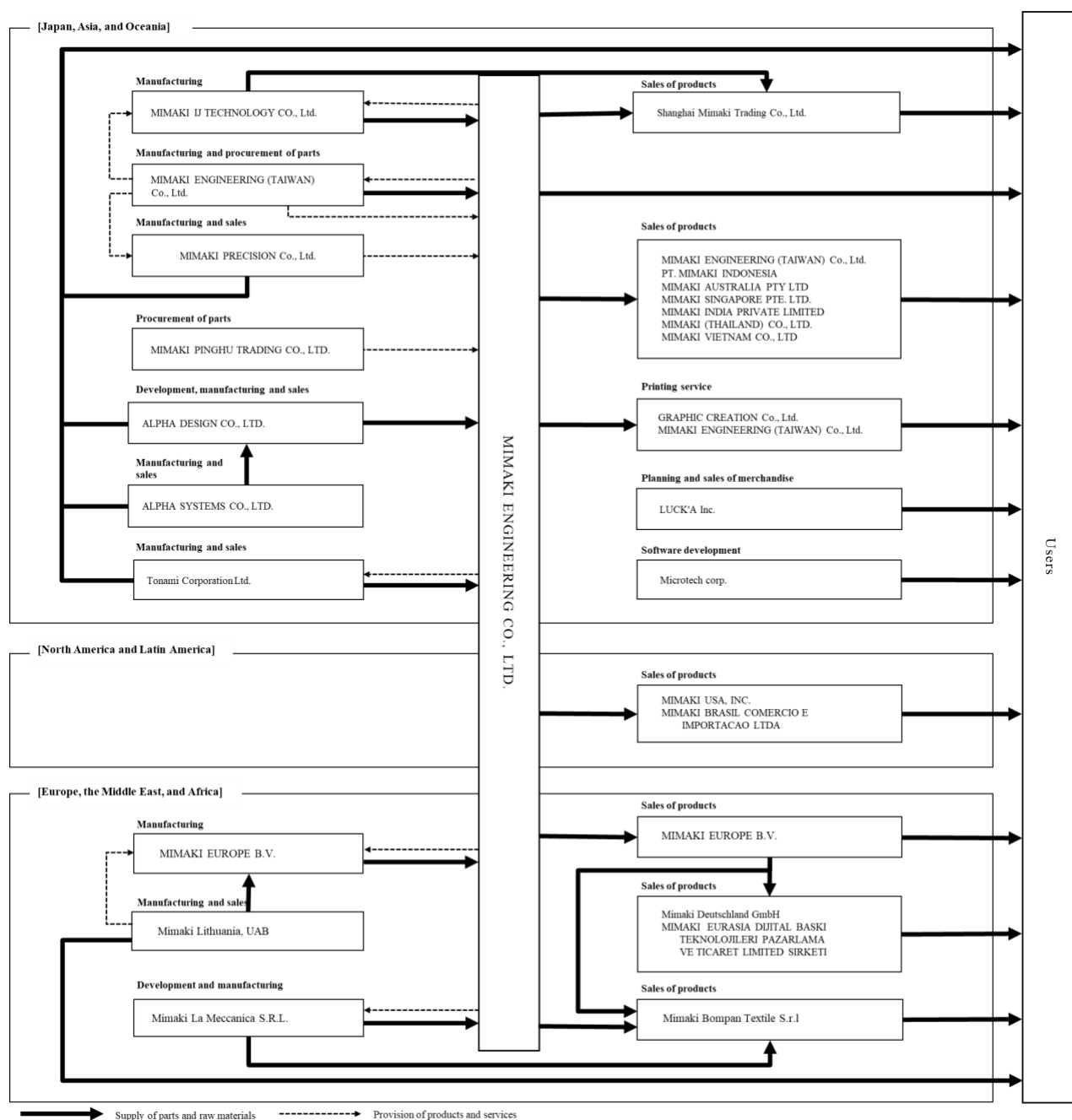
Ink

- Reactive dye inks
- Acid dye inks
- Water-based sublimation inks
- Textile pigment inks
- Heat transfer pigment inks

[Outline of Company Classification by Segment]

Segment name	Company name	
Japan, Asia, and Oceania	Sales companies	MIMAKI ENGINEERING CO., LTD. Shanghai Mimaki Trading Co., Ltd. MIMAKI ENGINEERING (TAIWAN) Co., Ltd. PT. MIMAKI INDONESIA MIMAKI AUSTRALIA PTY LTD MIMAKI SINGAPORE PTE. LTD. MIMAKI INDIA PRIVATE LIMITED MIMAKI (THAILAND) CO., LTD. MIMAKI VIETNAM CO., LTD. ALPHA DESIGN CO., LTD. ALPHA SYSTEMS CO., LTD.
	Manufacturing companies	MIMAKI ENGINEERING CO., LTD. MIMAKI PRECISION Co., Ltd. MIMAKI IJ TECHNOLOGY CO., Ltd. MIMAKI ENGINEERING (TAIWAN) Co., Ltd. ALPHA DESIGN CO., LTD. ALPHA SYSTEMS CO., LTD. Tonami Corporation Ltd.
	Printing service companies	GRAPHIC CREATION Co., Ltd. MIMAKI ENGINEERING (TAIWAN) Co., Ltd.
	Planning and sales of merchandise companies	LUCK'A Inc.
	Software development companies	Microtech corp.
North America, and Latin America	Sales companies	MIMAKI USA, INC. MIMAKI BRASIL COMERCIO E IMPORTACAO LTDA
Europe, the Middle East, and Africa	Sales companies	MIMAKI EUROPE B.V. Mimaki Deutschland GmbH MIMAKI EURASIA DIJITAL BASKI TEKNOLOJILERI PAZARLAMA VE TICARET LIMITED Sirketi Mimaki Lithuania, UAB Mimaki Bompan Textile S.r.l
	Manufacturing companies	MIMAKI EUROPE B.V. Mimaki La Meccanica S.R.L. Mimaki Lithuania, UAB

[Overview of the Group Business]



(Note) Except the Company, all companies shown are consolidated subsidiaries.

4. Subsidiaries and associates

Name	Address	Share capital	Principal contents of business	Ownership percentage of voting rights (%)	Relationship
(Consolidated subsidiary)					
MIMAKI USA, INC. (Notes 2 and 6)	Flowery Branch, Georgia, U.S.A.	500 thousand USD	North America and Latin America	100	Primarily engaged in sales of the Group products in North America and Latin America region. Interlocking directorates involved.
MIMAKI EUROPE B.V. (Notes 2 and 5)	Diemen, Netherlands	500 thousand EUR	Europe, the Middle East, and Africa	100	Primarily engaged in manufacturing and sales of the Group products in Europe, the Middle East, and Africa regions. Interlocking directorates involved.
Mimaki Deutschland GmbH	Munich, Bavaria, Germany	1,000 thousand EUR	Europe, the Middle East, and Africa	100	Primarily engaged in sales of the Group products in Germany, Switzerland, and Austria. Interlocking directorates involved.
MIMAKI ENGINEERING (TAIWAN) Co., Ltd.	Tanzi District, Taichung City, Taiwan	50,000 thousand TWD	Japan, Asia, and Oceania	100	Primarily engaged in procurement of parts, manufacturing and sales of the Group products, and printing services using the Group products. Interlocking directorates involved.
MIMAKI IJ TECHNOLOGY CO., Ltd. (Note 2)	Pinghu, Zhejiang, China	800,000 thousand JPY	Japan, Asia, and Oceania	100	Primarily engaged in manufacturing of the Group products. Interlocking directorates involved.
MIMAKI PINGHU TRADING CO., LTD.	Pinghu, Zhejiang, China	100 thousand RMB	Japan, Asia, and Oceania	100 (100)	The consolidated subsidiary (sub-subsidiary) wholly owned by MIMAKI IJ TECHNOLOGY CO., Ltd. Primarily engaged in procurement of parts of the Group products. Interlocking directorates involved.
Shanghai Mimaki Trading Co., Ltd.	Shanghai, China	330,000 thousand JPY	Japan, Asia, and Oceania	100	Primarily engaged in sales of the Group products in the China region. Interlocking directorates involved.

Name	Address	Share capital	Principal contents of business	Ownership percentage of voting rights (%)	Relationship
MIMAKI BRASIL COMERCIO E IMPORTACAO LTDA (Note 2)	Sao Paulo, Sao Paulo, Brazil	85,242 thousand BRL	North America and Latin America	100	Primarily engaged in sales of the Group products in the Brazil region.
PT. MIMAKI INDONESIA (Note 2)	Jakarta, Indonesia	93,600 million IDR	Japan, Asia, and Oceania	100 (0.1)	Primarily engaged in sales of the Group products in the Indonesia region. Interlocking directorates involved.
MIMAKI AUSTRALIA PTY LTD	New South Wales, Australia	2,000 thousand AUD	Japan, Asia, and Oceania	100	Primarily engaged in sales of the Group products in the Australia region. Interlocking directorates involved.
MIMAKI SINGAPORE PTE. LTD.	Singapore	1,487 thousand USD	Japan, Asia, and Oceania	100	Primarily engaged in sales of the Group products in the ASEAN region. Interlocking directorates involved.
MIMAKI INDIA PRIVATE LIMITED (Note 2)	Gurgaon, Haryana, India	390,100 thousand INR	Japan, Asia, and Oceania	100	Primarily engaged in sales of the Group products in the India region. Interlocking directorates involved.
MIMAKI EURASIA DIJITAL BASKI TEKNOLOJILERI PAZARLAMA VE TICARET LIMITED SIRKETI (Note 2)	Istanbul, Turkey	19,450 thousand TRY	Europe, the Middle East, and Africa	100 (100)	The consolidated subsidiary (sub-subsidiary) wholly owned by MIMAKI EUROPE B.V. Primarily engaged in sales of the Group products in the Turkey region.
Mimaki La Meccanica S.R.L.	Bergamo, Lombardy, Italy	517 thousand EUR	Europe, the Middle East, and Africa	100 (100)	The consolidated subsidiary (sub-subsidiary) wholly owned by MIMAKI EUROPE B.V. Primarily engaged in development and manufacturing of the Group products. Interlocking directorates involved.
Mimaki Lithuania, UAB (Note 2)	Vilnius, Lithuania	6,000 thousand EUR	Europe, the Middle East, and Africa	100 (100)	The consolidated subsidiary (sub-subsidiary) wholly owned by MIMAKI EUROPE B.V. Primarily engaged in manufacturing and sales of the Group products. Interlocking directorates involved.

Name	Address	Share capital	Principal contents of business	Ownership percentage of voting rights (%)	Relationship
Mimaki Bompan Textile S.r.l	Varese, Lombardy, Italy	1,000 thousand EUR	Europe, the Middle East, and Africa	51 (51)	The consolidated subsidiary (sub-subsidiary) owned by MIMAKI EUROPE B.V. Primarily engaged in sales of the Group products.
MIMAKI (THAILAND) CO., LTD.	Bangkok, Thailand	72 million THB	Japan, Asia, and Oceania	100	Primarily engaged in sales of the Group products in the Thailand region. Interlocking directorates involved.
MIMAKI VIETNAM CO., LTD.	Ho Chi Minh City, Vietnam	3,000 thousand USD	Japan, Asia, and Oceania	100	Primarily engaged in sales of the Group products in the Vietnam region. Interlocking directorates involved.
MIMAKI PRECISION Co., Ltd.	Tomi-shi, Nagano	10,000 thousand JPY	Japan, Asia, and Oceania	100	Primarily engaged in manufacturing and processing of the Group products' parts. Interlocking directorates involved.
GRAPHIC CREATION Co., Ltd.	Tomi-shi, Nagano	125,000 thousand JPY	Japan, Asia, and Oceania	100	Primarily engaged in printing services using the Group products. Interlocking directorates involved.
ALPHA DESIGN CO., LTD. (Note 3)	Tomi-shi, Nagano	30,000 thousand JPY	Japan, Asia, and Oceania	100	Primarily engaged in development, manufacturing, and sales of semiconductor automation equipment. Interlocking directorates involved.
ALPHA SYSTEMS CO., LTD.	Tomi-shi, Nagano	60,000 thousand JPY	Japan, Asia, and Oceania	100 (100)	The consolidated subsidiary (sub-subsidiary) wholly owned by ALPHA DESIGN CO., LTD. Primarily engaged in manufacturing and sales of various types of FA (Factory Automation) equipment. Interlocking directorates involved.
Tonami Corporation Ltd.	Tonami-shi, Toyama	10,000 thousand JPY	Japan, Asia, and Oceania	100 (100)	The consolidated subsidiary (sub-subsidiary) wholly owned by ALPHA DESIGN CO., LTD. Primarily engaged in manufacturing and processing of industrial parts. Interlocking directorates involved.

Name	Address	Share capital	Principal contents of business	Ownership percentage of voting rights (%)	Relationship
LUCK'A Inc.	Shibuya-ku, Tokyo	3,000 thousand JPY	Japan, Asia, and Oceania	100	Primarily engaged in planning, design, and sales of merchandise. Interlocking directorates involved.
Microtech corp.	Shinagawa-ku, Tokyo	30,000 thousand JPY	Japan, Asia, and Oceania	100	Primarily engaged in development services for software, applications, etc. Interlocking directorates involved.
(Unconsolidated subsidiaries accounted for using the equity method) MIMAKI KANPHOR INDIA PRIVATE LIMITED	Gurgaon, Haryana, India	21,251 thousand INR	—	51	Primarily engaged in sales of the Group products in the India region. Interlocking directorates involved.
(Unconsolidated subsidiaries) Two other companies	—	—	—	—	—

- (Notes)
1. The “Principal contents of business” column represents the name of the business segment.
 2. These entities fall into specified subsidiaries.
 3. In April 2024, the Company reduced its share capital in ALPHA DESIGN CO., LTD. from 195,000,000 yen to 30,000,000 yen.
 4. The figures in the parenthesis under “Ownership percentage of voting rights” indicate the indirect ownership ratio included in the total.
 5. Net sales (excluding internal sales among consolidated companies) of MIMAKI EUROPE B.V. is more than 10% of consolidated net sales.

Key financial data (in thousands of yen)	(1) Net sales	23,393,826
	(2) Ordinary profit	893,016
	(3) Profit	381,111
	(4) Net assets	5,121,886
	(5) Total assets	9,003,823

6. Net sales (excluding internal sales among consolidated companies) of MIMAKI USA, INC. is more than 10% of consolidated net sales.

Key financial data (in thousands of yen)	(1) Net sales	20,928,532
	(2) Ordinary profit	1,106,528
	(3) Profit	844,588
	(4) Net assets	4,969,008
	(5) Total assets	13,229,393

5. Employees

(1) Consolidated basis

As of March 31, 2025

Segment name	Number of employees (Persons)	
Japan, Asia, and Oceania	1,674	(227)
North America and Latin America	228	(–)
Europe, the Middle East, and Africa	212	(6)
Total	2,114	(233)

(Note) The “Number of employees” column indicates the number of working employees (excluding individuals seconded from the Group to outside the Group and including individuals seconded to the Group from outside the Group as well as regular part-time employees). An additional figure for the number of temporary employees (including part-time employees, temporary staff who are contracted through staffing agencies, and seasonal workers) is shown in parentheses as the annual average number.

(2) Reporting company

As of March 31, 2025

Number of employees (Persons)	Average age (Years old)	Average length of service (Years)	Average annual salary (Yen)
891 (156)	41.5	10.7	7,272,765

Segment name	Number of employees (Persons)	
Japan, Asia, and Oceania	891	(156)
Total	891	(156)

- (Notes) 1. The “Number of employees” column indicates the number of working employees (excluding individuals seconded from the Company to outside the Company and including individuals seconded to the Company from outside the Company as well as regular part-time employees). An additional figure for the number of temporary employees (including part-time employees, temporary staff who are contracted through staffing agencies, and seasonal workers) is shown in parentheses as the annual average number.
2. Average annual salary includes bonuses and extra wages.

Current fiscal year					Supplementary Explanation
Ratio of female workers in management positions (%) (Note 1)	Ratio of male employees that have taken childcare leave (%) (Note 2)	Difference in salary between male and female workers (%) (Note 1)			
		All workers	Regular employees	Part timer and fixed term workers	
4.2	95.8	74.8	76.8	57.9	Includes personnel who have been seconded to domestic subsidiaries

- (Notes) 1. The result of a calculation based on the provisions of the Act on the Promotion of Women’s Active Engagement in Professional Life (Act No. 64 of 2015).
2. The acquisition rate of childcare leave, etc., in Article 71-6 Item 1 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991), is calculated by including employees using our unique leave program, based on the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991). *The Company’s unique leave program: Special leave for their spouse’s childbirth (up to two days, one day paid and one day unpaid)

(3) Consolidated subsidiaries

The consolidated subsidiaries that have published the ratio of female workers in the workforce based on the Act on the Promotion of Women's Active Engagement in Professional Life are as shown below.

Current fiscal year	
Name	Ratio of female workers in the workforce (%)
Tonami Corporation Ltd.	16.0

(4) Status of labor unions

Although no labor union is formed in the Group, the relationship between labor and management has been stable and smooth.

II. Business Overview

1. Management policies, management environment and challenges to be addressed

The Group's management policy, business environment, issues to be addressed, etc., are as described below.

Items in the text below that concern the future were determined by the Group as of the end of the current fiscal year.

(1) Basic management policies

The Group pursues the following four management visions as basic management policies.

- (i) We aspire to become a "Development-oriented Enterprise" with our own technology and our own brand of products throughout the world.
- (ii) We aim to become a company that can adapt and quickly provide our products that will satisfy the customers.
- (iii) We strive to become an innovator always providing "something new, something different" in the market.
- (iv) We aim at creating a corporate culture where our individual employees can exploit their personal characteristics and abilities to the fullest extent.

(2) Medium- to long-term management policy and operating performance indicator

In May 2025, the Group formulated Mimaki Innovation 30, a new five-year medium- to long-term growth strategy whose final year will be the fiscal year ending March 31, 2030.

(1) Mimaki Innovation 30 Basic Policy and Performance Targets

Continue to seek the growth of net sales based on stable profitability and try to enter new areas by actively using resources with a view toward achieving net sales of 150 billion yen in the fiscal year ending March 31, 2030 (FY2029).

1. Maintain and improve stable profitability
 - Continue the growth of the core businesses and pursue a higher gross margin.
 - Maintain a net sales CAGR of 10% or higher and seek to achieve net sales of 150 billion yen and an operating margin of 8% or higher in the fiscal year ending March 31, 2030.
 - Continually launch innovative products to achieve a new product vitality index of 30%.
2. Drive innovations by taking on new business domains
 - Try to expand into markets involving high viscosity products such as paints and industrial functional materials. Aim for significant expansion in the IP market by advancing into the Digital Paint field.
 - Take on the challenge of flexible organic electro-luminescence sheets
 - Launch a second brand, Mimaki La Meccanica, to enter the printer and cutting plotter peripherals markets.
 - Accelerate the advancement of the 3D printer business and expand business to develop 3D technologies into a new pillar of the core business.
 - During the five years of Mimaki Innovation 30 (FY2025-FY2029), 1-2% of net sales will be allocated for investment in new areas, separate from existing development investment.
3. Establish a structure for managing the development of technology and expand human capital
 - Increase the speed of new product development and build a competitive development structure.
 - To advance the business management structure, the Group will accelerate initiatives to streamline operations using AI, reform processes through digital transformation, leverage no-code development, and optimize user interfaces.
 - Implement companywide training programs ranging from technology development to the strengthening of sales capabilities to develop innovators who will provide something new and something different.

(3) Medium- to long-term growth strategy for Mimaki Innovation 30 performance goals

- (1) Towards achieving the new Mimaki, take on the challenge of high-viscosity applications and new fields such as flexible organic electro-luminescence sheets by building upon, applying and advancing expertise in inkjet and printing technologies
- (2) Launch a second brand as part of efforts aimed at peripherals
- (3) Focus product strategy on regularly launching innovative new products and enhancing the lineup of existing products

SG (Sign Graphics) market

- Reinforce competitive advantages in the area of UV printers and the latest sustainable UV-cured inks whose environmental impact has been reduced.
- The lineup strategy aims to enhance customer experience value by offering models ranging from high-end to entry-level to meet diverse customer needs.
- Add models in the currently unaddressed high-end and entry-level ranges to strengthen the product lineup and increase market share.
- Create a high value-added printing business with UV-DTF models and provide products for retail and DIY applications

to cultivate target markets, and acquire new customer segments.

- To obtain the largest share of the market, we differentiate ourselves by promoting entry-level models that ensure profitability, in addition to offering high image quality and user-friendly operability.

IP (Industrial Products) market

- Small flatbed (FB) market: Focus on production efficiency through automation and labor reduction to accelerate the digitalization of industrial printing. Continue to lead the market as No. 1 in market share.
- Large and medium format market: Increase sales based on a lineup strategy of providing high value-added production models with a focus on productivity, to maintain the leading position in the market share.
- Explore new fields in a high viscosity domain for Digital Paint.
- Further differentiate ourselves with high value-added sustainable UV inks

TA (Textile & Apparel) market

- View this as a market where digitalization has a latent potential for growth and define it as a priority market.
- Enrich the lineup of entry-level, middle-range, and flagship models for the sublimation transfer printing market and make good use of the sales channels to capture the largest share of the market.
- Roll out DTF models with higher added value that will be indispensable in digitalization to achieve overwhelming differentiation.
- Pursuit of sustainability business domains: Continue developing safe and secure products and ink mindful of the environment and printing operators.

3D printing market

- Apply technologies cultivated in inkjet printer development and make composite materials combining materials with different characteristics
- Accelerate the platform establishment of a 3D printer technology and grow 3D technologies into Mimaki's next pillar in the future.
- Develop products that achieve high productivity and low costs, while leveraging our high quality supported by excellent color expression
- Step up sales channel marketing, including consideration of alliance partners, to carry out product planning to benefit users.

FA business

- FA equipment business Strengthen operations related to the automotive sector
- Semiconductor business Focus on AI chips as a premature market—semiconductor chips exclusively for AI processing—and sell equipment that is ready to be used with them to increase market share.
Focus on die bonder (CIS and LPH) markets
- Printed circuit board (PCB) mounting equipment business Capitalize on the advantage in providing insertion and coating process equipment in the back-end process to reinforce our sales efforts targeting automobile parts manufacturers.
- PCB inspection business Capitalize on the advantage in providing insertion and coating process equipment in the back-end process to reinforce our sales efforts targeting automobile parts manufacturers.

(4) Prioritized operating and financial challenges to be addressed

We have been and will be working on the following items, which the Group has identified as the major challenges to be addressed to achieve Mimaki Innovation 30.

(i) Provision of on-demand print service, printing system solutions

For the Group to achieve sustainable growth as a development-oriented enterprise, it needs not only to contribute to Sustainable Development Goals or SDGs, which is increasingly demanded by the society, but also properly address concerns and needs of its customers. Additionally, market needs and consumer mindsets have shifted rapidly due to the speed of technological innovation and accelerating changes in the market environment. In addition, due to the widespread adoption of e-commerce, there is a growing demand for the on-demand supply of goods, reflecting more personalized consumer preferences and a growing awareness of the need to reduce environmental impact due to excess inventory and other issues. As a result, it is increasingly important to build a business model that can adapt to a diverse range of needs. To properly respond to such changes in the operating environment and achieve sustainable growth, the Group provides solutions for digital on-demand printing in the industrial printing market. Our proprietary products, software, and services built on our technologies with high competitive advantages, are one of these efforts. Additionally, the Group accommodates digital transformation (digitization that helps create added values, including value chain), which will develop more and more going forward, as a growth driver from a medium-term perspective. Furthermore, we promote the provision of solutions for digital on-demand printing in the industrial printing market. More specifically, the Group holds “a full lineup of products, including equipment for not only printing but also for pre-/post-processing,” “a wide range of functional inks” required in the industrial printing market, as well as the “ability to provide expertise on how to solve issues,” which it has accumulated through its market development process. Especially in the FA (factory automation) business of the Company, we can develop and produce products for pre-processing of materials on which printing is performed as well as those for post-printing processing. The Group continuously delivers products, software, and expertise needed for printing, to provide comprehensive supports to customers, including the management of their production quality. The Group provides this assistance by getting the most out of the competitive advantage of owning this FA business with those accumulated tangible/intangible assets as resources. In addition, the Group consistently provides its know-how on labor-saving/unmanned operation through automation of printing processes and actively makes proposals that help customers transform their production processes. The Group thus plays the role of a provider of total solutions for digital on-demand printing, utilizing the end-to-end system encompassing printing and pre/post-processing of industrial printing. To properly respond to market needs, we especially focus on the following two fields:

a. IoT for digital printing

With the commercial launch of 5G (5th generation mobile communication system) services, we expect the potential of our industrial inkjet printer business to further grow in the markets including SG (Sign Graphics), IP (Industrial Products), and TA (Textile & Apparel). We promote IoT for digital printing, including labor-saving/unmanned operation, through automation of printing processes in these markets, leveraging a broad lineup of our products ranging from pre-processing equipment, printers, inks, cutting plotters, post-processing equipment to workflow software, as well as our expertise in building a process for producing printed products.

In the meantime, the functional inks conventionally used in SG and IP markets have begun to shift from organic solvent inks to UV-curable inks that have less impact on the environment with high productivity. The size of the UV-curable inks market is expected to grow significantly in the years ahead. The Company has established competitive advantage in the industry through initiatives such as developing UV-curable inks and the corresponding inkjet printers well ahead of industry peers, and leveraging its proprietary patenting technologies of UV printers.

With those competitive advantages, we provide the industrial printing market with total solutions that bring higher productivity, such as IoT for digital printing and UV-curable inks, in order to solidify our position as the market leader.

b. 3D printing business

In the 3D printing business in the IP field, we have steadily enhanced our lineup since the launch of our UV-curable inkjet printer 3DUJ-553 in 2017, which realized the world’s first full-color modeling of 10 million colors. Furthermore, we have succeeded in reducing the size of it, launching 3DUJ-2207 in 2021, compact size entry-level 3D printer. Going forward, the Company will work to further enhance its produce lineup to better accommodate the diverse needs of customers, while also newly focusing on areas such as the combination of materials with differing properties as multi-material integration. In materials development, the Company will also work to develop 3D printing into the next pillar of its operations, by considering the formation of new alliances, and also proposing various uses and applications, for example by forging wide-ranging partnerships with 3D software companies to accelerate the growth of the 3D printing market.

(ii) Improving revenue from ink

Functional inks are the source of competitive strength at the Group. To enhance the profitability of ink, which is a strong source of recurring revenue, the Company will strive to develop safe and secure inks that consider printing companies as well as the environment, such as developing inks with a lower volatile organic compound (VOC) content. At the same time, the Company will improve profitability and by extent boost its competitiveness through further quality improvements combined with cost reductions driven by economies of scale. In addition, we promptly respond to quality problems in the market through quick information feedback and visualization. As a precondition for these efforts, we strive for more accurate and sooner understanding of the cause(s) of defect to take appropriate measures. Concretely, the vast amount of data, collected and accumulated throughout the process of material reception, production, and shipment, are properly analyzed to strengthen the improvement at each stage in the process from production to inspection. Through these measures, we further improve the quality of our inks to boost our competitiveness.

(iii) Ensuring thorough internal control/compliance

The Group is thoroughly committed to internal control and compliance to demonstrate the governance and fulfill its social responsibilities. The Group establishes a security policy to properly manage customers' information, and internally trains each one of its officers and employees so they can develop a high degree of ethics and act with social consciousness in mind, not to mention abiding by relevant laws and regulations. The Company promotes the development and operation of an internal control system. To ensure the appropriateness of operational audits and financial reporting, an independent internal audit department regularly conducts internal audits. At least twice a year, we conduct an employees' compliance training required by each division and department to increase their awareness of legal compliance. In addition, we will work to implement the creation of new workflows, regulations, manuals and other materials reflecting our status as a 100-billion-yen company, and will pursue the development of internal control and compliance mechanisms covering the headquarters as well as all manufacturing and sales subsidiaries. The purpose is to develop a framework and operational flow to appropriately comply with increasingly complex laws and regulations. Specifically, we work on efforts to verify and operate HS codes (statistical item numbers for imports and exports) aiming to reconstruct global trade rules. We also work to review and revise purchase order workflows. Further, the Group takes a firm stand against antisocial forces to block any relationship with these forces and engages in business activities based on corporate compliance.

(iv) Improving production/logistics systems

It is an important management agenda for the Group to deliver products and services requested by global customers in an efficient and timely manner while maximizing its sales, profits, and cash flows by appropriately dealing with issues including prolonged transportation lead time at sea and on the ground and a rise in logistics costs due to the impact of incidents such as geopolitical risks. Therefore, to adapt flexibly to fluctuations in demand globally, we build a system to control production weekly through close communication among parties such as sales, logistics, and production/procurement. We also form a system to determine the optimal production sites by product for efficient and flexible logistics and inventory management. In addition, as part of our efforts to restructure global inventory management, we are also driving the establishment of Non-Resident Inventory (NRI) warehouses to improve the efficiency of area inventories. In September 2022, we established an NRI warehouse in Malaysia, following the one currently in operation in the Netherlands so we can realize a flexible inventory management system, minimize opportunity losses, ensure cost competitiveness, and achieve optimal inventory levels. In addition to the Maruko Factory newly established in Ueda-shi, Nagano Prefecture in April 2022, we have begun the construction of a new company building on land adjacent to our headquarters and Kazawa Factory that was acquired in May 2024, in order to resolve the shortage of production and development space. Utilizing these facilities, which are scheduled to start operations in April 2026, the Group will expand production capacity across a wide range from entry models to high-end models at the headquarters and Kazawa Factory, in readiness for future business expansion.

(v) Strengthening the R&D system

The Group makes efforts to drive innovation of product development and explores new markets and new applications by taking into account changes in market needs and customer orientation that emerged over the course of the COVID-19 pandemic. For example, we have fully revised our existing development plans, aiming for new products to account for 30% of total sales to prioritize new markets. Additionally, to bring superior products to market in a timely fashion under an efficient research and development system, we employ a modular development approach of selecting products, units, parts and technical information from those available for use and combining them to develop new products and satisfy the specifications demanded by customers. This approach is expected to expand net sales while reducing the number of stock keeping units (inventory). Meanwhile, we have established a development process, where our base product platform is deployed horizontally, to efficiently put new products onto the market in a shorter period, and help shorten the development cycles. As a result of these activities, over the two-year period from the fiscal year ended March 31, 2024 to the fiscal year ended March 31, 2025, we announced and released a total of

16 new models. We continue to further strengthen and expand these efforts in the future, and through this promote the introduction of products to the market that can realize “something new, something different.”

(vi) CX (Corporate Transformation)

The Group works to transform the corporate structure. We save fixed costs as well as introduce generative AI, low-code tools, etc., to facilitate stocktaking, automation, and use of artificial intelligence (AI) for operations in order to reduce fixed costs and establish a strong business structure. In addition, we work to strengthen our financial structure through the improvement of capital efficiency, and furthermore, we work on activities to shorten cash conversion cycle (CCC) that are aimed at maximizing cash flow. Specifically, company-wide inventory management project activities optimize inventory levels throughout the supply chain, particularly to eliminate stagnant and immobile inventory. We also work to shorten CCC by establishing rules for appropriate inventory levels that take into account lead times, and an inventory management system that maintains appropriate inventory levels. In addition, we are aware that strengthening the global management system is an important agenda. To that end, we work to strengthen the management of the subsidiaries, globally review the enterprise resource planning systems, accounting systems, and personnel systems, and enhance the management including standardizing operational processes and defining rules. Additionally, we also work on measures to mitigate foreign exchange risk.

(vii) Sales system transformation

Under sales strategies tailored to the characteristics of each region, the Group strives to meet diverse needs of global customers. We promote regionally based sales activities to increase customer satisfaction. The efforts cover exploration of new users, proposal of applications, after-sales follow-up, and prompt maintenance services, at its domestic sales bases and overseas subsidiaries. We will also continue with sales activities to effectively drive business negotiations with channels and customers, by holding unique mini-exhibitions as opportunities for customers to actually gain hands-on experience with our products. In addition, we also make proactive efforts to shift sales activities online by utilizing ever-evolving IT; such efforts include expanding customer contact by recording and managing sales activities with existing and potential customers based on sales analysis utilizing SFA and CRM through enhancement of the inside sales function, as well as activities that steadily lead to the execution of contracts through the management of the customer inquiry process. In regard to sales channels for customers as well, in addition to acquiring and maintaining our leading market share by strengthening and expanding existing main channels for the SG market, we cultivate and build channels that are suitable for expanding sales in each of the new areas of the IP market, 3D market, production machines, entry models, and cutting plotters, and also build partnerships toward the provision of automation and labor-saving solutions, through which we further strengthen our proposals for the digitization of industrial printing.

(viii) Implementing risk management initiatives

In the recent business environment, the importance of business continuity planning (BCP) has increased due to the emergence of geopolitical risks such as the Russia-Ukraine issue and conflict between the US and China, in addition to natural disasters of a scale exceeding expectations and outbreaks of infectious diseases. The Group will work to strengthen its operational infrastructure, emergency communication system and disaster prevention measures at facilities, including the head office building. In doing so, it aims to continue business operations with minimal damages and the shortest time to restoration, even in the event of large-scale natural disasters. In the event of a pandemic of infectious diseases, the whole society needs to work as one to fight the pandemic. The Group discusses and implements appropriate countermeasures by placing utmost emphasis on the safety of the Group's officers and employees, local communities, and its stakeholders as well as prevention of spread of infection. Furthermore, we consider and implement optimal countermeasures based on appropriate risk assessments against various issues impacting the entire supply chain, including sluggish demand and difficulties in procuring parts and raw materials and rising costs due to the emergence of geopolitical risks, as well as prolonged lead times and rising costs due to production delays and transportation disruptions.

(ix) Strengthening of intellectual property strategy

As a development-oriented enterprise that develops, manufactures and sells own-brand products, our intellectual property strategy is an important and vital element for ensuring competitiveness, protecting originality, and achieving sustainable growth. In particular, in order to appropriately protect our intellectual property, it is necessary for us to carry out appropriate registration and protection procedures for rights such as patents and trademarks, as well as to defend our products and brand from imitations and infringements by other companies. We have established the Intellectual Property Department at our Research and Development Division to promote activities for the registration and protection of intellectual property rights, and in order to further enhance our competitiveness in the market in the future, we reform the intellectual property right acquisition process so

that we are able to apply for and register a large number of rights in each process from product planning and development through to mass production, and work to realize sustainable growth.

(x) Addressing SDGs

The United Nations launched the Sustainable Development Goals (SDGs) as a universal call to action for the prosperity of people and the Earth, at the United Nations Sustainable Development Summit held in September 2015. The Group totally agrees to these goals and contributes to formation of a sustainable society by bringing positive impact to the society and environment through its business operations, while sincerely facing diverse social issues. Especially, we recognize that responding to global environmental problems such as climate change is an important management issue. In the industrial printing market among others, the environmental load can be greatly reduced by shifting from analog printing to digital on-demand printing. This is because analog printing, mainly used in the current industrial structure, places a high load on the environment and natural resources. Therefore, we are proactively making efforts on this issue such as promoting environment-friendly product lines in our future business activities including product development.

In the textile and apparel market, which is an important market for the Company, a large amount of CO₂ is emitted from the long supply chain process spanning from the production and textile printing of materials and products using conventional analog methods, followed by transportation, inventory, sales, usage, and disposal or incineration. In addition, a large amount of water resources is used in the process of material fabric production and textile printing. Furthermore, more than 70% of the total production volume, including both used and unused products, is disposed of or incinerated, and even the total recycling and reuse rate is reported to be only about 15%. As such, this market is considered one of the industries with the greatest impact on the global environment, which is a significant issue that requires global action. To address the issue, the Company offers a “sustainable printing solution” through on-demand digital textile printing using inkjet technologies. In addition to TRAPIS, a next-generation textile printing system that is friendly to operators, the environment and the economy while also reducing approximately 90% of wastewater compared with conventional methods of digital textile printing, the Company will continue to spread its sustainable print solutions around the world, including contributions to recycling-oriented sustainable action through the Neo-Chromato Process, its latest printing de-coloration technology. These are part of the Company’s efforts to realize a sustainable textile and apparel industry.

2. Concepts and initiatives for sustainability

The Group's concepts and initiatives for sustainability are described below.

Items in the text below that concern the future were determined by the Group as of the end of the current fiscal year.

(1) Concepts for sustainability

(i) Sustainability policy, overview of materiality

To date, the Group has aimed to contribute to a sustainable society in line with its management policies. To drive those initiatives in more effective and efficient ways, the Group has identified materiality—the key challenges it faces. As a result, after narrowing down the following five key challenges in the Group's sustainable growth and long-term provision of value, they were broadly categorized into “materiality to provide social value” (value proposition materialities) and “materiality to enhance corporate value” (value enhancement materialities).

◆ Value Proposition Materialities

- A. Digitalization of industrial printing through existing and new businesses
- B. Contributions to sustainability through innovation

◆ Value Enhancement Materialities

- C. Successes of Group human resources and revitalization of local communities
- D. Creation of a responsible supply chain
- E. Ensuring thorough governance in step with corporate growth

The value proposition materialities represent the efforts we make to enhance sustainability in the industrial printing industry and society through the Group's businesses. Through working on the value enhancement materialities, the Group can sustainably provide social value in the future, and ensure that the Group achieves sustainable growth. More specifically, preventing or mitigating sustainability risks and maximizing positive impacts on stakeholders will lead to improved sustainability for the industrial printing industry, society, and the Group.

Based on the materialities above, we reviewed how the Group should contribute to sustainability through its business activities. As a result, we established the following Sustainability Policy.

◆ The Group's Sustainability Policy

1. Advance digital on-demand industrial printing for a more sustainable society
 - Digital on-demand printing using inkjet technologies helps produce only what is needed, when it is needed. This approach contributes to inventory-free and waste-free production, and reduces the cost of managing excess inventory
 - This printing method enables high-mix, low-volume production and can be applied to a wide range of materials. We aim to expand its use in existing markets and promote digital industrial printing in new markets
 - By shifting away from mass production and mass waste, we offer solutions that maintain high quality while enabling swift and flexible manufacturing, contributing to a more sustainable society
2. Create a workplace where team members can grow and take on challenges in a supportive and secure environment, while contributing to the vitality of local communities
 - Foster a supportive culture where team members grow together, feel comfortable in their work, and are encouraged to embrace new challenges. Through team members' growth, we aim to contribute to a sustainable society and the ongoing progress of our Group
 - Play an active role in revitalizing local communities so the towns we have grown with since our founding continue to thrive and remain sustainable in the future

We promote sustainability based on this policy, focusing on the five materialities A through E described above.

Going forward, the Group will contribute to a more sustainable society by bringing “something new, something different” to the industrial printing industry. We support the growth of our team members and local communities, work to prevent and mitigate sustainability risks, and fulfill our responsibilities to stakeholders.

(2) Sustainability initiatives

(i) Strategy

In accelerating initiatives to enhance sustainability, we reexamined the scope and order of priorities to identify the materialities. Going forward, we will tackle these materialities on a priority basis and flexibly adapt to changing external conditions in order to realize our sustainability policy.

Details of materialities (financial risks and opportunities, positive and negative impacts)

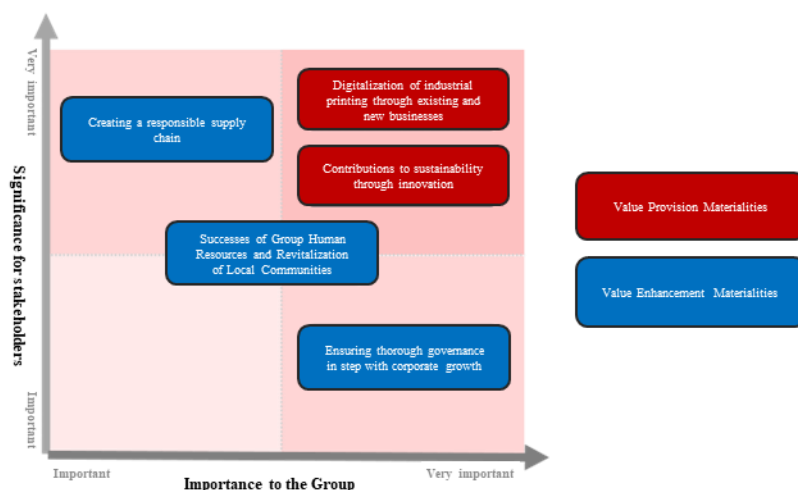
Here, we will define the risks and opportunities as the “financial risks faced” and “financial opportunities to be gained,” and the

impacts as “positive and negative impacts exerted (on other parties).” Our sustainability initiatives are linked with financial opportunities for the industrial printing industry and the Group, and will have a positive impact on the industry, society, and the Group. At the same time, those initiatives aim to prevent or mitigate the financial risks to the Group and the negative impacts on stakeholders. In identifying materialities, we broadly considered what kinds of opportunities, risks, and positive and negative impacts have materialized or could potentially exist in light of the situation surrounding the business and its characteristics, in terms of short-, medium- and long-term time frames. We then assessed the importance of each numerically. In addition, since we have a local subsidiary in Europe, we conducted the identification while referencing European Sustainability Reporting Standards (ESRS), as required under European disclosure regulations.

1. Organizing the assessment value chain, stakeholders, and time frames, and determining the topics of assessment
2. Identifying impacts, risks, and opportunities (IRO, hereafter) and determining thresholds
3. Assessing IROs based on the thresholds
4. Implementing stakeholder engagement regarding IRO (not implemented for some items)
5. Determining key IROs, consolidating them into materialities consistent with Mimaki Innovation 30, and formulating a sustainability policy

The SDGs Promotion Office took the lead in consolidating opinions from each division regarding items 1 through 5. Ultimately, the draft materialities and draft sustainability policy underwent deliberation by the heads of all divisions and top management at the SDGs Promotion Meeting, and after an internal consensus was reached, the results were reported to the outside directors at the Board of Directors meeting and finalized.

Following are the details of the five items of particular importance that were identified through the process described above.



A. Digitalization of the industrial printing industry through existing and new businesses → expansion of opportunities and positive impacts

The Group provides the market with industrial printing equipment and other products, contributing to the digitalization of the SG, IP, and TA markets. With the expertise it has accumulated to date, the Group will aim to continually improve and advance its existing product lines, solve industry issues, and realize further growth in these markets. In addition, the Group will actively invest in innovation and the human capital that drives it based on Mimaki Innovation 30 in order to develop new markets. This is to roll out the digitalization-driven solutions to issues across a broader range of fields. These strategies that positively impact the industry and society are also important financial opportunities in terms of maintaining and securing medium- to long-term sources of revenue.

B. Contributing to sustainability through innovation→ expanding opportunities and positive impacts, mitigating negative impacts

The Group hopes to play the role of innovator in proposing solutions leveraging its technological capabilities to address the issues facing society, including climate change, water pollution, and labor shortages. The history of the Company’s products which enable digital on-demand printing include several inventions that boast world-first features. To ensure that this history of innovation helps solve the increasingly complex issues faced by society, we will continue to tackle these challenges as part of our materiality. Specifically, we have developed unique solutions such as TRAPIS, a system that uses no water in the printing process and can achieve pigment transfer to a wide range of textile materials with ease, and the Neo-Chromato Process (under development), which enables upcycling by de-colorizing dyes from polyester advertising items. In addition, in Mimaki Innovation 30 we aim to expand into the high-viscosity area through the application and development of the Group’s core technologies to create digital paint. These efforts represent the Group’s technological capabilities creating

broad positive impacts for society, while also holding the potential to become new sources of revenue for the Group.

C. Successes of Group human resources and revitalization of local communities → expanding positive impacts, preventing and mitigating risks

To achieve long-term growth and provide value sustainably in the course of tackling each materiality item, we believe it is important to further promote the growth and successes of Group employees while working to maintain and further advance local communities. To achieve Mimaki Innovation 30, we will develop a range of partnerships including through open innovation. We also produce innovators who deliver “something new, something different” through in-depth specialized education throughout the Group, from technological development to sales capabilities development. At the same time, we need to step up collaboration with local communities and demonstrate leadership in fostering their revitalization. In terms of contributions through job creation, we are working to establish a comfortable work environment even for employees whose primary residence is outside the work location’s region. For example, we provide leased Company housing and travel allowances for returning home, and we also share lifestyle information about the local area. In addition, we work in our modest capacity as a local company to help create a vibrant local community. Notably, we support or participate in various initiatives related to cultural promotion—through local sports clubs, museums, and seasonal events that attract tourists. Through these initiatives, we impart a positive impact on the Group’s internal and external stakeholders. We believe that investing in human capital enhances our ability to attract and retain talent and drives innovation – the foundation of our competitive advantages. Moreover, the Group’s efforts to acquire talent and support local communities help sustain regional urban functions, both directly and indirectly. Failing to address these areas, however, may pose financial risks.

D. Creation of a responsible supply chain → preventing or mitigating risks and negative impacts

The Group’s supply chain encompasses global operations and is expected to expand in the future as the business develops and grows. Making every effort to identify, prevent, and mitigate potential threats to the Group’s stakeholders in this supply chain, including human rights violations and forest destruction, is part of our corporate responsibility. At the same time, it is necessary to recognize the urgency of taking action to address global issues such as climate change, and to take proactive action, such as reducing greenhouse gas emissions and adopting renewable energy. We recognize the growing importance of business continuity plans to ensure a stable product supply and the resilience of that supply, including the aforementioned actions. Based on this understanding, we will take advantage of normal conditions to ensure our readiness. If we are unable to take appropriate measures to prevent or mitigate these negative impacts, there may be financial risks to the Group’s business.

E. Ensuring thorough governance in step with corporate growth→ preventing or mitigating risks and negative impacts

The Group has continued to grow in the post-COVID era, and notably achieved its target operating profit margin of 10%—a milestone set in the Mimaki V10 medium- to long-term growth strategy formulated in 2020—a year ahead of schedule. To tackle the targets set forth in Mimaki Innovation 30, our new medium- to long-term growth strategy, it will be important to mitigate the financial risks that emerge in the so-called VUCA era by further enhancing the effectiveness of our governance and reinforcing our management structure. If we are unable to appropriately prevent or mitigate the risks, there could be negative impacts on the Group and its stakeholders, specifically due to violations of laws and regulations, or errors in management. To prevent such eventualities, we will continually update our systems to maintain governance and management practices that align with the pace of Group growth and the changing times. This includes leveraging AI and other technologies to enhance employees’ efficiency and quality of work, and to strengthen internal controls through DX.

To demonstrate the strategies we have put into practice, we have presented a subset of the sustainability-related measures pursued in the current fiscal year.

Digitalization of industrial printing through existing and new businesses

During the current fiscal year, we launched a number of new products that meet customer needs and offer “something new, something different.” In the IP market, we added the just-in-size JFX200-1213EX to the lineup. In the TA market, we introduced a new 1600mm-wide model of the DTF printer, a popular product in this market, with significantly improved productivity. We also announced the Tx330-1800/1800B, which is driving waterless on-demand textile printing in that same TA market. For details, please refer to the overview of operating results, etc. in section 4 (1).

Contributions to sustainability through innovation

To support the practical application of the Neo-Chromato Process, which enables the decolorization of dyes from printed fabrics for reuse, we provided full cooperation to the LOFT GREEN PROJECT led by THE LOFT CO., LTD. With the cooperation of BIOLOGIC LOOP, a textile recycling platform operated by BP LAB Inc., we conducted trials to recycle and reuse decorative tapestries used in Loft stores, taking a new step toward reducing waste from polyester-based advertising materials. At the end of the current fiscal year, we, along with Nicca Chemical Co., Ltd. and Elephantech Inc., jointly received the 2024 Senken Gosen Award (Sustainability Category) in recognition of the development and practical deployment of Neo-Chromato Processing. Meanwhile, we launched SS22, a new eco-solvent ink for the SG market used in the CJV200 series announced in the current fiscal year. SS22 does not contain GBL, an organic solvent whose use has been increasingly regulated worldwide in recent years, and is designed with enhanced consideration for operator safety. Among our Group companies, Alpha Design Co., Ltd. announced its membership in SATAS (Semiconductor Assembly Test Automation and Standardization Research Association). Leveraging its core flip-chip mounting technology, Alpha Design aims to contribute to the automation and standardization of back-end processes in semiconductor manufacturing.

Initiatives contributing to the successes of Group human resources and revitalization of local communities

The Company and its subsidiaries have provided support for local events and projects in areas where each company operates, while contributing to educational development and the creation of various jobs. When events took place in each area, we provided support by loaning out Company products and providing printed materials produced with our products. The Group also made efforts to cultivate future generations of human resources and promote understanding about the Group's businesses by accepting interns in Japan, Europe, and North America, and by operating student tours and work experience programs in Australia and elsewhere. In Turkey, some of the holiday gifts traditionally offered to employees and their families were provided as donations to charitable groups. A new Office Service Group has been established within the Human Resources Department of the Company, as part of efforts to develop an environment in which employees with disabilities can perform tasks suited to their abilities and actively provide them with employment opportunities.

For Group human resources, we have worked to develop workplace environments that allow employees to grow and take on challenges with peace of mind, including efforts to enhance welfare and benefits programs, improve the work environment and provide education. In terms of the programs offered, we have focused on fostering environments where employees can work with peace of mind by taking into account the unique conditions in each country and region. These programs include establishing subsidy and special leave programs for fertility treatments, providing support for the costs of comprehensive medical exams, and increasing annual salary levels company-wide. We have also introduced labor-saving equipment designed to ease the employee workload when taking delivery of or dispatching products, and renovated the interiors of offices, as part of our focus on developing safe workplaces. In terms of education, we offered specialized training to encourage employees to take on challenges and drive innovation. This included continuing the Shinshu University Short-term Reskilling Program. We also ran in-house training programs at subsidiaries in Brazil, Indonesia, Taiwan, and other locations. In Germany and China, we held events and workshops to support team growth and employee satisfaction.

Initiatives to create a responsible supply chain

As an energy saving measure that represents the first step toward reducing greenhouse gas emissions, in Brazil we have increased the percentage of bio-alcohol fuel used in our company cars. In Japan, we have switched some of our company cars to electric vehicles and use CO₂-free electricity to charge them, to further reduce CO₂ emissions. Additionally at our overseas subsidiaries, we have reduced the use of a transportation method with higher environmental impacts by improving the management of maintenance parts. To reduce PET bottle usage, we also introduced a water dispenser to promote the use of personal water bottles. Meanwhile, as a new approach leading to forest conservation, we made deposits into the J-Credit Scheme to support projects leading to appropriate forest management and the increased adsorption of greenhouse gases. Furthermore, starting in the current fiscal year we began worldwide shipments of paper ink cartridges which had been initially launched in the domestic market. These cartridges cut CO₂ emissions by reducing the amount of plastic used. After receiving the Industrial Packaging Award at the 2023 Japan Packaging Contest, this product won the Sustainable Product Award at the 2025 Sign Industry Awards in the UK this fiscal year, through our sales distributor Hybrid Services.

Ensuring thorough governance in step with corporate growth

Starting in the current fiscal year, we newly established a global management project aimed at strengthening governance functions. This included the reviewing and strengthening of internal regulations worldwide, with the aim of further enhancing the effectiveness of internal control systems. We also pursued the development of mechanisms to ensure that existing and newly established regulations are being properly implemented, including internal training to ensure implementation at every

organizational level, and follow-up checks after regulations have gone into effect. Meanwhile, we continued promoting the digitization of application procedures within Group companies to improve operational efficiency and quality and ensure mutual checks and balances.

For an overview of our previous initiatives, please refer to Nagano Prefecture SDGs Promotion Registration - Specific Initiatives (Requirement 2) (Form 3).pdf disclosed on the Sustainability section of the Company website (<https://ir.mimaki.com/about/sustainability/>).

(ii) Management of Risks Opportunities and Impacts

In addressing risks, opportunities, and impacts, each responsible department regularly reports to top management and the relevant officers, ensuring the swift recognition and implementation of the necessary actions. This enables the timely dissemination of information and facilitates appropriate decision-making by the Board of Directors and other bodies based on the level of importance.

Overall risk management in the Group is overseen by the Corporate Management Division. The Audit Office, which reports directly to the President, is responsible for conducting internal audits that cover the entire risk management framework itself.

Sustainability-related risks, opportunities, and impacts had been individually identified by each division. This initiative was underpinned by the perspective that solving issues primarily in business execution such as product development or production contributes to the sustainability of the Group's operations. These risks, opportunities, and impacts are incorporated into business plans and addressed accordingly, while the process for comprehensively identifying, assessing, and managing them has been handled by the SDGs Promotion Meeting since the previous fiscal year. Newly identified materialities reflect the initiatives pursued to date, and present and future external trends. Going forward, we will work on issues based on our materiality.

Climate-related risks and impacts are handled primarily by the SDGs Promotion Office and the General Affairs Department of the Global Human Resources and Administration Division, with progress managed through monthly SDGs Promotion Meetings. The Global Marketing Department in the Sales Division is tasked with identifying opportunities and translating them into business-oriented activities. Medium- to long-term financial risks and opportunities have been identified and assessed through TCFD Project activities conducted in FY2023. In the process of identifying materiality in reference to European Sustainability Reporting Standards (ESRS), climate-related risks and opportunities including recent trends were taken into account.

Human resource-related risks and impacts have been primarily handled by the Human Resources Department of the Global Human Resources and Administration Division, with progress managed through monthly SDGs Promotion Meetings. As these include Company-wide matters such as recruitment plans, personnel systems, and training programs, they are also reported to the Management Council and Board of Directors. For details, please refer to (4) Human capital-related initiatives (i) Governance and (iii) Risk management

At SDGs Promotion Meetings, we regularly share and update information with related departments, report on the progress of initiatives and any issues with them, and make appropriate changes to direction, toward achieving the targets set at the start of the term.

Additionally at the start of the current fiscal year, we newly established a global management project in anticipation of future corporate growth. As part of efforts to mitigate risks and further strengthen the risk management framework, the project is tasked with checking that previously developed regulations and workflows are working appropriately.

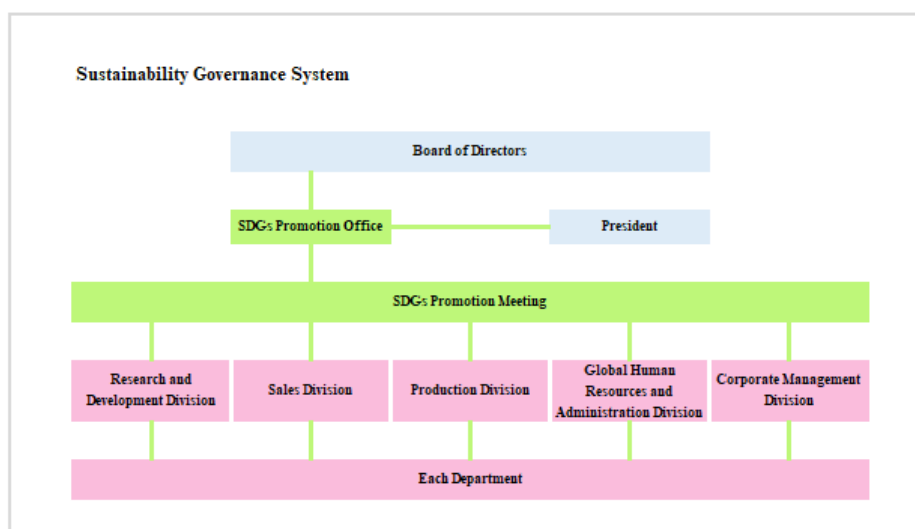
(iii) Metrics and targets

The following are specific examples of medium- to long-term targets by materiality items. These details will be revised as needed based on future progress and changing external trends. Some metrics to measure progress toward materiality targets are expected to be formulated and disclosed in the future.

- A. Digitalization of industrial printing through existing and new businesses
We will strive to achieve the following KPIs in line with the basic policy of the Mimaki Innovation 30, the medium- to long-term growth strategy.
 - * Basic policy: We aim to achieve net sales of 150 billion yen in the fiscal year ending March 31, 2030 by continuing to pursue sales growth with stable profitability and by actively leveraging our resources to take on new business domains.
 - a. Net sales of 150 billion yen and operating profit margin of 8% or higher in the fiscal year ending March 31, 2030
 - b. Achieving a new product vitality index (NPVI), the percentage of net sales accounted for by new products, of 30% annually
- B. Contributions to sustainability through innovation
 - a. Contributing to resource recycling through the completion and widespread adoption of the Neo-Chromato Process
 - b. Labor saving and improving labor productivity through sales promotions featuring products for the IP market
- C. Successes of Group human resources and revitalization of local communities
Please refer to section (4) for details on human capital-related measures, metrics, and targets.
 - a. Encouraging innovation and raising the level of human resources by enhancing tiered training and specialized training.
 - b. Attracting and retaining more talent by improving the workplace environment
 - c. Partnering with the local community through active engagements in local projects
- D. Creation of a responsible supply chain (mainly environmental and human rights risks)
 - a. Action on climate change including greenhouse gas (GHG) reductions
Please refer to section (3) (iii) for information about targets and reduction plans.
 - b. Preventing and mitigating risks including human rights violations, environmental destruction, and corruption
 - c. Formulating and operating a BCP in procurement, and maintaining the stable supply of products
- E. Ensuring thorough governance in step with corporate growth
 - a. Preventing violations of laws and regulations, regularly reviewing internal regulations based on actual operating conditions, and ensuring their appropriate operation
 - b. Improving operational quality and efficiency by driving the integration of management accounting and unification of rules
Group-wide
 - c. Improving business quality and efficiency with the use of technology

(iv) Governance

This section describes what kind of governance framework is established and how top management and meeting bodies are involved with respect to the Group's sustainability-related risks, opportunities, and impacts. For details on corporate governance covering Group-wide business activities, please refer to "IV. Information about Reporting Company 4. Corporate governance."



The SDGs Promotion Office is primarily responsible for overseeing initiatives concerning sustainability-related risks, opportunities, and impacts, and holds monthly SDGs Promotion Meetings. In addition to the SDGs Promotion Office members, the meeting is attended by the President, the senior managing director, the executive director, and heads of all divisions, including some directors and executive officers, to ensure a company-wide promotion system. The SDGs Promotion Meeting was launched in April 2022, coinciding with the establishment of the SDGs Promotion Office, to move its initiatives into full swing.

It serves as a forum for discussion, timely reporting, and prompt decision-making with a view to pursuing effective initiatives. Specifically, this meeting helps oversee the whole ESG activities, formerly driven separately or independently by each department. It also prompts flexible approach to cross-department issues and caters to sort our priorities with issues outside the ESG area. At the monthly meetings, in addition to progress reports on each division's ESG work plan, discussions and consensus building take place regarding items to be resolved. Those matters encompass ESG issues and targets to be identified and disclosed by the whole Group. In addition, the executive general managers themselves participate in the meetings, helping to raise awareness and recognition of the importance of ESG issues within the Group.

As for other meeting bodies, the SDGs Promotion Office reports quarterly on the overall status of initiatives at the Q Review Meeting, which is attended by the heads of all companies. For matters that significantly affect finance and management, the SDGs Promotion Office, the Human Resource Department, the General Affairs Department, and other departments handling such matters report and discuss them at the Management Council as appropriate, and the responsible directors report to the Board of Directors meetings.

Meeting body	Meeting frequency	Attendees
SDGs Promotion Meeting	Monthly	12 people in total, 10 out of those who are listed below (including the President, the senior managing director, and the executive director), as well as the General Manager of the General Affairs Department and the SDGs Promotion Office 1. Seven inside directors 2. Six executive general managers/deputy executive general managers of each division (including five executive officers)
Roles of the meeting body		
Set achievement targets and confirm progress (long-term and short-term)		
Review and address ESG issues in each division		
Confirm the implementation status and manage the progress of initiatives in each division		
Extract, review, and address ESG issues at subsidiaries		

Meeting body	Meeting frequency	Attendees (interlocking directorates involved)	
Management Council*	Monthly	Inside director Executive officers Executive general managers/deputy executive general managers of each division	Senior general managers/deputy senior general managers of each department Subsidiary directors/administrative managers (some) Factory managers/general managers/deputy general managers (some)
Roles of the meeting body		ESG-related issues for discussion (excerpts)	
<p>The Management Council is responsible as an advisory body to the President for reporting on the analysis of the implementation of company budgets as well as budget control in operating departments and deliberation of relevant measures.</p> <p>* ESG-related issues are reported as appropriate.</p>		<ul style="list-style-type: none"> • Environment: Appropriate handling of chemical materials for disposal • Society: Measures in consideration of the 2024 logistics problem, reducing and preventing workplace and traffic accidents • Governance: Compliance with the certification systems necessary for export, strengthening of cyber security systems 	

Meeting body	Meeting frequency	Attendees (interlocking directorates involved, selected on a case-by-case basis from 5, 6 in addition to 1 to 4)	
Q Review Meeting*	Quarterly	1. Inside directors 2. Executive officers 3. Executive general managers/deputy executive general managers of each division	4. General managers/deputy general managers of each department 5. Subsidiary directors/administrative managers (some) 6. Factory managers/general managers/deputy general managers (some)
Roles of the meeting body		ESG-related issues for discussion (excerpts)	
<p>Quarterly reporting and PDCA of key measures</p> <p>*ESG-related issues are reported as appropriate.</p>		<ul style="list-style-type: none"> • Environment: Plans to reduce greenhouse gas emissions, revising expiry dates through ink quality testing • Society: Enhancing specialized training, improving employment rate for persons with disabilities • Governance: Compliance with the Subcontract Act, reducing security risks through updates to devices loaned to employees 	

Such matters were also discussed by the Audit and Supervisory Committee and, where necessary, opinions were provided to the Board of Directors. In addition, the SDGs Promotion Office reported to the Audit and Supervisory Committee on the status of preparations implemented for Mimaki Europe B.V. in the current fiscal year to comply with CSRD.

(3) Response to climate change (Initiatives for TCFD Recommendations)

(i) Strategy

Due to the need to discuss climate-related issues throughout the Company, we implemented the “TCFD Project” in FY2023, involving members selected from all divisions. By analyzing those issues from a Group-wide perspective, calculating the financial impact, and gaining a multi-faceted understanding of our situation, we have identified the issues that should be addressed on a medium- to long-term basis. In identifying Group-wide materialities during the current fiscal year, we took into account the conclusions made by the TCFD Project and the latest trends and reflected the opinions of each division.

Specifically, by following the procedures described below, we identified the risks and opportunities that may affect our business, calculated the amount of the financial impact, and examined countermeasures. We will continue to take measures to address the issues identified, and examine countermeasures for new risks, opportunities, and impacts.

1	Setting of prerequisites	Setting of analysis scope (region, business) and time axis
2	Identification of risks and opportunities Business impact assessment	Identifying potential impacts on business continuity from the risks in four areas associated with the transition to a low carbon economy, risks in two areas related to the physical impact of climate change, as well as opportunities in five areas related to the adaptation and mitigation measures for climate change, as described in the TCFD recommendations. Scoring the “possibility of being impacted” and the “size of the impact,” identifying risks and opportunities that will have a large impact on business, evaluating the scale of importance
3	Scenario analysis	For the risks and opportunities identified in section 2 that are forecast to have a significant impact, calculating the financial impact on our business in scenarios of under 2°C and over 2°C
4	Examination of countermeasures	As a result of 3, examining countermeasures and policies for risks and opportunities that will have a major impact on business
5	Reexamination in light of impacts and other factors	(additional action items for the current fiscal year) Examining sustainability-related risks and opportunities, including those associated with climate change, as well as the positive and negative impacts from the Group. Assessing degrees of importance, positioning IROs deemed important as materialities, and deciding to address the area of sustainability with a high priority

A. Adopted scenario

For the analysis under the TCFD Project, we adopted STEPS and the SDS scenario from the International Energy Agency (IEA) for transition risk and the RCP8.5 and 2.6 scenarios*1 from the Intergovernmental Panel on Climate Change (IPCC) for physical risks.

*1 RCP8.5 and 2.6 scenarios: RCP stands for “Representative Concentration Pathways.” It supposes four different levels of greenhouse gas concentration and is used in climate model projections in the IPCC’s Fifth Assessment Report.

*2 GHG: Greenhouse gas

	IEA - Transition Risks	IPCC - Physical Risks
4°C scenario	STEPS (Stated Policies Scenario) <ul style="list-style-type: none"> Scenario based on the energy composition of each country and the NDS under the Paris Agreement (contribution content determined by the national government in relation to GHG emission reduction targets), which were announced by mid-2020 Rise in temperature in 2100 of +2.7°C 	RCP 8.5 <ul style="list-style-type: none"> Scenario equivalent to maximum GHG emissions in 2100 RCP8.5 is the upper limit of what is thought to be possible in the future, with a temperature rise in 2100 of +4.4°C
2°C scenario	SDS (Sustainable Development Scenario) <ul style="list-style-type: none"> Scenario for a path that is completely consistent with the Paris Agreement (efforts to limit the temperature increase to less than 2°C, and to 1.5°C if possible) Achievement of CO₂ net zero by 2070 Rise in temperature in 2100 of +1.5°C (2070: +1.65°C) 	RCP 2.6 <ul style="list-style-type: none"> The scenario with the lowest amount of future emissions, which limits the future temperature rise to 2°C or less Rise in temperature in 2100 of +1.8°C

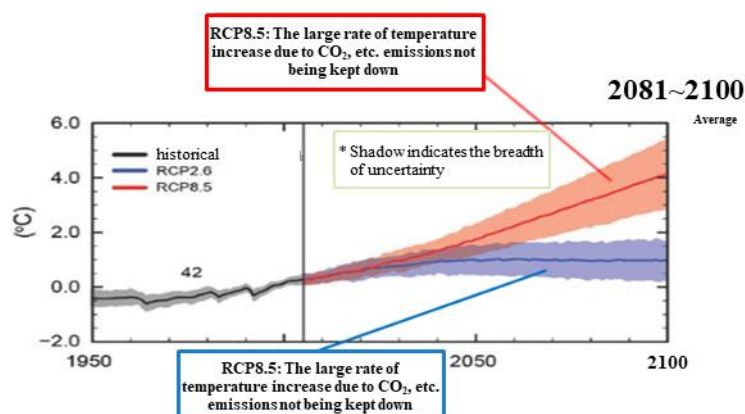


Figure. Change in global average land surface temperature compared to averages from 1986 to 2005.
Time series (1950 to 2100) simulated with multiple CMIP5 models

Source: IPCC AR5 WGI SPM Fig. SPM.7(a)

* Source: Ministry of the Environment “Overview of the IPCC 5th Assessment Report - 1st Working Group (The Physical Science basis) (December 2014 edition)”
RCP8.5 scenario and RCP2.6 scenario of the IPCC “5th Assessment Report”
SDS scenario and STEPS scenario of the IEA “World Energy Outlook 2021 Edition (WEO-2021)”

B. Results of scenario analysis and corresponding materialities

B. Results of scenario analysis and corresponding materialities									
Classification			Risks and Opportunities	Potential Financial Impact	Financial Impact 2030		Envisioned Time Axis	Countermeasures	Corresponding Materialities
					4°C	2°C			
Transition Risks	Policy and Legal	Carbon emission targets and carbon taxes in each country	Increase in fuel and electricity procurement costs in conjunction with the introduction of carbon tax and increases in carbon tax rate	Increase in direct costs	Small	Small	Short to medium term	* Formulation of reduction targets and plan for their achievement	Creating a responsible supply chain
	Market	Increase in raw material costs	Increase in fuel and electricity prices	Increase in overhead	Medium * Considering recent cost hikes only due to long-term price increases being difficult to estimate		Short to long term	* Suppressing increases in operating costs through thorough energy conservation * Introduction of energy-generating equipment	Creating a responsible supply chain
	Reputation	Decrease in hiring rate due to delayed TCFD response	Increase in staff turnover and decrease in hiring rate due to lower evaluations by employees	Increase in overhead	Small		Long term	* Initiatives for climate change and appropriate information disclosures internally and externally	Successes of Group human resources and revitalization of local communities Creating a responsible supply chain
Physical Risk	Acute	Intensification of extreme weather (Floods, typhoons)	Suspension of operations due to damage to production and distribution bases	Decrease in sales due to lower production capacity	Medium	Small	Medium to long term	* Enhancement of BCP response	Creating a responsible supply chain
			Disruption of supply chains	Decrease in sales due to lower production capacity Increase in costs due to changes in procurement routes	Large at the maximum			* Enhancement of BCP response * Examination of procurement of alternative materials	
					At the minimum value				
					Small	Small			
Opportunities	Products and Services	Development and expansion of low carbon products and services	Increased revenue due to increased demand for digital on demand printing (low carbon products and services)	Increased sales due to increased demand for products and services	Large		Short to medium term	* Product development that captures customer preferences, which will change due to climate change * Enhanced appeal of low carbon products * Enhanced product lineup in preparation for increased demand	Contributions to sustainability by innovation

a. Notable initiatives related to climate change action undertaken in the current fiscal year

In the current fiscal year, we expected that our European subsidiary Mimaki Europe B.V. would fall under the European Corporate Sustainability Reporting Directive (CSRD). We therefore formed a CSRD Project comprising members selected from each division to advance preparations and actions in line with the CSRD. Climate change, one of the topics covered by the CSRD, is an issue that impacts the Group's business activities. The Group's inability to make appropriate climate-related disclosures in line with the CSRD could result in non-compliance with laws and regulations and damage the Group's reputation. For this reason, the CSRD Project discussed and assessed the risks, opportunities, and impacts of sustainability topics including climate change with each division. Ultimately, it was concluded that climate change measures should be incorporated as one of the Group's materialities, and that initiatives should be strengthened going forward. Note that as of the end of the current fiscal year, an omnibus bill aimed at reducing the burden on companies due to CSRD compliance had been submitted in the European Parliament, and it is expected that the applicable period for mandatory sustainability reporting will be postponed. If a bill narrowing the scope of disclosure requirements passed the European Parliament, Mimaki Europe B.V. may fall outside the scope of application of the CSRD. Regardless of the applicability of the CSRD, we will continue efforts to address sustainability materialities and further enhance the disclosure of relevant information.

b. Enhancement of resilience

The major climate change-related risks for the future identified through the scenario analysis were found to be rising costs (including the expense to address human resource shortages due to a decline in reputation) and procurement difficulties caused by extreme weather, whereas increased demand for on-demand printing was identified as an opportunity. Specifically, product cost-related risks such as the introduction of a carbon tax and the ensuing increase in material and energy prices are forecast. As a countermeasure, we have continued to reduce cost ratios for the products themselves, while

also reducing costs and the use of resources associated with product containers and packaging. We have also taken action to deal with rising costs by flexibly examining the available options, such as appropriately reviewing sales prices in response to recent cost increases, not just the impact of climate change.

In addition, we are working to limit the impact of unexpected events to a minimal level, including procurement difficulties. The management division has thoroughly ensured the introduction of a safety confirmation system to be used as a basic measure in the event of an emergency, and we have also made efforts to transfer production of certain items between our factories in light of geopolitical risks and other factors.

To pursue the Group's initiatives aimed at ESG issues in more efficient and effective ways, we have identified the corresponding materialities and formulated a Sustainability Policy. Doing so has not only clarified the importance of sustainability measures internally, but also enabled us to more clearly disseminate why and how the Group is tackling sustainability. Starting in FY2025, we began providing sustainability education to employees. Going forward, we will continue to make the Group's stance on sustainability action widely known, both internally and externally.

Finally, we anticipate that the value delivered by our inkjet printers and related technologies, which are the Group's strengths, will continue to further grow in this time of urgency to address climate change. These products and technologies, which meet the needs of high-mix production, will contribute to the reduction of excess inventory and waste caused by mass production. By promoting the adoption of this technology and its related products, the Group supports our customers not only in their efforts to enhance business operations, but also to reduce the environmental impact and minimize administrative burdens.

We aim to comprehensively strengthen sustainability by supporting our customers' sustainable digital printing businesses, while also managing risks and seizing opportunities across all divisions. We believe these efforts will enhance the Group's overall resilience.

(ii) Management of risks, opportunities and impacts

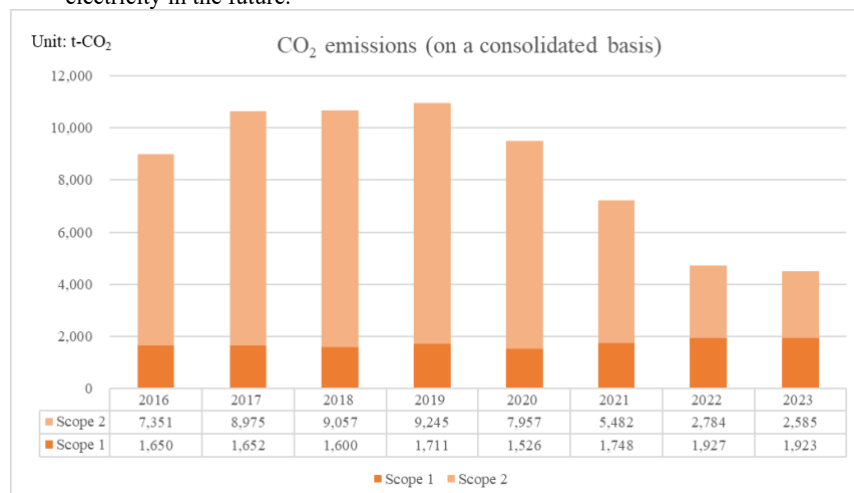
In the current fiscal year, the group identified and assessed sustainability risks, opportunities, and impacts, including those related to climate change, through a project team with members selected from all divisions. The SDGs Promotion Office reported the findings to the SDGs Promotion Meeting, which consisted of the President, inside directors and some executive officers, and the heads of all divisions. Thereafter, as risks arose, such findings were understood by the departments involved and, if their impact on the Company as a whole was significant, they were reported to the SDGs Promotion Meeting, the Q Review Meeting, and the Board of Directors as appropriate, and were raised for discussion at the Audit and Supervisory Committee, depending on nature of the issue.

Identification of Risks	Evaluation and Analysis	Countermeasures and Management
Referencing output from the TCFD Project, the ESRS standards, as well as recommendations and presentations from each body, sustainability-related risks, opportunities, and impacts of the Group were identified.	The effects of the identified risks, opportunities, and impacts were assessed on a point scale to determine items estimated to be of high importance.	The important risks, opportunities, and impacts were consolidated to identify materialities, and a corresponding sustainability policy was formulated. Reports are made to the SDGs Promotion Meeting and Board of Directors as necessary. We will continue advance action on each materiality item through the operations of all divisions. After the formulation of indicators, targets, and plans for achieving them, they will be reflected in management plans, and undergo the PDCA cycle at monthly SDGs Promotion Meetings.

(iii) Indicators and targets

A. Scope 1 & 2 on a consolidated basis (FY2016-2023)

From FY2021, we promoted the introduction of CO₂-free electricity and renewable energy at our sites in Japan and overseas. This helped us reduce our Scope 2 emissions. We plan to keep increasing the number of sites that use CO₂-free electricity in the future.



* Emission figures are subject to change in the future depending on the scope of calculation and the CO₂ emission coefficient used for calculations and other factors.

B. Scope 1-3 on a non-consolidated basis (FY2023)

The following table shows the CO₂ emissions for FY2023, which we calculated in the current fiscal year. Scope 3 emissions are calculated based on our own scenarios and the figures may vary depending on preconditions and other factors. As Category 1 emissions are the most common component of Scope 3 emissions, we actively promote switching to materials with relatively low emission factors in product containers and packaging, aiming to strike a balance between sales growth and emission reductions.

Scope 3 emissions on a consolidated basis are set to be calculated and disclosed from FY2026 onward.

CO ₂ emissions (t-CO ₂) non-consolidated			FY23
Scope 1			549
Scope 2			45
Scope 3 (total)			125,455
Scope 3 (by category)			
1	Purchased goods and services	Extraction, processing, etc. of raw materials	109,036
2	Capital goods	Manufacturing of capital goods and extraction, processing, etc. of materials	1,717
3	Fuel and energy related activities	Extraction, refinement, etc. of purchased fuel and electricity	870
4	Upstream transportation and distribution	Logistics/outourced logistics of purchased goods	955
		* Some routes are excluded due to being difficult to estimate	81
5	Waste generated in operations	Disposal and treatment of waste generated at own business locations	853
6	Business travel	Mobility in the course of business travel	1,052
7	Employee commuting	Mobility in the course of commuting	1,069
8	Upstream leased assets	When operating warehouses under lease	499
9	Downstream transportation and distribution	Logistics after shipment and after transfer of ownership rights	Difficult to estimate
10	Processing of sold products	Processing of sold intermediate products at the shipping destination	Not applicable
11	Use of sold products	End use of products that have been sold	9,324
12	End-of-life treatment of sold products	Waste disposal and treatment of products that have been sold	Difficult to estimate
13	Downstream leased assets	Customers operation of assets leased to them by the company	Not applicable
14	Franchises	Operation of franchised stores	Not applicable
15	Investments	Operations at investees	Not applicable
Total			126,050 t-CO ₂

* Note on difficulty in estimation of Scope 3

The categories for which it is difficult to determine a rational basis for emissions and to calculate accurate emissions on such a basis are excluded from the calculation results.

C. CO₂ emission reduction targets

As part of ongoing reduction efforts, we have set reduction targets for Scope 1 and 2 emissions of 60% in FY2026 and 61% in FY2030 compared with our largest emissions in the most recent fiscal year, FY2019. These targets assume that we will newly establish one new sales base in Japan and overseas respectively each year, and that we will strive to control and reduce emissions while continuing to grow as a company. The following summarizes the targets, preconditions, and reduction measures.

[Targets]

vs. FY2019	FY2026	-60%	
	FY2030	-61%	* FY2019 emissions are the greatest since records began in FY2016

[Preconditions]

- Assumed that each year, one sales base is newly established in Japan and overseas respectively from FY2023 onwards
- Assumed that net sales will continue to grow

→Strive for the curtailed increase or reduction of CO₂ emissions while corporate growth is realized in the form of an increase in business locations and net sales growth

[Main measures for reductions in emissions (results)]

- Thorough implementation of energy saving measures (introduction of energy-efficient air conditioning, LED lighting, and hybrid vehicles; demand control; energy conservation based on requests from power companies)
- Increase in the number of sites adopting renewable energy-derived electricity
- Introduction of energy generation systems (Kazawa Factory)

(iv) Governance

Please refer to section (2) (iv) regarding governance.

(4) Human capital-related initiatives

(Basic Concepts)

In the Management Vision, we state the objective of being a “development-oriented enterprise” and “innovator.” With this aim, we recognize that “human resources” with diverse values are our greatest management resource. In line with the sustainability policy formulated during the current fiscal year, we have been actively advancing efforts to secure product development personnel and those capable of adapting to a global environment in particular, in order to continue promoting the shifts to digital on-demand industrial printing.

At the same time, we are engaged in the promotion of diversity, particularly promoting the active participation of women, closing the gender gap, promoting work style reforms, creating a comfortable working environment, and changing mindsets, including among management. In addition, we are working to enhance our training system and to develop a corporate culture in which each employee can demonstrate the best of their abilities.

(i) Governance

To address various human capital issues, we established a Global Human Resources and Administration Division starting in FY2024. At monthly Management Council and other meetings, the progress of recruitment plans and personnel plans are confirmed, and the officers in charge report as appropriate to the Board of Directors on important matters relating to human capital management, and the necessary information is shared.

In addition, dialogue between employees and management, including information sharing and exchange of opinions, is essential for the development of such a corporate culture; we hold a monthly “Employee-Management Council” that is composed of employee representatives and management, at which we confirm the requests and opinions of employees and continue to provide explanations on the status of measures.

Going forward, we will continue aiming to achieve one of our materiality items—Ensuring thorough governance in step with corporate growth—while steadily implementing the human resource strategies essential to realizing Mimaki Innovation 30.

(ii) Strategy

(Securing of Core Human Resources)

In order to become a “development-oriented enterprise” and “innovator,” the training and securing of core human resources is an important management issue. Management is also deeply involved in the approach to and selection of candidate human resources. In doing so, we bolster the recruitment system, and make progress in securing the necessary human resources.

- Based on the concept of placing the right person in the right position in accordance with job type, we are actively promoting recruitment activities while paying consideration to the diversity of human resources. Specifically, we secure our “immediate

strength” through mid-career hiring to strengthen our product development capacity, sales capacity, and management system while we secure our “future strength” through the hiring of new graduates who will play a central role in development and sales from a medium- to long-term perspective.

- We have made revisions to our personnel systems in order to develop more compelling employee compensation plans and evaluation schemes, and therefore revitalize the organization. We will add job-specific elements to the current role-based ranking system and clarify the challenges each employee is expected to tackle and their responsibilities, creating an environment in which employees will work together to achieve the plans as a unified organization. Moreover, we work to ensure ongoing wage increases, implement performance-based compensation, and create a fulfilling workplace environment. Also, we are working to secure and retain core human resources by enhancing specialized training through partnerships with external educational institutions and by improving the workplace environment.

(Securing of Diversity)

We establish an environment in which diverse human resources can play an active role, and work to realize a “corporate culture that empowers each team member to fully leverage their unique characteristics and abilities.”

- Promotion of women’s advancement: The ratio of women in management declined from 3.1% in FY2020, partly due to the expansion of our organization, but improved to 4.2% in FY2024. We recognize that this is the result of strengthened recruitment activities and human resource development outcomes, but we will continue aiming for an appropriate increase in the ratio of women in management by promoting recruitment, training, and motivation of women capable of assuming management positions, and by raising employee awareness through diversity training (for managers), and other measures. Although the ratio of women employees is typical for the manufacturing industry, it had been declining since FY2021, when it was 24.0%, due to the reasons mentioned above. However, the ratio rebounded to 21.4% in FY2024. We will drive efforts to encourage the use of paid leave and create a comfortable workplace environment.
- Employment of persons with disabilities: We recognize the employment of people with disabilities as an important issue and are actively working to address it in line with relevant laws and regulations. In FY2023, we established the Office Service Group as a dedicated team where employees with disabilities can play active roles. Since then, we have expanded the team’s responsibilities to include providing a boxed lunch to employees (starting in April 2024), doing cleaning work that was previously outsourced, and running the headquarters café, which functions as a welfare facility. Since FY2023, we have hired nine employees with disabilities.

[Female manager ratio / female employee ratio]

Item	Description	2020	2021	2022	2023	2024
Gender distribution of managerial positions	Non-consolidated + domestic subsidiary secondments (Eruboshi criteria)	100.0%	100.0%	100.0%	100.0%	100.0%
	Of which, male employees	96.9%	98.1%	97.7%	97.2%	95.8%
	Of which, female employees	3.1%	1.9%	2.3%	2.8%	4.2%

Item	Description	2020	2021	2022	2023	2024
Gender ratio (women ratio)	Non-consolidated + domestic subsidiary secondments (Eruboshi criteria)	100.0%	100.0%	100.0%	100.0%	100.0%
	Of which, male employees	76.1%	76.0%	77.9%	79.0%	78.6%
	Of which, female employees	23.9%	24.0%	22.1%	21.0%	21.4%

- Gender wage gap: In FY2024, women earned 74.8% of what men earned. The Company operates a position-based grading system to ensure that no wage gap exists between men and women under our salary framework. We believe this gap is mainly because more men hold managerial roles and occupy higher salary grades. In FY2024, we improved the gap by 2.2% compared to the previous fiscal year, but we will continue to increase the ratio of women in management as well as the overall proportion of women employees.

*1 References to a year refer to as of the end of that fiscal year.

*2 The number of employees is on a non-consolidated basis, and also includes the number of regular employees and non-regular employees who have been seconded to domestic subsidiaries.

*3 The ratio of women managers is the ratio of women in management position compared to the total number of management positions, and the ratio of women employees is the ratio of women employees compared to the total number of employees (*2).

(Enhancement of the Training System and Strengthening of Human Resource Development)

To “Create a workplace where team members can grow and take on challenges in a supportive and secure environment” as stated in our sustainability policy, we enhance our training systems and strengthen human resource development.

- Improvements to specialized training (administered by the Human Resources Department and each division): We conduct specialized training in a planned manner, based on the themes selected by each division. Based on the Short-term Reskilling Program Agreement executed with Shinshu University that was started FY2023, we conducted three technical education courses in FY2024, with a total of 121 technical personnel participating in the courses (a decrease of 22 from the previous fiscal year). In FY2025, we plan to develop technical education courses at other educational institutions as well. In sales divisions, we will conduct training for domestic sales personnel to improve sales performance in FY2025. As individual guidance-oriented training using in-house instructors, we will work to enhance the sales capabilities of each individual. Moreover, we will actively increase not only the number of employees undergoing training, but also the number of new specialized training courses. We will also work to steadily increase the amounts invested in human resource development. We will coordinate specialized trainings by leveraging external institutions when in-house resources are unable to offer them.
- Enhancements to tiered training (administered by the Human Resources Department): We view tiered training chiefly for newly appointed managers, mid-career employees, and department managers to be the basis for human resource development, and encourage employees from domestic Group companies to also take part in this training. In FY2024, 234 people took part in the training (an increase of 81 from the previous fiscal year).
- We support the growth of individual employees through a qualification reward system which covers the costs of obtaining valuable qualification and provides monetary rewards. In FY2024, 26 employees (an increase of 3 from the previous fiscal year) were eligible for this system.

(Improved Workplace Environment and Enhanced Welfare Program)

In addition to improving the workplace environment with a focus on a healthy work-life balance and enhancing welfare programs, we will work to strengthen our safety and security measures, including accident prevention.

- Promotion of paid leave usage: In FY2023, we introduced a “refresh leave” system that enables employees to take a consecutive week of paid leave. In FY2024, the average number of paid leave days taken per employee was 14.2 days in FY2024 (down 0.5 days from the previous fiscal year). We continue striving to firmly establish the refresh leave system and to create an environment that makes it easier for employees to take paid leave.
- Reducing overtime work: In addition to making efforts to secure the necessary personnel and streamline operations, for departments that have a large amount of average overtime work per person for a certain period of time, we will take measures such as formulating improvement plans to continually promote the reduction of overtime work.
- Increased acquisition rate of paternity leave: We established a consultation help desk at the Human Resource Department. We also worked on initiatives to spread awareness among employees as well as to promote the taking of leave, resulting in an acquisition rate of 95.8% (including those using our unique leave program) in FY2024. We continue to promote changes in the awareness of men toward childcare, and to create a comfortable working environment that offers a balance between work and childcare regardless of gender.

[Childcare leave utilization rate]

Item	Description	2020	2021	2022	2023	2024
Ratio of employees taking childcare leave	Non-consolidated + domestic subsidiary secondments (Eruboshi criteria)	66.7%	78.9%	71.9%	96.7%	93.3%
	Of which, male employees	47.6%	68.0%	65.4%	95.7%	95.8%
	Of which, female employees	100.0%	100.0%	100.0%	100.0%	100.0%

*1 References to a year refer to as of the end of that fiscal year.

- Enhanced support: In February 2025, we introduced a program to help balance work with infertility treatments. The program involves granting special leave (up to 10 days a year) associated with infertility treatments and subsidies for the cost of the treatments (up to 1,000,000 yen). We will continue enhancing systems designed to help employees balance their work and personal lives in order to better offer fulfillment and support during various life stages.
- Promotion of accident prevention, health, and safety: We carry out cross-sectional activities led by the Health and Safety Committee, including regular risk assessments and accident prevention efforts. For traffic and workplace accidents in particular, we analyze the causes when they occur and take thorough steps to prevent them from happening again, aiming to ensure a safe and secure workplace. We also promote 5S activities, with each division and department choosing their own themes to address a wide range of workplace issues.

(iii) Risk management

“Human resources” are our greatest management resource. Therefore, a significant risk arises if we fail to recruit or retain the necessary talent due to a delay in improving the workplace environment or a decline in recruitment competitiveness. Given the increasing mobility of employment, we will strive to reduce these risks by creating an environment where diverse human

resources can thrive. This initiative includes improving compensation, enhancing training, and improving the workplace environment.

(iv) Indicators and Targets

The following are the status of achievement of priority items set in FY2024 and the indicators and targets that we are focusing on in FY2025. In terms of enhancing human resource development and training, we will increase training-related investments per employee, and continue encouraging employees to use paid leave in an effort to improve the workplace environment.

Category	KPI	2024 target	2024 results
Securing of diversity	Increasing of women management ratio	3.5%	4.2%
Enhancement of welfare system	Increasing of average number of days of paid leave taken per employee	15.0 days	14.2 days

*1 The target values are for as of the end of each fiscal year.

*2 The number of employees is on a non-consolidated basis, and also includes the number of regular employees and non-regular employees who have been seconded to domestic subsidiaries

*3 Women management ratio is the ratio of women in management positions compared to the total number of management positions.

Category	KPI	2025 target
Enhancing human resource development and training	Increase in training-related investment per employee	38,100 yen
Improving the workplace environment	Increasing of average number of paid leave days taken per employee	14.0 days

*1 The target values are for as of the end of each fiscal year.

3. Business risks

Of the items related to Business Overview and Financial Information described in this Annual Securities Report, risks that the management believes may have a material impact on the financial position, operating results and cash flows of the Company and its consolidated subsidiaries are as follows. Items in the text below that concern the future were determined by the Group as of the end of the current fiscal year.

(1) Defects in products

The Group develops on its own the products it sells, and any defects in our products could delay its product development and result in additional costs associated with repair and compensation, and consequently, impact its operating results and financial position. In the event that a quality problem is unavoidable, we will respond to the customer in a sincere and appropriate manner, promptly investigate the cause of the problem and implement countermeasures, and formulate and implement measures to prevent recurrence. The Company is covered by a product liability insurance. As measures to prevent quality problems from occurring, the Group will identify and solve existing issues in each of design, manufacture and service divisions, promote efforts to improve the quality of a project as the highest priority and roll out more effective measures to reduce the quality-related cost.

(2) Cost competitiveness

(i) Procurement of raw materials

The Group's products are comprised of a range of materials, including print heads, electrical parts, mechanical parts, and inks. Procurement of such materials from existing suppliers may become difficult for some reasons and prices may increase due to market trends, etc. For prior periods, the impact of the COVID-19 pandemic and Russia's invasion of Ukraine, among other factors, have resulted in difficulties in procuring some raw materials. In addition, the impact of historic inflation in conjunction with the rise in various fuel prices, including oil, as well as material and raw material prices, has meant that the raw material procurement prices we have faced have been increasing in general and remained at high levels. All these factors may affect the Group's operating results and financial position. As measures to address such risks, we will work to strengthen our procurement capabilities through projects to review our supply chain and diversify risks by reviewing and securing multiple procurement sources, taking geopolitical risks into consideration. We will also continue our efforts to control costs by standardizing parts and reducing the number of parts required in the design stage, and by improving work efficiency.

(ii) Production plan

The Group produces products based mainly on estimates, and thus, reviews its production plan in line with fluctuations in demand estimates. However, failure to accurately reflect fluctuations in demand estimates in the production plan or sales falling significantly below demand estimates could affect the Group's operating results and financial position. As countermeasures against the risk, the Group will build a production system that can flexibly adjust production in line with fluctuations in demand by coordinating order placement, acceptance, assembling, shipment and arrival more closely.

(3) Product development

While new product development is a source of growth for the Group, it also requires the Group to incur upfront R&D costs, including the costs of prototype parts and materials and labor costs. Therefore, if the development of new products does not progress as scheduled, and as a result, R&D costs have increased, or a delay in development causes sales to decrease, the Group's operating results and financial position may be impacted. To protect against the risk, the Group will work to internally accumulate expertise in development technologies, while continuing to employ advanced and efficient development methods. In addition, we will work to efficiently develop new products by taking on the challenge of developing new technologies, promoting platform design, etc.

(4) Business development overseas

(i) Influence of overseas business climate

The Group earns approximately 70% of its net sales from overseas markets, and has adopted a policy of growing net sales through the strengthening of sales overseas. Also, the Group has already manufactured its industrial inkjet printers and inks in Asia (China and Taiwan) and Europe (the Netherlands, Italy, and Lithuania), and is determined to maintain the production system at appropriate locations abroad. In the event the economic conditions in the major overseas markets deteriorate or revisions are made to laws, regulations, restrictions, and taxation systems in countries where the Group operates, or in the event of a geopolitical risk, etc., arising, such as from the issue between Russia and Ukraine and the conflict between the US and China, its operating results and financial position may be impacted. In the current fiscal year, the Company has been faced with the urgent need to address geopolitical risks, such as the impact on the supply chain including transportation and sales of our products. This influence has become apparent by the avoidance of the Suez Canal route due to the deteriorating security situation in the Red Sea triggered by growing tensions in the Middle East. Another geopolitical risk was the negative impact

on profits due to higher ocean freight costs resulting from the diversion of the route. As measures to address this risk, in addition to strengthening our global information gathering, management, and risk management systems, we will also implement projects to review our supply chain.

(ii) Foreign exchange risk

The percentage of the Group's sales overseas has outstripped that of the products manufactured overseas. Therefore, in the event foreign exchange rates fluctuate more abruptly than expected, the Group's operating results and financial position may be impacted. To protect against the risk, a department dedicated to foreign exchange management will strive to improve its position held in foreign currencies over the medium term by promoting local production of inks and other consumable items for local consumption, reducing receivables in foreign currencies through earlier collection of accounts receivable in foreign currencies, and hedging foreign exchange risk over the short term using derivatives or similar instruments.

(5) Competition

Major companies and companies from emerging nations have increasingly entered the existing markets for industrial inkjet printers, the Group's core products. At the moment, we believe the Group's products have competitive advantage in many aspects, including technology and quality, but in the event they are subjected to downward pricing pressure or the market share declines due to intensified competition, the Group's operating results and financial position may be impacted. To protect against the risk, the Group will continue to put innovative new products on the market, while making efforts to understand customers' needs by thoroughly focusing on regionally based sales activities.

(6) Recruiting and retention of talents

The Group is aware that in order to seek growth as a development-oriented enterprise and global company, it should recruit, retain and foster human resources who are capable of product development and those who are globally competent. Therefore, in the event these talents run short, the Group's operating results and financial position may be impacted. To protect against the risk, the Group is actively pursuing to secure core human resources based on its human capital strategy. In addition to promoting diverse talent to ensure diversity, particularly promoting the active participation of women, closing the gender gap, and other measures, we are creating a comfortable working environment in consideration of the work-life balance. In addition, we will enhance our education system designed to foster human resources and to develop a corporate culture in which each employee can demonstrate the best of their abilities.

(7) Interest rate fluctuation risk

The Group has financed part of its capital expenditure and working capital primarily with borrowings from financial institutions; the ratio of interest-bearing debt has reached 37.6% as of the end of the current fiscal year. Therefore, in the event of abrupt changes in interest rates, the Group's operating results and financial position may be impacted. To protect against the risk, the Group's accounting division will take the initiative in deliberating various financing alternatives and strive to improve the efficiency of working capital by promoting inventory optimization activities.

(8) Intellectual property rights

The Group assumes the following risks in connection with intellectual property rights: (i) The Group may be unable to prevent third parties from using its intellectual property rights to make similar products, (ii) The products the Group sells may infringe on the intellectual property rights of third parties, and (iii) Third parties may take legal action against the Group for damages for infringement of their registered patent or similar rights of which the Group was not aware. In the event of the above, the Group's operating results and financial position may be impacted. To protect against the risk, a department specializing in intellectual property rights will protect its own technologies by acquiring patent or similar rights, and make every effort not to infringe on the rights of other companies.

(9) Influence of legal regulations, etc.

The Group is subject to domestic laws and regulations, including the Product Liability Act and the Export Trade Control Order, in Japan; and also a wide range of laws and regulations, including the CE marking requirements, the regulations limiting the use of specified hazardous substances in electrical and electronic equipment, customs duties, and transfer price taxation, in countries where it operates. In the event the Group fails to comply with these laws and regulations, and as a result, its activities are restricted, or it incurs additional costs in order to address revised or new laws and regulations, the Group's operating results and financial position may be impacted. To protect against the risk, the Group will review our workflow for research and management of laws and regulations related to the manufacturing industry under a project structure, and make efforts to comply with all relevant laws and regulations on a global basis.

(10) Significant lawsuits

The Group might face legal disputes with stakeholder in the process of its business activities; in the event such legal disputes are especially significant, the Group's operating results and financial position may be impacted. To protect against the risk, the legal department, which is a specialized division, will take the initiative in quickly and smoothly resolving the disputes with the help of experts, such as lawyers.

(11) Information security risks

At the Group, information security vulnerabilities and cyberattacks may have an impact on the operating results and financial position of the Group due to a loss of credibility and reputation arising from a leak in confidential information, the suspension of business due to the suspension of services and systems, deterioration of customer service, as well as financial damage and loss of corporate reputation arising from external attacks and threats. As countermeasures against such risk, Management Information System Department, which is a specialist department, takes the lead in the formulation of the security policy and the implementation of thorough information management as well as employee education based on this, the improvement of defensive capabilities through the making of system backups and enhancement of security, as well as efforts toward the detection of vulnerabilities and the performance of countermeasures, etc., against them.

(12) Risks related to investment, etc.

The Group is engaged in investment by itself or jointly with other companies through establishing new companies or acquiring existing companies. In the event the value of these investments declines or additional funding is required, the Group's operating results and financial position may be impacted. To protect against the risk, the Group will fully take into account associated risks and returns in new investment projects, while objectively assessing feasibility and growth potential in existing investment projects.

(13) Natural disasters and other emergencies

The Group's head office building, R&D facility and plants are located in Tomi-shi, Nagano Prefecture. In the event a large-scale natural disaster hits the area, and as a result, the Group's business activities are disrupted, the Group's operating results and financial position may be impacted. To protect against the risk, the Group will work on development of a Business Continuity Plan (BCP) so that it can minimize potential damages from a large-scale natural disaster and resume its operations as early as possible.

(14) Spread of epidemics and infectious diseases

In the event a spread of epidemics/infectious diseases caused by viruses makes it difficult for the Group's officers and employees to commute or causes a worldwide economic downturn, and as a result, the Group's business activities are disrupted, and its operating performance may be impacted. The recent global spread of COVID-19 disrupted especially our development, production, logistics, sales, and other activities due to a plunge in printing demand from customers under the slowing global economy, as well as the additional workload to address a range of restrictions and regulations newly implemented in countries and regions where the Group operates. Consequently, these situations affected the Group's operating performance for prior periods. Going forward, we may see a similar situation arise again. To protect against the risk, the Group has built an effective disease control system whereby the Group constantly enlightens its employees through daily safety/hygiene activities and prevents them from being infected with diseases and is driving initiatives that prioritize ensuring safety of customers, business partners and employees. To protect against the risk, the Group will work on initiatives that help minimize damages to its operating performance, by adapting appropriately to fluctuations in demand and by other factors while driving efforts to normalize its business activities promptly and precisely. The Group is properly working on these efforts while closely monitoring the social landscape.

4. Management analysis of financial position, operating results and cash flows

(1) Overview of operating results, etc.

(i) Operating results

During the fiscal year ended March 31, 2025 (hereinafter the "fiscal year under review"), there continued to be uncertainty regarding the global economy amid the continuously increasing geopolitical risks, including rising tensions in the Middle East and the intensifying confrontation between the United States and China, while the impact from the high level of inflation and the tight monetary policies of central banks in different countries lingered. In North America, the economy was firm, supported by strong consumer spending. However, the prolonged increase in the price of goods heightened concerns about the future. In Europe, economic activity trended downward due in part to the prolonged situation in Ukraine and persistently high energy prices. In Japan, there are signs of a recovery in personal consumption and capital investment, driven by a resurgence of inbound demand

primarily in the tourism and service industries in addition to the improved export environment due to the increasingly weak yen. However, the future remains uncertain due to demand trends in the global economy and other factors.

Under such circumstances, the Company and its consolidated subsidiaries (hereinafter the “Group”) have executed the priority measures set forth in the “Mimaki V10” medium- to long-term growth strategy established in December 2020. We have continued to launch new products for more sales, develop our business in anticipation of rapid changes in the market environment and customer needs, and build a foundation to improve profitability. In the fourth quarter of the fiscal year under review, the Company announced the Tx330-1800/1800B high image quality multi-function textile printer for the Textile Apparel (TA) market, proclaiming the age of waterless on-demand textile printing. In addition, it announced that three companies had jointly developed the Neo-Chromato Process and its practical application for decoloring and upcycling polyester. It won the Senken Shimben Co., Ltd.’s Senken Gosen Award in the sustainability category.

In the sign graphics (SG) market, main unit sales and ink sales both grew substantially, driven by the models using UV ink. In the industrial products (IP) market, main unit sales and ink sales rose considerably. Among other models, sales of small flatbed (FB) models were healthy. The JFX600-2531/2513 large format models for directly printing on architectural materials were introduced to the market in the fiscal year under review, and their initial sales were good. In the TA market, sales of highly stockable inks expanded drastically in line with the increase of units in operation. Main unit sales decreased due mainly to the adjustment of shipments to a specific North American distributor and the end of initial demand for the Direct to Film (DTF) model in the second half, although back orders for the DTF model did have a positive effect in the first half. Overall sales increased for the full year. To review performance in individual regions, in Asia and Oceania there were major sales, mainly in China. In Japan, sales grew significantly for the SG, IP and TA markets. In Europe, sales for the SG and TA markets expanded tremendously compared to the previous fiscal year, during which the economy was weak. Sales for the IP market were also strong. In North America, sales were up, driven by sales for the SG market, negative impact sales for the TA market. In Latin America, sales for the SG market leaped and sales for the IP market were firm. Regarding profit, the cost of sales ratio improved because the sale of products using high-cost materials such as semiconductors procured during the pandemic period was almost completed during the fiscal year under review. The initiatives to improve ink quality and other cost reductions also had some positive effect. Among selling, general and administrative expenses, research and development expenses for developing new technologies and products for the future climbed, as did expenses for proactive sales activities. However, a double-digit increase in net sales on a full-year basis resulted in the ratio of selling, general and administrative expenses to net sales remaining almost on a par with the level of the previous year. In the fourth quarter, personnel expenses also increased because of performance-based and year-end bonuses, while temporary expenses were incurred, mainly for the disposal of raw materials. Despite these factors, profit rose significantly, chiefly due to higher revenue resulting from the growth in sales and the positive impact of foreign exchange rates. As a result of the above, for the fiscal year under review, the Group posted net sales of 83,963 million yen (up 11.0% year on year), operating profit of 9,111 million yen (up 66.2% year on year), ordinary profit of 8,441 million yen (up 72.9% year on year), and profit attributable to owners of parent of 6,156 million yen (up 66.0% year on year). Net sales, operating profit and other profit figures all hit record highs, and the 10% operating profit ratio target, which is a key performance indicator (KPI) in the Mimaki V10 medium- to long-term growth strategy for the period up to the fiscal year ending March 31, 2026, was achieved one year ahead of schedule in the fiscal year under review.

In addition, the major exchange rates for the fiscal year under review were 1 US\$ = ¥152.57 (¥144.62 in the previous fiscal year) and 1 euro = ¥163.74 (¥156.79 in the previous fiscal year).

Performance by business segment is explained below. Please note that descriptions about segment profits are omitted as they may diverge from the operating profits listed in the consolidated statements of income due to elimination of inter-segment transactions.

(Japan, Asia, and Oceania)

Net sales were 37,991 million yen (up 11.8% year on year). Regarding main unit sales in Japan, sales of flagship UV ink models for the SG market expanded significantly. In the TA market, there was a significant increase in the sales of DTF and other models. In the IP market, sales of small FB models were firm. Ink sales stayed flat year on year in the SG market, but ink sales in the IP and TA markets increased sharply. In the factory automation (FA) business, sales of automobile-related FA equipment and board mounting equipment increased considerably. Sales of semiconductor production equipment were at the same level as the previous year despite efforts to acquire new clients, but overall sales increased. In Asia and Oceania, net sales jumped significantly, primarily due to the strong performance of compact FB models for the IP markets mainly in China and areas such as the Philippines and Thailand. In the SG market, flagship UV ink models saw significant growth, while in the TA market, unit sales declined, partly because initial demand for DTF models had waned. Ink sales grew substantially for the IP and TA markets and sales for the SG market were strong. As a result of the above, overall sales increased significantly.

(North America and Latin America)

Net sales were 24,080 million yen (up 12.0% year on year). In the SG market, sales of flagship UV ink models grew by a large margin. In the IP market, small FB models performed well. In the TA market, main unit sales decreased considerably as the initial demand for DTF models settled. To review performance by country, sales grew in Brazil, Mexico, and some other countries. Ink sales grew substantially for the SG and TA markets and sales for the IP market were strong. In addition to the above, the positive impact of exchange rates resulted in a significant increase in sales.

(Europe, the Middle East, and Africa)

Net sales were 21,891 million yen (up 8.7% year on year). Regarding main unit sales, sales of flagship UV ink models climbed sharply for the SG market. Among the products for the IP market, sales of small FB models and large format models used chiefly for architectural materials increased significantly. For the TA market, main unit sales decreased slightly. While sublimation printers performed well, sales of DTF models fell. Ink sales expanded significantly in the TA market and they were also strong in the SG and IP markets. Regarding country-by-country performance, sales were strong in Germany, the United Kingdom, Spain, Portugal, the United Arab Emirates and other countries. Sales were flat in Italy and Turkey. In addition, the foreign exchange rates had a positive effect. For Europe as a whole, sales were up.

Net sales by market

	Net sales (Millions of yen)	Percentage of net sales (%)	Year-on-year changes (%)
SG market	33,994	40.5	14.9
IP market	22,084	26.3	10.2
TA market	10,324	12.3	9.0
FA business	5,053	6.0	11.5
Others	12,506	14.9	4.1
Total	83,963	100.0	11.0

(SG market)

Net sales were 33,994 million yen (up 14.9% year on year). A double-digit growth of main unit sales was achieved not only in Japan but in all regions. In addition to a substantial increase in sales of UV ink models and other flagship models, entry-level models using UV ink also performed well. This resulted in the drastic growth of sales. Apart from that, ink sales also jumped upward, resulting in the big sales increase.

(IP market)

Net sales were 22,084 million yen (up 10.2% year on year). Main unit sales increased by a large margin, reflecting a major leap in the sales of small FB models and the healthy sales of the new JFX200-1213EX, which was added to the JFX200 series lineup. Strong ink sales and the positive effect of foreign exchange rates also contributed to the major increase in sales.

(TA market)

Net sales were 10,324 million yen (up 9.0% year on year). Main unit sales declined after the initial demand for the DTF models ended, despite the brisk sales of the newly released hybrid printers supporting both direct sublimation and sublimation printing and the existing sublimation printers. Ink sales grew considerably following the increase of units in operation in the market in question. Overall, sales were up.

(FA business)

Net sales were 5,053 million yen (up 11.5% year on year). The major increase in sales reflected the stability of orders obtained, including the brisk orders for FA equipment, board mounting equipment and other automobile-related products.

(ii) Financial position

(Assets)

Total assets as of March 31, 2025 amounted to 76,174 million yen, an increase of 455 million yen (compared with 75,718 million yen as of March 31, 2024). Total current assets amounted to 57,603 million yen, a decrease of 1,163 million yen (compared with 58,766 million yen as of March 31, 2024). This was mainly due to a decrease in cash and deposits. Moreover, total non-current assets amounted to 18,570 million yen, an increase of 1,618 million yen (compared with 16,951 million yen as of March 31, 2024). This was mainly due to an increase in right-of-use assets.

(Liabilities)

Total liabilities as of March 31, 2025 amounted to 43,800 million yen, a decrease of 4,527 million yen (compared with 48,327 million yen as of March 31, 2024). Total current liabilities amounted to 37,291 million yen, a decrease of 4,221 million yen (compared with 41,513 million yen as of March 31, 2024). This was mainly due to a decrease in short-term borrowings. Total non-current liabilities amounted to 6,508 million yen, a decrease of 305 million yen (compared with 6,814 million yen as of March 31, 2024). This was mainly due to a decrease in long-term borrowings.

(Net assets)

Total net assets as of March 31, 2025 amounted to 32,373 million yen, an increase of 4,983 million yen (compared with 27,390 million yen as of March 31, 2024). This was mainly due to an increase in retained earnings.

(iii) Cash flows

Cash and cash equivalents (hereinafter “cash”) as of the end of the current fiscal year totaled 11,875 million yen, a decrease of 2,342 million yen compared with the end of the previous fiscal year, partly owing to a decrease in short-term borrowings and the repayment of long-term borrowings, despite an increase in profit before income taxes as well as depreciation and other factors. The details by operating activities, investing activities and financing activities are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities totaled 7,861 million yen (down 1,702 million yen year on year). This was mainly due to profit before income taxes of 8,294 million yen and an increase in trade receivables of 1,124 million yen.

(Cash flows from investing activities)

Net cash used in investing activities totaled 2,437 million yen (down 158 million yen year on year). This is mainly attributable to purchase of property, plant and equipment of 2,048 million yen and payments into time deposits of 453 million yen.

(Cash flows from financing activities)

Net cash used in financing activities totaled 7,542 million yen (up 6,102 million yen year on year). This was mainly due to a decrease in short-term borrowings of 4,161 million yen and repayments of long-term borrowings of 3,098 million yen.

(iv) Production, orders received and sales

a. Production

Production by segment during the fiscal year ended March 31, 2025 is as follows.

Segment name	Current fiscal year (From April 1, 2024 to March 31, 2025) (Thousands of yen)	Year-on-year changes (%)
Japan, Asia, and Oceania	35,247,846	20.0
Europe, the Middle East, and Africa	3,463,036	(10.8)
Total	38,710,882	16.4

(Note) The amounts are figures before inter-segment transactions and are based on standard cost.

Furthermore, production by market during the current fiscal year is as follows.

Classification by market	Current fiscal year (From April 1, 2024 to March 31, 2025) (Thousands of yen)	Year-on-year changes (%)
SG market	14,451,233	24.4
IP market	8,629,344	24.6
TA market	5,556,687	0.7
FA business	4,389,585	0.1
Others	5,684,030	18.1
Total	38,710,882	16.4

b. Orders received

Not applicable because the Group (the Company and its consolidated subsidiaries) adopts the production system based on estimated orders.

c. Sales

Sales by segment during the current fiscal year are as follows.

Segment name	Current fiscal year (From April 1, 2024 to March 31, 2025) (Thousands of yen)	Year-on-year changes (%)
Japan, Asia, and Oceania	37,991,330	11.8
North America and Latin America	24,080,504	12.0
Europe, the Middle East, and Africa	21,891,859	8.7
Total	83,963,694	11.0

(Note) All inter-segment transactions are eliminated.

Furthermore, sales by market during the current fiscal year are as follows.

Classification by market	Current fiscal year (From April 1, 2024 to March 31, 2025) (Thousands of yen)	Year-on-year changes (%)
SG market	33,994,440	14.9
IP market	22,084,196	10.2
TA market	10,324,457	9.0
FA business	5,053,685	11.5
Others	12,506,915	4.1
Total	83,963,694	11.0

Sales by product category during the current fiscal year are as follows.

Product category	Current fiscal year (From April 1, 2024 to March 31, 2025) (Thousands of yen)	Year-on-year changes (%)
Machines	34,427,613	12.9
Ink	31,598,989	12.9
Spare parts	6,907,145	11.7
Others	11,029,946	0.7
Total	83,963,694	11.0

(Note) Information on sales for major customers is omitted because their percentage to total sales is less than 10%.

(2) Management's analysis and discussion of operating results, etc.

Management's perception, analysis, and discussion of the Group's operating results, etc. are as follows. Items in the text below that concern the future were determined by the Group as of the end of the current fiscal year.

(i) Perception, analysis, and discussion of financial position and operating results

Financial position is described in "(1) Overview of operating results, etc. (ii) Financial position."

Working capital (which is the amount obtained by deducting the amount of current liabilities from that of current assets) increased by 3,058 million yen compared with the end of the previous fiscal year to 20,312 million yen. Although we expect that management environment will continue to be challenging, the Company maintains sound financial position and secures sufficient capital.

As to operating results, consolidated net sales totaled 83,963 million yen, up 11.0% year on year, and operating profit was 9,111 million yen, up 66.2% year on year. Details are described in "(1) Overview of operating results, etc. (i) Operating results."

(ii) Analysis and discussion of cash flows and information related to capital resources and liquidity of funds

The status of cash flows is described in "(1) Overview of operating results, etc. (iii) Cash flows."

During the current fiscal year, the Group's free cash flow, which constitutes the capital resources and represents the liquidity of funds, amounted to 5,423 million yen. This was primarily due to a substantial increase in profit before income taxes, offsetting negative investment cash flow driven by active investments in research and development facilities, molds for mass production of new products, and software—all of which were aimed at achieving the targets prescribed in the medium- to long-term growth strategy Mimaki V10. From this term onward as well, in addition to pursuing sales growth, we will continue to generate higher profits, implement various measures toward optimizing inventories and maximize operation cash flow. Also, we will actively perform the investments required for future growth, and in order to both maintain a sound financial position and to realize sustainable growth, we will systematically secure financial resources, while at the same time aiming for a balance between internal funds, direct financing, and indirect financing.

(iii) Objective indicators, etc. to determine the achievement of management policies, strategies, etc. or management targets

As described in "II. Business Overview 1. Management policies, management environment and challenges to be addressed," under the Mimaki Innovation 30 medium- to long-term growth strategy the group has set the target of achieving net sales of 150 billion yen by the fiscal year ending March 31, 2030. To accomplish this, rather than simply pursuing high growth in net sales as before, the Group will work to continually generate higher profits by strengthening its financial base and building a strong corporate foundation for sustainable growth.

(iv) Significant accounting estimates and underlying assumptions

Of the accounting estimates used in the preparation of the consolidated financial statements and underlying assumptions, significant ones are described in "V. Financial Information 1. Consolidated financial statements, etc. (1) Consolidated financial statements [Notes] (Significant accounting estimates)."

5. Material contracts, etc.

There is no related information.

6. R&D activities

To remain as an innovator to provide “something new, something different” to the market, the Group has actively worked on R&D activities; approximately 500 employees, representing about 40% of the total domestic headcount, belong to the development departments. The Group conducts its R&D activities in Japan.

The Company develops elemental technologies, which constitute the basis for products, ahead of development of products, so that it can quickly commercialize products to capture market demand. Technologies directly related to product development consist of the following five types: mechanical design technology (mechanical), control design technology (hardware), embedded software technology (firmware), application software technology and ink technology. By combining these technologies, project teams in the Research and Development Division work on commercialization of products. The project teams have made proactive efforts to shorten the time required for development and improve the quality and cost performance of products by sharing elemental technologies and also sharing and standardizing design processes. We have also built an organizational system that enables development teams to constantly monitor the needs of users and technological trends, and develop products tailored to the needs and preferences of customers from a medium- to long-term horizon, through close communication between marketing departments and the Research and Development Division. Under this organizational system, we have aimed to optimize our total solutions, comprising main units, application software, inks and media, to ultimately provide users with “beautiful and quick” printing and cutting.

The major outcomes of our R&D activities during the current fiscal year are as follows:

(Hardware)

- (1) For the SG market, the Company announced the CVJ200 series in September 2024, with an October 2024 release worldwide. Fitted with a single unit of the 330 engine print head that is equipped in the Company’s flagship printers, the CVJ200 series are print & cut-compatible eco-solvent inkjet printers that enable even an inexperienced operator to quickly and easily produce beautiful printed materials. Additionally, the Company has added two new models to the series, the CJV200-160B and JV200-160B. These models are compatible with the CS250 eco-solvent ink bottle that offers lower running costs for markets in developing countries.
- (2) The JFX200-1213EX for the IP market is a mid-sized flatbed UV printer, which supports print sizes roughly half that of the JFX200-2513EX, a high-image quality, high-added value and high-productivity printer that has been popular worldwide. The JFX200-1213EX is ideal as an upgrade from a desktop UV printer or as an entry model for digital printing.
- (3) For the TA market, the company announced the Tx330-1800 and Tx330-1800B. Both models are direct textile printing printers equipped with waterless textile printing ink. The printers are equipped with the 330 engine that is standard in the Company’s flagship models, producing rich depth and high resolution. By advancing the switch to digital waterless textile printing through these inkjet printers, we will help realize sustainable textile and apparel production by moving away from conventional textile printing, a complex process that involves dye inks and the use of large amounts of water. In addition, the TS330-3200DS is a hybrid printer that supports both direct printing to textiles with a maximum width of 3.2 meters, as well as printing to sublimation transfer paper. This single unit enables customers to design entire spaces, not only for large-scale facilities but by printing soft signs and interior fabrics for smaller facilities such as exhibition booths, stores and offices. This will expand the range of proposals available to customers who have mainly produced soft signs to date. The TxF300-1600 is a DTF printer with a maximum printing width of 160cm that is used to create transfer sheets for direct-to-film (DTF) printing. It achieves up to four times the productivity of its predecessor, the TxF150-75, while retaining the same features that produced reassuring and stable operation in that model.

(Inks, other products)

- (4) The Company’s UV-curable inkjet printers have been employed in the new TrafficJet Xpress model of the traffic sign printing system provided by the US-based Avery Dennison (headquartered in Mentor, Ohio, USA), a producer of transfer sheets for direct-to-film (DTF) printing. In addition, the Company was a joint recipient of a 2024 Senken Gosen Award in the Sustainability category together with Nicca Chemical Co., Ltd. and Elephantech Inc. for the development and practical deployment of Neo-Chromato Processing, a polyester de-colorization and upcycling technology.

During the current fiscal year, as a result of these R&D activities, the Group’s R&D related expenses totaled 5,720 million yen. Please note that the amount includes expenses associated with improvement to existing products and expansion of their applications. “Research and development costs” defined in “Accounting Standard for Research and Development Costs” (issued by the Business Accounting Council of Japan) amounted to 3,711 million yen.

III. Property, Plant and Equipment

1. Overview of capital investments

The Group makes capital investments focused on the fields of products and R&D that have high potential for growth, as well as those that are instrumental in saving labors, streamlining operations, and enhancing product reliability.

Capital expenditures in the current fiscal year totaled 2,690 million yen. These expenditures mainly include 1,105 million yen of right-of-use assets in North America and Latin America. Capital expenditures were funded by internally generated funds and borrowings.

2. Major facilities

The Group's major facilities are as follows.

(1) Reporting company

As of March 31, 2025

Facility name (Location)	Segment name	Facilities	Book value (Thousands of yen)						Number of employees (Persons)
			Buildings and structures	Machinery, equipment and vehicles	Land (In square meters)	Leased assets	Others	Total	
Head Office / Bokuya Factory (Tomi-shi, Nagano)	Japan, Asia, and Oceania	Development facilities and others	612,819	96,356	654,117 (42,203.18)	—	349,256	1,712,549	520 (18)
Kazawa Factory (Tomi-shi, Nagano)	Japan, Asia, and Oceania	Manufacturing facilities for computer peripherals	1,899,397	153,649	579,167 (32,177.70)	8,779	757,745	3,398,738	128 (113)
Tokyo Branch Office and 16 other sales offices	Japan, Asia, and Oceania	Sales facilities	79,494	—	— (—)	—	166,950	246,445	205 (3)
Maruko Factory (Ueda-shi, Nagano)	Japan, Asia, and Oceania	Manufacturing facilities for computer peripherals	707,856	39,974	199,886 (18,207.51)	—	50,719	998,435	9 (21)
Shiokawa Factory (Ueda-shi, Nagano)	Japan, Asia, and Oceania	Manufacturing facilities for computer peripherals	1,823	—	51,545 (4,650.46)	—	35,621	88,990	— (—)
Nagano Development Center (Nagano-shi, Nagano)	Japan, Asia, and Oceania	Development facilities	41,250	—	26,825 (1,245.00)	—	427	68,504	9 (1)
Hachioji Development Center (Hachioji-shi, Tokyo)	Japan, Asia, and Oceania	Development facilities	126,796	0	239,382 (1,448.27)	—	6,501	372,681	20 (0)
Kurakake Innovation Center (provisional name) (Tomi-shi, Nagano)	Japan, Asia, and Oceania	Land for a research and development facility	0	—	1,324,997 (83,648.36)	—	—	1,324,997	— (—)

(2) Domestic subsidiaries

As of March 31, 2025

Company name	Facility name (Location)	Segment name	Facilities	Book value (Thousands of yen)						Number of employees (Persons)
				Buildings and structures	Machin- ery, equip- ment and vehicles	Land (In square meters)	Leased assets	Others	Total	
MIMAKI PRECISION Co., Ltd.	Head office and factory (Tomi-shi, Nagano)	Japan, Asia, and Oceania	Manufac- turing facilities	5,527	34,058	— (—)	505,686	3,223	548,496	37 (9)
ALPHA DESIGN CO., LTD.	Head office and factory (Tomi-shi, Nagano)	Japan, Asia, and Oceania	Manufac- turing facilities and others	144,979	92,789	100,365 (11,344.82)	1,646	11,130	350,911	78 (0)
ALPHA SYSTEMS CO., LTD.	Head office and factory (Tomi-shi, Nagano)	Japan, Asia, and Oceania	Manufac- turing facilities	22,173	7,882	66,309 (7,725.86)	—	857	97,223	87 (0)
Tonami Corporation Ltd.	Head office and factory (Tonami-shi, Toyama)	Japan, Asia, and Oceania	Manufac- turing facilities	80,893	137,719	308,923 (38,456.15)	10,047	24,453	562,036	100 (5)

(3) Overseas subsidiaries

As of March 31, 2025

Company name	Facility name (Location)	Segment name	Facilities	Book value (Thousands of yen)							Number of employees (Persons)
				Buildings and structures	Machinery, equipment and vehicles	Land (In square meters)	Leased assets	Right-of- use assets	Others	Total	
MIMAKI USA, INC.	Head Office (Georgia, U.S.A.)	North America and Latin America	Sales facilities	424,029	10,558	— (—)	—	1,660,883	347,772	2,443,24 3	163 (0)
MIMAKI EUROPE B.V.	Head Office (Diemen, the Netherlands)	Europe, the Middle East, and Africa	Sales facilities/ manufactu- ring facilities	92,737	72,306	— (—)	—	—	130,668	295,713	98 (4)
Mimaki Deutschland GmbH	Head Office (Bavaria, Germany)	Europe, the Middle East, and Africa	Sales facilities	70,608	24,048	— (—)	—	—	65,442	160,099	40 (2)
MIMAKI IJ TECHNOLOGY CO., Ltd.	Head Office (Zhejiang, China)	Japan, Asia, and Oceania	Manufac- turing facilities	2,012	69,211	— (—)	—	85,742	46,451	203,418	111 (42)
Mimaki Lithuania, UAB	Head Office (Vilnius, Lithuania)	Europe, the Middle East, and Africa	Manufac- turing facilities	131,184	57,644	— (—)	—	—	—	188,828	30 (—)

- (Notes)
1. “Others” in the “Book value” columns indicate a total amount of tools, furniture and fixtures and construction in progress.
 2. A part of the facilities of Head Office and Bokuya Factory is leased to MIMAKI PRECISION Co., Ltd. and a part of Kazawa Factory is leased to GRAPHIC CREATION Co., Ltd., and ALPHA DESIGN Co., Ltd., which are all Group consolidated subsidiaries.
 3. The “Number of employees” column indicates the number of working employees (excluding individuals seconded from the Group to outside the Group and including individuals seconded to the Group from outside the Group as well as regular part-time employees). An additional figure for the number of temporary employees (including part-time employees, temporary staff who are contracted through staffing agencies and seasonal workers) is shown in parentheses as the annual average number.
 4. The Group has no other significant leasing or leased facilities than the above.

3. Planned additions, retirements, etc. of facilities

The capital investment of the Group is determined by thoroughly considering factors such as business forecast, industry trends, and investment efficiency. Planned significant additions, retirements, etc. of facilities as of the end of the current fiscal year are as follows:

(1) Significant additions, etc. of facilities

Company name Facility name	Location	Segment name	Facilities	Planned investment amount		Financing method	Scheduled commencement/ completion		Increased capacity after completion
				Total amount (Thousands of yen)	Paid amount (Thousands of yen)		Commence- ment	Completion	
The Company Kazawa Factory	Tomi-shi, Nagano	Japan, Asia, and Oceania	Molds	363,719	–	Internally generated funds and borrowings	April 2025	March 2026	Note 1
Tonami Corporation Ltd. Head office and factory	Tonami-shi, Toyama	Japan, Asia, and Oceania	Machinery and equipment	297,000	–	Internally generated funds and borrowings	April 2025	March 2026	Note 2
The Company Head Office / Bokuya Factory and sales offices	Tomi-shi, Nagano	Japan, Asia, and Oceania	Company products for exhibition and demonstration	283,231	–	Internally generated funds and borrowings	April 2025	March 2026	Note 2

(Notes) 1. There are no significant changes because replacement or update of new products is performed in the plan.

2. This information is omitted as rational calculation is difficult.

(2) Significant retirements, etc. of facilities

There is no related information.

IV. Information about Reporting Company

1. Information on the Company's shares, etc.

(1) Total number of shares, etc.

(i) Total number of shares

Type	Total number of authorized shares (Shares)
Common shares	128,160,000
Total	128,160,000

(ii) Total number of issued shares

Type	Number of issued shares at the end of the fiscal year (Shares) (March 31, 2025)	Number of issued shares as of filing date (Shares) (June 18, 2025)	Name of financial instruments exchange where the shares of the Company are traded or the name of authorized financial instruments firms association where the Company is registered	Description
Common shares	32,040,000	32,040,000	Tokyo Stock Exchange Prime Market	Number of shares per one unit 100 shares
Total	32,040,000	32,040,000	—	—

(2) Share acquisition rights, etc.

(i) Stock option plan

Share acquisition rights issued pursuant to the resolution of the Board of Directors on January 16, 2019 expired on March 15, 2025 due to the expiration of the exercise period.

Resolution date	January 16, 2020
Category and number of individuals covered by the plan	Directors of the Company (excluding Outside Directors) 7 Employees of the Company and directors and employees of the Company's subsidiaries 78
Number of share acquisition rights (Units)*	411 [381]
Type, description and number of shares subject to share acquisition rights (Shares)*	41,100 common shares [38,100]
Paid-in amount upon exercise of the share acquisition rights (yen)*	522 (Note 1)
Exercise period of share acquisition rights*	From March 14, 2022 to March 13, 2026
Issue price of shares and amount to be included in capital in cases where shares are issued upon exercise of share acquisition rights (yen)*	Issue price of shares 522 Amount to be included in capital 261
Conditions for exercising share acquisition rights*	A holder of share acquisition rights must be a Director, an Auditor, or an employee of the Company or its subsidiaries or associates at the time of exercising the share acquisition rights. However, the above rule does not apply if a Director or an Auditor retires on expiration of their term of office, or if an employee reaches the mandatory retirement age. The above rule does not either apply if there is a reason that the Board of Directors of the Company deems justifiable. Any heirs of a holder of the share acquisition rights shall not be allowed to exercise the share acquisition rights.
Transfer of the share acquisition rights*	Acquisition of the share acquisition rights by transfer shall be subject to approval by the resolution of the Company's Board of Directors.
Issuance of the share acquisition rights in the event of an organizational restructuring*	(Note 2)

* The description above indicates the status as of the end of current fiscal year (March 31, 2025). In regard to items that changed from the end of the current fiscal year through to the present, specifically the end of the month preceding the filing date (May 31, 2025), the content as of the end of the month preceding the filing date is shown in parenthesis, and for other items, there have been no changes to the content as of the final day of the fiscal year.

- (Notes) 1. If the Company conducts a share split or a share consolidation after issuing the share acquisition rights, the paid-in amount shall be adjusted at the time when such a transaction comes into effect in accordance with the following formula. Any fractional amounts of less than one yen resulting from the adjustment shall be rounded up.

$$\text{Paid-in amount after adjustment} = \frac{\text{Paid-in amount before adjustment}}{\text{Ratio of share split or consolidation}} \times \frac{1}{\text{Ratio of share split or consolidation}}$$

In addition, if the Company issues new shares or disposes of treasury shares at less than market price after issuing the share acquisition rights, the paid-in amount shall be adjusted in accordance with the following formula. Any fractional amounts of less than one yen resulting from the adjustment shall be rounded up.

$$\text{Paid-in amount after adjustment} = \frac{\text{Paid-in amount before adjustment} \times \frac{\text{Number of shares already issued}}{\text{Number of shares newly issued} + \text{Number of shares already issued}} + \frac{\text{Number of shares newly issued} \times \text{paid-in amount per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares newly issued}}$$

2. Treatment of share acquisition rights in the event of an organizational restructuring

If any contracts or plans concerning organizational restructuring of the Company specify the issuance of the share acquisition rights on the shares of a stock company generated as a result of the restructuring scheme as described below, such share acquisition rights shall be issued according to the ratio of said organizational restructuring.

- (i) Merger, only if the Company ceases to exist

A stock company surviving after the merger or a stock company newly established as a result of the merger

- (ii) Absorption-type company split

A stock company that succeeds all or part of rights and obligations of a particular business owned by a stock company that is affecting an absorption-type company split

- (iii) Incorporation-type company split

A stock company newly established as a result of the company split

- (iv) Share exchange

A stock company that acquires all the shares issued by a stock company that is affecting the share exchange

- (v) Share transfer

A stock company established as a result of share transfer

- (ii) Rights plan

There is no related information.

- (iii) Other share acquisition rights, etc.

There is no related information.

- (3) Exercise, etc. of moving strike convertible bonds, etc.

There is no related information.

- (4) Changes in total number of shares issued, share capital, etc.

Date	Change in the total number of shares issued (Shares)	Balance of the total number of shares issued (Shares)	Change in share capital (Thousands of yen)	Balance of share capital (Thousands of yen)	Change in legal capital surplus (Thousands of yen)	Balance of legal capital surplus (Thousands of yen)
April 1, 2015 (Note)	16,020,000	32,040,000	—	4,357,456	—	4,245,456

(Note) The change was caused by the 2-for-1 share split.

- (5) Shareholding by shareholder category

As of March 31, 2025

As of March 31, 2022

Category	Shareholding status (Number of shares per share unit: 100 shares)								Shares less than one unit (Shares)
	Public sector	Financial institutions	Financial instruments business operators	Other corporations	Foreign investors, etc.		Individuals and others	Total	
					Companies, etc.	Individuals			
Number of shareholders (Persons)	—	12	27	58	120	12	4,528	4,757	—
Number of shares held (Units)	—	53,024	6,770	101,548	40,894	158	117,890	320,284	11,600
Shareholding ratio (%)	—	16.55	2.11	31.71	12.77	0.05	36.81	100.00	—

(Note) 3,126,812 treasury shares consist of 31,268 units included in “Individuals and others” and 12 shares included in “Shares less than one unit.”

(6) Major shareholders

As of March 31, 2025

Shareholder name	Address	Number of shares held (Shares)	Shareholding ratio (excluding treasury shares) (%)
Ikedo Holdings, Inc.	1-4-18, Kokubu, Ueda-shi, Nagano	5,064,000	17.51
The Master Trust Bank of Japan, Ltd.	Akasaka Intercity AIR, 1-8-1, Akasaka, Minato-ku, Tokyo	2,381,400	8.24
Tanaka Kikaku Co., Ltd.	532-3, Agata, Tomi-shi, Nagano	2,230,000	7.71
Noriyuki Tanaka	Tomi-shi, Nagano	2,037,200	7.05
Custody Bank of Japan, Ltd.	1-8-12, Harumi, Chuo-ku, Tokyo	1,834,100	6.34
Tokyo Small and Medium Business Investment & Consultation Co., Ltd.	3-29-22, Shibuya, Shibuya-ku, Tokyo	1,529,000	5.29
MIMAKI ENGINEERING Employee Stock Ownership	2182-3, Shigeno-Otsu, Tomi-shi, Nagano	1,068,200	3.69
THE HACHIJUNI BANK, LTD. (Standing proxy: The Master Trust Bank of Japan, Ltd.)	178-8 Aza-Okada, Oaza-Nakagosho, Nagano-shi, Nagano (Akasaka Intercity AIR, 1-8-1, Akasaka, Minato-ku, Tokyo)	840,000	2.91
Adeki Partners Co., Ltd.	1-4-18, Kokubu, Ueda-shi, Nagano	833,200	2.88
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (Standing proxy: MUFG Bank, Ltd.)	PETERBOROUGH COURT 133 FLEET STREET LONDON EC4A 2BB UNITED KINGDOM (1-4-5, Marunouchi, Chiyoda-ku, Tokyo Payment Services Division)	384,827	1.33
Total	—	18,201,927	62.95

(Note) Among the above number of shares held, the number of shares related to trust services are as follows.

The Master Trust Bank of Japan, Ltd.	2,381,400 shares
Custody Bank of Japan, Ltd.	1,834,100 shares

(7) Voting rights

(i) Issued shares

As of March 31, 2025

Category	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares with no voting rights	—	—	—
Shares with restricted voting rights (Treasury shares, etc.)	—	—	—
Shares with restricted voting rights (Other)	—	—	—
Shares with full voting rights (Treasury shares, etc.)	Common shares 3,126,800	—	—
Shares with full voting rights (Other)	Common shares 28,901,600	289,016	—
Shares less than one unit	Common shares 11,600	—	—
Total number of issued shares	32,040,000	—	—
Total number of voting rights	—	289,016	—

(Note) The “Shares less than one unit” column includes 12 treasury common shares owned by the Company.

(ii) Treasury shares

As of March 31, 2025

Name of shareholder	Address of shareholder	Number of shares held in own name (Shares)	Number of shares held in others’ names (Shares)	Total number of shares held (Shares)	Shareholding ratio (%)
MIMAKI ENGINEERING CO., LTD.	2182-3 Shigeno-Otsu, Tomi-shi, Nagano	3,126,800	—	3,126,800	9.76
Total	—	3,126,800	—	3,126,800	9.76

(Note) Other than the above, the Company owns 12 shares less than one unit.

2. Acquisition, etc. of treasury shares

Type of shares, etc. Common shares

- (1) Acquisition by resolution of the General Meeting of Shareholders

There is no related information.

- (2) Acquisition by resolution of the Board of Directors

There is no related information.

- (3) Details of acquisition of treasury shares not based on the resolution of the General Meeting of Shareholders or the Board of Directors

There is no related information.

- (4) Disposal or holding of acquired treasury shares

Classification	Current fiscal year		From April 1, 2025 until the filing date of this Annual Securities Report	
	Number of shares (Shares)	Total amount of disposal (Thousands of yen)	Number of shares (Shares)	Total amount of disposal (Thousands of yen)
Acquired treasury shares for which subscribers were solicited	—	—	—	—
Acquired treasury shares that were disposed	—	—	—	—
Acquired treasury shares for which transfer of shares was conducted due to merger, share exchange, share delivery, or company split	—	—	—	—
Others (Exercise of share acquisition right)	85,000	50,799	3,000	1,792
Other (granting of shares with transfer restrictions)	32,355	19,336	—	—
Treasury shares held	3,126,812	—	3,123,812	—

(Notes) 1. The number of treasury shares processed during this period does not include shares resulting from the exercise of share acquisition rights from June 1, 2025 to the date of submission of this securities report.

2. The number of treasury shares held during this period does not include shares resulting from the exercise of share acquisition rights from June 1, 2025 to the date of submission of this securities report.

3. Dividend policy

The Company positions the return of profits to shareholders as an important management policy, and aims to make the stable and constant distribution of results proportionate with the earnings growth. We utilize internal reserves to prepare for the future business development and strengthen our financial foundation, thereby enhancing competitiveness in ever-changing business environment. The Articles of Incorporation of the Company stipulate that the Company can pay dividends of surplus by the resolution of the Board of Directors in accordance with Article 459, paragraph (1) of the Companies Act.

The Company's basic policy is to provide two dividends per year: an interim dividend and a year-end dividend.

Regarding dividends of surplus for the current fiscal year, in accordance with the above policy, a special dividend of 10.0 yen will be added to the ordinary dividend of 25.0 yen, resulting in a dividend per share of 35.0 yen, which includes an interim dividend of 17.5 yen.

The payment of dividends of surplus for the current fiscal year is as follows.

Resolution date	Total amount of dividends (Thousands of yen)	Dividend per share (Yen)
Resolution of the Board of Directors Meeting held on November 5, 2024	504,929	17.5
Resolution of the Board of Directors Meeting held on May 13, 2025	1,011,961	35.0

4 Corporate governance

(1) Overview of corporate governance

The following describes the current situation as of the filing date of the Annual Securities Report (June 18, 2025).

(i) Basic philosophy on corporate governance

As a public company, the Group aims to establish and maintain good relationships with its stakeholders, including shareholders, customers, employees, and local communities. We recognize that strengthening and enhancing our corporate governance system is an important management issue toward this end. This is why we are striving to establish and firmly entrench a sound and highly transparent management system that can respond rapidly and accurately to changes in the business climate, a system for timely and appropriate information disclosure to fulfill accountability to stakeholders, and a system for carrying out corporate operations in compliance with the law, while maintaining high ethical standards. We believe that it is important for all employees, not just the management team, to be aware of and to practice compliance at all times.

(ii) Overview of the corporate governance structure and reason for adopting this structure

(a) Overview of the corporate governance structure

Upon a resolution at the 44th Annual General Meeting of Shareholders held on June 27, 2019, the Company transitioned from a company with a board of auditors to a company with an audit and supervisory committee.

The Company positions the Board of Directors as a body to make decisions on management policies and strategies and to supervise the execution of operations, and ensures validity and legality of decisions made by the Board of Directors and the Audit and Supervisory Committee by appointing Outside Directors. In addition, the Company has established a provision in its Articles of Incorporation that allows it to delegate all or part of decision-making on the execution of certain important operations to Directors by a resolution of the Board of Directors, which enables increased management efficiency as well as prompt decision-making.

- Board of Directors

In principle, the Board of Directors holds regular meetings once a month and flexibly convenes extraordinary meetings as needed to decide important managerial matters and execution of operations, as well as to supervise the status of the execution of operations by each Director, pursuant to the law, the Articles of Incorporation and the Rules of the Board of Directors.

(Constituent members) Kazuaki Ikeda (Head of Body: President and CEO), Kazuyuki Takeuchi, Koji Shimizu, Yasuhiro Haba, Nariaki Makino, Takeshi Kodaira, Shujiro Morisawa, Yoh Zenno (Outside Director), Noriyuki Tanaka, Makoto Tanaka (Outside Director), Hisamitsu Arai (Outside Director), Seiko Minomo (Outside Director), Shunsuke Numata (Outside Director)

- Audit and Supervisory Committee

In principle, the Audit and Supervisory Committee holds regular meetings once a month and convenes extraordinary meetings as needed. In order to promote accurate understanding of information and flexible response to audits and other matters within the Company, Mr. Yoh Zenno was appointed as a full-time Audit and Supervisory Committee Member by a resolution of the Audit and Supervisory Committee.

(Constituent members) Yoh Zenno (Head of Body: Outside Director and Full-time Audit and Supervisory Committee Member), Noriyuki Tanaka, Makoto Tanaka (Outside Director), Hisamitsu Arai (Outside Director), Seiko Minomo (Outside Director)

- Management Council

The Management Council meets regularly each month and is responsible as an advisory body to the President for preparing analytical reports on the implementation of company budgets as well as budget control in operating departments and deliberation of relevant measures.

(Constituent members) Kazuaki Ikeda (Head of Body: President and CEO), Kazuyuki Takeuchi, Koji Shimizu, Yasuhiro Haba, Nariaki Makino, Takeshi Kodaira, Shujiro Morisawa, Yoh Zenno (Outside Director), Soichiro Nakao, Shuji Kitazawa, Taisuke Hamada, Yuki Kitamura, Takuya Yamazaki, Takayuki Ato, Yutaka Biyajima, Masayasu Hanatate, Fumio Kotani, Yuji Ikeda, Naoki Muromachi, Shiko Sakaguchi, Naoya Kawagoshi, Koji Imoto, Tomomitsu Hanaoka, Takashi Uchino, Takao Terashima, Hideo Iwama, Norio Igarashi, Akira Suzuki, Shinsuke Ota, Hisashi Takeuchi, Akihiro Tsukada, Atsushi Suzuki, Akihiko Mizusaki, Seigo Tsuji, Chihiro Ozawa, Mutsumi Fukuda, Koji Tokuhiko, Shinichi Iwamoto, Manabu Ogihara, Yumiko Ide, Tatsuya Horikawa, Kohei Shima, Kazutaka Watanabe

(Note) As proposed resolutions (matters to be resolved) for the General Meeting of Shareholders to be held on June 20, 2025, the Company has proposed the election of nine directors (excluding directors who are Audit and Supervisory Committee members) and the election of four directors who are Audit and Supervisory Committee members. If these proposed resolutions are approved and passed, the composition of the Board of Directors and Audit and Supervisory Committee is expected to be as follows.

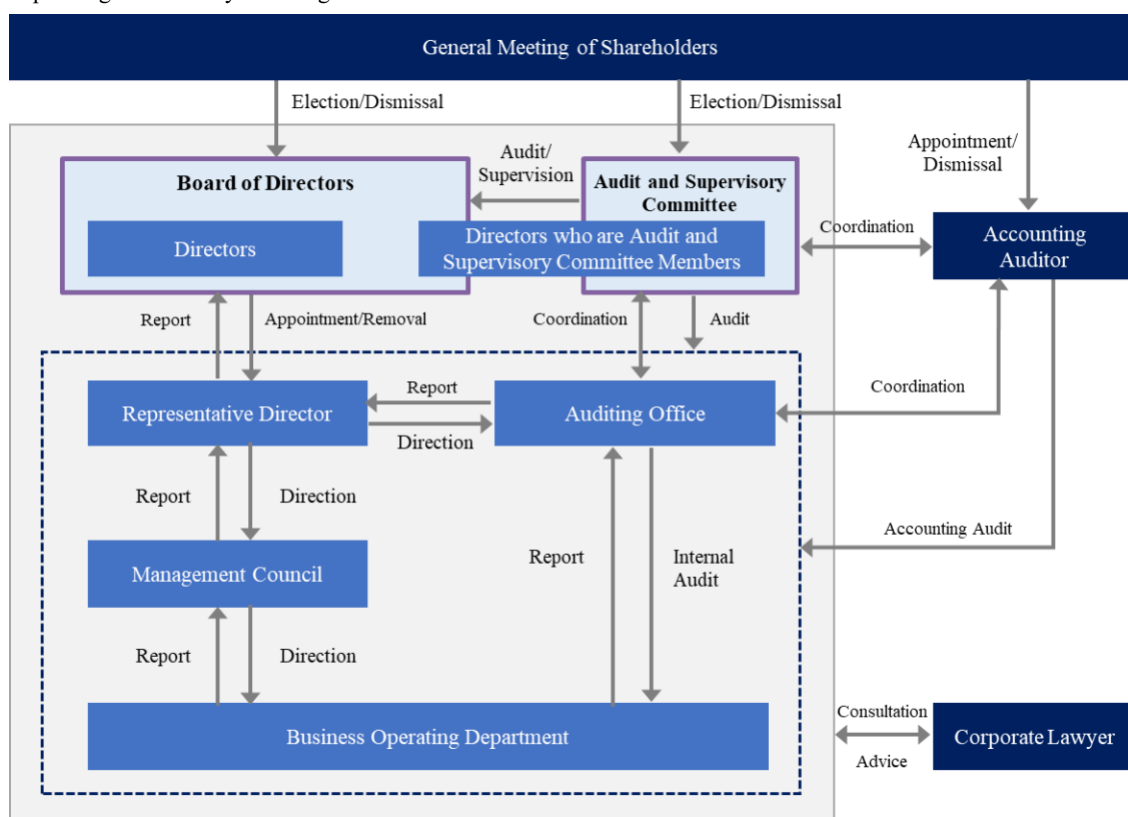
- Board of Directors: Kazuaki Ikeda, Kazuyuki Takeuchi, Koji Shimizu, Yasuhiro Haba, Nariaki Makino, Takeshi Kodaira, Shujiro Morisawa, Yuji Ikeda, Yoh Zenno (Outside Director), Hisamitsu Arai (Outside Director), Seiko Minomo (Outside Director), Shunsuke Numata (Outside Director), Hiromi Nakazawa (Outside Director)
- Audit and Supervisory Committee: Yoh Zenno (Outside Director), Hisamitsu Arai (Outside Director), Seiko Minomo (Outside Director), Shunsuke Numata (Outside Director)

(b) Reason for adopting this corporate governance structure

The Company transitioned to a company with an audit and supervisory committee system on June 27, 2019.

We believe that this system will contribute to the strengthening of the corporate governance system by ensuring the soundness and appropriateness of corporate management by Audit and Supervisory Committee Members having voting rights as Directors as well as the Audit and Supervisory Committee auditing and supervising Directors' execution of duties.

Corporate governance system diagram



(iii) Other matters concerning corporate governance

(a) Status of the development of internal control systems

The Company adopted the following Basic Policy on Internal Control Systems by resolution of the Board of Directors, and is taking steps to put the systems into place.

- System for ensuring that Directors' execution of duties conforms with the law and the Articles of Incorporation
 - The Company shall establish and enforce Compliance Rules, ensure that every Director is aware of the importance of compliance, and make thorough efforts to ensure compliance, to meet the demands of stakeholders, including customers, shareholders, and employees.
 - The Board of Directors shall make decisions on important matters related to management based on the law, the Articles of Incorporation, and the Rules of the Board of Directors.
 - An Auditing Office shall be established as a department under the direct supervision of the President and shall conduct internal audits. If matters in violation of the law, the Articles of Incorporation, or company rules are discovered through audits by the Auditing Office, the Auditing Office shall immediately report to the President.

- iv. An internal whistleblowing system shall be put in place so that Directors can inform the compliance promoter if they discover any acts that violate the law, the Articles of Incorporation, or company rules.
- b. System for the storage and management of information related to Directors' execution of duties
 - i. A system shall be put in place to properly store and manage the minutes of board meetings, requests for managerial decisions, and other information related to Directors' execution of duties in accordance with the law, the Rules of the Board of Directors, and the Rules on Requests for Managerial Decisions.
 - ii. A system shall be put in place to properly store and manage the information in accordance with the Information Security Management Rules and the Personal Information Protection Management, Individual Numbers, and Specific Personal Information Handling Regulations.
- c. Rules related to and a system for managing the risk of loss
 - i. A system shall be put in place to conduct business after obtaining certain approvals and authorizations, in accordance with the Rules of the Board of Directors, the Rules on Organizations, Division of Duties, and Authority, and the Rules on Requests for Managerial Decisions.
 - ii. The Executive General Manager of the Corporate Management Division shall have the role and responsibility to put in place and operate internal control based on the basic policy decided by the Board of Directors.
 - iii. A system shall be established for immediately reporting to the President on information such as the content and degree of risk, where the Auditing Office discovers violations of the law or Articles of Incorporation or other execution of operations with a risk of loss through audits.
- d. System for ensuring the efficient execution of Directors' duties
 - i. In principle, regular board meetings shall be held once a month to decide important matters and conduct supervision based on reports on the status of each Director's execution of operations.
 - ii. Directors' execution of duties shall be conducted so that all matters specified in the Rules of the Board of Directors and the Rules on Organizations, Division of Duties, and Authority as matters to be discussed in the Board of Directors shall be discussed and decisions are made after multifaceted deliberation.
 - iii. With respect to the everyday execution of Directors' duties, authority shall be defined based on decision-making rules such as the Rules on Organizations, Division of Duties, and Authority and the Rules on Requests for Managerial Decisions, and an efficient method of achievement shall be established. Additionally, the Board of Directors shall conduct regular reviews of progress and promote improvements in an effort to achieve efficient management of operations.
- e. System for ensuring that employees' execution of duties conforms with the law and the Articles of Incorporation
 - i. The Company shall establish and enforce the Compliance Rules, ensure that each and every employee is aware of the importance of compliance, and make thorough efforts to ensure compliance, to meet the demands of stakeholders, including customers, shareholders, and employees.
 - ii. An Auditing Office shall be established as a department under the direct supervision of the Representative Director and shall conduct internal audits. If matters in violation of the law, the Articles of Incorporation, or company rules are discovered through audits by the Auditing Office, the Auditing Office shall immediately report to the President.
 - iii. An internal whistleblowing system shall be put in place so that employees can inform the compliance promoter if they discover any acts that violate the law, the Articles of Incorporation, or company rules.
- f. System for ensuring appropriate operations in the corporate group consisting of the Company and its subsidiaries
 - i. The Rules on the Management of Affiliated Companies require subsidiaries to send regular reports to the Company on their business performance, financial condition, and other important information. Additionally, the Corporate Management Division, which is specified in the Rules on the Management of Affiliated Companies as the department for coordinating with subsidiaries, as well as the departments that serve as points of contact with subsidiaries, shall maintain a system so that if it is ascertained that a risk of loss has occurred at a subsidiary, the contents of the discovered risk of loss, the degree of risk, and the effects on the Company shall be reported immediately to the Company's Board of Directors and the President.
 - ii. The Company shall formulate a Group's Medium-term Management Plan and, to execute this Medium-term Plan, it shall establish important management goals and budget allocations for each fiscal year.
 - iii. The Compliance Consultation Hotline established and operated by the Company shall ensure a system that can be used by officers and employees of the Company and its subsidiaries as well as others.
 - iv. The Auditing Office shall maintain a system so that if violations of the law or the Articles of Incorporation or other execution of operations with risk of loss are discovered in the course of internal audits on subsidiaries, it shall report the contents of the risk of loss, the degree of risk, and the effects on the Company to the President.
- g. Matters relating to Directors and employees appointed to assist the Audit and Supervisory Committee in its duties
 - i. Where the Audit and Supervisory Committee has requested the appointment of employees to assist it in its duties, such employees shall be appointed from a department in charge of duties to be assisted.

- ii. Employees assigned to assist the Audit and Supervisory Committee in its duties shall follow directions and instructions given by the committee when assisting such duties.
 - h. System for Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees to report to the Audit and Supervisory Committee and a system related to other reports to the committee
 - i. Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees shall provide necessary reports and information upon the request, as required by the Audit and Supervisory Committee.
 - ii. Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees shall, as called for by the occasion, report the status of their execution of duties at important meetings, such as board meetings.
 - iii. In accordance with the Compliance Rules, a system shall be established so that Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees can report to the Audit and Supervisory Committee where violations of the law or the Articles of Incorporation or other execution of operations with risk of loss are discovered at the management level.
 - i. System for directors and employees of subsidiaries as well as persons who have received reports from them to report to the Audit and Supervisory Committee
 - i. Where a situation has occurred that could have a significant impact on the business or financial condition of a subsidiary, directors and employees of the subsidiary shall report promptly to the Company's Directors, the Executive General Manager of the Corporate Management Division and the departments that serve as points of contact with subsidiaries. The reported matters that are within the scope needed for the Company's Audit and Supervisory Committee to execute its duties shall be reported promptly.
 - ii. The Auditing Office shall report to the Company's Audit and Supervisory Committee Members on the implementation status of internal audits on subsidiaries as well as important matters relating to subsidiaries reported to the Compliance Consultation Hotline. Also, where requested by the Company's Audit and Supervisory Committee Members, directors and employees of subsidiaries shall promptly make appropriate reports.
 - j. System for ensuring that a person who makes a report indicated in the previous paragraph is not subjected to adverse treatment for making the report

The same as with whistleblowing to the Compliance Consultation Hotline, a document clearly stating that a whistleblower shall not suffer any drawbacks for having made a report to the Company's Audit and Supervisory Committee Members that contributes to the execution of their duties shall be produced, and thorough efforts shall be made to ensure that all officers and employees in the Group are aware of this policy.
 - k. Matters relating to the procedures for payment in advance or reimbursement of expenses arising from the execution of duties by Audit and Supervisory Committee Members as well as policy pertaining to the processing of other expenses or debt arising from the execution of their duties

The processing of expenses and debt arising from the execution of the duties of the Audit and Supervisory Committee and its members shall be budgeted for ordinary auditing expenses, and outside experts may be appointed when it is deemed necessary for the execution of their duties.
 - l. Other systems for ensuring the effective performance of duties by the Audit and Supervisory Committee
 - i. To increase the effectiveness of auditing activities, the Representative Director and Directors (excluding Directors who are Audit and Supervisory Committee Members) shall communicate on a regular basis with the (full-time) Audit and Supervisory Committee Member, including exchanging opinions about important issues.
 - ii. The Auditing Office shall cooperate with Audit and Supervisory Committee Members as needed through reports on the results of internal audits and regular meetings.
 - m. System aimed at the exclusion of antisocial forces

The Company has established a Manual for Dealing with Antisocial Forces and shall assume a resolute attitude toward crime syndicates and other antisocial forces, blocking any kind of connection. Moreover, before initiating new transactions, an investigation shall be conducted to ensure the other party is not an antisocial force.
 - n. System for ensuring the trustworthiness of financial reporting

In accordance with the provisions of the Financial Instruments and Exchange Act, the Company and its subsidiaries shall strive to maintain a sound internal control environment. Furthermore, the Company shall establish an internal control system to enable valid and reasonable evaluation, and by striving for fair application of that system, it shall ensure the trustworthiness and appropriateness of financial reporting.
- (b) Establishment of risk management system
- An Auditing Office shall be established as a department under the direct supervision of the President and shall conduct internal audits. A system shall be established for immediately reporting to the President on information such as the content and degree of risk to prevent such risks from occurring, where the Auditing Office discovers violations of the law or the Articles of Incorporation or other execution of operations with a risk of loss through audits.

Furthermore, we established the Compliance Rules in April 2006 and appointed the President as the Compliance Officer so as to establish and firmly entrench a system for carrying out corporate operations in compliance with the law, while maintaining high ethical standards. Through such efforts to foster an awareness of compliance, we are striving to prevent risks from occurring.

(c) Status of system for ensuring the appropriateness of business operations at subsidiaries

- a. The Rules on the Management of Affiliated Companies require subsidiaries to send regular reports to the Company on their business performance, financial condition, and other important information. Additionally, the Corporate Management Division, which is specified in the Rules on the Management of Affiliated Companies as the department for coordinating with subsidiaries, as well as the departments that serve as points of contact with subsidiaries, shall maintain a system so that if it is ascertained that a risk of loss has occurred at a subsidiary, the contents of the discovered risk of loss, the degree of risk and the effects on the Company shall be reported immediately to the Company's Board of Directors and the President.
- b. Our subsidiaries shall formulate a Medium-term Management Plan and, to execute this Medium-term Plan, they shall establish important management goals and budget allocations for each fiscal year. Liaison meetings are held with subsidiaries on a regular basis to share information and facilitate communication among the Group, as well as to unify the Group's management policies. Where a situation has occurred that could have a significant impact on the business or financial condition of a subsidiary, directors and employees of the subsidiary shall report promptly to the Company's Directors, the Executive General Manager of the Corporate Management Division and the departments that serve as points of contact with subsidiaries.
- c. The Compliance Consultation Hotline shall ensure a system that can be used by officers and employees of subsidiaries as well as others. A system shall be maintained to report important reported matters relating to subsidiaries to the Company's Board of Directors, the President and Audit and Supervisory Committee Members.
- d. The Auditing Office shall maintain a system so that if violations of the law or the Articles of Incorporation or other execution of operations with risk of loss are discovered in the course of internal audits on subsidiaries, it shall report the contents of the risk of loss, the degree of risk, and the effects on the Company to the President and Audit and Supervisory Committee Members.
- e. In accordance with the provisions of the Financial Instruments and Exchange Act, our subsidiaries shall strive to maintain a sound internal control environment. Furthermore, the Company shall establish an internal control system to enable valid and reasonable evaluation, and by striving for fair application of that system, it shall ensure the trustworthiness and appropriateness of financial reporting.
- f. From the viewpoint of ensuring proper operations and improving operational efficiency in our subsidiaries, we are striving to further strengthen controls through information systems while endeavoring to improve and standardize their work processes. Presidents of subsidiaries shall attend regularly held regional meetings to facilitate information sharing and ensure efficient business operations.

(iv) Number of Directors

The Company has stipulated in its Articles of Incorporation that the Company shall have no more than ten Directors (excluding Directors who are Audit and Supervisory Committee Members) and no more than seven Directors who are Audit and Supervisory Committee Members.

(v) Resolution requirement for appointing and dismissing Directors

The Company has stipulated in its Articles of Incorporation that a resolution to appoint Directors shall be adopted by a majority of the voting rights of the shareholders present where the shareholders holding no less than one-third of the voting rights of all shareholders who are entitled to exercise their voting rights, and that such resolution shall not be based on cumulative votes. The Company has also stipulated in its Articles of Incorporation that a resolution to dismiss Directors shall be adopted by no less than two-thirds of the voting rights of the shareholders present, where the shareholders holding a majority of the voting rights of all shareholders who are entitled to exercise their voting rights.

(vi) Special resolution requirements for general meetings of shareholders

The Company has stipulated in its Articles of Incorporation that a special resolution under Article 309, paragraph (2) of the Companies Act shall be adopted by no less than two-thirds of the voting rights of the shareholders present, where the shareholders holding no less than one-third of the voting rights of all shareholders who are entitled to exercise their voting rights, unless otherwise provided by laws or the Articles of Incorporation. The purpose of relaxing the quorum for special resolutions at general meetings of shareholders is to ensure the meeting proceeds smoothly.

(vii) Matters to be resolved at general meetings of shareholders that can also be resolved by the Board of Directors

a. Dividends of surplus, etc.

In order to enable flexible return of profits to shareholders, the Company has stipulated in its Articles of Incorporation that matters provided for in each item of Article 459, paragraph (1) of the Companies Act, such as dividends of surplus, may be determined by a resolution by the Board of Directors, unless otherwise provided by laws.

b. Exemption of liabilities of Directors

The Company has stipulated in its Articles of Incorporation that Directors (including former Directors) may be exempted from liability to the extent provided for in laws in relation to acts provided for in Article 423, paragraph (1) of the Companies Act by a resolution by the Board of Directors, as provided for in Article 426, paragraph (1) of the same act. The purpose of this is to create an environment in which Directors can fully demonstrate their capabilities and fulfill their expected roles when carrying out their duties.

(viii) Activity status of the Board of Directors

At the Company, in principle, the Board of Directors holds regular meetings once a month and flexibly convenes extraordinary meetings as needed to decide important managerial matters and execution of operations, as well as to supervise the status of the execution of operations by each Director, pursuant to the law, the Articles of Incorporation and the Rules of the Board of Directors. In the current fiscal year, the Company held the Board of Directors meetings 13 times (of which one meeting was an extraordinary meeting). The table below shows the attendance of each Director at the meetings. (including those attended remotely)

Name	Number of Meetings Held	Number of Meetings Attended
President	Kazuaki Ikeda	13/13 (100%)
Senior Managing Director	Kazuyuki Takeuchi	13/13 (100%)
Executive Director	Koji Shimizu	12/13 (92%)
Director	Yasuhiro Haba	13/13 (100%)
Director	Nariaki Makino	13/13 (100%)
Director	Takeshi Kodaira	13/13 (100%)
Director	Shujiro Morisawa	13/13 (100%)
Director (Outside)	Shunsuke Numata	13/13 (100%)
Director, Full-time Audit and Supervisory Committee Member (Outside)	Yoh Zenno	13/13 (100%)
Director, Audit and Supervisory Committee Member	Noriyuki Tanaka	11/13 (85%)
Director, Audit and Supervisory Committee Member (Outside)	Makoto Tanaka	13/13 (100%)
Director, Audit and Supervisory Committee Member (Outside)	Hisamitsu Arai	13/13 (100%)
Director, Audit and Supervisory Committee Member (Outside)	Seiko Minomo	13/13 (100%)

The following matters were deliberated and reported, etc., at the Board of Directors during the current fiscal year.

Deliberation items: Disclosure of financial results, interim and year-end dividends, earnings and dividend forecast revisions, directors and officers liability insurance policy contracts, convening of general meetings of shareholders, reference documents and financial documents for general meetings of shareholders, audit reports, submission of corporate governance report, election of representative director and executive management, executive remuneration, audit fees, granting of monetary compensation claims for directors and executive officers, disposal of treasury shares, revisions to policies for determining director compensation, etc.

Regular report items: Management plan and results, foreign exchange, cash flow, business by division, litigation progress status

Individual report items: Dividend policy, summary of general meeting of shareholders, organizational changes and personnel changes, internal control evaluation results, audit plan by the Audit and Supervisory Committee, performance-based remuneration, bonuses, F building construction, new personnel system

(ix) Summary of contents of liability limitation agreement

Pursuant to Article 427, paragraph (1) of the Companies Act, the Company has stipulated in its Articles of Incorporation that it may enter into an agreement to limit liability for damage under Article 423, paragraph (1) of the same act, and has entered into a liability limitation agreement with each of its Outside Directors. The purpose of this agreement is to ensure that Outside Directors can fully demonstrate their expected roles when performing their duties.

(x) Overview of the directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph (1) of the Companies Act, naming Directors of the Company and subsidiaries of the Company (including the Directors in office in the current fiscal year) as the insured. The insurance premium is fully paid by the Company. The outline of the said insurance policy is that, according to the insurance policy, the insurance company covers damages that may result from the insured being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. The insurance policy is renewed every year.

(2) Information about Directors (and other officers)

(i) List of Directors (and other officers)

a. The Company's directors and other officers as of June 18, 2025 (date of filing of the Annual Securities Report) are as follows.

Male: 12, Female: 1 (ratio of officers who are female: 7.7%)

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
President and CEO	Kazuaki Ikeda	November 4, 1976	<p>April 2004 Joined GRAPHIC CREATION Co., Ltd.</p> <p>April 2006 Joined the Company</p> <p>September 2009 Director, MIMAKI KANPHOR INDIA PRIVATE LIMITED (current position)</p> <p>June 2013 Director, Executive General Manager, Sales Division and Global Marketing Department, the Company</p> <p>June 2015 Executive Director and Executive General Manager, Sales Division, the Company</p> <p>July 2015 Director, MIMAKI EUROPE B.V. (current position)</p> <p>July 2015 Director, MIMAKI USA, INC. (current position)</p> <p>April 2016 President, the Company</p> <p>April 2017 Representative Director and President, MIMAKI ENGINEERING (TAIWAN) Co., Ltd. (current position)</p> <p>April 2017 Representative Director and President, Shanghai Mimaki Trading Co., Ltd. (current position)</p> <p>April 2017 Director, PT. MIMAKI INDONESIA (current position)</p> <p>April 2017 Director, MIMAKI SINGAPORE PTE. LTD. (current position)</p> <p>December 2018 Representative Director, MIMAKI (THAILAND) CO., LTD. (current position)</p> <p>April 2019 Director, ALPHA DESIGN CO., LTD. (current position)</p> <p>April 2019 Director, ALPHA SYSTEMS CO., LTD. (current position)</p> <p>April 2019 Director, Tonami Corporation Ltd. (current position)</p> <p>July 2019 President and CEO, the Company (current position)</p> <p>March 2022 Director, Microtech corp. (current position)</p> <p>June 2022 Representative Director and President, GRAPHIC CREATION CO., Ltd. (current position)</p> <p>June 2022 Representative Director and President, LUCK'A Inc. (current position)</p> <p>August 2024 Director, MIMAKI VIETNM CO., LTD. (current position)</p>	Note 2	45,707

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Senior Managing Director and CTO	Kazuyuki Takeuchi	March 5, 1965	<p>April 1985 Joined Victor Company of Japan, Limited (currently JVCKENWOOD Corporation)</p> <p>May 1990 Joined the Company</p> <p>April 2014 Executive General Manager, Research and Development Division, and General Manager, Research and Development Department and Technical Management Department, the Company</p> <p>June 2014 Director, Executive General Manager, Research and Development Division, and General Manager, Research and Development Department and Technical Management Department, the Company</p> <p>June 2015 Executive Director and Executive General Manager, Research and Development Division, the Company</p> <p>July 2015 Director, MIMAKI PRECISION Co., Ltd. (current position)</p> <p>April 2016 Representative Director and President, MIMAKI IJ TECHNOLOGY CO., Ltd. (current position)</p> <p>April 2016 Representative Director and President, MIMAKI PINGHU TRADING CO., LTD. (current position)</p> <p>June 2016 Senior Managing Director, the Company (current position)</p> <p>October 2016 Representative Director, Mimaki La Meccanica S.R.L. (current position)</p> <p>April 2017 Director, Mimaki Lithuania, UAB (current position)</p> <p>April 2019 Director, ALPHA DESIGN CO., LTD. (current position)</p> <p>April 2019 Director, ALPHA SYSTEMS CO., LTD. (current position)</p> <p>April 2019 Director, Tonami Corporation Ltd. (current position)</p> <p>July 2019 Senior Managing Director and CTO, the Company (current position)</p> <p>March 2022 Director, Microtech corp. (current position)</p>	Note 2	92,689

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Executive Director and CFO	Koji Shimizu	August 5, 1974	<p>April 1997 Joined THE HACHIJUNI BANK, LTD.</p> <p>May 2009 Joined the Company</p> <p>April 2017 Executive General Manager, Corporate Planning Division and General Manager, Corporate Management Department, the Company</p> <p>June 2017 Director, Executive General Manager, Corporate Planning Division, the Company</p> <p>June 2018 Director, MIMAKI INDIA PRIVATE LIMITED (current position)</p> <p>March 2022 Auditor, Microtech corp. (current position)</p> <p>April 2022 Auditor, MIMAKI IJ TECHNOLOGY CO., Ltd. (current position)</p> <p>April 2022 Auditor, MIMAKI PINGHU TRADING CO., LTD. (current position)</p> <p>June 2022 Executive Director and CFO, and Executive General Manager, Corporate Planning Division, the Company</p> <p>June 2022 Auditor, MIMAKI PRECISION Co., Ltd. (current position)</p> <p>June 2022 Auditor, GRAPHIC CREATION Co., Ltd. (current position)</p> <p>June 2022 Auditor, ALPHA DESIGN CO., LTD. (current position)</p> <p>June 2022 Auditor, ALPHA SYSTEMS CO., LTD. (current position)</p> <p>June 2022 Auditor, Tonami Corporation Ltd. (current position)</p> <p>June 2022 Auditor, LUCK'A Inc. (current position)</p> <p>August 2022 Auditor, Shanghai Mimaki Trading Co., Ltd. (current position)</p> <p>September 2022 Auditor, PT. MIMAKI INDONESIA (current position)</p> <p>April 2024 Executive Director and CFO, the Company (current position)</p> <p>November 2024 Auditor, MIMAKI ENGINEERING (TAIWAN) Co., Ltd. (current position)</p>	Note 2	17,719

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Director Executive General Manager of Sales Division and Senior General Manager of AO Business Unit	Yasuhiro Haba	July 23, 1971	<p>April 1996 Joined CAM Co., Ltd.</p> <p>September 1997 Joined the Company</p> <p>October 2015 Deputy Executive General Manager, Sales Division and Senior General Manager of JP Business Unit, the Company</p> <p>April 2016 Representative Director and President, MIMAKI USA, INC.</p> <p>June 2016 Director, the Company</p> <p>October 2017 Director and Executive General Manager, Sales Division, the Company</p> <p>June 2018 Director, MIMAKI EUROPE B.V. (current position)</p> <p>June 2018 Director, Mimaki Deutschland GmbH (current position)</p> <p>April 2019 Director, Shanghai Mimaki Trading Co., Ltd. (current position)</p> <p>June 2019 Director, MIMAKI AUSTRALIA PTY LTD (current position)</p> <p>October 2023 Director, Executive General Manager of Sales Division and Senior General Manager of AO Business Unit, the Company (current position)</p>	Note 2	15,937
Director Executive General Manager of Global Human Resources and Administration Division and General Manager of Human Resources Department	Nariaki Makino	December 12, 1960	<p>April 1983 Joined THE HACHIJUNI BANK, LTD.</p> <p>October 2015 Joined the Company and assumed the position of the Head of the Auditing Office</p> <p>April 2016 General Manager, General Affairs Department, Administration Division, the Company</p> <p>April 2018 Deputy Executive General Manager, Administration Division and General Manager, General Affairs Department, the Company</p> <p>June 2018 Director, Deputy Executive General Manager, Administration Division and General Manager, General Affairs Department, the Company</p> <p>February 2022 Director, Deputy Executive General Manager, Administration Division and General Manager, Human Resource Department, the Company</p> <p>April 2024 Director, Executive General Manager of Global Human Resources and Administration Division, and General Manager of Human Resources Department, the Company (current position)</p>	Note 2	13,437

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Director Executive General Manager, Research and Development Division and General Manager of Research and Development Department	Takeshi Kodaira	April 15, 1978	<p>April 1999 Joined the Company</p> <p>April 2016 General Manager, HW Technology Group, Technology Control Department, Research and Development Division, the Company</p> <p>September 2018 General Manager, Technology Control Department, Research and Development Division, the Company</p> <p>April 2019 Executive General Manager, Research and Development Division, the Company</p> <p>August 2020 Director, Executive General Manager, Research and Development Division, and General Manager, Research and Development Department, the Company</p> <p>May 2021 Director, Executive General Manager, Research and Development Division, and General Manager, Research and Development Department and SW Technical Department, the Company</p> <p>March 2022 Director, Microtech corp. (current position)</p> <p>April 2024 Director, Executive General Manager, Research and Development Division, and General Manager, Research and Development Department, the Company (current position)</p>	Note 2	5,937
Director Senior General Manager, FA Business Unit	Shujiro Morisawa	February 18, 1981	<p>April 2001 Joined Denno Kogei Plus Co., Ltd.</p> <p>May 2006 Joined ALPHA DESIGN CO., LTD.</p> <p>July 2017 Representative Director and President, ALPHA DESIGN CO., LTD. (current position)</p> <p>April 2019 Senior General Manager of FA Business Unit, the Company</p> <p>April 2019 Representative Director and President, ALPHA SYSTEMS CO., LTD. (current position)</p> <p>April 2019 Representative Director and President, Tonami Corporation Ltd. (current position)</p> <p>June 2022 Director and Senior General Manager of FA Business Unit, the Company (current position)</p>	Note 2	29,637
Director (Audit and Supervisory Committee Member) (Full-time)	Yoh Zenno	April 1, 1958	<p>April 1980 Joined the Sanwa Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>September 2010 President & CEO, MST Risk Consulting Co., Ltd.</p> <p>June 2016 Deputy President, Mitsubishi UFJ Capital Co., Ltd.</p> <p>June 2017 Full-time Outside Director, the Company</p> <p>June 2019 Outside Director (Audit and Supervisory Committee Member), the Company (current position)</p>	Note 3	7,800

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Director (Audit and Supervisory Committee Member)	Noriyuki Tanaka	November 27, 1948	<p>April 1967 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation)</p> <p>October 1975 Representative Director and President, MIMAKI ENGINEERING (currently the Company)</p> <p>April 1989 Founded Mimaki Electronic Components Co., Ltd. and assumed the position of the Representative Director and President</p> <p>June 1997 Executive Chairman, the Company</p> <p>June 2004 Counselor for Director, the Company</p> <p>June 2007 Executive Chairman, Mimaki Electronic Components Co., Ltd. (current position)</p> <p>June 2019 Director (Audit and Supervisory Committee Member), the Company (current position)</p> <p>April 2021 Director, NES-ENG Co., Ltd. (current position)</p>	Note 3	2,037,200
Director (Audit and Supervisory Committee Member)	Makoto Tanaka	January 11, 1956	<p>August 2011 Representative Partner, eclat Consulting (current position)</p> <p>June 2014 Outside Director, the Company</p> <p>June 2019 Outside Director, ALPICO HOLDINGS Co., Ltd. (current position)</p> <p>June 2019 Outside Director (Audit and Supervisory Committee Member), the Company (current position)</p>	Note 3	51,400
Director (Audit and Supervisory Committee Member)	Hisamitsu Arai	January 10, 1944	<p>July 1996 Commissioner, Japan Patent Office</p> <p>June 1998 Deputy Director-General, Ministry of International Trade and Industry</p> <p>April 2001 Chairman & CEO, Nippon Export and Investment Insurance</p> <p>March 2003 Secretary-General, Intellectual Property Strategy Headquarters, Cabinet Secretariat</p> <p>June 2007 President and CEO, Tokyo Small and Medium Business Investment & Consultation Co., Ltd.</p> <p>June 2016 Outside Director, the Company</p> <p>June 2019 Outside Director (Audit and Supervisory Committee Member), the Company (current position)</p>	Note 3	7,200
Director (Audit and Supervisory Committee Member)	Seiko Minomo	May 9, 1971	<p>April 1997 Admitted to the Bar in Japan</p> <p>April 1997 Joined Law Offices of Homma & Komatsu (currently Homma & Partners) (current position)</p> <p>May 2001 Admitted to the Bar in New York, U.S.</p> <p>November 2018 Outside Director, A-tie Co., Ltd (current position)</p> <p>June 2019 Outside Director, the Company</p> <p>June 2021 Outside Director (Audit and Supervisory Committee Member), the Company (current position)</p> <p>August 2022 Outside Auditor, Human Technologies, Inc. (current position)</p>	Note 3	900

Official title or position	Name	Date of birth	Career summary	Term of office	Number of shares held (Shares)
Director	Shunsuke Numata	August 22, 1975	<p>April 1999 Joined Nos Co., Ltd. (currently CREVA SYSTEMS Co., Ltd.)</p> <p>June 2001 Joined P&P Bureau Co., Ltd.</p> <p>June 2012 Joined Ernst & Young Co., Ltd.</p> <p>July 2013 Joined Industrial Growth Platform, Inc. (now IGPI Group), Director, Nextech Company</p> <p>October 2016 Partner (current position), Managing Director and Chief, IGPI Manufacturing Solution Company, Industrial Growth Platform, Inc.</p> <p>October 2020 Executive Director, Japan Platform of Industrial Transformation, Inc. (current position)</p> <p>June 2021 Outside Director, the Company (current position)</p> <p>April 2022 President, Thermix Co., Ltd. (current position)</p>	Note 2	4,900
Total					2,330,463

- (Notes)
1. Mr. Yoh Zenno, Mr. Makoto Tanaka, Mr. Hisamitsu Arai, Ms. Seiko Minomo and Mr. Shunsuke Numata are Outside Directors.
 2. Their term of office shall expire upon the conclusion of the annual general meeting of shareholders for the last fiscal year ending within one year following their election of office.
 3. Their term of office shall expire upon the conclusion of the annual general meeting of shareholders for the last fiscal year ending within two years following their election of office.
 4. Seiko Minomo's name in the family register is Seiko Maezawa.

b. As proposed resolutions (matters to be resolved) for the General Meeting of Shareholders to be held on June 20, 2025, the Company has proposed the election of nine directors (excluding directors who are Audit and Supervisory Committee members) and the election of four directors who are Audit and Supervisory Committee members. Approval and passage of these proposed resolutions would result in the following. Note that this also includes the details of matters to be resolved at the Board of Directors Meeting and Audit and Supervisory Committee Meeting scheduled to be held immediately after the General Meeting of Shareholders.

Male: 11, Female: 2 (ratio of officers who are female: 15.4%)

Title	Name	Date of birth	Career summary	Term of office	Number of shares held (shares)
President / CEO	Kazuaki Ikeda	November 4, 1976	As stated in a.	Note 2	45,707
Senior Managing Director / CTO	Kazuyuki Takeuchi	March 5, 1965	As stated in a.	Note 2	92,689
Executive Director / CFO	Koji Shimizu	August 5, 1974	As stated in a.	Note 2	17,719
Directors Executive General Manager, Sales Division and Senior General Manager, AO Business Unit	Yasuhiro Haba	July 23, 1971	As stated in a.	Note 2	15,937
Directors Executive General Manager, Global Human Resources & Administration Division and General Manager, Human Resources Department	Nariaki Makino	December 12, 1960	As stated in a.	Note 2	13,437
Directors Executive General Manager, Research and Development Division and General Manager, Research and Development Department	Takeshi Kodaira	April 15, 1978	As stated in a.	Note 2	5,937
Directors Senior General Manager, FA Business Unit	Shujiro Morisawa	February 18, 1981	As stated in a.	Note 2	29,637
Directors Deputy Executive General Manager, Sales Division, Senior General Manager, Business Development Department, and General Manager, Global Marketing Department	Yuji Ikeda	August 11, 1979	<p>April 2002 Joined FIVE FOXes CO., LTD.</p> <p>October 2005 Joined the Company</p> <p>December 2014 General Manager, Global Marketing Department, Sales Division, the Company</p> <p>April 2016 Head of Business Management Office, Administration Division, the Company</p> <p>April 2017 President, MIMAKI EUROPE and President, MIMAKI EURASIA</p> <p>April 2020 Senior General Manager, Industrial Products Business Unit, and Senior General Manager, Textile & Apparel Business Unit, the Company</p> <p>September 2020 General Manager, Global Marketing Department, Sales Division, the Company</p> <p>April 2023 Deputy Executive General Manager, Sales Division, and General Manager, Global Marketing Department, the Company</p> <p>April 2025 Deputy Executive General Manager, Sales Division, Senior General Manager, Business Development Department, and General Manager, Global Marketing Department, the Company</p>	Note 2	888

			June 2025	Director, Deputy Executive General Manager, Sales Division, Senior General Manager, Business Development Department, and General Manager, Global Marketing department (current position), the Company		
Director (Audit and Supervisory Committee Member) (Full-time)	Yoh Zenno	April 1, 1958		As stated in a.	Note 3	7,800
Director (Audit and Supervisory Committee Member)	Hisamitsu Arai	January 10, 1944		As stated in a.	Note 3	7,200
Director (Audit and Supervisory Committee Member)	Seiko Minomo	May 9, 1971		As stated in a.	Note 3	900
Director (Audit and Supervisory Committee Member)	Shunsuke Numata	August 22, 1975		As stated in a.	Note 3	4,900
Director	Hiromi Nakazawa	September 10, 1964	April 1988 October 1995 January 1998 April 1999 September 2012 June 2013 June 2015 June 2017 June 2020 June 2022 December 2022 June 2023 April 2024 June 2025	Joined The Mitsui Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation) Joined Taiyo Audit Corporation (currently Grant Thornton Taiyo LLC) Joined Showa Ota & Co. (currently Ernst & Young Shinnihon LLC) Registered as a certified public accountant Joined Nihon Densan Corp. (currently NIDEK Co., Ltd.) Full-time Auditor, C'BON COSMETICS Co.,Ltd. Executive Officer, C'BON COSMETICS Co.,Ltd. Full-time Auditor, C'BON COSMETICS Co.,Ltd. Outside Director, Nippon Piston Ring Co., Ltd. Outside Director (Audit and Supervisory Committee Member), Ricoh Leasing Co., Ltd. (current position) Auditor, Welfare Suzuran Inc. (current position) Outside Director (Audit and Supervisory Committee Member), IMAGICA GROUP Inc. (current position) Auditor, Enplus Inc. (current position) Outside Director, the Company (current position)	Note 2	0
Total						242,751

- Notes: 1. Yoh Zenno, Hisamitsu Arai, Seiko Minomo, Shunsuke Numata and Hiromi Nakazawa are Outside Directors.
2. The term of office shall last up to the conclusion of the Ordinary General Meeting of Shareholders held for the last business year that ends within one year from the election.
3. The term of office shall last up to the conclusion of the Ordinary General Meeting of Shareholders held for the last business year that ends within two years from the election.
4. Seiko Minomo 's name in the family register is Seiko Maezawa.

(ii) Information about Outside Directors (and other outside officers)

The Company has five Outside Directors. Note that the Outside Directors have the following shareholdings in the Company. Yoh Zenno: 7,800 shares, Makoto Tanaka: 51,400, Hisamitsu Arai: 7,200, Seiko Minomo: 900, Shunsuke Numata: 4,900. Except for these capital relationships, there are no personal, capital, or transactional relationships, or other interests between the Outside Directors and the Company.

Mr. Yoh Zenno, Mr. Makoto Tanaka, Mr. Hisamitsu Arai, and Ms. Seiko Minomo are Outside Directors who concurrently serve as Audit and Supervisory Committee Members. Mr. Yoh Zenno has a wealth of experience at financial institutions and a broad insight into corporate management. Mr. Makoto Tanaka is a certified tax accountant who has long been engaged in business consulting services from the perspectives of finance, tax affairs, the Companies Act, and other fields. He is well versed in all aspects of business management practices. Mr. Hisamitsu Arai has held various senior positions including Commissioner of Japan Patent Office and Deputy Director-General, Ministry of International Trade and Industry. Accordingly, he has a wealth of experience and deep knowledge and insights that Outside Directors are required to have. Ms. Seiko Minomo is well versed in corporate legal affairs and risk management as a lawyer. In addition, Outside Director Mr. Shunsuke Numata has expertise insight into corporate strategies and management operations as well as a wealth of knowledge and experience as a management consultant.

In principle, Outside Directors attend monthly regular board meetings to participate in decision-making process. They provide advice and suggestions to ensure the validity and legality of such process. Outside Directors who are Audit and Supervisory Committee Members attend the board meetings, in addition to monthly meetings of the Audit and Supervisory Committee, to audit and supervise the Company's business conditions and management decisions.

The Company expects Outside Directors to perform a monitoring function from their standpoint that they have no potential conflict of interest with general shareholders.

The Company has established the Criteria for Independence of Outside Directors for the appointment of Outside Directors with reference to criteria provided by the Tokyo Stock Exchange. We seek to appoint individuals who are capable of having an open, lively, and constructive discussion from a viewpoint of general shareholders.

As proposed resolutions (matters to be resolved) for the General Meeting of Shareholders to be held on June 20, 2025, the Company has proposed the election of nine directors (excluding directors who are Audit and Supervisory Committee members) and the election of four directors who are Audit and Supervisory Committee members. If these proposed resolutions are approved and passed, Makoto Tanaka will be dismissed, and Hiromi Nakazawa will be elected as Outside Director. There is no special interest between Ms. Hiromi Nakazawa and the Company.

(iii) Mutual cooperation of supervision or audit by Outside Directors with internal audit, audit by the Audit and Supervisory Committee and accounting audit, and relationship with the internal control divisions

Outside Directors who are Audit and Supervisory Committee Members work in cooperation with the Auditing Office, an internal control division established under the direct supervision of the President. The Head of the Auditing Office makes reports to the full-time committee member based on a report on the Annual Internal Audit Plan and an Internal Audit Report prepared after each internal audit. The details of such reports are reported to the Audit and Supervisory Committee by its full-time member so that they can conduct efficient audits in a mutually complementary manner. Audit and Supervisory Committee Members also work in cooperation with Accounting Auditor. The Accounting Auditor makes reports to the full-time committee member based on a report on the Annual Audit Plan and a Report on Audit Implementation prepared after each accounting audit. The details of such reports are reported to the Audit and Supervisory Committee by its full-time member so that they can conduct efficient audits in a mutually complementary manner. In addition, quarterly meetings are held to share information among three parties, the Audit and Supervisory Committee, Accounting Auditor and the Auditing Office, so as to increase the quality and efficiency of audits while maintaining mutual cooperation.

(3) Information about audits

(i) Audits by the Audit and Supervisory Committee

a. Organization, members, and procedures of the Audits by the Audit and Supervisory Committee

An audit by the Audit and Supervisory Committee for the current fiscal year (from April 1, 2024 to March 31, 2025) is conducted by the Company's Audit and Supervisory Committee consisting of five Directors who are Audit and Supervisory Committee Members, including four Outside Directors. All Audit and Supervisory Committee Members attend meetings held by the Accounting Auditor to examine the Audit Plan Summary and briefing on the audit performed by Independent Auditors at the end of the fiscal year. The full-time committee member also performs witness audits as needed, especially for interim audits including internal control. Additionally, the full-time Audit and Supervisory Committee Member is reported on an Internal Audit Plan and Internal Control Report and receives an Internal Audit Report from the Auditing Office each time an audit is performed. In regard to on-site audits of domestic and overseas business locations, these are performed annually for large-scale locations and biennially for other sales locations, in coordination between internal audits and audits by the Audit and Supervisory Committee, and remote audits are conducted for overseas locations.

Full-time Audit and Supervisory Committee Member Mr. Yoh Zenno has a wealth of experience at financial institutions and a broad insight into corporate management. Meanwhile, Audit and Supervisory Committee Member Mr. Makoto Tanaka is a certified tax accountant and has extensive knowledge and insights into finance, tax affairs, the Companies Act, and other fields.

As a proposed resolution (matter to be resolved) for the General Meeting of Shareholders to be held on June 20, 2025, the Company has proposed the election of four directors who are Audit and Supervisory Committee members. If this proposed resolution is approved and passed, the Audit and Supervisory Committee is expected to comprise four Outside Directors.

b. Activities of the Audit and Supervisory Committee

In the current fiscal year, the Company held the Board of Directors meetings 13 times and Audit and Supervisory Committee meetings 14 times. The table below shows the attendance of each Audit and Supervisory Committee Member at the meetings. (including those attended remotely)

Category	Name	Attendance at the Board of Directors Meetings	Attendance at the Audit and Supervisory Committee Meetings
Full-time Audit and Supervisory Committee Member (Outside)	Yoh Zenno	13/13 (100%)	14/14 (100%)
Audit and Supervisory Committee Member	Noriyuki Tanaka	11/13 (85%)	12/14 (86%)
Audit and Supervisory Committee Member (Outside)	Makoto Tanaka	13/13 (100%)	14/14 (100%)
Audit and Supervisory Committee Member (Outside)	Hisamitsu Arai	13/13 (100%)	14/14 (100%)
Audit and Supervisory Committee Member (Outside)	Seiko Minomo	13/13 (100%)	14/14 (100%)

Matters deliberated and discussed, etc., by the Audit and Supervisory Committee include:

- | | |
|----------------------------------|---|
| Deliberation items (15 matters): | Prior agreement on non-assurance services (EU), Receipt of audit report, discussion of KAM candidates and report, creation of audit report, non-reelection or election of accounting auditor, prior agreement on non-assurance services (CSRD, Audit and Supervisory Committee remuneration, audit plan, consent to Accounting Auditor fee, additional person-hours associated with replacement of auditor and auditor compensation, prior agreement on non-assurance services (ongoing) |
| Report items (23 matters): | Record of meeting attendance by full-time Audit and Supervisory Committee Member, on-site audits report, audit office on-site audits report, audit draft, draft of measures for electronic provision, report on internal control evaluation results, report on audit plan for the Board of Directors, report on regular meeting with Accounting Auditor |
| Information items (47 matters): | Consolidated monthly profit and loss report, consolidated monthly inventories quarterly comparison table, consolidated financial summary, balance sheet and profit/loss statement on a simple combined basis, CSRD Project progress, overseas audit visit, key points of tax revisions |
| Audit focus items: | Internal and external legal compliance, global response to risks and Group companies management, compliance framework, status of corporate governance, inventory management, monitoring of reduction of slow-moving inventory, scope of internal control assessment, initiatives for the “work-style reform” and personnel development, response to scandals, etc. (examination of recurrence prevention measures, etc.) and assessment of the adequacy of audits by the Accounting Auditor |

The items of information shared with Outside Directors (who participate in the Audit and Supervisory Committee as observers) are as listed below.

- Consideration of action to develop more sophisticated auditing using AI and IT
- Summary of financial results, financial statements (consolidated B/S, P/L), various meeting reports such as Q reviews, current status, arrangement of strengths and weaknesses
- Accounts receivable investigation on domestic and overseas subsidiaries
- Summarizing the revised points in the amended Companies Act
- Arrangement of issues toward CGC revision
- Arrangement of points of dispute for the enhancement of descriptive information in securities reports due to the inclusion of KAM in securities reports
- Progress of the CSRD Project
- Sharing of management issues (inventories, etc.)

Activities carried out by the full-time Audit and Supervisory Committee Member, in addition to those mentioned above, are as follows:

- Sharing information with the President (as necessary)
- Exchanging of information with the Audit Office (internal audit report, monthly audit report meeting)
- Attending at important meetings (such as Management Council, Q reviews, strategy meetings, Administration Division and Corporate Planning Division meetings)
- Viewing of important approval documents (equipment/general/expense approval documents, disposal and sale approval documents, important contract approval documents, etc.)
- Confirmation of other important matters (J-SOX progress status, internal control report, etc.)
- Meeting with the Accounting Auditor (monthly meetings and three-pillar audit meetings (every three months), etc.)
- On-site audits at domestic and overseas business locations (including remote audits)
- Year-end onsite stocktaking audits (two times)
- Strengthening of geopolitical risk, etc., audits (scrutiny of sales channels)
- Addressing SDGs and monitoring of progress status

(ii) Information about internal audits

The Audit Office (two members), which is in charge of internal audits at the Company, is separated from other business lines as an organization under the direct control of the President; in evaluating the effectiveness and efficiency of the business performance status of the Company and our internal and external group companies from an independent and objective perspective, provides reasonable guarantees concerning compliance with laws and regulations, the accuracy of financial reporting, and the reliability of management activities, and in addition, makes proposals on improvements. Internal audit activities are carried out based on the internal audit plan approved by the President. The results of these audit activities are regularly reported to the President, Executive Directors, Full-time Audit and Supervisory Committee member and the Executive General Manager of the Corporate Management Division at reporting sessions, and the details of the report are reported by the Full-time Audit and Supervisory Committee member to the Audit and Supervisory Committee, in an effort to conduct efficient audits in a mutually complementary fashion.

Based on the Financial Instruments and Exchange Act, the Auditing Office formulates a basic plan for the effectiveness of internal control relating to financial reporting, and evaluates company-wide control status, financial reporting controls, IT controls, and operational controls at major bases; the evaluation results are reported to the Board of Directors and the Audit and Supervisory Committee in the form of internal control reports. The Auditing Office exchanges opinions with the accounting auditors as necessary, and strives for mutual cooperation while exchanging information as appropriate concerning the development and operational evaluation of internal control.

(iii) Information about Accounting Audits

a. Name of audit firm

Kanade Partnership

b. Years of continuous auditing

One year

c. Certified public accountants who executed the audit duties

Hirohisa Kato

Takeshi Wakatsuki

d. Composition of assistants who supported audit duties

Seven certified public accountants, one individual who has passed the Certified Public Accountants Examination, etc. and other seven individuals assisted duties of accounting audits of the Company. There is no special interest between the Company and Kanade Partnership (hereinafter “Kanade”) or any of its engagement partners. Since the period of continuous auditing is seven years or less, this information is omitted.

e. Policy and reason for appointing audit firm

In appointing an audit firm, we make decisions taking into account, among other thing, the firm’s audit experience, audit implementation system, and audit fees. The Audit and Supervisory Committee determines the content of the proposals relating to dismissal or non-reappointment of an Accounting Auditor to be submitted to a general meeting of shareholders, if deemed necessary, such as in cases where there is a problem with the Accounting Auditor’s performance of duties, or where the Accounting Auditor is found to fall under any of the items of Article 340, paragraph (1) of the Companies Act.

Kanade has been appointed by the Audit and Supervisory Committee as the current Accounting Auditor from the perspectives of various factors, including its audit quality control, independence, communication with our management team and Audit and Supervisory Committee Members, response to requested matters, and established overseas network, with reference to explanatory materials on its audit system and details provided by Kanade, including “Explanation for reelection of accounting auditor”. The committee also made the decision by comprehensively taking into account the firm’s efforts such as addressing the “key audit matter (KAM)” requirement, throughout the year and communication with management executives and the Audit and Supervisory Committee.

f. Evaluation of audit firm by the Audit and Supervisory Committee and its members

The Company’s Audit and Supervisory Committee and its members evaluate an audit firm based on the previously mentioned appointment policy and resolve to dismiss or not to reappoint the firm as needed.

g. Change of audit firm

The Company's audit firm has been changed as follows.

Previous consolidated accounting year and previous fiscal year: Deloitte Touche Tohmatsu LLC

Current consolidated accounting year and fiscal year: Kanade Partnership

Note that matters stated in the extraordinary report filed on May 23, 2024 are as follows.

(1) Name of the auditing certified public accountant, etc. associated with the change

(i) Name of the appointed auditing certified public accountant, etc.

Kanade Partnership

(ii) Name of the auditing certified public accountant, etc.

Deloitte Touche Tohmatsu LLC

(2) Date of the change

June 21, 2024

(3) Date on which the outgoing audit certified public accountant, etc. became the auditing certified public accountant, etc.

June 28, 2004

(4) Opinions presented in audit reports and other documents prepared by the outgoing auditing certified public accountant, etc. during the most recent three years

Not applicable.

(5) Reason for and background of the decision for the change or the implementation of the change

The term of office of Deloitte Touche Tohmatsu LLC, the auditing firm of the Company, expired upon the conclusion of the 49th Annual General Meeting of Shareholders **held** on June 21, 2024.

Although the Company believes that the accounting audits performed by the audit firm have been conducted under a framework that is sufficiently appropriate and reasonable, due to the fact that the audits have been continued over a period of 20 years since June 2004, the Company had already been considering alternate audit firms from among potential candidates, from the perspective of avoiding cozy relationships or similar outcomes in the future, among other considerations. As a result, the Company decided to newly appoint Kanade Partnership as its audit firm to coincide with the Company's 50th fiscal year.

(6) Opinions concerning the reasons and background described in (5) above

(i) Opinion of the outgoing audit firm, etc.

The Company has received a response that the outgoing auditing certified public accountant, etc. does not have a particular opinion.

(ii) Opinion of the Audit and Supervisory Committee

The Audit and Supervisory Committee considers the decision reasonable.

(iv) Details of audit fees and other matters

a. Audit fees paid to auditing certified public accountants, etc.

(Thousands of yen)

Classification	Previous fiscal year		Current fiscal year	
	Fees for audit certification services	Fees for non-audit services	Fees for audit certification services	Fees for non-audit services
Reporting company	51,575	—	44,000	—
Consolidated subsidiaries	—	—	—	—
Total	51,575	—	44,000	—

There was no non-auditing work for which the Company paid fees to auditing certified public accountants, etc.

No fees have been paid by consolidated subsidiaries of the Company to auditing certified public accountants, etc.

b. Fees paid to organizations that belong to the same network as auditing certified public accountants, etc. (excluding a.)

(Thousands of yen)

Classification	Previous fiscal year		Current fiscal year	
	Fees for audit certification services	Fees for non-audit services	Fees for audit certification services	Fees for non-audit services
Reporting company	—	1,800	—	—
Consolidated subsidiaries	32,063	44,932	—	—
Total	32,063	46,732	—	—

(Note) Previous fiscal year

Non-audit services include consultations on general tax affairs and transfer pricing, tax services such as tax filing service, and payroll calculation.

c. Details of fees for other significant audit certification services

There is no related information.

d. Policy on determining audit fee

Audit fees paid by the Company to auditing certified public accountants, etc. are determined by the Board of Directors with the consent of the Audit and Supervisory Committee after consultations among relevant departments of the Company based on the cost estimate submitted by the auditing certified public accountants, etc.

e. Reason for the Audit and Supervisory Committee's consent to fees for Accounting Auditor

The Audit and Supervisory Committee has decided to consent to the fees to be paid to the Accounting Auditor proposed by the Board of Directors in accordance with Article 399, paragraph (1) of the Companies Act. This is because it has performed necessary verification as to the appropriateness of matters such as the content of the Accounting Auditor's audit plan, the status of performance of duties by the Accounting Auditor and the basis for calculating the estimated fees for the Accounting Auditor.

(4) Remuneration for Directors (and other officers)

(i) Policy for determining the amounts and calculation method for remuneration for Directors (and other officers)

The Company resolved to adopt the policy for determining remuneration for Directors at the Board of Directors meeting held on February 12, 2021.

Additionally, in response to the resolution of the “matter to determine remuneration for the granting of restricted stock to Directors (excluding Outside Directors who are Audit and Supervisory Committee members)” at the 49th General Meeting of Shareholders held on June 21, 2024, at the Board of Directors meeting held on July 18, 2024, the Board of Directors resolved “revision of policy for determining the amount of remuneration, etc.” as follows.

a. Basic policies

The basic policy regarding remuneration for the Company’s Directors (excluding Directors who are Audit and Supervisory Committee members; hereafter the same) shall be to establish appropriate levels taking into account performance that adequately functions as an incentive to pursue the sustained enhancement of corporate value, along with the responsibilities, etc. of individual Directors. Specifically, the remuneration of Executive Directors shall consist of basic remuneration as fixed remuneration, performance-linked executive bonuses, and stock-based remuneration representing non-monetary remuneration designed to be a medium- to long-term incentive. In addition, the remuneration of Outside Directors tasked with oversight functions shall consist of basic remuneration as fixed remuneration, and performance-linked executive bonuses.

b. Policy for determining the amount of remuneration, etc. of basic remuneration (monetary remuneration) for each individual

Basic remuneration of Directors of the Company shall be monthly fixed remuneration and determined at the Board of Directors meeting held after an Annual General Meeting of Shareholders. The determination shall be made considering levels of remuneration for each position using benchmarks, which are set by referencing remuneration of companies having similar business size to the Company or companies belonging to related industries or related business categories.

c. Policy for determining the amount of remuneration, etc. of performance-based remuneration, etc. for each individual

Executive bonuses, which represent performance-linked remuneration for the Directors of the Company, shall be cash remuneration that reflects a performance indicator (KPI) designed to raise awareness of improving the Company’s performance each fiscal year. This KPI shall be consolidated profit before tax, and if the KPI published (actual figure) satisfies the target figure set at the beginning of each fiscal year, an executive bonus shall be paid at a certain time each year (July) in an amount calculated with a formula according to the degree of achievement.

d. Policy for determining the amount of remuneration, etc. of non-monetary remuneration, etc. for each individual

Non-monetary remuneration for the Executive Directors of the Company shall be transfer-restricted stock-based remuneration up to an annual amount of 100 million yen and 100,000 shares as approved by the 49th General Meeting of Shareholders held on June 21, 2024, with the aim of providing a medium- to long-term incentive for the further sharing of value with shareholders and pursuing the sustained enhancement of corporate value. Note that specific allocations for each Executive Director shall be determined by resolution of the Board of Directors.

e. Policy for determining the ratio of the amount of basic remuneration, performance-based remuneration, etc., or non-monetary remuneration, etc. of the total remuneration for each Director

The stock-based remuneration that represents non-monetary remuneration designed to provide a medium- and long-term incentive, shall account for around 10% to 20% of the total remuneration provided to Executive Directors, depending on the roles and responsibilities of the individual Directors. In addition, corporate executive bonuses that represent performance-linked remuneration, which are based on consolidated profit before tax as the KPI, shall account for around 20% to 30% of the total remuneration provided to Directors, although it is difficult to set a specific percentage due to fluctuations in the level of this KPI.

f. Matters concerning partial delegation of determination on details of remuneration, etc. for each Director

Of remuneration for each Director of the Company, determination of the following matters shall be delegated to Mr. Kazuaki Ikeda, President, pursuant to the resolution by the Board of Directors.

- Determining the individual monetary amounts of executive bonuses that represent performance-linked remuneration

The upper limit of remuneration for Directors (and other officers) has been resolved at the 44th Annual General Meeting of Shareholders held on June 27, 2019. The Company has set the remuneration amount for Directors (excluding Directors who are Audit and Supervisory Committee Members) to be up to 400 million yen per annum (of which the remuneration amount for Outside Directors is set with reference to the average remuneration level of other domestic companies). The Company has set the remuneration amount for Directors who are Audit and Supervisory Committee Members to be up to 100 million yen per annum, taking into account their duties and responsibilities.

(ii) Total amount of remuneration by category of Directors (and other officers) and by type of remuneration as well as the number of eligible Directors (and other officers)

(Thousands of yen)

Categories of Directors (and other officers)	Total amount of remuneration	Total amount by type of remuneration				Number of eligible Directors (and other officers)
		Fixed remuneration	Performance- based remuneration	Retirement benefits	Of items left, non-monetary remuneration, etc.	
Directors (excluding Audit and Supervisory Committee Members and Outside Directors)	239,010	153,581	56,909	—	28,520	7
Directors (Audit and Supervisory Committee Members) (excluding Outside Directors)	10,704	8,400	2,304	—	—	1
Outside Directors (and other officers)	65,754	51,600	14,154	—	—	5

(Notes) 1. The total amount of remuneration of Directors does not include the portion of employee salaries for Directors concurrently serving as employees.

2. The breakdown of non-monetary remuneration for Directors (excluding Audit and Supervisory Committee members and Outside Directors) includes 28,520,000 yen in restricted stock-based remuneration.

(iii) Significant employee salaries for Directors (or other officers) concurrently serving as employees

There is no related information.

(5) Status of shareholding

(i) Standards and approach to investment share classification

The Company classifies investment shares held for pure investment and shares held for purposes other than pure investment. Investment shares held only for the purpose of efficiency in short-term asset management are classified as investment shares held for pure investment, whereas other investment shares are classified as investment shares held for purposes other than pure investment.

(ii) Investment shares held for purposes other than pure investment

a. Shareholding policies, method of verification of reasonableness for shareholding and the Board of Directors' examination on appropriateness of shareholding of individual issues

The Company's shareholding policy is to engage in cross-shareholding of listed shares only when it is deemed by the Board of Directors that holding of such shares will contribute to the enhancement of the Group's corporate value over the medium to long term. To make such decisions, we take into account business relationships with investee companies in a comprehensive manner. As for cross-shareholding, matters about whether to continue to hold a particular issue are brought to the Board of Directors for discussion as needed. The Board of Directors considers the reduction of cross-shareholding when it is deemed not reasonable.

b. Number of issues and carrying amount on balance sheet

	Number of issues (Issue)	Carrying amount on balance sheet (Thousands of yen)
Shares not listed	2	21,000
Shares other than those not listed	1	52,800

- c. Information on the number of shares and carrying amount on balance sheet by issue of specified investment shares and shares subject to deemed shareholding

Specified investment shares

Issue	Current fiscal year	Previous fiscal year	Purpose of shareholding, summary of business alliances, etc., quantitative effects of shareholding and reason for increase in number of shares	Whether issuing company holds the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Carrying amount on balance sheet (Thousands of yen)	Carrying amount on balance sheet (Thousands of yen)		
THE HACHIJUNI BANK, LTD.	50,000	50,000	Shares are held for the purpose of developing and maintaining the business relationship. Given the business status of THE HACHIJUNI BANK, LTD. that operates the banking business, it is difficult to specify the quantitative effects of this shareholding. However, since the bank is the main bank of the Company, it is necessary to understand its management information from the perspective of medium- to long-term financing plans. The holding amount is so small that the impact of this shareholding on the Company's financial condition is immaterial.	Yes
	52,800	52,000		

V. Financial Information

1. Preparation of the consolidated financial statements and non-consolidated financial statements

- (1) The consolidated financial statements of the Company are prepared in accordance with the “Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements” (Order of the Ministry of Finance No. 28 of 1976).
- (2) The non-consolidated financial statements of the Company are prepared in accordance with the “Regulation on Terminology, Forms, and Preparation Methods of Non-consolidated Financial Statements” (Order of the Ministry of Finance No. 59 of 1963) (hereinafter the “Regulation on Financial Statements, etc.”).
The Company is a company filing non-consolidated financial statements prepared in accordance with special provisions and prepares non-consolidated financial statements pursuant to Article 127 of the Regulation on Financial Statements, etc.

2. Note on independent audit

The consolidated and the non-consolidated financial statements for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025) were audited by Kanade Partnership, in accordance with Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act.

Note that the Company’s audit firm has changed as follows.

49th Consolidated Accounting Year: Deloitte Touche Tohmatsu LLC

50th Consolidated Accounting Year: Kanade Partnership

3. Special efforts to ensure fair presentation of consolidated financial statements, etc.

The Company is making special efforts to ensure the fair presentation of consolidated financial statements, etc. Specifically, the Company has become a member of the Financial Accounting Standards Foundation and participates in seminars and other programs sponsored by the Foundation in order to have an appropriate understanding about the contents of the accounting standards, etc., and to establish a system so that the Company might be able to properly respond to the changes in the accounting standards, etc.

1. Consolidated financial statements, etc.
- (1) Consolidated financial statements
- (i) Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	*2 17,365,018	*2 15,448,305
Notes receivable - trade	*3 700,578	329,791
Accounts receivable - trade	11,782,370	13,202,390
Merchandise and finished goods	16,771,029	16,852,411
Work in process	2,381,737	2,120,256
Raw materials and supplies	5,809,213	5,890,944
Other	*3 3,983,116	3,815,720
Allowance for doubtful accounts	(26,174)	(56,101)
Total current assets	58,766,889	57,603,719
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,490,038	11,006,212
Accumulated depreciation	(6,193,164)	(6,436,273)
Buildings and structures, net	*2,*6 4,296,873	*2,*6 4,569,938
Machinery, equipment and vehicles	2,974,539	3,022,169
Accumulated depreciation	(2,153,496)	(2,195,124)
Machinery, equipment and vehicles, net	821,042	*6 827,044
Tools, furniture and fixtures	10,054,802	10,091,865
Accumulated depreciation	(8,195,521)	(8,170,019)
Tools, furniture and fixtures, net	1,859,280	*6 1,921,846
Land	*2,*6 3,451,638	*2 3,572,719
Leased assets	1,688,548	1,694,834
Accumulated depreciation	(1,070,137)	(1,165,714)
Leased assets, net	618,411	529,119
Construction in progress	265,362	408,986
Right-of-use assets	1,222,590	1,820,625
Total property, plant and equipment	12,535,201	13,650,280
Intangible assets		
Goodwill	129,710	108,091
Other	910,524	739,707
Total intangible assets	1,040,234	847,798
Investments and other assets		
Investment securities	140,594	143,815
Long-term loans receivable	32,521	32,521
Deferred tax assets	2,155,105	2,620,556
Other	*1 2,189,376	*1 2,500,469
Allowance for doubtful accounts	(1,141,228)	(1,224,822)
Total investments and other assets	3,376,368	4,072,540
Total non-current assets	16,951,803	18,570,619
Total assets	75,718,693	76,174,338

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	* ³ 3,241,469	3,846,401
Electronically recorded obligations - operating	* ³ 5,620,574	5,000,625
Short-term borrowings	* ² 18,938,540	* ² 14,774,724
Current portion of long-term borrowings	* ² 2,766,708	* ² 1,783,229
Lease liabilities	531,185	471,113
Accounts payable - other	1,528,734	1,808,448
Income taxes payable	862,791	1,552,621
Provision for bonuses	1,382,519	1,582,173
Provision for bonuses for directors (and other officers)	82,461	135,885
Provision for product warranties	1,774,147	1,532,956
Other	* ⁴ 4,784,090	* ⁴ 4,803,380
Total current liabilities	41,513,222	37,291,559
Non-current liabilities		
Long-term borrowings	* ² 4,887,271	* ² 3,972,152
Lease liabilities	1,376,165	1,939,480
Deferred tax liabilities	59,895	57,383
Retirement benefit liability	228,258	282,400
Asset retirement obligations	149,573	149,751
Provision for retirement benefits for directors (and other officers)	33,900	33,900
Other	79,492	73,718
Total non-current liabilities	6,814,556	6,508,786
Total liabilities	48,327,779	43,800,346
Net assets		
Shareholders' equity		
Share capital	4,357,456	4,357,456
Capital surplus	4,618,849	4,674,335
Retained earnings	17,596,764	22,926,931
Treasury shares	(1,939,505)	(1,869,368)
Total shareholders' equity	24,633,564	30,089,354
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	40,259	41,085
Foreign currency translation adjustment	2,428,473	2,001,807
Remeasurements of defined benefit plans	138,410	84,613
Total accumulated other comprehensive income	2,607,143	2,127,506
Share acquisition rights	15,830	1,767
Non-controlling interests	134,375	155,365
Total net assets	27,390,914	32,373,992
Total liabilities and net assets	75,718,693	76,174,338

(ii) Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	*1 75,631,146	*1 83,963,694
Cost of sales	42,997,820	44,839,276
Gross profit	32,633,326	39,124,418
Selling, general and administrative expenses	*2, *3 27,152,528	*2, *3 30,012,612
Operating profit	5,480,797	9,111,805
Non-operating income		
Interest income	41,047	101,891
Dividend income	2,004	2,483
Insurance claim income	9,755	70,899
Rent income	8,985	9,274
ICMS Refund	9,412	189
Subsidy income	51,274	33,972
Share of profit of entities accounted for using equity method	3,843	—
Gain on sale of scraps	36,032	36,734
Interest on tax refund	6,928	135,847
Other	50,254	51,919
Total non-operating income	219,538	443,212
Non-operating expenses		
Interest expenses	375,252	464,118
Foreign exchange losses	17,516	220,800
Share of loss of entities accounted for using equity method	—	35,140
Consumption tax difference	22,345	29,000
Inflation accounting adjustment	340,030	271,263
Other	63,050	93,085
Total non-operating expenses	818,196	1,113,410
Ordinary profit	4,882,139	8,441,607
Extraordinary income		
Gain on sale of non-current assets	*4 37,256	*4 17,193
Reversal of provision for loss on sanctions	9,554	—
Gain on reversal of share acquisition rights	16,249	4,159
Total extraordinary income	63,060	21,352
Extraordinary losses		
Loss on sale of non-current assets	*5 266	*5 1,146
Impairment losses	—	*6 166,990
Loss on valuation of investment securities	53,790	—
Total extraordinary losses	54,056	168,136
Profit before income taxes	4,891,143	8,294,822
Income taxes - current	1,438,941	2,550,341
Income taxes - deferred	(302,206)	(428,383)
Total income taxes	1,136,734	2,121,958
Profit	3,754,408	6,172,864
Profit attributable to non-controlling interests	46,911	16,702
Profit attributable to owners of parent	3,707,497	6,156,161

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	3,754,408	6,172,864
Other comprehensive income		
Valuation difference on available-for-sale securities	25,835	825
Foreign currency translation adjustment	1,952,703	(430,489)
Remeasurements of defined benefit plans, net of tax	60,323	(53,797)
Share of other comprehensive income of entities accounted for using equity method	(15,633)	8,111
Total other comprehensive income	* 2,023,228	* (475,350)
Comprehensive income	5,777,637	5,697,514
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,713,587	5,676,524
Comprehensive income attributable to non-controlling interests	64,050	20,990

(iii) Consolidated statements of changes in equity
Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,357,456	4,617,296	14,325,906	(1,949,426)	21,351,232
Changes during period					
Dividends of surplus			(575,617)		(575,617)
Profit attributable to owners of parent			3,707,497		3,707,497
Exercise of share acquisition rights		1,553		9,920	11,474
Increase in retained earnings by inflation accounting-related adjustments			138,977		138,977
Net changes in items other than shareholders' equity					
Total changes during period	—	1,553	3,270,858	9,920	3,282,332
Balance at end of period	4,357,456	4,618,849	17,596,764	(1,939,505)	24,633,564

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	14,424	508,542	78,086	601,053	33,423	70,324	22,056,035
Changes during period							
Dividends of surplus							(575,617)
Profit attributable to owners of parent							3,707,497
Exercise of share acquisition rights							11,474
Increase in retained earnings by inflation accounting-related adjustments							138,977
Net changes in items other than shareholders' equity	25,835	1,919,931	60,323	2,006,089	(17,593)	64,050	2,052,546
Total changes during period	25,835	1,919,931	60,323	2,006,089	(17,593)	64,050	5,334,878
Balance at end of period	40,259	2,428,473	138,410	2,607,143	15,830	134,375	27,390,914

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,357,456	4,618,849	17,596,764	(1,939,505)	24,633,564
Changes during period					
Dividends of surplus	—	—	(936,866)	—	(936,866)
Profit attributable to owners of parent	—	—	6,156,161	—	6,156,161
Exercise of share acquisition rights	—	18,007	—	50,799	68,807
Restricted stock compensation		37,478		19,336	56,815
Increase in retained earnings by inflation accounting-related adjustments			110,871		110,871
Net changes in items other than shareholders' equity	—	—	—	—	—
Total changes during period	—	55,486	5,330,166	70,136	5,455,789
Balance at end of period	4,357,456	4,674,335	22,926,931	(1,869,368)	30,089,354

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	40,259	2,428,473	138,410	2,607,143	15,830	134,375	27,390,914
Changes during period							
Dividends of surplus	—	—	—	—	—	—	(936,866)
Profit attributable to owners of parent	—	—	—	—	—	—	6,156,161
Exercise of share acquisition rights	—	—	—	—	—	—	68,807
Restricted stock compensation							56,815
Increase in retained earnings by inflation accounting-related adjustments							110,871
Net changes in items other than shareholders' equity	825	(426,665)	(53,797)	(479,637)	(14,063)	20,990	(472,711)
Total changes during period	825	(426,665)	(53,797)	(479,637)	(14,063)	20,990	4,983,078
Balance at end of period	41,085	2,001,807	84,613	2,127,506	1,767	155,365	32,373,992

(iv) Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	4,891,143	8,294,822
Depreciation	1,950,357	2,136,254
Impairment losses	—	166,990
Amortization of goodwill	38,164	21,618
Increase (decrease) in allowance for doubtful accounts	123,701	177,630
Increase (decrease) in provision for bonuses	195,077	198,234
Increase (decrease) in provision for bonuses for directors (and other officers)	15,312	53,423
Increase (decrease) in provision for product warranties	226,620	(235,149)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(12,000)	—
Increase (decrease) in retirement benefit liability	(33,924)	(21,252)
Interest and dividend income	(43,051)	(104,375)
Insurance claim income	(9,755)	(70,899)
Interest expenses	375,252	464,118
Subsidy income	(51,274)	(33,972)
Share of loss (profit) of entities accounted for using equity method	(3,843)	35,140
Gain on reversal of share acquisition rights	(16,249)	(4,159)
Inflation accounting adjustment	340,030	271,263
Loss (gain) on valuation of investment securities	53,790	—
Foreign exchange losses (gains)	(630,815)	331,286
Loss (gain) on sales of fixed assets	(36,990)	(16,046)
Decrease (increase) in trade receivables	(744,535)	(1,124,684)
Decrease (increase) in inventories	4,009,466	(595,646)
Increase (decrease) in trade payables	159,303	46,014
Decrease (increase) in consumption taxes refund receivable	266,895	(115,252)
Increase (decrease) in accounts payable - other	53,128	216,528
Other, net	202,751	221,485
Subtotal	11,318,558	10,313,373
Interest and dividends received	40,092	99,593
Proceeds from insurance income	9,755	70,899
Interest paid	(389,179)	(469,159)
Subsidies received	51,274	33,972
Income taxes paid	(1,519,815)	(2,221,625)
Income taxes refund	52,986	34,207
Net cash provided by (used in) operating activities	9,563,672	7,861,261
Cash flows from investing activities		
Payments into time deposits	(824,362)	(453,775)
Purchase of property, plant and equipment	(1,650,652)	(2,048,838)
Proceeds from sale of property, plant and equipment	86,761	72,960
Purchase of intangible assets	(444,055)	(241,649)
Purchase of investment securities	(1,108)	(1,218)
Other, net	237,340	234,653
Net cash provided by (used in) investing activities	(2,596,077)	(2,437,867)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	314,009	(4,161,908)
Proceeds from long-term borrowings	3,121,000	1,200,000
Repayments of long-term borrowings	(3,887,919)	(3,098,598)
Proceeds from exercise of employee share options	10,130	58,902
Repayments of lease liabilities	(422,808)	(603,728)
Dividends paid	(574,748)	(937,522)
Net cash provided by (used in) financing activities	(1,440,336)	(7,542,854)
Effect of exchange rate change on cash and cash equivalents	488,914	(223,104)
Net increase (decrease) in cash and cash equivalents	6,016,172	(2,342,563)
Cash and cash equivalents at beginning of period	8,202,123	14,218,296
Cash and cash equivalents at end of period	*1 14,218,296	*1 11,875,732

[Notes]

(Significant matters forming the basis of preparing the consolidated financial statements)

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 25

Names of consolidated subsidiaries

MIMAKI USA, INC.

MIMAKI EUROPE B.V.

MIMAKI ENGINEERING (TAIWAN) Co., Ltd.

MIMAKI PRECISION Co., Ltd.

GRAPHIC CREATION Co., Ltd.

MIMAKI IJ TECHNOLOGY CO., Ltd.

Mimaki Deutschland GmbH

Shanghai Mimaki Trading Co., Ltd.

MIMAKI BRASIL COMERCIO E IMPORTACAO LTDA

MIMAKI PINGHU TRADING CO., LTD.

PT. MIMAKI INDONESIA

MIMAKI AUSTRALIA PTY LTD

MIMAKI SINGAPORE PTE. LTD.

MIMAKI INDIA PRIVATE LIMITED

MIMAKI EURASIA DIJITAL BASKI TEKNOLOJILERI PAZARLAMA VE TICARET LIMITED SIRKETI

Mimaki La Meccanica S.R.L.

Mimaki Lithuania, UAB

Mimaki Bompan Textile S.r.l

ALPHA DESIGN CO., LTD.

ALPHA SYSTEMS CO., LTD.

Tonami Corporation Ltd.

LUCK'A Inc.

MIMAKI (THAILAND) CO., LTD.

Microtech corp.

MIMAKI VIETNAM CO.,LTD.

(2) Number of unconsolidated subsidiaries: 3

Names of major unconsolidated subsidiaries

MIMAKI KANPHOR INDIA PRIVATE LIMITED

The unconsolidated subsidiaries are all small in size, and each company's total assets, net sales, profit or loss (amount corresponding to the equity interest), retained earnings (amount corresponding to the equity interest), and others do not have a material impact on the consolidated financial statements, therefore, such subsidiaries are excluded from the scope of consolidation.

2. Application of equity method

(1) Number of entities accounted for using the equity method: 1

Names of entities accounted for using the equity method

MIMAKI KANPHOR INDIA PRIVATE LIMITED

(2) Number of unconsolidated subsidiaries not accounted for using the equity method: 2

Names of unconsolidated subsidiaries not accounted for using the equity method

Dalian Alpha Design Co., Ltd.

Alpha Automation Technology (Shenzhen) Co., Ltd.

The unconsolidated subsidiaries not accounted for using the equity method are all small in size, and each company's profit or loss (amount corresponding to the equity interest), retained earnings (amount corresponding to the equity interest), and others do not have a material impact on the consolidated financial statements, therefore, such subsidiaries are excluded from the scope of application of equity method.

3. Fiscal years of consolidated subsidiaries

The fiscal year end date of the following consolidated subsidiaries is December 31: MIMAKI IJ TECHNOLOGY CO., Ltd., Mimaki Deutschland GmbH, Shanghai Mimaki Trading Co., Ltd., MIMAKI BRASIL COMERCIO E IMPORTACAO LTDA, MIMAKI PINGHU TRADING CO., LTD., PT. MIMAKI INDONESIA, MIMAKI EURASIA DIJITAL BASKI TEKNOLOJILERI PAZARLAMA VE TICARET LIMITED SIRKETI, Mimaki La Meccanica S.R.L., Mimaki Lithuania, UAB, Mimaki Bompan Textile S.r.l, MIMAKI (THAILAND) CO., LTD., and MIMAKI VIETNAM CO.,LTD.

For the above-mentioned companies, provisional financial results as of the consolidated balance sheet date are used in the preparation of the consolidated financial statements.

The fiscal year end date of consolidated subsidiaries other than the above-mentioned companies is the same as the consolidated balance sheet date.

4. Accounting policies

(1) Valuation bases and methods for significant assets

(a) Securities

Available-for-sale securities

Securities other than stocks and other securities without available market value

Stated at fair value (all valuation differences are processed by the direct net assets method, and cost of securities sold is calculated by the moving-average method).

Stocks and other securities without available market values

Stated at cost using the moving-average method.

(b) Derivatives

Stated at fair value.

(c) Inventories

Finished goods, work in process, and raw materials

Stated at cost using the gross average method (balance sheet amounts are determined based on the method of writing down book value in accordance with decreased profitability of assets).

Supplies

Stated using the last cost method (balance sheet amounts are determined based on the method of writing down book value in accordance with decreased profitability of assets).

(2) Depreciation and amortization methods for significant depreciable and amortizable assets

(a) Property, plant and equipment (excluding leased assets)

The Company and its domestic consolidated subsidiaries adopt the declining-balance method; foreign consolidated subsidiaries adopt the straight-line method. However, the Company and its domestic consolidated subsidiaries adopt the straight-line method for buildings (excluding facilities attached to buildings) acquired on April 1, 1998 and thereafter and for facilities attached to buildings and structures acquired on April 1, 2016 and thereafter.

The estimated useful lives of major items are as follows:

Buildings and structures 15 to 31 years

(b) Intangible assets (excluding leased assets)

Amortized using the straight-line method.

However, software for sale is amortized at the larger amount of either an amortizable amount based on the estimated sales volume during an estimated marketable life (within 3 years) or an amortizable amount based on the straight-line method over the remaining valid sales period.

In addition, software for internal use is amortized using the straight-line method over its useful life as internally determined (3 to 5 years).

(c) Leased assets

The straight-line method is applied on the assumptions that the useful life equals the lease term and the residual value is zero. It should be noted that US GAAP ASU 2016-02 "Leases" is applied to overseas consolidated subsidiaries that are subject to the application of US GAAP. As a result, in principle, all leases are recorded as assets (right-of-use assets) and liabilities (lease liabilities) on the balance sheet.

(3) Accounting policy for significant allowance and provisions

(a) Allowance for doubtful accounts

To prepare for losses from bad debt, an estimated uncollectible amount is recognized either by making an estimation using the historical bad debt rate for general receivables, or based on individual consideration of collectability for specific receivables such as doubtful accounts, etc.

- (b) Provision for bonuses

To prepare for the payment of bonuses to employees, the amount borne for the current fiscal year among the estimated bonus payments is recorded.
- (c) Provision for bonuses for directors (and other officers)

To prepare for the payment of bonuses to directors (and other officers), the amount borne for the current fiscal year among the estimated bonus payments is recorded.
- (d) Provision for product warranties

To prepare for after-sales repair costs, the total amount of the individually estimated free repair cost and the historical experience-based estimated amount is recorded.
- (e) Provision for retirement benefits for directors (and other officers)

To prepare for the payment of retirement benefits to directors (and other officers), the amount borne for the current fiscal year among the estimated bonus payments is recorded.
- (4) Accounting methods for retirement benefits
 - (a) Method of attributing expected retirement benefits to periods

In calculating retirement benefit obligations, the benefit formula basis is used as the method for attributing the expected retirement benefits to the periods until the end of the current fiscal year. In addition, some consolidated subsidiaries apply a simplified method for the calculations of retirement benefit liabilities and retirement benefit expenses. The method assumes their retirement benefit obligations to be equal to the benefits payable for voluntary retirements at the fiscal year-end.
 - (b) Method of amortization of actuarial gains and losses and prior service costs

Prior service cost is immediately expensed as incurred.

Unrecognized actuarial gains and losses are amortized by the straight-line method in equally allocated amounts over a fixed number of years (five years) set within the average remaining service period of employees as occurred, starting in the respective fiscal years following each occurrence.
- (5) Accounting policy for significant revenues and expenses

Revenue is recognized at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services.

The principal performance obligations in major businesses and the usual time at which revenue is recognized are as follows: for products that the Group is obligated to install under a contract with a customer, at the time installation is completed; for products that the Group is not obligated to install under a contract with a customer, at the time the product is transferred. At the respective time, the Group determines that control over the product has been acquired by the customer and that the performance obligation has been satisfied, and recognizes revenue.

For products for which there is no obligation to install, revenue is recognized at the time of shipment if the period from the time of shipment to the time when control of the product is transferred to the customer is a normal period of time.
- (6) Translation of significant foreign currency accounts

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the spot exchange rates in effect as of the consolidated balance sheet date. The foreign exchange gains and losses from translation are recognized as profit and loss in the consolidated statements of income. For foreign subsidiaries, etc., assets and liabilities are translated into Japanese yen at the spot exchange rates in effect as of the consolidated balance sheet date, and revenue and expenses are translated into Japanese yen at the average exchange rates during the period. Differences arising from the translation are included in foreign currency translation adjustment under net assets.
- (7) Significant hedge accounting
 - (a) Hedge accounting

In principle, deferred hedge accounting is applied for derivative instruments. Integrated accounting (designation and exceptional accounting) is applied to interest rate and currency swaps that qualify for the integrated accounting.
 - (b) Hedging instruments and hedged items
 - a. Hedging instruments: Forward exchange contracts

Hedged items: Trade receivables denominated in foreign currencies and forecast transactions denominated in foreign currencies
 - b. Hedging instruments: Interest rate and currency swaps

Hedged items: Borrowings denominated in foreign currencies
 - (c) Hedging policy

In accordance with internal rules that stipulate derivative transaction-related authority levels and transaction amount limits, hedging activities are undertaken within specified limits to hedge fluctuation risks of foreign exchange rates and interest rates for the hedged items.

(d) Assessing hedge effectiveness

The effectiveness is assessed by confirming a high correlation between the cumulative total of the market fluctuations or the cash flow fluctuations for hedged items and the cumulative total of the market fluctuations or the cash flow fluctuations for their hedging instruments. However, assessing the hedge effectiveness is omitted for interest rate and currency swaps through integrated accounting (designation and exceptional accounting).

(8) Method and period for amortization of goodwill

Goodwill is amortized using the straight-line method over an estimated period of 20 years or less during which its effect is realized.

(9) Scope of cash and cash equivalents in consolidated statements of cash flows

Cash and cash equivalents consist of cash on hand, demand deposits and short-term highly liquid investments with a maturity of three months or less when purchased which can easily be converted to cash and are subject to little risk of change in price.

(10) Other significant information for preparation of consolidated financial statements

There is no related information.

(Significant accounting estimates)

(1) Valuation of merchandise and finished goods

(i) Amount recorded in the consolidated financial statements

(Thousands of yen)

	Previous fiscal year	Current fiscal year
Merchandise and finished goods	16,771,029	16,852,411

(ii) Information contributing to understanding of accounting estimates

Merchandise and finished goods are measured at their acquisition cost. However, if the estimated net selling value at the end of the fiscal year is less than the acquisition cost, they are measured at the net selling value. In that case, in principle, the difference between the net selling value and the acquisition cost is recognized as cost of sales. The net selling value of stagnated inventories that are no longer part of an operating cycle is estimated by reflecting future demand and market trends.

The net selling value for each item is estimated by the management based on the latest sales results, etc. of each product type. If the market environment deteriorates more than anticipated and the net selling value drops significantly, a loss may occur.

(2) Recoverability of Deferred Tax Assets

(i) Amount recorded in the consolidated financial statements

(Thousands of yen)

	Previous fiscal year	Current fiscal year
Deferred tax assets	2,155,105	2,620,556

(ii) Information contributing to understanding of accounting estimates

The Company, when recording deferred tax assets, judges the recoverability of deferred tax assets based on the schedule for resolving future taxable income and future deductible temporary differences, as well as future taxable income and tax planning, etc.

Estimates of future taxable income are formulated based on business plans prepared by management, and deferred tax assets related to schedulable temporary differences are determined to be recoverable.

It should be noted that the occurrence status of taxable income may be affected by future uncertain changes in economic conditions, and in cases where the actual amount is different to the estimate, this may cause a significant impact on the amount of deferred tax assets recognized in the consolidated financial statements for the next consolidated fiscal year and thereafter.

(Changes in accounting policy)

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as “Revised Accounting Standard 2022”), etc. has been applied since the beginning of the fiscal year ended March 31, 2025.

Previously, income taxes such as corporation taxes, inhabitant taxes, and enterprise taxes (hereinafter referred to as “income taxes”) were calculated in accordance with laws and regulations and the amount was recognized in profit or loss. Upon the application of Revised Accounting Standard 2022, we decided to separately record income taxes on income in profit or loss, shareholders’ equity, and other comprehensive income depending on the transactions, etc. that are the source of the income. With regard to income taxes recorded in accumulated other comprehensive income, we decided to record a corresponding tax amount in profit or loss when the transactions, etc. that give rise to the imposition of said income taxes are recognized in profit or loss. If the taxable transactions, etc. are related to shareholders’ equity or other comprehensive income in addition to profit or loss, and it is difficult to calculate the amount of income tax imposed on shareholders’ equity or other comprehensive income, the relevant tax amount is recognized in profit or loss.

With regard to the amendment regarding the classification for recording income taxes (taxation on other comprehensive income), the Group follows the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022).

There is no impact on the consolidated financial statements due to the change in accounting policy.

(Issued but not yet adopted accounting standards)

- Accounting Standard for Leases (ASBJ Statement No. 34, September 13, 2024)
- Implementation Guidance on Accounting Standard for Leases (Accounting Standards Implementation Guideline No. 33; September 13, 2024 the Accounting Standards Board of Japan), etc.

(1) Overview

As part of its efforts to ensure the global consistency of Japanese accounting standards, the Accounting Standards Board of Japan conducted reviews based on international accounting standards with an eye toward the development of an accounting standard for leases to recognize assets and liabilities regarding all the leases of a lessee and announced its accounting standard for leases, etc. as a basic policy. Building on the existing single lessee accounting model introduced by IFRS 16, these accounting standards, etc. aim to be simple and highly convenient standards by adopting only the major clauses of IFRS 16, not all of the clauses, and by basically requiring no corrections when using IFRS 16 clauses in individual financial statements.

As an accounting treatment using the expense allotment method for a lessee's leases, a single lessee accounting model is adopted in the same manner as IFRS 16, under which depreciation regarding right of use assets for all leases, regardless of whether a lease is classified as finance or operating, and the amount of interest regarding lease liabilities are posted.

(2) Scheduled date of application

The Company expects to apply these standards and guidance from the beginning of the fiscal year ending March 31, 2028.

(3) Effects of application of the accounting standard, etc.

The impact of the application of the "Accounting Standard for Leases" on the consolidated financial statements is currently under evaluation.

(Change in method of presentation)

(Consolidated statements of income)

Starting in the current fiscal year, the Company decided to separately state interest on tax refund, which was included in Other under non-operating income, since this amount exceeded 10% of total non-operating income in the previous fiscal year. To reflect this change in presentation, consolidated financial statements for the previous fiscal year have been adjusted.

Consequently, 57,182 thousand yen previously classified as other under non-operating income in the consolidated statements of income for the previous fiscal year was reclassified in to 6,928 thousand yen under interest on tax refund and 50,254 thousand yen under other.

(Additional information)

(Accounting Treatment for Hyperinflation)

During the fiscal year ended March 31, 2023, because the cumulative three-year inflation rate in Turkey exceeded 100%, the Group determined that its subsidiary in Turkey, whose functional currency is the Turkish lira, is operating in a hyperinflationary economy. Therefore, from the second quarter of the fiscal year ended March 31, 2023, the Group has made accounting adjustments for the financial statements of its Turkish subsidiary in accordance with the requirements set forth in IAS No. 29 "Financial Reporting in Hyperinflationary Economies."

IAS No. 29 requires that financial statements of subsidiaries operating under a hyperinflationary economy be included in consolidated financial statements upon the performance of an adjustment to the unit of measurement current as of the final day of the reporting period.

The Group, in order to revise the financial statements of its subsidiary in Turkey, uses the conversion factor calculated from the Turkish Consumer Price Index (CPI) published by the Turkish Statistical Institute (TURKSTAT).

For the subsidiary in Turkey, non-monetary items such as non-current assets indicated on an acquisition cost basis are adjusted using a conversion factor based on the date of acquisition. Monetary items and non-monetary items presented at current cost are considered to be presented in the unit of measurement current as of the final day of the reporting period, and are therefore not adjusted. The impact of inflation on net monetary positions is shown in non-operating expenses in the consolidated statements of income.

The financial statements of our subsidiary in Turkey are converted at the exchange rate as of the final day of the current fiscal year, and are reflected in the consolidated financial statements of the Group.

(Consolidated balance sheets)

*1. Accounts related to unconsolidated subsidiaries and associates are as follows:

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (March 31, 2025)
“Other” in investments and other assets	15,000	15,000

*2. Assets pledged as collateral and liabilities secured by the collateral

Assets pledged as collateral are as follows:

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (March 31, 2025)
Time deposits	2,300,000	2,220,000
Buildings and structures	2,016,733	1,954,749
Land	715,779	715,779
Total	5,032,512	4,890,528

Of the above, the time deposits are deposited collateral for tax litigation as described in “*5. Contingent liabilities” below.

Liabilities secured by the collateral are as follows:

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (March 31, 2025)
Short-term borrowings	300,000	430,000
Current portion of long-term borrowings	130,000	60,000
Long-term borrowings	1,420,000	1,360,000
Total	1,850,000	1,850,000

*3. Notes matured on the consolidated balance sheet date, etc.

Notes matured on the consolidated balance sheet date, etc. are settled on their clearing or settlement dates. Since the last day of the previous fiscal year fell on the bank holiday, the following notes, etc. which matured on the last day of the fiscal year, were included in the balance at the end of the previous fiscal year.

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (March 31, 2025)
Notes receivable - trade	24,775	—
“Other” under current assets (electronically recorded monetary claims - operating)	48,920	—
Notes payable - trade	55,523	—
Electronically recorded obligations - operating	1,255,424	—

*4. Contract liabilities in “Other” are as follows:

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (March 31, 2025)
Contract liabilities	3,349,527	3,410,622

5. Contingent liabilities

MIMAKI BRASIL COMERCIO E IMPORTACAO LTDA (hereinafter referred to as “Mimaki Brazil”), a consolidated subsidiary of the Company, was investigated by the Brazilian tax authorities regarding the import of the Company’s inkjet printers and it received two notices of additional tax totaling 84,920 thousand Brazilian reais, equivalent to 2,205,372 thousand yen according to the exchange rate on the final day of the fiscal year under review. Not content with the remarks from the authorities, Mimaki Brazil filed tax litigation with the court in December 2019 regarding the additional levy of 70,474 thousand Brazilian reais (equivalent to 1,830,225 thousand yen according to the exchange rate on the final day of the fiscal year under review, inclusive of overdue interest on the final day of the fiscal year under review). The court sided with Mimaki Brazil’s argument and ruled to dismiss the taxes the authorities had levied in March 2025. In response, the authorities filed an appeal in May 2025. Mimaki Brazil will continue to make its arguments in the second trial. Regarding the complaint we filed with the tax authorities in December 2018 regarding an additional tax notice received in November 2018 for 40,425 thousand Brazilian reais, equivalent to 1,049,859 thousand yen according to the exchange rate on the final day of the fiscal year under review, Mimaki Brazil’s assertion was acknowledged in February 2024, and the proceedings have been finalized without the payment of additional taxes.

With regard to ongoing tax cases, Mimaki Brazil will take appropriate measures based on the idea that this additional taxation is groundless. Therefore, it is difficult for the Group to estimate the impact of the cases on its business performance at this moment.

*6. The amount of depreciation deducted from the acquisition cost of property, plant and equipment due to government subsidies, etc., and a breakdown thereof, are provided below.

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (March 31, 2025)
Buildings and structures	13,799	13,411
Machinery, equipment and vehicles	—	649
Tools, furniture and fixtures	—	1,178
Land	10,685	—
Total	24,484	15,238

(Consolidated statements of income)

*1. Revenue from contracts with customers

In net sales, revenues are not separately presented for revenue from contracts with customers and other revenue. The amount of revenue from contracts with customers is presented in “Notes (Segment information, etc.)” under the consolidated financial statements.

*2. Major expense items and amounts included in selling, general and administrative expenses are as follows:

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Provision of allowance for doubtful accounts	16,653	181,497
Provision for product warranties	1,736,325	1,517,023
Salaries and allowances	7,791,132	8,408,139
Provision for bonuses	740,298	829,735
Retirement benefit expenses	195,377	189,113
Provision for bonuses for directors (and other officers)	82,461	135,885
Research and development expenses	3,339,323	3,711,216

*3. Research and development expenses included in general and administrative expenses are as follows:

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Research and development expenses	3,339,323	3,711,216

*4. Gain on sales of non-current assets is as follows:

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Buildings and structures	8,655	—
Machinery, equipment and vehicles	1,256	992
Tools, furniture and fixtures	27,257	15,692
Leased assets	87	507
Total	37,256	17,193

*5. Loss on sales of non-current assets is as follows:

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Machinery, equipment and vehicles	266	865
Tools, furniture and fixtures	—	281
Total	266	1,146

*6. Impairment losses

Previous fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

In the current fiscal year, the Company recorded impairment losses for the following asset groups.

(Thousands of yen)

Location	Use	Type	Impairment losses
MIMAKI ENGINEERING CO., LTD. (Japan)	Business assets	Software in progress	166,990

Regarding software in progress above, as a result of estimating the recoverable amount due to it becoming difficult to obtain future revenue in connection with the rebuilding of the project that had been initially planned, the Company determined that the total book value needed to be impaired, and this was recorded under extraordinary losses as impairment losses in the current fiscal year.

(Consolidated statements of comprehensive income)

* Reclassification adjustment, income taxes and tax effect related to other comprehensive income

(Thousands of yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Valuation difference on available-for-sale securities:		
Amount arising during the year	37,312	2,002
Before income tax and tax effect adjustments	37,312	2,002
Income taxes and tax effects	(11,477)	(1,177)
Valuation difference on available-for-sale securities	25,835	825
Foreign currency translation adjustment:		
Amount arising during the year	1,952,703	(430,489)
Remeasurements of defined benefit plans, net of tax:		
Amount arising during the year	123,640	(15,087)
Reclassification adjustments	(37,189)	(60,307)
Before income tax and tax effect adjustments	86,451	(75,394)
Income taxes and tax effects	(26,127)	21,597
Remeasurements of defined benefit plans, net of tax	60,323	(53,797)
Share of other comprehensive income of entities accounted for using equity method:		
Amount arising during the year	(15,633)	8,111
Total other comprehensive income	2,023,228	(475,350)

(Consolidated statements of changes in equity)

Previous fiscal year (From April 1, 2023 to March 31, 2024)

1. Type and total number of issued shares and type and number of treasury shares

	Number of shares at beginning of the fiscal year (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares at end of the fiscal year (Shares)
Issued shares				
Common shares	32,040,000	—	—	32,040,000
Total	32,040,000	—	—	32,040,000
Treasury shares				
Common shares (Note)	3,260,767	—	16,600	3,244,167
Total	3,260,767	—	16,600	3,244,167

Note: The decrease of 16,600 shares in the number of common treasury shares is due to a decrease resulting from exercise of stock options.

2. Share acquisition rights

Company name	Breakdown of share acquisition rights	Type of shares to be issued upon exercise of share acquisition rights	Number of shares to be issued upon exercise of share acquisition rights (Shares)				Balance at end of the fiscal year (Thousands of yen)
			As of April 1, 2023	Increase	Decrease	As of March 31, 2024	
Reporting company (Parent company)	Share acquisition rights as stock options	Common shares	—	—	—	—	15,830
Total			—	—	—	—	15,830

3. Dividends

(1) Dividend payment

(Resolution)	Type of shares	Total amount of dividends (Thousands of yen)	Dividends per share (Yen)	Record date	Effective date
Board of Directors Meeting held on May 15, 2023	Common shares	287,792	10.00	March 31, 2023	June 26, 2023
Board of Directors Meeting held on November 14, 2023	Common shares	287,825	10.00	September 30, 2023	December 7, 2023

(2) Dividends for which record date is in the current fiscal year with effective date in the following fiscal year

(Resolution)	Type of shares	Total amount of dividends (Thousands of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
Board of Directors Meeting held on May 1, 2024	Common shares	431,937	Retained earnings	15.00	March 31, 2024	June 24, 2024

Current fiscal year (From April 1, 2024 to March 31, 2025)

1. Type and total number of issued shares and type and number of treasury shares

	Number of shares at beginning of the fiscal year (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares at end of the fiscal year (Shares)
Issued shares				
Common shares	32,040,000	—	—	32,040,000
Total	32,040,000	—	—	32,040,000
Treasury shares				
Common shares (Note)	3,244,167	—	117,355	3,126,812
Total	3,244,167	—	117,355	3,126,812

Note: The breakdown of the decrease in the number of treasury shares of common stock is as follows.

Decrease from the exercising of stock options 85,000 shares

Disposition of treasury shares as restricted stock compensation 32,355 shares

2. Share acquisition rights

Company name	Breakdown of share acquisition rights	Type of shares to be issued upon exercise of share acquisition rights	Number of shares to be issued upon exercise of share acquisition rights (Shares)				Balance at end of the fiscal year (Thousands of yen)
			As of April 1, 2024	Increase	Decrease	As of March 31, 2025	
Reporting company (Parent company)	Share acquisition rights as stock options	Common shares	—	—	—	—	1,767
Total			—	—	—	—	1,767

3. Dividends

(1) Dividend payment

(Resolution)	Type of shares	Total amount of dividends (Thousands of yen)	Dividends per share (Yen)	Record date	Effective date
Board of Directors Meeting held on May 1, 2024	Common shares	431,937	15.00	March 31, 2024	June 24, 2024
Board of Directors Meeting held on November 5, 2024	Common shares	504,929	17.50	September 30, 2024	December 9, 2024

(2) Dividends for which record date is in the current fiscal year with effective date in the following fiscal year

(Resolution)	Type of shares	Total amount of dividends (Thousands of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
Board of Directors Meeting held on May 13, 2025	Common shares	1,011,961	Retained earnings	35.00	March 31, 2025	June 23, 2025

(Note) The breakdown of dividends per share comprises an ordinary dividend of 25.00 yen and a special dividend of 10.00 yen.

(Consolidated statements of cash flows)

*1. Reconciliation of cash and cash equivalents at end of year and the amount recorded in the consolidated balance sheets

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Cash and deposits	17,365,018	15,448,305
Time deposits with maturities of more than three months	(3,146,721)	(3,572,572)
Cash and cash equivalents	14,218,296	11,875,732

2. Description of significant non-cash transactions

The amounts of newly recorded assets and obligations related to lease transactions are as follows:

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Leased assets	16,966	8,976
Right-of-use assets	300,848	1,126,208
Lease obligations	285,970	1,130,412

(Lease transactions)

1. Finance lease transactions (accounting by lessee)

Finance lease transactions in which ownership is not transferred

(i) Details of leased assets

Property, plant and equipment

Mainly machinery and equipment in business activities

(ii) Depreciation method of leased assets

Depreciation method of leased assets is described in “4. Accounting policies (2) Depreciation and amortization methods for significant depreciable and amortizable assets” in “Significant matters forming the basis of preparing the consolidated financial statements.”

2. Operating lease transactions

Future lease payments for non-cancelable operating lease transactions

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (March 31, 2025)
Within 1 year	325,443	369,605
Over 1 year	983,749	1,036,870
Total	1,309,193	1,406,475

(Financial instruments)

1. Status of financial instruments

(1) Policy for handling financial instruments

The Group obtains required funds (mainly through bank borrowings) according to its capital investment plan. The Group also obtains short-term working capital through bank borrowings. We use derivative instruments to hedge the risks to be described later, and do not enter into any speculative transactions.

(2) Details and risks of financial instruments

Notes and accounts receivable - trade, which are trade receivables, are exposed to credit risks of customers. Trade receivables denominated in foreign currencies incurred in overseas business operations are also exposed to exchange rate fluctuation risk, but forward foreign exchange contracts and others are used to hedge such risk except those within the balance of accounts payable - trade denominated in the same foreign currencies.

Investment securities are primarily shares in companies with which the Group has business relationships, and are exposed to market price fluctuation risk.

Notes and accounts payable - trade and electronically recorded obligations - operating, which are trade payables, are mostly due within four months. Some trade payables denominated in foreign currencies are subject to risks associated with fluctuations in foreign exchange rates.

Borrowings are mainly for the purpose of financing for capital investment, and the repayment date is up to seven years from the balance sheet date. Some borrowings are exposed to interest rate fluctuation risk, but interest rate and currency swaps are used to minimize the risks of fluctuations in interest rate on borrowings and principal.

Derivative transactions are used to hedge exchange rate fluctuation risk for accounts receivable - trade denominated in foreign currencies and to secure stable profits. Forward foreign exchange contracts and the like are subject to risks associated with fluctuations in foreign exchange rates. As to hedging instruments, hedged items, hedging policy, and assessing hedge effectiveness relating to hedge accounting, please refer to “4. Accounting policies (7) Significant hedge accounting” in “Significant matters forming the basis of preparing the consolidated financial statements,” as aforementioned.

(3) Risk management system for financial instruments

(i) Management of credit risk (risk associated with insolvency of trading partners)

The Company adheres to its credit management rules for trade receivables and has each sales division regularly monitor the status of major trading partners and manage due dates and balances by trading partner while striving to detect early and mitigate any concerns about debt collection resulting from the deterioration of their financial positions and other factors. The Company also manages the credit status of its consolidated subsidiaries in the same way in accordance with its credit management rules. We believe that the credit risk of derivative transactions is immaterial because these transactions are entered into only with financial institutions with high credit ratings.

(ii) Management of market risk (foreign exchange and interest rate risks)

Trade receivables and payables denominated in foreign currencies are subject to risks associated with fluctuations in foreign exchange rates.

We manage investment securities by regularly monitoring their market values and the financial conditions of issuers (trading partners) and by continuously reviewing the holding status, taking into account market conditions and relationships with the trading partners.

In accordance with our derivative transaction management rules, we enter into derivative transactions within the scope of transaction authority limits and transaction amount limits.

(iii) Management of liquidity risk related to financing (risk in which the Company is unable to repay within the due date)

Based on reports from each division, the Company's responsible division prepares and updates a cash flow plan in a timely manner while managing liquidity risk by maintaining a cash position.

(4) Supplementary remarks on fair values, etc. of financial instruments

Fair values of financial instruments may fluctuate when different assumptions are adopted because variable factors are taken into account in determining the values. The contract amount, etc. of derivative transactions specified in notes on “Derivatives” are only notional contract amounts in derivative transactions or implied notional amounts, and the amounts themselves do not indicate the magnitude of risks involved in derivative transactions.

2. Fair values, etc. of financial instruments

Carrying amounts in the consolidated balance sheets, fair values, and their differences are as follows.

Previous fiscal year (As of March 31, 2024)

(Thousands of yen)			
	Carrying amount	Fair value	Difference
Investment securities (*2)	105,194	105,194	–
Long-term borrowings (*3)	7,653,979	7,590,045	(63,933)
Derivative transactions (*4)	(34,902)	(34,902)	–

Current fiscal year (As of March 31, 2025)

(Thousands of yen)			
	Carrying amount	Fair value	Difference
Investment securities (*2)	108,415	108,415	–
Long-term borrowings (*3)	5,755,381	5,616,173	(139,207)
Derivative transactions (*4)	(32,886)	(32,886)	–

*1 “Cash and deposits,” “Notes receivable - trade,” “Accounts receivable - trade,” “Notes and accounts payable - trade,” “Electronically recorded obligations - operating,” “Short-term borrowings,” “Accounts payable - other,” and “Income taxes payable” are omitted as their fair values approximate their book values. This is due to their nature as cash and as accounts settled over the short term.

*2 Stocks and other securities without available market values are not included in “Investment securities.” The carrying values of these financial instruments on the consolidated balance sheet were as follows.

(Thousands of yen)		
Category	Previous fiscal year (As of March 31, 2024)	Current fiscal year (March 31, 2025)
Shares not listed	35,400	35,400

*3 Long-term borrowings include the current portion.

*4 Receivables and payables arising from derivative transactions are presented on a net basis.

(Notes) 1. Redemption schedule for monetary receivables after the consolidated balance sheet date

Previous fiscal year (As of March 31, 2024)

	Within 1 year (Thousands of yen)	Over 1 year within 5 years (Thousands of yen)	Over 5 years within 10 years (Thousands of yen)	Over 10 years (Thousands of yen)
Cash and deposits	17,365,018	—	—	—
Notes receivable - trade	700,578	—	—	—
Accounts receivable - trade	11,782,370	—	—	—
Total	29,847,966	—	—	—

Current fiscal year (As of March 31, 2025)

	Within 1 year (Thousands of yen)	Over 1 year within 5 years (Thousands of yen)	Over 5 years within 10 years (Thousands of yen)	Over 10 years (Thousands of yen)
Cash and deposits	15,448,305	—	—	—
Notes receivable - trade	329,791	—	—	—
Accounts receivable - trade	13,202,390	—	—	—
Total	28,980,488	—	—	—

2. Repayment schedule for short-term borrowings, long-term borrowings and lease obligations after the consolidated balance sheet date

Please refer to “Annexed consolidated detailed schedule of borrowings” of the Annexed consolidated detailed schedules.

3. Matters concerning breakdown per level of fair value, etc. of financial instruments

The fair value of financial instruments is stratified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1 fair value: Fair value calculated with observable inputs which are quoted prices for identical assets or liabilities for calculation of fair value in active markets.

Level 2 fair value: Fair value calculated with observable inputs other than in Level 1.

Level 3 fair value: Fair value calculated using unobservable inputs.

When multiple inputs that have a significant impact on the calculation of fair value are used, fair value is assigned to the level with the lowest applicable priority among the relevant levels.

(1) Financial instruments recorded on the consolidated balance sheets at fair value

Previous fiscal year (As of March 31, 2024)

Category	Fair value (Thousands of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities	67,802	37,392	–	105,194
Total assets	67,802	37,392	–	105,194
Derivative transactions				
Transactions relating to currencies	–	(34,902)	–	(34,902)
Total liabilities	–	(34,902)	–	(34,902)

(Note) 1. Receivables and payables arising from derivative transactions are presented on a net basis, with the balance shown in parentheses () when in a net liability position.

Current fiscal year (As of March 31, 2025)

Category	Fair value (Thousands of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities	72,819	35,596	–	108,415
Total assets	72,819	35,596	–	108,415
Derivative transactions				
Transactions relating to currencies	–	(32,886)	–	(32,886)
Total liabilities	–	(32,886)	–	(32,886)

(Note) 1. Receivables and payables arising from derivative transactions are presented on a net basis, with the balance shown in parentheses () when in a net liability position.

(2) Financial instruments other than financial instruments recorded on the consolidated balance sheets at fair value

Previous fiscal year (As of March 31, 2024)

Category	Fair value (Thousands of yen)			
	Level 1	Level 2	Level 3	Total
Long-term borrowings (Including current portion)	–	7,590,045	–	7,590,045
Total liabilities	–	7,590,045	–	7,590,045

Current fiscal year (As of March 31, 2025)

Category	Fair value (Thousands of yen)			
	Level 1	Level 2	Level 3	Total
Long-term borrowings (Including current portion)	–	5,616,173	–	5,616,173
Total liabilities	–	5,616,173	–	5,616,173

(Note) Explanation of valuation method used in the calculation of fair value and inputs related to the calculation of fair value

Investment securities

Listed shares are valued using quoted market prices. Since listed shares are traded in active markets, their fair value is classified as Level 1 fair value. In addition, for investment trusts that do not have a market transaction price, if there are no significant restrictions to the extent that the compensation for risk in relation to redemption or repurchase requests is requested by market participants, the base price is used as the market value, and is classified into market value level 2.

Derivative transactions

Since these are over-the-counter transactions and there are no published quoted market prices, they are calculated based on prices, etc. provided by counterparty financial institutions, and their fair value is classified as Level 2 fair value.

Long-term borrowings (Including current portion)

These are calculated by discounting the total amount of principal and interest using an interest rate that would apply if the full amount of the principal were newly borrowed. Long-term borrowings denominated in foreign currencies with variable interest rates are qualified for integrated accounting (designation and exceptional accounting) for interest rate and currency swaps, and the fair value is calculated by discounting the total amount of principal and interest being treated together with the interest rate and currency swaps by the reasonably estimated interest rate for similar loans. Therefore, their fair value is classified as Level 2 fair value.

(Securities)

1. Available-for-sale securities

Previous fiscal year (As of March 31, 2024)

(Thousands of yen)

	Type	Carrying amount	Acquisition cost	Difference
Items whose carrying amount exceeds acquisition cost	(1) Shares	67,802	41,872	25,930
	(2) Other	37,392	4,911	32,481
	Subtotal	105,194	46,783	58,411
Items whose carrying amount does not exceed acquisition cost	(1) Shares	—	—	—
	(2) Other	—	—	—
	Subtotal	—	—	—
Total		105,194	46,783	58,411

Current fiscal year (As of March 31, 2025)

(Thousands of yen)

	Type	Carrying amount	Acquisition cost	Difference
Items whose carrying amount exceeds acquisition cost	(1) Shares	72,819	43,090	29,729
	(2) Other	35,596	4,911	30,685
	Subtotal	108,415	48,001	60,414
Items whose carrying amount does not exceed acquisition cost	(1) Shares	—	—	—
	(2) Other	—	—	—
	Subtotal	—	—	—
Total		108,415	48,001	60,414

2. Securities for which impairment losses were recognized

In the previous fiscal year, impairment losses of 53,790 thousand yen (in available-for-sale securities) were recognized on securities.

No impairment losses were recognized on securities in the current fiscal year.

(Derivatives)

1. Derivatives of which hedge accounting is not applied

Transactions relating to currencies

Previous fiscal year (As of March 31, 2024)

(Thousands of yen)

Category	Type of transaction	Contract amount, etc.	Contract amount, etc. of over 1 year	Fair value	Valuation gain or loss
Non-market transactions	Forward exchange contracts				
	Sold				
	USD	43,691	—	1,058	1,058
	EUR	1,884,943	—	(26,980)	(26,980)
	Purchased				
	USD	319,594	—	2,913	2,913
	EUR	64,842	—	205	205
	Currency Option Transactions				
	Sold / Purchased (Note)				
	USD	605,600	—	(10,650)	(10,650)
	EUR	489,840		(1,450)	(1,450)
Total		3,408,511	—	(34,902)	(34,902)

(Note) Currency option transactions are zero cost options, and are described collectively on the grounds of the call option and put option being included in the same contract.

Current fiscal year (As of March 31, 2025)

Category	Type of transaction	Contract amount, etc.	Contract amount, etc. of over 1 year	Fair value	Valuation gain or loss
Non-market transactions	Forward exchange contracts				
	Sold				
	USD	28,236	—	319	319
	EUR	2,093,390	—	(34,158)	(34,158)
	Purchased				
	USD	477,190	—	1,601	1,601
	EUR	48,240	—	290	290
	CNY	105,825	—	(939)	(939)
Total		2,752,883	—	(32,886)	(32,886)

(Retirement benefits)

1. Overview of retirement benefit plans adopted

The Company and some of its domestic consolidated subsidiaries have defined contribution pension plans, defined benefit pension plans and lump-sum retirement payment plans.

Also, some of its consolidated subsidiaries have defined retirement benefit plans or defined contribution retirement benefit plans.

In addition, some consolidated subsidiaries apply a simplified method for the calculations of retirement benefit liabilities and retirement benefit expenses. The method assumes their retirement benefit obligations to be equal to the benefits payable for voluntary retirements at the fiscal year-end.

2. Defined benefit plan

- (1) Table for adjustment of beginning and ending balances of retirement benefit obligations (excluding plans to which the simplified method in (3) is applied)

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Balance of retirement benefit obligations at beginning of period	921,350	965,886
Service cost	84,237	87,672
Interest cost	8,066	8,729
Amount of actuarial gain or loss	1,379	12,103
Retirement benefit payments	(49,148)	(75,933)
Balance of retirement benefit obligations at end of period	965,886	998,459

- (2) Table for adjustment of beginning and ending balances of pension assets (excluding plans to which the simplified method in (3) is applied)

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Balance of pension asset at beginning of period	690,475	822,968
Amount of actuarial gain or loss	125,020	(2,983)
Employer's contribution	35,572	37,175
Retirement benefit payments	(28,099)	(41,169)
Balance of pension asset at end of period	822,968	815,991

- (3) Table for adjustment of beginning and ending balances of retirement benefit liability for plans to which the simplified method is applied

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Balance of retirement benefit liability at beginning of period	117,759	85,340
Retirement benefit expenses	28,596	43,021
Retirement benefit payments	(73,125)	(28,144)
Others	12,110	(284)
Balance of retirement benefit liability at end of period	85,340	99,932

- (4) Table for adjustment of ending balances of retirement benefit obligations and pension assets, and retirement benefit liability/asset in the consolidated balance sheets

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Retirement benefit obligations in funded plans	1,051,227	1,098,392
Pension assets	(822,968)	(815,991)
	228,258	282,400
Retirement benefit liability	228,258	282,400
Net liabilities and assets recorded on the consolidated balance sheets	228,258	282,400

- (5) Amount of retirement benefit expenses and its breakdown

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Service cost	84,237	87,672
Interest cost	8,066	8,729
Amount treated as expense for actuarial gain or loss	(37,189)	(60,307)
Retirement benefit expenses based on simplified method	28,596	43,021
Retirement benefit expenses relating to defined benefit plan	83,711	79,116

- (6) Remeasurements of defined benefit plans, net of tax

The components of remeasurements of defined benefit plans included in other comprehensive income (Before income tax and tax effect deductions) are as follows:

	(Thousands of yen)	
	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Actuarial gain or loss	86,451	(75,394)
Total	86,451	(75,394)

- (7) Remeasurements of defined benefit plans

The components of remeasurements of defined benefit plans included in accumulated other comprehensive income (Before income tax and tax effect deductions) are as follows:

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Unrecognized actuarial gains and losses	196,163	121,619
Total	196,163	121,619

- (8) Matters relating to pension assets

- (i) Major breakdown of pension assets

The ratios of major classes to the total pension assets are as follows.

	(%)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Shares	53	49
Bonds	26	29
General account	17	18
Others	4	4
Total	100	100

(ii) Method for setting long-term expected rate of return

To determine a long-term expected rate of return from pension assets, the Company considers the allocations of current and expected pension assets and the current and expected long-term rates of return from the various assets constituting pension assets.

(9) Matters relating to actuarial calculation basis

Major calculation bases for actuarial calculations

	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Discount rate	0.8	0.8
Long-term expected rate of return	0	0

Information on foreign consolidated subsidiaries is omitted because it is immaterial.

3. Defined contribution plan

The required contribution of the Company and its consolidated subsidiaries to the defined contribution plans is 201,654 thousand yen for the previous fiscal year and 181,994 thousand yen for the current fiscal year.

(Stock options, etc.)

1. Amount recorded as profit from forfeiture of unexercised rights

(Thousands of yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Gain on reversal of share acquisition rights	16,249	4,159

2. Details, size and changes in stock options

(1) Details of stock options

	2019 Stock Options	2020 Stock Options
Category and number of people to whom stock options are granted	Directors of the Company (excluding Outside Directors): 7 Employees of the Company: 50 Directors and employees of the Company's subsidiaries: 23	Directors of the Company (excluding Outside Directors): 7 Employees of the Company, and Directors (excluding Outside Directors) and employees of the Company's subsidiaries: 78
Number of stock options by class of shares (Note 1)	Common shares 100,000 shares	Common shares 111,700 shares
Grant date	March 14, 2019	March 13, 2020
Vesting conditions	A holder of share acquisition rights must be a Director, an Auditor, or an employee of the Company or its subsidiaries or associates at the time of exercising the share acquisition rights. However, the above rule does not apply if a Director or an Auditor retires on expiration of their term of office, or if an employee reaches the mandatory retirement age. Furthermore, the above rule does not apply if there is a reason that the Board of Directors of the Company deems justifiable. Any heirs of a holder of share acquisition rights shall not be allowed to exercise the share acquisition rights.	A holder of share acquisition rights must be a Director, an Auditor, or an employee of the Company or its subsidiaries or associates at the time of exercising the share acquisition rights. However, the above rule does not apply if a Director or an Auditor retires on expiration of their term of office, or if an employee reaches the mandatory retirement age. Furthermore, the above rule does not apply if there is a reason that the Board of Directors of the Company deems justifiable. Any heirs of a holder of share acquisition rights shall not be allowed to exercise the share acquisition rights.
Vesting period	Vesting period is not stipulated.	Vesting period is not stipulated.
Exercise period	From March 15, 2021 to March 14, 2025 (Note 2)	From March 14, 2022 to March 13, 2026

- (Notes)
1. The number of stock options is translated into the number of shares.
 2. The remaining unexercised rights were forfeited on March 14, 2025 upon expiration of the exercise period.

(2) Size and changes in stock options

The following describes the number of stock options that existed during the current fiscal year ended March 31, 2025. The number of stock options is translated into the number of shares.

(i) Number of stock options

	2019 Stock Options	2020 Stock Options
Before vested (Shares)		
As of previous fiscal year-end	—	—
Granted	—	—
Forfeited	—	—
Vested	—	—
Unvested	—	—
After vested (Shares)		
As of previous fiscal year-end	73,700	78,500
Vested	—	—
Exercised	49,600	35,400
Forfeited	24,100	2,000
Exercisable	—	41,100

(ii) Per share price

	2019 Stock Options	2020 Stock Options
Exercise price (Yen)	815	522
Average price per share upon exercise (Yen)	1,472	1,483
Fair value per share at grant date (Yen)	169	43

3. Method for estimating the number of stock options vested

As it is difficult, in principle, to reasonably estimate the number of stock options that will be forfeited in the future, the number here reflects only stock options that have actually been forfeited.

(Tax effect accounting)

1. Components of deferred tax assets and deferred tax liabilities by major cause

	Previous fiscal year (As of March 31, 2024)	(Thousands of yen) Current fiscal year (As of March 31, 2025)
Deferred tax assets		
Provision for bonuses	371,637	433,893
Provision for product warranties	439,991	427,369
Allowance for doubtful accounts	37,282	86,396
Elimination of inter-company profits	917,140	1,265,722
Retirement benefit liability	106,161	104,393
Software	120,541	119,953
Loss brought forward	137,869	165,511
Asset retirement obligations	35,088	36,578
Inventory write-down	119,121	165,347
Lease liabilities	212,871	367,643
Others	433,499	402,340
Subtotal	2,931,204	3,575,150
Valuation allowance	(365,718)	(403,641)
Total deferred tax assets	2,565,486	3,171,508
Deferred tax liabilities		
Depreciation	44,470	71,210
Right-of-use assets	208,345	360,204
Others	217,461	176,920
Total deferred tax liabilities	470,277	608,334
Net deferred tax assets	2,095,209	2,563,173

2. Breakdown of the main items that caused differences between the effective statutory tax rate and the actual effective tax rate by applying tax effect accounting

	Previous fiscal year (As of March 31, 2024)	(%) Current fiscal year (As of March 31, 2025)
Effective statutory tax rate	30.2	30.2
(Adjustments)		
Differences of tax rates at foreign subsidiaries	(2.7)	(2.2)
Differences of tax rates at domestic subsidiaries	0.2	0.2
Non-deductible permanent differences such as entertainment expenses	1.3	1.0
Per capita inhabitant tax, etc.	0.6	0.4
Change in valuation allowance	(0.4)	0.4
Impact caused by foreign exchange fluctuations of overseas subsidiaries	2.1	1.0
Amortization of goodwill	0.2	0.1
Elimination of inter-company profits without applying tax effect accounting	(0.2)	(0.1)
Special deduction for income taxes	(8.6)	(7.6)
Share of profit (loss) of entities accounted for using equity method	(0.0)	0.1
Foreign tax credits	—	(0.3)
Effect of tax rate changes	—	(0.1)
Others	0.5	2.5
Actual effective tax rate by applying tax effect accounting	23.2	25.6

3. Modification of the amount of deferred tax assets and liabilities due to changes in corporate taxation rates

The Act Amending the Income Tax Act (Act No. 13 of 2025) was passed by the Diet on March 31, 2025, and the Special Defense Corporation Tax will be levied starting from the fiscal year beginning April 1, 2026.

Due to this change, the Company has changed the statutory tax rate used to calculate deferred tax assets and deferred tax liabilities resulting from temporary differences between accounting and tax values that will become deductible from the fiscal year beginning April 1, 2026. The tax rate has changed from 30.2% to 31.1%. As a result of this change, the amount of deferred tax assets in the current fiscal year (the amount less the amount of deferred tax liabilities) has increased by 3,376 thousand yen, income taxes - deferred has increased by 4,921 thousand yen, remeasurements of defined benefit plans has increased by 1,094 thousand yen, and the valuation difference on available-for-sale securities has decreased by 450 thousand yen.

(Revenue recognition)

1. Information on breakdown of revenue from contracts with customers

Information on net sales by reporting segment is based on the revenue accounting provisions in the Accounting Standard for Revenue Recognition, and the Company has determined that it is sufficient to disaggregate this information into categories based on the nature, amount, and timing of revenue and cash flows, as well as major factors affecting their uncertainty. For details, please refer to “Notes (Segment information, etc.).”

2. Fundamental explanation of revenue from contracts with customers

The fundamental explanation for revenue is as described in significant matters forming the basis of preparing the consolidated financial statements under “4. Accounting policies, (5) Accounting policy for significant revenues and expenses.”

3. Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from these contracts, and the amount and timing of revenue expected to be recognized in subsequent fiscal years from contracts with customers that exist at the end of the current fiscal year

(1) Balance of contract liabilities

	(Thousands of yen)	
	Previous fiscal year	Current fiscal year
Contract liabilities (Balance at beginning of period)	2,830,153	3,349,527
Contract liabilities (Balance at end of period)	3,349,527	3,410,622

(Notes) 1. Contract liabilities consist primarily of advances received from customers under contractual agreements and maintenance service agreements. Contract liabilities are reversed upon recognition of revenue.

2. Contract liabilities are included in “Other” under current liabilities on the consolidated balance sheets.

3. The amount of revenue recognized in the previous fiscal year and the current fiscal year that was included in the contract liability balance at the beginning of the period was 1,294,538 thousand yen and 1,624,855 thousand yen respectively.

(2) Transaction price allocated to remaining performance obligations

The total transaction price allocated to unfulfilled performance obligations as of the end of the current fiscal year and the period over which revenue is expected to be recognized are as follows.

	(Thousands of yen)	
	Previous fiscal year	Current fiscal year
Within 1 year	1,790,070	1,696,503
Over 1 year	1,559,456	1,714,118

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The reportable segments of the Company are components of the Company for which discrete financial information is available and regularly reviewed by the Board of Directors to make decisions about allocation of managerial resources and to assess their performance.

The Company manufactures and sells mainly industrial inkjet printers and cutting plotters. The Company engages in such activities for the Japanese market, and its local entities engage in such activities for their markets in North America, Europe, the Asia and Oceania region, and Latin America. Each of the local entities operates business independently, develops a regional and comprehensive strategy for their offerings, and expands business activities.

2. Calculation methods for net sales, profit or loss, assets, and other items by reportable segment

The accounting methods used for reportable segments are the same as those discussed under “Significant matters forming the basis of preparing the consolidated financial statements.”

Segment profit figures are based on operating profit.

Inter-segment sales and transfers are based on prevailing market prices.

3. Information on net sales, profit or loss, assets, and other items by reportable segment and breakdown information for revenue

Previous fiscal year (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Japan, Asia, and Oceania	North America and Latin America	Europe, the Middle East, and Africa	Total
Net sales				
Revenue from contracts with customers	33,994,773	21,493,484	20,142,888	75,631,146
Other revenue	—	—	—	—
Net sales to external customers	33,994,773	21,493,484	20,142,888	75,631,146
Inter-segment sales or transfers between segments	28,316,845	106	4,148,140	32,465,093
Total	62,311,619	21,493,590	24,291,029	108,096,239
Segment profit	4,744,020	238,789	856,206	5,839,017
Segment assets	45,445,285	12,389,847	15,197,780	73,032,914
Other items				
Depreciation	1,543,535	193,692	218,242	1,955,470
Amortization of goodwill	38,164	—	—	38,164
Increase in property, plant and equipment and intangible assets	2,139,573	219,447	223,061	2,582,081

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Japan, Asia, and Oceania	North America and Latin America	Europe, the Middle East, and Africa	Total
Net sales				
Revenue from contracts with customers	37,991,330	24,080,504	21,891,859	83,963,694
Other revenue	—	—	—	—
Net sales to external customers	37,991,330	24,080,504	21,891,859	83,963,694
Inter-segment sales or transfers between segments	33,489,311	369	3,832,175	37,321,855
Total	71,480,641	24,080,873	25,724,035	121,285,550
Segment profit	7,867,625	1,068,771	1,205,555	10,141,952
Segment assets	43,798,478	15,620,219	11,619,720	71,038,418
Other items				
Depreciation	1,703,629	206,220	234,165	2,144,015
Amortization of goodwill	21,618	—	—	21,618
Increase in property, plant and equipment and intangible assets	1,807,234	1,776,527	224,785	3,808,547

4. Description of nature and amounts of differences between total of reportable segments and consolidated financial statements

(Thousands of yen)

Profit	Previous fiscal year	Current fiscal year
Total of reportable segments	5,839,017	10,141,952
Clearing transactions between segments	(358,219)	(1,030,147)
Operating profit in the consolidated financial statements	5,480,797	9,111,805

(Thousands of yen)

Assets	Previous fiscal year	Current fiscal year
Total of reportable segments	73,032,914	71,038,418
Corporate assets (Note)	7,258,107	6,230,568
Elimination of inter-segment transactions	(4,572,328)	(1,094,648)
Total assets in the consolidated financial statements	75,718,693	76,174,338

(Note) Corporate assets consist primarily of cash and deposits that do not belong to any reportable segments.

(Thousands of yen)

Other items	Total of reportable segments		Adjustments		Amounts recorded on consolidated financial statements	
	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year	Previous fiscal year	Current fiscal year
Depreciation	1,955,470	2,144,015	(5,113)	(7,761)	1,950,357	2,136,254
Increase in property, plant and equipment and intangible assets	2,582,081	3,808,547	(10,235)	(12,724)	2,571,845	3,795,823

[Information associated with reportable segments]

Previous fiscal year (From April 1, 2023 to March 31, 2024)

1. Information by product and service

This information has been omitted as net sales to external customers under the classification of single product or service account for more than 90% of net sales recorded on the consolidated statements of income.

2. Information by geographical area

(1) Net sales

(Thousands of yen)

Japan	North America	Europe	Asia and Oceania	Others	Total
21,074,081	15,566,611	17,916,223	12,860,153	8,214,078	75,631,146

(Notes) 1. Net sales are classified into country or area based on customer location.

2. Of North America, the US accounted for 13,823,679 thousand yen.

(2) Property, plant and equipment

(Thousands of yen)

Japan, Asia, and Oceania	North America and Latin America	Europe, the Middle East, and Africa	Total
10,311,207	1,298,061	925,933	12,535,201

(Note) Of North America and Latin America, the US accounted for 1,239,803 thousand yen.

3. Information by major customer

This information has been omitted as no single external customer accounts for 10% or more of net sales recorded on the consolidated statements of income.

Current fiscal year (From April 1, 2024 to March 31, 2025)

1. Information by product and service

This information has been omitted as net sales to external customers under the classification of single product or service account for more than 90% of net sales recorded on the consolidated statements of income.

2. Information by geographical area

(1) Net sales

(Thousands of yen)

Japan	North America	Europe	Asia and Oceania	Others	Total
22,888,781	17,716,008	19,323,553	15,037,380	8,997,971	83,963,694

(Notes) 1. Net sales are classified into country or area based on customer location.

2. Of North America, the US accounted for 15,875,483 thousand yen.

(2) Property, plant and equipment

(Thousands of yen)

Japan, Asia, and Oceania	North America and Latin America	Europe, the Middle East, and Africa	Total
10,322,287	2,500,785	827,206	13,650,280

(Note) Of North America and Latin America, the US accounted for 2,435,442 thousand yen.

3. Information by major customer

This information has been omitted as no single external customer accounts for 10% or more of net sales recorded on the consolidated statements of income.

[Information on impairment loss on non-current assets by reportable segment]

Previous fiscal year (From April 1, 2023 to March 31, 2024)

There is no related information.

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Japan, Asia, and Oceania	North America and Latin America	Europe, the Middle East, and Africa	Unallocated amounts and elimination	Total
Impairment losses	166,990	—	—	—	166,990

(Note) In Japan, Asia, and Oceania, impairment losses of 166,990 thousand yen were recorded for software in progress.

[Information on amortization and unamortized balance of goodwill by reportable segment]

Previous fiscal year (From April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Japan, Asia, and Oceania	North America and Latin America	Europe, the Middle East, and Africa	Unallocated amounts and elimination	Total
Amortization during the period	38,164	—	—	—	38,164
Balance at end of period	129,710	—	—	—	129,710

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Japan, Asia, and Oceania	North America and Latin America	Europe, the Middle East, and Africa	Unallocated amounts and elimination	Total
Amortization during the period	21,618	—	—	—	21,618
Balance at end of period	108,091	—	—	—	108,091

[Information on gain on bargain purchase by reportable segment]

There is no related information.

[Related parties]

Transactions with related parties

Business transactions between the company filing the consolidated financial statements and related parties

(1) Unconsolidated subsidiaries of the company filing the consolidated financial statements

Previous fiscal year (From April 1, 2023 to March 31, 2024)

Type	Name of company, etc.	Location	Share capital	Businesses	Share of voting rights (%)	Relationship with related parties	Transactions	Transaction value (Thousands of yen)	Item	Balance at end of period (Thousands of yen)
Unconsolidated subsidiaries	MIMAKI KANPHOR INDIA PRIVATE LIMITED	Haryana, the Republic of India	21,251 thousand INR	Wholesale	(Shares owned) Direct ownership 51.0	Sale of the Company's products Concurrent officers	Sale of the Company's products	—	“Other” in investments and other assets	212,746

(Note) Transaction terms and policies for determining the transaction terms, etc.

Price and terms are determined by negotiation after price offer based on market price and total cost.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Type	Name of company, etc.	Location	Share capital	Businesses	Share of voting rights (%)	Relationship with related parties	Transactions	Transaction value (Thousands of yen)	Item	Balance at end of period (Thousands of yen)
Unconsolidated subsidiaries	MIMAKI KANPHOR INDIA PRIVATE LIMITED	Haryana, the Republic of India	21,251 thousand INR	Wholesale	(Shares owned) Direct ownership 51.0	Sale of the Company's products Concurrent officers	Sale of the Company's products	—	“Other” in investments and other assets	173,270

(Note) Transaction terms and policies for determining the transaction terms, etc.

Price and terms are determined by negotiation after price offer based on market price and total cost.

(2) Officers and major shareholders, etc. of the Company submitting consolidated financial statements

Previous fiscal year (From April 1, 2023 to March 31, 2024)

There is no related information.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Type	Name of company, etc.	Location	Share capital	Businesses	Share of voting rights (%)	Relationship with related parties	Transactions	Transaction value (Thousands of yen)	Item	Balance at end of period (Thousands of yen)
Company whose majority voting rights are held by officers and their relatives	Arcana Mfg. Co., Ltd.	Tomi-shi, Nagano	3,500 thousand yen	3D scanner related business	—	Supplier and subcontractor	Supply of goods and outsourcing of design	51,096	Accounts payable - trade	5,981

(Note) Transaction terms and policies for determining the transaction terms are based on market prices.

(Per share information)

(Yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Net assets per share	945.99	1,114.26
Net profit per share	128.80	213.35
Diluted earnings per share	128.64	212.84

(Note) 1. Net profit per share and the basis for calculation, and diluted earnings per share and the basis for calculation are as follows.

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Net profit per share		
Profit attributable to owners of the parent (Thousands of yen)	3,707,497	6,156,161
Amounts not attributable to common shareholders (Thousands of yen)	—	—
Profit attributable to owners of parent associated with common shares (Thousands of yen)	3,707,497	6,156,161
Average number of common shares outstanding during the period (Shares)	28,784,743	28,854,651
Diluted earnings per share		
Profit adjustment amount attributable to owners of the parent (Thousands of yen)	—	—
Increase in common shares (Shares)	35,797	68,730
[Of which, stock acquisition rights (Shares)]	[35,797]	[68,730]
Overview of potential shares not included in the calculation of diluted earnings per share because of having no dilutive effect	—	—

(Significant events after reporting period)

There is no related information.

(v) Annexed consolidated detailed schedules

[Annexed consolidated detailed schedule of bonds payable]

There is no related information.

[Annexed consolidated detailed schedule of borrowings]

Category	Balance at beginning of period (Thousands of yen)	Balance at end of period (Thousands of yen)	Average interest rate (%)	Repayment date
Short-term borrowings	18,938,540	14,774,724	2.61	–
Current portion of long-term borrowings	2,766,708	1,783,229	0.42	–
Current portion of lease obligations	531,185	471,113	–	–
Long-term borrowings (excluding current portion)	4,887,271	3,972,152	0.47	From 2026 to 2031
Lease obligations (excluding current portion)	1,376,165	1,939,480	–	From 2026 to 2035
Other interest-bearing debt	–	–	–	–
Total	28,499,870	22,940,699	–	–

- (Notes)
1. Average interest rates are computed as the weighted average interest rate on borrowings outstanding at the fiscal year end.
 2. Average interest rates on lease obligations are not provided because the lease obligations stated in the consolidated balance sheets represent the amounts with interest equivalents not deducted from the total lease payments.
 3. As US GAAP ASU No. 2016-02 “Leases” has been applied to overseas consolidated subsidiaries subject to the application of the US GAAP, the balance of “Current portion of lease obligations” and lease obligations (excluding current portion) includes the balance subject to the application of this accounting standard.
 4. Repayment schedule for long-term loans payable and lease obligations (excluding current portion) for five years after the consolidated balance sheet date is as follows.

(Thousands of yen)

	Over 1 year within 2 years	Over 2 years within 3 years	Over 3 years within 4 years	Over 4 years within 5 years	Over 5 years
Long-term borrowings	2,127,616	1,054,884	642,752	136,740	10,160
Lease obligations	376,248	374,628	303,223	176,540	708,839

[Annexed consolidated detailed schedule of asset retirement obligations]

The amount of asset retirement obligations at the beginning and at the end of the current fiscal year was not more than 1% of the total amount of liabilities and net assets at the beginning and at the end of the current fiscal year, respectively. Consequently, pursuant to Article 92-2 of the Regulation on Consolidated Financial Statements, this information has been omitted.

(2) Other

(i) Semi-annual information for the fiscal year ended March 31, 2025

(Cumulative period)	First six months	Full year
Net sales (Thousands of yen)	40,942,853	83,963,694
Profit before income taxes (Thousands of yen)	4,328,603	8,294,822
Profit attributable to owners of parent (Thousands of yen)	3,250,979	6,156,161
Profit per share (Yen)	112.78	213.35

(ii) Significant lawsuits, etc.

These are as stated in the notes for “Consolidated balance sheets, 5 Contingent liabilities.”

2. Non-consolidated financial statements, etc.

(1) Non-consolidated financial statements

(i) Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	* ₁ 6,615,745	* ₁ 5,549,347
Notes receivable - trade	* ₅ 596,347	198,914
Accounts receivable - trade	* ₂ 11,495,964	* ₂ 12,960,439
Merchandise and finished goods	11,125,994	10,541,929
Work in process	943,419	992,214
Raw materials and supplies	4,390,215	4,202,145
Prepaid expenses	200,822	304,416
Other	* ₂ , * ₅ 3,093,092	* ₂ 3,031,449
Allowance for doubtful accounts	(610)	(570)
Total current assets	38,460,990	37,780,286
Non-current assets		
Property, plant and equipment		
Buildings	* ₁ , * ₃ 3,413,081	* ₁ , * ₃ 3,362,446
Structures	109,985	* ₃ 106,992
Machinery and equipment	225,088	* ₃ 286,002
Vehicles	0	3,977
Tools, furniture and fixtures	1,040,964	* ₃ 1,019,478
Land	* ₁ , * ₃ 2,954,842	* ₁ 3,075,922
Leased assets	11,890	8,779
Construction in progress	219,254	347,745
Total property, plant and equipment	7,975,107	8,211,343
Intangible assets		
Software	174,929	304,787
Other	448,170	285,775
Total intangible assets	623,099	590,563
Investments and other assets		
Investment securities	120,392	119,396
Shares of subsidiaries and associates	6,104,381	6,104,381
Investments in capital	2,730	2,730
Investments in capital of subsidiaries and associates	5,239,086	5,239,086
Distressed receivables	* ₂ 2,211,924	* ₂ 2,354,841
Long-term prepaid expenses	73,096	53,663
Deferred tax assets	1,150,663	1,218,894
Other	520,755	560,613
Allowance for doubtful accounts	(1,319,453)	(1,308,191)
Total investments and other assets	14,103,575	14,345,414
Total non-current assets	22,701,782	23,147,321
Total assets	61,162,773	60,927,608

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	*2 4,092,767	*2 4,621,890
Electronically recorded obligations - operating	*5 5,323,997	4,598,360
Short-term borrowings	*1 18,054,340	*1 13,984,461
Short-term borrowings from subsidiaries and associates	757,000	747,650
Current portion of long-term borrowings	*1 2,511,162	*1 1,542,405
Lease liabilities	3,412	2,284
Accounts payable - other	*2 779,477	*2 982,143
Accrued expenses	381,566	389,699
Income taxes payable	493,471	1,088,702
Advances received	2,864,729	3,119,890
Deposits received	108,121	86,173
Provision for bonuses	952,050	1,107,046
Provision for bonuses for directors (and other officers)	76,461	127,885
Provision for product warranties	1,453,806	1,309,184
Other	38,929	34,862
Total current liabilities	37,891,294	33,742,640
Non-current liabilities		
Long-term borrowings	*1 4,014,197	*1 3,396,792
Lease liabilities	9,656	7,371
Provision for retirement benefits	323,189	284,151
Asset retirement obligations	116,226	117,652
Other	619	619
Total non-current liabilities	4,463,888	3,806,587
Total liabilities	42,355,183	37,549,228
Net assets		
Shareholders' equity		
Share capital	4,357,456	4,357,456
Capital surplus		
Legal capital surplus	4,245,456	4,245,456
Other capital surplus	373,393	428,879
Total capital surplus	4,618,849	4,674,335
Retained earnings		
Legal retained earnings	18,035	18,035
Other retained earnings		
General reserve	6,700,000	6,700,000
Retained earnings brought forward	5,000,617	9,460,994
Total retained earnings	11,718,652	16,179,029
Treasury shares	(1,938,863)	(1,868,726)
Total shareholders' equity	18,756,095	23,342,094
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	35,664	34,518
Total valuation and translation adjustments	35,664	34,518
Share acquisition rights	15,830	1,767
Total net assets	18,807,590	23,378,380
Total liabilities and net assets	61,162,773	60,927,608

(ii) Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	*1 52,452,871	*1 60,925,125
Cost of sales	*1 35,206,803	*1 38,887,087
Gross profit	17,246,067	22,038,037
Selling, general and administrative expenses	*1, *2 13,772,244	*1, *2 15,149,185
Operating profit	3,473,822	6,888,851
Non-operating income		
Interest and dividend income	*1 6,158	*1 584,495
Rental income	*1 70,711	*1 61,580
Insurance claim income	1,780	5,634
Subsidy income	25,424	19,090
Other	*1 18,924	*1 15,209
Total non-operating income	122,998	686,011
Non-operating expenses		
Interest expenses	380,838	431,736
Foreign exchange losses	41,260	184,826
Depreciation	24,508	20,656
Consumption tax difference	18,965	22,858
Other	28,335	27,634
Total non-operating expenses	493,907	687,712
Ordinary profit	3,102,913	6,887,150
Extraordinary income		
Gain on sale of non-current assets	*3 2,163	*3 29
Gain on reversal of share acquisition rights	16,249	4,159
Total extraordinary income	18,413	4,189
Extraordinary losses		
Loss on valuation of investment securities	53,790	—
Impairment losses	—	*4 166,990
Total extraordinary losses	53,790	166,990
Profit before income taxes	3,067,537	6,724,349
Income taxes - current	791,932	1,395,487
Income taxes - deferred	(189,455)	(68,381)
Total income taxes	602,476	1,327,106
Profit	2,465,060	5,397,243

(iii) Non-consolidated statements of changes in equity
Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Legal retained earnings	Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus		General reserve	Other retained earnings brought forward	Total retained earnings
Balance at beginning of period	4,357,456	4,245,456	371,839	4,617,296	18,035	6,700,000	3,111,175	9,829,210
Changes during period								
Dividends of surplus							(575,617)	(575,617)
Profit							2,465,060	2,465,060
Exercise of share acquisition rights			1,553	1,553				
Net changes in items other than shareholders' equity								
Total changes during period	—	—	1,553	1,553	—	—	1,889,442	1,889,442
Balance at end of period	4,357,456	4,245,456	373,393	4,618,849	18,035	6,700,000	5,000,617	11,718,652

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,948,784)	16,855,178	13,261	13,261	33,423	16,901,864
Changes during period						
Dividends of surplus		(575,617)				(575,617)
Profit		2,465,060				2,465,060
Exercise of share acquisition rights	9,920	11,474				11,474
Net changes in items other than shareholders' equity			22,402	22,402	(17,593)	4,809
Total changes during period	9,920	1,900,916	22,402	22,402	(17,593)	1,905,726
Balance at end of period	(1,938,863)	18,756,095	35,664	35,664	15,830	18,807,590

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Legal retained earnings	Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings		Total retained earnings
						General reserve	Retained earnings brought forward	
Balance at beginning of period	4,357,456	4,245,456	373,393	4,618,849	18,035	6,700,000	5,000,617	11,718,652
Changes during period								
Dividends of surplus							(936,866)	(936,866)
Profit							5,397,243	5,397,243
Exercise of share acquisition rights			18,007	18,007				
Restricted stock compensation			37,478	37,478				
Net changes in items other than shareholders' equity								
Total changes during period	—	—	55,486	55,486	—	—	4,460,376	4,460,376
Balance at end of period	4,357,456	4,245,456	428,879	4,674,335	18,035	6,700,000	9,460,994	16,179,029

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,938,863)	18,756,095	35,664	35,664	15,830	18,807,590
Changes during period						
Dividends of surplus		(936,866)				(936,866)
Profit		5,397,243				5,397,243
Exercise of share acquisition rights	50,799	68,807				68,807
Restricted stock compensation	19,336	56,815				56,815
Net changes in items other than shareholders' equity			(1,146)	(1,146)	(14,063)	(15,209)
Total changes during period	70,136	4,585,999	(1,146)	(1,146)	(14,063)	4,570,789
Balance at end of period	(1,868,726)	23,342,094	34,518	34,518	1,767	23,378,380

[Notes]

(Significant accounting policies)

1. Valuation bases and methods for assets

(1) Valuation bases and methods for securities

(i) Shares of subsidiaries

Stated at cost using the moving-average method.

(ii) Available-for-sale securities

Securities other than stocks and other securities without available market value

Stated at fair value (all valuation differences are processed by the direct net assets method, and cost of securities sold is calculated by the moving-average method).

Stocks and other securities without available market values

Stated at cost using the moving-average method.

(2) Valuation bases and methods for derivatives

Derivatives

Stated at fair value.

(3) Valuation bases and methods for inventories

(i) Finished goods, work in process, and raw materials

Stated at cost using the gross average method (balance sheet amounts are determined based on the method of writing down book value in accordance with decreased profitability of assets).

(ii) Supplies

Stated using the last cost method (balance sheet amounts are determined based on the method of writing down book value in accordance with decreased profitability of assets).

2. Depreciation and amortization methods for non-current assets

(1) Property, plant and equipment (excluding leased assets)

Depreciated using the declining balance method. However, the Company adopts the straight-line method for buildings (excluding facilities attached to buildings) acquired on April 1, 1998 and thereafter and for facilities attached to buildings and structures acquired on April 1, 2016 and thereafter.

The estimated useful lives of major items are as follows:

Buildings	15 to 31 years
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Tools, furniture and fixtures	2 to 6 years
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(2) Intangible assets (excluding leased assets)

Amortized using the straight-line method.

However, software for sale is amortized at the larger amount of either an amortizable amount based on the estimated sales volume during an estimated marketable life (within 3 years) or an amortizable amount based on the straight-line method over the remaining valid sales period.

In addition, software for internal use is amortized using the straight-line method over its useful life as internally determined (3 to 5 years).

Goodwill is amortized using the straight-line method over an individually estimated period during which its effect is realized.

(3) Leased assets

The straight-line method is applied on the assumptions that the useful life equals the lease term and the residual value is zero.

3. Accounting policy for allowance and provisions

(1) Allowance for doubtful accounts

To prepare for losses from bad debt, an estimated uncollectible amount is recognized either by making an estimation using the historical bad debt rate for general receivables, or based on individual consideration of collectability for specific receivables such as doubtful accounts, etc.

(2) Provision for bonuses

To prepare for the payment of bonuses to employees, the amount borne for the current fiscal year among the estimated bonus payments is recorded.

(3) Provision for bonuses for directors (and other officers)

To prepare for the payment of bonuses to directors (and other officers), the amount borne for the current fiscal year among the estimated bonus payments is recorded.

(4) Provision for product warranties

To prepare for after-sales repair costs, the total amount of the individually estimated free repair cost and the historical experience-based estimated amount is recorded.

(5) Provision for retirement benefits

To prepare for the payment of retirement benefits to employees, the amount based on the estimated retirement benefit obligations and fair value of pension assets as of the end of the current fiscal year is recognized.

Prior service cost is amortized at once as incurred.

Unrecognized actuarial gains and losses are amortized by the straight-line method in equally allocated amounts over a fixed number of years (five years) set within the average remaining service period of employees as occurred, starting in the respective fiscal years following each occurrence.

4. Accounting policy for revenues and expenses

Revenue is recognized at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services.

The principal performance obligations in major businesses and the usual time at which revenue is recognized are as follows: for products that the Company is obligated to install under a contract with a customer, at the time installation is completed; for products that the Company is not obligated to install under a contract with a customer, at the time the product is transferred. At the respective time, the Company determines that control over the product has been acquired by the customer and that the performance obligation has been satisfied, and recognizes revenue.

For products for which there is no obligation to install, revenue is recognized at the time of shipment if the period from the time of shipment to the time when control of the product is transferred to the customer is a normal period of time.

5. Other significant matters forming the basis of preparing the non-consolidated financial statements

(1) Accounting for retirement benefits

The accounting method for the unamortized actuarial gains and losses and the unamortized amount of unrecognized prior service cost in the non-consolidated financial statements differs from the accounting method for those items in the consolidated financial statements.

(2) Hedge accounting

(i) Hedge accounting

In principle, deferred hedge accounting is applied for derivative instruments. Integrated accounting (designation and exceptional accounting) is applied to interest rate and currency swaps that qualify for the integrated accounting.

(ii) Hedging instruments and hedged items

a. Hedging instruments: Forward exchange contracts

Hedged items: Trade receivables denominated in foreign currencies and forecast transactions denominated in foreign currencies

b. Hedging instruments: Interest rate and currency swaps

Hedged items: Borrowings denominated in foreign currencies

(iii) Hedging policy

In accordance with internal rules that stipulate derivative transaction-related authority levels and transaction amount limits, hedging activities are undertaken within specified limits to hedge fluctuation risks of foreign exchange rates and interest rates for the hedged items.

(iv) Assessing hedge effectiveness

The effectiveness is assessed by confirming a high correlation between the cumulative total of the market fluctuations or the cash flow fluctuations for a hedged item and the cumulative total of the market fluctuations or the cash flow fluctuations for a hedging instrument. However, assessing the hedge effectiveness is omitted for interest rate and currency swaps through the integrated accounting (designation and special accounting).

(3) Translation of foreign currency accounts

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the spot exchange rates in effect as of the non-consolidated balance sheet date. The foreign exchange gains and losses from translation are recognized as profit and loss in the non-consolidated statements of income.

(Significant accounting estimates)

Notes on accounting estimates are as follows. “Information contributing to understanding of accounting estimates” is omitted because it is as described in “Notes (Significant accounting estimates)” to the consolidated financial statements.

(1) Valuation of merchandise and finished goods

Amount recorded in the non-consolidated financial statements

(Thousands of yen)

	Previous fiscal year	Current fiscal year
Merchandise and finished goods	11,125,994	10,541,929

(2) Recoverability of deferred tax assets

Amount recorded in the non-consolidated financial statements

(Thousands of yen)

	Previous fiscal year	Current fiscal year
Deferred tax assets	1,150,663	1,218,894

(Changes in accounting policies)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as “Revised Accounting Standard 2022”), etc. has been applied since the beginning of the current fiscal year.

Previously, income taxes such as corporation taxes, inhabitant taxes, and enterprise taxes (hereinafter referred to as “income taxes”) were calculated in accordance with laws and regulations and the amount was recognized in profit or loss. Upon the application of Revised Accounting Standard 2022, we decided to separately record income taxes on income in profit or loss, shareholders’ equity, and valuation and translation adjustments depending on the transactions, etc. that are the source of the income. With regard to income taxes recorded in valuation and translation adjustments, we decided to record a corresponding tax amount in profit or loss when the transactions, etc. that give rise to the imposition of said income taxes are recognized in profit or loss. If the taxable transactions, etc. are related to shareholders’ equity or valuation and translation adjustments in addition to profit or loss, and it is difficult to calculate the amount of income tax imposed on shareholders’ equity or valuation and translation adjustments, the relevant tax amount is recognized in profit or loss.

Regarding the revision to the accounting classification for income taxes, the Company adheres to a transitional provision included in paragraph 20-3 of the Accounting Standard Revised in 2022.

There is no impact on the financial statements due to the change in accounting policy.

(Non-consolidated balance sheets)

*1. Assets pledged as collateral and liabilities secured by the collateral

Assets pledged as collateral

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Time deposits	2,300,000	2,220,000
Buildings	2,016,733	1,954,749
Land	715,779	715,779
Total	5,032,512	4,890,528

Of the above, the time deposits are deposited collateral for tax litigation. For details, please refer to “Notes (Consolidated balance sheets), 5. Contingent liabilities” to the consolidated financial statements.

Liabilities secured by the collateral

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Short-term borrowings	300,000	430,000
Current portion of long-term borrowings	130,000	60,000
Long-term borrowings	1,420,000	1,360,000
Total	1,850,000	1,850,000

*2. Monetary receivables and payables to subsidiaries and associates (excluding those separately presented)

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Short-term monetary receivables	10,524,460	11,752,367
Long-term monetary receivables	2,210,597	2,353,513
Short-term monetary payables	2,220,379	2,012,789

*3. The amount of depreciation deducted from the acquisition cost of property, plant and equipment due to government subsidies, etc., and a breakdown thereof, are provided below.

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Buildings	13,799	9,300
Structures	—	4,111
Machinery and equipment	—	649
Tools, furniture and fixtures	—	1,178
Land	10,685	—
Total	24,484	15,238

4. Guarantee obligations

The Company has guaranteed obligations of the following subsidiaries and associates.

		(Thousands of yen)	
	Guarantee obligations	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
ALPHA DESIGN CO., LTD.	Borrowings	717,920	542,820
Tonami Corporation Ltd.	Borrowings	580,718	479,294
ALPHA SYSTEMS CO., LTD.	Borrowings	445,000	315,000
MIMAKI AUSTRALIA PTY LTD	Forward exchange contracts	71,158	74,765
MIMAKI ENGINEERING (TAIWAN) Co., Ltd.	Forward exchange contracts	44,873	—
Total		1,859,669	1,411,879

*5. Notes matured on the non-consolidated balance sheet date

Notes matured on the non-consolidated balance sheet date are settled on their clearing dates. Since the last day of the previous fiscal year fell on the bank holiday, the following notes matured on the non-consolidated balance sheet date, etc. are included in the balance at the end of previous fiscal year.

	(Thousands of yen)	
	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Notes receivable - trade	3,871	—
“Other” under current assets (electronically recorded monetary claims - operating)	48,742	—
Electronically recorded obligations - operating	1,247,612	—

(Non-consolidated statements of income)

*1. Volume of transactions with subsidiaries and associates

	(Thousands of yen)	
	Previous fiscal year	Current fiscal year
	(From April 1, 2023 to March 31, 2024)	(From April 1, 2024 to March 31, 2025)
Volume of business transactions		
Net sales	37,836,955	45,064,146
Purchases	5,925,157	6,051,719
Volume of other business transactions	6,554,463	6,993,067
Volume of other transactions	136,209	676,863

*2. Selling expenses for the previous and current fiscal years roughly account for 39% and 40% of SG&A expenses, respectively, while general and administrative expenses roughly account for 61% and 60%, respectively.

The major items and their amounts are as follows.

	(Thousands of yen)	
	Previous fiscal year	Current fiscal year
	(From April 1, 2023 to March 31, 2024)	(From April 1, 2024 to March 31, 2025)
Provision for product warranties	1,453,806	1,309,184
Provision of allowance for doubtful accounts	10,189	1,145
Salaries and allowances	2,536,812	2,706,708
Provision for bonuses	530,098	613,440
Retirement benefit expenses	49,571	36,731
Commission expenses	1,654,485	1,777,486
Depreciation	289,295	330,309
Provision for bonuses for directors (and other officers)	76,461	127,885
Research and development expenses	3,016,071	3,525,004

*3. Gain on sales of non-current assets is as follows:

	(Thousands of yen)	
	Previous fiscal year	Current fiscal year
	(From April 1, 2023 to March 31, 2024)	(From April 1, 2024 to March 31, 2025)
Tools, furniture and fixtures	1,803	29
Machinery and equipment	359	—
Total	2,163	29

*4 Impairment losses

Previous fiscal year (From April 1, 2023 to March 31, 2024)

There is no related information.

Current fiscal year (From April 1, 2024 to March 31, 2025)

In the current fiscal year, the Company recorded impairment losses for the following asset groups.

(Thousands of yen)			
Location	Use	Type	Impairment losses
Tomi-shi, Nagano	Business assets	Software in progress	166,990

Regarding software in progress above, as a result of estimating the recoverable amount due to it becoming difficult to obtain future revenue in connection with rebuilding of the project that had been initially planned, the Company determined that the total book value needed to be impaired, and this was recorded under extraordinary losses as impairment losses in the current fiscal year.

(Securities)

Fair values of shares of subsidiaries (with the carrying amounts of 6,104,381 thousand yen as of March 31, 2025 and 6,104,381 thousand yen as of March 31, 2024) are not presented because they are stocks and other securities without available market values.

(Tax effect accounting)

1. Components of deferred tax assets and deferred tax liabilities by major cause

	Previous fiscal year (As of March 31, 2024)	(Thousands of yen) Current fiscal year (As of March 31, 2025)
Deferred tax assets		
Provision for bonuses	287,424	334,217
Provision for product warranties	438,904	392,165
Allowance for doubtful accounts	398,346	406,702
Loss on valuation of shares of subsidiaries and associates and loss on valuation of investments in capital of subsidiaries and associates	637,531	656,537
Provision for retirement benefits	97,570	88,231
Software	96,919	91,942
Others	352,196	432,843
Subtotal	2,308,893	2,402,639
Valuation allowance	(1,108,603)	(1,132,709)
Total deferred tax assets	1,200,289	1,269,930
Deferred tax liabilities		
Valuation difference on securities	15,423	15,573
Others	34,202	35,461
Total deferred tax liabilities	49,625	51,035
Net deferred tax assets	1,150,663	1,218,894

2. Breakdown of the main items that caused differences between the effective statutory tax rate and the actual effective tax rate by applying tax effect accounting

	Previous fiscal year (As of March 31, 2024)	(%) Current fiscal year (As of March 31, 2025)
Effective statutory tax rate	30.2	30.2
(Adjustments)		
Non-deductible permanent differences such as entertainment expenses	0.9	0.4
Exclusion of dividends, etc. received from foreign subsidiaries from taxable income	—	(2.5)
Per capita inhabitant tax, etc.	0.9	0.4
Change in valuation allowance	1.1	0.7
Special deduction for income taxes	(13.8)	(9.2)
Effect of tax rate changes	—	(0.1)
Others	0.3	(0.3)
Actual effective tax rate by applying tax effect accounting	19.6	19.7

3. Modification of the amount of deferred tax assets and liabilities due to changes in corporate taxation rates

The Act Amending the Income Tax Act (Act No. 13 of 2025) was passed by the Diet on March 31, 2025, and the Special Defense Corporation Tax will be levied starting from the fiscal year beginning April 1, 2026.

Because of this change, the Company has changed the statutory tax rate used to calculate deferred tax assets and deferred tax liabilities resulting from temporary differences between accounting and tax values that will become deductible from the fiscal year beginning April 1, 2026. The tax rate has changed from 30.2% to 31.1%. As a result of this change, the amount of deferred tax assets in the current fiscal year (the amount less the amount of deferred tax liabilities) has increased by 4,470 thousand yen, income taxes - deferred has increased by 4,921 thousand yen, and the valuation difference on available-for-sale securities has decreased by 450 thousand yen.

(Revenue recognition)

Notes have been omitted because the fundamental explanation of revenue from contracts with customers is identical to “Notes (Revenue recognition)” to the consolidated financial statements.

(Significant events after reporting period)

There is no related information.

(iv) Annexed detailed schedules

[Supplementary schedule of property, plant and equipment, etc.]

(Thousands of yen)

Category	Asset type	Balance at beginning of period	Increase	Decrease	Amortization during the period	Balance at end of period	Accumulated depreciation
Property, plant and equipment	Buildings	3,413,081	231,239	16,845	265,029	3,362,446	4,718,390
	Structures	109,985	8,801	4,110	7,683	106,992	146,379
	Machinery and equipment	225,088	150,049	889	88,246	286,002	502,614
	Vehicles	0	4,360	—	382	3,977	1,134
	Tools, furniture and fixtures	1,040,964	687,461	25,297	683,651	1,019,478	6,218,378
	Land	2,954,842	121,080	—	—	3,075,922	—
	Leased assets	11,890	—	—	3,111	8,779	21,662
	Construction in progress	219,254	256,216	127,725	—	347,745	—
	Total	7,975,107	1,459,210	174,868	1,048,105	8,211,343	11,608,561
Intangible assets	Software	174,929	209,747	10,666	69,222	304,787	—
	Others	448,170	43,205	205,599 (166,990)	—	285,775	—
	Total	623,099	252,952	216,266 (166,990)	69,222	590,563	—

(Note) 1. The major contributors to “Increase” are as follows.

Research and development facilities Tools, furniture and fixtures 214,427 thousand yen

Mission-critical systems Software 165,258 thousand yen

2. Figures in parentheses under “Decrease” indicate the amount of impairment losses recorded in the current fiscal year.

[Supplementary schedule of allowances and provisions]

(Thousands of yen)

Item	Balance at beginning of period	Increase	Decrease	Balance at end of period
Allowance for doubtful accounts	1,320,063	1,185	12,486	1,308,762
Provision for bonuses	952,050	1,107,046	952,050	1,107,046
Provision for bonuses for directors (and other officers)	76,461	127,885	76,461	127,885
Provision for product warranties	1,453,806	1,309,184	1,453,806	1,309,184

(2) Details of major assets and liabilities

This information has been omitted as the consolidated financial statements have been prepared.

(3) Other

There is no related information.

VI. Outline of Share-related Administration of the Reporting Company

Fiscal year	From April 1 to March 31
Annual General Meeting of Shareholders	Within three months from the end of each business year
Record date	March 31
Record dates for dividends of surplus	September 30 March 31
Share unit	100 shares
Purchase of shares less than one unit	
Office for handling business	(Special account) Mitsubishi UFJ Trust and Banking Corporation Securities Transfer Agency Division 1-4-5, Marunouchi, Chiyoda-ku, Tokyo
Shareholder registry administrator	(Special account) Mitsubishi UFJ Trust and Banking Corporation 1-4-5, Marunouchi, Chiyoda-ku, Tokyo
Forwarding office	—
Handling charge for purchase	No charge
Method of public notice	The Company's method of public notice is through electronic public notice. However, if an electronic public notice cannot be given due to unavoidable circumstances, it will be published in the Nihon Keizai Shimbun.
Special benefits for shareholders	There is no related information.

(Note) The Articles of Incorporation of the Company provide that shareholders holding shares less than one unit may not exercise their rights except for the followings:

- Rights granted by the items listed in Article 189, paragraph (2) of the Companies Act;
- Right to demand for acquisition of shares with put option;
- Right to receive the allotment of shares for subscription or share acquisition rights for subscription.

VII. Reference Information on the Reporting Company

1. Information about parent of the reporting company

The Company does not have a parent company, etc. as prescribed in Article 24-7, paragraph (1) of the Financial Instruments and Exchange Act.

2. Other reference information

From the beginning of this fiscal year until the filing date of this Annual Securities Report, the Company has filed the following documents.

(1) Annual Securities Report and Attachments, and Confirmation Letter

Fiscal year (the 49th term) (from April 1, 2023 to March 31, 2024)

Filed with the Director-General of the Kanto Local Finance Bureau on June 24, 2024

(2) Internal Control Report and Attachments

Filed with the Director-General of the Kanto Local Finance Bureau on June 24, 2024

(3) Semi-annual Securities Reports and Confirmation Letters

(During the 50th fiscal year) (from April 1, 2024 to September 30, 2024)

Filed with the Director-General of the Kanto Local Finance Bureau on November 11, 2024

(4) Extraordinary Reports

Filed with the Director-General of the Kanto Local Finance Bureau on May 23, 2024

Extraordinary Report pursuant to Article 19, paragraph (2), item (ix)-4 of the Cabinet Office Order on Disclosure of Corporate Affairs, etc. (change in the certified public accountants, etc. for audits)

Filed with the Director-General of the Kanto Local Finance Bureau on June 24, 2024

Extraordinary Report pursuant to Article 19, paragraph (2), item (ix)-2 of the Cabinet Office Order on Disclosure of Corporate Affairs, etc. (results of the exercise of voting rights at the shareholder's meeting)

Filed with the Director-General of the Kanto Local Finance Bureau on September 11, 2024

An extraordinary report pursuant to the provisions of Article 19-(2)-(xii) (receipt of dividends from consolidated subsidiaries) of the Cabinet Office Ordinance on the Disclosure of Corporate Affairs, etc.

Part II Information on Guarantors, etc., for the Reporting Company

There is no related information.

(TRANSLATION)
**INDEPENDENT AUDITOR’S AUDIT REPORT AND INTERNAL CONTROL AUDIT
REPORT**

June 16, 2025

To the Board of Directors of
MIMAKI ENGINEERING CO., LTD.

Kanade Partnership
Chuo-ku, Tokyo

Hirohisa Kato
Certified Public Accountant
Designated Partner
Engagement Partner

Takeshi Wakatsuki
Certified Public Accountant
Designated Partner
Engagement Partner

<Audit of Consolidated Financial Statements>

Audit Opinion

Pursuant to Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act, we have audited the consolidated financial statements of MIMAKI ENGINEERING CO., LTD. (the “Company”) and its consolidated subsidiaries (the “Group”) provided in the “Financial Information” section in the Company’s Annual Securities Report, namely, the consolidated balance sheets as of March 31, 2025, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows for the fiscal year from April 1, 2024 to March 31, 2025, and significant matters forming the basis of preparing the consolidated financial statements, and the related notes and the annexed consolidated detailed schedules.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the fiscal year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of merchandise and finished goods ([Notes] (Significant accounting estimates))	
Description of the Key Audit Matter and Reason for Determining the Matter	How We Addressed the Matter in Our Audit
<p>As stated in the consolidated financial statements, the Group recorded 16,852,411 thousand yen in merchandise and finished goods as of the end of the current consolidated fiscal year. This amount accounts for 22.1% of total consolidated assets and is considered significant in monetary terms.</p> <p>As stated in [Notes] (Significant accounting estimates), merchandise and finished goods are measured at their acquisition cost. However, if the estimated net selling value at the end of the consolidated fiscal year is less than the acquisition cost, they are measured at the net selling value. The net selling value of the inventories that are no longer part of an operating cycle and accumulated is estimated by reflecting future demand and market trends.</p> <p>The Group primarily engages in make-to-stock production in response to fluctuations in demand forecasts. For this reason, if sales results fall short of demand forecasts, it is possible that slow-moving inventory outside the business cycle is produced. The net selling value of this slow-moving inventory is estimated based on certain write-down rules, but since exceptional estimates may be made based on future market trends and other factors, these predictions carry uncertainty. In addition, the extraction of slow-moving inventory that is the target of a write-down is performed using data from the information system based on write-down rules.</p> <p>The important assumptions in these estimates are significantly influenced by management's subjective judgment. Additionally, as the monetary importance of the merchandise and finished goods is high, the Company determined that they constitute key audit matters.</p>	<p>In examining the validity of the evaluation of merchandise and finished goods, the Auditors mainly carried out the following audit procedures.</p> <p>(Internal control)</p> <p>We have performed an assessment of the design and implementation of the following internal controls related to the evaluation of merchandise and finished goods by management.</p> <ul style="list-style-type: none"> - Assessment of the design, implementation, and maintenance of IT general controls which are responsible for processing in information systems - Assessment of the design and implementation of settlement and financial processes related to write-down calculations for merchandise and finished goods <p>(Risk assessment procedures)</p> <ul style="list-style-type: none"> • To assess the accuracy of net selling value estimates, we compared net selling value estimates during past years and during the current fiscal year, and questioned management about the cause of the difference. <p>(Risk response procedures)</p> <ul style="list-style-type: none"> • Regarding slow-moving inventory, we questioned management about whether any exceptional estimates had been made in accordance with the Company's write-down rules. • For all slow-moving inventory, we confirmed that evaluations had been made in accordance with the Company's write-down rules, and re-calculated write-downs to examine the accuracy and completeness of write-down calculations related to slow-moving inventory. • To assess the accuracy and completeness of the data generated from information systems (delivery and dispatch dates, quantities and unit prices, etc. for merchandise and finished goods) we verified the results of physical inventory, confirmed consistency among various pieces of data, and ensured that the information matched with trial balances. • For merchandise and finished goods with sales results in the current fiscal year, we compared net selling prices with actual sales unit prices to assess the accuracy of net selling prices.

Other matters

The Company's consolidated financial statements for the previous fiscal year which ended on March 31, 2024 were audited by the previously appointed auditor. The previously appointed auditor expressed an unqualified opinion concerning those consolidated financial statements on June 20, 2024.

Other Information

Other information is that included in the annual securities report not provided in the consolidated financial statements, non-consolidated financial statements, or the audit reports for each. Management is responsible for preparation and disclosure of the other information. In addition, the Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design, implementation, and maintenance of the Company's reporting process for other information.

Other information is not subject to our audit opinion on the consolidated financial statements, and we express no opinion on the other information.

Our responsibility when auditing the consolidated financial statements is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, including the design, implementation, and maintenance of such internal control as management determines is necessary to enable the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design, implementation, and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The procedures selected to be applied depend on the Auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of auditing the consolidated financial statements to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if such notes are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation of the consolidated financial statements and the notes thereto are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the notes thereto, and whether the consolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and if countermeasures are taken to eliminate obstruction factors or safeguards are applied to reduce obstruction factors to an acceptable level, we communicate with it the measures taken.

Among matters discussed with the Audit and Supervisory Committee, the Auditor determines that matters that are judged to be particularly important in the audit of consolidated financial statements for the current consolidated fiscal year under review are the key audit matters, and describe in the audit report. However, if disclosure of a matter is prohibited by law, or in extremely rare cases, if it can be reasonably expected that the disadvantage caused by reporting the item in the audit report would outweigh the public interest and the Auditor determines it should not be reported, said item will not be described.

<Audit of Internal Control>

Audit Opinion

Pursuant to Article 193-2, paragraph (2) of the Financial Instruments and Exchange Act, we have audited the Internal Control Report of the Company as of March 31, 2025.

In our opinion, the accompanying Internal Control Report, in which the Company states that internal control over financial reporting was effective as of March 31, 2025, presents fairly, in all material respects, the assessment of internal control over financial reporting, in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Basis for Audit Opinion

We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Internal Control section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Audit and Supervisory Committee for the Internal Control Report

Management is responsible for the design, implementation, and maintenance of internal control over financial reporting, and the preparation and fair presentation of the Internal Control Report in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing and examining the design, implementation, and maintenance of internal control over financial reporting.

Internal control over financial reporting may not fully prevent or detect misstatements in financial reporting.

Auditor's Responsibilities for the Audit of the Internal Control

Our responsibilities are to obtain reasonable assurance about whether the Internal Control Report is free from material misstatement and to issue an internal control audit report that includes our opinion on the Internal Control Report based on our internal control audit from an independent point of view.

In accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Perform audit procedures to obtain audit evidence about the results of the assessments of internal control over financial reporting in the Internal Control Report. The procedures selected to be applied depend on the Auditors' judgment, including the significance of effects on the reliability of financial reporting.
- Evaluate the overall presentation of the Internal Control Report, including the appropriateness of the scope, procedures, and results of management's assessments of internal control over financial reporting.
- Obtain sufficient and appropriate audit evidence about the results of the assessments of internal control over financial reporting in the Internal Control Report. We are responsible for the direction, supervision, and performance of the audit of the Internal Control Report. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding the planned scope and timing of the internal control audit, the results thereof, significant deficiencies in internal control to be disclosed that we identify during our audit and those that were remediated, and other matters required by auditing standards for internal control.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and if countermeasures are taken to eliminate obstruction factors or safeguards are applied to reduce obstruction

factors to an acceptable level, we communicate with it the measures taken.

<Information Associated with Remuneration>

The amounts of fees for audit certification services and fees for non-audit services provided by the Company and its subsidiaries to us are presented in the Corporate governance (3) Information about audits of “Reporting company.”

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

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- (Notes)
1. The original report of the above Independent Auditor’s Report is kept separately by the Company (the filing company of the Annual Securities Report).
 2. The associated XBRL data is not included in the scope of the audit.

(TRANSLATION)
INDEPENDENT AUDITOR'S REPORT

June 16, 2025

To the Board of Directors of
MIMAKI ENGINEERING CO., LTD.

Kanade Partnership
Chuo-ku, Tokyo

Hirohisa Kato
Certified Public Accountant
Designated Partner
Engagement Partner

Takeshi Wakatsuki
Certified Public Accountant
Designated Partner
Engagement Partner

<Audit of Financial Statements>

Audit Opinion

Pursuant to Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act, we have audited the non-consolidated financial statements of MIMAKI ENGINEERING CO., LTD. (the "Company") provided in the "Financial Information" section in the Company's Annual Securities Report, namely, the non-consolidated balance sheets as of March 31, 2025, and the non-consolidated statements of income, non-consolidated statements of changes in equity, and significant accounting policies for the 50th term from April 1, 2024 to March 31, 2025, and the related notes and the annexed detailed schedules.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and its financial performance for the fiscal year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of merchandise and finished goods ([Notes] (Significant accounting estimates))
As stated in the financial statements, the Company recorded 10,541,929 thousand yen in merchandise and finished goods at the end of the current fiscal year. This amount accounts for 17.3% of total assets and is considered significant in monetary terms. Since details of the key audit matters, the reasons for the determining the matter, and how we addressed the matter in our audit are the same as key audit matters (valuation of merchandise and finished goods) described in the audit report of the consolidated financial statements, the description is omitted.

Other matters

The Company's financial statements for the previous fiscal year that ended on March 31, 2024 were audited by the previously appointed auditor. The previously appointed auditor expressed an unqualified opinion concerning those financial statements on June 20, 2024.

Other Information

Other information is that included in the annual securities report not provided in the consolidated financial statements, non-consolidated financial statements, or the audit reports for each. Management is responsible for preparation and disclosure of the other information. In addition, the Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design, implementation, and maintenance of the Company's reporting process for other information.

Other information is not subject to our audit opinion on the non-consolidated financial statements, and we express no opinion on the other information.

Our responsibility when auditing the non-consolidated financial statements is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with accounting principles generally accepted in Japan, including designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements with the assumption of the Company's ability to continue as a going concern, and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design, implementation, and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the non-consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The procedures selected to be applied depend on the Auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of auditing the non-consolidated financial statements to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements or, if such notes are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation of the non-consolidated financial statements and the notes thereto are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the non-consolidated financial statements, including the notes thereto, and whether the non-consolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.

We communicate with the Audit and Supervisory Committee regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and if countermeasures are taken to eliminate obstruction factors or safeguards are applied to reduce obstruction factors to an acceptable level, we communicate with it the measures taken.

Among matters discussed with the Audit and Supervisory Committee, the Auditor determines that matters that are judged to be particularly important in the audit of financial statements for the current fiscal year under review are the key audit matters, and describe in the audit report. However, if disclosure of a matter is prohibited by law, or in extremely rare cases, if it can be reasonably expected that the disadvantage caused by reporting the item in the audit report would outweigh the public interest and the Auditor determines it should not be reported, said item will not be described.

<Information Associated with Remuneration>

The information associated with remuneration is presented in the audit report of the consolidated financial statements.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

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- (Notes) 1. The original report of the above Independent Auditor's Report is kept separately by the Company (the filing company of the Annual Securities Report).
2. The associated XBRL data is not included in the scope of the audit.

[Cover]

[Document title]	Written Confirmations
[Clause of stipulation]	Article 24-4-2, paragraph (1) of the Financial Instruments and Exchange Act
[Place of filing]	Director-General of the Kanto Local Finance Bureau
[Filing date]	June 18, 2025
[Company name]	株式会社ミマキエンジニアリング (<i>Kabushiki-kaisha</i> MIMAKI ENGINEERING)
[Company name in English]	MIMAKI ENGINEERING CO., LTD.
[Title and name of representative]	Kazuaki Ikeda, President and CEO
[Title and name of Chief Financial Officer (CFO)]	Koji Shimizu, Executive Director and CFO
[Address of registered headquarters]	2182-3 Shigeno-Otsu, Tomi-shi, Nagano
[Place for public inspection]	Tokyo Branch Office, MIMAKI ENGINEERING CO., LTD. (TKB Gotenyama Building, 5-9-41 Kita-shinagawa, Shinagawa-ku, Tokyo) Osaka Branch Office, MIMAKI ENGINEERING CO., LTD. (3-36-15 Tarumi-cho, Suita-shi, Osaka) Yokohama Sales Office, MIMAKI ENGINEERING CO., LTD. (3-1-9 Shin-yokohama, Kohoku-ku, Yokohama, Kanagawa) Saitama Sales Office, MIMAKI ENGINEERING CO., LTD. (3-1-2 Miyacho, Omiya-ku, Saitama, Saitama) Nagoya Sales Office, MIMAKI ENGINEERING CO., LTD. (1-10 Sotoshincho, Nakagawa-ku, Nagoya, Aichi) Tokyo Stock Exchange, Inc. (2-1 Nihonbashi-Kabutocho, Chuo-ku, Tokyo)

1. Matters related to appropriateness of statements contained in the Annual Securities Report

Kazuaki Ikeda, President and CEO of the Company, and Koji Shimizu, Executive Director and CFO, confirmed that statements contained in the Company's Annual Securities Report for the 50th term (from April 1, 2024 to March 31, 2025) were appropriate under the Financial Instruments and Exchange Act and related laws and regulations.

2. Special notes

There are no significant matters to report.

[Cover]

[Document title]	Internal Control Report
[Clause of stipulation]	Article 24-4-4, paragraph (1) of the Financial Instruments and Exchange Act
[Place of filing]	Director-General of the Kanto Local Finance Bureau
[Filing date]	June 18, 2025
[Company name]	株式会社ミマキエンジニアリング (<i>Kabushiki-kaisha</i> MIMAKI ENGINEERING)
[Company name in English]	MIMAKI ENGINEERING CO., LTD.
[Title and name of representative]	Kazuaki Ikeda, President and CEO
[Title and name of Chief Financial Officer (CFO)]	Koji Shimizu, Executive Director and CFO
[Address of registered headquarters]	2182-3 Shigeno-Otsu, Tomi-shi, Nagano
[Place for public inspection]	Tokyo Branch Office, MIMAKI ENGINEERING CO., LTD. (TKB Gotenyama Building, 5-9-41 Kita-shinagawa, Shinagawa-ku, Tokyo) Osaka Branch Office, MIMAKI ENGINEERING CO., LTD. (3-36-15 Tarumi-cho, Suita-shi, Osaka) Yokohama Sales Office, MIMAKI ENGINEERING CO., LTD. (3-1-9 Shin-yokohama, Kohoku-ku, Yokohama, Kanagawa) Saitama Sales Office, MIMAKI ENGINEERING CO., LTD. (3-1-2 Miyacho, Omiya-ku, Saitama, Saitama) Nagoya Sales Office, MIMAKI ENGINEERING CO., LTD. (1-10 Sotoshincho, Nakagawa-ku, Nagoya, Aichi) Tokyo Stock Exchange, Inc. (2-1 Nihonbashi-Kabutocho, Chuo-ku, Tokyo)

1. Matters related to the basic framework for internal control over financial reporting

Kazuaki Ikeda, President and CEO, and Koji Shimizu, Executive Director and CFO, are responsible for the design, implementation and maintenance of internal control over financial reporting of MIMAKI ENGINEERING CO., LTD. (the “Company”) and have designed, implemented and maintained internal control over financial reporting in accordance with the basic framework for internal control set forth in the “On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)” published by the Business Accounting Council.

The internal control is designed to achieve its objectives to the extent reasonable through the effective function and combination of its basic elements. Therefore, internal control over financial reporting may not fully prevent or detect misstatements in financial reporting.

2. Matters related to scope of assessment, record date, and assessment procedures

The Company has performed the assessment of internal control over financial reporting with the record date of March 31, 2025, which is the end of the current fiscal year, in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

In making this assessment, we evaluated internal control that may have a material impact on the entire financial reporting on a consolidated basis (“company-level controls”), and based on the results of this assessment, we appropriately selected business processes to be evaluated. In making these business processes assessment, we analyzed these selected business processes, identified key controls that may have a material impact on the reliability of financial reporting, and assessed the design, implementation, and maintenance of these key controls. These procedures have allowed us to evaluate the effectiveness of the internal control of the Company.

We determined the required scope of assessment of internal control over financial reporting for the Company, as well as its consolidated subsidiaries and entities accounted for using the equity method, from the perspective of the materiality that may affect the reliability of the Company’s financial reporting. The materiality that may affect the reliability of the financial reporting is determined taking into account the monetary and qualitative impact and their likelihood. We confirmed that we had reasonably determined the scope of assessment of internal control over business processes in light of the results of assessment of company-level controls conducted for the Company and its 16 consolidated subsidiaries. We did not include our nine consolidated subsidiaries and one entity accounted for using the equity method in the scope of assessment of company-level controls as they were deemed to have little quantitative or qualitative materiality.

Regarding the scope of assessment of internal control over business processes, we accumulated business units in descending order of net sales and total assets (after eliminating inter-company transactions) for the current fiscal year, and the three business units whose combined amount of net sales and total assets reaches approximately two-thirds of the net sales on a consolidated basis were selected as “significant business units.” The Company operates a business whose primary services involve the development, manufacturing and sale of industrial inkjet printers, cutting plotters and similar goods. As the products are manufactured at production sites and then sold worldwide through sales subsidiaries and other companies, net sales after eliminating transactions between consolidated companies has been selected as an indicator. In addition, this manufacturing is carried out by the Group, key manufacturing equipment and inventories are a material indicator for the Group, and total assets has been selected as an indicator. At the selected significant business sites, we assessed mainly the operational processes leading to accounts that are significantly related to the Company’s business purposes in light of its main business activities and other factors, namely net sales, accounts receivable-trade and inventories. Further, for business sites including the selected key business sites and also others, operational processes related to important accounts which have a high possibility of material misstatements and which involve estimations and projections, as well as operational processes related to businesses or operations involving high-risk transactions, have been added to the scope of evaluation as highly important operational processes, taking into account their impact on financial reporting. Also note that in considering the scope of evaluation, the possibility of risks manifesting or changing due to changes impacting the Company and corporate environment were taken into account.

3. Matters related to the results of assessment

As a result of the assessment described above, we concluded that the Company’s internal control over financial reporting was effective as of the end of this fiscal year.

4. Supplementary information

There are no significant matters to report.

5. Special notes

There are no significant matters to report.