May 13, 2016

Consolidated Financial Results (Japanese Accounting Standards) for the FY2015 (Ended March 31, 2016)

Company name:	MIURA CO.,LTD.
Stock exchange listing:	Tokyo Stock Exchange
Stock code:	6005
URL:	http://www.miuraz.co.jp
Representative:	Daisuke Miyauchi, President
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Scheduled date of ordinary shareholders' meeting:	June 29, 2016
Scheduled date of commencement of dividend payment:	June 30, 2016
Scheduled date for filing of annual securities report:	June 30, 2016
Supplementary documents for financial results:	Yes
Financial results briefing:	Yes (for analysts and institutional inventors)

(Units of less than 1 million yen have been omitted)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2016 (April 1, 2015 – March 31, 2016)

(1) Consolidated Operating Results (Percentages show year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2016	99,019	9.5	10,220	13.4	10,887	0.8	7,476	0.2
March 31, 2015	90,424	5.7	9,011	0.5	10,799	4.9	7,464	18.7

(Note) Comprehensive income

Fiscal year ended March 31, 2016 : ¥6,249 million (-41.4%)

Fiscal year ended March 31, 2015 : ¥10,672 million (19.8%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2016	66.46	66.30	7.1	8.2	10.3
March 31, 2015	66.37	66.23	7.7	8.7	10.0

(Reference) Share of profit (loss) of entities accounted for using equity method

Fiscal year ended March 31, 2016 : —

Fiscal year ended March 31, 2015 : —

In October 2014, the Company conducted a 3-for-1 common stock split. "Net income per share" and "Diluted net income per share" are calculated on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2016	135,861	107,044	78.4	947.00
March 31, 2015	129,525	103.218	79.5	915.75

(Reference) Shareholders' equity

As of March 31, 2016 : ¥106,540 million

As of March 31, 2015 : ¥102,991 million

In October 2014, the Company conducted a 3-for-1 common stock split. "Net assets per share" is calculated on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2016	11,498	(7,993)	(2,396)	23,874
March 31, 2015	8,963	(661)	(2,245)	23,760

2. Dividends

	Dividends per share					Total dividends for the year	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2015	—	26.00	—	11.00	—	2,211	29.6	2.3
March 31, 2016	—	10.00	—	11.00	21.00	2,362	31.6	2.3
Fiscal year ending March 31, 2017 (forecasts)	—	10.00	—	12.00	22.00		31.7	

In October 2014, the Company conducted a 3-for-1 common stock split. The year-end dividend stated herein for the fiscal year ended March 31, 2015 takes this stock split into consideration. The total annual dividend reflected the stock split for the fiscal year ended March 31, 2015 is ¥19.67.

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2017 (April 1, 2016 – March 31, 2017)

(Percentages show the rate of increase or decrease from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half of the fiscal year	50,000	7.3	5,000	9.1	5,400	9.6	3,700	13.7	32.89
Full-year	104,000	5.0	10,400	1.8	11,400	4.7	7,800	4.3	69.34

* Notes

(1) Changes of significant subsidiaries during the period (changes of specific subsidiaries in accordance with changes in the scope of consolidation): None

(2) Changes in accounting policies, accounting estimates and restatement of corrections

(i) Changes in accounting policies caused by revision of accounting standards: Yes
(ii) Changes in accounting policies other than (i): None
(iii) Changes in accounting estimates: None
(iv) Restatement of corrections: None

For details, please refer to "5. Consolidated Financial Statements, (5) Notes Concerning Consolidated Financial Statements, (Changes in Accounting Policy)" on page 18 of the Attached Materials.

(3) Numbers of Outstanding Shares (Common Shares)

(i) Number of shares outstanding at end of the period (including treasury shares)
As of March 31, 2016: 125,291,112 shares
As of March 31, 2015: 125,291,112 shares
(ii) Number of treasury shares at end of the period
As of March 31, 2016: 12,788,321 shares
As of March 31, 2015: 12,824,842 shares
(iii) Weighted-average number of common shares outstanding for the period
Fiscal year ended March 31, 2016: 112,493,956 shares
Fiscal year ended March 31, 2015: 112,467,154 shares

In October 2014, the Company conducted a 3-for-1 common stock split. "Number of shares outstanding at end of the period (including treasury shares)", "Number of treasury shares at end of the period" and "Weighted-average number of common shares outstanding for the period" are calculated on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2016 (April 1, 2015 – March 31, 2016)

(1) Non-Consolidated Financial Results (Percentages show year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2016	81,130	6.2	7,956	11.6	9,695	(1.1)	6,562	(4.6)
March 31, 2015	76,415	3.0	7,130	(1.8)	9,806	6.9	6,877	29.5

	Net income per share	Diluted net income per share
Fiscal year ended	Yen	Yen
March 31, 2016	58.34	58.20
March 31, 2015	61.15	61.02

In October 2014, the Company conducted a 3-for-1 common stock split. "Net income per share" and "Diluted net income per share" are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2016	124,834	100,003	79.9	886.71
March 31, 2015	117,100	95,071	81.0	843.51

(Reference) Shareholders' equity

As of March 31, 2016 : ¥99,756 million

As of March 31, 2015 : ¥94,866 million

In October 2014, the Company conducted a 3-for-1 common stock split. "Net assets per share" is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* Statement Relating to the Execution Status for Audit Procedures

This financial summary falls outside the scope of audit procedures based on the stipulations of the Financial Instruments and Exchange Act. The audit procedures for financial statements based on the stipulations of said Act were not completed at the time this financial summary was disclosed.

* Explanation of the Proper Use of Financial Results Forecast and Other Notes

The forward-looking statements herein are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. The Company makes no warranty as to the achievability of what is described in the statements. Actual results may differ significantly from these forecasts due to various factors. For the assumptions underlying the forecasts and precautions when using the forecasts, please refer to "1. Analysis of Operating Results and Financial Position, (1) Analysis of Operating Results" on page 2 of the Attached Materials.

Attached Materials

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1. Analysis of Operating Results and Financial Position

(1) Analysis of Operating Results

(i) Operating Results for the Current Fiscal Year

Looking back on the state of the Japanese economy during the fiscal year ended March 31, 2016, the outlook for the economy became increasingly uncertain after the turn of the year to 2016 as the Japanese yen began to appreciate against other major currencies. Meanwhile, overseas economies were marked by growing factors of instability due to the declining prices of natural resources such as crude oil, geopolitical risks posed by North Korea and the so-called Islamic State (IS) and the decelerating Chinese economy.

In these circumstances, the Miura Group continued activities to deliver "total solutions" to various challenges faced by customers around the world. At the same time, the Group made preparations for a full-scale sales expansion of its ballast water management system, as evidenced by the fact that, in its development, the product was accepted by the U.S. Coast Guard (USCG) as an Alternate Management System (AMS). In the Domestic Maintenance and Overseas Maintenance businesses, we evolved the skills to utilize our information communication technology (ICT), thus striving to provide a prompter and higher-quality maintenance service.

Outside Japan, the Miura Group aggressively engaged its activities in Asia and the Americas to deliver technologies refined in Japan as those designed to address air pollution regulations in China and other environmental challenges as well as the energy efficiency issue. Moreover, we established a new assembly plant in Brazil for the purpose of saving customs duties and transportation cost.

For the fiscal year under review, sales of once-through boilers and marine equipment in domestic market remained favorable, and Domestic Maintenance business also recorded high increase in sales. Meanwhile, overseas business posted sales growth thanks to solid sales mainly in China and South Korea. As a result, net sales for the fiscal year under review grew to a new record high of ¥99,019 million, a year-on-year increase of 9.5% from the previous fiscal year (¥90,424 million).

On the profit front, operating income for the fiscal year under review stood at ¥10,220 million, up 13.4% from the previous fiscal year (¥9,011 million), thanks to the boost from the growth in net sales marking a record high in spite of greater personnel expenses and increased research expenses for the development of new product. Ordinary income for the fiscal year under review amounted to ¥10,887 million, up 0.8% from the previous fiscal year (¥10,799 million), although an exchange loss on foreign currency was incurred. Profit attributable to owners of parent for the fiscal year under review came to a record ¥7,476 million, up 0.2% from the previous fiscal year (¥7,464 million).

(ii) Overview of Each Business Segment

[Domestic Manufacturing and Sales of Products]
The Domestic Manufacturing and Sales of Products business, sales of water treatment equipment and medical equipment were weak. Even so, sales of once-through boilers and related equipment and marine boilers remained strong. As a result, net sales in this business were ¥51,956 million, up 6.4% from the total of the previous fiscal year (¥48,842 million). In terms of segment profit, personnel expenses increased due to the implementation of pay scale rises and an increase in the number of personnel, while there were rises in other costs including research expenses for new products, such as ballast water management system. However, there was also a boost from the growth in net sales. As a result, segment profit was ¥2,549 million, up 17.4% from the total of the previous fiscal year (¥2,171 million).

[Domestic Maintenance]
The Domestic Maintenance business grew due to an increase in the number of installations and aggressive activity to secure paid maintenance contracts. As a result, net sales in this business were ¥27,050 million, up 5.0% from the total of the previous fiscal year (¥25,755 million). In terms of segment profit, although personnel expenses increased due to the implementation of pay scale rises and an increase in the number of personnel, there was also a

boost from the growth in net sales. As a result, segment profit was ¥6,362 million, up 7.6% from the total of the previous fiscal year (¥5,911 million).

[Overseas Manufacturing and Sales of Products]
The Overseas Manufacturing and Sales of Products business, although continuing to be sluggish in the ASEAN region, enjoyed fast-growing demand in China for replacing coal-fired boilers with high-efficiency gas-fired boilers in an effort to address the nation's environmental challenges. Sales in the U.S., South Korea and Taiwan also increased from the previous fiscal year due to aggressive business proposal activities. With the effect of yen depreciation also providing a boost, net sales in this business were ¥16,026 million, up 27.2% from the total of the previous fiscal year (¥12,603 million). In terms of segment profit, although personnel expenses increased due to the implementation of pay scale rises and an increase in the number of personnel, there was also a boost from the growth in net sales. As a result, segment profit was ¥1,253 million, up 53.6% from the total of the previous fiscal year (¥816 million).

[Overseas Maintenance]
The Overseas Maintenance business aggressively expanded its maintenance network and conducted activity to secure paid maintenance contracts to large users. As a result, net sales in this business were ¥3,986 million, up 23.7% from the total of the previous fiscal year (¥3,222 million). In terms of segment profit and loss, loss amounted to ¥371 million, increased from the previous fiscal year (loss of ¥145 million) as expenses increased due to aggressive expansion of the maintenance network in each country.

(iii) Forecasts for the Next Fiscal Year

As for the outlook for the fiscal year ending March 31, 2017, sales of ballast water management system are expected to go into full swing in Japan as the Ballast Water Management Convention will increasingly likely to come into force in the near future. With capital investment remaining strong, sales of not only boilers but also water treatment equipment and food processing equipment are expected to grow for the fiscal year.

Outside Japan, sales in Asian countries are expected to trend strongly during the fiscal year because of the advancement in replacement of coal-fired boilers with high-efficiency gas-fired boilers in China. Sales in the U.S. are also expected to grow since the U.S. economy is predicted to perform solidly and sales in Central America are expected to recover. Meanwhile, in the Overseas Maintenance businesses, we will further expand our offices while striving to train our overseas employees and win new maintenance contracts.

As a result, for the full fiscal year ending March 31, 2017, we expect both sales and profits to grow from the fiscal year under review.

[Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2017]

	Fiscal year ending March 31, 2017	
	Amount (Million yen)	Year on Year change (%)
Net sales	104,000	up 5.0
Operating income	10,400	up 1.8
Ordinary income	11,400	up 4.7
Profit attributable to owners of parent	7,800	up 4.3

We plan to pay an annual dividend of ¥22 per share, consisting of an interim dividend of ¥10 per share and a year-end dividend of ¥12 per share.

(2) Analysis of Financial Position

(i) Position of Assets, Liabilities, and Net Assets

Total assets as of March 31, 2016, were ¥135,861 million, an increase of ¥6,335 million compared to the previous fiscal year-end. Current assets as of March 31, 2016 grew by ¥4,661 million compared to the previous fiscal year-end due to an increase in cash and deposits, electronically recorded monetary claims - operating and inventories although securities declined owing mainly to redemption of securities. Non-current assets as of March 31, 2016 increased by ¥1,674 million from the previous fiscal year-end as investment securities grew due to rising stock market prices.

Liabilities were ¥28,816 million, an increase of ¥2,509 million compared to the previous fiscal year-end, due mainly to an increase in income taxes payable and advances received.

Net assets as of March 31, 2016 stood at ¥107,044 million, an increase of ¥3,826 million from the previous fiscal year-end, due to the recording of ¥7,476 million in profit attributable to owners of parent and an increase in valuation difference on available-for-sale securities resulting from rising stock market prices. This was despite a decrease in foreign currency translation adjustments owing to the yen's appreciation in the foreign exchange market.

(ii) Position of Cash Flows

Cash and cash equivalents as of March 31, 2016 stood at ¥23,874 million, an increase of ¥114 million from the previous fiscal year-end. The following outlines the state of cash flows by category for the fiscal year under review.

Net cash provided by operating activities for the fiscal year under review amounted to ¥11,498 million, an increase of ¥2,535 million from the previous fiscal year, due mainly to a decrease in the payment of income taxes.

Net cash used in investing activities for the fiscal year under review totaled ¥7,993 million, an increase of ¥7,331 million from the previous fiscal year, due mainly to payments into time deposits despite cash outflows caused by the purchase of property, plant and equipment decreased.

Net cash used in financing activities came to ¥2,396 million, an increase of ¥150 million from the previous fiscal year, due mainly to an increase in cash dividends paid.

Trends of indicators related to cash flows are as follow:

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Equity ratio	81.1%	78.3%	79.5%	78.4%
Market value equity ratio	84.2%	90.6%	117.6%	174.0%
Interest-bearing debt to cash flow ratio	0.3%	0.2%	0.3%	0.5%
Interest coverage ratio (Times)	1,199,765.3	1,704,672.4	1,260,984.6	137,703.0

(Notes)
Equity ratio: Shareholders' equity / Total assets
Market value equity ratio: Total market capitalization / Total assets
Interest-bearing debt to cash flow ratio: Interest-bearing debt / Operating cash flow
Interest coverage ratio: Operating cash flow / Interest payments

1. All indicators are calculated using consolidated-based financial indicators.
2. Total market capitalization was calculated by multiplying the closing stock price at the end of the period by the total number of issued shares (excluding treasury shares) at the end of the period.
3. Interest-bearing debt refers to all debt posted on the consolidated balance sheet for which interest is paid. Regarding the interest payments, we use "interest expenses paid" on the consolidated statement of cash flows

(3) Basic Policies Concerning the Allocation of Profits, and Dividends for the Period under Review and the Next Period

With respect to the allocation of profits, in keeping with the basic policy to ensure the continuous and stable dividends distribution, we believe that the Company should engage in appropriate return of profits to shareholders in line with the Company's performance, while also working to strengthen our management foundation and increase our internal reserves in preparation for future business expansion. In accordance with this guideline, we will make efforts to improve our dividend payout ratio by comprehensively taking into account our consolidated performance and financial situation and setting a payout ratio of 30% as our target.

The Company will utilize internal reserves primarily for investments to strengthen our competitiveness and our business foundation, including the research and development of new technologies and new products, and the establishment of production and sales systems. We will also use internal reserves for the purposes of investments to enhance environmental protection, safety, and quality, and the reconstruction of information systems, in order to increase our corporate value.

With regard to dividends for the period under review, we plan to pay a year-end dividend of ¥11 per share, and as a result, the annual dividend will be ¥21per share including an interim dividend of ¥10 per share. Accordingly, we expect a consolidated dividend payout ratio to be 31.6% for the period under review.

Taking into account the Company's consolidated performance forecasts, for the next period we plan to pay an annual dividend of ¥22 per share, consisting of an interim dividend of ¥10 per share and a year-end dividend of ¥12 per share.

2. The Condition of the Corporate Group

The Miura Group consists of MIURA CO.,LTD., 13 consolidated subsidiaries, eight non-consolidated subsidiaries, and one affiliated company.

The primary business activities of our corporate group, and the positioning of the Company and its subsidiaries, are as follows.

(1) Domestic Manufacturing and Sales of Products

With regard to small once-through boilers and related equipment, the Company assigns manufacture of primary components in Japan to our consolidated subsidiary MIURA KOUKI CO.,LTD. We then purchase these components, and entrust processing, coating, and assembly procedures to our consolidated subsidiary MIURA MANUFACTURING CO.,LTD. The Company conducts sales of the finished products, and perform constructions required for the production activities. Some types of the related equipment are manufactured by our consolidated subsidiary MIURA AQUATEC CO.,LTD. and the Company conducts sales activities.

With regard to water tube boilers, the Company purchases raw materials, and entrust processing, coating, and assembly procedures to our consolidated subsidiary MIURA MACHINE CO.,LTD. and conducts sales activities. With regard to cooling/heating equipment, we assign manufacture and assembly of primary components to MIURA MANUFACTURING CO.,LTD. and conducts sales activities. In some regions, our consolidated subsidiary NIWA KOUGYO CO.,LTD. and our non-consolidated subsidiary AIMU CO.,LTD. conduct sales activities.

With regard to production of water treatment equipment and chemicals, MIURA AQUATEC CO.,LTD. manufactures the products and the Company conducts sales activities.

(2) Domestic Maintenance

The Company performs maintenance in Japan.

(3) Overseas Manufacturing and Sales of Products

The Company conducts manufacture and sales of small once-through boilers and related equipment and chemicals locally. The manufacture and sales are undertaken by our consolidated subsidiaries KOREA MIURA CO.,LTD. in South Korea, MIURA INDUSTRIES (SUZHOU) CO.,LTD. in China, MIURA BOILER CO.,LTD. in Taiwan, and PT. MIURA INDONESIA in Indonesia. In Southeast Asia, local sales are undertaken by our non-consolidated subsidiary MIURA INDUSTRIES (THAILAND) CO.,LTD. in Thailand, and our consolidated subsidiary MIURA SOUTH EAST ASIA PTE.LTD. is in charge of elsewhere in the region.

In the Americas, we have made our local companies in North, Central, and South America into subsidiaries, so that our consolidated subsidiary MIURA INTERNATIONAL AMERICAS INC. can supervise business. In Canada, our consolidated subsidiary MIURA CANADA CO.,LTD. undertakes local manufacture and sales. In the U.S., our consolidated subsidiary MIURA AMERICA CO.,LTD. undertakes local manufacture and sales. Our non-consolidated companies MIURA BOILER MEXICO S.A. DE C.V. and MIURA BOILER DO BRASIL LTDA. undertake sales in Central America and in South America, respectively.

In Turkey, our non-consolidated subsidiary MIURA TURKEY HEATING SYSTEMS INDUSTRY CO.,LTD. undertakes local sales.

With regard to marine boilers and related equipment, our non-consolidated subsidiary MIURA NETHERLANDS B.V. undertakes sales in Europe.

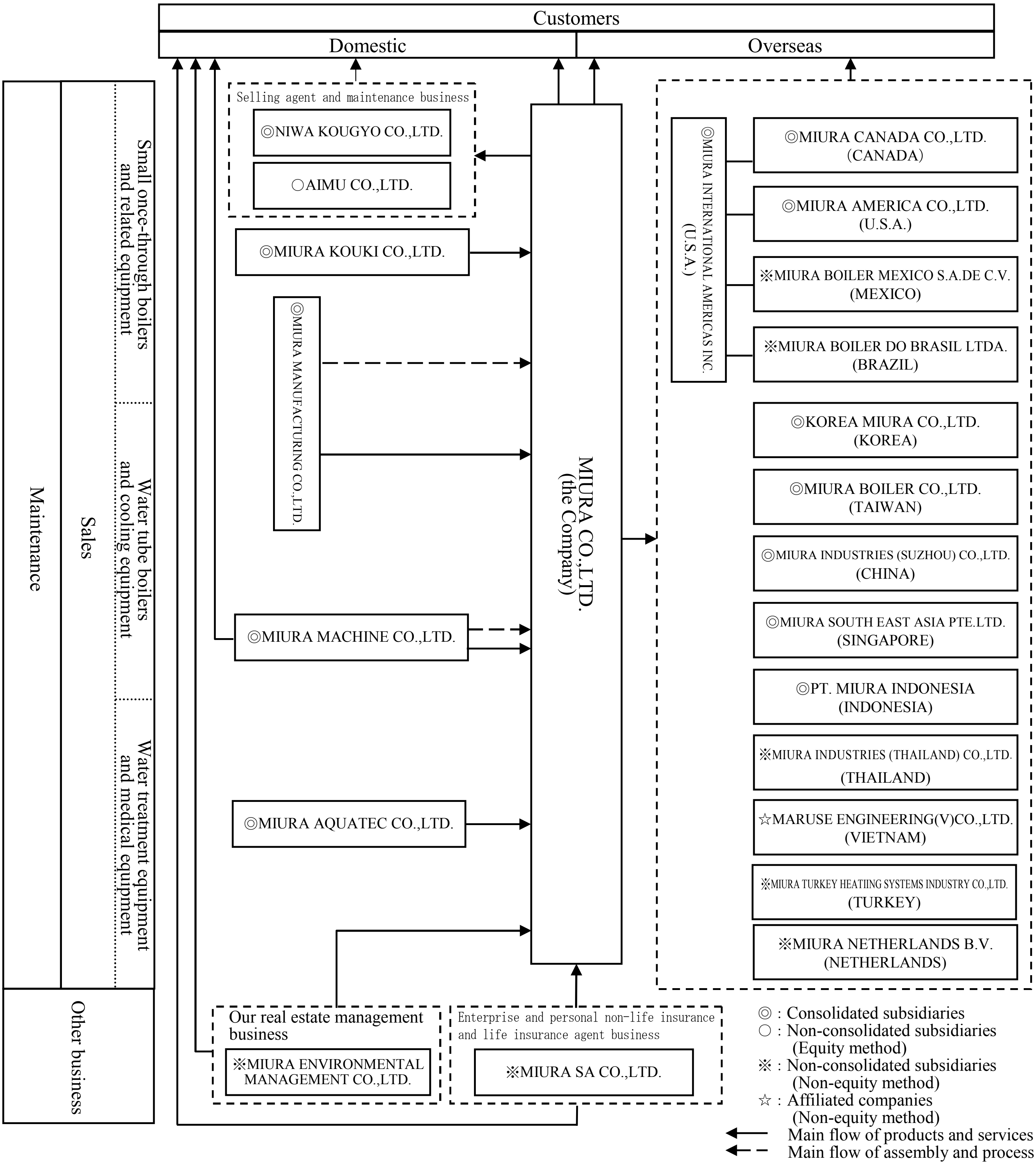
(4) Overseas Maintenance

Maintenance is performed by KOREA MIURA CO.,LTD. in South Korea, MIURA INDUSTRIES (SUZHOU) CO.,LTD. in China, MIURA BOILER CO.,LTD. in Taiwan, PT. MIURA INDONESIA in Indonesia, MIURA SOUTH EAST ASIA PTE.LTD. and MIURA INDUSTRIES (THAILAND) CO.,LTD. in Southeast Asia, MIURA CANADA CO.,LTD. in Canada, MIURA AMERICA CO.,LTD. in the U.S., MIURA BOILER MEXICO S.A. DE C.V. in Central America, and MIURA BOILER DO BRASIL LTDA. in South America.

Our non-consolidated subsidiary MIURA ENVIRONMENTAL MANAGEMENT CO.,LTD. undertakes our real estate management business.

Our non-consolidated subsidiary MIURA SA CO.,LTD. undertakes enterprise and personal non-life insurance and life insurance agent business.

The following is an illustration of the business network.



(Note)

As of April 1, 2016, the Company established MIURA SOUTH EAST ASIA HOLDINGS PTE.LTD., a wholly-owned subsidiary of the Company, in Singapore. Accordingly, MIURA SOUTH EAST ASIA PTE.LTD. was renamed MIURA SINGAPORE CO PTE.LTD.

3. Management Policies

(1) Basic Policies for Corporate Management

Through our original technology, the Miura Group creates beneficial new products and provides services in fields related to the environment and effective utilization of energy. We have set "To bring products with the best price and quality in the world in the fields of energy, water, and the environment." as the basic policy underlying our management.

We will also strive for transparent and efficient management with the aim of maximizing our corporate value, will live up to the expectations and trust of our shareholders and other stakeholders, and at the same time, will work toward sound growth and will fulfill our social responsibilities as a company.

The Miura Group aims to create open workplaces that tie people with trust, solidarity, and pride under the motto "Let's create a workplace that makes it easy and conductive to work." We will engage in the creation of a motivating corporate culture and in human resources development, and will work to strengthen our foundations for continued growth.

(2) Management Indicators as Targets

The Miura Group believes that steadily expanding profits, regardless of the market environment, will lead to the enhancement of our corporate value and the increase of shareholder return. Accordingly, the Group has set increased operating income and ROE (return on equity) of 8% as management targets.

We will work toward improved profitability in the fiscal year ending March 31, 2017, with ¥10,400 million in operating income and ¥7,800 million in profit attributable to owners of parent for the period as our management targets.

(3) Medium- and Long-Term Corporate Management Strategy

In Japan, our Group aims to expand business through the provision of total solutions to customers through our original technology in the fields of energy, water, the environment, air, and electricity. Outside Japan, we will strive to expand the business model we have built up over many years in Japan, including solutions for energy conservation and environmental preservation, and will strengthen our business foundation and improve our earning power. We will also strive for development of new products that meet the needs from the global market and quality improvement sought throughout the design and production processes to promote our company brand.

As a medium-term plan, we will conduct management with the following as our aims. We will draft our medium-term plan using a "rolling method," by which we review the plan in accordance with changes in the management environment every year.

(Million yen)

	Fiscal year ending March 31, 2017	Fiscal year ending March 31, 2018	Fiscal year ending March 31, 2019
Net sales	104,000	113,000	122,000
Operating income	10,400	11,500	12,800

(4) Issues to be Addressed by the Company

(i) Development of New Products

In Japan, we will actively develop new products that provide total solutions for factories and hospitals that can maximize added value for our customers, including not only boilers but also water treatment equipment, food processing equipment, medical equipment, unutilized heat recovery system, environmental analysis equipment, and others. In our marine business, we will move forward with development and improvement of ballast water management system, a promising new market.

(ii) Expansion of Our Japanese Business Model to Overseas Markets

In order to offer the same level of services as we provide in Japan to customers around the world, we will focus efforts on the global expansion of production sites, the enhancement of site networks in each country, online maintenance, and employee education.

(iii) Improvement of Global Business Management

In order to better visualize the state of activities of overseas companies and to improve our earnings, we will introduce the production systems and sales management systems we have developed in Japan to our overseas companies. We will also share the data collected from these systems throughout the Group, build systems able to provide data which is applicable to our global management strategy, and promote systematic operating activities while each nation cooperates.

4. Basic Concepts Concerning the Selection of Accounting Standards

The Miura Group aims to further advance our global management through improvement in our ability to make international comparisons of financial information in capital markets, and through the unification of accounting practices within the Group. We plan to voluntarily apply International Financial Reporting Standards (IFRS) from 1Q of the fiscal year ending March 31, 2018.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2015	As of March 31, 2016
Assets		
Current assets		
Cash and deposits	20,310	30,813
Notes and accounts receivable - trade	24,027	23,693
Electronically recorded monetary claims - operating	1,066	1,976
Lease investment assets	2,065	2,014
Securities	11,873	5,073
Merchandise and finished goods	4,901	4,425
Work in process	2,491	3,117
Raw materials and supplies	5,621	6,239
Deferred tax assets	2,120	2,103
Other	1,074	784
Allowance for doubtful accounts	(73)	(98)
Total current assets	75,480	80,142
Non-current assets		
Property, plant and equipment		
Buildings and structures	34,690	35,914
Accumulated depreciation	(12,877)	(13,781)
Buildings and structures, net	21,812	22,133
Machinery, equipment and vehicles	8,128	8,592
Accumulated depreciation	(4,759)	(5,324)
Machinery, equipment and vehicles, net	3,368	3,268
Land	11,674	11,685
Leased assets	90	81
Accumulated depreciation	(32)	(40)
Leased assets, net	58	40
Construction in progress	859	627
Other	7,283	7,463
Accumulated depreciation	(5,782)	(5,932)
Other, net	1,501	1,531
Total property, plant and equipment	39,275	39,286
Intangible assets	659	685
Investments and other assets		
Investment securities	11,072	13,437
Net defined benefit asset	1,651	1,031
Deferred tax assets	76	56
Long-term time deposits	100	60
Other	1,240	1,194
Allowance for doubtful accounts	(32)	(34)
Total investments and other assets	14,109	15,746
Total non-current assets	54,044	55,718
Total assets	129,525	135,861

(Million yen)

	As of March 31, 2015	As of March 31, 2016
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,201	3,499
Short-term loans payable to subsidiaries and associates	30	30
Income taxes payable	1,174	2,172
Advances received	7,865	8,296
Provision for product warranties	634	700
Provision for bonuses	3,522	3,709
Provision for shareholder benefit program	37	34
Provision for environmental measures	9	—
Asset retirement obligations	13	6
Other	7,308	7,834
Total current liabilities	23,798	26,284
Non-current liabilities		
Deferred tax liabilities	1,628	1,777
Provision for directors' retirement benefits	55	65
Net defined benefit liability	445	385
Other	380	302
Total non-current liabilities	2,508	2,531
Total liabilities	26,307	28,816
Net assets		
Shareholders' equity		
Capital stock	9,544	9,544
Capital surplus	10,088	10,097
Retained earnings	86,306	91,212
Treasury shares	(7,056)	(7,042)
Total shareholders' equity	98,883	103,811
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,560	3,221
Foreign currency translation adjustment	3,030	1,381
Remeasurements of defined benefit plans	(1,483)	(1,874)
Total accumulated other comprehensive income	4,108	2,728
Subscription rights to shares	205	246
Non-controlling interests	21	258
Total net assets	103,218	107,044
Total liabilities and net assets	129,525	135,861

(2) Consolidated Statements of (Comprehensive) Income

(Consolidated Statements of Income)

(Million yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Net sales	90,424	99,019
Cost of sales	53,380	58,825
Gross profit	37,044	40,194
Selling, general and administrative expenses	28,032	29,974
Operating income	9,011	10,220
Non-operating income		
Interest income	155	201
Dividend income	148	163
Rent income	394	401
Foreign exchange gains	549	—
Subsidy income	150	131
Other	419	264
Total non-operating income	1,817	1,161
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	—	446
Other	29	48
Total non-operating expenses	29	494
Ordinary income	10,799	10,887
Extraordinary income		
Gain on sales of non-current assets	10	138
Gain on bargain purchase	—	102
Total extraordinary income	10	240
Extraordinary losses		
Loss on sales of non-current assets	57	2
Loss on retirement of non-current assets	83	44
Loss on valuation of investment securities	5	—
Loss on valuation of shares of subsidiaries and associates	87	—
Loss on sales of shares of subsidiaries and associates	15	—
Total extraordinary losses	249	47
Profit before income taxes	10,559	11,080
Income taxes - current	3,006	3,591
Income taxes - deferred	87	13
Total income taxes	3,094	3,604
Profit	7,465	7,476
Profit attributable to non-controlling interests	0	—
Profit attributable to owners of parent	7,464	7,476

(Consolidated Statements of Comprehensive Income)

(Million yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Profit	7,465	7,476
Other comprehensive income		
Valuation difference on available-for-sale securities	1,700	660
Foreign currency translation adjustment	1,627	(1,531)
Remeasurements of defined benefit plans, net of tax	(120)	(356)
Total other comprehensive income	3,206	(1,227)
Comprehensive income	10,672	6,249
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,669	6,252
Comprehensive income attributable to non-controlling interests	2	(2)

(3) Consolidated Statements of Changes in Equity

Previous consolidated fiscal year (April 1, 2014 – March 31, 2015)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	9,544	10,088	78,552	(7,053)	91,132
Cumulative effects of changes in accounting policies			2,538		2,538
Restated balance	9,544	10,088	81,090	(7,053)	93,670
Changes of items during period					
Dividends of surplus			(2,249)		(2,249)
Profit attributable to owners of parent			7,464		7,464
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares					—
Change of scope of consolidation					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	5,215	(2)	5,212
Balance at end of current period	9,544	10,088	86,306	(7,056)	98,883

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	860	1,405	(1,362)	903	122	18	92,177
Cumulative effects of changes in accounting policies							2,538
Restated balance	860	1,405	(1,362)	903	122	18	94,715
Changes of items during period							
Dividends of surplus							(2,249)
Profit attributable to owners of parent							7,464
Purchase of treasury shares							(2)
Disposal of treasury shares							—
Change of scope of consolidation							—
Net changes of items other than shareholders' equity	1,700	1,625	(120)	3,204	82	2	3,289
Total changes of items during period	1,700	1,625	(120)	3,204	82	2	8,502
Balance at end of current period	2,560	3,030	(1,483)	4,108	205	21	103,218

Consolidated fiscal year (April 1, 2015 – March 31, 2016)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	9,544	10,088	86,306	(7,056)	98,883
Changes of items during period					
Dividends of surplus			(2,362)		(2,362)
Profit attributable to owners of parent			7,476		7,476
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		10		20	30
Changing of fiscal year of consolidated subsidiaries			(208)		(208)
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(1)		(5)	(6)
Net changes of items other than shareholders' equity					
Total changes of items during period	–	8	4,906	13	4,928
Balance at end of current period	9,544	10,097	91,212	(7,042)	103,811

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	2,560	3,030	(1,483)	4,108	205	21	103,218
Changes of items during period							
Dividends of surplus							(2,362)
Profit attributable to owners of parent							7,476
Purchase of treasury shares							(1)
Disposal of treasury shares							30
Changing of fiscal year of consolidated subsidiaries							(208)
Change in treasury shares of parent arising from transactions with non-controlling shareholders							(6)
Net changes of items other than shareholders' equity	660	(1,649)	(391)	(1,379)	40	236	(1,102)
Total changes of items during period	660	(1,649)	(391)	(1,379)	40	236	3,826
Balance at end of current period	3,221	1,381	(1,874)	2,728	246	258	107,044

(4) Consolidated Statements of Cash Flows

(Million yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Cash flows from operating activities		
Profit before income taxes	10,559	11,080
Depreciation	2,546	2,855
Retirement benefit expenses	750	900
Increase (decrease) in net defined benefit asset	(555)	(637)
Increase (decrease) in net defined benefit liability	(9)	(130)
Increase (decrease) in allowance for doubtful accounts	7	39
Increase (decrease) in provision for bonuses	(543)	240
Share-based compensation expenses	82	71
Interest and dividend income	(303)	(364)
Interest expenses	0	0
Foreign exchange losses (gains)	(468)	186
Loss (gain) on valuation of investment securities	5	—
Loss on valuation of shares of subsidiaries and associates	87	—
Loss (gain) on sales of shares of subsidiaries and associates	15	—
Loss (gain) on sales and retirement of property, plant and equipment	131	(91)
Loss (gain) on sales and retirement of intangible assets	—	0
Decrease (increase) in notes and accounts receivable - trade	(740)	(1,045)
Decrease (increase) in inventories	(1,407)	(418)
Increase (decrease) in notes and accounts payable - trade	205	456
Increase (decrease) in advances received	1,158	269
Other, net	1,542	261
Subtotal	13,061	13,676
Interest and dividend income received	312	363
Interest expenses paid	(0)	(0)
Income taxes paid	(4,411)	(2,541)
Net cash provided by (used in) operating activities	8,963	11,498
Cash flows from investing activities		
Payments into time deposits	(9,718)	(16,988)
Proceeds from withdrawal of time deposits	10,335	10,107
Payments of loans receivable	(219)	(2)
Collection of loans receivable	21	6
Purchase of securities	(6,872)	(12,500)
Proceeds from sales and redemption of securities	11,372	15,200
Purchase of investment securities	(2)	(813)
Proceeds from sales and redemption of investment securities	1,412	—
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	(8)	—
Purchase of shares of subsidiaries and associates	(316)	(652)
Purchase of property, plant and equipment	(6,597)	(2,615)
Proceeds from sales of property, plant and equipment	256	377
Other, net	(325)	(112)
Net cash provided by (used in) investing activities	(661)	(7,993)

(Million yen)	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	10	—
Repayments of lease obligations	(6)	(13)
Purchase of treasury shares	(2)	(1)
Proceeds from sales of treasury shares	—	0
Cash dividends paid	(2,246)	(2,359)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(22)
Net cash provided by (used in) financing activities	(2,245)	(2,396)
Effect of exchange rate change on cash and cash equivalents	782	(355)
Net increase (decrease) in cash and cash equivalents	6,837	752
Cash and cash equivalents at beginning of period	16,922	23,760
Increase in cash and cash equivalents from newly consolidated subsidiary	—	108
Increase (decrease) in cash and cash equivalents resulting from changes in accounting period of subsidiaries	—	(746)
Cash and cash equivalents at end of period	23,760	23,874

(5) Notes Concerning Consolidated Financial Statements

(Note Related to Premise of Going Concern)

No relevant matters apply.

(Basic Important Matters for the Preparation of Consolidated Financial Statements)

<Matters Related to the Scope of Consolidation>

As the ownership ratio has increased, NIWA KOUGYO CO.,LTD has been included in the scope of consolidation from the consolidated fiscal year under review.

<Matters Related to the Application of the Equity Method>

As the ownership ratio has increased, AIMU CO.,LTD. has been included in the scope of the application of the equity method from the consolidated fiscal year under review.

<Matters Related to the Fiscal Years, etc. of Consolidated Subsidiaries>

To achieve more appropriate disclosure of consolidated financial information, from the consolidated fiscal year under review we have changed the closing date for KOREA MIURA CO.,LTD. and five other companies to March 31. With regard to MIURA INDUSTRIES (SUZHOU) CO.,LTD., we performed a provisional settlement of account on March 31, the consolidated closing date, and have switched to a consolidation method.

As a result of this change in settlement period, we have adjusted profit and loss for the period from January 1, 2015 to March 31, 2015 and recorded reduction of ¥208 million in retained earnings.

Furthermore, as the closing date for NIWA KOUGYO CO.,LTD is December 31, we performed a provisional settlement of account on March 31, the consolidated closing date, and a consolidation.

(Changes in Accounting Policy)

<Application of Accounting Standards, Related to Business Combination, etc.>

“Revised Accounting Standards for Business Combinations” (Accounting Standards Board of Japan Statement No. 21, September 13, 2013; hereafter “Business Combination Accounting Standard”), “Revised Accounting Standard for Consolidated Financial Statements” (Accounting Standards Board of Japan Statement No. 22, September 13, 2013; hereafter “Consolidated Accounting Standard”), and “Revised Accounting Standard for Business Divestures” (Accounting Standards Board of Japan Statement No. 7, September 13, 2013; hereafter “Business Divesture Accounting Standard”), and other standards have been applied from the fiscal year under review. As a result, the method of recording the amount of difference caused by changes in the Company’s ownership interests in subsidiaries in the case of subsidiaries under ongoing control of the Company was changed to one in which it is recorded as capital surplus, and the method of recording acquisition-related costs was changed to one in which they are recognized as expenses for the fiscal year in which they are incurred. In addition, with regard to business combination conducted on or after the beginning of the fiscal year under review, we have changed to the method of reviewing the allocation of acquisition cost in accordance with a provisional accounting settlement, and reflecting this in the consolidated financial statements for the consolidated fiscal year containing the date of business combination. In addition, we are carrying out a change in the indication of net income etc. for the period under review, etc. and a change in indication from minority interests to non-controlling interests. In order to reflect the changes in the indications, we are conducting a reorganization of our consolidated financial statements for the previous consolidated fiscal year.

With regard to the application of the Business Combination Accounting Standard, etc., we conform to the transitional handling specified in the Accounting Standards Board of Japan Statement No. 58-2 (4), the Consolidated Accounting Standard No. 44-5 (4), and the Business Divesture Accounting Standard 57-4 (4), applying this from the beginning of the consolidated fiscal year and in perpetuity.

The effect from this is negligible.

In the statement of consolidated cash flows for the fiscal year under review, cash flow related to the acquisition or sale of subsidiaries' shares not accompanying the change of scope of consolidation is noted in the category "Cash flows from financing activities."

(Segment Information, etc.)

[Segment Information]

1. General Information on Reporting Segments

   Financial information which is broken down within each component unit is available for the Miura Group's reporting segments. The information is subject to regular review by the Board of Directors in order to make decisions about resources to be allocated and to assess performance.

   Our Group is engaged primarily in the manufacture, sales, and maintenance of boilers and related equipment. The Company and domestic affiliated companies undertake our domestic business, and our overseas affiliated companies undertake our overseas business. Each of our local subsidiaries is an independent management unit that proposes comprehensive strategy for the products it handles in each region and engages in business activities.

   Accordingly, our Group is composed of domestic and overseas segments founded upon a manufacturing, sales, and maintenance framework, with Domestic Manufacturing and Sales of Products, Domestic Maintenance, Overseas Manufacturing and Sales of Products, and Overseas Maintenance as our reporting segments.

2. Valuation and Calculation Methods for Net Sales, Profit and Loss, Assets, Liabilities, and Other Items in Each Reporting Segment

   The accounting methods used for the reporting business segments are generally the same as the methods used for the creation of consolidated financial statements.

   Profits in reporting segments are valued on an operating income basis.

   Internal income and transfers among segments are based on transaction prices among third parties.

3. Information about sales, profit or loss, assets and liabilities, and other items by reportable segment

Fiscal year ended March 31, 2015 (Million yen)

	Domestic (Note 1)		Overseas (Note 1)		Total	Reconciliations (Note 2)	Consolidated (Note 3)
	Manufacturing and Sales of Products	Maintenance	Manufacturing and Sales of Products	Maintenance			
Net Sales							
Sales to external customers	48,842	25,755	12,603	3,222	90,424	―	90,424
Intersegment sales or transfers	1,746	80	255	―	2,082	(2,082)	―
Total	50,588	25,835	12,859	3,222	92,507	(2,082)	90,424
Segment profit (loss)	2,171	5,911	816	(145)	8,753	258	9,011
Segment assets	47,443	18,062	12,745	1,417	79,668	49,857	129,525
Other items							
Depreciation	1,561	181	364	52	2,160	385	2,546
Increase in property, plant and equipment and intangible assets	4,901	566	511	66	6,045	469	6,515

(Notes)
1. The "Domestic" and "Overseas" categories among the reporting segments pertain to the business activities of domestic consolidated companies and overseas consolidated companies, respectively.
2. Reconciliations of segment profit (loss) include the elimination of internal transactions among segments. Reconciliations of segment assets primarily include surplus operating assets (cash and securities), long-term investment assets (investment securities), and assets, etc. pertaining to management divisions in the filing companies.
3. Segment profit (loss) is adjusted for operating income on the consolidated financial statements.

Fiscal year ended March 31, 2016 (Million yen)

	Domestic (Note 1)		Overseas (Note 1)		Total	Reconciliations (Note 2)	Consolidated (Note 3)
	Manufacturing and Sales of Products	Maintenance	Manufacturing and Sales of Products	Maintenance			
Net Sales							
Sales to external customers	51,956	27,050	16,026	3,986	99,019	―	99,019
Intersegment sales or transfers	1,993	94	167	32	2,288	(2,288)	―
Total	53,949	27,145	16,194	4,018	101,308	(2,288)	99,019
Segment profit (loss)	2,549	6,362	1,253	(371)	9,794	426	10,220
Segment assets	49,065	18,142	11,638	1,573	80,420	55,440	135,861
Other items							
Depreciation	1,666	273	447	58	2,446	409	2,855
Increase in property, plant and equipment and intangible assets	2,154	397	209	28	2,790	822	3,612

(Notes)
1. The "Domestic" and "Overseas" categories among the reporting segments pertain to the business activities of domestic consolidated companies and overseas consolidated companies, respectively.
2. Reconciliations of segment profit (loss) include the elimination of internal transactions among segments. Reconciliations of segment assets primarily include surplus operating assets (cash and securities), long-term investment assets (investment securities), and assets, etc. pertaining to management divisions in the filing companies.
3. Segment profit (loss) is adjusted for operating income on the consolidated financial statements.

(Per Share Information)

(Yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Net assets per share	915.75	947.00
Net income per share	66.37	66.46
Diluted net income per share	66.23	66.30

(Note) The basis for calculation

1. Net assets per share

	As of March 31, 2015	As of March 31, 2016
	Million yen	Million yen
Total net assets	103,218	107,044
Net assets available for common shares	102,991	106,540
The main breakdown of the difference		
Subscription rights to shares	205	246
Non-controlling interests	21	258
	Thousand shares	Thousand shares
Number of shares outstanding of common shares	125,291	125,291
Number of treasury shares of common shares	12,824	12,788
Number of shares of common shares used for calculating net assets per share	112,466	112,502

2. Net income per share and diluted net income per share

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2016
Net income per share		
	Million yen	Million yen
Profit attributable to owners of parent	7,464	7,476
Profit attributable to owners of parent available for common shares	7,464	7,476
Amount not allocable to common shareholders	—	—
	Thousand shares	Thousand shares
Weighted-average number of common shares outstanding for the period	112,467	112,493
Diluted net income per share		
	Million yen	Million yen
Adjustments to profit attributable to owners of parent	—	—
Main components of increase in number of common shares used to calculate diluted net income per share	Thousand shares	Thousand shares
Stock option using treasury shares acquisition	—	—
Stock option using stock acquisition rights	240	272
Increase in number of common shares	240	272
Residual securities not included in calculation of diluted net income per share due to being non-dilutive	—	—

3. In October 2014, the Company conducted a 3-for-1 common stock split. "Net assets per share", "Net income per share" and "Diluted net income per share" are calculated on the assumption that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(Important Subsequent Events)

Not applicable.

(Omission of Disclosure)

Notes Regarding the Accounting Standards yet to be Applied, Changes in Presentation, Consolidated Balance Sheets, Consolidated Statements of Income, Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, Lease Transactions, Financial Instruments, Securities, Derivative Transactions, Retirement Benefits, Stock Options, Tax Effect Accounting, Business Combinations, Asset Retirement Obligations, Rental Property and Other Real Estate, Transactions with Parties Concerned, are omitted because the necessity to disclose them in this summary of consolidated financial results is deemed to be slight.