

## Financial Statement for the GJ Months Ended September 30, 2020

November 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): November 13, 2020

Stock Exchange: Tokyo Stock Exchange, Inc. JASDAQ

### 1. Consolidated Financial Result for the GJ Months Ended September 30, 2020 (April 1, 2020 – September 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	%
September 30, 2020		3,478	△6.4	127	—	30	—	19	—
September 30, 2019		3,716	△2.3	△92	—	△102	—	△137	—
Note: Comprehensive Income:		77 million yen (—%) for the GJ months ended September 30, 2020 △246 million yen (—%) for the GJ months ended September 30, 2019							

	Net Income or, Net loss (△) Per Share		Net Income or, Net loss (△) Per Share(diluted)	
		Yen		Yen
September 30, 2020		1.69	—	—
September 30, 2019		△11.60	—	—

### (2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio
	Millions of Yen	Millions of Yen	%
September 30, 2020	10,091	4,211	41.7
March 31, 2020	11,033	4,107	37.2

(Note) Equity capital (Millions of Yen): As of September 30, 2020 4,211  
 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	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: 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 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, 2020	12,081,920	March 31, 2020	12,081,920
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2. Numbers of treasury stock

September 30, 2020	212,426	March 31, 2020	281,706
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3. Numbers of average shares outstanding (cumulative, consolidated at the end of the second quarter)

September 30, 2020	11,829,903	September 30, 2019	11,807,338
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## Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(Thousands of Yen)

	End of previous fiscal year (March 31, 2020)	End of second quarter of current fiscal year (September 30, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	2,737,370	1,754,848
Notes and accounts receivable - trade	1,639,715	1,723,579
Electronically recorded monetary claims - operating	170,719	161,994
Merchandise and finished goods	628,984	687,469
Work in process	1,313,961	1,261,420
Raw materials and supplies	395,802	400,843
Other	275,116	331,506
Allowance for doubtful accounts	-3,962	-3,908
<b>Total current assets</b>	<b>7,157,707</b>	<b>6,317,754</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,845,067	4,873,031
Machinery, equipment and vehicles	2,992,833	2,970,840
Tools, furniture and fixtures	366,321	365,635
Land	1,084,328	1,086,216
Leased assets	722,572	740,157
Construction in progress	66,412	150,848
Accumulated depreciation	-6,739,972	-6,833,590
<b>Total property, plant and equipment</b>	<b>3,337,563</b>	<b>3,353,140</b>
Intangible assets		
Software	120,112	105,168
Telephone subscription right	377	377
<b>Total intangible assets</b>	<b>120,490</b>	<b>105,546</b>
Investments and other assets		
Investment securities	10,000	10,000
Retirement benefit asset	295,568	188,498
Deferred tax assets	4,419	3,617
Other	108,968	113,451
Allowance for doubtful accounts	-819	-819
<b>Total investments and other assets</b>	<b>418,136</b>	<b>314,747</b>
<b>Total non-current assets</b>	<b>3,876,190</b>	<b>3,773,434</b>
<b>Total assets</b>	<b>11,033,897</b>	<b>10,091,188</b>

## Consolidated Financial Statements

## (1) Consolidated Balance Sheets

(Thousands of Yen)

	End of previous fiscal year (March 31, 2020)	End of second quarter of current fiscal year (September 30, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	774,631	496,007
Short-term loans borrowings	400,000	600,000
Current portion of bonds payable	219,200	180,000
Current portion of long-term borrowings	871,918	847,205
Lease obligations	91,921	90,668
Accounts payable - other	498,597	393,415
Income taxes payable	85,131	63,337
Provision for bonuses	92,712	80,107
Provision for share-based remuneration	40,166	-
Provision for loss on liquidation of subsidiaries and associates	129,001	28,958
Other	407,254	362,770
Total current liabilities	3,610,535	3,142,470
Non-current liabilities		
Bonds payable	302,500	222,500
Long-term borrowings	2,251,332	1,938,892
Lease obligations	338,431	316,427
Deferred tax liabilities	284,718	245,260
Retirement benefit liability	124,581	-
Other	14,313	14,359
Total non-current liabilities	3,315,878	2,737,440
Total liabilities	6,926,413	5,879,910
Net assets		
Shareholders' equity		
Share capital	2,365,898	2,365,898
Capital surplus	1,912,110	1,912,110
Retained earnings	68,007	87,947
Treasury shares	-129,910	-104,079
Total shareholders' equity	4,216,105	4,261,876
Accumulated other comprehensive income		
Foreign currency translation adjustment	-108,621	-50,598
Total accumulated other comprehensive income	-108,621	-50,598
Total net assets	4,107,484	4,211,278
Total liabilities and net assets	11,033,897	10,091,188

## Consolidated Financial Statements

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

(Thousands of Yen)

	First six-month period of previous fiscal year (April 1, 2019 to September 30, 2019)	First six-month period of current fiscal year (April 1, 2020 to September 30, 2020)
Net sales	3,716,899	3,478,322
Cost of sales	2,568,564	2,210,496
Gross profit	1,148,334	1,267,826
Selling, general and administrative expenses	1,240,463	1,140,618
Operating profit (loss)	-92,128	127,208
Non-operating income		
Interest income	3,683	2,667
Dividend income	360	360
Foreign exchange gains	733	-
Compensation for forced relocation	2,720	-
Miscellaneous income	6,077	4,104
Total non-operating income	13,573	7,132
Non-operating expenses		
Interest expenses	18,403	21,755
Commission expenses	3,729	1,056
Foreign exchange losses	-	79,362
Guarantee commission	1,743	1,160
Other	365	165
Total non-operating expenses	24,242	103,500
Ordinary profit (loss)	-102,797	30,840
Extraordinary income		
Gain on sales of non-current assets	-	249
Total extraordinary income	-	249
Extraordinary losses		
Loss on retirement of non-current assets	387	3,330
Total extraordinary losses	387	3,330
Profit (loss) before income taxes	-103,184	27,759
Income taxes - current	33,823	46,432
Income taxes - deferred	-7	-38,613
Total income taxes	33,815	7,819
Profit (loss)	-137,000	19,939
Profit attributable to		
Profit (loss) attributable to owners of parent	-137,000	19,939
Profit attributable to non-controlling interests	-	-
Other comprehensive income		
Foreign currency translation adjustment	-109,612	58,023
Total other comprehensive income	-109,612	58,023
Comprehensive income	-246,612	77,963
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-246,612	77,963
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, 2019 to September 30, 2019)	First six-month period of current fiscal year (April 1, 2020 to September 30, 2020)
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	-103,184	27,759
Depreciation	162,520	167,284
Increase (decrease) in allowance for doubtful accounts	-1,601	-61
Increase (decrease) in provision for bonuses	-24,739	-12,779
Increase (decrease) in provision for share-based remuneration	11,000	-14,329
Decrease (increase) in retirement benefit asset	-84	107,069
Increase (decrease) in retirement benefit liability	4,051	-124,581
Increase (decrease) in provision for loss on liquidation of subsidiaries and associates	-	-101,715
Interest and dividend income	-4,043	-3,027
Interest expenses	18,403	21,755
Commission expenses	3,729	1,056
Loss (gain) on sales of non-current assets	-	-249
Loss on retirement of non-current assets	387	3,330
Decrease (increase) in trade receivables	-135,597	-67,790
Decrease (increase) in inventories	-15,115	-6,474
Decrease (increase) in accounts receivable - other	312,780	-34,937
Increase (decrease) in trade payables	126,974	-263,113
Increase (decrease) in accounts payable - other	-148,631	-150,931
Increase (decrease) in advances received	19,565	4,169
Other, net	-38,605	11,420
Subtotal	187,810	-436,144
Interest received	4,043	3,027
Proceeds from compensation for expropriation	9,644	-
Interest paid	-19,072	-22,778
Commission fee paid	-3,729	-1,056
Income taxes paid	-13,367	-71,086
Net cash provided by (used in) operating activities	165,328	-528,037
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-44,996	-131,706
Proceeds from sales of property, plant and equipment	-	6,050
Payments for retirement of property, plant and equipment	-	-1,976
Purchase of intangible assets	-31,458	-60
Loan advances	-	-8,000
Other, net	-2,706	-1,029
Net cash provided by (used in) investing activities	-79,161	-136,722

Consolidated Financial Statements  
(3) Consolidated Statements of Cash Flows

(Thousands of Yen)

	First six-month period of previous fiscal year (April 1, 2019 to September 30, 2019)	First six-month period of current fiscal year (April 1, 2020 to September 30, 2020)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	-200,000	200,000
Proceeds from long-term borrowings	-	100,000
Repayments of long-term borrowings	-452,720	-440,830
Redemption of bonds	-121,600	-119,200
Purchase of treasury shares	-24	-6
Repayments of lease obligations	-18,354	-48,572
Dividends paid	-117,015	-456
Net cash provided by (used in) financing activities	-909,715	-309,065
Effect of exchange rate change on cash and cash equivalents	-27,975	-8,864
Net increase (decrease) in cash and cash equivalents	-851,524	-982,690
Cash and cash equivalents at beginning of period	3,617,155	2,580,343
Cash and cash equivalents at end of period	2,765,630	1,597,652