O Company Profile / Stock Information (As of March 31, 2020)

Corporate Profile

Corporate Name	MIMAKI ENGINEERING COLLTD
Foundation	August 1975
Capital	4,357 million yen
Businesses	Development, manufacturing, and sales of computer devices and software
Employees	2,003 (consolidated) 821 (parent company only)

Board Members (As of August 5, 2020)

President	Kazuaki Ikeda
Managing Director	Kazuyuki Takeuchi
Executive Director	Hiroshi Miyake
Director	Yasuhiro Haba
Director	Koji Shimizu
Director	Nariaki Makino
Director	Takeshi Kodaira
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 Number of Issued Shares Number of Shareholders 128,160,000 shares 32,040,000 shares 5,269

Major Shareholders

Shareholder name	(shares)	(%)	
xeda Holdings, Inc.	4,497,200	15.25	
anaka Kikaku Ltd.	2,330,000	7.90	
loriyuki Tanaka	2,028,900	6.88	
okyo Small and Medium Business Investment & Consultation Co., Ltd.	1,524,000	5.17	
IIMAKI ENGINEERING Employee Stock Ownership	1,445,900	4.90	
tate Street Bank and Trust Company 505019	1,304,800	4.42	
he Master Trust Bank of Japan, Ltd.	1,232,200	4.18	
he Hachijuni Bank, Ltd.	840,000	2.85	
deki Partners Co., Ltd.	833,200	2.82	
pson Avasys Corporation	720,000	2.44	

Ownership Breakdown

Financial institutions	Other Japanese corporations		Individuals and others	
Financial instruments firms 📃 Overseas co		corporations, etc. Treasury shares		
4,116,600 shares (12.84	%)		2,545,767 shares (7.95%)	
10,334,801 shares (32.26%)		11,751,326 shares (36.68%)		
383.066 shares (1 19%)	2 908 440 5	hares (9.08%)	

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</i> <i>Keizai Shimbun</i> .
Listings	Tokyo Stock Exchange First Section
Securities code	6638

Votes:

 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.

2. 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.





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/



BUSINESS REPORT 2020.3 April 1, 2019-March 31, 2020







Securities Code: 6638



Management Policy

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.)





MIMAKI develops new organization and corporate image

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."

Kazuaki Ikeda President

Providing the total solution: supporting everything from introduction to the final quality of products

The MIMAKI Group is a development-driven group of companies that provides integrated services through the development, manufacturing, sales, and maintenance service of products, such as industrial inkjet printers, cutting plotters, and inks. By leveraging our proprietary core technology, we will drive additional progress during the digital transformation and play our role as a solutions provider that supports everything from the introduction to the final quality of products.



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.



Markets and the FA Business

Providing products for three markets and developing the FA business

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





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







Industrial **Products**

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 other products





Developing five businesses based on vector and mechatronic technologies



Growth Strategy

MIOOO 3.0 "Something new, something different"

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.



• Message from Top Management

On behalf of MIMAKI Engineering, I offer my heartfelt appreciation for the continued support of our shareholders. I would also like extend my deepest condolences to those who have been affected by COVID-19, and affirm that, by following the guidelines of various governments, MIMAKI Engineering will continue to work on ways to prevent the spread of this infectious disease. Before presenting the business report for our 45th term (from April 1, 2019 to March 31, 2020), I would like to say a few words to our shareholders, particularly to express my sincere appreciation for your continued support.

Kazuaki Ikeda President, MIMAKI ENGINEERING CO., LTD.

Overview of business performance during the fiscal year ended March 31, 2020

In the fiscal year ended March 31, 2020, net sales rose, though profits fell: net sales were 55,557 million ven (up 0.2% year on year) and operating profit was 1,353 million yen (down 55.0% year on year).

Looking at net sales by market, for Sign Graphics (SG), our JV series, one of our mainstay products lines which uses solvent inks, posted a decline in net sales. In the Industrial Products (IP) market, the new JFX200-2513EX, a large-format model launched in May 2019, recorded growth in sales, but the compact UJF series, another of our mainstay product lines, posted a decline in sales, and revenues fell overall. On the other hand, sales into the Textile & Apparel (TA) market were lifted by the impact of the new TS55-1800, which was launched in March 2019 as a product that enables both low running costs and long continuous operation. Factory Automation (FA) is a general term for operations by the Alpha Design Group and consists mainly of custom and PCB mounting equipment (equipment for inserting odd shaped parts and for coating with dehumidifying agents). As a result of the consolidation of the Alpha Design Group in the fourth quarter of the previous fiscal year, FA made a solid contribution to the increase in net sales for the fiscal year under review.

Looking at net sales by region, the Alpha Design Group contributed to sales in Japan, but even after excluding this contribution, the Group achieved growth in revenues. In Asia and Oceania, including China, performance was generally strong. Conversely, in the North, South, and Central American markets, North America and Brazil had driven a continuation of favorable performance until the third guarter, but revenues declined due to the economic slowdown caused by the spread of COVID-19 in the fourth guarter and the yen being stronger against local currencies than in the previous fiscal year. In Europe, the Middle East, and Africa, in addition to the yen strengthening against the euro (compared with the previous fiscal year), sales slowed in the major European countries, leading to a fall in revenues.

For profits, there were declines in items included under selling, general and administrative (SG&A) expenses, such as commission fees and quality assurance expenses. However the overall cost of sales ratio fell due to the impact of the consolidation for the full fiscal year for the FA segment, which has a higher cost of sales ratio than other business segments, and the overall strengthening of the yen against other currencies. As a result, operating profit declined, Profit attributable to owners of parent posted a loss of 777 million yen due to the recording of an extraordinary loss, which included impairment losses related to goodwill.

Outlook for the fiscal year ending March 31, 2021

Since the beginning of 2020, global economic activity has been constrained by the spread of COVID-19, resulting in a sharp slowdown. The Japanese economy continues to face a difficult environment as the result, among other factors, of selfrestraint in economic activities taken in response to the state of emergency declared by the Japanese government. To respond effectively to fluctuating demand, in the

Under these conditions, while keeping a close eye on the important measures set out in M1000, the Group will strengthen our response to the digital transformation. We intend to achieve this by (1) promoting IoT for digital printing. (2) growing the 3D printer segment, and (3) increasing profits in the SG market. For reaching these objectives, the Group is working as one to promote initiatives as a solutions provider. In addition, for building a foundation to support these activities, we have worked to further improve the guality of inks; to strengthen systems for production, distribution, research, development, and global management; to promote regionally based sales activities; to adopt an extensive system of internal controls/compliance; to strengthen risk management; and to pursue further initiatives related to SDGs (the UN's Sustainable Development Goals).

dividend as soon as possible.

shareholders.



context of dramatic declines in demand from customers for printing, we have introduced a system of planned days off at all locations in Japan in addition to continuing initiatives that place the highest priority on securing the safety of our customers, business partners, and employees.

However, right now it is unclear when the spread of COVID-19 will subside. We assume that the current situation will continue to affect economic activities in general and we recognize that it is difficult to expect a rapid recovery even after the situation is resolved and that it will be difficult to move ahead as planned with the important initiatives and activities mentioned above aimed at building a new foundation. Given this environment, it is difficult for us to make reasonable calculations for earnings forecasts, and so our forecasts for the fiscal year ending March 31, 2021 have not been finalized. As soon as it is possible to make earnings forecasts, we will announce the figures.

Message to shareholders

While keeping a close eye on the major objectives set out in M1000, we recognize that it will take longer than previously anticipated to achieve them. Based on this perception, we will take full advantage of our essential nature, defined in our management vision as "a company that can adapt and guickly provide our products that will satisfy the customers." We will also need to review, from the ground up, our business initiatives and the methods we have used in our work so far. Consequently, we are moving ahead with preparations to take advantage of the opportunities that will arise when the global economy begins to recover more completely.

Regarding returns to shareholders, based on the current situation and the outlook going forward, the year-end dividend for the fiscal year ended March 31. 2020 has been suspended. In addition, the dividend forecast for the fiscal year ending March 31, 2021 has not been finalized. Looking ahead, we will do everything possible to overcome what is occurring today while working to achieve a steady recovery in earnings. The recovery should be followed by further growth in line with shareholders expectations, and we are aiming to return to paying out a

In closing, I humbly ask for the continued guidance and encouragement of our

O Network / Corporate History



O Product Development History



We use 3D printing to provide new value through a product lineup that meets the diverse needs of customers



3DUJ-553

World's first!* The first printer in the world to achieve full-color modeling using more than 10 million colors

Uses the UV curing inkiet method, where individual layers of UV ink are built up to create a model, for applications such as solid deposits for object signboards and architectural models, enabling unparalleled color reproduction and modeling.



Available modeling area: 508 mm × 508 mm × 305 mm



For in-house production of print jigs and three-dimensional signs

A desktop 3D printer that employs FFF (Fused Filament Fabrication) technology. FFF technology is a method that extrudes resin in filaments from a nozzle as the filaments are melted and then built up in layers. This is an ideal choice for use in combination with our flatbed UV printers, and can be used in a wide range of applications, such as inhouse production of print jigs or creating 3D



Available modeling area: 210 mm × 200 mm × 195 mm

Creating a 3D diorama of the Nihonbashi area

In February 2020, we worked in cooperation with Mitsui Fudosan Residential to create a diorama of the Nihonbashi area with 3DUJ-553

This huge (1/1,000 scale) diorama has more than 80 parts, and by enabling only the required individual parts to be replaced when the real-world cityscape changes, we succeeded in creating an up-to-date reproduction.

The diorama created in this way will be exhibited in Nihonbashi Salon of Mitsui Fudosan Residential (Japan), and is intended to show how the cityscape is changing in real time or almost from day to day.



Innovative sign graphics created with large-sized/high-speed 3D printing

This method uses gel dispensing printing technology, where UV-curable gel resin is extruded in a line then instantly cured using ultraviolet light and built up in layers. By combining models using this technology with one of our inkjet printers, it becomes possible to create 3D signboards that have a bigger impact.



Available modeling area: 1,450 mm × 1,110 mm × 1,800 mm

Smithsonian Institution, + 3DUJ-553 Washington, DC

In January 2020, 3DUJ-553 was placed in the USA's Smithsonian Institution, the world's largest museum, education, and research complex. As a result, our 3D printers will be contributing to the planning and creation of exciting exhibitions arranged by the Smithsonian and by other museums and agencies of the federal government of the United States.

Going forward, it is intended that this equipment will be used to create models of objects for public experience-based education, braille maps for visually impaired visitors, and so on.

Providing Simplified Face Shields

In April 2020, beginning with the Tomi Municipal Hospital in Tomi City, Nagano Prefecture, we provided simplified face shields created with our 3D printer, 3DFF-222. These shields were provided for free not only for people in medical institutions, but also to a wide range of people working in essential industries. The frame of the simplified face shield, which rests on someone's head, was created using our 3D printer. The material is a plant-derived bio-plastic called PLA filament, which is both flexible and durable. A highly transparent PET film was used for the shield to provide pure transparency. Our flatbed cutting plotter, CF22-1225, was used for cutting the PET film.

AI Amok (movie) + 3DUJ-553

In AI Amok, a movie starring Takao Osawa, one of our fullcolor UV-curable inkiet 3D printers, 3DUJ-553, was used on the movie set.

This printer, representing a cutting-edge piece of technology due its beautiful external design and the ability to

create full-color 3D models, was set up in the laboratory of the protagonist, Osawa's character Kosuke Kiryu, and was used in one of the scenes in the movie.



3DUJ-553 as it appeared in the movie scene

Tokyo Institute of Technology + **3DUJ-553**



3D autophagy (cell self-repairing) models created with 3DUJ-553 were displayed in the exhibition room of the Centennial Hall at the Tokyo Tech Museum and Archives.

The 3D models were polished after being created with a 3D printer, then displayed with illumination from below so that the internal structures were easier to see.



Autophagy 3D models created with 3DUJ-553



MIMAKI News Flash

MIMAKI receives Medal with **Dark Blue Ribbon**

In November 2019, MIMAKI was awarded the Medal with Dark Blue Ribbon by the Japanese government in recognition of donations, etc. made by the Company over many years to help improve educational research at the National College of Technology. The medal and a certificate of merit were presented to MIMAKI by Nobukazu Doi, president of the National Institute of Technology, Nagano College

In recognition of receiving this award-in addition to nurturing the engineers who will be responsible for the next generation-we will continue to support the further development of regional industry.



MIMAKI will use inkjet technology to contribute to 7 of the 17 sustainable development goals (SDGs) adopted by the United Nations in 2015



Our Group is working enthusiastically on resource recycling management and related technology as part of our response to the need for sustainability

Up to this point, we had used proprietary inkjet technology to promote the growth of digital on-demand printing, in turn contributing to fulfilling the needs of society and the environment. Going forward, we will continue to effectively harness the digital transformation (the shift to digitization that includes the value chain and leads to new added value). In this way, we will be able to respond promptly to the needs of society and the environment that are linked to high-level added value, such as unattended operation, saving labor, higher speeds and quality, and waterless printing—all technologies that are expected to grow.

Helping achieve a sustainable society by promoting digital on-demand printing

By using proprietary raster and vector technologies, we will drive the further development of digital on-demand printing.



the area being printed, so no ink is wasted. As there is no need to clean printing plates after they are used, the production environment is clean and environmentally friendly.





Proprietary technology allows the media (the item being printed) to be cut into any shape. Using high-precision cutting technology with tight tolerances, no media is wasted, which contributes to conserving resources.

Using proprietary raster and vector technologies to promote digital on-demand printing and to contribute to fulfilling the needs of society and the environment.

What is digital on-demand printing?

Т	raditional analo	og printing		
Traditional and printing plate concerns abo pollution from equipment, and	alog printing uses s, which leads to ut environmental cleaning the plates, materials.	Environmental pollution		
In addition, a n processing dye requires prod estimates and excess invent management is	ninimum volume of s is required, which luction based on d leads in turn to ory and inventory sues.	Excess inventory Inventory management		
Warehousing space is also needed to store the printing plates and to manage excess inventory.				
	Saving water Water pollution causer inkjet printing, while s enables water savings	d by dyes can be sublimation trans	eliminated using fer printing also	
	Lower invento Use inkjet printing min	imizes lost invent	ory	



Developing and manufacturing environmentally friendly inks

Environmentally friendly eco-ink also protects the health of the operator



Digital on-demand printing

Digital on-demand printing is a system that produces only the amount needed at the time. Inkjet technology, which does not use printing plates, saves water and results in low levels of waste.

Moreover, because the equipment takes up little space and has a clean working environment, production is possible within urban areas, close to where it is consumed.

Another characteristic is that by linking where consumption takes place with where it is produced, the time and costs associated with distribution can be reduced.





Consolidated performance highlights for the fiscal year ended March 2020 Profit attributable to Operating profit Ordinary profit Net sales owners of parent 946 million yen 55,557 million yen 1,353 million yen -/// million yen Up 0.2% year on year 刻 Down 55.0% year on year 😒 Down 64.2% year on year 🔕 year on year -(Unit: millions of yen) (Unit: millions of yen) (Unit: millions of yen) (Unit: millions of ven) 55,448 55,557 52,471 1,833 1.680 3,008 2,729 2,643 2.359 1,353 94 -777 2018.3 2019.3 2020.3 2018.3 2019.3 2020.3 2018.3 2019.3 2020.3 2018.3 2019.3 2020.3

Performance highlights by market for the fiscal year ended March 2020



decline in revenues.

such as advertisements and signboards, includes novelty items and industrial products, such as clothing and fabrics, came to 5,893 were 21,968 million yen, down 8.4% year were 15,069 million yen, down 11.6% year million yen, up 4.9% year on year. Sales for on year. Sales fell for the JV series, one of on year. The new large-format model, the TA market rose year on year due to the our mainstay products and which uses JFX200-2513EX, launched in May, recorded impact of the new TS55-1800, which was solvent inks, leading to a year-on-year growth in sales, but the compact UJF series, launched in March 2019 as a product that another of our mainstay product lines, posted enables both low running costs and long a decline in sales, so overall revenues fell continuous operation. compared with those of the previous fiscal year.

Net sales of products for the SG market, Net sales of items for the IP market, which Net sales of products for the TA market,

Market Conditions by Region for the fiscal year ended March 2020

, , ,		,	
Japar	n		
Net sales: 18,604 million yen Up	21.8% year o	on year 🥏	Net sales: 1
Net sales of the Alpha Design Group, acquired in October 2018, were added to MIMAKI Group sales for the full year, but even after excluding this consolidation, the Company was able to secure higher revenues due to strength in sales for the TA/SG markets.	13,466	(Unit: millions of yen) 18.604 15.274 2019.3 2020.3	In addition against the the previou of COVID- led to dec major coun fall in overa
Asia, Oceania, a	and Oth	ers	
Net sales: 14,362 million yen Dow Although the TA market was strong, in addition to an overall stronger yen (against the currencies of developing countries, compared with the previous fiscal year), the impact of the spread of COVID-19 in the fourth quarter led to lower demand and to a decline in revenues.	wn 8.0% yea	r on year (Unit: millions of yen) (Unit: millions of yen) 15.618 14.362 2019.3 2020.3	Net sales: 8 Up to the American r favorable p fourth quart the econor from the p strengthe currency (cc fiscal year), that depress
Business performance for the fiscal year end	ed March 2020) Percentage	of net sales by re
We provide products and services to customers in approximately 150 countries and regions	1	Others Asia, Oceania • 16.	9.6 3% 33.5%
Consolidated net sales outside 36,953 mill	e Japan ion yen	Overseas • 25 66.5%	5.9% 14.7%
Percentage of consolidated ne	et sales	Europe ●	

Europe

4.411 million yen Down 11.5% year on year 🔊

to the ven strenathening ne euro (compared with is fiscal year), the impact -19 in the fourth guarter lining net sales in the ntries of Europe and to a all revenues.



North Americaa

5, 179 million yen Down 1.2% year on year 🕥

third guarter, the North market was maintaining performance, but in the rter this market was hit by mic slowdown resulting pandemic. Also, the yen ened against the local ompared with the previous which was another factor sed revenues.

(Unit: millions of yen)





