

## Financial Statement for the Three Months Ended June 30, 2018

August 10, 2018

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 10, 2018

Stock Exchange: Tokyo Stock Exchange, Inc. JASDAQ

### 1. Consolidated Financial Result for the Three Months Ended June 30, 2018 (April 1, 2018 – June 30, 2018)

(1) Consolidated Operating Result		(Figures are rounded down to the nearest million) (% implies the rate of increase/decrease year-on-year)									
		Net Sales			Operating Income		Ordinary Income		Profit attributable to owners of parent		
		Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	yen	%	
June 30, 2018		1,737	△9.5	9	△94.9	72	△55.6	47		△57.3	
June 30, 2017		1,920	83.5	188	—	162	—	110		—	
Note: Comprehensive Income:		41 million yen (△71.3%) for the three months ended July 30, 2018 144 million yen (—%) for the three months ended July 30, 2017									

	Net Income or, Net loss (△) Per Share		Net Income or, Net loss (△) Per Share(diluted)	
	Yen		Yen	
June 30, 2018	4.26		4.21	
June 30, 2017	10.48		10.45	

### (2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
June 30, 2018	13,416	5,316	39.6
March 31, 2018	12,067	4,865	40.2

(Note) Equity capital (Millions of Yen): As of June 30, 2018 5,310  
 As of March 31, 2018 4,856

### 2. Status of Distribution

	Dividends per share					
	First quarter end	Second quarter end	Third quarter end	Year end	Full year	
	Yen		Yen		Yen	
FY2018	— —		— —		10.00	
FY2019	— —		— —		— —	
FY2019 (Expected)	— —		— —		10.00	

Note: Revisions to dividend forecasts published most recently: None

### 3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 201 (April 1, 2018 – March 31, 2019)

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

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent		Net Income Per Share	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	
Full FY2019	8,400	7.3	417	8.0	429	31.2	346	30.6	32.97	

(Note)Revision of forecast for dividends published most recently: No

#### 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)

June 30, 2018	11,781,920	March 31, 2018	10,841,920
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2. Numbers of treasury stock

June 30, 2018	345,048	March 31, 2018	345,008
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3. Numbers of average shares outstanding (cumulative, consolidated at the end of the first quarter)

June 30, 2018	11,064,402	June 30, 2017	10,534,812
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## Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(Thousands of Yen)

	End of previous fiscal year (March 31, 2018)	End of first quarter of current fiscal year (June 30, 2018)
<b>Assets</b>		
Current assets		
Cash and deposits	3,165,583	4,184,649
Notes and accounts receivable - trade	1,893,426	1,790,623
Electronically recorded monetary claims - operating	179,367	118,766
Merchandise and finished goods	375,387	464,311
Work in process	1,274,953	1,426,142
Raw materials and supplies	412,317	538,800
Other	215,340	348,625
Allowance for doubtful accounts	-9,942	-4,351
<b>Total current assets</b>	<b>7,506,434</b>	<b>8,867,567</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,782,396	4,788,504
Machinery, equipment and vehicles	3,075,420	3,096,297
Land	1,173,043	1,183,021
Other	709,012	750,790
Accumulated depreciation	-6,219,268	-6,291,855
<b>Total property, plant and equipment</b>	<b>3,520,603</b>	<b>3,526,758</b>
Intangible assets		
Goodwill	262,140	254,196
Other	217,523	216,969
<b>Total intangible assets</b>	<b>479,664</b>	<b>471,166</b>
Investments and other assets		
Investment securities	10,000	10,000
Net defined benefit asset	307,828	307,188
Deferred tax assets	64,308	63,734
Other	232,789	171,529
Allowance for doubtful accounts	-54,131	-996
<b>Total investments and other assets</b>	<b>560,794</b>	<b>551,455</b>
<b>Total non-current assets</b>	<b>4,561,062</b>	<b>4,549,380</b>
<b>Total assets</b>	<b>12,067,496</b>	<b>13,416,947</b>

## Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(Thousands of Yen)

	End of previous fiscal year (March 31, 2018)	End of first quarter of current fiscal year (June 30, 2018)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	646,692	816,738
Short-term loans payable	400,000	600,000
Current portion of bonds	243,200	243,200
Current portion of long-term loans payable	642,225	713,708
Accounts payable - other	692,954	835,195
Income taxes payable	59,291	27,939
Provision for bonuses	122,565	206,550
Provision for directors' bonuses	-	508
Provision for stocks payment	19,162	25,912
Other	207,465	397,193
<b>Total current liabilities</b>	<b>3,033,557</b>	<b>3,866,946</b>
Non-current liabilities		
Bonds payable	764,900	684,900
Long-term loans payable	2,838,533	2,991,978
Deferred tax liabilities	204,490	204,514
Net defined benefit liability	133,517	130,666
Other	226,670	221,798
<b>Total non-current liabilities</b>	<b>4,168,111</b>	<b>4,233,857</b>
<b>Total liabilities</b>	<b>7,201,669</b>	<b>8,100,803</b>
Net assets		
Shareholders' equity		
Capital stock	2,028,693	2,287,670
Capital surplus	1,586,986	1,845,963
Retained earnings	1,337,886	1,279,251
Treasury shares	△160,129	△160,147
<b>Total shareholders' equity</b>	<b>4,793,436</b>	<b>5,252,737</b>
Accumulated other comprehensive income		
Foreign currency translation adjustment	63,238	57,563
<b>Total accumulated other comprehensive income</b>	<b>63,238</b>	<b>57,563</b>
Subscription rights to shares	9,152	5,843
<b>Total net assets</b>	<b>4,865,827</b>	<b>5,316,144</b>
<b>Total liabilities and net assets</b>	<b>12,067,496</b>	<b>13,416,947</b>

## Consolidated Financial Statements

## (2) Consolidated Income Statements &amp; Comprehensive Income

(Thousands of Yen)

	First three-month period of previous fiscal year (April 1, 2017 to June 30, 2017)	First three-month period of current fiscal year (April 1, 2018 to June 30, 2018)
Net sales	1,920,413	1,737,688
Cost of sales	1,160,378	1,103,582
Gross profit	760,035	634,105
Selling, general and administrative expenses	571,523	624,519
Operating income (loss)	188,511	9,585
Non-operating income		
Interest income	717	2,750
Dividend income	657	360
Insurance income	3,108	-
Foreign exchange gains	-	21,963
Insurance premiums refunded cancellation	3,479	-
Reversal of allowance for doubtful accounts	-	53,135
Other	2,177	2,611
Total non-operating income	10,139	80,820
Non-operating expenses		
Interest expenses	7,778	7,707
Commission fee	4,457	8,650
Bond issuance cost	8,545	-
Foreign exchange losses	8,830	-
Guarantee commission	1,003	1,190
Share of loss of entities accounted for using equity method	2,536	-
Other	2,540	514
Total non-operating expenses	35,693	18,062
Ordinary income (loss)	162,958	72,343
Extraordinary income		
Gain on sales of non-current assets	-	1,225
Gain on sales of investment securities	1,499	-
Gain on liquidation of subsidiaries	-	3,070
Total extraordinary income	1,499	4,295
Extraordinary losses		
Loss on retirement of non-current assets	5,343	132
Total extraordinary losses	5,343	132
Profit (loss) before income taxes	159,113	76,506
Income taxes - current	46,771	29,015
Income taxes - deferred	1,959	406
Total income taxes	48,730	29,421
Profit (loss)	110,382	47,085
Profit attributable to		
Profit (loss) attributable to owners of parent	110,382	47,085
Profit attributable to non-controlling interests	-	-
Other comprehensive income		
Valuation difference on available-for-sale securities	△1,506	-
Foreign currency translation adjustment	35,476	△5,697
Share of other comprehensive income of entities accounted for using e	△7	22
Total other comprehensive income	33,962	△5,674
Comprehensive income	144,345	41,410
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	144,345	41,410
Comprehensive income attributable to non-controlling interests	-	-