

Financial Statement for the Three Months Ended June 30, 2016

August 5, 2016

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): August 5, 2016

Stock Exchange: Tokyo Stock Exchange, Inc. JASDAQ

1. Consolidated Financial Result for the Three Months Ended June 30, 2016 (April 1, 2016 – June 30, 2016)

(1) Consolidated Operating Results (% 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	%
June 30, 2016	1,046	(7.0)	7	(95.7)	(59)	(129.2)	(67)	(138.8)
June 30, 2015	1,125	21.9	169	99.3	205	185.0	172	179.4

Note: Comprehensive Income: (242) million yen / (233.0)% for the three months ended June 30, 2016
 182 million yen / 250.2% for the three months ended June 30, 2015

	Net Income or, Net loss (Δ) Per Share	Net Income or, Net loss (Δ) Per Share(diluted)
June 30, 2016	(6.56) Yen	- Yen
June 30, 2015	17.03	16.79

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
June 30, 2016	8,126	4,607	56.6
March 31, 2016	7,316	4,956	67.7

(Note) Equity capital (Millions of Yen): As of June 30, 2016 4,603
 As of March 31, 2016 4,952

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
FY2016	—	0.00	—	10.00	10.00
FY2017	—				
FY2017 (Expected)		0.00	—	10.00	10.00

Note: Revisions to dividend forecasts published most recently: None

Note: Dividend for Term end of FY2016 is composed of ordinary dividend (7.50 yen) and commemorative dividend (2.50 yen).

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2017 (April 1, 2016 – March 31, 2017)

(%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
1 st half, FY2017	2,287	0.3	196	(44.0)	189	(57.2)	148	(60.3)	14.57
Full FY2017	4,692	11.6	529	4.1	515	0.4	404	24.8	39.67

(Note) Revision of forecast for dividends: None

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 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: Yes

2. Others changes: None

(4)Shares outstanding

① The number of shares issued at the end of the fiscal year (including treasury stock)	June 30, 2016	10,696,320 shares
	March 31,2016	10,696,320 shares
② The number of shares buybacks	June 30, 2016	483,148 shares
	March 31,2016	483,028 shares
③ The average number of shares	June 30, 2016	10,213,242 shares
	June 30, 2015	10,133,557 shares

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Thousands of Yen)	
	End of previous fiscal year (March 31, 2016)	End of first quarter of current fiscal year (June 30, 2016)
(Assets)		
Current assets		
Cash and deposits	2,381,742	2,145,383
Notes and accounts receivable - trade	947,841	1,142,297
Electronically recorded monetary claims - operating	110,054	48,523
Merchandise and finished goods	307,523	219,275
Work in process	411,908	512,100
Raw materials and supplies	159,520	157,506
Advance payments - other	-	854,168
Deferred tax assets	124,031	121,217
Other	161,912	237,313
Allowance for doubtful accounts	- 1,535	- 1,364
Total current assets	4,602,999	5,436,420
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,907,551	4,064,188
Machinery, equipment and vehicles	1,734,548	1,695,495
Land	186,890	186,890
Other	579,987	462,053
Accumulated depreciation	- 4,057,301	- 4,067,088
Total property, plant and equipment	2,351,676	2,341,538
Intangible assets		
Goodwill	100,645	95,439
Other	170,133	163,940
Total intangible assets	270,778	259,380
Investments and other assets		
Investment securities	32,722	32,722
Deferred tax assets	4,954	4,952
Other	60,584	58,449
Allowance for doubtful accounts	- 6,819	- 6,819
Total investments and other assets	91,441	89,305
Total non-current assets	2,713,895	2,690,224
Total assets	7,316,895	8,126,645

Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Thousands of Yen)	
	End of previous fiscal year (March 31, 2016)	End of first quarter of current fiscal year (June 30, 2016)
(Liabilities)		
Current liabilities		
Notes and accounts payable - trade	231,206	218,823
Short-term loans payable	-	1,289,000
Current portion of bonds	123,200	123,200
Current portion of long-term loans payable	146,440	146,440
Income taxes payable	30,413	13,685
Provision for bonuses	73,411	112,712
Provision for directors' bonuses	89,997	86,695
Other	416,372	346,015
Total current liabilities	1,111,041	2,336,572
Non-current liabilities		
Bonds payable	591,300	571,300
Long-term loans payable	437,400	400,790
Deferred tax liabilities	34,967	32,746
Net defined benefit liability	110,789	111,728
Other	74,620	65,620
Total non-current liabilities	1,249,078	1,182,185
Total liabilities	2,360,119	3,518,757
(Net assets)		
Shareholders' equity		
Capital stock	1,998,700	1,998,700
Capital surplus	1,603,343	1,603,343
Retained earnings	1,431,860	1,258,939
Treasury shares	- 198,856	- 198,891
Total shareholders' equity	4,835,048	4,662,091
Accumulated other comprehensive income		
Foreign currency translation adjustment	117,382	- 58,549
Total accumulated other comprehensive income	117,382	- 58,549
Subscription rights to shares	4,345	4,345
Total net assets	4,956,776	4,607,887
Total liabilities and net assets	7,316,895	8,126,645

Consolidated Financial Statements

(2) Consolidated Income Statements & Comprehensive Income

(Thousands of Yen)

	First three-month period of previous fiscal year (April 1, 2015 to June 30, 2015)	First three-month period of current fiscal year (April 1, 2016 to June 30, 2016)
Net sales	1,125,378	1,046,750
Cost of sales	566,219	673,017
Gross profit	559,158	373,732
Selling, general and administrative expenses	389,509	366,375
Operating income	169,649	7,357
Non-operating income		
Interest income	188	494
Rent income	3,728	-
Foreign exchange gains	36,461	-
Other	222	446
Total non-operating income	40,601	941
Non-operating expenses		
Interest expenses	2705	2,849
Commission fee	-	14,000
Foreign exchange losses	-	50,143
Rent expenses	1,077	-
Guarantee commission	1,186	1,208
Other	102	54
Total non-operating expenses	5,072	68,256
Ordinary income	205,178	-59,958
Extraordinary income		
Gain on sales of non-current assets	10,075	-
Gain on reversal of subscription rights to shares	141	-
Total extraordinary income	10,216	-
Extraordinary losses		
Loss on retirement of non-current assets	297	7,243
Total extraordinary losses	297	7,243
Income before income taxes and minority interests	215,096	-67,201
Income taxes - current	37,824	325
Income taxes - deferred	4,745	-507
Total income taxes	42,570	-181
Profit	172,526	-67,019
Profit attributable to		
Profit attributable to owners of parent	172,526	-67,019
Profit attributable to non-controlling interests	-	-
Other comprehensive income		
Foreign currency translation adjustment	10,134	-175,932
Total other comprehensive income	10,134	-175,932
Comprehensive income	182,660	-242,951
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	182,660	-242,951
Comprehensive income attributable to non-controlling interests	-	-