

# FY2020 Financial Result



**mipox**

Mipox Corporation



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## 01 FY2020 Financial Result

- The sales of product business related Nihon Kenshi, optical fiber decreased.
- The profit largely decreased mainly due to the closure of the Chinese manufacturing base

## 02 FY2021 Financial Forecast

- The business performance is expected to exceed by Nihon Kenshi's product business, processing service and optical fiber

## 03 Approach in FY2021

- Our approach to provide new value to customers.

01

# FY2020 Financial Result

# 01-1 Difference Between Forecast and Result

The FY2020 actual result largely differed from the forecast announced on February 14, 2020.

## The Reason of the Difference

(Unit: one million yen)	FY2020 Previous Forecast	FY2020 Actual Result	Difference	
Sales	7,531	7,338	▲193	▲2.5%
Operating profit	▲131	▲170	▲39	—
Ordinary profit	▲154	▲165	▲11	—
Profit attributable to owners of parent	47	▲78	▲125	▲265.9%

### (Sales)

While the sales of general polishing products and high-tech application products increased, the sales of semiconductor related equipment decreased since the timing of acceptance was delayed and shifted to next term by COVID-19.

### (Profit)

The forecast was lower than the previous forecast due to the extraordinary loss recorded for the dissolution and liquidation of the consolidated manufacturing base in China, which was not forecast at the time of the previous forecast.

# 01-2 Extraordinary profit and losses

## Extraordinary profit

Nihon Kenshi transferred a portion of its land in Fukuyama plant to Fukuyama city following the city road project on 6th March, 2020, and **421 million yen** was recorded as **Extraordinary profit**.

## Extraordinary losses

With the dissolution and liquidation of the consolidated subsidiary, MIPOX Precision Polishing Product(Shanghai) Co.,Ltd. In 17<sup>th</sup> March, 2020, we recorded **131 million yen** as **Extraordinary loss** as provision for loss on liquidation of affiliated companies.

# 01-3 FY2020 Full-Year Result

For the FY2020 Full-year result, the sales declined. Although profits exceeded that of the previous year, it was in the red.

## FY2020 Full-Year Result Summary

(Unit: one million yen)	FY2019	FY2020	Difference	
	Actual Result	Actual Result		
Sales	7,558	7,338	▲220	▲2.9%
Operating profit	▲281	▲170	+111	—
Ordinary profit	▲253	▲165	+88	—
Profit attributable to owners of parent	▲967	▲78	+889	—

### (Sales)

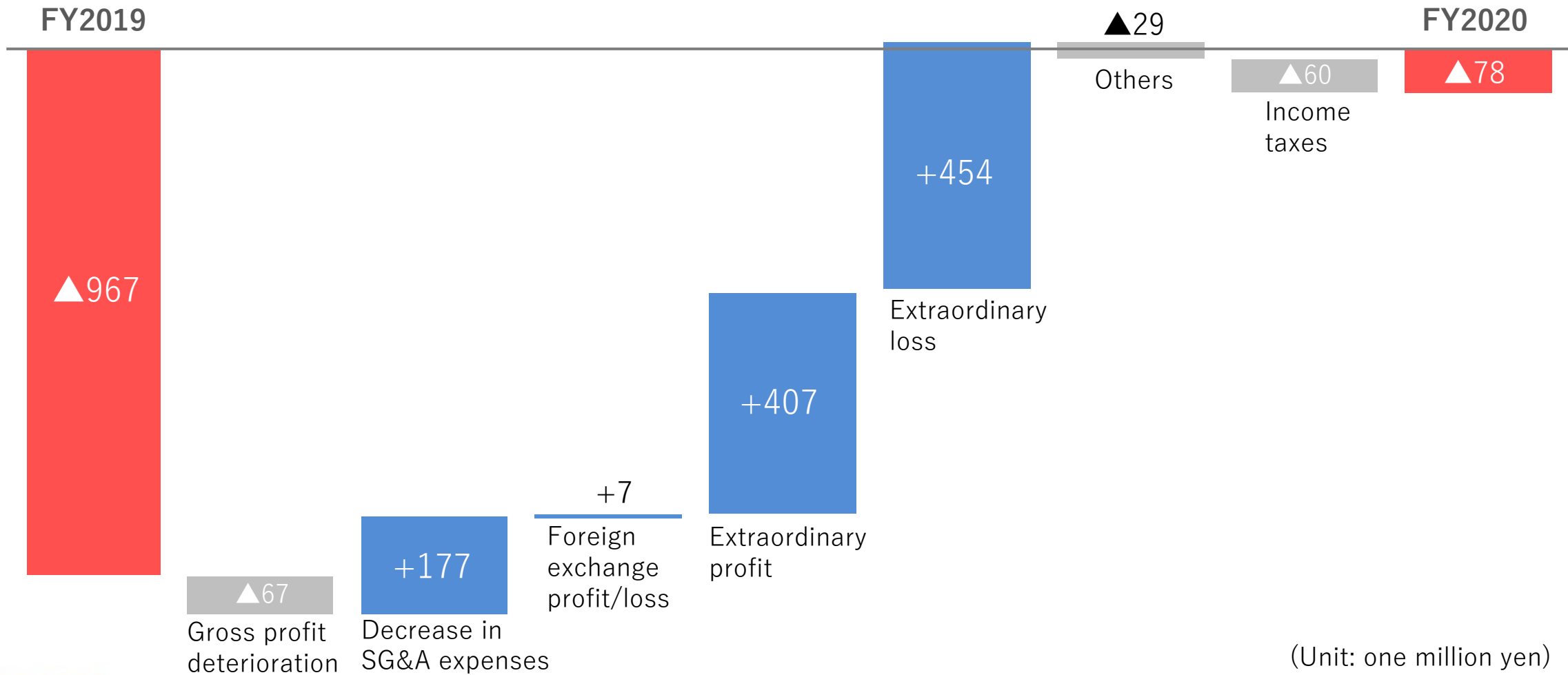
While the sales of semiconductor related equipment, processing service business and hard disc increased, Nihon Kenshi products and optical fiber decreased.

### (Profit)

Although there was an extraordinary profit from the transfer of fixed assets of a consolidated subsidiary (Nihon Kenshi), there was a loss due to a decrease in sales and a difference in sales composition, and an extraordinary loss in a consolidated subsidiary (China), resulting in a loss.

# 01-4 FY2020 Net Profit Analysis

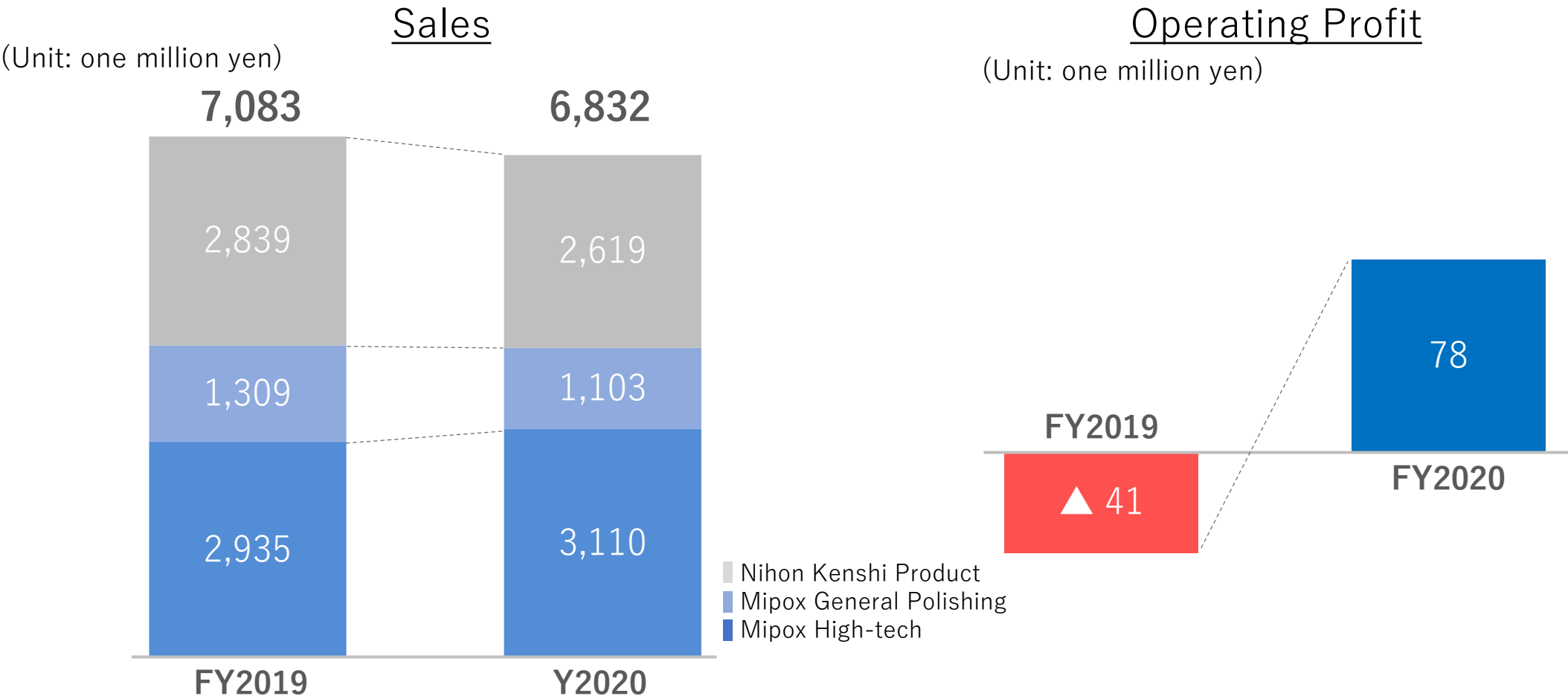
Gross profits worsened due to differences in sales composition and other factors, and SG&A expenses decreased and extraordinary income was recorded by a consolidated subsidiary, resulting in higher sales.



(Unit: one million yen)

# 01-5 FY2020 Result by Segment-Product Business

While the sales of high-tech products increased, the sales of products for general polishing and Nihon Kenshi was fallen below last year.



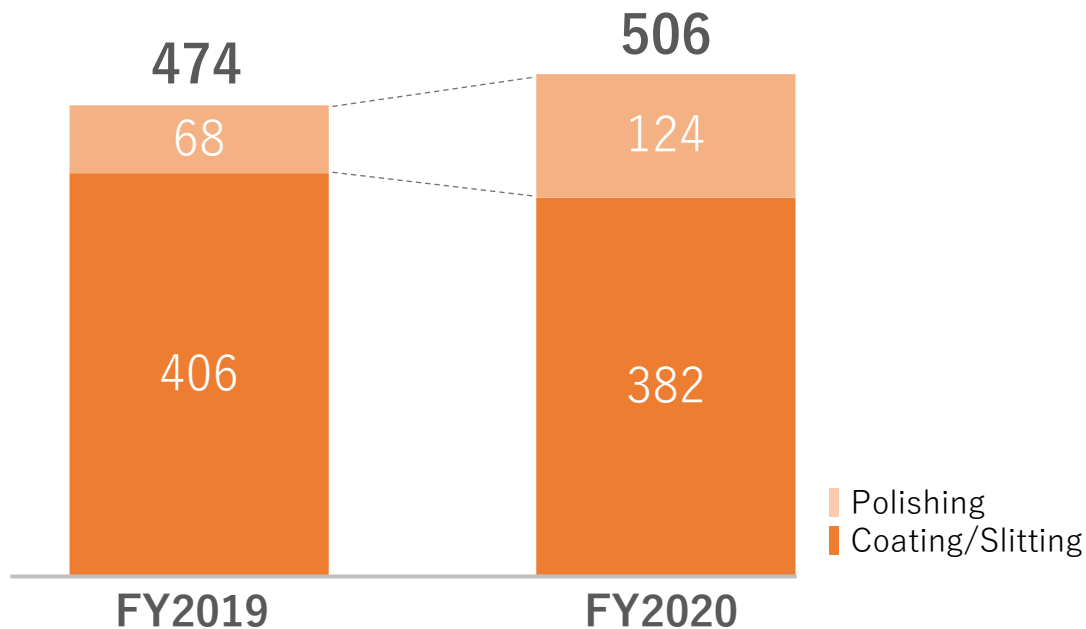


# 01-6 FY2020 Result by Segment-Processing Service Business

Although the demand for polishing processing service shows good performance, the profit decreased by processing coating service that was high percentage of fixed costs.

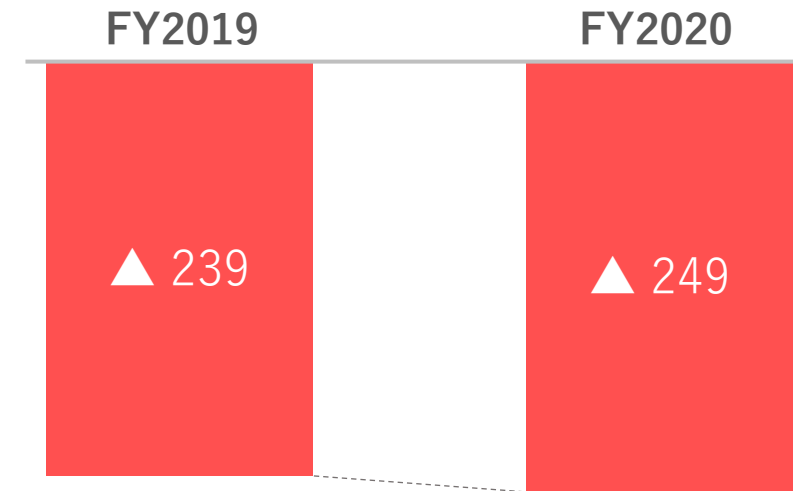
## Sales

(Unit: one million yen)



## Operating Profit

(Unit: one million yen)



# 01-7 Balance Sheet

(Unit: one million yen)

Account title	FY2019		FY2020		Difference
	Amount	Component ratio	Amount	Component ratio	
<b>Current assets</b>	<b>8,642</b>	<b>68.8%</b>	<b>7,157</b>	<b>64.9%</b>	<b>▲ 1,485</b>
Cash and deposits	3,275	26.1%	2,737	24.8%	▲ 538
<b>Non-current assets</b>	<b>3,925</b>	<b>31.2%</b>	<b>3,876</b>	<b>35.1%</b>	<b>▲ 49</b>
Property, plant and equipment	3,341	26.6%	3,337	30.2%	▲ 4
Intangible assets	107	0.9%	120	1.1%	+13
<b>Total assets</b>	<b>12,568</b>	<b>100.0%</b>	<b>11,033</b>	<b>100.0%</b>	<b>▲ 1,535</b>
<b>Current liabilities</b>	<b>4,033</b>	<b>32.1%</b>	<b>3,610</b>	<b>32.7%</b>	<b>▲ 423</b>
Short-term loans borrowings (included corporate bond)	1,830	14.6%	1,491	13.5%	▲ 339
<b>Non-current liabilities</b>	<b>4,069</b>	<b>32.4%</b>	<b>3,315</b>	<b>30.1%</b>	<b>▲ 754</b>
Long-term borrowings (included corporate bond)	3,547	28.2%	2,553	23.1%	▲ 994
<b>Total liabilities</b>	<b>8,102</b>	<b>64.5%</b>	<b>6,926</b>	<b>62.8%</b>	<b>▲ 1,176</b>
<b>Total net assets</b>	<b>4,466</b>	<b>35.5%</b>	<b>4,107</b>	<b>37.2%</b>	<b>▲ 359</b>
<b>Total liabilities and net assets</b>	<b>12,568</b>	<b>100.0%</b>	<b>11,033</b>	<b>100.0%</b>	<b>▲ 1,535</b>
<b>Capital adequacy ratio</b>	<b>35.5%</b>		<b>37.2%</b>		<b>+1.7%</b>
<b>Total loans payable</b>	<b>5,377</b>		<b>4,044</b>		<b>▲ 1,333</b>

02

## FY2021 Financial Forecast



# 02-1 FY2021 Financial Forecast

For FY2021, although sales and profits are expected to exceed the previous year, full-scale profit improvement will be in the next period.

- This forecast is based on the data as of 26<sup>th</sup> May 2020. Actual results may differ significantly due to various factors.

(Unit: one million yen)	FY2020 Actual result	FY2021 Forecast	Difference	
Sales	7,338	7,600	+262	+3.5%
Operating profit	▲170	150	+320	—
Ordinary profit	▲165	110	+275	—
Profit attributable to owners of parent	▲78	70	+148	—

## (Sales)

The sales performance is expected to exceed the previous year by Nihon Kenshi products and polishing processing service.

## (Profit)

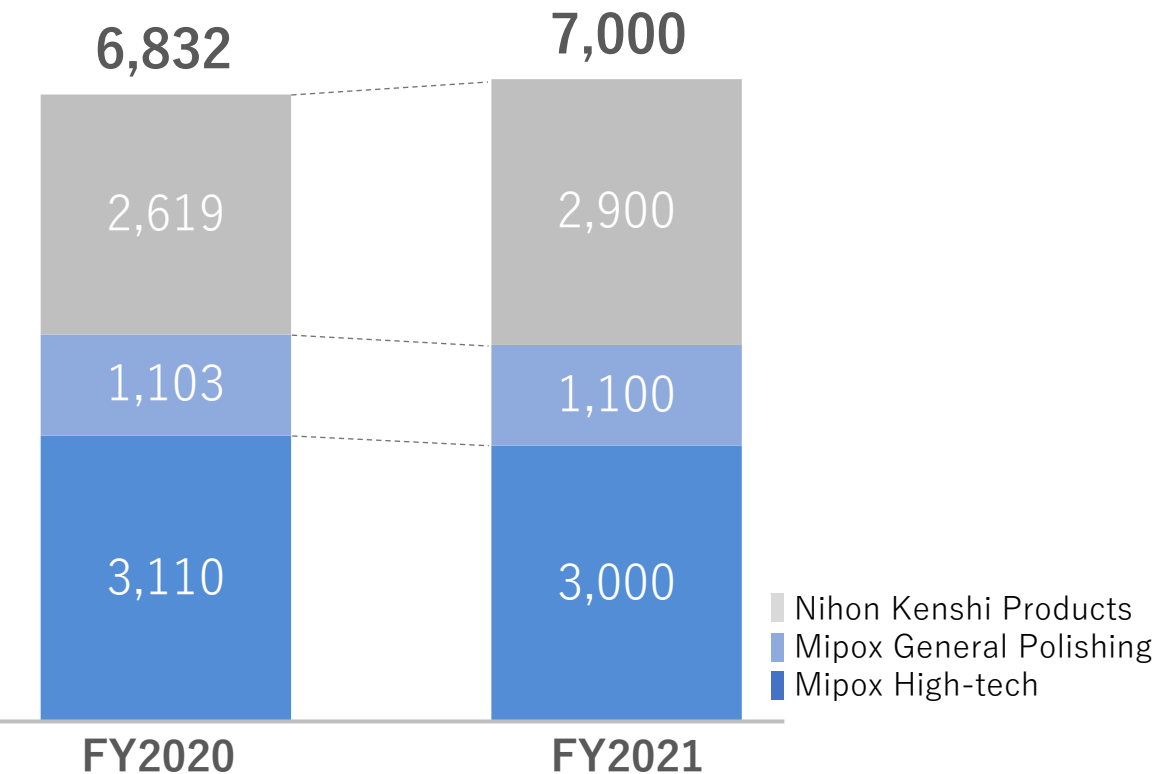
In addition to the increase in sales, profits are expected to recover due to the effects of efforts to reduce manufacturing costs and the effects of the integration of overseas production bases.

# 02-2 FY2021 Sales Forecast by Segment

Expected to increase sales in both product business and processing business.

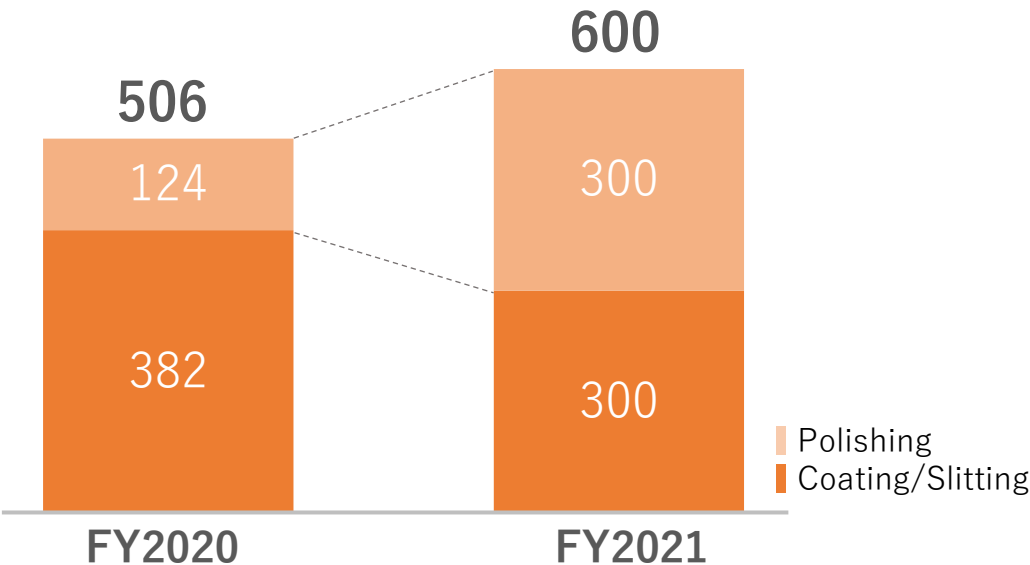
Product Sales

(Unit: one million yen)



Processing service Sales

(Unit: one million yen)



	Annual dividend
<b>FY2020</b>	No dividend
<b>FY2021</b>	Under review

For FY2021, the dividend is under review. It will be decided based on comprehensive consideration of business performance trends and financial conditions in the future.



03

## Approach to FY2021

# 03-1 Next-generation semiconductor field

For various applications where next-generation semiconductors are required to solve the global situation. Mipox's core technology will be connected to accelerate **Engineering**.

**Energy saving society**



**Safe and secure**



**Data center**

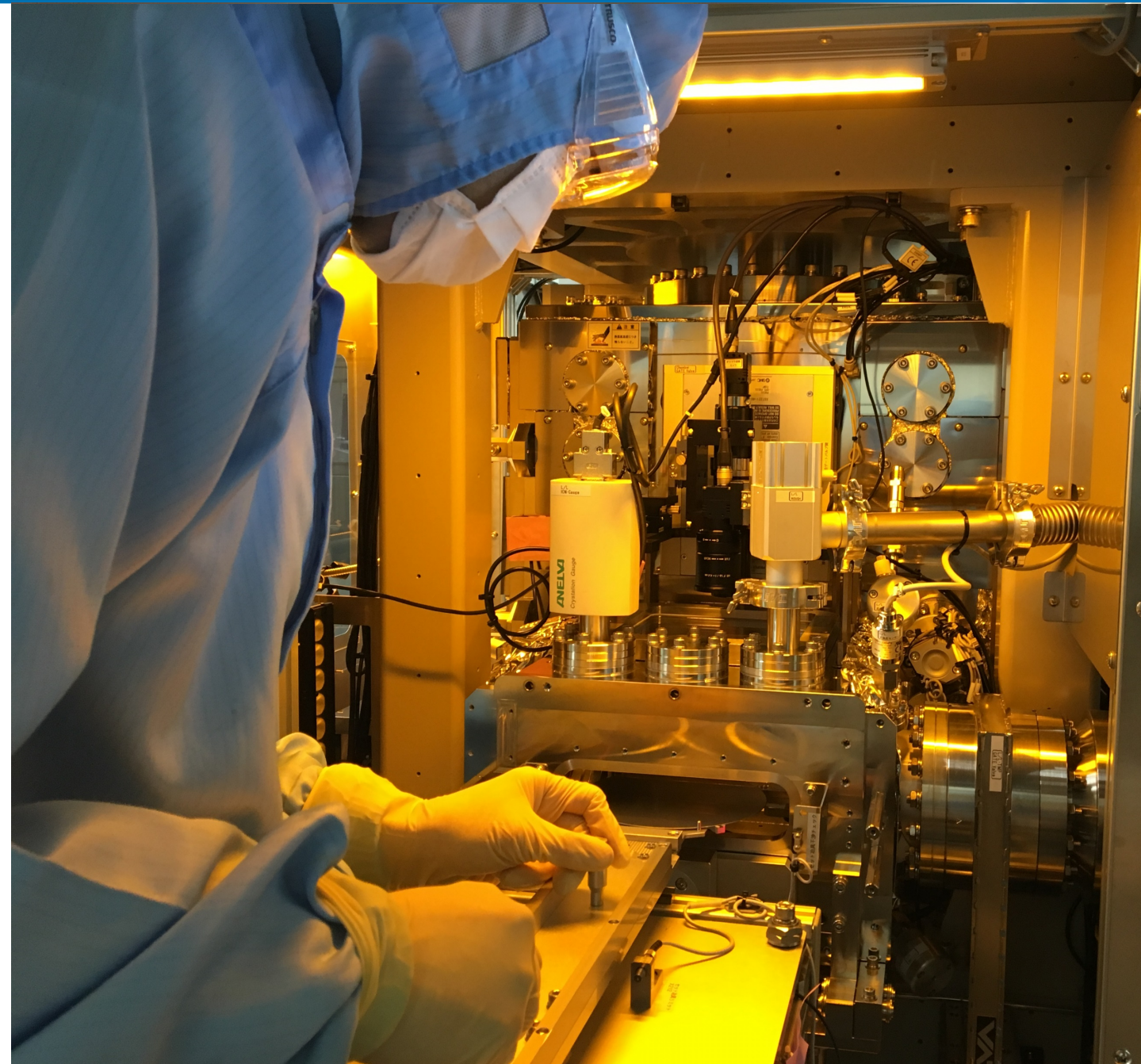


**High speed communication network 5G · 6G**





The installation of  
a normal-temperature  
bonding device





# 03-3 New development - Next generation smart robot

We will develop a comprehensive service that includes not only the polishing process but also the preceding and subsequent processes in cooperation with our partner companies, from the conventional proposal of only polishing materials.





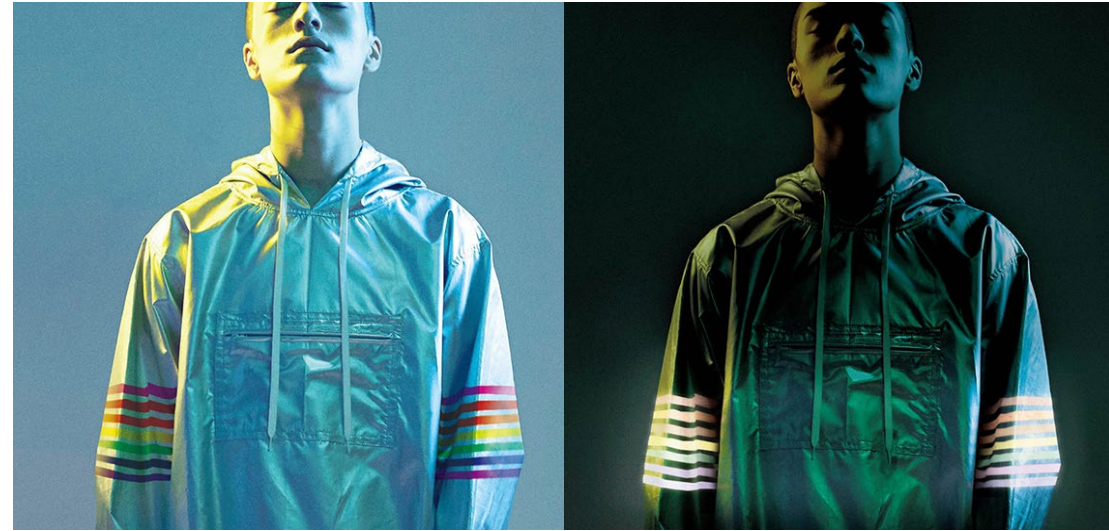
Color Your Style.

# Change the world by brilliance.

We realize **high reflectivity** and **various color variations** by making full use of high technology such as special processing of reflector surface and compounding toning. Not only for professionals who require a high level of visibility, but also for fashion applications to freely express their sensibilities, it produces a valuable shine in all fields.

Reflite provides the best brilliance to people every day.

We will develop new needs such as the expanding field of sports apparel and establish a stronger sales network.



New series "Neon Color" launched for fashion fields on 30<sup>th</sup> April, 2020.

# 03-5 Approach to IoT

In addition to preventing quality defects and yield deterioration due to equipment failures, proper maintenance and safety through failure prediction, we will strive to further **improve customer service** so that we can provide products with peace of mind.



Operating data information from sensors



KPI monitoring  
/visualization



# 03-6 DX×SalesTech

By clarifying the role of sales, we will **prevent opportunity loss**, **improve productivity and efficiency**, and strive for **high-quality customer service**.



リード

All Open Leads

100+ 個の項目・並び替え基準:作成日・検索条件: すべてのリード・リード 状況・数秒前 に更新されました

名前

会社名

都道府県

55

☐

松丸 了

株式会社サンリック

神奈川県

56

☐

船木 ゆり

57

☐

Nexteer QRO

58

☐

Nihon Plastic

59

☐

Printpack Queretaro

60

☐

Carlex Glass Company

61

☐

SAFRAN Queretaro

62

☐

Hitchiner Manufacturing

63

☐

Progress Rail

64

☐

市瀬 創太

65

☐

岡田 英生

66

☐

氏家 亮

67

☐

Siegwerk

68

☐

Venture Aerobearings

69

☐

Means Industries

01.売上(Sales)

変更

月別売上予算/実績推移

品目売上金額

前年同月別売上

Previous Year Actual / YTD

Q-00218

見積を編集

終了日

2019/5/12

お支払い条件

請求日付

通常金額

JPY 3,317,000

開始日

2019/4/12

商品画像

商品コード

商品名

数量

512071C001T

\*複合機

Z512071C001T

1

512071P002

2段カセットペデ

イスタル

1

512071F002

パワファバスユニ

ットOD1

1

512071F001

ステイブルフィニ

ッシャーOD2

1

512071P001

パンチャユニッ

トOD3E1

1

システム情報

製造

ホーム

販売

リード

取引先

取引先責任者

販売計画

商品

注文

Chatter

To Do

レポート

グループ

在庫管理

販売計画

SHDY計画2019

取引先

昭和電工HD山形株式会社

状況

InProcess

開始日

10/1/2019

終了日

9/30/2020

スケジュール頻度

毎月

契約総額

JPY 2,056,550.00

詳細

契約期間

関連

販売計画

すべての商品

商品名

単位

合計

Oct '19

Nov '19

Dec '19

Jan '20

Feb '20

Mar '20

AWA20000-25 BR-3 12.6X100

実売計画

520

120

150

130

120

0

0

実売計画金額 (JPY)

2,056,000

468,000

600,000

520,000

468,000

0

0

顧客フォーキャスト

450

100

110

120

120

0

0

実売数

160

110

50

0

0

0

0

実売金額

629,000

429,000

200,000

0

0

0

0

販売価格 (JPY)

4,000

3,900

4,000

4,000

3,900

0

0

在庫フォーキャスト

1,990

1,990

0

0

0

0

0

実売計画

1

1

0

0

0

0

0

実売計画金額 (JPY)

550

550

0

0

0

0

0

顧客フォーキャスト

1

1

0

0

0

0

0

実売数

0

0

0

0

0

0

0

実売金額

0

0

0

0

0

0

0

販売価格 (JPY)

550

550

550

550

在庫フォーキャスト

0

mipox

# 03-7 e-learning

We make Mipox original training programs and distribute videos by an online learning system.

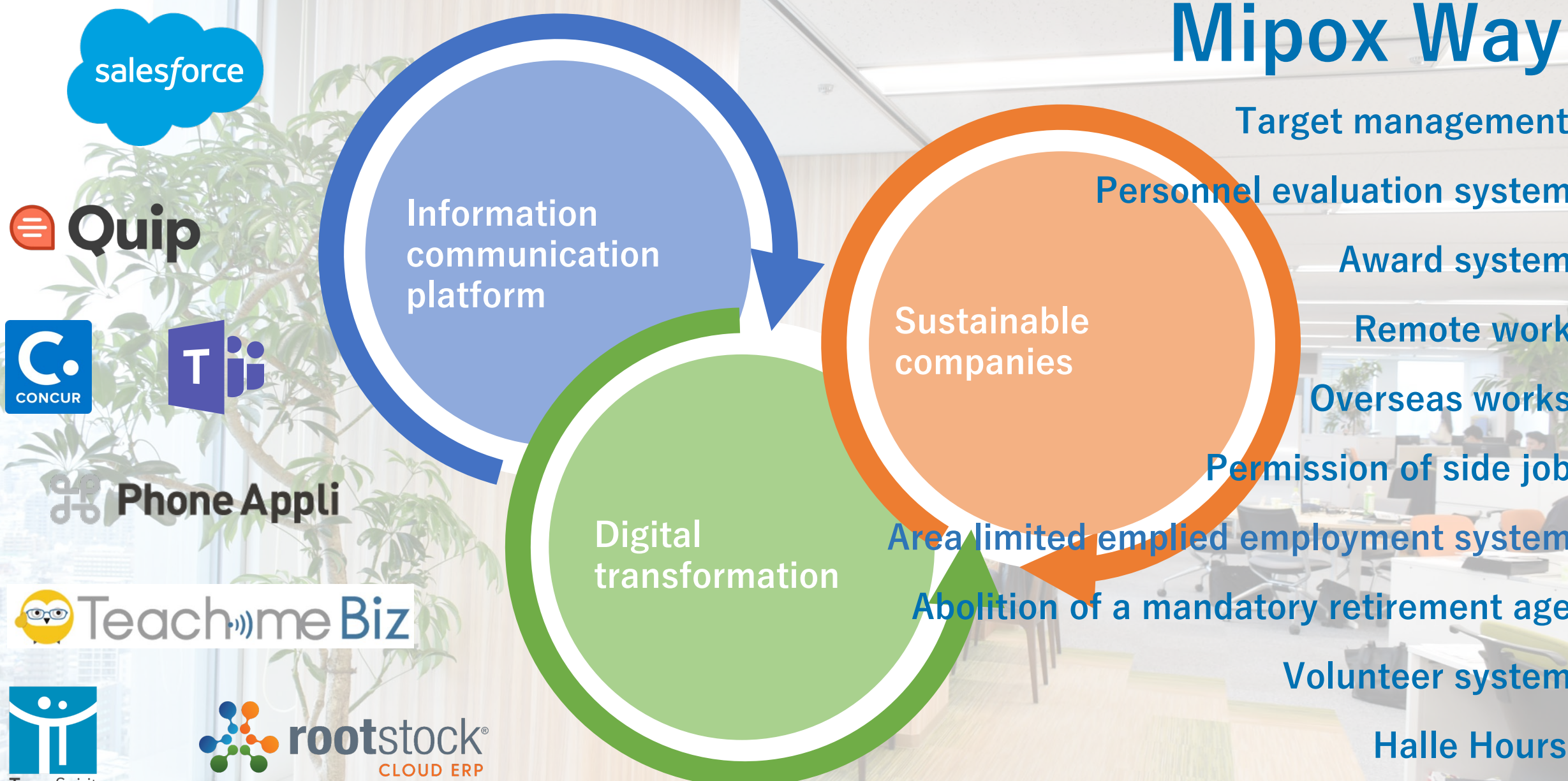
The screenshot displays the Mipox online learning system interface. It features a grid of training modules, each with an icon, title, description, and completion status. The modules include:

- モジュール 労災について (Completed 2020年01月16日(木) 17時54分41秒 -0800)
- モジュール 問題解決フレームワーク (Completed 2019年09月09日(月) 21時20分10秒 -0700)
- モジュール 検証結果をもとに調整する (Completed 2020年03月09日(月) 19時01分01秒 -0700)
- モジュール Mipox Way (Completed 2019年12月24日(火) 23時22分50秒 -0800)
- モジュール myTrailhead (Completed 2019年12月24日(火) 23時22分50秒 -0800)
- モジュール 目標を達成できたか検証する (Completed 2020年04月22日(金) 01時01分01秒 -0700)
- モジュール 社長のおはなし(1) (Completed 2020年04月22日(金) 01時01分01秒 -0700)
- モジュール ベテラン社員が語るMipox(1) (Completed 2020年04月30日(木) 17時00分43秒 -0700)
- モジュール ベテラン社員が語るMipox(2) (Completed 2020年04月30日(木) 17時00分43秒 -0700)
- モジュール 三谷さんインタビュー-01 (Completed 2020年02月21日(金) 04時42分42秒 -0800)
- モジュール 計画を予定通りに実行する (Completed 2020年02月21日(金) 04時42分42秒 -0800)
- モジュール 計画を組み立てる (Completed 2020年02月21日(金) 04時42分42秒 -0800)
- モジュール 三谷流！新規受注獲得法 (Completed 2020年02月21日(金) 04時42分42秒 -0800)
- モジュール 会議の進め方 (Completed 2020年02月21日(金) 04時42分42秒 -0800)
- モジュール 内部統制について (Completed 2019年11月01日(金) 01時26分40秒 -0700)

In the center, a blue circular diagram illustrates the learning cycle: Watch, Listen, Read, learn, Know, Think. The diagram is divided into four quadrants, each containing one of these words. The word "learn" is in the top right quadrant, "Know" is in the bottom right quadrant, "Think" is in the bottom left quadrant, and "Watch" is in the top left quadrant. The word "Listen" is in the top left quadrant, and "Read" is in the top right quadrant. The diagram is surrounded by a blue border with the word "TRAILHEAD" in the center.

One unit can be micronized for about 5 to 10 minutes, and employees can study between whiles.

## Mipox Way





# Actions for COVID-19

## Efforts for Social Changes

- Remote work for all employees at domestic sites except production bases such as Yamanashi plant, Kyoto plant, and Fukuyama  
※The employees who belong to management departments at plants work remotely.
- Prohibition of customer visit for sales representative at prefectures under special precautions
- Prohibition of business trip to prefectures under special precautions and moving between bases.



## Efforts for BCP(Business Continuity Plan)

- Construction of product supply system by ensuring cooperation among production plants in Malaysia, Thailand, China and Japan.
- Promotion of remote work, online meeting, staggered working hours, online meeting, Shift work by production line.
- Ventilation, hand washing, alcohol disinfection, and temperature measurement before going to work.
- Avoid crowded places during lunch and changing clothes, and separated spaces.
- Restrictions on visitors.
- Suspension of public transportation for employees at production bases



Online meeting

# Change the world by Our Converting and Polishing Technologies

## Contact

Mipox Corporation, Executive Secretary Office  
Hiroshi Izumisawa

TEL : 03-6911-2300

E-mail : mipoxir\_dept@mipox.co.jp

URL : <http://www.mipox.co.jp/>



<https://www.facebook.com/mipox.japan/>

[https://www.instagram.com/mipox\\_official/](https://www.instagram.com/mipox_official/)

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