



February 9, 2022

Consolidated Financial Results for the Nine months Ended December 31, 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: February 14, 2022
 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 Nine months Ended December 31, 2021 (April 1, 2021 – December 31, 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	%
Nine months ended								
December 31, 2021	99,893	5.7	14,171	11.0	14,509	11.9	10,351	9.8
December 31, 2020	94,507	(6.5)	12,763	(4.6)	12,967	(5.0)	9,423	(4.5)

	Profit attributable to owners of parent		Comprehensive income (loss)		Basic earnings per share	Diluted earnings per share
	Million yen	%	Million yen	%	Yen	Yen
Nine months ended						
December 31, 2021	10,368	10.1	11,300	(3.2)	91.94	91.81
December 31, 2020	9,416	(4.5)	11,679	21.1	83.54	83.39

(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				
December 31, 2021	202,593	152,584	152,550	75.3
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	—	17.00			
Fiscal year ending March 31, 2022 (Forecasts)				20.00	37.00

(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
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 December 31, 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 December 31, 2021: 12,506,929 shares
 - As of March 31, 2021: 12,554,133 shares
- (iii) Weighted-average number of common shares outstanding for the period
 - Nine months ended December 31, 2021: 112,768,627 shares
 - Nine months ended December 31, 2020: 112,723,585 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 Nine months Ended December 31, 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 Nine Months Ended December 31, 2021

(1) Explanation of Operating Results

During the first nine months ended December 31, 2021, COVID-19 has not yet converged in Japan and overseas, and uncertainty about the future continues.

Under these circumstances, the Miura Group has been promoting a “Total solution” strategy that solves customers’ problems by its comprehensive strength of engineering, sales, and maintenance, with the first priority placed on the safety of our customers and employees, as well as implementing measures to prevent the spread of infection.

Regarding the consolidated results for the nine months ended December 31, 2021, the Maintenance business performed steadily, and the Manufacturing and Sales of Product business showed continuing recovery in capital investment demand. Sales of small once-through boilers and related equipment increased, however, marine equipment remained sluggish. Overseas, the Manufacturing and Sales of Product business saw a recovery in capital investment demand and increased sales in areas that had suffered from sluggishness due to COVID-19 in the previous fiscal year. In terms of profits, it increased due to an increase in sales of the Manufacturing and Sales of Products business.

As a result, revenue increased to ¥99,893 million, up 5.7% from the same period of the previous fiscal year, operating profit was ¥14,171 million, up 11.0%, profit before income taxes amounted to ¥14,509 million, up 11.9% and profit attributable to owners of parent stood at ¥10,368 million, up 10.1%, resulting in new highs for all profits.

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, even 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. However, there were signs of a recovery in demand for capital investment for boilers and etc., and sales increased compared to the previous fiscal year.

As a result, revenue in this business was ¥42,751 million, up 4.3% from the same period of the previous fiscal year (¥40,988 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 value-added products and parts increased slightly. In the result of this, Segment profit was ¥4,015 million, up 36.3% from the same period of the previous fiscal year (¥2,946 million), due to the impact of changes in the product sales mix.

(ii) Domestic Maintenance

In the Domestic Maintenance business, sales grew due to an increase in proposal activities and an increase in the number of paid maintenance contracts due to the lifting of restriction of activities. As a result, revenue in this business was ¥27,151 million, up 6.5% from the same period of the previous fiscal year (¥25,502million). Segment profit was ¥7,627 million, up 0.8% from the same period of the previous fiscal year (¥7,566 million), due to an increase in personnel expense from the increase in personnel.

(iii) Domestic Laundry

In the Domestic Laundry business, customers' willingness to make capital investment continued to decline due to a decrease in demand for linen supplies and cleaning, such as those for hotels and hospitals due to the COVID-19. However, there are signs of a gradual recovery in demand for aging equipment whose renewal has been postponed for the purpose of improving productivity and saving energy toward the after-COVID-19.

As a result, revenue in this business was ¥9,101 million, down 1.3% from the same period of the previous fiscal year (¥9,217 million). Segment profit was ¥191 million up 9.1% from the same period of the previous fiscal year (¥175 million).

(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 the COVID-19 in the previous fiscal year. On the other hand, in China, growth is slowing due to the impact of lockdowns due to the COVID-19, and a cautious stance toward capital investment caused by delay in the environmental regulation and the uncertain relation between the US and China. In Korea, as there was an impact of economic downturn, sales decreased.

As a result, revenue in this business was ¥15,193 million, up 12.3% from the same period of the previous fiscal year (¥13,526 million). Segment profit was ¥1,358 million up 16.0% from the same period of the previous fiscal year (¥1,170million).

(v) Overseas Maintenance

In the Overseas Maintenance business, the number of contracts increased due to our proactively securing paid maintenance contracts in all target countries.

As a result, revenue in this business was ¥5,657 million, up 8.1% from the same period of the previous fiscal year (¥5,235 million). Segment profit was ¥1,020 million, up 9.0% from the same period of the previous fiscal year (¥935 million).

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

The 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 December 31, 2021
Assets		
Current assets		
Cash and cash equivalents	37,428	34,475
Trade and other receivables	38,628	40,868
Other financial assets	20,428	21,175
Inventories	19,664	25,541
Other current assets	869	1,031
Total current assets	117,018	123,092
Non-current assets		
Property, plant and equipment	41,471	41,275
Right-of-use assets	7,376	7,345
Goodwill and intangible assets	13,511	14,557
Other financial assets	13,895	13,183
Net defined benefit asset	1,175	1,224
Deferred tax assets	1,656	1,683
Other non-current assets	235	231
Total non-current assets	79,323	79,501
Total assets	196,342	202,593

(Million yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Lease liabilities	2,539	2,469
Trade and other payables	13,915	12,915
Other financial liabilities	368	126
Income taxes payable	3,507	1,339
Provisions	823	742
Contract liabilities	11,462	14,581
Other current liabilities	11,549	11,281
Total current liabilities	44,165	43,457
Non-current liabilities		
Lease liabilities	4,598	4,613
Net defined benefit liability	71	87
Provisions	1	1
Deferred tax liabilities	1,616	1,485
Other non-current liabilities	389	363
Total non-current liabilities	6,677	6,552
Total liabilities	50,843	50,009
Equity		
Capital stock	9,544	9,544
Capital surplus	10,839	10,881
Retained earnings	129,168	135,461
Treasury shares	(6,913)	(6,886)
Other components of equity	2,807	3,549
Total equity attributable to owners of parent	145,447	152,550
Non-controlling interests	51	33
Total equity	145,498	152,584
Total liabilities and equity	196,342	202,593

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

(Million yen)

	Nine Months ended December 31, 2020	Nine Months ended December 31, 2021
Revenue	94,507	99,893
Cost of revenue	55,437	57,686
Gross profit	39,069	42,206
Selling, general and administrative expenses	26,753	28,561
Other income	729	618
Other expenses	282	93
Operating profit	12,763	14,171
Finance income	330	398
Finance costs	125	60
Profit before income taxes	12,967	14,509
Income tax expenses	3,544	4,158
Profit	9,423	10,351
Profit attributable to:		
Owners of parent	9,416	10,368
Non-controlling interests	6	(16)
Profit	9,423	10,351
Earnings per share		
Basic (Yen)	83.54	91.94
Diluted (Yen)	83.39	91.81

(Consolidated Statements of Comprehensive Income)

(Million yen)

	Nine Months ended December 31, 2020	Nine Months ended December 31, 2021
Profit	9,423	10,351
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1,455	(324)
Total items that will not be reclassified to profit or loss	1,455	(324)
Items that will be reclassified to profit or loss		
Translation adjustments of foreign operations	801	1,273
Total items that will be reclassified to profit or loss	801	1,273
Other comprehensive income (loss), net of taxes	2,256	949
Comprehensive income (loss)	11,679	11,300
Comprehensive income (loss) attributable to:		
Owners of parent	11,672	11,319
Non-controlling interests	7	(18)
Comprehensive income (loss)	11,679	11,300

(3) Condensed Consolidated Statements of Changes in Equity

For the Nine Months Ended December 31, 2020 (April 1, 2020 – December 31, 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	—	—	9,416	—	—
Other comprehensive income (loss)	—	—	—	—	1,455
Comprehensive income (loss)	—	—	9,416	—	1,455
Disposal of treasury stock accompanying stock option exercise	—	(15)	—	15	—
Restricted Stock	—	54	—	7	—
Dividends	—	—	(3,944)	—	—
Acquisition of treasury shares	—	—	—	(1)	—
Disposal of treasury shares	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	4	—	(4)
Total transactions with the owners	—	39	(3,939)	21	(4)
As of December 31, 2020	9,544	10,839	126,312	(6,912)	2,796

For the Nine Months Ended December 31, 2020 (April 1, 2020 – December 31, 2020)

(Million yen)

	Equity attributable to owners of parent		Total	Non-controlling interests	Total equity
	Other components of equity				
	Translation adjustments of foreign operations	Total			
As of April 1, 2020	(2,319)	(973)	133,272	33	133,305
Profit	—	—	9,416	6	9,423
Other comprehensive income (loss)	799	2,255	2,255	1	2,256
Comprehensive income (loss)	799	2,255	11,672	7	11,679
Disposal of treasury stock accompanying stock option exercise	—	—	0	—	0
Restricted Stock	—	—	61	—	61
Dividends	—	—	(3,944)	—	(3,944)
Acquisition of treasury shares	—	—	(1)	—	(1)
Disposal of treasury shares	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	(4)	—	—	—
Total transactions with the owners	—	(4)	(3,884)	—	(3,884)
As of December 31, 2020	(1,519)	1,276	141,060	40	141,101

For the Nine Months Ended December 31, 2021 (April 1, 2021 – December 31, 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	—	—	10,368	—	—
Other comprehensive income (loss)	—	—	—	—	(324)
Comprehensive income (loss)	—	—	10,368	—	(324)
Disposal of treasury stock accompanying stock option exercise	—	(19)	—	—	—
Restricted Stock	—	61	—	—	—
Dividends	—	—	(4,284)	—	—
Acquisition of treasury shares	—	—	—	(0)	—
Disposal of treasury shares	—	—	—	27	—
Transfer from other components of equity to retained earnings	—	—	209	—	(209)
Total transactions with the owners	—	42	(4,075)	27	(209)
As of December 31, 2021	9,544	10,881	135,461	(6,886)	2,524

For the Nine Months Ended December 31, 2021 (April 1, 2021 – December 31, 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	—	—	10,368	(16)	10,351	
Other comprehensive income (loss)	1,275	950	950	(1)	949	
Comprehensive income (loss)	1,275	950	11,319	(18)	11,300	
Disposal of treasury stock accompanying stock option exercise	—	—	(19)	—	(19)	
Restricted Stock	—	—	61	—	61	
Dividends	—	—	(4,284)	—	(4,284)	
Acquisition of treasury shares	—	—	(0)	—	(0)	
Disposal of treasury shares	—	—	27	—	27	
Transfer from other components of equity to retained earnings	—	(209)	—	—	—	
Total transactions with the owners	—	(209)	(4,215)	—	(4,215)	
As of December 31, 2021	1,024	3,549	152,550	33	152,584	

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 Nine Months Ended December 31, 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	40,988	25,502	9,217	13,526	5,235	94,469	37	94,507	—	94,507
Intersegment revenue and transfers	2,312	114	34	200	51	2,713	397	3,111	(3,111)	—
Total	43,301	25,617	9,251	13,726	5,286	97,183	435	97,618	(3,111)	94,507
Segment profit	2,946	7,566	175	1,170	935	12,795	42	12,838	(74)	12,763
Finance income	—	—	—	—	—	—	—	—	—	330
Finance costs	—	—	—	—	—	—	—	—	—	125
Profit before income taxes	—	—	—	—	—	—	—	—	—	12,967

(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 includes the elimination of internal transactions among segments.

For the Nine Months Ended December 31, 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	42,751	27,151	9,101	15,193	5,657	99,855	38	99,893	—	99,893
Intersegment revenue and transfers	2,544	133	59	180	55	2,973	419	3,392	(3,392)	—
Total	45,296	27,284	9,160	15,373	5,713	102,828	457	103,285	(3,392)	99,893
Segment profit	4,015	7,627	191	1,358	1,020	14,212	47	14,260	(89)	14,171
Finance income	—	—	—	—	—	—	—	—	—	398
Finance costs	—	—	—	—	—	—	—	—	—	60
Profit before income taxes	—	—	—	—	—	—	—	—	—	14,509

(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 includes the elimination of internal transactions among segments.