

Financial Statement for the Six Months Ended September 30, 2013

November 8, 2013

Name of listed company: Mipox Corporation
 Stock Code: 5381 (URL http://www.mipox.co.jp)
 Name and Title of Representative: Jun Watanabe, President
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 Quarterly Report Filing Date (as planned): November 8, 2013

Stock Exchange: Tokyo Stock Exchange, Inc. JASDAQ

1. Consolidated Financial Result for the Six Months Ended September 30, 2013 (April 1, 2013 – September 30, 2013)

(Figures are rounded down to the nearest million)

(1) Consolidated Operating Result

(% implies the rate of increase/decrease year-on-year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2013	1,746	-2.3	117	-44.4	131	-28.0	75	-56.7
September 30, 2012	1,786	15.3	211	835.7	182	—	173	—

Note: Comprehensive Income: 84 million yen (-27.0%) for the six months ended September 30, 2013
 116 million yen (- %) for the six months ended September 30, 2012

	Net Income Per Share		Net Income Per Share (diluted)	
	Yen		Yen	
September 30, 2013	7.65		7.49	
September 30, 2012	17.05		17.03	

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
September 30, 2013	6,011	4,063	66.9
March 31, 2013	5,280	3,975	74.5

(Note) Equity capital (Millions of Yen): As of September 30, 2013 4,022
 As of March 31, 2013 3,936

2. Status of Distribution

	Dividends per share				
	First quarter end	Second quarter end	Third quarter end	Year end	Full year
	Yen	Yen	Yen	Yen	Yen
FY2013	—	0.00	—	0.00	0.00
FY2014	—	0.00	—	—	—
FY2014 (Expected)	—	—	—	5.00	5.00

Note: Revisions to dividend forecasts published most recently: None

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2014 (April 1, 2013– March 31, 2014)

(%changes as compared with the previous fiscal year and the corresponding period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY2014	3,677	7.9	284	3.3	289	-3.7	183	18.8	18.66

(Note)Revision of forecast for dividends published most recently: Yes

Notes: Request for appropriate use of the business outlook and other special remarks

Forecasts are based on information available to the management at the time of an announcement. Forecasts contain a lot of the element of the uncertainty. Actual results may differ from the figures provided above due to changes in business conditions.

4.Others

(1)Change in important subsidiaries during the period (Changes in certain specified subsidiaries resulting in revised scope of consolidation): None

(2)Adoptions of simplified accounting methods and accounting methods particular to the presentation of quarterly financial statements: None

(3)Changes in accounting principles, presentation methods, etc., pertaining to preparation of consolidated financial statements

(Those to be stated as significant accounting policies)

1. Changes associated with revision in accounting standards: None

2. Others changes: None

(4)Shares outstanding

1. Numbers of shares outstanding (including treasury stock)

September 30, 2013	10,696,320	March 31, 2013	10,696,320
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2. Numbers of treasury stock

September 30, 2013	868,808	March 31, 2013	884,708
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3. Numbers of average shares outstanding (cumulative, consolidated at the end of the second quarter)

September 30, 2013	9,819,583	September 30, 2012	10,181,138
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Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Thousands of Yen)	
	End of previous fiscal year (March 31, 2013)	End of second quarter of current fiscal year (September 30, 2013)
Assets		
Current assets		
Cash and deposits	1,341,964	1,780,192
Notes and accounts receivable - trade	810,947	805,241
Merchandise and finished goods	229,522	312,843
Work in process	380,382	361,487
Raw materials and supplies	123,167	132,925
Deferred tax assets	22,000	27,963
Other	44,677	78,346
Allowance for doubtful accounts	-2,276	-1,409
Total current assets	2,950,387	3,497,590
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,565,808	4,673,627
Machinery, equipment and vehicles	1,244,327	1,277,569
Land	515,267	515,267
Other	493,293	525,243
Accumulated depreciation	-4,573,579	-4,573,271
Total property, plant and equipment	2,245,116	2,418,435
Intangible assets	36,539	35,393
Investments and other assets		
Deferred tax assets	112	106
Other	55,119	66,606
Allowance for doubtful accounts	-6,644	-6,644
Total investments and other assets	48,587	60,067
Total non-current assets	2,330,244	2,513,896
Total assets	5,280,631	6,011,487

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of Yen)

	End of previous fiscal year (March 31, 2013)	End of second quarter of current fiscal year (September 30, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	147,632	221,534
Short-term loans payable	290,000	290,000
Current portion of bonds	-	68,200
Current portion of long-term loans payable	133,347	121,345
Income taxes payable	35,213	35,895
Provision for bonuses	55,003	75,775
Other	145,531	181,055
Total current liabilities	806,728	993,806
Non-current liabilities		
Bonds payable	-	481,800
Long-term loans payable	304,503	254,942
Provision for retirement benefits	118,370	117,378
Provision for stocks payment	-	16,636
Deferred tax liabilities	2,543	753
Other	72,754	83,071
Total non-current liabilities	498,172	954,582
Total liabilities	1,304,900	1,948,388
Net assets		
Shareholders' equity		
Capital stock	1,998,700	1,998,700
Capital surplus	2,948,262	1,873,080
Retained earnings	-565,183	571,707
Treasury shares	-574,239	-559,330
Total shareholders' equity	3,807,540	3,884,158
Accumulated other comprehensive income		
Foreign currency translation adjustment	128,682	138,558
Total accumulated other comprehensive income	128,682	138,558
Subscription rights to shares	39,508	40,382
Total net assets	3,975,730	4,063,098
Total liabilities and net assets	5,280,631	6,011,487

Consolidated Financial Statements

(2) Consolidated Income Statements & Comprehensive Income

(Thousands of Yen)

	First six-month period of previous fiscal year (April 1, 2011 to September 30, 2011)	First six-month period of current fiscal year (April 1, 2012 to September 30, 2012)
Net sales	1,786,461	1,746,004
Cost of sales	999,492	986,870
Gross profit	786,969	759,133
Selling, general and administrative expenses	575,483	641,553
Operating income	211,486	117,580
Non-operating income		
Interest income	1,199	186
Rent income	11,565	11,341
Foreign exchange gains	-	40,134
Other	1,443	4,317
Total non-operating income	14,209	55,980
Non-operating expenses		
Interest expenses	12,804	12,871
Bond issuance cost	-	24,187
Foreign exchange losses	25,842	-
Other	4,829	5,309
Total non-operating expenses	43,476	42,368
Ordinary income (loss)	182,219	131,191
Extraordinary income		
Gain on sales of non-current assets	39,460	200
Other	159	799
Total extraordinary income	39,620	999
Extraordinary losses		
Loss on retirement of non-current assets	2,867	10,135
Loss on sale of membership	850	-
Office transfer expense	-	2,347
Loss on cancel of lease contract	-	5,200
Total extraordinary losses	3,717	17,682
Income (loss) before income taxes	218,122	114,508
Income taxes - current	52,546	46,539
Income taxes - deferred	-8,053	-7,140
Total income taxes	44,492	39,398
Net income (loss) before minority interests adjustment	173,629	75,109
Net income (loss)	173,629	75,109
Other comprehensive income		
Foreign currency translation adjustment	-57,238	9,876
Total other comprehensive income	-57,238	9,876
Comprehensive income	116,390	84,985
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	116,390	84,985
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Financial Statements
(3) Consolidated Statements of Cash Flows

(Thousands of Yen)

	First six-month period of previous fiscal year (April 1, 2011 to September 30, 2011)	First six-month period of current fiscal year (April 1, 2012 to September 30, 2012)
Cash flows from operating activities		
Income (loss) before income taxes	218,122	114,508
Depreciation and amortization	91,983	93,654
Increase (decrease) in allowance for doubtful accounts	218	-988
Increase (decrease) in provision for bonuses	19,099	21,543
Increase (decrease) in provision for retirement benefits	1,863	-992
Increase (decrease) in provision for stocks payment	-	16,636
Interest and dividends income	-1,199	-186
Interest expenses	12,804	12,871
Bond issuance cost	-	24,187
Loss (gain) on sales of non-current assets	-39,460	-200
Loss on retirement of non-current assets	2,867	10,135
Loss(gain) on sale of membership	850	-
Office transfer expense	-	2,347
Loss on cancel of lease contract	-	5,200
Decrease (increase) in notes and accounts receivable-trade	-150,197	9,291
Decrease (increase) in inventories	15,394	-66,845
Increase (decrease) in notes and accounts payable-trade	-28,797	75,086
Others	-18,946	-10,430
Sub total	124,603	305,818
Interest and dividends income received	1,199	186
Interest expenses paid	-11,881	-11,894
Payment for office transfer expense	-	-2,347
Payment for cancel of lease contract	-	-5,200
Income taxes paid	-32,167	-40,578
Net cash provided by operating activities	81,753	245,983
Cash flows from investing activities		
Purchases of property, plant and equipment	-41,556	-246,584
Proceeds from sales of property, plant and equipment	638,007	-
Proceeds from earnest related to sales of property, plant and equipment	-	-4,000
Purchases of intangible assets	-2,740	-2,650
Proceeds from sale of membership	12,590	-
Others	-291	-12,651
Net cash used in investing activities	606,008	-265,886

Consolidated Financial Statements
(3) Consolidated Statements of Cash Flows

	(Thousands of Yen)	
	First six-month period of previous fiscal year (April 1, 2011 to September 30, 2011)	First six-month period of current fiscal year (April 1, 2012 to September 30, 2012)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	-568,000	-
Proceeds from long-term loans payable	-	200,000
Repayment of long-term loans payable	-57,899	-261,295
Proceeds from issuance of bonds	-	525,812
Purchases of treasury stock	-7	-34
Proceeds from disposal of treasury stock	-	2,762
Repayments of lease obligations	-1,979	-8,306
Cash dividends paid	-4	-0
Net cash provided by financing activities	-627,890	458,937
Effect of exchange rate change on cash and cash equivalents	-26,750	-942
Net increase (decrease) in cash and cash equivalents	33,120	438,091
Cash and cash equivalents at beginning of period	858,350	1,189,451
Cash and cash equivalents at the first six-month of period	891,471	1,627,543