

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2016 (Based on Japanese GAAP)

August 9, 2016

Company name: MIMAKI ENGINEERING CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6638 URL <http://ir.mimaki.com>
 Representative: President Kazuaki Ikeda
 Executive General Manager Administration
 Inquiries: Division Hiroshi Miyake TEL 0268-64-2281
 Scheduled date to file Quarterly Securities Report: August 10, 2016
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2016 (from April 1, 2016 to June 30, 2016)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2016	11,534	(4.3)	717	9.8	569	3.9	376	52.7
Three months ended June 30, 2015	12,046	12.7	653	(37.7)	548	(39.9)	246	(57.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2016	12.27		–	
Three months ended June 30, 2015	7.86		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2016	44,189	14,696	33.3
As of March 31, 2016	46,132	15,642	33.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2016	–	5.00	–	5.00	10.00
Year ending March 31, 2017	–	–	–	–	–
Year ending March 31, 2017 (Forecast)	–	5.00	–	5.00	10.00

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2016	23,750	(1.0)	600	(62.4)	450	(67.1)	250	(69.2)	7.98
Full year	48,350	1.1	1,850	(42.1)	1,500	(45.6)	900	(44.8)	28.72

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2016
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2016	32,040,000 shares	As of March 31, 2016	32,040,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2016	1,879,790 shares	As of March 31, 2016	859,790 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2016	30,650,452 shares	Three months ended June 30, 2015	31,334,100 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2016	As of June 30, 2016
Assets		
Current assets		
Cash and deposits	11,034,884	10,350,108
Notes and accounts receivable - trade	7,888,065	6,795,220
Merchandise and finished goods	10,895,330	10,833,127
Work in process	266,208	240,028
Raw materials and supplies	3,306,227	2,841,617
Deferred tax assets	833,948	711,860
Other	1,578,485	2,154,704
Allowance for doubtful accounts	(122,553)	(121,402)
Total current assets	35,680,596	33,805,265
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,982,856	3,872,136
Land	2,876,214	2,876,214
Other, net	2,113,499	2,033,338
Total property, plant and equipment	8,972,570	8,781,688
Intangible assets		
Other	392,891	438,293
Total intangible assets	392,891	438,293
Investments and other assets		
Deferred tax assets	246,337	241,979
Other	962,182	1,041,600
Allowance for doubtful accounts	(121,697)	(119,696)
Total investments and other assets	1,086,822	1,163,883
Total non-current assets	10,452,284	10,383,866
Total assets	46,132,881	44,189,132
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,867,713	4,167,921
Short-term loans payable	6,469,851	6,215,214
Current portion of long-term loans payable	2,757,416	2,695,696
Income taxes payable	106,116	119,019
Provision for bonuses	700,491	323,424
Provision for directors' bonuses	43,678	9,125
Provision for product warranties	414,740	403,713
Other	3,766,647	6,854,538
Total current liabilities	21,126,656	20,788,652
Non-current liabilities		
Long-term loans payable	8,721,797	8,071,188
Lease obligations	136,177	122,394
Deferred tax liabilities	6,628	6,082
Net defined benefit liability	311,532	317,779
Asset retirement obligations	52,685	51,168
Other	134,868	134,868
Total non-current liabilities	9,363,689	8,703,481
Total liabilities	30,490,345	29,492,133

(Thousands of yen)

	As of March 31, 2016	As of June 30, 2016
Net assets		
Shareholders' equity		
Capital stock	4,357,456	4,357,456
Capital surplus	4,269,686	4,269,686
Retained earnings	7,803,163	8,023,397
Treasury shares	(201,831)	(727,698)
Total shareholders' equity	16,228,475	15,922,840
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(981)	(4,274)
Foreign currency translation adjustment	(605,640)	(1,240,007)
Remeasurements of defined benefit plans	20,683	18,439
Total accumulated other comprehensive income	(585,939)	(1,225,842)
Total net assets	15,642,535	14,696,998
Total liabilities and net assets	46,132,881	44,189,132

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Net sales	12,046,808	11,534,407
Cost of sales	6,617,776	6,237,241
Gross profit	5,429,032	5,297,166
Selling, general and administrative expenses	4,775,925	4,580,166
Operating income	653,106	717,000
Non-operating income		
Interest income	6,680	12,214
Dividend income	504	450
Insurance income	1,293	7,548
Insurance return	21,219	–
Other	14,769	5,344
Total non-operating income	44,467	25,557
Non-operating expenses		
Interest expenses	29,131	31,076
Sales discounts	26,530	31,374
Foreign exchange losses	28,025	59,816
Share of loss of entities accounted for using equity method	42,495	43,110
Other	23,181	7,612
Total non-operating expenses	149,364	172,990
Ordinary income	548,209	569,567
Extraordinary income		
Gain on sales of non-current assets	1,517	9,027
Gain on reversal of subscription rights to shares	212	–
Total extraordinary income	1,730	9,027
Extraordinary losses		
Loss on sales of non-current assets	564	4
Total extraordinary losses	564	4
Profit before income taxes	549,374	578,590
Income taxes - current	176,422	81,716
Income taxes - deferred	126,587	120,739
Total income taxes	303,010	202,455
Profit	246,364	376,134
Profit attributable to owners of parent	246,364	376,134

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Profit	246,364	376,134
Other comprehensive income		
Valuation difference on available-for-sale securities	2,877	(3,293)
Foreign currency translation adjustment	255,971	(676,110)
Share of other comprehensive income of entities accounted for using equity method	1,291	41,744
Remeasurements of defined benefit plans, net of tax	(3,209)	(2,243)
Total other comprehensive income	256,931	(639,902)
Comprehensive income	503,295	(263,768)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	503,295	(263,768)