



August 5, 2021

Consolidated Financial Results for the Three Months Ended June 30, 2021 (IFRS)

Company name: MIURA CO.,LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 6005
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 Scheduled date for filing of quarterly securities report: August 6, 2021
 Scheduled date of commencement of dividend payment: —
 Supplementary documents for quarterly financial results: None
 Quarterly financial results briefing: None

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 1, 2021 – June 30, 2021)

(1) Consolidated Operating Results (cumulative)

(Percentages show year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended								
June 30, 2021	27,438	(0.8)	3,086	21.9	3,249	23.1	2,303	29.9
June 30, 2020	27,646	1.4	2,531	(1.2)	2,640	(0.2)	1,785	(6.8)

	Profit attributable to owners of parent		Comprehensive income (loss)		Basic earnings per share	Diluted earnings per share
	Million yen	%	Million yen	%	Yen	Yen
Three months ended						
June 30, 2021	2,316	29.9	2,048	(28.5)	20.55	20.51
June 30, 2020	1,783	(7.5)	2,863	336.4	15.82	15.79

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Million yen	Million yen	Million yen	%
As of				
June 30, 2021	191,063	145,179	145,141	76.0
March 31, 2021	196,342	145,498	145,447	74.1

2. Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	14.00	—	21.00	35.00
Fiscal year ending March 31, 2022	—				
Fiscal year ending March 31, 2022 (Forecasts)		16.00	—	20.00	36.00

(Note) Revisions to the dividend forecasts most recently announced: None

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

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

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	66,500	8.0	8,600	7.2	8,700	7.3	6,300	9.3	55.89
Full-year	141,500	5.0	18,400	3.0	18,700	2.9	13,500	6.3	119.76

(Note) Revisions to the consolidated forecasts most recently announced: None

* 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 and Accounting Estimates

- (i) Changes in accounting policies required by IFRS: Yes
- (ii) Changes in accounting policies other than (i): None
- (iii) Changes in accounting estimates: None

(3) Numbers of Outstanding Shares (Common Shares)

- (i) Number of shares outstanding at the end of the period (including treasury shares)
 - As of June 30, 2021: 125,291,112 shares
 - As of March 31, 2021: 125,291,112 shares
- (ii) Number of treasury shares at the end of the period
 - As of June 30, 2021: 12,554,163 shares
 - As of March 31, 2021: 12,554,133 shares
- (iii) Weighted-average number of common shares outstanding for the period
 - Three months ended June 30, 2021: 112,736,969 shares
 - Three months ended June 30, 2020: 112,696,090 shares

* Financial summaries are not required to be audited.

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

(Notes on forward-looking statements)

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. Qualitative Information Regarding Results for the Three Months Ended June 30, 2021, (2) Explanation of Consolidated Forecasts and Other Forward-Looking Statements” on page 3 of the attached materials.

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1. Qualitative Information Regarding Results for the Three Months Ended June 30, 2021

(1) Explanation of Operating Results

During the first three months ended June 30, 2021, although the impact of COVID-19 is expected to improve with vaccination, the outlook remains uncertain as it has not yet converged.

Under these circumstances, the Miura Group has been working on the development of products for energy optimization and the reduction of the burden on the environment, with the first priority placed on the safety of our customers and employees, as well as implementing measures to prevent the spread of infection. In addition, the Miura Group has been promoting proposal activities for “Total Solutions.”

Regarding the consolidated results for the three months ended June 30, 2021, although the Maintenance business was solid in Japan, in the Manufacturing and Sales of Products business, small once-through boilers and related equipment remained at the same level as the previous fiscal year even there were signs of recovery in capital investment demand, sales of marine equipment and laundry equipment was sluggish. Overseas, the Maintenance business was solid, and the Manufacturing and Sales of Products business has recovered its capital investment demand in areas that were significantly affected by COVID-19 in the previous fiscal year. In terms of profits, it increased partly due to the steady performance of the Maintenance business.

As a result, revenue increased to ¥27,438 million, down 0.8% from the same period of the previous fiscal year, operating profit was ¥3,086 million, up 21.9%, profit before income taxes amounted to ¥3,249 million, up 23.1% and profit attributable to owners of parent stood at ¥2,316 million, up 29.9%.

Operating results for each business segment is as follows.

(i) Domestic Manufacturing and Sales of Products

In the Domestic Manufacturing and Sales of Products business, while sales of marine equipment was strong in the previous fiscal year, it has fallen sharply in the current fiscal year due to a decrease in the amount of new ships built in Japan.

As a result, revenue in this business was ¥10,879 million, down 6.0% from the same period of the previous fiscal year (¥11,573 million). Regarding segment profit, sales of marine equipment and others which have a smaller impact on profits in our product group decreased, but on the other hand, sales of high-margin products and parts increased slightly. As a result, segment profit was ¥338 million, up 398.5% from the same period of the previous fiscal year (¥67 million).

(ii) Domestic Maintenance

In the Domestic Maintenance business, sales grew as the number of paid maintenance contracts for boilers increased.

As a result, revenue in this business was ¥8,616 million, up 8.9% from the same period of the previous fiscal year (¥7,912 million). Segment profit was ¥2,383 million, up 8.0% from the same period of the previous fiscal year (¥2,206 million).

(iii) Domestic Laundry

In the Domestic Laundry business, there was a significant decline in motivation to make capital investments and sales decreased as a result of lower demand for linen supplies and cleaning, such as those for hotels and hospitals, due to COVID-19.

As a result, revenue in this business was ¥2,427 million, down 18.8% from the same period of the previous fiscal year (¥2,988 million). Segment loss was ¥110 million (¥78 million in segment loss in the same period of the previous fiscal year) due to decreased sales.

(iv) Overseas Manufacturing and Sales of Products

In the Overseas Manufacturing and Sales of Products business, sales increased due to a recovery in capital investment demand in countries and regions that such demand had been declining due to the impact of COVID-19 in the previous fiscal year. On the other hand, in China, due to the delay in promoting the environmental regulation policy and the uncertain relation between the US and China, companies had taken a cautious stance toward capital investment, accordingly sales was sluggish.

As a result, revenue in this business was ¥3,793 million, up 5.7% from the same period of the previous fiscal year (¥3,587 million). Segment profit was ¥190 million up 104.2% from the same period of the previous fiscal year (¥93

million).

(v) Overseas Maintenance

In the Overseas Maintenance business, sales grew due to our proactively securing paid maintenance contracts in all target countries.

As a result, revenue in this business was ¥1,707 million, up 8.6% from the same period of the previous fiscal year (¥1,572 million). Segment profit was ¥300 million, up 7.8% from the same period of the previous fiscal year (¥279 million).

(2) Explanation of Consolidated Forecasts and Other Forward-Looking Statements

The first-half and full-year consolidated forecast for the fiscal year ending March 31, 2022 that the Company announced on May 14, 2021 remain unchanged.

2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statements of Financial Position

(Million yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and cash equivalents	37,428	31,506
Trade and other receivables	38,628	33,115
Other financial assets	20,428	23,772
Inventories	19,664	23,004
Other current assets	869	825
Total current assets	117,018	112,224
Non-current assets		
Property, plant and equipment	41,471	41,411
Right-of-use assets	7,376	7,516
Goodwill and intangible assets	13,511	13,654
Other financial assets	13,895	12,864
Net defined benefit asset	1,175	1,202
Deferred tax assets	1,656	1,961
Other non-current assets	235	227
Total non-current assets	79,323	78,838
Total assets	196,342	191,063

(Million yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Lease liabilities	2,539	2,619
Trade and other payables	13,915	12,507
Other financial liabilities	368	246
Income taxes payable	3,507	1,061
Provisions	823	775
Contract liabilities	11,462	12,759
Other current liabilities	11,549	9,213
Total current liabilities	44,165	39,183
Non-current liabilities		
Lease liabilities	4,598	4,655
Net defined benefit liability	71	83
Provisions	1	1
Deferred tax liabilities	1,616	1,573
Other non-current liabilities	389	387
Total non-current liabilities	6,677	6,700
Total liabilities	50,843	45,884
Equity		
Capital stock	9,544	9,544
Capital surplus	10,839	10,839
Retained earnings	129,168	129,327
Treasury shares	(6,913)	(6,913)
Other components of equity	2,807	2,343
Total equity attributable to owners of parent	145,447	145,141
Non-controlling interests	51	37
Total equity	145,498	145,179
Total liabilities and equity	196,342	191,063

(2) Condensed Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Condensed Consolidated Statements of Income)

(Million yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Revenue	27,646	27,438
Cost of revenue	16,318	15,589
Gross profit	11,328	11,848
Selling, general and administrative expenses	8,766	9,005
Other income	192	267
Other expenses	221	24
Operating profit	2,531	3,086
Finance income	150	182
Finance costs	41	19
Profit before income taxes	2,640	3,249
Income tax expenses	854	945
Profit	1,785	2,303
Profit attributable to:		
Owners of parent	1,783	2,316
Non-controlling interests	2	(12)
Profit	1,785	2,303
Earnings per share		
Basic (Yen)	15.82	20.55
Diluted (Yen)	15.79	20.51

(Consolidated Statements of Comprehensive Income)

(Million yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	1,785	2,303
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	812	(504)
Total items that will not be reclassified to profit or loss	812	(504)
Items that will be reclassified to profit or loss		
Translation adjustments of foreign operations	265	248
Total items that will be reclassified to profit or loss	265	248
Other comprehensive income (loss), net of taxes	1,077	(255)
Comprehensive income (loss)	2,863	2,048
Comprehensive income (loss) attributable to:		
Owners of parent	2,859	2,062
Non-controlling interests	4	(14)
Comprehensive income (loss)	2,863	2,048

(3) Condensed Consolidated Statements of Changes in Equity

For the Three Months Ended June 30, 2020 (April 1, 2020 – June 30, 2020)

(Million yen)

	Equity attributable to owners of parent				Other components of equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Financial assets measured at FVTOCI
As of April 1, 2020	9,544	10,800	120,836	(6,933)	1,346
Profit	—	—	1,783	—	—
Other comprehensive income (loss)	—	—	—	—	812
Comprehensive income (loss)	—	—	1,783	—	812
Dividends	—	—	(2,366)	—	—
Acquisition of treasury shares	—	—	—	(0)	—
Transfer from other components of equity to retained earnings	—	—	—	—	—
Total transactions with the owners	—	—	(2,366)	(0)	—
As of June 30, 2020	9,544	10,800	120,252	(6,934)	2,158

For the Three Months Ended June 30, 2020 (April 1, 2020 – June 30, 2020)

(Million yen)

	Equity attributable to owners of parent				Non-controlling interests	Total equity
	Other components of equity		Total	Total		
	Translation adjustments of foreign operations	Total				
As of April 1, 2020	(2,319)	(973)	133,272	33	133,305	
Profit	—	—	1,783	2	1,785	
Other comprehensive income (loss)	263	1,076	1,076	1	1,077	
Comprehensive income (loss)	263	1,076	2,859	4	2,863	
Dividends	—	—	(2,366)	—	(2,366)	
Acquisition of treasury shares	—	—	(0)	—	(0)	
Transfer from other components of equity to retained earnings	—	—	—	—	—	
Total transactions with the owners	—	—	(2,367)	—	(2,367)	
As of June 30, 2020	(2,055)	102	133,765	37	133,802	

For the Three Months Ended June 30, 2021 (April 1, 2021 – June 30, 2021)

(Million yen)

	Equity attributable to owners of parent				Other components of equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Financial assets measured at FVTOCI
As of April 1, 2021	9,544	10,839	129,168	(6,913)	3,058
Profit	—	—	2,316	—	—
Other comprehensive income (loss)	—	—	—	—	(504)
Comprehensive income (loss)	—	—	2,316	—	(504)
Dividends	—	—	(2,367)	—	—
Acquisition of treasury shares	—	—	—	(0)	—
Transfer from other components of equity to retained earnings	—	—	209	—	(209)
Total transactions with the owners	—	—	(2,157)	(0)	(209)
As of June 30, 2021	9,544	10,839	129,327	(6,913)	2,344

For the Three Months Ended June 30, 2021 (April 1, 2021 – June 30, 2021)

(Million yen)

	Equity attributable to owners of parent				Non-controlling interests	Total equity
	Other components of equity		Total	Total		
	Translation adjustments of foreign operations	Total				
As of April 1, 2021	(250)	2,807	145,447	51	145,498	
Profit	—	—	2,316	(12)	2,303	
Other comprehensive income (loss)	249	(254)	(254)	(1)	(255)	
Comprehensive income (loss)	249	(254)	2,062	(14)	2,048	
Dividends	—	—	(2,367)	—	(2,367)	
Acquisition of treasury shares	—	—	(0)	—	(0)	
Transfer from other components of equity to retained earnings	—	(209)	—	—	—	
Total transactions with the owners	—	(209)	(2,367)	—	(2,367)	
As of June 30, 2021	(1)	2,343	145,141	37	145,179	

3. Notes on Condensed Consolidated Financial Statements

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.

The Miura Group is engaged primarily in the manufacture, sales, and maintenance of boilers, laundry machines 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, the Miura 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, Domestic Laundry, Overseas Manufacturing and Sales of Products, and Overseas Maintenance as our reporting segments.

(2) Segment revenue and performance

Revenue and performance of each reportable segment of the Miura Group are as follows.

Intersegment revenue and transfers are based on current market values.

For the Three Months Ended June 30, 2020

(Million yen)

	Reportable segments						Others (Note 2)	Total	Adjustment (Note 3)	Consolidated
	Domestic (Note 1)			Overseas (Note 1)		Subtotal				
	Manufacturing and sales of products	Maintenance	Laundry	Manufacturing and sales of products	Maintenance					
Revenue										
Revenue to external customers	11,573	7,912	2,988	3,587	1,572	27,634	12	27,646	—	27,646
Intersegment revenue and transfers	724	42	3	54	14	839	130	969	(969)	—
Total	12,298	7,955	2,991	3,642	1,586	28,474	142	28,616	(969)	27,646
Segment profit (loss)	67	2,206	(78)	93	279	2,567	19	2,587	(55)	2,531
Finance income	—	—	—	—	—	—	—	—	—	150
Finance costs	—	—	—	—	—	—	—	—	—	41
Profit before income taxes	—	—	—	—	—	—	—	—	—	2,640

(Notes)

1. The "Domestic" and "Overseas" categories among the reportable segments pertain to the business activities of domestic consolidated companies and overseas consolidated companies, respectively.
2. The "Others" category consists of business that is not included in reportable segments. It includes Real estate management business and Enterprise and personal non-life insurance and life insurance agent business and so on.
3. Adjustment of segment profit (loss) includes the elimination of internal transactions among segments.

For the Three Months Ended June 30, 2021

(Million yen)

	Reportable segments						Others (Note 2)	Total	Adjustment (Note 3)	Consolidated
	Domestic (Note 1)			Overseas (Note 1)		Subtotal				
	Manufacturing and sales of products	Maintenance	Laundry	Manufacturing and sales of products	Maintenance					
Revenue										
Revenue to external customers	10,879	8,616	2,427	3,793	1,707	27,425	12	27,438	—	27,438
Intersegment revenue and transfers	804	40	24	56	21	948	135	1,083	(1,083)	—
Total	11,684	8,656	2,451	3,850	1,729	28,373	148	28,521	(1,083)	27,438
Segment profit (loss)	338	2,383	(110)	190	300	3,103	23	3,126	(40)	3,086
Finance income	—	—	—	—	—	—	—	—	—	182
Finance costs	—	—	—	—	—	—	—	—	—	19
Profit before income taxes	—	—	—	—	—	—	—	—	—	3,249

(Notes)

1. The “Domestic” and “Overseas” categories among the reportable segments pertain to the business activities of domestic consolidated companies and overseas consolidated companies, respectively.
2. The “Others” category consists of business that is not included in reportable segments. It includes Real estate management business and Enterprise and personal non-life insurance and life insurance agent business and so on.
3. Adjustment of segment profit (loss) includes the elimination of internal transactions among segments.