

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	2,023 (consolidated) 836 (parent company only)

Board Members

Executive Chairman	Akira Ikeda
President	Kazuaki Ikeda
Managing Director	Kazuyuki Takeuchi
Executive Director	Hiroshi Miyake
Director	Yasuhiro Haba
Director	Koji Shimizu
Director	Nariaki Makino
Outside Director	Seiko Minomo
Outside Director	Ichiro Yamada
Outside Director (Audit and Supervisory Committee Member)	Yoh Zenno
Director (Audit and Supervisory Committee Member)	Noriyuki Tanaka
Outside Director (Audit and Supervisory Committee Member)	Makoto Tanaka
Outside Director (Audit and Supervisory Committee Member)	Hisamitsu Arai

Accounting Auditor

Deloitte Touche Tohmatsu LLC

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 details for the above	Mitsubishi UFJ Trust and Banking Corporation Transfer Agent Department 1-1, Nikkocho, Fuchu-shi, Tokyo, Japan Tel: 0120-232-711 (toll free in Japan)

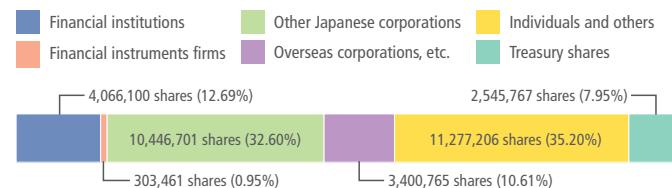
Stock Information

Number of Authorized Shares	128,160,000 shares
Number of Issued Shares	32,040,000 shares
Number of Shareholders	5,408

Major Shareholders

Shareholder name	Number of shares held (shares)	Investment ratio (%)
Ikeda Holdings, Inc.	4,497,200	15.25
Tanaka Kikaku Ltd.	2,330,000	7.90
Noriyuki Tanaka	2,026,800	6.87
Tokyo Small and Medium Business Investment & Consultation Co., Ltd.	1,524,000	5.17
MIMAKI ENGINEERING Employee Stock Ownership	1,422,400	4.82
State Street Bank and Trust Company 505019	1,304,800	4.42
The Master Trust Bank of Japan, Ltd.	1,274,200	4.32
The Hachijuni Bank, Ltd.	840,000	2.85
Adeki Partners Co., Ltd.	833,200	2.83
Epson Avasys Corporation	720,000	2.44

Ownership Breakdown



Mail address	P.O. Box No. 29, Shin-Tokyo Post Office 137-8081, Japan Mitsubishi UFJ Trust and Banking Corporation Transfer Agent Department
Method of public notice	Public notices are posted on our website (https://ir.mimaki.com/ , in Japanese). However, if an electronic public notice cannot be given due to unavoidable circumstances, it will be published in the <i>Nihon Keizai Shimbun</i> .
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.



Securities Code:
6638

BUSINESS REPORT

2019.9

Interim Business Report
April 1, 2019—September 30, 2019

MimakiTM
MIMAKI ENGINEERING CO., LTD.

3D model of Ueda Castle
Remains of castle 1:378 (160 hours)
Southern turret 1:55 (60 hours)

We aim to be a market leader in digital on-demand production by developing market-oriented products with our proprietary raster technology (for inkjets, etc.) and vector technology (for cutting plotters, etc.)

Management Vision

1

We aspire to become a "Development-oriented Enterprise" with our own technology and our own brand of products throughout the world

2

We aim to become a company that can adapt and quickly provide our products that will satisfy the customers

3

We strive to become an innovator always providing "something new, something different" in the market

4

We aim at creating a corporate culture where our individual employees can exploit their personal characteristics and abilities to the fullest extent

MIMAKI develops new organization and corporate image



Akira Ikeda
Executive Chairman



Kazuaki Ikeda
President

To remain as a group of innovators and to fully exploit the personal characteristics and abilities of every employee, we began a new system with small groups called GIPS (Group Independent Profitability management system). We also reorganized into five divisions—Corporate Planning, Research and Development, Sales, Production, and Administration—so that we can promptly identify potential market needs and provide solutions.

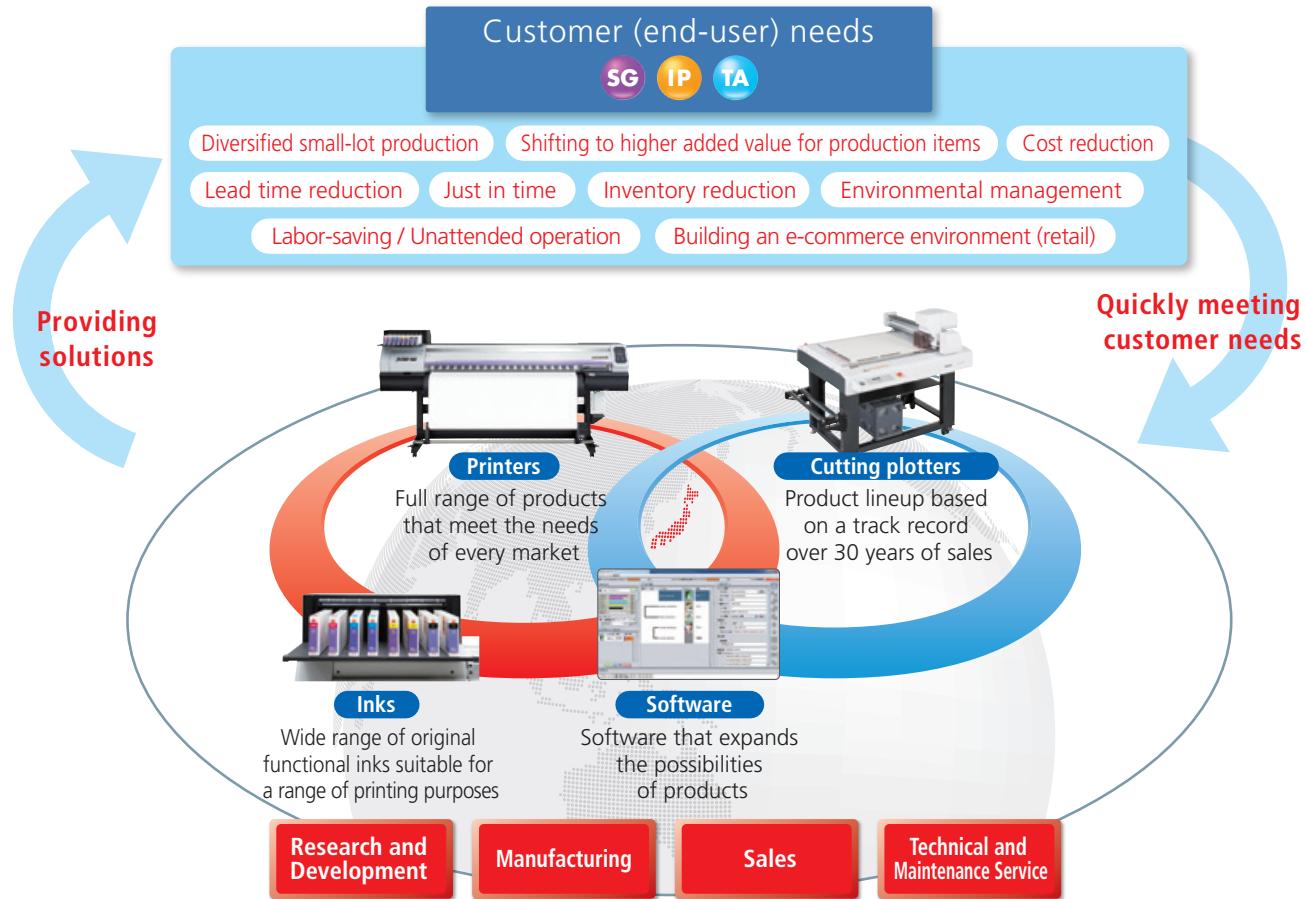
With GIPS every group will now have a clear role and responsibilities and will work cooperatively as if each group were an independent small factory.

The added value as the "fruit" of the activities of each group will be made clear, and in order to improve the profitability of their own division, all members of the group (centered on a leader) will share issues and ways to resolve them. Through these activities, all employees will participate in management and everyone will have efficiency in mind. In this way, we are looking to make our company an aggregate of "small fruits like a cluster of grapes."



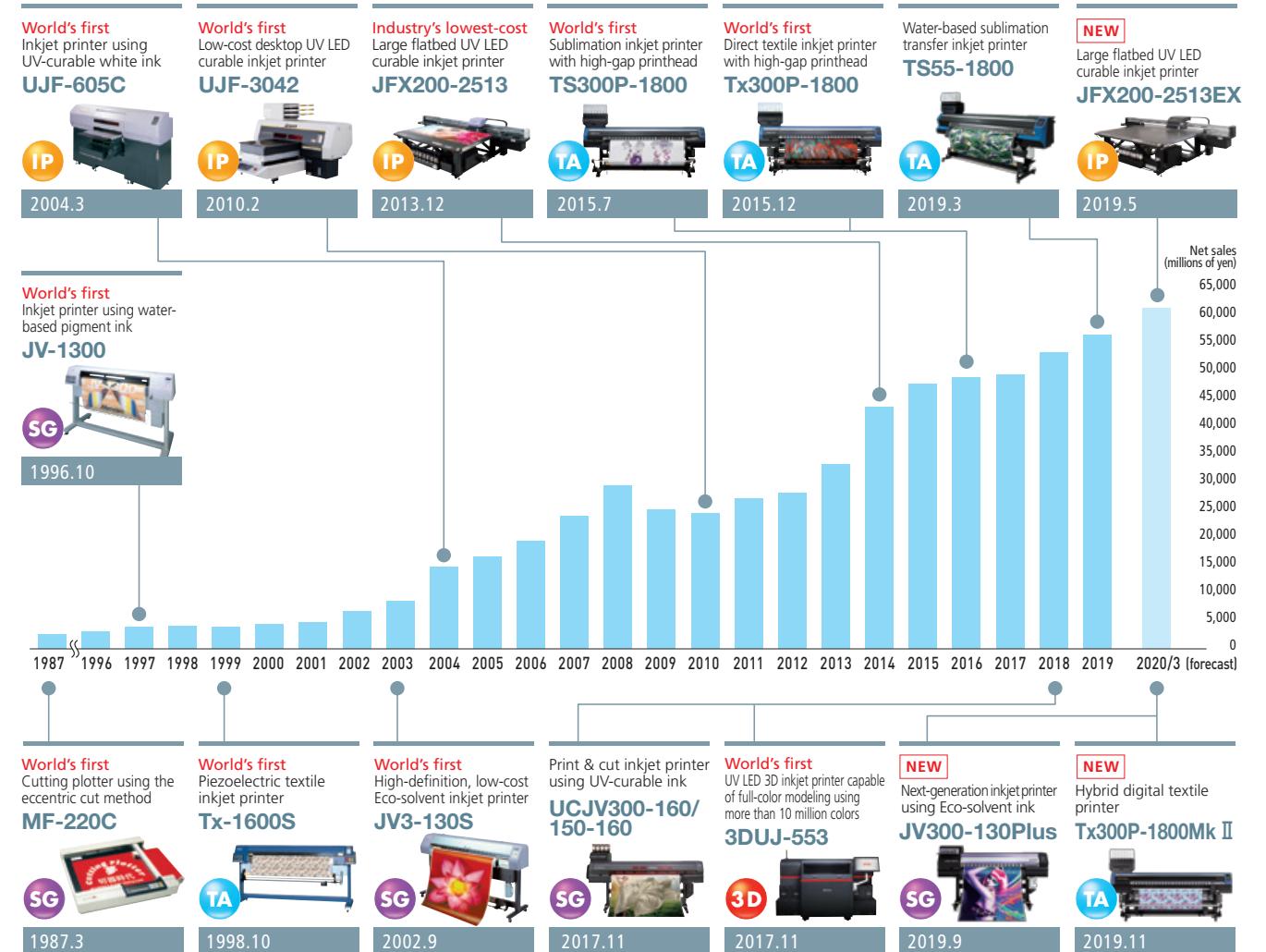
Comprehensive proposals to meet market needs

MIMAKI is a development-driven company that provides integrated services through the development, manufacturing, sales, and maintenance service of products, such as industrial inkjet printers, cutting plotters, and inks. Using our proprietary raster technology (for inkjets, etc.) and vector technology (for cutting plotters, etc.), we will drive the further development of digital on-demand printing, seeking to become a development-driven company whose products provide satisfaction to customers.



The history of MIMAKI: Continual 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 by providing products that target these needs.



Providing products for three markets and developing the FA business

Growing markets by always providing products optimized for every customer in every market

Sign Graphics

SG

Creating a variety of visual communication materials for business use, such as advertisements and signboards including large posters, car wrappings, soft signs, and display panels

Examples of applications



Main printing materials

- PVC sheeting
- banner sheeting
- window film, etc.

Industrial Products

IP

Printing for gifts, novelty items, custom-made goods for general consumers, and industrial products including instrument panels for automobiles and control panels for household electrical appliances and others

Examples of applications



Main printing materials

- plastic
- acrylics
- glass
- metal
- wood, etc.

Textile & Apparel

TA

Meeting growing needs in the furniture industry as well as the fast fashion and sportswear industry, with items such as cloth before sewing (textiles) and ready-made clothes (apparel)

Examples of applications



Main printing materials

- polyester
- cotton
- rayon
- silk

Factory Automation

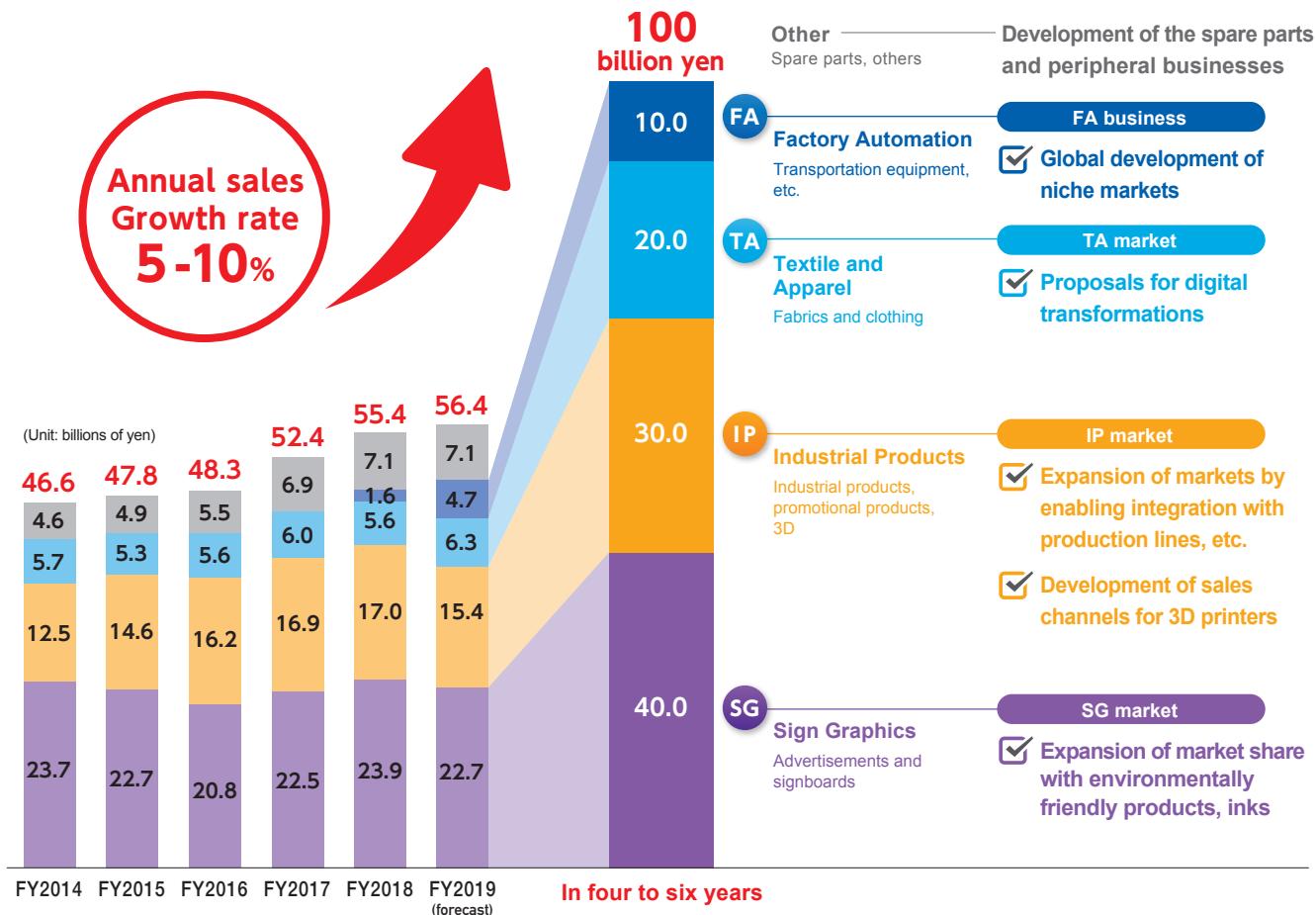
FA

Developing five businesses based on vector and mechatronic technologies



M1000 3.0 "Something new, something different"

Annual sales Growth rate 5-10%



Until now, our management vision has been expressed as "something new, something different." Using this slogan helped us to create the industrial inkjet printer market by developing, manufacturing, and selling innovative products.

Going forward, by continuing to provide optimal solutions to customers in every market, we aim to be a "truly global company" with annual sales of at least 100 billion yen.



On behalf of MIMAKI Engineering, I offer my heartfelt appreciation for the continued support of our shareholders. I would like to take this opportunity to extend our deepest sympathies to those affected by the torrential rains and typhoons, and to offer our sincere prayers for the speedy recovery of the communities hit by these disasters. Below we provide a report on the state of business during the first half of our 45th term (from April 1, 2019 to September 30, 2019).

Kazuaki Ikeda
President, MIMAKI ENGINEERING CO., LTD.

Overview of the first half of the fiscal year ending March 2020

During the first half of the fiscal year, revenue rose but profit declined, with net sales increasing by 3.4% year on year to 27,363 million yen, and operating profit declining by 63.7% year on year to 551 million yen.

Looking at results by market, sales in the Sign Graphics (SG) and the Industrial Products (IP) markets declined, but there were higher revenues in the Textile & Apparel (TA) market. In addition, the Factory Automation (FA) business of the Alpha Design Group, acquired through an M&A in October 2018, was added to the accounts. In the SG market, the UV-curable inkjet printer UCJV series maintained its competitiveness, but conversely there was a decline in net sales for the JV series, which uses solvent inks. In the IP market, sales of the new JFX200-2513EX, a large-format model launched in May, have been strong, but the mainstay UJF series, consisting of smaller products, recorded a decline in net sales. In the TA market, the new T555-1800 that went onto the market in March drove up revenues. Note that the "FA business" is a general term for the operations undertaken by the Alpha Design Group, which consist primarily of factory automation equipment and PCB mounting equipment. Because the FA segment was consolidated in the fourth quarter of the previous fiscal year, revenue increased for the first six months of the current fiscal year.

Looking at net sales by region, the yen appreciated more than expected against the euro, and conditions in Europe were difficult due to economic stagnation in the major countries, but other regions were generally solid. In China in particular, where our market share had until now continued to shrink, rebuilding our sales channels is finally showing results, and revenue has begun trending upward. Moreover, the North American, Japanese, Asian, and Oceania markets remained favorable.

The following four factors accounted for the majority of the decline in profit: 1. falling profitability in the SG and IP markets as a result of intensifying competition; 2. delays in controlling expenses that should move in line with net sales; 3. deteriorating profitability in the FA segment following fewer orders received; 4. appreciation of the yen against the euro and against the currencies of developing countries, resulting in lower profit margins.

Outlook for the fiscal year ending March 31, 2020 and our vision

Our consolidated forecasts for the year ending March 31, 2020 (the current fiscal year) have been revised downward: net sales of 56,450 million yen (down 1.8% year on year) and operating profit of 1,450 million yen (down 51.8% year on year). The main reason for the

forecast revision was a review of our plans that took into account both recent trading conditions and market trends going forward. Assumptions for the euro exchange rate in the second half were also revised to reflect the strength of the yen (1€ = 122 yen → 117 yen).

For the third quarter and beyond, we have positioned the following as important management issues: 1. For the SG and IP markets, we will roll out sales promotion strategies centered on highly competitive products, while at the same time implementing initiatives to develop new products. 2. We will work to control expenses in a way that corresponds to the rise and fall of net sales. 3. In the FA segment, we will strive to increase both sales and profitability. 4. We will take steps to reduce our sensitivity to forex (foreign exchange) fluctuations, by increasing, over the medium term, the production of ink in the regions where it is consumed.

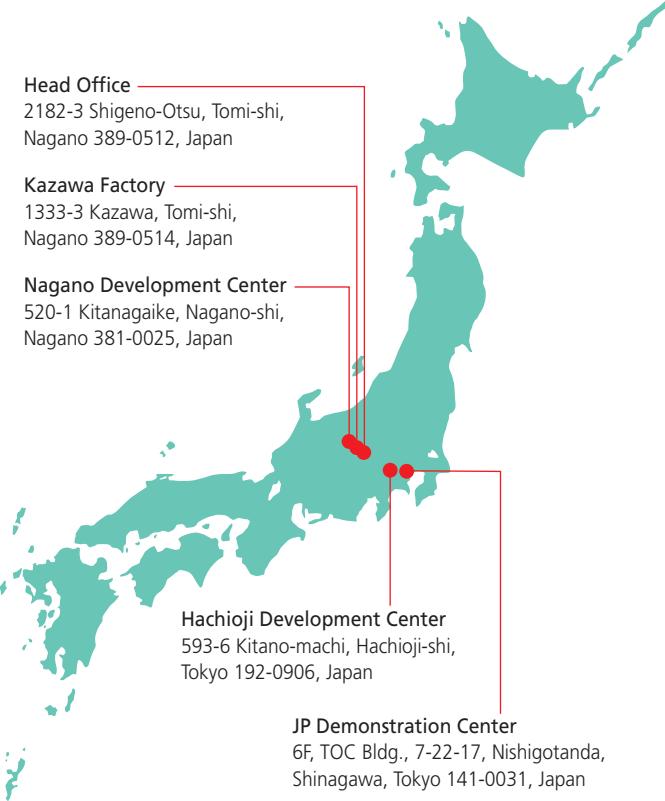
In the current fiscal year, we are assuming a difficult business environment, but there has been no change to our goal of achieving 100 billion yen in annual sales over the medium term. The Company is not only promoting a simple conversion from "analog" to "digital," but is also proposing the "digital transformation" of production sites, which includes the digitalization of the value chain, in order to maintain our growth path.

Message to shareholders

Typhoon Hagibis caused widespread flood damage in the Chikuma River basin. As our major buildings, such as our head office and factories, are set up in the Chikuma River area, there was enormous concern expressed by our shareholders. Although there was some minor damage to property and a temporary disruption of supply chains, fortunately there was no loss of life, or flood damage, and I am able to report that there were absolutely no problems in the operation of our business. Also, the warm words of support expressed at the time of the disaster by our stakeholders, including shareholders, have been a source of great reassurance. I offer my sincere gratitude to all those mentioned above.

With natural disasters on the increase all over the world, I feel ever more keenly the importance not only of growing the business, but also of doing this sustainably by taking the initiative to conserve and to protect the global environment. I believe that implementing a resource recycling management and technology, based on accurately identifying the previously mentioned "digital transformation," is one way of responding to shareholders' expectations. I would be most grateful for your continued guidance and encouragement.

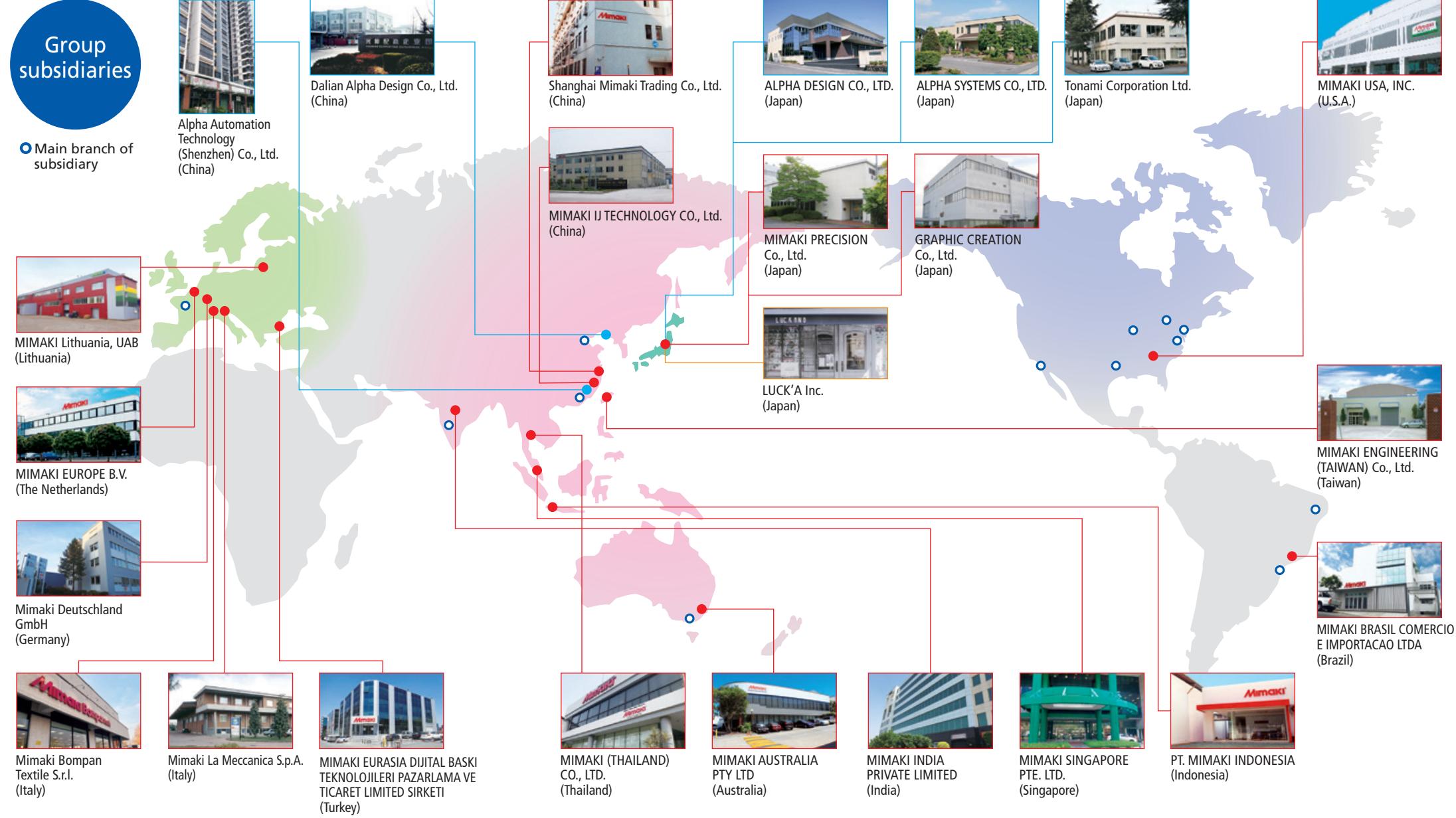
Business locations in Japan



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

Group subsidiaries

○ Main branch of subsidiary



Began sales of the JV300-130 Plus, CJV300-130 Plus and CG-130FX II Plus

SG

These next-generation products help reform workstyles and reduce the burden on the environment by adding new technology to that which already exists, hence the "Plus" label. We have added the new ID Cut function for continuous automated cutting and a new Ethernet connection for data to be sent to the printer over a network cable. These labor-saving features improve efficiency. In addition, the JV/CJV300-130 Plus adopts an environment-friendly ink cartridge system. By reusing the plastic casing and replacing only the ink pack, this system both helps conserve the environment by reducing the amount of plastic used and it reduces the unit price of the ink.



Launched in September 2019

JV300-130Plus **CJV300-130Plus** **CG-130FXII Plus**
CUTTING PLOTTER

Began sales of the large-format auto trimmer AT Series

SG

Large-format auto trimmers for safe and efficient trimming operations, such as cutting signage and POP as well as edging after lamination. Because trimming can be performed by hitting a single switch, the risk of injury to the operator is lessened and efficiency is improved.



Launched in October 2019

AT-165/200/250

Began sales of Tx300P-1800 MkII

TA

A hybrid textile inkjet printer that prints on both fabric and paper. By using two different types of ink simultaneously, it can be used for a wide range of applications, such as fashion apparel and wallpaper, just by making the switch to the other type of conveyance unit.

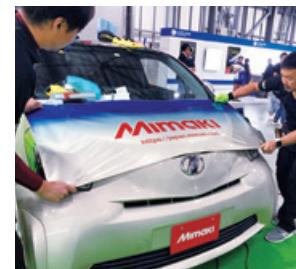


Launched in November 2019

Tx300P-1800MkII

Exhibited at Sign & Display Show 2019

MIMAKI exhibited at the Sign & Display Show 2019 held in August 2019 at Tokyo Big Sight. We offered workflow proposals for production using inkjet printers and post-processing equipment linked to inkjet printers, and conducted demonstration seminars on car wrapping twice a day.



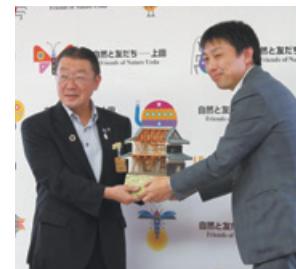
Awarded the Nagano Prefectural Governor's Prize at the Kanto Region Commendation for Invention Awards

Our 3D Full-Color Model and Modeling Method (patent no. 6261363) was awarded the Nagano Prefectural Governor's Prize at the 2019 Kanto Region Commendation for Invention Awards, held by the Japan Institute of Invention and Innovation.



Model of Ueda Castle donated to Ueda City

In August 2019, MIMAKI donated a model of the ruins of Ueda Castle and the southern turret created using our 3D inkjet printer 3DUJ-553 to the city of Ueda in Nagano Prefecture. The model is on display in the Ueda City offices, and is shown at events and by educational institutions to raise awareness of Ueda Castle.



Hosted the Shinshu Ueda Sanada Ninja Festival

In September 2019, the Shinshu Ueda Sanada Ninja Festival was held in Ueda City, Nagano Prefecture. This festival, helping to revitalize the local community and strengthen social ties, allowed elementary schoolchildren to experience the world of the ninja.



Corporate History

- 1975 August MIMAKI ENGINEERING was founded as a private limited company.
- 1981 May Reorganized into a stock company, MIMAKI ENGINEERING Co., Ltd.
- 1983 December Started development of the A2 flatbed pen plotter (RY-1003) for OEMs.
- 1985 February Started sales of the A2 flat pen plotter under the Hokusai brand.
- 1986 March Started operation of the Kazawa Factory.
- 1995 July Founded MIMAKI ENGINEERING (TAIWAN) Co., Ltd.

- 1999 January Received ISO 9001 certification.
- September Founded MIMAKI USA, INC.
- 2003 October Opened the Nagano Development Center.
- 2004 April Founded MIMAKI PRECISION Co., Ltd.
- April Founded MIMAKI EUROPE B.V.
- September Acquired Bokuya Factory in Tomi-shi, Nagano Prefecture.
- 2005 April Opened the Technical Call Center.

- 2006 April Acquired GRAPHIC CREATION Co., Ltd. as a subsidiary.
- August Relocated the Head Office to Shigeno-Otsu, Tomi-shi, Nagano Prefecture.
- 2007 March Listed on the JASDAQ Securities Exchange.
- December Founded MIMAKI IJ TECHNOLOGY CO., Ltd.
- 2008 July Acquired Mimaki Deutschland GmbH as a subsidiary.
- 2009 January Received ISO14001 certification.
- June Founded Shanghai Mimaki Trading Co., Ltd.

- 2010 August Founded MIMAKI PINGHU TRADING CO., LTD.
- 2011 November Founded PT. MIMAKI INDONESIA.
- 2013 April Founded MIMAKI AUSTRALIA PTY LTD.
- April Founded MIMAKI SINGAPORE PTE. LTD.
- July Founded MIMAKI INDIA PRIVATE LIMITED.
- 2015 March Moved our shares to the Tokyo Stock Exchange First Section.
- May Opened the Hachioji Development Center.

Supported the FabCafe exhibition

MIMAKI supported the Exhibition for 3D Printing of Both Transparency and Color—Nobuaki Fukui Vivid Color Model Exhibition, held from August to September 2019 at FabCafe Tokyo. This was one of the largest domestic exhibitions of full-color 3D-printed models for a single artist, with works showing compelling stories brought to life using our full-color 3D-printing technology. The glass and organisms floating in the sea were vividly represented using MIMAKI's technology.



HOPBOX Nobuaki Fukui

Subject of a special feature on the TV Tokyo Group's "Jiman shitai hito ga imasu - haikei hinekure three-sama" TV program

On October 12, 2019, our 3D printing technology was featured on the TV Tokyo Group's "Jiman shitai hito ga imasu—haikei hinekure three-sama" TV program, which is broadcast from 22:30 to 23:00 every Saturday.

The world's first full-color 3D printer and the outlook for the future were the subject of a special feature, and 3D models of Hashima "Battleship" Island and Kumamoto Castle made with our printer were shown.



Sample 3D model of Hashima "Battleship" Island



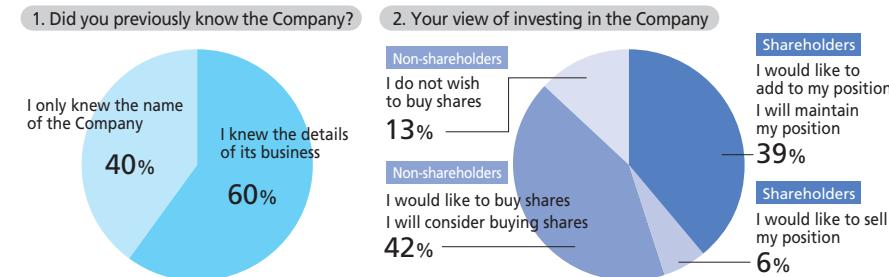
Videotaping the program

Held IR events aimed at individual investors

In June, September, and October 2019, we held presentation meetings to explain the Company to individual investors.

During the Q&A sessions, we responded to a variety of questions and heard a number of opinions from individual investors.

Here are some of the results taken from a questionnaire distributed after the meeting.



Started online presentation meetings to explain the Company

In October 2019, we held an online presentation meeting to explain the Company, hosted on the website of SBI Securities.

This was the first such meeting held to provide an opportunity for domestic investors throughout Japan to gain a deeper understanding of the Company's business.

Distribution date/time: October 31, 2019 to January 31, 2020
How to view: The presentation can be viewed by accessing "Seminars" on the SBI Securities website.

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.



Company/IR site top page

IR Library

The QR code to the right may be used for access by cellular phones and smartphones.

You may access it here <https://ir-eng.mimaki.com/>



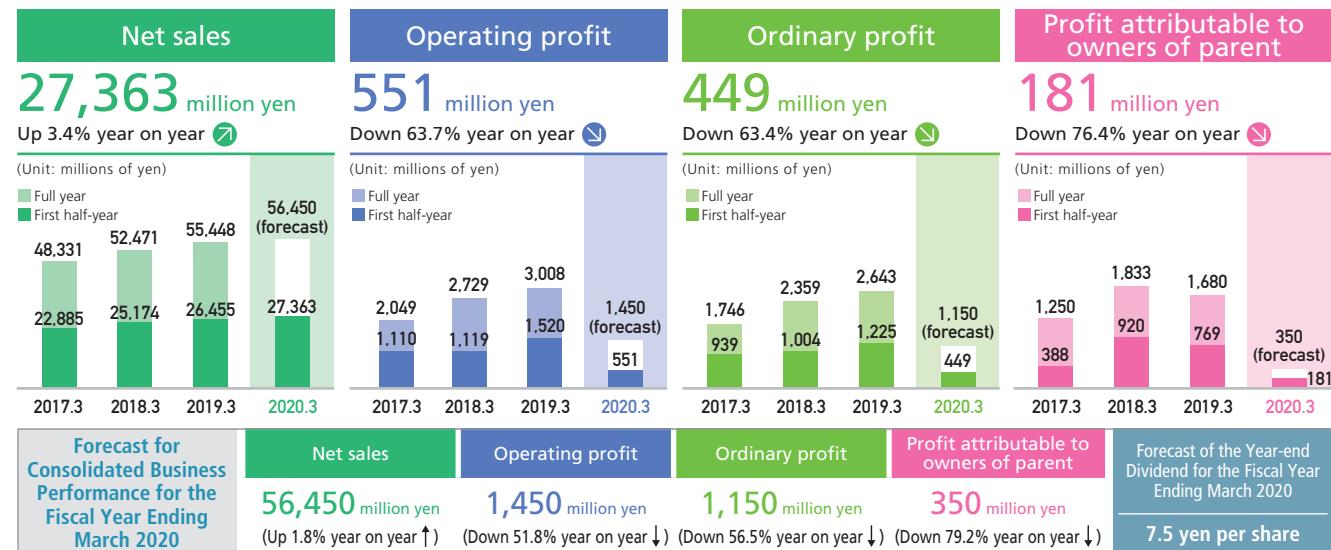
Official SNS can be found here (Japanese only)

- Facebook** <https://www.facebook.com/mimakiengineering/>
- YouTube** <https://www.youtube.com/user/MimakiPR/videos>
- Instagram** https://www.instagram.com/mimaki_japan/

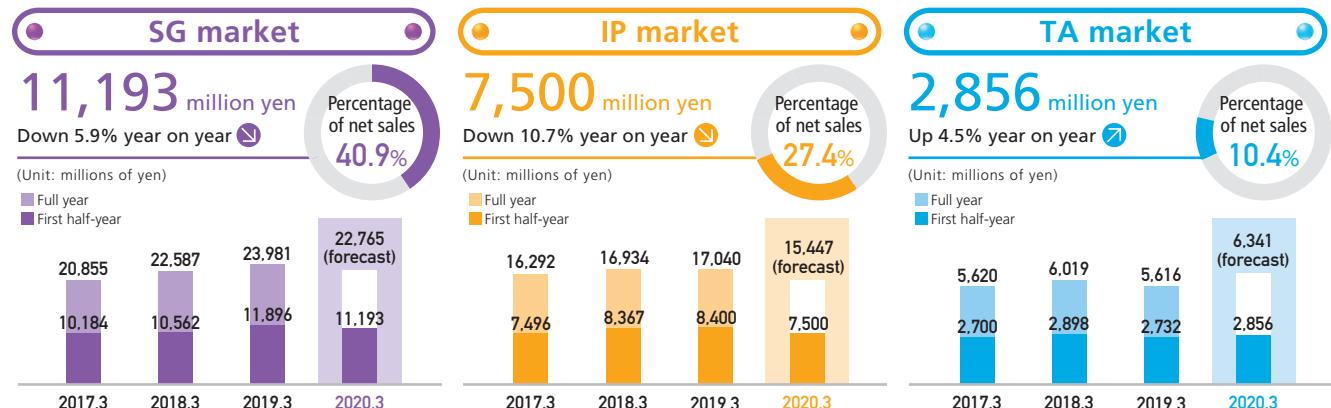
- 2015** July Opened Shigeno Showroom in Tomi-shi, Nagano Prefecture.
- 2016** April Founded MIMAKI EURASIA DIJITAL BASKI TEKNOLOJILERI PAZARLAMA VE TICARET LIMITED SIRKETI
- July Opened the JP Demonstration Center.
- July } Opened the TA and IP Lab Center.
- August }
- October Acquired Mimaki La Meccanica S.p.A. as a subsidiary.

- 2017** February Founded MIMAKI Lithuania, UAB.
- June Founded Mimaki Bompan Textile S.r.l.
- 2018** October Acquired ALPHA DESIGN CO., LTD as a subsidiary.
- November Acquired LUCK'A Inc. as a subsidiary.
- 2019** March Founded MIMAKI (THAILAND) CO., LTD.

Consolidated Performance Highlights for the First Half of the Fiscal Year Ending March 2020



Performance Highlights by Market for the First Half of the Fiscal Year Ending March 2020



Net sales of products for the SG market, such as advertisements and signboards, were 11,193 million yen, down 5.9% year on year. The JV series, a mainstay product line, posted a decline in net sales, resulting in a year-on-year decline in revenue.

Net sales of items for the IP market, which includes novelty items, industrial products, and others, came to 7,500 million yen, down 10.7% year on year. Net sales grew for the new JFX200-2513EX printer, but net sales of the UJF series fell, causing revenue to decline year on year.

Net sales of products for the TA market, such as clothing, fabrics, and others, came to 2,856 million yen, up 4.5% year on year. The new TS55-1800 that went on the market in March drove a year-on-year increase in revenue.

Market Conditions by Region

