

TOPICS

XpertJet 1641SR Pro Eco-solvent inkjet printer for 1.6m wide media Best-balanced model with high productivity and high image quality

Fusion of MUTOH's unique "traditional" and "advanced" technologies

Inherited a platform with innovations to improve operability and reduce the burden on operators.
MUTOH's unique "traditional" technology "high-precision aluminum rail structure" and "advanced" trinity technology "AccuFINE, i-screen and VerteLith".
The fusion of technologies enables high-precision and high-quality printing.



MUTOH's original "traditional" technology
*high precision aluminum rail structure



Trinity's "advanced" technology
AccuFINE, i-screen and VerteLith



XpertJet 1641SR Pro

We deliver the highest quality "Made in Japan Quality" to a variety of markets, including indoor and outdoor signage, trade show graphics, car wrapping, POP, and more.

Company Profile (As of June 28, 2022)

Name:	MUTOH HOLDINGS CO., LTD.	Main Business:	Management of group operations and group assets
Established:	March 5, 1952 (founded: December 1942)	Website Address:	https://www.mutoh-hd.co.jp
Capital Stock:	10,199 million yen		
Head Office:	1-3, Ikejiri 3-chome, Setagaya-ku, Tokyo 154-8560 TEL: +81-3-6758-7100		

Shareholder Information

Business Year :	From April 1 to March 31 of the following year
Ordinary General Meeting of Shareholders :	In June each year
Year-end Dividend Record Date :	March 31 each year
Interim Dividend Record Date :	September 30 each year
Public Notices :	Public notices shall be made on the Company's website (https://www.mutoh-hd.co.jp). * In case the public notices are not available on the Company's website due to unavoidable circumstances, such notices shall be made in the Nihon Keizai Shimbun
Administrator of Shareholder Register :	Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8233
Mailing Address and Telephone Number :	8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-0063 TEL: +81-120-782-031 (toll-free) Stock Transfer Agency Department Sumitomo Mitsui Trust Bank, Limited Stock transfer agent services are provided at branch offices in Japan of Sumitomo Mitsui Trust Bank, Limited.

Attention

- Please contact the securities company with which you have an account to request a change of address or the purchase or additional purchase of shares less than one unit.
For shareholders who have opened special accounts because they do not have an account with a securities company, please contact Sumitomo Mitsui Trust Bank, Limited, which is the account management institution for special accounts.
- Payment of unpaid dividends:
Please contact Sumitomo Mitsui Trust Bank, Limited, the shareholder registry administrator.
- The Dividend Statement:
The "Dividend Statement" sent at the time of dividend payment also serves as a "Notice of Payment" in accordance with the Special Taxation Measures Law.
Shareholders who file their own tax returns are advised to keep the dividend statement in a safe place. However, for those shareholders who have chosen the method of allocation in proportion to the number of shares, the calculation of withholding tax will be performed by the securities company, etc.
Please check with your securities company for the documents to be attached to your tax return.



MUTOH

TSE Securities Code : 7999

MUTOH HOLDINGS CO., LTD. Business Report

April 1, 2021 to March 31, 2022

We would like to express our sincerest gratitude to all the shareholders who have continued to support us.

We hereby present our 73rd (Fiscal Year 2021) Financial Report, covering the MUTOH Group's business performance and activities.

Yasuhiko Isobe
MUTOH HOLDINGS CO., LTD.
President and Representative Director



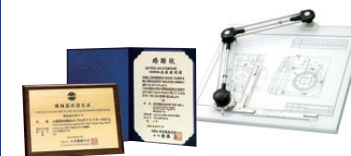
Celebrating 70th Anniversary



MUTOH celebrated its 70th anniversary in March of this year.
We would like to express our gratitude to all of our stakeholders for their support over the years.
Our group began in December 1942 (the 80th anniversary since its founding) when Yoshiro Mutoh founded the Mutoh Scale Engraving Research Center in Mishuku, near our current headquarters (Ikejiri, Setagaya-ku, Tokyo), and this is where the spirit of supporting MONOZUKURI (Excellence in Manufacturing) began.
10 years later in March 1952, MUTOH Memori Chokoku (MUTOH Scale Engraving) LTD was founded, and by continuing to carry on the spirit of the company's founding, it produced such products as the *Drafter*, a drafting instrument registered in the Mechanical Engineering Heritage, and the *Pen Plotter*, a device for printing drawings. The spirit of MUTOH's founding has been passed down, and our LFP products continue to support creators and designers, while our design and measurement equipment and 3DP products continue to support manufacturers, architects, and many others involved in the manufacturing industry.
In order to continue to build on MUTOH's history, each and every one of us will continue to earn the trust of our customers, inherit our founding spirit (DNA) of "supporting MONOZUKURI." Additionally, we will continue to create new value toward our 100th anniversary as a company that "enhances the creation of people and companies," flexibly responding to customer needs and changes in the environment, and providing "peace of mind," "reliability," and "inspiration."

MECHANICAL ENGINEERING HERITAGE - No. 21 The Japan Society of Mechanical Engineers

Universal Drafting Machine DRAFTER MH-1



The Japan's first drafting machine
"DRAFTER MH-1" was invented in 1953
by Yoshihiro MUTOH, the founder of MUTOH

Business Progress and Outcome

We would like to report our business results for fiscal year 2021 (73rd fiscal year) and the initiatives taken by our group.

The global economic environment in the current fiscal year has been characterized by a recovery trend in economic activity along with the spread of vaccinations. However, in addition to prolonged supply chain problems such as container shortages in marine transportation and shortages of electronic components, especially semiconductors, many countries have raised policy interest rates due to rising inflationary pressures. Furthermore, Russia's invasion of Ukraine has sharply increased uncertainty about the economic outlook.

Under these circumstances, the Group has promoted measures focused on cash flow, such as improving profitability through innovation in development, manufacturing, and sales, appropriate inventory management, reduction of assets held, and a drastic review of fixed costs. In addition, in view of the prolonged COVID-19 pandemic, we have been reforming our work styles and exploring new management styles under the new normal, such as sales activities utilizing the Internet.

In the design and measurement equipment business and the 3D printer business, the MUTOH Package for educational institutions, which provides total services from CAD to 3D output, has been commercialized through new collaboration between the two businesses, and will be marketed as a solution to meet the needs of digital education. In addition, we consolidated the manufacturing of our main products at the Suwa Plant (Nagano Prefecture), promoting reforms to improve quality and reduce costs by integrating quality and production management and procurement and leveling production.

Meanwhile, in the large-format inkjet printer business, our core business, two models (XpertJet 1341SR Pro and XpertJet 1641SR Pro) equipped with a new head and compatible with eco-solvent ink were sequentially launched in the global market from September 2021, and have been highly evaluated for their high image quality and high speed with excellent cost performance.

VerteLith™, our first in-house developed RIP software (software for outputting data to large format inkjet printers), launched in January 2020, has been recognized for its

high performance in text and image processing as well as its enhanced features that simplify and streamline the entire workflow for users. In January 2022, the European Digital Press Association, an association of European print magazines, presented VerteLith™ the *EDP Award 2021* in the workflow technology category, which awards the best-rated digital printing product or technology in each category, beating out RIPs from other specialized and established vendors for its enhanced functionality.

As a result of the above, net sales for the current fiscal year were ¥15,848 million (up 12.0% year-on-year) and operating income was ¥541 million (compared to a loss of ¥564 million in the same period of the previous year), a significant recovery from the same period of the previous year, which was greatly affected by the spread of new coronavirus infection.

Ordinary income totaled ¥743 million (compared to a loss of ¥291 million in the same period of the previous year), mainly due to a recovery in operating income as well as equity in earnings of affiliates. Net income attributable to shareholders of the parent company was ¥773 million (compared with a net loss of ¥1,200 million in the same period of the previous year), mainly due to a ¥679 million gain on sales of fixed assets recorded as extraordinary income, a ¥246 million impairment loss recorded as extraordinary loss, and a total of ¥362 million in income taxes and income tax adjustments.

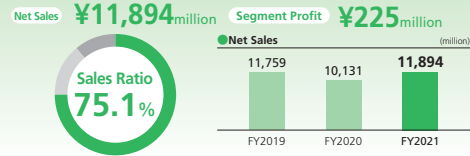
The full-year forecast for the fiscal year ending March 31, 2023 is subject to the risk of delays and stagnation in procurement, production, sales, and logistics, as well as rising prices, due to the invasion of Ukraine by Russia, problems in suppliers' parts supply and marine transportation delays due to the COVID-19 pandemic. The Group will work on business structure reform with the most important task to improve full-year operating income/loss by continuously increasing revenue and establishing a stable profit base.

As a result of the above, we project net sales of ¥16,100 million, operating income of ¥400 million, ordinary income of ¥400 million, and net income attributable to owners of the parent of the company of ¥100 million.

We greatly appreciate your support and ask for your continued assistance and cooperation.

Overview of Business Segments

Imaging & Information Equipment Business



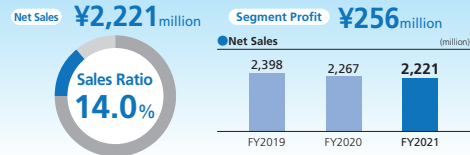
Although there was a significant recovery from the same period of the previous year, when the spread of the COVID-19 had a major impact, higher logistics costs, mainly for marine transportation, soaring raw material prices, and component supply issues affected earnings. Overall, the business posted net sales of ¥11,894 million (up 17.4% year-on-year) and segment income of ¥225 million (compared with a loss of 659 million yen in the same period of the previous year). The status by region is as follows.

Asia Region: Net sales totaled ¥3,894 million (down 0.0% year on year), with segment income of ¥244 million (compared with a loss of ¥499 million in the same period of the previous fiscal year).

North American Region: Net sales totaled ¥3,089 million (up 19.7% year on year), with segment loss of ¥9 million (segment income of ¥28 million in the same period of the previous fiscal year).

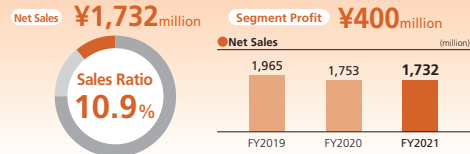
European Region: Net sales totaled ¥4,910 million (up 34.4% year on year), with a segment loss of ¥10 million (compared to a loss of ¥187 million in the same period of the previous fiscal year).

Information Service Business



Sales declined slightly due to the impact of the COVID-19 infection and other factors, but improved profitability led to a significant increase in profit, resulting in net sales of ¥2,221 million (down 2.0% year-on-year) and segment income of ¥256 million (up 69.9% year-on-year).

Design Measurement Equipment Business, Real-Estate Leasing Business and Other Businesses



Design and Measurement Business
Similar to the information services business, sales declined slightly due to the impact of the spread of COVID-19 infection and other factors, but profitability improved, resulting in net sales of ¥1,294 million (down 2.4% from the same period of the previous year) and segment income of ¥243 million (up 6.7%).

Real Estate Leasing Business
Sales increased due to the conversion of some of the company owned properties from properties for its own use to properties for rent, resulting in net sales of ¥201 million (up 11.8% year-on-year) and segment income of ¥178 million (up 0.2% year-on-year).

Other Businesses
Sales decreased due to the impact of the spread of the COVID-19 infection, resulting in net sales of ¥235 million (down 4.4% year-on-year) and a segment loss of ¥21 million (compared with a loss of ¥29 million in the same period of the previous year).

Consolidated Financial Statements

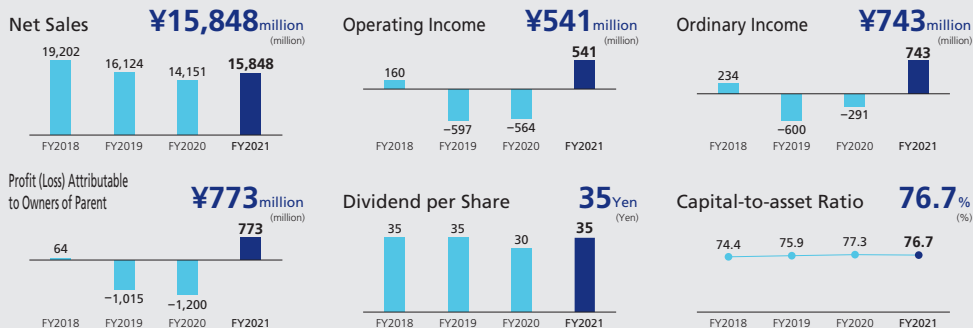
Consolidated Balance Sheets

Account	Year Ended March 31, 2022	Year Ended March 31, 2021
Assets		
Current Assets	16,296	15,336
Fixed Assets	10,377	9,886
Tangible Fixed Assets	3,308	3,455
Intangible Fixed Assets	83	75
Investments and Other Assets	6,985	6,355
Total Assets	26,674	25,222
Liabilities		
Current Liabilities	3,897	3,553
Non Current Liabilities	1,533	1,400
Total Liabilities	5,430	4,954
Net Assets		
Shareholders' Equity	22,025	21,381
Total Other Cumulative Comprehensive Income	-1,573	-1,872
Non-Controlling Interests	790	759
Total Net Assets	21,243	20,268
Total Liabilities and Net Assets	26,674	25,222

Consolidated Statements of Income

Account	Year Ended March 31, 2022	Year Ended March 31, 2021
Net Sales	15,848	14,151
Cost of Sales	10,347	9,873
Selling, General and Administrative Expenses	4,958	4,842
Operating Income (Loss)	541	-564
Non Operating Profit and Loss	201	272
Ordinary Income	743	-291
Extraordinary Profit	746	52
Extraordinary Losses	274	833
Income Before Income Taxes and Other Adjustments	1,214	-1,071
Income Taxes	-440	-128
Profit (Loss) Attributable to Owners of Parent	773	-1,200

Consolidated Financial Highlights



TOPICS

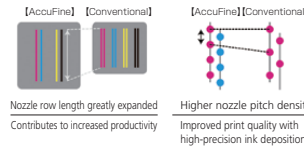
XpertJet 1341WR Pro A water-based sublimation inkjet printer for 1.3m wide media Compact model pursuing high image quality and user convenience

Space-saving design incorporates the latest technology in a compact, easy-to-handle body The combination of the new *AccuFine* print head and the new *i-screen* print effect achieves both high image quality and high-speed imaging.

New *AccuFine* print head

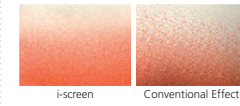
ACCUFINE

The new *AccuFine* print head achieves both high image quality and high-speed printing with its larger size, higher density, and high-precision ink deposition. Provides high-quality solid color printing with less banding even at high speeds



New print effect *i-screen*

The new print effect *i-screen* optimizes the new *AccuFine* print head and reduces banding by arranging the dots in consideration of how the human eye sees them, resulting in smooth images.



This printer is ideal for trade show graphics, flags, banners, custom interior design, apparel, and custom merchandise.



MUTOH Original RIP Software *VerteLith™* received the EDP Award 2021

MUTOH's original RIP software *VerteLith™* was recognized not only for its high performance in image processing, but also for its enhanced workflow solution functions that simplify and streamline the entire printing process, winning the award in the workflow technology category over RIPs from other specialized and established vendors.



Original Half Tone Technology *MUTOH Clear Tone*

Accurately processes PDF transparency effects and drop shadows for smooth, less grainy, beautiful image quality



Less variation in color density and smoother gradations *MUTOH Clear Tone*

Workflow efficiency

Not only "print items" but also "layout information" can be set as automatic processing items.

- Ability to automatically allocate and print multi-page PDFs that integrate multiple jobs
- Ability to create and register "layout settings" such as allocation position, number of allocations, etc.
- Simple jig creation function by thickness printing



Simplified jig creation function reduces time and cost of jig creation

Two preview functions

Prevents setting errors, saves media and ink, and contributes to reduced work time loss

- Soft Proof" function that simulates "color" on the display when printed
- "RIP Preview" function that shows the "actual dots to be printed" on the display after RIP

Efficient multi-layer printing function

Automatic processing of layer settings, nesting settings, and layout settings is possible

- Multi-layer printing automation with multi-page PDF

Maximizes the performance of MUTOH printers and helps customers work more efficiently and reduce costs.