

Financial Statement for the Three Months Ended June 30, 2020

August 13, 2020

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 13, 2020

Stock Exchange: Tokyo Stock Exchange, Inc. JASDAQ

1. Consolidated Financial Result for the Three Months Ended June 30, 2020 (April 1, 2020 – June 30, 2020)

(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	%	
June 30, 2020	1,660	△6.7	0	—	△25	—	△60	—	
June 30, 2019	1,779	2.4	△75	—	△84	—	△91	—	
Note: Comprehensive Income:		△37 million yen (—%) for the three months ended July 30, 2020 △169 million yen (—%) for the three months ended July 30, 2019							

	Net Income or, Net loss (△) Per Share		Net Income or, Net loss (△) Per Share (diluted)	
	Yen		Yen	
June 30, 2020	△5.10		—	
June 30, 2019	△7.75		—	

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
June 30, 2020	10,390	4,070	39.2
March 31, 2020	11,033	4,107	37.2

(Note) Equity capital (Millions of Yen): As of June 30, 2020 4,070
 As of March 31, 2020 4,107

2. Status of Distribution

	Dividends per share					
	First quarter end	Second quarter end	Third quarter end	Year end	Full year	
	Yen		Yen		Yen	
FY2020	—	—	—	0.00	0.00	
FY2021	—	—	—	—	—	
FY2021 (Expected)	—	—	—	—	—	

Note: Revisions to dividend forecasts published most recently: None

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2021 (April 1, 2020 – March 31, 2021)

(%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 FY2021	7,600	3.6	150	—	110	—	70	—	5.93	

(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, 2020	12,081,920	March 31, 2020	12,081,920
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2. Numbers of treasury stock

June 30, 2020	281,726	March 31, 2020	281,706
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3. Numbers of average shares outstanding (cumulative, consolidated at the end of the first quarter)

June 30, 2020	11,800,209	June 30, 2019	11,807,372
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Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of Yen)

	Full FY2020 (March 31, 2020)	Full FY2020 (June 30, 2020)
Assets		
Current assets		
Cash and deposits	2,737,370	1,820,463
Notes and accounts receivable - trade	1,639,715	1,729,550
Electronically recorded monetary claims - operating	170,719	167,364
Merchandise and finished goods	628,984	742,420
Work in process	1,313,961	1,343,369
Raw materials and supplies	395,802	438,728
Other	275,116	402,929
Allowance for doubtful accounts	-3,962	-3,854
Total current assets	7,157,707	6,640,972
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,845,067	4,850,088
Machinery, equipment and vehicles	2,992,833	2,981,367
Tools, furniture and fixtures	366,321	372,789
Land	1,084,328	1,084,328
Leased assets	722,572	749,430
Construction in progress	66,412	90,285
Accumulated depreciation	-6,739,972	-6,791,238
Total property, plant and equipment	3,337,563	3,337,051
Intangible assets		
Software	120,112	112,571
Telephone subscription right	377	377
Total intangible assets	120,490	112,949
Investments and other assets		
Investment securities	10,000	10,000
Retirement benefit asset	295,568	179,176
Deferred tax assets	4,419	4,261
Other	108,968	106,749
Allowance for doubtful accounts	-819	-819
Total investments and other assets	418,136	299,367
Total non-current assets	3,876,190	3,749,367
Total assets	11,033,897	10,390,340

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of Yen)

	Full FY2020 (March 31, 2020)	Full FY2020 (June 30, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	774,631	675,069
Short-term loans borrowings	400,000	400,000
Current portion of bonds payable	219,200	219,200
Current portion of long-term borrowings	871,918	857,888
Lease obligations	91,921	94,828
Accounts payable - other	498,597	495,385
Income taxes payable	85,131	49,870
Provision for bonuses	92,712	174,245
Provision for share-based remuneration	40,166	25,579
Provision for loss on liquidation of subsidiaries and associates	129,001	43,494
Other	407,254	383,384
Total current liabilities	3,610,535	3,418,947
Non-current liabilities		
Bonds payable	302,500	222,500
Long-term borrowings	2,251,332	2,048,595
Lease obligations	338,431	339,233
Deferred tax liabilities	284,718	276,707
Retirement benefit liability	124,581	-
Other	14,313	14,302
Total non-current liabilities	3,315,878	2,901,338
Total liabilities	6,926,413	6,320,286
Net assets		
Shareholders' equity		
Share capital	2,365,898	2,365,898
Capital surplus	1,912,110	1,912,110
Retained earnings	68,007	7,793
Treasury shares	-129,910	-129,916
Total shareholders' equity	4,216,105	4,155,884
Accumulated other comprehensive income		
Foreign currency translation adjustment	-108,621	-85,830
Total accumulated other comprehensive income	-108,621	-85,830
Total net assets	4,107,484	4,070,054
Total liabilities and net assets	11,033,897	10,390,340

Consolidated Financial Statements

(2) Consolidated Income Statements & Comprehensive Income

(Thousands of Yen)

	First three-month period of previous fiscal year (April 1, 2019 to June 30, 2019)	First three-month period of current fiscal year (April 1, 2020 to June 30, 2020)
Net sales	1,779,212	1,660,643
Cost of sales	1,218,870	1,048,245
Gross profit	560,341	612,398
Selling, general and administrative expenses	636,153	612,059
Operating income (loss)	-75,812	339
Non-operating income		
Interest income	1,595	1,973
Dividend income	360	360
Compensation for transfer	2,720	-
Miscellaneous income	3,399	2,366
Total non-operating income	8,075	4,700
Non-operating expenses		
Interest expenses	9,493	11,029
Commission expenses	1,921	871
Foreign exchange losses	4,605	17,645
Guarantee commission	902	620
Other	112	113
Total non-operating expenses	17,034	30,279
Ordinary income (loss)	-84,771	-25,240
Extraordinary losses		
Loss on retirement of non-current assets	362	153
Total extraordinary losses	362	153
Profit (loss) before income taxes	-85,134	-25,393
Income taxes - current	15,900	42,617
Income taxes - deferred	-9,519	-7,796
Total income taxes	6,380	34,820
Profit (loss)	-91,515	-60,214
Profit attributable to		
Profit (loss) attributable to owners of parent	-91,515	-60,214
Profit attributable to non-controlling interests	-	-
Other comprehensive income		
Foreign currency translation adjustment	-77,529	22,790
Total other comprehensive income	-77,529	22,790
Comprehensive income	-169,044	-37,423
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-169,044	-37,423
Comprehensive income attributable to non-controlling interests	-	-