

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 10, 2021

Company name: MIMAKI ENGINEERING CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6638 URL <https://ir.mimaki.com>
 Representative: President Kazuaki Ikeda
 Inquiries: Executive General Manager Corporate Koji Shimizu TEL 0268-80-0058
 Planning Division
 Scheduled date to file Quarterly Securities Report: November 10, 2021
 Scheduled date to commence dividend payments: December 7, 2021
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

(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	%
Six months ended September 30, 2021	28,803	38.1	1,691	–	1,701	–	1,564	–
Six months ended September 30, 2020	20,862	(23.8)	(1,902)	–	(1,372)	–	(1,453)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	53.06		53.00	
Six months ended September 30, 2020	(49.28)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	53,341	17,679	33.1
As of March 31, 2021	50,838	16,213	31.8

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, 2021	–	0.00	–	7.50	7.50
Year ending March 31, 2022	–	7.50			
Year ending March 31, 2022 (Forecast)			–	7.50	15.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Full year	59,100	21.3	2,630	–	2,520	587.8	2,140	–	72.56

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2021
(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 September 30, 2021	32,040,000 shares	As of March 31, 2021	32,040,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	2,545,767 shares	As of March 31, 2021	2,545,767 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	29,494,233 shares	Six months ended September 30, 2020	29,494,233 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	10,839,746	9,117,099
Notes and accounts receivable - trade	7,746,264	–
Notes and accounts receivable - trade, and contract assets	–	7,727,522
Merchandise and finished goods	11,080,748	12,181,418
Work in process	1,871,152	2,406,316
Raw materials and supplies	4,967,614	6,144,406
Other	2,846,437	2,931,092
Allowance for doubtful accounts	(188,887)	(46,305)
Total current assets	39,163,076	40,461,549
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,670,939	3,703,567
Land	3,275,034	3,275,034
Other, net	2,342,760	3,102,022
Total property, plant and equipment	9,288,734	10,080,625
Intangible assets		
Goodwill	82,453	65,198
Other	409,249	358,434
Total intangible assets	491,702	423,632
Investments and other assets		
Investment securities	131,334	133,764
Deferred tax assets	999,448	1,460,596
Other	1,375,089	1,462,985
Allowance for doubtful accounts	(610,502)	(682,128)
Total investments and other assets	1,895,369	2,375,218
Total non-current assets	11,675,806	12,879,477
Total assets	50,838,883	53,341,026

(Thousands of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,322,168	3,674,860
Electronically recorded obligations - operating	5,449,924	4,846,410
Short-term borrowings	4,125,700	6,846,230
Current portion of long-term borrowings	3,993,954	4,487,486
Lease obligations	197,432	160,283
Income taxes payable	257,644	474,465
Provision for bonuses	884,655	1,074,023
Provision for bonuses for directors (and other officers)	–	29,097
Provision for product warranties	1,049,122	1,070,157
Other	4,688,449	4,646,972
Total current liabilities	24,969,051	27,309,987
Non-current liabilities		
Long-term borrowings	8,913,749	6,911,785
Lease obligations	249,070	933,353
Deferred tax liabilities	56,941	59,897
Retirement benefit liability	383,029	391,294
Asset retirement obligations	52,940	54,893
Other	650	650
Total non-current liabilities	9,656,381	8,351,874
Total liabilities	34,625,433	35,661,861

(Thousands of yen)

	As of March 31, 2021	As of September 30, 2021
Net assets		
Shareholders' equity		
Share capital	4,357,456	4,357,456
Capital surplus	4,617,040	4,617,040
Retained earnings	9,979,574	11,317,436
Treasury shares	(1,329,614)	(1,329,614)
Total shareholders' equity	17,624,456	18,962,318
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,478	6,829
Foreign currency translation adjustment	(1,568,988)	(1,429,428)
Remeasurements of defined benefit plans	104,767	91,298
Total accumulated other comprehensive income	(1,458,742)	(1,331,301)
Share acquisition rights	34,250	34,007
Non-controlling interests	13,486	14,140
Total net assets	16,213,450	17,679,165
Total liabilities and net assets	50,838,883	53,341,026

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net sales	20,862,800	28,803,885
Cost of sales	13,834,499	17,044,439
Gross profit	7,028,301	11,759,445
Selling, general and administrative expenses	8,930,346	10,068,064
Operating profit (loss)	(1,902,044)	1,691,380
Non-operating income		
Interest income	6,955	7,683
Dividend income	576	630
Insurance claim income	1,787	5,234
Purchase discounts	3,129	7,525
Foreign exchange gains	32,937	–
Subsidy income	436,619	38,675
Gain on business transfer	121,091	–
Share of profit of entities accounted for using equity method	14,919	–
Other	47,295	43,262
Total non-operating income	665,313	103,013
Non-operating expenses		
Interest expenses	91,145	67,962
Sales discounts	34,428	–
Foreign exchange losses	–	4,850
Share of loss of entities accounted for using equity method	–	3,008
Other	9,892	16,984
Total non-operating expenses	135,465	92,805
Ordinary profit (loss)	(1,372,197)	1,701,587
Extraordinary income		
Gain on sale of non-current assets	34,755	30,177
Other	238	1,186
Total extraordinary income	34,993	31,363
Extraordinary losses		
Loss on sale of non-current assets	4,844	349
Impairment losses	642,429	–
Loss on disposal of non-current assets	47,563	–
Total extraordinary losses	694,837	349
Profit (loss) before income taxes	(2,032,041)	1,732,602
Income taxes - current	6,423	635,204
Income taxes - deferred	(451,960)	(465,167)
Total income taxes	(445,537)	170,037
Profit (loss)	(1,586,503)	1,562,565
Loss attributable to non-controlling interests	(132,984)	(2,404)
Profit (loss) attributable to owners of parent	(1,453,518)	1,564,970

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit (loss)	(1,586,503)	1,562,565
Other comprehensive income		
Valuation difference on available-for-sale securities	7,666	1,350
Foreign currency translation adjustment	(41,459)	141,803
Remeasurements of defined benefit plans, net of tax	(4,306)	(13,469)
Share of other comprehensive income of entities accounted for using equity method	524	815
Total other comprehensive income	(37,574)	130,500
Comprehensive income	(1,624,077)	1,693,065
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,496,009)	1,692,411
Comprehensive income attributable to non-controlling interests	(128,068)	654