Financial Result and MIURA Growth Strategy

Daisuke Miyauchi
Representative Director, President & CEO
MIURA CO., LTD.

May 21st, 2019 (Tue)
The future prospects of the business results, etc., described in this financial report are based on the information that the Company has acquired as of the announcement date of the report, and there is a possibility that actual business results will be materially different due to various factors. Please note that although the Company has made continuous 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**

**Name**  
MIURA CO., LTD.

**Location**  
7 Horie, Matsuyama, Ehime

**Established**  
May 1959

**Group company**  
Japan: 10  
Overseas: 15  
※ As of March 31st, 2019

**Employees**  
Group total: 5,726  
(1,664 employees overseas included) (29%)

**Business**  
Manufacturing, sale, and maintenance of equipment

**Rating**  
“A” maintained as of October 2018  
(publicized by Rating and Investment Information, Inc.)

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### Consolidated Net Sales

<table>
<thead>
<tr>
<th></th>
<th>18/3</th>
<th>19/3</th>
<th>20/3 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overseas</td>
<td>124,883</td>
<td>23,140</td>
<td>101,743</td>
</tr>
<tr>
<td>Japan</td>
<td>138,880</td>
<td>25,755</td>
<td>113,125</td>
</tr>
<tr>
<td>Total</td>
<td>144,000</td>
<td>28,500</td>
<td>115,500</td>
</tr>
</tbody>
</table>

---

<table>
<thead>
<tr>
<th>IFRS</th>
<th>FY2017 result</th>
<th>FY2018 plan</th>
<th>FY2018 result</th>
<th>FY2019 plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue (million JPY)</td>
<td>124,883</td>
<td>137,000</td>
<td>138,880</td>
<td>144,000</td>
</tr>
<tr>
<td>Operating profit (million JPY)</td>
<td>13,868</td>
<td>15,200</td>
<td>16,682</td>
<td>17,500</td>
</tr>
<tr>
<td>Profit before income taxes (million JPY)</td>
<td>14,183</td>
<td>15,700</td>
<td>17,130</td>
<td>17,800</td>
</tr>
<tr>
<td>Profit attributable to owners of parent (million JPY)</td>
<td>10,363</td>
<td>11,300</td>
<td>12,280</td>
<td>12,800</td>
</tr>
<tr>
<td>Basic earnings per share (JPY)</td>
<td>92.09</td>
<td>100.41</td>
<td>109.10</td>
<td>113.71</td>
</tr>
</tbody>
</table>
2. FY2018 Summary Overview
## FY2018 Summary Overview

### Result

<table>
<thead>
<tr>
<th>&lt;IFRS&gt;</th>
<th>FY2017</th>
<th>FY2018</th>
<th>FY2019 (plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>124,883</td>
<td>138,880</td>
<td>144,000</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>75,946</td>
<td>84,369</td>
<td>86,500</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>35,551</td>
<td>38,500</td>
<td>40,400</td>
</tr>
<tr>
<td>Other income</td>
<td>575</td>
<td>799</td>
<td>500</td>
</tr>
<tr>
<td>Other expenses</td>
<td>91</td>
<td>127</td>
<td>100</td>
</tr>
<tr>
<td>Operating profit</td>
<td>13,868</td>
<td>16,682</td>
<td>17,500</td>
</tr>
<tr>
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<td>14,183</td>
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</tr>
<tr>
<td>Profit attributable to owners of parent</td>
<td>10,363</td>
<td>12,280</td>
<td>12,800</td>
</tr>
</tbody>
</table>

### Overview of financial summary

- **Japan**
  - Strong sale of boilers and laundry equipment thanks to capital
    - Small once-through boiler
    - Marine business
    - Laundry business

- **Overseas**
  - Staying steady including ASEAN
    - China
      - Deceleration due to US-China trade war and environmental regulation slowdown
    - ASEAN, Korea, Americas, etc.
      - Steady sales

*Unit: million JPY*
FY2018 Summary Overview

Analysis

Sales revenue

1,400
1,380
1,360
1,340
1,320
1,300

<table>
<thead>
<tr>
<th>[Unit: 100 million JPY]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boiler, laundry,</td>
</tr>
<tr>
<td>Americas, Korea, etc.</td>
</tr>
<tr>
<td>china</td>
</tr>
<tr>
<td>Marine</td>
</tr>
<tr>
<td>1,370</td>
</tr>
<tr>
<td>1,388</td>
</tr>
</tbody>
</table>

Plan

Pretax profit

175
165
155
145
135

<table>
<thead>
<tr>
<th>[Unit: 100 million JPY]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income increase effect</td>
</tr>
<tr>
<td>Bonus, R&amp;D expenses, etc.</td>
</tr>
<tr>
<td>China</td>
</tr>
<tr>
<td>Other (exchange, etc.)</td>
</tr>
<tr>
<td>12</td>
</tr>
<tr>
<td>△3</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>157</td>
</tr>
<tr>
<td>171</td>
</tr>
</tbody>
</table>
FY2018 Summary Overview

Domestic and overseas sales (IFRS)

Unit: 100 million JPY

<table>
<thead>
<tr>
<th>Period</th>
<th>Overseas</th>
<th>Japan</th>
<th>Overseas ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>18/3</td>
<td>1,248</td>
<td>1,017</td>
<td>18.5%</td>
</tr>
<tr>
<td>19/3</td>
<td>1,388</td>
<td>1,130</td>
<td>18.6%</td>
</tr>
<tr>
<td>20/3 (plan)</td>
<td>1,440</td>
<td>1,155</td>
<td>19.8%</td>
</tr>
</tbody>
</table>
FY2018 Summary Overview

Analysis of revenue increase (business section / country)

① Laundry business
② Boiler business
③ Overseas (ASEAN)

<table>
<thead>
<tr>
<th></th>
<th>18/3</th>
<th>19/3</th>
<th>+ or −</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Japan</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boiler</td>
<td>588</td>
<td>617</td>
<td>29</td>
</tr>
<tr>
<td>Aqua</td>
<td>29</td>
<td>35</td>
<td>6</td>
</tr>
<tr>
<td>Marine</td>
<td>86</td>
<td>99</td>
<td>13</td>
</tr>
<tr>
<td>FM</td>
<td>104</td>
<td>109</td>
<td>5</td>
</tr>
<tr>
<td>Laundry</td>
<td>139</td>
<td>200</td>
<td>61</td>
</tr>
<tr>
<td>Other</td>
<td>71</td>
<td>70</td>
<td>-1</td>
</tr>
<tr>
<td><strong>Overseas</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Americas</td>
<td>44</td>
<td>49</td>
<td>5</td>
</tr>
<tr>
<td>Korea</td>
<td>69</td>
<td>74</td>
<td>5</td>
</tr>
<tr>
<td>China</td>
<td>83</td>
<td>90</td>
<td>7</td>
</tr>
<tr>
<td>ASEAN</td>
<td>35</td>
<td>45</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,248</td>
<td>1,388</td>
<td>140</td>
</tr>
</tbody>
</table>

Sales increase factor

- **Japan**: Boiler, 29; Aqua, 6; Marine, 13; FM, 5
- **Overseas ASEAN**, 10
- **China**, 7

Unit: 100 million JPY

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## FY2018 Summary Overview

### Analysis of Japan domestic sales

<table>
<thead>
<tr>
<th>Category</th>
<th>18/3</th>
<th>19/3</th>
<th>20/3 (plan)</th>
<th>Unit: 100 million JPY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aqua</td>
<td>29</td>
<td>35</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td>Marine</td>
<td>86</td>
<td>99</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td>FM</td>
<td>104</td>
<td>109</td>
<td>114</td>
<td></td>
</tr>
<tr>
<td>Laundry</td>
<td>9</td>
<td>139</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>72</td>
<td>70</td>
<td>74</td>
<td></td>
</tr>
</tbody>
</table>

Revenue increase attributable to BWMS

Revenue increase attributable to inbound demand

Water treatment equipment

(Special equipment / new business / environmental business)
### Analysis of overseas sales increase

Apart from currency fluctuations, actual overseas sale has largely increased.

<table>
<thead>
<tr>
<th>Average exchange rate</th>
<th>FY2017</th>
<th>FY2018</th>
<th>Increase rate</th>
<th>FY2019 plan</th>
<th>Increase rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>110.85</td>
<td>110.92</td>
<td>0.1%</td>
<td>109.00</td>
<td>-1.7%</td>
</tr>
<tr>
<td>CAD</td>
<td>86.43</td>
<td>84.60</td>
<td>-2.1%</td>
<td>83.50</td>
<td>-1.3%</td>
</tr>
<tr>
<td>CNY</td>
<td>16.74</td>
<td>16.54</td>
<td>-1.2%</td>
<td>15.80</td>
<td>-4.5%</td>
</tr>
<tr>
<td>WON (100 W)</td>
<td>10.00</td>
<td>9.98</td>
<td>-0.2%</td>
<td>9.80</td>
<td>-1.8%</td>
</tr>
<tr>
<td>IDR (100 Rp)</td>
<td>0.83</td>
<td>0.78</td>
<td>-6.0%</td>
<td>0.74</td>
<td>-5.1%</td>
</tr>
<tr>
<td>NTD</td>
<td>3.70</td>
<td>3.64</td>
<td>-1.6%</td>
<td>3.50</td>
<td>-3.8%</td>
</tr>
<tr>
<td>BRL</td>
<td>34.47</td>
<td>29.37</td>
<td>-14.8%</td>
<td>26.30</td>
<td>-10.5%</td>
</tr>
<tr>
<td>THB</td>
<td>3.36</td>
<td>3.43</td>
<td>2.1%</td>
<td>3.30</td>
<td>-3.8%</td>
</tr>
</tbody>
</table>
Overseas sales
Unit: 100 million JPY

<table>
<thead>
<tr>
<th>Region</th>
<th>18/3</th>
<th>19/3</th>
<th>20/3 (plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>44</td>
<td>49</td>
<td>53</td>
</tr>
<tr>
<td>Korea</td>
<td>69</td>
<td>74</td>
<td>77</td>
</tr>
<tr>
<td>China</td>
<td>83</td>
<td>90</td>
<td>105</td>
</tr>
<tr>
<td>ASEAN, etc.</td>
<td>35</td>
<td>45</td>
<td>50</td>
</tr>
</tbody>
</table>

Significant growth
Main overseas sales (in local currency)

**US**
- Unit: 10 thousand USD
- 18/3: 2,844
- 19/3: 2,833
- 20/3 (plan): 3,119

**Korea**
- Unit: 100 million KRW
- 18/3: 694
- 19/3: 739
- 20/3 (plan): 785

**China**
- Unit: million CNY
- 18/3: 497
- 19/3: 541
- 20/3 (plan): 664

※ MBM became consolidated. Sales between Mexico and Japan is not included from 19/3.
2 FY2018 Summary Overview

## Capital investment

### [Capital investment]

- **Unit: million JPY**
- **FY2017**: 3,090
- **18/3**: 5,250
- **19/3**: 4,478
- **20/3 (plan)**: 5,615

### [Depreciation]

- **Unit: million JPY**
- **FY2017**: 2,825
- **18/3**: 3,644
- **19/3**: 3,673
- **20/3 (plan)**: 3,882

### Major investment

<table>
<thead>
<tr>
<th>Major investment</th>
<th>FY2017</th>
<th>FY2018</th>
<th>FY2019 (plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multipurpose factory</td>
<td>New showroom opening</td>
<td>Second factory in China</td>
<td></td>
</tr>
<tr>
<td>Showroom construction</td>
<td>Second factory in China</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Air conditioning facility renovation in HQ building</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
FY2018 Summary Overview

Sale plan revision of BWMS

BWMS installation timing changed
(In service vessels)
During regular inspection from September 2017

2 year postponement

USCG TA obtaining plan changed
By March 2018

Application completed, await the approval
3. Profit Share and Stock
① Sustaining **stable dividends**  
② Targeting **30% consolidated payout ratio**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Mid</th>
<th>End</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2018</td>
<td>16  yen</td>
<td>19 yen</td>
<td>33 yen</td>
</tr>
<tr>
<td>FY2019</td>
<td>16  yen</td>
<td>19 yen</td>
<td>35 yen (Forecast)</td>
</tr>
</tbody>
</table>

**Dividend per share**

<table>
<thead>
<tr>
<th>Date</th>
<th>Mid</th>
<th>End</th>
<th>Payout ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>15/3</td>
<td>11</td>
<td>11</td>
<td>30.0%</td>
</tr>
<tr>
<td>16/3</td>
<td>10</td>
<td>10</td>
<td>30.3%</td>
</tr>
<tr>
<td>17/3</td>
<td>12</td>
<td>11</td>
<td>30.4%</td>
</tr>
<tr>
<td>18/3</td>
<td>17</td>
<td>14</td>
<td>30.2%</td>
</tr>
<tr>
<td>19/3</td>
<td>19</td>
<td>16</td>
<td>30.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Mid</th>
<th>End</th>
<th>Payout ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>20/3 (plan)</td>
<td>19</td>
<td>19</td>
<td>30.8%</td>
</tr>
</tbody>
</table>

**Reference**

- Total issued shares (treasury stock excluded): 112,573,687 shares
- Treasury share: 12,717,425 shares
- As of March 31, 2019

**Management target:** Maintaining ROE of 10%
4. Mid-Term Management Plan for 2019
Mid-term management planning

**Ideal business model three years ahead**

**Business environment change**

**Plan for next FY**

**Mid-term management plan for coming years**

**Annual correction in response to economic fluctuations**

### Rolling plan

To respond to business environment change, MIURA updates its three-year mid-term management plan every year.

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017–2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018–2020</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019–2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Summary

<table>
<thead>
<tr>
<th></th>
<th>FY2018 result</th>
<th>FY2019 plan</th>
<th>FY2020 plan</th>
<th>FY2021 plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>1,388</td>
<td>1,440</td>
<td>1,520</td>
<td>1,615</td>
</tr>
<tr>
<td>Operating profit</td>
<td>166</td>
<td>175</td>
<td>185</td>
<td>195</td>
</tr>
<tr>
<td>Operating profit rate</td>
<td>12.0%</td>
<td>12.2%</td>
<td>12.2%</td>
<td>12.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales revenue</th>
<th>Operating profit</th>
<th>Operating profit rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,130</td>
<td>258</td>
<td>18.6%</td>
</tr>
<tr>
<td>2019 (plan)</td>
<td>1,155</td>
<td>285</td>
<td>19.8%</td>
</tr>
<tr>
<td>2020 (plan)</td>
<td>1,184</td>
<td>336</td>
<td>22.1%</td>
</tr>
<tr>
<td>2021 (plan)</td>
<td>1,219</td>
<td>396</td>
<td>24.5%</td>
</tr>
</tbody>
</table>

Unit: 100 million JPY

Overseas

Japan

Overseas ratio
## Mid-Term Management Plan for 2019

### By business category

<table>
<thead>
<tr>
<th></th>
<th>FY2018 result</th>
<th>FY2019 plan</th>
<th>FY2020 plan</th>
<th>FY2021 plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boiler</td>
<td>617</td>
<td>623</td>
<td>630</td>
<td>646</td>
</tr>
<tr>
<td>Aqua (Water treatment equipment)</td>
<td>35</td>
<td>37</td>
<td>39</td>
<td>42</td>
</tr>
<tr>
<td>Marine equipment</td>
<td>99</td>
<td>107</td>
<td>123</td>
<td>129</td>
</tr>
<tr>
<td>Food &amp; Medical equipment</td>
<td>109</td>
<td>114</td>
<td>119</td>
<td>124</td>
</tr>
<tr>
<td>Laundry equipment</td>
<td>200</td>
<td>200</td>
<td>195</td>
<td>195</td>
</tr>
<tr>
<td>Others (Special equipment, New business, Environmental business, etc.)</td>
<td>70</td>
<td>74</td>
<td>78</td>
<td>83</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>1,130</strong></td>
<td><strong>1,155</strong></td>
<td><strong>1,184</strong></td>
<td><strong>1,219</strong></td>
</tr>
<tr>
<td><strong>Japan</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Americas</strong> (US, Canada, Mexico, Brazil)</td>
<td>49</td>
<td>53</td>
<td>60</td>
<td>69</td>
</tr>
<tr>
<td>Korea</td>
<td>74</td>
<td>77</td>
<td>82</td>
<td>89</td>
</tr>
<tr>
<td>China</td>
<td>90</td>
<td>105</td>
<td>134</td>
<td>169</td>
</tr>
<tr>
<td>ASEAN, etc.</td>
<td>45</td>
<td>50</td>
<td>60</td>
<td>69</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>258</strong></td>
<td><strong>285</strong></td>
<td><strong>336</strong></td>
<td><strong>396</strong></td>
</tr>
<tr>
<td><strong>Overseas</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,388</strong></td>
<td><strong>1,440</strong></td>
<td><strong>1,520</strong></td>
<td><strong>1,615</strong></td>
</tr>
</tbody>
</table>

Unit: 100 million JPY
Mid-Term Management Plan for 2019

Japan: continuous growth maintained
Overseas: affected by China issues

<table>
<thead>
<tr>
<th>FY2017</th>
<th>FY2018</th>
<th>FY2019 plan</th>
<th>FY2020 plan</th>
<th>FY2021 plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit: 100 million JPY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,200</td>
<td>1,248</td>
<td>1,370</td>
<td>1,388</td>
<td>1,480</td>
</tr>
</tbody>
</table>

| Operating profit |
| Unit: 100 million JPY |
| 140 | 138 | 152 | 166 | 165 | 175 | 180 | 185 | 195 |

Previous plan | Present plan
---|---
Overseas sales |
Japan sales |
Operating profit |
5. Maintenance Business
MIURA’s Business Model

① ZMP contract
② Maintenance system
③ Productivity improvement on maintenance
### ZMP contract

**History**
- 1972: Fee-based maintenance contract started
- 1989: Online maintenance started
- 1997: In-house qualification system introduced
- 2002: BP (best partner) strategy
- 2009: Second ZIS Online Center established
- 2010: ICT-Utilization Year One (strategic data utilization)
- 2014: Unique disaster assistance tool developed
- 2018: More than 60,000 units in communication

**Maintenance revolution**
- Preventive maintenance based on operation conditions saves energy and labor costs, and increases products’ life, enabling low-carbon emission.
- Utilizing ICT, we have been rationalizing maintenance work and anticipating countermeasures against disasters.

**Contract period**
- **Update every 3 years**
- **5 terms (15 years)**
- **3 time inspections per year**
  - Free parts replacement
- **Remedy for sudden troubles**
  - Free parts replacement

- **Anomaly perception**
- **Trouble factor check in advance**
- **Water analysis**
- **Online maintenance**

**Solution business development**

**User**
- Safety & Swift recovery
- Added value

**Our preventive maintenance transformed conventional after-sale service!**
5 MIURA's Business Model

Maintenance system

Manufacturer maintenance

- High-quality maintenance service (training program)
- Smooth parts supply (online management)
- Feedback on product design

Boiler-replacement repeat rate: Approx. 90%

- High customer satisfaction and social evaluation
- Durable connection with customer and virtuous cycle
- Stable management

Trio scheme

- Sales increase by energy-saving suggestion
- Efficient work to achieve goals
- Efficient work with cooperation through on-the-job training

Service offices

- Approx. 100 offices in Japan
- Approx. 1,100 service engineers
- More than 60,000 units online
MIURA's Business Model

Profitable maintenance business

<table>
<thead>
<tr>
<th>Sales ratio</th>
<th>Equipment sales</th>
<th>Maintenance</th>
<th>Laundry</th>
</tr>
</thead>
<tbody>
<tr>
<td>58.9%</td>
<td>26.7%</td>
<td>14.4%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit ratio</th>
<th>Equipment sales</th>
<th>Maintenance</th>
<th>Laundry</th>
</tr>
</thead>
<tbody>
<tr>
<td>39.7%</td>
<td>52.4%</td>
<td>7.9%</td>
<td></td>
</tr>
</tbody>
</table>

*FY2018 MIURA group total
Productivity improvement on maintenance

Reforming conventional work
- Total optimization
  Improve quality and productivity of work with know-how sharing and prompt response to increase efficiency and reduce overtime work
- Active maintenance for further value
  Tackling new issues from a customer standpoint
- Team MIURA activity
  Words of MIURA’s founder
  “Relish the joy of thinking”
  “Ingenuity has no limit”
  “Enjoy being busy”
- Strategic positioning
  Total strength integrating office and on-site support
  Proactive approach and swift resolution to contribute to our customer

[Goal] 30% reduction or increase

MIURA training program
- Training expenses per employee: 8th in Japan
  From “働きやすい会社調査” in 2012 by “日経産業新聞” (Nikkei)
- In-house training center (accommodating 120 people max.)
  More than 200 training sessions per year
  Accepting MIURA employees overseas
- In-house qualification system
  Practical exam License renewal system
  Public qualification holders: 1,070 boiler experts
  As of March 2019
In-house qualification system on product model handling

- **Written exam**
- **Practical exam**
- **Passing model handling exam**

Only the qualification holders can inspect products!

Practical exam

**License renewal system**

Public qualification holders:
1,070 boiler experts
As of March 2019

Acquired maintenance point return to salary and position
→ Highly expertized maintenance staff

<table>
<thead>
<tr>
<th>Category</th>
<th>Qualification</th>
<th>Point</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-house</td>
<td>Model handling qualification</td>
<td>0.5P</td>
</tr>
<tr>
<td>Public</td>
<td>Class 2 boiler expert, etc.</td>
<td>2 to 30P</td>
</tr>
</tbody>
</table>

5th grader can handle equipment other than boilers
Aqua/FM/Special equipment/New business/Boiler

**License renewal system**

**Maintenance step**
- Maintenance step (elementary)
- Maintenance step (intermediate)
- Maintenance step (advanced)
- Division training
- External lecturer training

Training for selected leaders of new generation
- Offering solutions
- Cultivating subordinates
- Interviewing
- Solving problems, etc.

Basic training
Up to 4th grader to learn boiler basics

To win the trust of customers, enhance our “Technoservice”
Productivity improvement on maintenance

**Utilizing ICT**

- **Electronic report**
  - Using tablets
  - Movie manual
  - Voice input system

- **In-house big data utilization**
  - Receipt system
  - Sales management
  - SMAP
  - Activity record
  - Multilateral analysis
  - Energy saving proposal, etc.

**Performing planned maintenance & improving work efficiency**

- **Online maintenance**
  - Remote monitoring / In-house development of mobile modem
  - Much more effective, easier maintenance work

- **GIS system**
  - Prompt support proven in the western Japan heavy rain disaster in July 2018
Maintenance Business

① BP (Best Partner) Strategy and C&A Activity
② Total Solutions and One-Stop Service
③ MR (Mixed Reality) Technology Utilization
④ Leap to Super Maintenance Company
BP (Best Partner) Strategy and C&A Activity

Technoservice C&A activity

C: Communication
A: Advance (evolution)

- Rapid information sharing with ICT
  New product development using communication data
  New solution proposal
  Product document enrichment
- BP report grade-up project
  Accompanying the person in charge, general managers visit the customers to provide comprehensive solutions that improve efficiency by analyzing inspection results and management data.
- Training system to improve maintenance quality
  Human resource development to meet customer’s demand and to utilize advancing technology

Love people, not things

～ Technoservice ～
“Techno” means the technology conducive to our customers.
“Service” means that “I” can gain trust and affection from our customers.
“Techno-Service” is made of these two factors.

Engaging in face-to-face communication with our customers, we work together to find solutions to the problems that our customers face.

Each and every MIURA Group employee delivers the finest “Technoservices” possible.
BP (Best Partner) Strategy and C&A Activity

Appropriate solution proposal

Maintained boiler efficiency → CO₂ emission reduction
Heat/water loss reduction → Environmentally friendly maintenance

In summer, use one boiler unit and rest the others. It can provide sufficient amount of steam, even improving efficiency.

How about reusing waste hot water after bottle wash?

Hot water as feed water
Tap water
Heat exchange
Waste water reuse
Discharge
Sewer drain
5 Maintenance Business

Total Solutions and One-Stop Service

Factory/FM/Water treatment/Marine

ME I S C L O U D *

■ Energy information management function using cloud
Low cost energy management system to establish and improve factory total solution business model, without other management unit
MR (Mixed Reality) Technology Utilization

IoT/AR/Remote service

To remove the cause of the alarm, check that part!

Knowledge and technique inheritance

I see!

Senior worker

Wearable camera

User

New worker

Maintenance Business
Maintenance Business

Leap to Super Maintenance Company

All MIURA departments share detailed information worldwide for total solutions

In each country

Training plan

In-house model handling exam

Qualification holders can inspect products as same as in Japan.

Technical capability enhancement

Overseas maintenance business enhancement

Korea

- Maintenance capability improvement other than boiler
  - Maintenance training in Japan (SDC, etc.)

China

- Training center construction
  - To increase energy saving proposal capability based on boiler diary and load analysis
- Thorough water quality management
  - Water treatment management leaders allocated to each branch to give specific instructions regarding water quality anomaly

・・・to achieve active maintenance!
6. Current China and Future Strategy

Yoshihiro Kojima
Director of Asia Business Headquarters
Executive Managing Officer
Sales

Sales in China

Reasons for deceleration of FY2018 result:
① China-US trade war
② Environmental regulation slowdown
③ Winter-time gas-shortage anxiety

Forecast of FY2019 and after:
① Gas shortage unlikely to happen
② Gradual tightening of environmental regulation
③ Trade war unsettled

↓ Solutions for PM2.5+Low NOx regulation
Reasons for Result Deceleration in China

US trade war + Environmental regulation slowdown + Winter-time gas-shortage anxiety

Revenue worsened / large economic blow

Sluggish economic activities / bankruptcy of companies / sense of economic downturn

Loosening environmental regulations
(Decision by local government, delegated from central government)

Ban on coal-fired boiler and wood-pellet boiler use was postponed in gas shortage areas

Local government

Postponement or cancellation of replacement with gas-fired boiler in China: 3,026 units

Boiler market

Permission for new installation of wood-pellet boilers (other than urban areas)

Adoption and replacement with wood-pellet boiler increased

Our loss in China: 279 units
Boiler Market Change in China (January to December)

Sales of boilers

Comparison between FY2017 and FY2018

Total boilers sold: 47.0% down

Major drop in total number

FY2017

Coal

Bio

Gas

Other fuel

FY2018

Coal

Bio

Gas

Other fuel

(Units)
Analysis on MIURA Boiler Installation Category

(Million JPY)

2016 2017 2018

Gas to Gas
Coal/Bio to Gas
New Installation
Additional Installation

38.4% Down
Future Outlook and Strategy
Future Outlook and Strategy

Sales

Forecast of FY2019 and after
① Gas shortage unlikely to happen
② Gradual tightening of environmental regulation
③ Trade war unsettled

Strategy
Solutions for PM2.5+Low NO\textsubscript{x} regulation

Target
Business not affected by trade war such as food industry, pharmaceuticals, corrugated cardboard manufacturers, feed industry
Economic Trend Forecast of China

Gas shortage unlikely to happen + Gradual tightening of environmental regulation - Trade war unsettled

Central government economic measures (Value added tax: 3% reduction)

FY2019: Boiler market recovery + tax reduction effect

Environmental regulation by judging economic situation in each area

Gradual recovery of NOx regulation

Local government

Ban of wood-pellet boiler use

Replacement with gas-fired boiler increases

Boiler market

Wood-pellet boiler replacement increases

Gas shortage unlikely to happen + Gradual tightening of environmental regulation - Trade war unsettled
Analysis on MIURA Boiler Installation Category

<table>
<thead>
<tr>
<th>Year</th>
<th>Gas to Gas</th>
<th>Coal/bio to Gas</th>
<th>New installation</th>
<th>Additional installation</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2017</td>
<td></td>
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</tr>
<tr>
<td>FY2018</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>FY2019</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
Two-Step Environmental Regulation

Stepwise regulation

Step 1
- Soot
- PM2.5

Step 2
- NOx

Coal to gas

Low NOx

Rural area

Urban area

<NOx (Nitrogen oxide)>

Compounds such as nitric oxides and nitrogen dioxides, produced from the reaction among nitrogen and oxygen during combustion at high temperatures.

Nitric oxide (NO)

Nitrogen dioxide (NO2)

Nitrogen dioxide (NO2) at high concentrations causes harmful effects on human respiratory system.
Future Outlook and Strategy

Meeting Environmental Regulatory Requirements (Example of New Factory)

Construction smoothly ongoing even under strict environmental regulations

Green sheet to prevent scattering dust

Environment monitoring device on-site:
If the value exceeds the value specified in Suzhou, the construction must be suspended.
Boilers Related to Environmental Regulations from 2019 to 2021

<table>
<thead>
<tr>
<th>FY Year</th>
<th>Coal Regulation</th>
<th>NOx Regulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2019</td>
<td>2,634 units</td>
<td>2,684 units</td>
</tr>
<tr>
<td>FY2020</td>
<td>2,722 units</td>
<td>2,544 units</td>
</tr>
<tr>
<td>FY2021</td>
<td>2,783 units</td>
<td>2,076 units</td>
</tr>
</tbody>
</table>

- **Coal regulation**
  - MIURA's target: 0 units
  - MIURA's plan: 736 units (FY2019), 759 units (FY2020), 780 units (FY2021)

- **NOx regulation**
  - MIURA's target: 0 units
  - MIURA's plan: 620 units (FY2019), 823 units (FY2020), 737 units (FY2021)
Boiler Market in China (Industry Analysis)

Target
Food industry, pharmaceuticals, corrugated cardboard manufacturers, feed industry

Future Outlook and Strategy

Target
Food industry, pharmaceuticals, corrugated cardboard manufacturers, feed industry
China’s Support Measures

Measures
① VAT 3% reduction
② Financial support (but no lingering support)
③ Subsidy Coal to gas・・・300 to 500 thousand yen per ton
  Burner replacement・・・100 thousand yen

Future Outlook and Strategy

M&A, reform, restructure

Capital investment increase
New installation, additional installation

Environmental regulation tightening
Gas usable company
Gas-unusable company
Bankruptcy/Out of business
## Regional Strategy

<table>
<thead>
<tr>
<th>Area</th>
<th>Environmental regulation</th>
<th>Current condition and strategy</th>
</tr>
</thead>
</table>
| Shanghai city/ North China/ Shanxi province | Low NOx regulation tightening        | • Burner replacement  
  • Replacement promotion  
  • Energy saving proposal based on load analysis and diary analysis |
| Northeast China (Dalian city) | Postponement of coal-fired boiler ban | Gas pipe line from Russia may be connected in October  
  → Environmental regulation tightened? |
| Guangzhou city, etc./ South China | Postponement of wood-pellet boiler ban (until 2021) | • New installation and replacement increase among large companies  
  • Food processing factory increase  
  • Bio fuel regulation welcomed |
| Western China                 | Low NOx regulation tightening        | Investment remaining strong due to One-Belt-One-Road initiative  
  • Gas-movement finished in urban area |
**Strategy to Win Much More Maintenance Contract**

**1-year contract**
- Free of charge → to experience ZMP contract benefits

**Contract after 2\(^{nd}\) year**
- Maintenance staff prepare proposals for each user and accompany sales staff for contract renewal

**Multi-year contract (3-year)**

**ZMP contract**
- Combustion pattern → Fuel saving improvement by adjustment

**Sharing success stories among local staff**
- Know-how to get the contract
Two-Step Environmental Regulation

Replacement increases if the following is on schedule:
- Environmental regulation tightening
- Domestic shale gas development
- Import gas increase

Main strategy: Low NO$_x$ solutions
- Burner replacement
- Gas-to-gas boiler replacement
- Load analysis, boiler diary analysis
  → Energy saving proposal to promote replacement

Disadvantage
US trade war
7. 60 Year Commemorative Fair
MIURA Fair Invitation

Tokyo

Date: August 1st, 2019 (Thu)
Venue: Makuhari Messe International Exhibition Hall 9

Pre-registration is required to attend the fair. If you wish to visit our fair, please put your business card into the “フェア参加希望受付” box today. If you make up your mind after today, please contact the following.

<Inquiry for your visit>
Tomoko Iwata
Management Planning Department of MIURA CO., LTD.
7 Horie, Matsuyama, Ehime 799-2696
TEL: 089-979-7045 FAX: 089-979-7011
E-mail: iwata_tomoko@miuraz.co.jp

We will showcase many total solutions from a range of products and services to the latest in technology, full of ideas with heart!
Reference
MIURA Business Model

History

- **1959**: Incorporation. Full scale production of the Z boiler began.
- **1972**: Development of high efficiency boiler. ZMP Contract started.
- **1974**: Development of gas-fired boiler with Tokyo Gas Company
- **1977**: Commercialization of the MI (Multiple Installation) system
- **1978**: Diversified business started
- **1982**: Listed shares on the 2nd Section of the Osaka Securities Exchange
- **1984**: Listed shares on the 2nd Section of the Tokyo Stock Exchange
- **1986**: Patent received for the MI system
- **1989**: Listed shares on the 1st Sections of the Tokyo and Osaka Stock Exchange
- **1989**: Development of AI controlled boiler and ZIS Online Maintenance begun
- **1991**: Development of low NOx boiler
- **2004**: Sale of SQ-2500ZS, the world's first gas-fired boiler with an NOx value of 25 ppm begun
- **2009**: 50th Anniversary. Launch of the SQ-7000Z, high pressure steam boiler. Acquisition of a laundry business company
- **2017**: Acquisition of a laundry business company

**FY2019 sales target: 144 billion yen!**

- **1972**: ZMP contract introduced
- **1977**: MI system patented
- **1986**: Online maintenance started

**Initial period of boiler business**
**Growing period of boiler business**
**Initial period of diversified business**
**Initial period of the Best Partner Strategy**
**Rearing period of globalization**
**Growth period of total solution and globalization**
About the boiler

What is the reason for steam utilization?

- **Waste Energy:** 70%
- **Steam:**
  - Feed heat through steam
  - Stir ingredients while turning blades
  - Produce side dishes, soup, jam, paste, etc.
- **Heating:** 95% thermal efficiency
- **Ball tap**
- **Drain**

30% thermal efficiency

59% utilization
Example of using steam (Direct heating)

Once-through boiler

“It’s warm.”

Foot bus

About the boiler

H₂O

Pump
Example of using steam (Indirect overheating)

Heating
Produce side dishes, soup, jam, paste, etc.

Stir ingredients while turning blades

Steam-driven facility

Coating process
Spiral fin tube
Steam
Role of a dryer or drying

Dyeing process / Plating process
Steam
Corrugated tube
Drain
Must be maintenance for the steam boiler

Greatest enemy for the boiler

① Corrosion → Occur a Pitting corrosion in a vessel → Removal of Dissolved Oxygen → DOR

Vacuuming

H₂O

H₂O

H₂O

H₂O

H₂O

Deoxygenated water

② Scale → Lower boiler efficiency or Rupture of water pipes

Water softener

Water softener

Soft water (Scale prevention)

Ion exchange resin
Must be maintenance for the steam boiler

Steam boiler

Condense scale

Hot water boiler

Vertical section of a pipe

Punk

Scale buildup

Scale insulates heat.

1000°C

200°C

400°C

A pipe melts.

1000°C

Blowdown

Hard to build scale, as the whole water drains.
Type of Boilers

| Types of boilers — Same capacity |

- Once-through boiler
- Water tube boiler
- Fire tube boiler
What is Multiple Installation (MI) System?

**MIURA MI (Multiple Installation) System**

Provides steam of required amount when needed, reducing operation costs and emission of CO₂ and NOx.

- One large capacity boiler
- Small capacity boilers in MI system

**Why is MI system efficient?**

- Energy Saving
- Space Saving
- Labor Saving
- Low pollution

3 pcs

1 pc

Same water content even if the number of potatoes reduced

Water content reduced when the number of potatoes reduced

3 pcs

1 pc

Why is MI system efficient?
What is Multiple Installation (MI) System?

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.
Online Maintenance

Maintaining high profitability with “IoT” for 29 years

Remote monitoring
Trouble factor grasped
Preparation in advance
Early recovery

User

Monitoring

Troubleshooting via Telephone (Data collection/analysis)

Approx. 63,000 units under contract
*Including equipment other than boiler
(As of June 2019)

Visit

Much more effective, easier maintenance work
**Boiler Lifespan and MIURA Business Model**

*Not only the product sales, but maintenance & consumables sales*

**Assuming a boiler has a lifespan of 15 years,**

Sales result

<table>
<thead>
<tr>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
<th>4th</th>
<th>...</th>
<th>15th</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

- **Product sales** + **Maintenance and chemical sales**

  - **Continuous cash flow**

  - **Securing repeat customers**

- **High quality product** + **Reliable maintenance**

- **No effect of economic fluctuations**

- **Additional sales of MIURA products other than boiler**

- **Good relationship with customer**
Domestic Sales Strategy

<table>
<thead>
<tr>
<th>Domestic share</th>
</tr>
</thead>
</table>

Domestic boiler market

- **Water tube boiler**: 74%
- **Fire tube boiler**: 26%

Total amount of steam output of the market
Approx. 200K t/h
(*) Estimated value

**Once-through boiler**

Domestic once-through boiler market

- **Once-through boiler**: MIURA (Share No.1: 57%)
- **Others**: 43%

Total amount of steam output
Approx. 150K t/h
(*) Estimated value

“Once-through-ism” movement

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 that.
Domestic Sales Strategy

What will we offer for the matured market in Japan?

Maximize efficiency in Boiler

Improve energy efficiency throughout the factory

Unutilized heat Recovery equipment
Steam driven air compressor
Exhaust gas boiler

Other than Boilers
Water treatment equipment
Food processing equipment
Medical equipment
Laundry equipment

Marine equipment
Marine boilers
Ballast water management system
Domestic Sales Strategy

Total solution in food factory

- Vacuum cooler
- Retort sterilizer
- Ice storage water cooler
- Vacuum defroster
- Steam kettle
- Saturated steam cooker
- Food

Total solution for food processing equipment

- Cooling
- Sterilizing
- Water-cooling
- Cooking
- Defrosting

Applications:
- Hospital
- School
- Convenience store
- Nursing home
Ballast water problem “A new market born”

“Ballast water” is the seawater taken into a ship’s tank to provide stability to the ship.

Aquatic organisms transferred from the port of unloading to that of loading

3 to 4 billion ton seawater transferred per annum

Environmental problems such as ecosystem destruction

The Ballast Water Management Convention (adopted in 2004)→Installation of ballast water treatment equipment is obliged

Obligatory since Sep. 2017
Obligatory since Sep. 2019

Newly built ships
Existing ships

Reference: document issued by the MLIT
What is a district heating and cooling (DHC) system?

A system to provide air conditioning and hot water to whole buildings such as commercial facilities and apartment houses in the district.
International Sales Strategy

**Boiler market share**

*Based on total amount of steam output (Based on an in-house investigation, March 2018)*

- **Japan**: 40% of the market, 200,000 t/h
  - Mainly Large, Low-efficiency boilers
- **ASEAN**: 8% of the market, 177,100 t/h
- **U.S.A.**: 2% of the market, 430,000 t/h
  - Mainly Large, Low-efficiency boilers
- **China**: 1.3% of the market, 1,200,000 t/h
  - 80% of the market is coal-fired boilers which is rapidly switching over to natural gas.
MIURA's Network

**Russia**
Handles Russian domestic market and exports to countries adopting GOST standards.

**MIURA INDUSTRIES (CHINA) CO.,LTD.**
Handles Chinese domestic market and exports to ASEAN.

**MIURA TAIWAN ENG CO.,LTD.**
Handles Taiwanese domestic market and exports to Russia.

**KOREA MIURA CO.,LTD.**
Handles Korean domestic market and exports to Russia.

**MIURA CANADA CO.,LTD.**
Handles Canada domestic market and exports to USA.

**MIURA TURKEY HEATING SYSTEMS INDUSTRY CO.,LTD.**
Looks toward the European and CIS country markets.

**MIURA NETHERLANDS B.V.**
Provides services to Ship owners in Europe.

**MIURA INDUSTRIES (THAILAND) CO.,LTD.**
Provides solutions for the Thai domestic market.

**MIURA SINGAPORE CO.,PTE,LTD.**
An ASEAN hub office

**MIURA BOILER BRAZIL LTD.**
Establishes offices in major cities.

**MIURA BOILER MEXICO S.A. DE C.V.**
Provides solutions for the Mexican domestic market.

**MIURA BOILER INDONESIA**
Handles exports to ASEAN.

**MIURA AMERICA CO.,LTD.**
Handles North America market and exports to Central America.

**MIURA CANADA CO.,LTD.**
Handles North America market and exports to Central America.

**PT. MIURA INDONESIA**
Provides sales and maintenance services through appointed dealers.

**Sri Lanka**
Provides sales and maintenance services through appointed dealers.

**Cambodia**
Sells products from Thailand and provides maintenance services through local dealers.

**Bangladesh**
Provides sales and maintenance services mainly in Dhaka.

**Philippines**
Support areas nearby metro manila.

**Malaysia**
Provides sales and maintenance services of boilers complying with ASME standards.

**Myanmar**
Expands support areas from Yangon.

**Russia**
Handles Russian domestic market and exports to countries adopting GOST standards.

**KOREA MIURA CO.,LTD.**
Handles Korean domestic market and exports to Russia.

**MIURA CO.,LTD.**
MIURA BOILER BRAZIL LTD. Started manufacturing in 2016.

**PT. MIURA INDONESIA**
Provides sales and maintenance by alliance partners.

**Chile**
Start sales and maintenance by alliance partners.

**Office 1**
Office 2
Office 3
Office 4
Office 5
Office 6
Office 7
Office 8
Office 9
Office 10
Office 11
Office 12
Office 13
Office 14
Office 15
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Office 30
Office 31
Office 32
Office 33
Office 34
Office 35
Office 36
Office 37
Factory 1
Factory 2
Factory 3

※As of March 2019
**Intensified competition**

- Sales unit price dropped due to intensified competition
- Several-year recovery by maintenance
- Appeal of running cost advantages

**Education**

- Training center (200 people capacity) construction is planned!
- Sales persons and maintenance persons gather and take appropriate training there.
- Human resource development
- Know-how to utilize boiler operation report, load analysis, etc.

**Employees and net sales of MIURA INDUSTRIES (CHINA) CO.,LTD.**

- Sales
- Maintenance
- Net sales

(Million CNY)

- (persons)
  - Employees and net sales of MIURA INDUSTRIES (CHINA) CO.,LTD.
## Future Prospect

**Gas-to-gas replacement promotion**

<table>
<thead>
<tr>
<th>Coal fire</th>
<th>Replacement to cheap fire-tube boiler</th>
<th>MIURA once-through boiler</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Corrugated cardboard material factory</td>
<td><strong>Coal prohibition</strong></td>
<td>Fatal to narrow-margin high-turnover management!</td>
</tr>
<tr>
<td>Annual fuel cost</td>
<td>5 million CNY</td>
<td>13 million CNY</td>
</tr>
</tbody>
</table>

- **High efficiency and performance appreciated**
- **Distinguish and differentiate MIURA!**
- **Leading to another project in the same region in the same industry**

- 2.6 times
- 2.13 times
Basic Capital Policy

Here is the basic capital policy of the Miura Group specified to improve our corporate value in the medium- and long-term over the ensured financial soundness.

**Capital efficiency improvement**

Regarding that steady profit increase regardless of the market environment leads to corporate value increase and shareholder’s interest improvement, MIURA aims to achieve Return on Equity (ROE) of 10% or more steadily.

**Sustainable and stable return to shareholders**

Not only the continuation of stable dividends but also the fair return of profit based on the company’s performance is ideal. We strive to increase the level of dividends, setting the consolidated dividend payout ratio of 30% as a benchmark and comprehensively taking our consolidated results and financial conditions into account.
### Domestic

<table>
<thead>
<tr>
<th>① Total solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving energy efficiency all over the factory &amp; plant all equipped with MIURA products achieving one-stop maintenance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>② BWMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtaining USCG type approval</td>
</tr>
<tr>
<td>Taking full advantages of our technology, maintenance, and customers’ trust in MIURA</td>
</tr>
</tbody>
</table>

### Overseas

<table>
<thead>
<tr>
<th>① Deployment of our Japanese business model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appealing advantages of MI system and suggesting energy-saving boiler system</td>
</tr>
<tr>
<td>Globalizing MIURA boiler while increasing installation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>② Coal-fired boiler replacement in China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introducing gas-fired boiler technology in Japan to meet legal requirements, which have been tightened, on the fuel shift from coal to gas regarding serious air pollution in China</td>
</tr>
<tr>
<td>Expanding maintenance network to provide maintenance as in Japan</td>
</tr>
</tbody>
</table>
Improve the product lineup, and develop solutions for the major end-user markets. Aim to expand to the overseas markets.

**Major end-user market**
- Mechanical Chemical
- Food processing
- Hospital Hotel
- Linen

**[MIURA's total solution]**
- Boiler
- Others: Water treatment, Food processing, Medical, Cleaning
- Marine products: Marine boiler, BWMS

**Expand to the end-user markets**
- Japan
- Overseas: China/Korea, ASEAN, Americas

**Expand to the global market**
The Best Partner of
Energy, Water and Environment

Management Planning Department
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