

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

**Summary of Consolidated Financial Results
for the Three Months Ended June 30, 2018
(Based on Japanese GAAP)**

August 10, 2018

Company name: MIMAKI ENGINEERING CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6638 URL: <https://ir.mimaki.com>
 Representative: President Kazuaki Ikeda
 Executive General Manager Administration
 Inquiries: Division Hiroshi Miyake TEL 0268-80-0058
 Scheduled date to file Quarterly Securities Report: August 10, 2018
 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, 2018 (from April 1, 2018 to June 30, 2018)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2018	12,879	6.3	788	114.5	565	88.0	328	63.5
Three months ended June 30, 2017	12,116	5.0	367	(48.7)	300	(47.2)	200	(46.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2018	10.93		–	
Three months ended June 30, 2017	6.68		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2018	54,010	17,608	32.2
As of March 31, 2018	53,994	17,778	32.5

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, 2018	–	5.00	–	7.50	12.50
Year ending March 31, 2019	–	–	–	–	–
Year ending March 31, 2019 (Forecast)	–	7.50	–	7.50	15.00

3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		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, 2018	26,500	5.3	950	(15.1)	800	(20.3)	650	(29.4)	21.64
Full year	55,600	6.0	2,750	0.7	2,400	1.7	1,850	0.9	61.58

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2018
 (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: No
- 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, 2018	32,040,000 shares	As of March 31, 2018	32,040,000 shares
---------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of June 30, 2018	1,999,790 shares	As of March 31, 2018	1,999,790 shares
---------------------	------------------	----------------------	------------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2018	30,040,210 shares	Three months ended June 30, 2017	30,040,210 shares
----------------------------------	-------------------	----------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Current assets		
Cash and deposits	11,529,969	11,490,220
Notes and accounts receivable - trade	9,232,964	7,904,142
Merchandise and finished goods	11,466,055	12,108,973
Work in process	769,911	926,084
Raw materials and supplies	4,101,582	4,228,481
Other	2,248,935	2,420,790
Allowance for doubtful accounts	(187,833)	(65,391)
Total current assets	39,161,586	39,013,301
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,943,663	3,849,681
Land	2,799,435	2,799,435
Other, net	2,505,652	2,640,424
Total property, plant and equipment	9,248,751	9,289,541
Intangible assets		
Goodwill	1,445,817	1,372,349
Other	908,607	976,159
Total intangible assets	2,354,424	2,348,509
Investments and other assets		
Investment securities	117,566	112,730
Deferred tax assets	1,658,723	1,488,784
Other	1,698,684	2,109,796
Allowance for doubtful accounts	(245,573)	(351,894)
Total investments and other assets	3,229,400	3,359,416
Total non-current assets	14,832,576	14,997,467
Total assets	53,994,162	54,010,769
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,122,297	4,112,616
Electronically recorded obligations - operating	4,552,318	4,793,435
Short-term loans payable	7,344,770	7,075,750
Current portion of long-term loans payable	4,138,854	4,210,711
Lease obligations	74,670	72,808
Accounts payable - other	1,336,978	1,990,854
Income taxes payable	819,209	136,761
Provision for bonuses	766,213	443,037
Provision for directors' bonuses	38,406	10,336
Provision for product warranties	879,007	835,380
Other	3,216,690	3,173,273
Total current liabilities	27,289,415	26,854,967

(Thousands of yen)

	As of March 31, 2018	As of June 30, 2018
Non-current liabilities		
Long-term loans payable	8,237,263	8,873,507
Lease obligations	85,083	67,146
Deferred tax liabilities	14,061	8,157
Net defined benefit liability	457,295	466,386
Asset retirement obligations	46,610	46,871
Other	86,343	85,364
Total non-current liabilities	8,926,658	9,547,431
Total liabilities	36,216,074	36,402,399
Net assets		
Shareholders' equity		
Capital stock	4,357,456	4,357,456
Capital surplus	4,269,686	4,269,686
Retained earnings	10,280,353	10,383,275
Treasury shares	(804,308)	(804,308)
Total shareholders' equity	18,103,187	18,206,110
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,403	1,027
Foreign currency translation adjustment	(574,895)	(831,266)
Remeasurements of defined benefit plans	33,843	30,754
Total accumulated other comprehensive income	(536,647)	(799,484)
Share acquisition rights	1,725	4,313
Non-controlling interests	209,822	197,430
Total net assets	17,778,087	17,608,369
Total liabilities and net assets	53,994,162	54,010,769

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, 2017	Three months ended June 30, 2018
Net sales	12,116,600	12,879,317
Cost of sales	6,383,767	6,567,224
Gross profit	5,732,832	6,312,093
Selling, general and administrative expenses	5,365,055	5,523,106
Operating profit	367,777	788,987
Non-operating income		
Interest income	11,924	11,475
Dividend income	400	350
Insurance income	57	400
Purchase discounts	9	5,208
Other	8,608	8,571
Total non-operating income	20,999	26,006
Non-operating expenses		
Interest expenses	43,191	39,112
Sales discounts	21,910	22,626
Foreign exchange losses	17,852	143,473
Share of loss of entities accounted for using equity method	892	40,329
Other	4,038	3,767
Total non-operating expenses	87,883	249,309
Ordinary profit	300,893	565,683
Extraordinary income		
Gain on sales of non-current assets	9,079	9,583
Total extraordinary income	9,079	9,583
Extraordinary losses		
Loss on sales of non-current assets	125	1,272
Total extraordinary losses	125	1,272
Profit before income taxes	309,847	573,994
Income taxes - current	158,094	86,783
Income taxes - deferred	(49,025)	167,178
Total income taxes	109,068	253,962
Profit	200,778	320,032
Loss attributable to non-controlling interests	–	(8,191)
Profit attributable to owners of parent	200,778	328,224

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	200,778	320,032
Other comprehensive income		
Valuation difference on available-for-sale securities	3,573	(3,376)
Foreign currency translation adjustment	137,991	(272,264)
Share of other comprehensive income of entities accounted for using equity method	191	11,693
Remeasurements of defined benefit plans, net of tax	(2,738)	(3,089)
Total other comprehensive income	139,018	(267,037)
Comprehensive income	339,796	52,995
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	339,796	65,387
Comprehensive income attributable to non-controlling interests	–	(12,391)