MIURA Co., Ltd.,
Financial Summary and MIURA Growth Strategy

May 25th and 26th, 2016

MIURA Co., Ltd.,
President & CEO Daisuke MIYACUHII

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Date 2016.5.25
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<th></th>
</tr>
</thead>
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<td>35</td>
</tr>
</tbody>
</table>

**Attention**

The future prospects of the business results, etc., described in this material is based on information that the Company has acquired as of the announcement date of financial report, and there is a possibility that actual business results, etc., will be materially different depending on various factors. Please note that although the Company has made careful efforts to ensure the accuracy of the content of this document, we assume no responsibility for any damage arising from use of this data.
1. Company Profile
Company Profile

<table>
<thead>
<tr>
<th>Company Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
</tr>
<tr>
<td>Established</td>
</tr>
</tbody>
</table>
| Group Company | Japan 8 companies (Includes 5 consolidated companies) 
Abroad 14 companies (Includes 8 consolidated companies) 
※ As of March 31st 2016 |
| Employees | Consolidated 4,665 employees 
Group Total 4,774 employees (Includes 1,269 employees in abroad) |
| Business | Manufacturing, Sales and Maintenance of Equipment |
| Rating | A Rating (Rating and Investment Information, Inc.) |

[Consolidated Net Sales] Unit: Million of yen

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Sales</th>
<th>Ordinary Income</th>
<th>Net Income</th>
<th>Capital Ratio</th>
<th>Net Assets per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2014</td>
<td>Million yen</td>
<td>90,424</td>
<td>10,799</td>
<td>7,464</td>
<td>79.5</td>
</tr>
<tr>
<td>FY2015</td>
<td>Million yen</td>
<td>99,019</td>
<td>10,887</td>
<td>7,476</td>
<td>78.4</td>
</tr>
<tr>
<td>FY2016 (Forecast)</td>
<td>Million yen</td>
<td>104,000</td>
<td>11,400</td>
<td>7,800</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>79.5</td>
<td>78.4</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yen</td>
<td>915.75</td>
<td>947.00</td>
<td>–</td>
<td></td>
</tr>
</tbody>
</table>

<Forecast>
2. FY2015 Summary Overview
2 FY2015 Summary Overview

Consolidated Result

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016 - Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>90,424</td>
<td>99,019</td>
<td>104,000</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>53,380</td>
<td>58,825</td>
<td>61,600</td>
</tr>
<tr>
<td>SG &amp; A expenses</td>
<td>28,032</td>
<td>29,974</td>
<td>32,000</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>9,011</td>
<td>10,220</td>
<td>10,400</td>
</tr>
<tr>
<td>Ordinary Profit</td>
<td>10,799</td>
<td>10,887</td>
<td>11,400</td>
</tr>
<tr>
<td>Net Income</td>
<td>7,464</td>
<td>7,476</td>
<td>7,800</td>
</tr>
</tbody>
</table>

[Unit: Million of yen]

Overview of Financial Summary

Domestic | Boilers, related equipment, and Marine boilers are in good demand
- Increased sales in chemical and paper industries
- Increased Marine product (Ballast water management system) sales

Overseas | Proactive sales in China, South Korea and the US, Yen depreciation
- Switch from coal-fired boilers in China, Increased sales for Chaebol in South Korea
- Expand our maintenance network, Selling maintenance contracts to major companies
- Increased personnel expensive and research funds for ballast management system and new products
Analysis of Domestic Sales

Unit: Billion of yen

- Water treatment equipment & Chemicals
  - FY2014: 3.3
  - FY2015: 2.6
  - FY2016 (Plan): 3.0

- Marine equipment
  - FY2014: 5.6
  - FY2015: 7.5
  - FY2016 (Plan): 9.7

- Food & Medical equipment
  - FY2014: 9.0
  - FY2015: 8.8
  - FY2016 (Plan): 9.5

- Specialized equipment
  - FY2014: 2.6
  - FY2015: 3.3
  - FY2016 (Plan): 3.3

- Others
  - FY2014:
  - FY2015: 1.7
  - FY2016 (Plan): 1.8

【Next fiscal year】 Ballast water management system will increase.

【This year】 Increased sales of marine boilers and specialized equipment (Exhaust gas boiler)

※Others: New Business, Environment
FY2015 Summary Overview

Overseas Sales

Unit: Billion of yen

<table>
<thead>
<tr>
<th>Year</th>
<th>Overseas Sales</th>
<th>Domestic Sales</th>
<th>Overseas Sales Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2014</td>
<td>75</td>
<td>15.8</td>
<td>17.4%</td>
</tr>
<tr>
<td>FY2015</td>
<td>99.0</td>
<td>79</td>
<td>20.2%</td>
</tr>
<tr>
<td>FY2016</td>
<td>104.0</td>
<td>83</td>
<td>20.2%</td>
</tr>
</tbody>
</table>
Analysis of factors for increasing overseas sales

The impact of exchange rate, but overall sales increased.

Unit: Billion of yen

<table>
<thead>
<tr>
<th>Year</th>
<th>Currency Exchange</th>
<th>Actual Increase</th>
<th>Currency Exchange</th>
<th>Actual Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/3</td>
<td>15.8</td>
<td>1.27</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016/3</td>
<td></td>
<td>20</td>
<td>-2.72</td>
<td>3.72</td>
</tr>
<tr>
<td>2017/3</td>
<td></td>
<td></td>
<td></td>
<td>21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Currency (average rate)</th>
<th>FY2014</th>
<th>FY2015</th>
<th>Planned rate in FY2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>106.46</td>
<td>120.15</td>
<td>105.00</td>
</tr>
<tr>
<td>CAD</td>
<td>96.07</td>
<td>91.84</td>
<td>85.00</td>
</tr>
<tr>
<td>Yuan</td>
<td>17.26</td>
<td>18.86</td>
<td>16.00</td>
</tr>
<tr>
<td>WON (100W)</td>
<td>10.13</td>
<td>10.42</td>
<td>9.50</td>
</tr>
<tr>
<td>Rupiah (100Rp)</td>
<td>0.90</td>
<td>0.89</td>
<td>0.80</td>
</tr>
<tr>
<td>TWD</td>
<td>3.50</td>
<td>3.75</td>
<td>3.50</td>
</tr>
</tbody>
</table>
2 FY2015 Summary Overview

<table>
<thead>
<tr>
<th>Overseas Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit: Billion of yen</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>3.3</td>
<td>4.3</td>
<td>4.7</td>
</tr>
<tr>
<td>South Korea</td>
<td>5.8</td>
<td>6.6</td>
<td>6.0</td>
</tr>
<tr>
<td>China</td>
<td>4.2</td>
<td>6.7</td>
<td>7.3</td>
</tr>
<tr>
<td>ASEAN, Taiwan</td>
<td>2.5</td>
<td>2.4</td>
<td>3.0</td>
</tr>
</tbody>
</table>
2 FY2015 Summary Overview

Main Overseas Sales (Based on a local currency)

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>South Korea</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unit:</td>
<td>Million of USD</td>
<td>Billion of Won</td>
<td>Million of yuan</td>
</tr>
<tr>
<td>FY2014</td>
<td>25.76</td>
<td>56.7</td>
<td>246</td>
</tr>
<tr>
<td>FY2015</td>
<td>31.05</td>
<td>63.6</td>
<td>355</td>
</tr>
<tr>
<td>FY2016</td>
<td>33.60</td>
<td>63.2</td>
<td>456</td>
</tr>
</tbody>
</table>
Business Investment

【Capital investment】
[Unit : Million of yen]

<table>
<thead>
<tr>
<th>Year</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>5,093</td>
<td>6,515</td>
<td>3,618</td>
<td>5,893</td>
</tr>
</tbody>
</table>

【Depreciation and amortization】
[Unit : Million of yen]

<table>
<thead>
<tr>
<th>Year</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2,174</td>
<td>2,535</td>
<td>2,855</td>
<td>3,009</td>
</tr>
</tbody>
</table>

【Investment for facilities in FY2014】
- Factory for marine equipment
- Factory for water treatment equipment

【Investment for facilities in FY2015】
- Branch office in Fukuoka
- Factory for boiler components

【Investment for facilities in FY2016】
- New building in Head Quarter
- Land acquisition for Sales office buildings
- Renovating factory for environment analysis equipment
3. Profit Share and Stock
3 Profit Share and Stock

① Sustain **Stable** Dividends
② Targeting **30%** of the consolidated payout ratio

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Middle</td>
<td>10 yen</td>
<td>10 yen</td>
</tr>
<tr>
<td>End</td>
<td>11 yen</td>
<td>12 yen</td>
</tr>
<tr>
<td>Total</td>
<td>21 yen</td>
<td>22 yen -Forecast</td>
</tr>
</tbody>
</table>

【Changes in dividend per share】

(Yen) 22

Middle  End

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>6.67</td>
<td>6.67</td>
<td>7</td>
<td>8.67</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.67</td>
<td>11.33</td>
<td>11.33</td>
<td>11.33</td>
<td>11.33</td>
<td>11.33</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>6.67</td>
<td>7</td>
<td>6.67</td>
<td>7</td>
<td>6.67</td>
<td>7</td>
</tr>
</tbody>
</table>

(Reference)

Holdings of treasury stocks
※ As at March 31, 2016
- Total number of issued share (Without Treasury shares)
  112,503,347 shares
- Treasury Share
  12,787,765 shares
4. Mid-Term Management Plan
Mid-Term Management Planning

Ideal (Business) model 3 years from now

Changes to business environment

Plan for next year
Mid-Term Management plan for next 3 years

Yearly course corrections based on economic fluctuations.

Rolling Plan

To respond to business environment changes, MIURA updates its three-years Mid-Term Management plan every year.

<table>
<thead>
<tr>
<th>Rolling Plan</th>
<th>Mid-Term Management Plan 2016</th>
<th>Mid-Term Management Plan 2017</th>
<th>Mid-Term Management Plan 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016</td>
<td>2016–2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2017</td>
<td></td>
<td>2017–2019</td>
<td></td>
</tr>
<tr>
<td>FY 2018</td>
<td></td>
<td></td>
<td>2018–2020</td>
</tr>
<tr>
<td>FY 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2020</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Mid-Term Management Plan for FY2016

<table>
<thead>
<tr>
<th>Unit: Billion of yen</th>
<th>FY 2015</th>
<th>FY 2016 Plan</th>
<th>FY 2017 Plan</th>
<th>FY 2018 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>99.0</td>
<td>104</td>
<td>113</td>
<td>122</td>
</tr>
<tr>
<td>Operating profit</td>
<td>10.2</td>
<td>10.4</td>
<td>11.5</td>
<td>12.8</td>
</tr>
</tbody>
</table>

### Sales and Profit Trends

<table>
<thead>
<tr>
<th>Period</th>
<th>Sales</th>
<th>Profit</th>
<th>Sales Growth</th>
<th>Profit Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>16/3</td>
<td>79.0</td>
<td>20.0</td>
<td>20.20%</td>
<td></td>
</tr>
<tr>
<td>17/3</td>
<td>83.0</td>
<td>21.0</td>
<td>20.19%</td>
<td></td>
</tr>
<tr>
<td>18/3</td>
<td>88.0</td>
<td>25.0</td>
<td>22.12%</td>
<td></td>
</tr>
<tr>
<td>19/3</td>
<td>92.5</td>
<td>29.5</td>
<td>24.18%</td>
<td>25%</td>
</tr>
</tbody>
</table>

- **Overseas**
- **Domestic**
- **Overseas sales ratio**
### Growth Strategy for Mid-Term Management Plan

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016 Plan</th>
<th>FY 2017 Plan</th>
<th>FY 2018 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>790</td>
<td>830</td>
<td>880</td>
<td>925</td>
</tr>
<tr>
<td>Boiler</td>
<td>550</td>
<td>555</td>
<td>560</td>
<td>565</td>
</tr>
<tr>
<td>Aqua</td>
<td>26</td>
<td>30</td>
<td>35</td>
<td>40</td>
</tr>
<tr>
<td>Marine equipment</td>
<td>75</td>
<td>97</td>
<td>120</td>
<td>140</td>
</tr>
<tr>
<td>Food &amp; Medical equipment</td>
<td>88</td>
<td>95</td>
<td>105</td>
<td>110</td>
</tr>
<tr>
<td>Specialized equipment</td>
<td>33</td>
<td>33</td>
<td>38</td>
<td>45</td>
</tr>
<tr>
<td>Others</td>
<td>18</td>
<td>20</td>
<td>22</td>
<td>25</td>
</tr>
<tr>
<td><strong>Overseas</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>210</td>
<td>250</td>
<td>295</td>
</tr>
<tr>
<td>North &amp; South America</td>
<td>43</td>
<td>47</td>
<td>60</td>
<td>70</td>
</tr>
<tr>
<td>South Korea</td>
<td>66</td>
<td>60</td>
<td>60</td>
<td>65</td>
</tr>
<tr>
<td>China</td>
<td>67</td>
<td>73</td>
<td>90</td>
<td>110</td>
</tr>
<tr>
<td>ASEAN, Taiwan</td>
<td>24</td>
<td>30</td>
<td>40</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>990</td>
<td>1,040</td>
<td>1,130</td>
<td>1,220</td>
</tr>
</tbody>
</table>
5. Sales Strategy for Beer Manufacturers
One example of global expansion
World Beer Company Share (As at 2014)

- **Z-User** (MIURA’s customer)
- **Japanese Beer company is Approx. 4% of the world**
- **Anheuser-Busch InBev (Belgium)** 20.8%
- **SABMiller (UK)** 9.7%
- **Heineken (Netherland)** 9.1%  ※ Plan to install this year
- **Carlsberg (Danmark)** 6.1%
- **China Resources Beer (China)** 6.0%  The joint venture between SABMiller and China Resources Enterprise, which is the best-selling beer brand “Snow Flake beer” in China
- **Yanjing Beer (China)** 2.8%
- **Molson Coors (US)** 3.2%
- **Suntory** 0.9%
- **Asahi Beer** 1.2%
- **Kirin Beer** 2.3%

Notes: Both OB Beer in South Korea (AB- inBev owned) and Kloud (Lotte) are MIURA Users.

According to a survey by “EUROMONITOR INTERNATIONAL”
**Boiler Usage in Beer Factory**

**Brewing process**

1. **Malting**
   - Germinate two-row barley and they are turned into malt.

2. **Mashing**
   - Mill mash.
   - Add Hot-Water and cook.

3. **Lautering**
   - Filter mashed wort.

4. **Boiling**
   - Add hops to wort
   - **Cook** about 90 minutes.

5. **Fermenting, Conditioning**
   - Add hops into wort. Alcohol and carbon dioxide are generated. Being conditioned in the cooler tank for 1-2 months.

6. **Filtration**
   - Remove hops and protein.

7. **Packaging**
   - Put the beer into Cleaned Bottle.
   - After inspection, only passed bottles are shipped out.

*Beer factory need large boiler system*
MIURA Abroad with Beer production

Vietnam was 10th = 1 bottle World beer production image.

According to a survey by “Beer production of world’s major countries in 2014, Kirin Beer University” Beer, Hāppō-shū and new genres are all included in Japan.
Sales Strategy for Beer Manufacturers <China>

Strategy for Beer Companies in China — Sales FY2015 —

Beer production share in China 4921.85万kl/year (2014)

① Snowflake Beer
- 129 units
- 396.5 t/h
- 25/86

② Anheuser-Busch InBev
- 155 units
- 520.5 t/h
- 27/53

③ Tsingtao Brewery
- 44 units
- 132 t/h
- 7/62

④ Yanjing Brewery
- 0 units
- 0 t/h
- 0/34

⑤ Carlsberg
- 59 units
- 225.4 t/h
- 11/29

⑥ Zhujiang Beer
- 5 units
- 10 t/h
- 1/16

Others
- 25 units
- 47.4 t/h
- 2/211

FY2016 Installing to large-scale plant!

China accounts for 24% of world beer consumption
Gas Emission regulations for Boilers

- Newly-installed Gas-fired boilers NOx regulation
  - 400 mg/m³: National standards before 2014
  - 200 mg/m³: National standard in July, 2014
  - 150 mg/m³: Shanghai in October, 2014
  - 80 mg/m³: Beijing in July, 2015
  - 30 mg/m³: Beijing in April, 2017 (US specification)

MIURA can support

- Standard specification
- Low-NOx specification
- LX specification

Tokyo’s emissions converted to China’s standards 120 mg/m³

Extremely strict regulation will be introduced

US specification boilers are suitable.

Proposing to major companies in China and Japanese-affiliated companies.
Gas Network in China

- Starting supply in 2019
- Central Asia pipe line

4th Central Asia pipe line will be operated in 2020.

- Russia
- Carriage by sea
- Myanmar
6. Market Development in Brazil
### Basic Data

<table>
<thead>
<tr>
<th></th>
<th>Brazil</th>
<th>Japan</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population(million)</td>
<td>204.45</td>
<td>126.96</td>
<td>161%</td>
</tr>
<tr>
<td>Working population(million)</td>
<td>approx. 107</td>
<td>Approx. 63</td>
<td>248%</td>
</tr>
<tr>
<td>National land(10,000km²)</td>
<td>851.5</td>
<td>37.8</td>
<td>22.5 times</td>
</tr>
<tr>
<td>G D P (Billion of USD)</td>
<td>1,772.59</td>
<td>4,123.26</td>
<td>30.7%</td>
</tr>
</tbody>
</table>

According to a survey by IMF-World Economic Outlook Databases (April 2016)
Working population : data from global note in 2014

---

**Economics**

The world’s 9th and the largest economy among all countries in South America.

< Economic growth rate >

- 2014 0.1%
- 2015 ▲3.8%
- 2016 ▲2.9% - forecast
(According to “Brazil Ministry of planning, budget and management in Feb. 2016”)

< Inflation rate >

- 2015 Cumulatively 10.71%
  (According to “Brazilian Institute of Geography and Statistics”)

---

**MERCOSUR members**

Eliminate intra-regional tariffs and common external tariffs

- Intra-regional population Approx. 410 million
- Intra-regional GDP approx. 4.2 trillion USD

Data from Ministry of Foreign Affairs of Japan
MIURA BOILER BRAZIL LTD.

This factory was newly established to strengthen our competitiveness in Brazil.

**Factory**

<table>
<thead>
<tr>
<th>Location</th>
<th>Jundiai/Sao Paulo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start operation</td>
<td>March, 2016</td>
</tr>
<tr>
<td>Site area</td>
<td>2,250 m²</td>
</tr>
<tr>
<td>Floor area</td>
<td>1,550 m²</td>
</tr>
<tr>
<td>Investment value</td>
<td>Approx. 5 hundred million yen</td>
</tr>
</tbody>
</table>

**MIURA BOILER BRAZIL LTD.**

<table>
<thead>
<tr>
<th>Established</th>
<th>April 16(^{th}), 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital</td>
<td>1,200,000 R$ (Approx. 37million yen)</td>
</tr>
<tr>
<td>Employees</td>
<td>22 employees</td>
</tr>
<tr>
<td>Business</td>
<td>Manufacturing, sales and maintenance of boilers</td>
</tr>
</tbody>
</table>
Market Development in Brazil

Boiler Market

The competitive edge and strategy of MIURA Brazil

- Manufacturing technology of high efficiency boilers
- Technology of once-through boilers

- Reduction of the fuel cost
- MIURA original “MI system”

- Trust in Japanese company
- Working with Japanese Gas-distributing companies
- Trust in Japanese high technology

- Expanding supply area of LNG
- Expanding the plan of LNG introduction to local cities

- The introduction of environmental regulation in Sao Paulo
- Subjected as the area of Gas emission regulation in 2013
Market Development in Brazil

Future Prospect

Market in Brazil (estimated)

Approx. 92,000 t/h (Total amount of steam output)

<Target>

Proposing energy conservation solution to Beverage industry

MIURA 40%

Japan Approx. 220,000 t/h (Total amount of steam output)

The world’s 3rd largest Beer producer

Soft drink production Ranking (2008)

Unit: 100kl

<table>
<thead>
<tr>
<th>Country</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>152,690</td>
</tr>
<tr>
<td>Brazil</td>
<td>151,299</td>
</tr>
<tr>
<td>Mexico</td>
<td>149,895</td>
</tr>
<tr>
<td>Germany</td>
<td>116,320</td>
</tr>
<tr>
<td>UK</td>
<td>62,305</td>
</tr>
</tbody>
</table>

Oshiite! SekaiRankingu 2016–Sekai no Toukei–教えて！世界ランキング2016～世界の統計～

Orange juice production Ranking (2010)

Unit: 1000 t

<table>
<thead>
<tr>
<th>Country</th>
<th>Production</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>1440</td>
</tr>
<tr>
<td>US</td>
<td>645</td>
</tr>
<tr>
<td>Mexico</td>
<td>85</td>
</tr>
<tr>
<td>EU</td>
<td>73</td>
</tr>
<tr>
<td>South Africa</td>
<td>22</td>
</tr>
</tbody>
</table>

Reference: USDA 「World Markets and Trade」 (At 65 Degrees Brix)

We’ll make the products for energy, water and environment of the world’s best price and quality ever!
7. Domestic Sales Strategy
Domestic Sales Strategy

What will we offer for the matured market in Japan?

- Maximize efficiency in Boiler
- Unutilized heat recovery equipment
- Steam driven air compressor
- Exhaust gas boiler

Improve energy efficiency throughout the factory

Except Boilers
- Water treatment equipment
- Food processing equipment
- Medical equipment

Marine equipment
- Marine boilers
- Ballast water management system

MIURA Co., Ltd. All Rights Reserved.
Improving energy efficiency in factories for retort curry

- Open retort pouch by compressed air
- Remove chemicals environmental conservation!
- Pressurizing air by compressor
- Saving electricity by using steam power!
- Heat sterilization with spraying hot water.
- Steam driven air compressor
- Boiling water by using steam.
- Retort sterilizer
- Extract heat from waste hot water and use it to heat water for boilers.
- Reuse heat!
- Water treatment equipment
- Boiler feed water heating Unit
- Wastewater after extracting heat
### Ballast Management Convention

<table>
<thead>
<tr>
<th>As of May 6th, 2016</th>
<th>Necessary Condition</th>
<th>Present</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratifying countries</td>
<td>30 countries</td>
<td>49 countries</td>
</tr>
<tr>
<td>Percentage of shipping tonnage capability of ratifies</td>
<td>35%</td>
<td>34.97%</td>
</tr>
<tr>
<td>Likely to Ratify</td>
<td>Finland (0.14%) , Peru (0.04%)</td>
<td></td>
</tr>
</tbody>
</table>

If they ratify the convention, the total percentage is 34.97%. Remaining 0.03% to meet the necessary condition! Expect to meet the necessary condition in 2016 → Coming into effect in 12 months

### FY2016
- Including installed and backlog of orders
- Approx. 300 units

### FY2018-Plan
- Installed 720 units
- Sales estimate 10 billion yen
Certification acquisition schedule of Ballast water management

Ballast Water Management Convention

- Instead of “Pre-enforcement approval of ballast water management system” in March 2014, acquire the “Equivalent designation” from the Ministry of Land, Infrastructure, Transportation and Tourism.
- Expect to acquire in FY2017

USCG Rules

- Ships which pass through US marine area are required to manage ballast water from January 2016 and its standard temporarily applies the rule of “Ballast Water Management Convention”
- Approve AMS which valid for 5 years (Tentative measure of USCG TA acquisition)
  - TA=Type approval

November 2014 (Seawater • Brackish water), March 2016 (Freshwater) acquired approval.
→ If they do not acquire TA, they can navigate everywhere in USCG designated area for 5 years after installation.

Coming into effect in 12 months


Jan. 2021

Temporarily apply the rules
8. Reference
Appropriate location production and sales • Global Sales and Maintenance network

15 companies, 6 factories, Sales and Maintenance in 19 countries

- **Netherlands**: 2012
  - Develop marine equipment sales

- **Turkey**: 2014
  - Europe and CIS CountriesFuture Development

- **South Korea**: 1982
  - Sales in South Korea and Russia

- **US (2 companies)**: 1991
  - Sales in North America and Export to Latin America

- **Canada**: 1987
  - Sales in North America

- **Mexico**: 2011
  - Markets in Latin America

- **Thailand**: 2012
  - Sales in Thailand

- **Singapore (2 companies)**: 2008
  - Hub company in ASEAN

- **ASEAN 10 locations**: 2009
  - Export to ASEAN

- **Indonesia**: 2009
  - Export to ASEAN

- **Vietnam**: 2016
  - Start maintenance service

- **Brazil**: 2012
  - Develop Maintenance Network

- **North America 11 locations**: 1982

※CIS Countries: Commonwealth of Independent States, Republic of Azerbaijan, Republic of Armenia, Republic of Uzbekistan, Republic of Kazakhstan, Kirghiz Republic, Republic of Tadzhikistan, Republic of Turkmenistan, Republic of Belarus, Republic of Moldova, Russia (Turkmenistan and Moldova are associate countries)
**Boiler market share**

- **Japan**
  - Approx. 220K t/h
  - (Total amount of steam output)
  - MIURA: 40%

- **ASEAN**
  - Approx. 175K t/h
  - (Total amount of steam output)
  - 8.5%

- **US**
  - Approx. 430K t/h
  - (Total amount of steam output)
  - 2%

- **China**
  - Approx. 800K t/h
  - (Total amount of steam output)
  - 1%

*Based on Steam Volume*  
1.3%

80% of the market is Coal-fired boilers which is rapidly switching over to natural gas.
What is a Boiler?

Equipment which generates steam. It is **necessary** for factories, schools, hospitals and high-rise buildings.

**Uses** Heating, or process based power generation, sanitation etc...
※Same principal as a kettle.

**Steam Advantages**
- Five times more energy than hot water
- Compressible
- Easily acquired since it uses water
- Recyclable – Water to steam to water
- Sanitary

**Types of boilers**
～Same capacity～
- Once-through Boiler
- Water Tube Boiler
- Fire Tube Boiler
Types of Boilers ~ Same capacity ~

- Once-through boiler
- Water Tube boiler
- Fire Tube boiler
In 1986, MI system patented

MI system (Multiple Installation system)

Once-through boiler design makes energy savings a reality.

- Energy-saving
- Space-saving
- Labor-saving
- Low pollution

Provide steam when needed and only when needed, low operation costs and reduction of CO₂ and NOx.
Example: Energy savings and CO$_2$ reduction with once-through Gas Boiler

< ANA Hotel Matsuyama >

**Fire Tube Boiler**

**Once-through Boiler MI system**

<table>
<thead>
<tr>
<th>Effect</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Efficiency of boiler</td>
<td>61.0% → 90.5%</td>
</tr>
<tr>
<td>2 CO$_2$ Emission</td>
<td>49.3% Cut</td>
</tr>
<tr>
<td>3 Labor – saving</td>
<td>MIURA maintenance contract</td>
</tr>
<tr>
<td>4 Space – saving</td>
<td>Approx. 50% Reduction</td>
</tr>
</tbody>
</table>
Boiler market in Japan

Domestic Boiler Market

- Fire Tube Boiler: 10%
- Water Tube Boiler: 18%
- Once-through Boiler: 72%

Total amount of steam output of the market
Approx. 220K t/h (*) Estimated value

Domestic Once-through boiler market

- MIURA: Share No.1 55%
- Others

Once-through Boiler

Total amount of steam output
Approx. 160K t/h (*) Estimated value

Competitors

- NIPPON THERMOENER CO., LTD
- IHI PACKAGED BOILER CO., LTD
- Hirakawa Corporation
- SAMSON CO., LTD.
- Kawasaki Thermal Engineering Co., Ltd.
- YOSHIMINE CO., LTD.

(Note) The share of once-through boilers is based on MIURA’s investigation and the actual results may differ from them.
MIURA Business Model

The Customer-based business model with total power

- Develop environmental friendly products.

Technology (Product Competitive)

Sales Capabilities

Maintenance skill

- Offer problem solving solutions.

- "Scheduled Maintenance" to maintain boilers’ performance.

The Japanese Society of Mechanical Engineers-Medals for Distinguished Engineers Award

National Innovation Award
In 1989  Started Online Maintenance system

Maintenance Service with high-tech tools

Alarm via NTT・DDI(PHS) line
Consult by phone (Data collection and analysis)
Consult by phone

Boiler with AI
Customer
Office
Forward
ZIS Online center

Travel to customer
Using iPad
Dispatch

Online connected Vessels (As at April 2015) 52,429 units ※Including boilers and others

① Efficient Maintenance
② Improve work place for Service Engineer
MIURA Maintenance Network

<table>
<thead>
<tr>
<th>Offices</th>
<th>Approx. 100 offices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Engineers</td>
<td>Approx. 1,000 engineers</td>
</tr>
</tbody>
</table>

- Head Quarter, Division
- Branch, Sales office
Your best partner for Energy, Water, and Environment

Assist the customers by conserving energy and improving the environment around the world.

Georgia Factory

Hojo Factory

We will make products for energy, water and environment at the best value and quality ever!
Thank you.

熱・水・環境のベストパートナー

MIURA Co., Ltd.
Management Planning Department

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