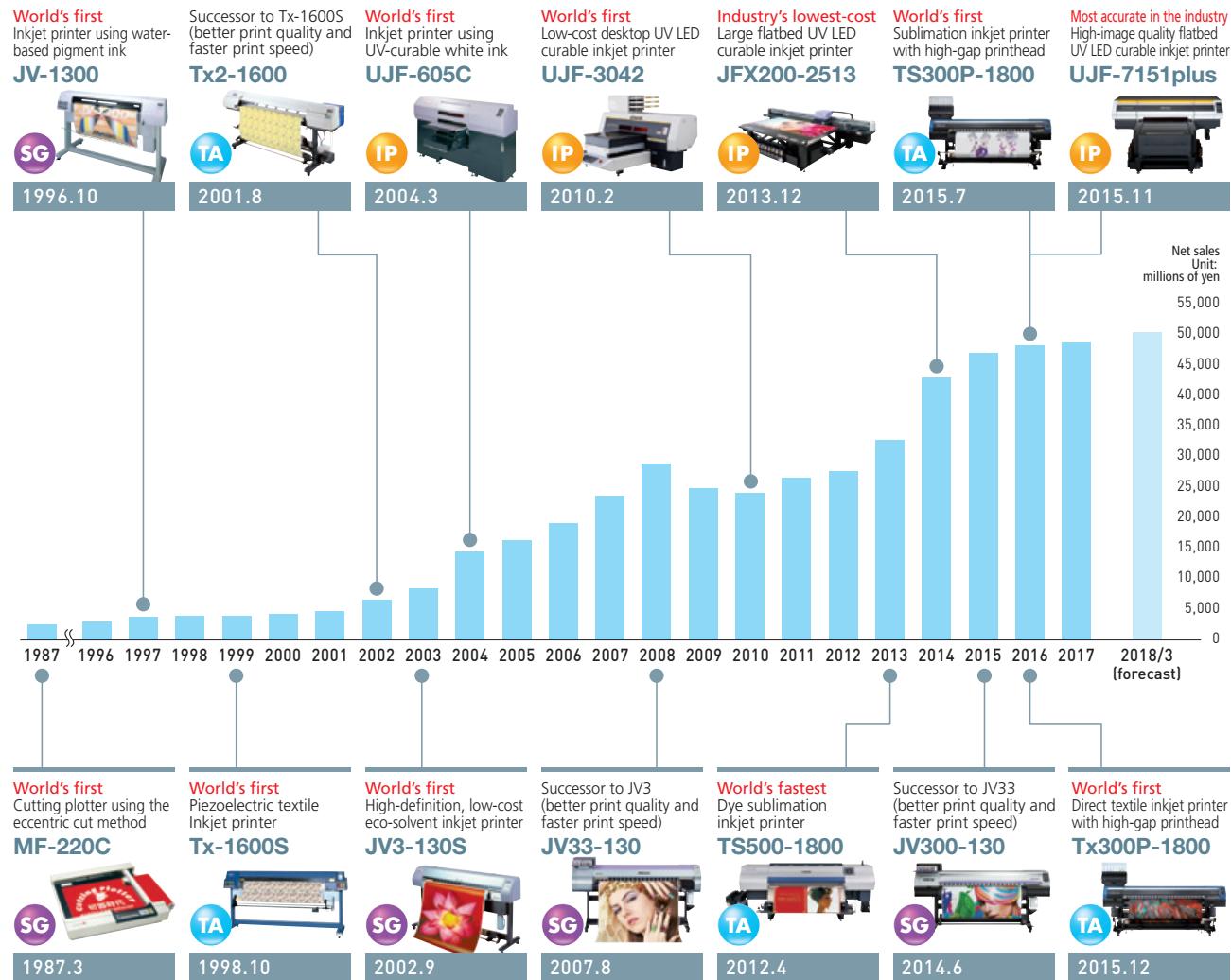


The history of MIMAKI as one of continuous innovation

As a market leader in digital on-demand production, we will continue to create new markets and customers by identifying diverse needs promptly and accurately and providing products that target these needs.



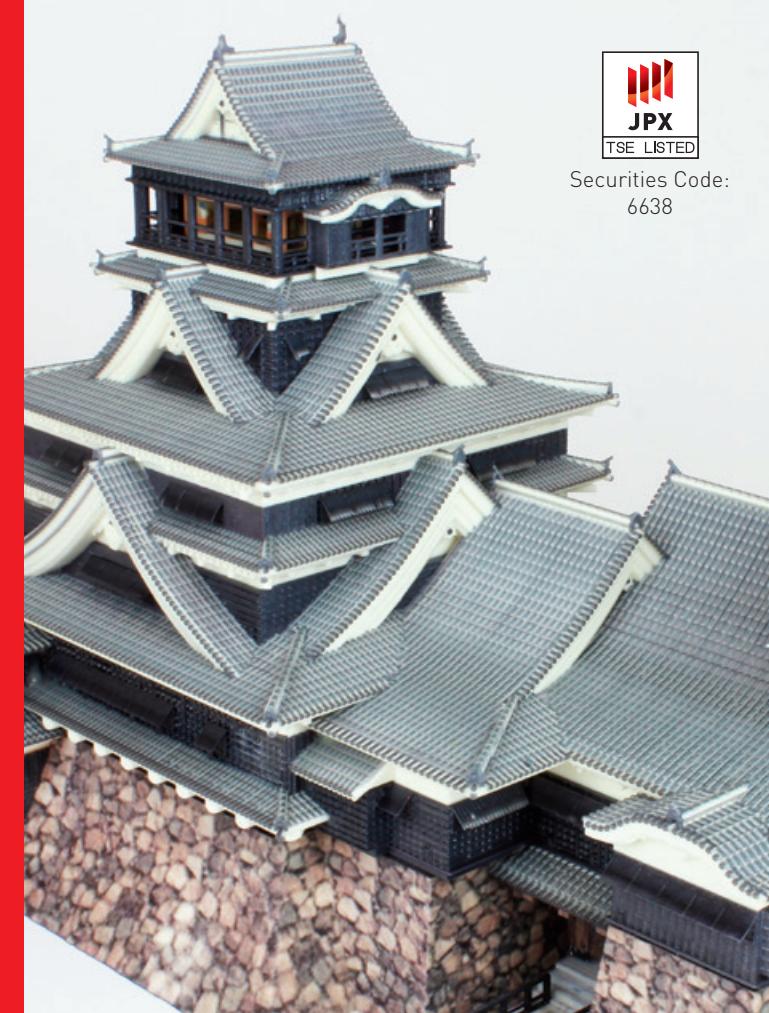
BUSINESS REPORT 2017.3

The Financial Report for the 42nd Term
April 1, 2016–March 31, 2017
The contents are based on data as of March 31, 2017

Mimaki™
MIMAKI ENGINEERING CO., LTD.



Securities Code:
6638



3D sample:
Kumamoto Castle
Created with a 3D printer
Scale 1:150
Printing time: 86 hours

3D Printer exhibition

3D

MIMAKI presented a 3D UV-curable inkjet printer as a reference exhibit. As well as the machine itself, the Company put on display a variety of samples that amply demonstrated the 3D printer's ability to produce beautiful and finely detailed prints. Visitors were able to see for themselves the color reproduction possible with more than 10 million colors, as well as variegated products enabled by clear ink.

JAPAN SHOP 2017 (Tokyo, March 2017)



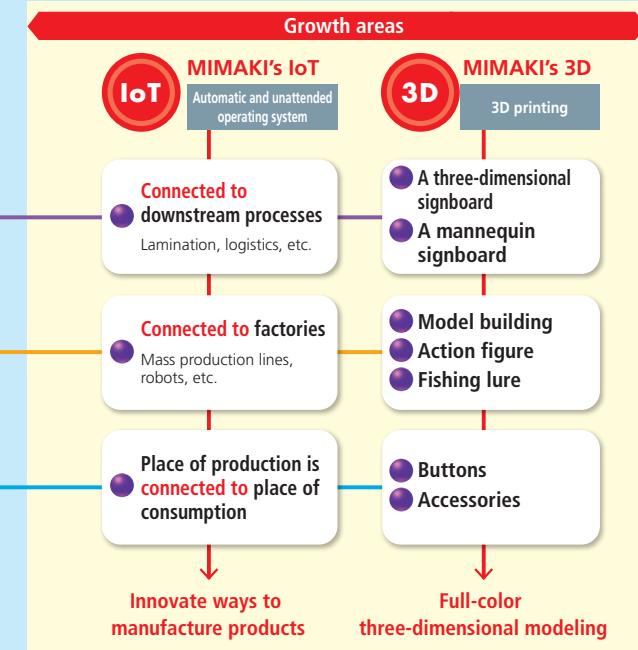
FESPA (Hamburg, May 2017)



Introducing Company initiatives



based on our growth strategy



New hybrid function added to Tx300P-1800 and Tx300P-1800B

TA

For two models aimed at the textile and apparel market, we added hybrid functionality that allows textile pigment ink (suitable for cotton and hemp materials) and dye sublimation ink (suitable for polyester materials) to be loaded simultaneously in one machine.



Kebab Mk II / Kebab Mk II L go on sale

IP

An optional unit that enables direct printing while rotating through 360° on cylindrical materials. Printing is possible on a wide range of goods, such as wine bottles, flasks and candles.



Acquisition of part of the business of Lithuanian company VEIKA

The Company's consolidated subsidiary MIMAKI EUROPE B.V. has established a subsidiary in Lithuania. We have acquired part of UAB VEIKA, headquartered in the same country, has transferred its businesses related to the manufacture and sale of digital ink and the sale of PVC digital wallpaper media.

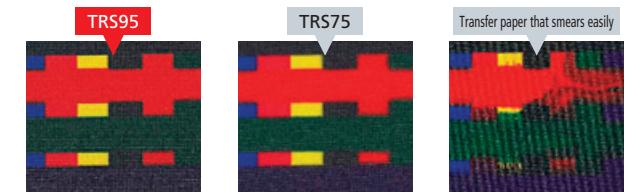


TRS95 series genuine transfer paper goes on sale

In January 2017, we launched our medium-thickness TRS95 series transfer paper that has succeeded in combining superior cost performance and high quality. This can be adapted to a variety of applications, including internal and external signage and banners that require large amounts of ink, as well as home furnishings and fashion.

Smearing between printed colors

Evaluation method
The transfer was performed 24 hours after printing, after which the smearing of colors was compared.



Does not smear easily | Does not smear easily | Smears easily
Compared to the TRS75, the ink is even more difficult to smear between colors

Print conditions: Printer: JV300-160; Ink: Sb54 (B, M, Y, K, Lb, Lm); Printing mode: 720 x 1080 dpi; VD/16P/B/H; Color matching: disabled; Ink limit OFF; Heater temperature: OFF/OFF/OFF
Transfer conditions: Fabric: Tropical; Transfer machine: System MP; Transfer conditions: 200°C, 60 seconds; Base paper: Hashima HBS-1700
Note: The data are experimental values, not guaranteed values.

Before presenting the business report for our 42nd term (April 1, 2016 to March 31, 2017), I would like to address a few words to our shareholders, and particularly to express my sincere appreciation for your continued support.



Kazuaki Ikeda President, MIMAKI ENGINEERING CO., LTD.

Q What were the key themes in the fiscal year ended March 31, 2017?

There was a dramatic appreciation of the yen in the fiscal year ended March 31, 2017 compared to the previous fiscal year. For this reason, although superficially it looks as if net sales were flat and profits declined, in real terms, excluding currency effects, net sales grew by nearly 10% and we secured an increase in profits of more than 20%, for a year of solid growth.

For the key themes in the fiscal year ended March 31, 2017, I would highlight the way we focused on investments in Europe with an eye on medium- to long-term growth. In October 2016, we made a development and manufacturing company in Italy into a subsidiary, and added its high-speed models for the textile & apparel (TA) market to our product lineup. With this move, the Group gained full coverage of the major product groups in the TA market. In addition, in February 2017 we established an ink manufacturing subsidiary in Lithuania through the acquisition of a business. Establishing an ink manufacturing base in the region of Europe will contribute significantly to controlling customs duties, shipping and disposal costs.

Going forward, we will continue to work on boosting net sales in real terms, excluding currency effects, while pushing ahead to sow the seeds necessary for medium- to long-term growth.

Q What themes are related to your efforts to make MIMAKI a truly global company?

The Company has not lost the venturesome spirit represented by our approach to “Develop new products, open up new fields.” We have no plans to diverge from the basic course that has allowed us to press forward with our global expansion while maintaining this venturesome spirit.

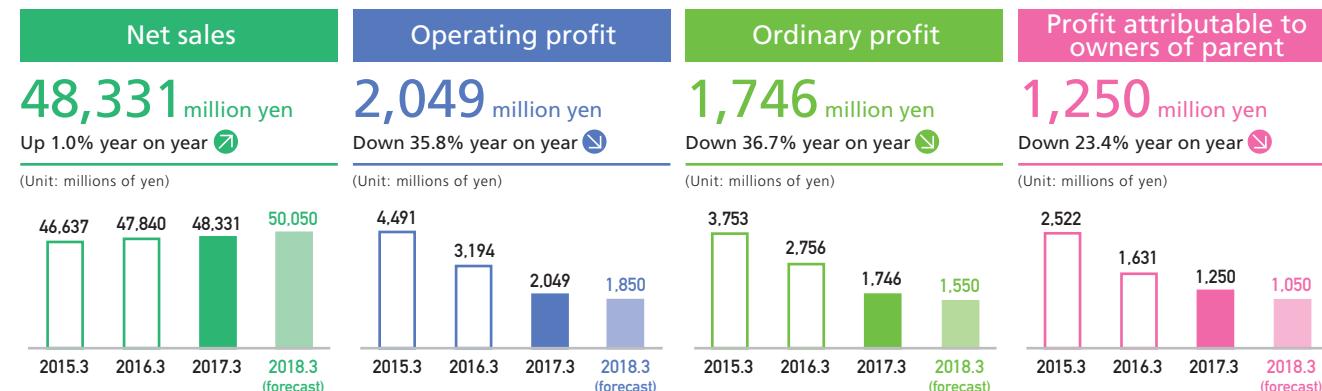
On the other hand, because in the past R&D and sales had been running ahead of the rest of the Company, my sense is that we are not yet sufficient at building a framework. Specifically, I mean the ways we think about cost control, manage business risk, and accumulate expertise in regard to M&As. By putting these in order, I believe we will become a company that is strong in the true sense of the word, able to respond flexibly to changes in the business environment.

Q What is your message to shareholders?

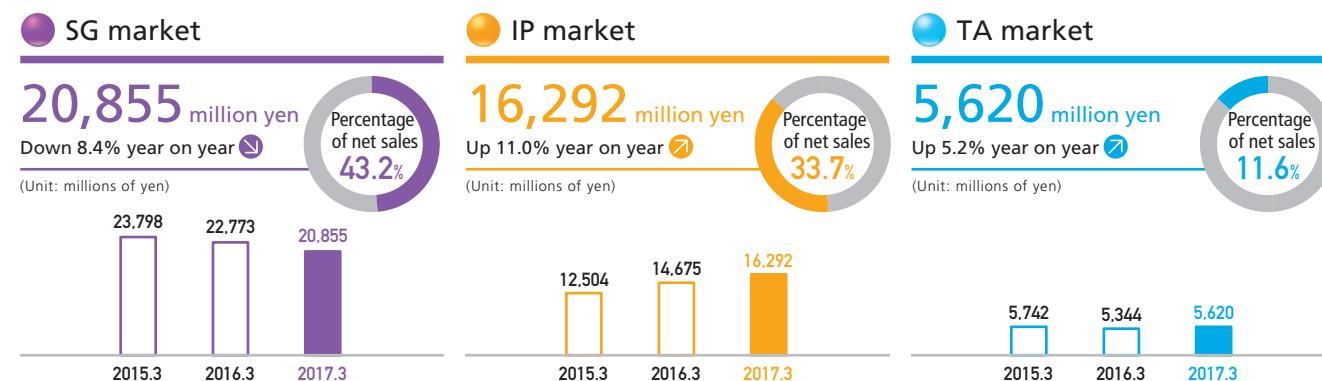
With regard to our approach to dividends, our basic policy is to keep them stable and continuous. We also pay serious attention to other returns to shareholders.

With this in mind, I would like to meet shareholder expectations by expanding to achieve annual net sales of 100 billion yen. I would be most grateful for the continued guidance and encouragement of shareholders.

Consolidated performance highlights for the fiscal year ended March 2017



Performance highlights by market for the fiscal year ended March 2017



Net sales for the SG market, such as advertisements and signboards, totaled 20,855 million yen, down 8.4% year on year. The main reason for this was intensified competition among mainstay entry models, but going forward we will work to differentiate our offerings through their adaptability with different inks.

Net sales for the IP market, which includes novelty items, industrial products, and others, rose by 11.0% year on year to 16,292 million yen. As a result of expansion in digital print applications, both large-format and small-format models posted steady growth in sales volume.

Net sales for the TA market, encompassing products such as clothing, fabrics, and others, came to 5,620 million yen, up 5.2% year on year. By further enriching our range of functional inks that can be used to print on a variety of materials, we have been growing sales volume for entry models.

Business Locations

Head Office and Headquarters
2182-3 Shigeno-Otsu, Tomi-shi,
Nagano 389-0512, Japan

Kazawa Factory
1333-3 Kazawa, Tomi-shi,
Nagano 389-0514, Japan

Nagano Development Center
520-1 Kitanagaika, Nagano-shi,
Nagano 381-0025, Japan

Hachioji Development Center
593-6 Kitano-machi, Hachioji-shi,
Tokyo 192-0906, Japan

JP Demonstration Center
6F, TOC Bldg., 7-22-17, Nishigotanda,
Shinagawa, Tokyo 141-0031, Japan

Sales Bases Tokyo, Osaka, Sapporo, Sendai, Nagano, Yokohama,
Saitama, Kanazawa, Nagoya, Kyoto, Kobe, Hiroshima,
Shikoku (Takamatsu), and Fukuoka

Overseas Group Companies

Branch offices and sales offices of affiliated companies, etc.



MIMAKI Lithuania, UAB (Lithuania)



MIMAKI EUROPE B.V. (The Netherlands)



Mimaki La Meccanica S.p.A. (Italy)



Mimaki Deutschland GmbH (Germany)



MIMAKI EURASIA DIJITAL BASKI TEKNOLOJILERI PAZARLAMA VE TICARET LIMITED SIRKETI (Turkey)



MIMAKI IJ TECHNOLOGY CO., Ltd. (China)



Shanghai Mimaki Trading Co., Ltd. (China)



MIMAKI PRECISION Co., Ltd. (Japan)



GRAPHIC CREATION Co., Ltd. (Japan)



MIMAKI ENGINEERING (TAIWAN) Co., Ltd. (Taiwan)



MIMAKI AUSTRALIA PTY LTD (Australia)



MIMAKI INDIA PRIVATE LIMITED (India)



PT. MIMAKI INDONESIA (Indonesia)



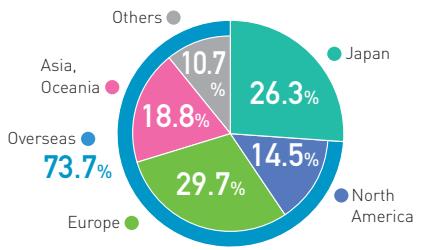
MIMAKI SINGAPORE PTE. LTD. (Singapore)

We provide products and services to customers in approximately **150** countries and regions

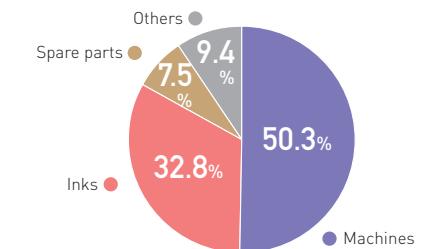
Business performance for the fiscal year ended March 2017

Consolidated net sales outside Japan **35,608** million yen
Percentage of consolidated net sales **73.7%**

Percentage of net sales by region



Percentage of net sales by product category



Japan

Net sales: **12,722** million yen Up 4.7% year on year
(Unit: millions of yen)

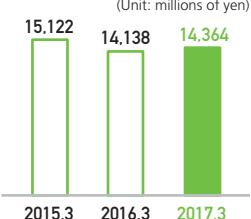
The domestic market environment is intensely competitive, but due to the strength of our products and our proposal capabilities we succeeded in expanding net sales over the previous fiscal year. Sales to the SG market declined year on year due to challenging conditions, but sales of machines and inks for the IP and TA markets posted steady growth.



Europe

Net sales: **14,364** million yen Up 1.6% year on year
(Unit: millions of yen)

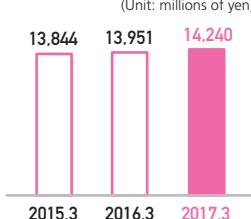
Net sales rose only slightly year on year, but on a local currency (euro) basis, which excludes yen/euro currency effects, net sales rose more than 10%. Sales of machines and inks for the IP market posted growth, particularly in developed countries such as Germany, France and the United Kingdom.



Asia, Oceania, and Others

Net sales: **14,240** million yen Up 2.1% year on year
(Unit: millions of yen)

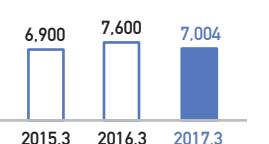
Net sales grew year on year. China, which until now had been the main driver, lost speed but this was counterbalanced by India, Brazil and others. Net sales to the SG market faced severe conditions, but sales of machines and inks for the IP and TA markets expanded.



North America

Net sales: **7,004** million yen Down 7.8% year on year
(Unit: millions of yen)

Net sales declined slightly year on year, but on a local currency (dollar) basis, which excludes yen/dollar currency effects, net sales posted an increase. Sales to the SG market were hit by difficult conditions and fell year on year, but net sales of machines and inks to the IP market posted high rates of growth, or more than 10%.



Drafting Plotter

1985 February MF-120 A2 Flat Pen Plotter [Hokusai]	1986 April MX-11/10 Servo-Style Pen Plotter	1988 July MX-11/10P Pencil Plotter	1989 May MR-11 Thermal Plotter
1991 April MX-760/790 High-Speed Pencil Plotter	1993 January MX-340/360/390 Low-Cost Pencil Plotter	1994 May MR-1900 LED Plotter A0 Version	1995 March JP-560/590 Monochrome Inkjet Plotter
1997 December JP-660/690C Full-Color Inkjet Plotter	1999 November MR-1600 LED Plotter A1 Version		

Cutting Plotter

1987 March MF-220C A2 Flat Cutting Plotter	1989 October CG-90SD Cutting Plotter	1990 January CG-120 Cutting Plotter with Auto-Roll Feeder	1991 June CG-45 Desktop Cutting Plotter
1988 June CG-45 Desktop Cutting Plotter	1992 January CG-50 High-Speed Cutting Plotter	1993 February HF-500 Heat Pen Cutting Plotter	1994 January CG-6/9/12 Low-Cost Cutting Plotter
1995 January Vector Link Cutting Software for PS (Mac OS)	1996 October CAM LINK Cutting Data Conversion Software	1997 January CG-100AP 1-Meter-Width Apparel Pattern Cutting Plotter	1998 March My Brain Vehicle Cutting System for Car Film
1999 June CG-100/130Lx High-Speed Cutting Plotter	2000 January Fine Cut Plug-In Cutting Software for Illustrator	2001 June JV4-130/160/180 Large Format Full-Color Inkjet Printer	2002 June Fine Cut for Corel Cutting Software for Corel Draw
2003 June CG-130FX Cutting Plotter with High-Speed Crop-Marker Sensor	2004 April CG-160FX Cutting Plotter with High-Speed Crop-Marker Sensor	2005 October CG-75ML+JV3-75SP II Print & Cut Combination	2006 March Simple Cut Cutting Application Software
2007 January UJV-160 Hybrid UV LED Curable Inkjet Printer	2008 January CF3-1631/1610 Flatbed Cutting Plotter with Router Head	2009 February TPC-1000 Printer Cutter for Sports Apparel	2010 August Simple Studio Print & Cut Application Software
2011 May CG-100SR II High-Quality Cutting Plotter	2012 February UJF-3042HG UV LED Curable Flatbed Inkjet Printer	2013 April CG-60/100SR III High-Quality Cutting Plotter	2015 February CFL-605RT Small-Sized Flatbed Cutting Plotter
2016 July ArtiosCAD DS Packing design CAD software			

Inkjet Printer

1996 October JV-1300 Full-Color Inkjet Printer with Water-Based Pigment Ink	1998 April JV2-130 Full-Color Inkjet Printer with Six-Color Pigment Ink	1999 November JV2-180 Large Format Full-Color Inkjet Printer	2000 November TX Link Software RIP for Textile Printing
2001 June JV4-130/160/180 Large Format Full-Color Inkjet Printer	2002 September JV3-130S/160S Solvent Inkjet Printer	2003 January DM2-1810 Flatbed Inkjet Printer	2004 March UJF-605C Flatbed UV-Curable Inkjet Printer
2005 March GP-604D Garment Printer	2006 January Mimaki Profile Master Color Management System	2007 January UJF-605C II Flatbed UV-Curable Inkjet Printer	2008 January CF3-1631/1610 Flatbed Cutting Plotter with Router Head
2009 February TPC-1000 Printer Cutter for Sports Apparel	2010 January JV5-320DS Direct Printing / Dye Sublimation Grand Format Inkjet Printer	2011 March JV34-260 Super Wide Format Inkjet Printer	2012 February UJF-3042HG UV LED Curable Flatbed Inkjet Printer
2013 April UJV500-160 UV LED Curable Roll-to-Roll Inkjet Printer	2014 June JV300-130/160 Solvent Inkjet Printer	2015 February MIMAKI Target Color Emulator Color Management System	2016 February TS500P-3200 Dye Sublimation Inkjet Printer

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Corporate Profile

Corporate Name MIMAKI ENGINEERING CO., LTD.
 Foundation August 1975
 Capital 4,357 million yen
 Businesses Development, manufacturing, and sales of computer devices and software
 Employees 1,580 (consolidated)
 783 (parent company only)

Board Members (As of June 27, 2017)

Executive Chairman Akira Ikeda
 President Kazuaki Ikeda
 Executive Vice President Sakae Sagane
 Executive Director Kazuyuki Takeuchi
 Director Hiroshi Miyake
 Director Yasuhiro Haba
 Director Koji Shimizu
 Counselor for Director Noriyuki Tanaka
 Director (Outside) Makoto Tanaka
 Director (Outside) Hisamitsu Arai
 Auditor (Full-time, Outside) Yoh Zenno
 Auditor (Outside) Tomokazu Iwashita
 Auditor (Outside) Yukio Tsuchiya

Accounting Auditor

Deloitte Touche Tohmatsu LLC

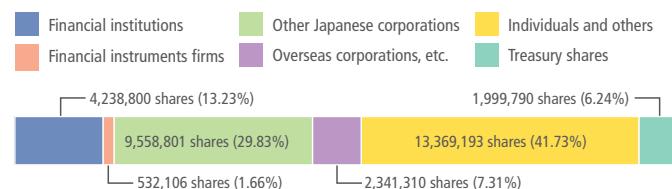
Stock Information

Total Number of Authorized Shares 128,160,000 shares
 Total Number of Issued Shares 32,040,000 shares
 Number of Shareholders 5,442

Major Shareholders

Shareholder name	Number of shares held (shares)	Investment ratio (%)
Ikeda Holdings, Inc.	4,427,200	13.82
Tanaka Kikaku Ltd.	2,400,000	7.49
Noriyuki Tanaka	2,024,000	6.32
MIMAKI ENGINEERING Employee Stock Ownership	1,585,200	4.95
Tokyo Small and Medium Business Investment & Consultation Co., Ltd.	1,524,000	4.75
Japan Trustee Services Bank, Ltd.	1,221,600	3.81
THE HACHIJUNI BANK, LTD.	840,000	2.62
Akira Ikeda	833,200	2.60
EPSON AVASYS CORPORATION	720,000	2.25
The Master Trust Bank of Japan, Ltd.	634,400	1.98

Ownership Breakdown



Shareholder Information

Business year From April 1 to March 31
 General meeting of shareholders Within three months from the end of each business year
 Record date Annual meeting of shareholders March 31
 Year-end dividend March 31
 Interim dividend September 30
 Or a date announced beforehand if necessary.
 Share unit 100 shares
 Shareholder registry administrator Mitsubishi UFJ Trust and Banking Corporation
 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8212, Japan
 Contact address Mitsubishi UFJ Trust and Banking Corporation
 Transfer Agent Department
 7-10-11, Higashisuna, Koto-ku, Tokyo 137-8081, Japan
 Tel: 0120-232-711 (toll free, in Japan)
 Method of public notice Public notices are posted on our website (<http://ir.mimaki.com/>, in Japanese). However, if an electronic public notice cannot be given due to unavoidable circumstances, it will be published in the *Nihon Keizai Shimbun*.
 Listings Tokyo Stock Exchange First Section
 Securities code 6638

Notes:

- For inquiries on address changes or other procedures pertaining to shares, please contact the account management institution (securities firm, etc.) with which your account is held. Please note that the shareholder registry administrator (Mitsubishi UFJ Trust and Banking Corporation) cannot handle these procedures.
- Unreceived dividends are paid at the head office of Mitsubishi UFJ Trust and Banking Corporation.

Corporate Website



In addition to the latest information and news, our corporate website provides visitors with a deeper understanding of the business, products and services of MIMAKI ENGINEERING. Please have a look.

Address
<http://ir-eng.mimaki.com/>



Now even easier to read on your smartphone.