



May 13, 2022

Consolidated Financial Results for the FY2021 Ended March 31, 2022 (IFRS)

Company name: MIURA CO.,LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 6005
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Scheduled date of ordinary shareholders' meeting: June 29, 2022
 Scheduled date of commencement of dividend payment: June 30, 2022
 Scheduled date for filing of annual securities report: June 30, 2022
 Supplementary documents for financial results: Yes
 Financial results briefing: Yes (for analysts and institutional investors)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)

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

| | Revenue | | Operating profit | | Profit before income taxes | | Profit | | Profit attributable to owners of parent | | Comprehensive income (loss) | |
|----------------------------------|-------------|-------|------------------|-------|----------------------------|-------|-------------|-------|---|-------|-----------------------------|------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal year ended March 31, 2022 | 143,543 | 6.5 | 19,441 | 8.9 | 20,421 | 12.4 | 14,402 | 13.3 | 14,415 | 13.6 | 17,252 | 7.3 |
| March 31, 2021 | 134,732 | (6.2) | 17,858 | (3.7) | 18,165 | (3.2) | 12,711 | (7.5) | 12,695 | (7.6) | 16,077 | 35.6 |

| | Basic earnings per share | Diluted earnings per share | Ratio of profit to equity attributable to owners of parent | Ratio of profit before income taxes to total assets | Ratio of operating profit to revenue |
|----------------------------------|--------------------------|----------------------------|--|---|--------------------------------------|
| | Yen | Yen | % | % | % |
| Fiscal year ended March 31, 2022 | 127.74 | 127.55 | 9.4 | 9.8 | 13.5 |
| March 31, 2021 | 112.62 | 112.43 | 9.1 | 9.5 | 13.3 |

(Reference) Share of profit (loss) in investments accounted for using the equity method:

Fiscal year ended March 31, 2022: 439 million yen Fiscal year ended March 31, 2021: –

(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 | Equity attributable to owners of parent per share |
|----------------------|--------------|--------------|---|--|---|
| | Million yen | Million yen | Million yen | % | Yen |
| As of March 31, 2022 | 219,154 | 160,235 | 160,196 | 73.1 | 1,416.09 |
| March 31, 2021 | 196,342 | 145,498 | 145,447 | 74.1 | 1,290.15 |

(3) Consolidated Cash Flows

| | Net cash provided by (used in) operating activities | Net cash provided by (used in) investing activities | Net cash provided by (used in) financing activities | Cash and cash equivalents at the end of the year |
|---------------------------|---|---|---|--|
| | Million yen | Million yen | Million yen | Million yen |
| Year ended March 31, 2022 | 19,442 | (14,481) | (3,263) | 40,041 |
| March 31, 2021 | 22,982 | (11,073) | (7,991) | 37,428 |

2. Dividends

| | Dividends per share | | | | | Total amount of dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to equity attributable to owners of parent (Consolidated) |
|---|----------------------|-----------------------|----------------------|----------|-------|-----------------------------------|-----------------------------|--|
| | End of first quarter | End of second quarter | End of third quarter | Year-end | Total | | | |
| Fiscal year ended | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| March 31, 2021 | — | 14.00 | — | 21.00 | 35.00 | 3,945 | 31.1 | 2.8 |
| March 31, 2022 | — | 17.00 | — | 22.00 | 39.00 | 4,406 | 30.5 | 2.9 |
| Fiscal year ending March 31, 2023 (Forecasts) | — | 19.00 | — | 22.00 | 41.00 | | 30.4 | |

(Note) The year-end dividend per share for the fiscal year ended March 31, 2022 has been changed from 20 yen to 22 yen. For details, please refer to the “Notice of Dividend of Surplus” announced on May 13, 2022.

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2023 (April 1, 2022 – March 31, 2023)

(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 | 72,500 | 9.5 | 9,400 | 1.4 | 10,000 | 5.9 | 7,200 | 6.2 | 63.80 |
| Full-year | 155,000 | 8.0 | 20,000 | 2.9 | 21,200 | 3.8 | 15,200 | 5.4 | 134.68 |

* 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 March 31, 2022: 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 March 31, 2022: 12,165,220 shares
 - As of March 31, 2021: 12,554,133 shares
- (iii) Weighted-average number of common shares outstanding for the period
 - Fiscal year ended March 31, 2022: 112,856,720 shares
 - Fiscal year ended March 31, 2021: 112,726,904 shares

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)

(1) Non-Consolidated Operating Results

(Percentages show year-on-year changes)

| Fiscal year ended | Net sales | | Operating income | | Ordinary income | | Net income | |
|-------------------|-------------|-------|------------------|------|-----------------|------|-------------|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| March 31, 2022 | 102,611 | 5.5 | 13,577 | 11.5 | 16,498 | 11.1 | 11,476 | 11.5 |
| March 31, 2021 | 97,276 | (3.1) | 12,181 | 2.7 | 14,849 | 4.2 | 10,297 | (2.2) |

| Fiscal year ended | Net income per share | Diluted net income per share |
|-------------------|----------------------|------------------------------|
| | Yen | Yen |
| March 31, 2022 | 101.69 | 101.55 |
| March 31, 2021 | 91.35 | 91.19 |

(2) Non-Consolidated Financial Position

| As of | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| March 31, 2022 | 171,771 | 138,378 | 80.4 | 1,221.40 |
| March 31, 2021 | 158,851 | 129,877 | 81.6 | 1,149.76 |

(Reference) Shareholders' equity

As of March 31, 2022 : ¥138,171 million

As of March 31, 2021 : ¥129,620 million

* 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. Overview of Operating Results etc., (4) Forecasts" on page 4 of the attached materials.

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1. Overview of Operating Results etc.

(1) Overview of Operating Results

(i) Operating Results for the Current Fiscal Year

Looking back on the state of the Japanese economy during the fiscal year ended March 2022, COVID-19 has not yet converged, but as behavioral restrictions have been relaxed more than before, the impact on sales activities is gradually diminishing. However, the outlook remains uncertain due to rising steel prices, semiconductor shortages, and geopolitical problems.

Under these circumstances, the Miura Group has been promoting activities to propose “total solutions” that solve customers’ problems based on our core principle “We will contribute to creating a society that is environmentally friendly and ways of living that are clean and comfortable through our work in the field of the Energy, Water, and 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.

Regarding the consolidated financial results for the current consolidated fiscal year, in Japan, capital investment demand for small once-through boilers and medical equipment, which are the mainstays of the equipment sales business, recovered, sales increased, and the maintenance business also performed steadily. Overseas, in the Manufacturing and Sales of Product business, there was 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. The maintenance business is performing steadily.

In terms of profits, profits increased due to the effect of increased sales and changes in the composition of products sales mix. Revenue was ¥143,543 million, up 6.5% from the previous fiscal year, operating profit was ¥19,441 million, up 8.9% from the previous fiscal year, profit before income taxes was ¥20,421 million, up 12.4% from the previous fiscal year, and profit attributable to owners of parent was ¥14,415 million, up 13.6%, resulting in new highs for all profits.

Overview of the business performance for each business segment is as follows.

(ii) Overview of Each Business Segment

[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 was a recovery in demand for capital investment for boilers and medical equipment, and sales increased.

As a result, revenue in this business was ¥63,122 million, up 4.5% from the previous fiscal year (¥60,416 million).

Segment profit was ¥5,831 million, up 19.4% from the previous fiscal year (¥4,882 million), due to the effect of increased sales and increased sales of high-margin products and parts.

[Domestic Maintenance]

In the Domestic Maintenance business, sales grew due to an increase in the number of paid maintenance contracts and promotion of proposal activities such as energy saving.

As a result, revenue in this business was ¥37,012 million, up 6.4% from the previous fiscal year (¥34,797 million). Segment profit was ¥9,637 million, up 1.2% from the previous fiscal year (¥9,524 million).

[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, saving labor and saving energy toward the after-COVID-19, and sales increased.

As a result, revenue in this business was ¥13,112 million, up 4.2% from the previous fiscal year (¥12,583 million). Segment profit was ¥322 million, up 80.8% from the previous fiscal year (¥178 million), due to the impact of increased sales and cost reduction.

[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, due to concerns about economic growth due to the uncertain relation between the United States and China, the criteria for determining the return on investment in customers' equipment have become stricter, and the market as a whole has taken a cautious stance on investment. In addition, sales of parts and consumables decreased due to the lockdowns and movement restrictions due to COVID-19, which were scattered throughout the year, reached urban areas toward the end of the fiscal year, and our sales activities stagnated, and customer's factory utilization rate declined. While deregulation of environmental regulations continued, we made solution proposals based on analysis of boiler load and usage status, and secured renewal demand and new projects, but business performance remained flat.

As a result, revenue in this business was ¥22,476 million, up 14.1% from the previous fiscal year (¥19,707 million). Segment profit was ¥2,357 million, up 14.7% from the previous fiscal year (¥2,054 million).

[Overseas Maintenance]

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

As a result, revenue in this business was ¥7,761 million, up 8.2% from the previous fiscal year (¥7,173 million). Segment profit was ¥1,310 million, up 6.0% from the previous fiscal year (¥1,236 million).

(2) Overview of Financial Position

Total assets as of March 31, 2022, were ¥219,154 million, an increase of ¥22,812 million compared to the previous fiscal year-end. Current assets increased by ¥7,913 million, mainly due to increases in, trade and other receivables by ¥4,052 million as well as inventories by ¥3,772 million, while other financial assets decreased by ¥2,553 million. Non-current assets increased by ¥14,898 million, mainly due to increases in, investments accounted for using the equity method by ¥14,613 million.

Total liabilities were ¥58,919 million, an increase of ¥8,075 million compared to the previous fiscal year-end. Current liabilities increased by ¥7,640 million, mainly due to an increase in trade and other payables by ¥2,001 million as well as other current liabilities by ¥1,921 million. Non-current liabilities increased by ¥435 million, mainly due to an increase in other financial liabilities by ¥562 million.

Total equity was ¥160,235 million, an increase of ¥14,737 million compared to the previous fiscal year-end. This was mainly due to an increase in retained earnings of ¥9,967 million and an increase in other components of equity of ¥3,013 million. As a result, the ratio of equity attributable to owners of parent to total assets comes to 73.1%.

(3) Cash Flows for the Period under Review

The following outlines the state of cash flows by category for the fiscal year under review.

Net cash provided by operating activities for totaled ¥19,442 million, a decrease of ¥3,540 million from the previous fiscal year. This was mainly due to an increase in payments due to a decrease in trade and other payables and an increase in inventories, despite an increase in income due to a decrease in trade and other receivables and an increase in contract liabilities.

Net cash used in investing activities totaled ¥14,481 million, an increase of ¥3,407 million from the previous fiscal year. This was mainly due to a decrease in proceeds from sale or redemption of securities and an increase in payments for purchase of investments accounted for using equity method, despite an increase in proceeds from withdrawal of time deposits and a decrease in payments for purchase of securities.

Net cash used in financing activities totaled ¥3,263 million, a decrease of ¥4,728 million from the previous fiscal year. This was mainly due to an increase in income due to an increase in short term and long term borrowings and sale of treasury shares.

As a result of the above, cash and cash equivalents as of March 31, 2022 were ¥40,041 million, an increase of ¥2,613 million compared to the previous fiscal year-end.

(4) Forecasts

Regarding the domestic business environment surrounding the Miura Group in the fiscal year ending March 31, 2023, the business outlook is expected to remain uncertain due to the spread of COVID-19, in addition to the rise in steel price, oil price, and production and logistics costs amid staff shortage. However, the demand for capital investment is expected to recover due to the expansion of sales activities accompanying the relaxation of behavioral restrictions. In the overseas business environment, it is difficult to make a uniform judgement since the business environment varies greatly depending on the country or region. We, however, will promote sales activities tailored to the situation in each country.

As for the Group's outlook, in Japan, as a "heat sommelier," we recognize that the significance of our existence is to supply clean heat in order to realize a carbon-free society, and we will continue to step up efforts to offer "Total Solutions" from the perspective of our customers.

Overseas, although the situations vary greatly by countries, we will promote the sales of our products by providing proposals on our boilers that adapt to environmental regulations, reducing environmental load, acquiring new customers, and strengthening energy-saving proposal sales by conducting stem load analysis. Regarding the Maintenance business, we will focus on human resource development and strive to increase the number of paid maintenance contracts acquired and improve the re-contract rate.

As a result, for the full fiscal year ending March 31, 2023 is expected to be as follows.

[Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2023]

| | Fiscal year ending March 31, 2023 |
|---|-----------------------------------|
| | Amount (Million yen) |
| Revenue | 155,000 |
| Operating profit | 20,000 |
| Profit before income taxes | 21,200 |
| Profit attributable to owners of parent | 15,200 |

We plan to pay an annual dividend of ¥41 per share.

(5) Approach to COVID-19

In order to cope with COVID-19, we have, for a domestic purpose, established the COVID-19 Countermeasures Headquarters, by which we have worked on sharing infection prevention control with our employees and business associates. We have also worked out and executed the countermeasure plan with the first priority placed on the safety and security of our customers and employees. As for the supply of our products and services, there are no problems in our supply system at present, but we will continue to work on securing a stable supply.

Overseas, we are executing, as well as in Japan, actions with the first priority placed on the safety and security of our customers and employees, and in compliance with the policies of each country.

The sales and maintenance activities of the Group are currently carried out mainly through direct communication with our customers on site. As a result, the impact of COVID-19 is restricting our business activities both in Japan and overseas. Considering the current situation, the Group will strive to build far-sighted business bases such as by providing product development and services by making use of the latest information technology including IoT, as well as work restructuring through IT investment.

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

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

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

With regard to dividends for the period under review, we plan to pay a year-end dividend of ¥22 per share, and as a result, the annual dividend will be ¥39 per share including an interim dividend of ¥17 per share. Accordingly, we expect a consolidated dividend payout ratio to be 30.5% for the period under review.

Taking into account the Company's consolidated performance forecasts, for the next period we plan to pay an annual dividend of ¥41 per share.

2. Management Policies

(1) Basic Policies for Corporate Management

As a Group, we have made it our core principle "We will contribute to creating a society that is environmentally friendly and ways of living that are clean and comfortable through our work in the field of the Energy, Water, and Environment." In order to achieve this, the Miura Group creates beneficial new products and provides services in fields related to the environment and effective utilization of energy, and thus help customers all over the world.

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

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

(2) Management Indicators as Targets

The Miura Group believes that steadily expanding profits, regardless of the market environment, will lead to the enhancement of our corporate value and the increase of shareholder return.

Therefore, the Group has set further increase of operating profit and ROE (return on equity) of 10% as management targets. We will work toward improved profitability in the fiscal year ending March 31, 2023, with ¥20,000 million in operating profit and ¥15,200 million in profit attributable to owners of parent for the period as our management targets.

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

The Group aims to be a super maintenance company (a company that continues to connect with customers through products and services), and in Japan, we will continue to expand our business by providing total solutions to our customers, with our original technology in the fields of heat, water and environment, drawn from our technological prowess and channels, continually evolving these solutions with the collective energies of the Group.

Overseas, we will strive to expand the business model we have built up over many years in Japan, including solutions for energy conservation and environmental preservation, and will strengthen our business foundation and improve our earning power. We will also strive for development of new products that meet the needs from the global market and quality improvement sought throughout the design and production processes to promote our company brand.

In addition, we will continue with our effort for ESG management in order to improve the corporate value in the medium-to-long-term. Furthermore, we will strengthen our foundation for growth, through IT technology, to achieve work style reform and increase productivity.

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

| | (Million yen) | | |
|------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | Fiscal year ending March 31, 2023 | Fiscal year ending March 31, 2024 | Fiscal year ending March 31, 2025 |
| Revenue | 155,000 | 163,000 | 172,000 |
| Operating profit | 20,000 | 22,000 | 23,500 |

(4) Issues to be Addressed by the Company

Since FY2019, the Group has been proceeding with initiatives centered on becoming “a company group has a continual bond with its customers through as many products and services as possible.” In FY2021, the COVID-19 infections have not been resolved both in Japan and overseas, but the impact on sales activities has gradually diminished due to the relaxation of behavioral restrictions. In FY2022, we will consider the various changes to our business environment, and while accelerating our responses to societal needs, which are different from before, we will continue efforts to strengthen the profitability of our existing businesses, provide products and services that can newly provide bonds with many more customers, and grow and develop the business models we have cultivated in Japan under our slogans (i) reduce environmental load, (ii) total solutions, (iii) one-stop service. To succeed in our endeavors, we will aggressively invest in R&D for new products and services, M&A to acquire original technologies, rebuilding of information systems for improved productivity, and skill development and education for our employees, etc.

(i) Development of New Products and Services

In Japan, we will continue to proactively develop new products and maintenance based services that provide solutions to maximize added value for our customers in addition to our existing lineup of boilers, laundry equipment, marine equipment, water treatment equipment, food processing equipment, medical equipment, unutilized heat recovery systems, environmental analysis equipment and fuel cells.

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

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

(iii) Expansion of our business with total solutions

As part of our medium-to-long-term management strategy, we are committed to driving forward with total solutions. Specifically, with our key product, boilers, at the core, we will link this core product with peripheral devices. In this way, we will solve the problems that affect our customers’ facilities in an all-encompassing manner to deliver an environment that

further improvement at customer's end. To expand and refine our total solutions, we will continue to explore possible joint ventures and M&A opportunities.

(iv) Work Style Reform

Accumulating experience and providing high quality services is paramount to winning the trust of customers. This is only possible with a positive work environment that enables our employees to communicate with each other effectively. Until now, we have improved our personnel frameworks and promoted a healthy work-life balance. As part of these efforts, we have explored ways of supporting our employees with child or elder care needs. Since our Group now includes many non-Japanese employees and employees with disabilities, we intend to go even further to pursue workplace diversity, recognize individual differences and perspectives, and ensure that every one of our employees can flourish.

3. Basic Concepts Concerning the Selection of Accounting Standards

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

4. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(Million yen)

| | As of March 31, 2021 | As of March 31, 2022 |
|---|-------------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 37,428 | 40,041 |
| Trade and other receivables | 38,628 | 42,681 |
| Other financial assets | 20,428 | 17,874 |
| Inventories | 19,664 | 23,436 |
| Other current assets | 869 | 898 |
| Total current assets | 117,018 | 124,932 |
| Non-current assets | | |
| Property, plant and equipment | 41,471 | 41,446 |
| Right-of-use assets | 7,376 | 7,532 |
| Goodwill and intangible assets | 13,511 | 14,132 |
| Investments accounted for using the equity method | — | 14,613 |
| Other financial assets | 13,895 | 13,224 |
| Net defined benefit asset | 1,175 | 875 |
| Deferred tax assets | 1,656 | 2,159 |
| Other non-current assets | 235 | 236 |
| Total non-current assets | 79,323 | 94,222 |
| Total assets | 196,342 | 219,154 |

(Million yen)

| | As of March 31, 2021 | As of March 31, 2022 |
|---|-------------------------|-------------------------|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Lease liabilities | 2,539 | 2,595 |
| Trade and other payables | 13,915 | 15,916 |
| Other financial liabilities | 368 | 2,085 |
| Income taxes payable | 3,507 | 4,156 |
| Provisions | 823 | 740 |
| Contract liabilities | 11,462 | 13,384 |
| Other current liabilities | 11,549 | 12,928 |
| Total current liabilities | 44,165 | 51,806 |
| Non-current liabilities | | |
| Lease liabilities | 4,598 | 4,656 |
| Other financial liabilities | — | 562 |
| Net defined benefit liability | 71 | 76 |
| Provisions | 1 | 1 |
| Deferred tax liabilities | 1,616 | 1,442 |
| Other non-current liabilities | 389 | 373 |
| Total non-current liabilities | 6,677 | 7,112 |
| Total liabilities | 50,843 | 58,919 |
| Equity | | |
| Capital stock | 9,544 | 9,544 |
| Capital surplus | 10,839 | 12,393 |
| Retained earnings | 129,168 | 139,135 |
| Treasury shares | (6,913) | (6,697) |
| Other components of equity | 2,807 | 5,820 |
| Total equity attributable to owners of parent | 145,447 | 160,196 |
| Non-controlling interests | 51 | 39 |
| Total equity | 145,498 | 160,235 |
| Total liabilities and equity | 196,342 | 219,154 |

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

(Million yen)

| | Fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022 |
|---|-------------------------------------|-------------------------------------|
| Revenue | 134,732 | 143,543 |
| Cost of revenue | 79,758 | 84,556 |
| Gross profit | 54,974 | 58,987 |
| Selling, general and administrative expenses | 37,761 | 40,229 |
| Other income | 966 | 930 |
| Other expenses | 321 | 246 |
| Operating profit | 17,858 | 19,441 |
| Finance income | 391 | 677 |
| Finance costs | 84 | 137 |
| Share of profit of investments accounted for using the equity method | — | 439 |
| Profit before income taxes | 18,165 | 20,421 |
| Income tax expenses | 5,454 | 6,018 |
| Profit | 12,711 | 14,402 |
| Profit attributable to: | | |
| Owners of parent | 12,695 | 14,415 |
| Non-controlling interests | 15 | (13) |
| Profit | 12,711 | 14,402 |
| Earnings per share | | |
| Basic (Yen) | 112.62 | 127.74 |
| Diluted (Yen) | 112.43 | 127.55 |

(Consolidated Statements of Comprehensive Income)

(Million yen)

| | Fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022 |
|--|-------------------------------------|-------------------------------------|
| Profit | 12,711 | 14,402 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Financial assets measured at fair value through other comprehensive income | 1,716 | (306) |
| Remeasurement of defined benefit plans | (421) | (309) |
| Share of other comprehensive income of investments accounted for using the equity method | — | 191 |
| Total items that will not be reclassified to profit or loss | 1,294 | (424) |
| Items that will be reclassified to profit or loss | | |
| Translation adjustments of foreign operations | 2,071 | 3,126 |
| Share of other comprehensive income of investments accounted for using the equity method | — | 148 |
| Total items that will be reclassified to profit or loss | 2,071 | 3,274 |
| Other comprehensive income (loss), net of taxes | 3,366 | 2,850 |
| Comprehensive income (loss) | 16,077 | 17,252 |
| Comprehensive income (loss) attributable to: | | |
| Owners of parent | 16,059 | 17,265 |
| Non-controlling interests | 18 | (12) |
| Comprehensive income (loss) | 16,077 | 17,252 |

(3) Consolidated Statements of Changes in Equity

For the Fiscal Year Ended March 31, 2021 (April 1, 2020 – March 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 | Translation adjustments of foreign operations |
| As of April 1, 2020 | 9,544 | 10,800 | 120,836 | (6,933) | 1,346 | (2,319) |
| Profit | — | — | 12,695 | — | — | — |
| Other comprehensive income (loss) | — | — | — | — | 1,716 | 2,069 |
| Comprehensive income (loss) | — | — | 12,695 | — | 1,716 | 2,069 |
| Sales of treasury shares upon exercise of stock options | — | (15) | — | 15 | — | — |
| Restricted share-based remuneration | — | 54 | — | 7 | — | — |
| Dividends | — | — | (3,944) | — | — | — |
| Acquisition of treasury shares | — | — | — | (1) | — | — |
| Disposal of treasury shares | — | — | — | — | — | — |
| Transfer from other components of equity to retained earnings | — | — | (417) | — | (3) | — |
| Total transactions with the owners | — | 39 | (4,362) | 20 | (3) | — |
| As of March 31, 2021 | 9,544 | 10,839 | 129,168 | (6,913) | 3,058 | (250) |

| | Equity attributable to owners of parent | | | | | | |
|---|---|--|-------|---------|-------|---------------------------|--------------|
| | Other components of equity | | | Total | Total | Non-controlling interests | Total equity |
| | Remeasurement of defined benefit plans | Share of other comprehensive income of investments accounted for using equity method | Total | | | | |
| As of April 1, 2020 | — | — | (973) | 133,272 | 33 | 133,305 | |
| Profit | — | — | — | 12,695 | 15 | 12,711 | |
| Other comprehensive income (loss) | (421) | — | 3,363 | 3,363 | 2 | 3,366 | |
| Comprehensive income (loss) | (421) | — | 3,363 | 16,059 | 18 | 16,077 | |
| Sales of treasury shares upon exercise of stock options | — | — | — | 0 | — | 0 | |
| Restricted share-based remuneration | — | — | — | 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 | 421 | — | 417 | — | — | — | |
| Total transactions with the owners | 421 | — | 417 | (3,884) | — | (3,884) | |
| As of March 31, 2021 | — | — | 2,807 | 145,447 | 51 | 145,498 | |

For the Fiscal Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)

(Million yen)

| | Equity attributable to owners of parent | | | | | |
|---|---|-----------------|-------------------|-----------------|-------------------------------------|---|
| | Capital stock | Capital surplus | Retained earnings | Treasury shares | Other components of equity | |
| | | | | | Financial assets measured at FVTOCI | Translation adjustments of foreign operations |
| As of April 1, 2021 | 9,544 | 10,839 | 129,168 | (6,913) | 3,058 | (250) |
| Profit | — | — | 14,415 | — | — | — |
| Other comprehensive income (loss) | — | — | — | — | (306) | 3,125 |
| Comprehensive income (loss) | — | — | 14,415 | — | (306) | 3,125 |
| Sales of treasury shares upon exercise of stock options | — | (19) | — | — | — | — |
| Restricted share-based remuneration | — | 61 | — | — | — | — |
| Dividends | — | — | (4,284) | — | — | — |
| Acquisition of treasury shares | — | — | — | (0) | — | — |
| Disposal of treasury shares | — | 1,511 | — | 215 | — | — |
| Transfer from other components of equity to retained earnings | — | — | (163) | — | (145) | — |
| Total transactions with the owners | — | 1,553 | (4,448) | 215 | (145) | — |
| As of March 31, 2022 | 9,544 | 12,393 | 139,135 | (6,697) | 2,606 | 2,874 |

For the Fiscal Year Ended March 31, 2022 (April 1, 2021 – March 31, 2022)

(Million yen)

| | Equity attributable to owners of parent | | | Total | Non-controlling interests | Total equity |
|---|---|--|-------|---------|---------------------------|--------------|
| | Other components of equity | | Total | | | |
| | Remeasurement of defined benefit plans | Share of other comprehensive income of investments accounted for using equity method | | | | |
| As of April 1, 2021 | — | — | 2,807 | 145,447 | 51 | 145,498 |
| Profit | — | — | — | 14,415 | (13) | 14,402 |
| Other comprehensive income (loss) | (309) | 339 | 2,849 | 2,849 | 1 | 2,850 |
| Comprehensive income (loss) | (309) | 339 | 2,849 | 17,265 | (12) | 17,252 |
| Sales of treasury shares upon exercise of stock options | — | — | — | (19) | — | (19) |
| Restricted share-based remuneration | — | — | — | 61 | — | 61 |
| Dividends | — | — | — | (4,284) | — | (4,284) |
| Acquisition of treasury shares | — | — | — | (0) | — | (0) |
| Disposal of treasury shares | — | — | — | 1,727 | — | 1,727 |
| Transfer from other components of equity to retained earnings | 309 | — | 163 | — | — | — |
| Total transactions with the owners | 309 | — | 163 | (2,515) | — | (2,515) |
| As of March 31, 2022 | — | 339 | 5,820 | 160,196 | 39 | 160,235 |

(4) Consolidated Statements of Cash Flows

(Million yen)

| | Fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 18,165 | 20,421 |
| Depreciation and amortization | 6,733 | 6,879 |
| Impairment loss | 79 | — |
| Shares of profit on equity method | — | (439) |
| Interest and dividend income | (343) | (409) |
| Foreign exchange losses (gains) | (22) | (229) |
| Decrease (increase) in trade and other receivables | 4,462 | (3,398) |
| Decrease (increase) in inventories | 939 | (2,997) |
| Increase (decrease) in trade and other payables | (2,403) | 2,030 |
| Increase (decrease) in accrued bonuses | 281 | 587 |
| Decrease (increase) in retirement benefit assets | (118) | (279) |
| Increase (decrease) in retirement benefit liabilities | (41) | 125 |
| Increase (decrease) in contract liabilities | (663) | 1,535 |
| Other | (150) | 1,042 |
| Subtotal | 26,917 | 24,867 |
| Interest and dividends received | 345 | 406 |
| Interest paid | (72) | (69) |
| Income taxes paid | (4,208) | (5,762) |
| Net cash provided by (used in) operating activities | 22,982 | 19,442 |
| Cash flows from investing activities | | |
| Payments into time deposits | (23,107) | (31,906) |
| Proceeds from withdrawal of time deposits | 13,485 | 32,401 |
| Purchase of property, plant and equipment | (2,352) | (2,445) |
| Purchase of intangible assets | (1,164) | (1,908) |
| Purchase of securities | (19,263) | (2,009) |
| Proceeds from sale or redemption of securities | 21,239 | 5,213 |
| Purchase of investments accounted for using equity method | — | (13,835) |
| Other | 88 | 7 |
| Net cash provided by (used in) investing activities | (11,073) | (14,481) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | (505) | 1,312 |
| Proceeds from long-term borrowings | — | 1,500 |
| Repayment of long-term borrowings | (500) | (537) |
| Repayments of lease liabilities | (3,041) | (2,956) |
| Proceeds from sales of treasury shares | 0 | 1,700 |
| Dividends paid | (3,942) | (4,281) |
| Other | (1) | (0) |
| Net cash provided by (used in) financing activities | (7,991) | (3,263) |
| Foreign currency transaction adjustments on cash and cash equivalents | 682 | 915 |
| Net increase (decrease) in cash and cash equivalents | 4,599 | 2,613 |
| Cash and cash equivalents at the beginning of the year | 32,828 | 37,428 |
| Cash and cash equivalents at the end of the year | 37,428 | 40,041 |

5. Notes on 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 Fiscal Year Ended March 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 | 60,416 | 34,797 | 12,583 | 19,707 | 7,173 | 134,678 | 54 | 134,732 | — | 134,732 |
| Intersegment revenue and transfers | 3,067 | 151 | 46 | 270 | 75 | 3,611 | 535 | 4,147 | (4,147) | — |
| Total | 63,484 | 34,948 | 12,630 | 19,977 | 7,248 | 138,290 | 589 | 138,880 | (4,147) | 134,732 |
| Segment profit | 4,882 | 9,524 | 178 | 2,054 | 1,236 | 17,876 | 54 | 17,930 | (72) | 17,858 |
| Finance income | — | — | — | — | — | — | — | — | — | 391 |
| Finance costs | — | — | — | — | — | — | — | — | — | 84 |
| Profit before income taxes | — | — | — | — | — | — | — | — | — | 18,165 |
| Other items | | | | | | | | | | |
| Depreciation and amortization (Note 4) | 2,372 | 1,870 | 1,016 | 509 | 281 | 6,050 | 6 | 6,057 | 676 | 6,733 |
| Impairment losses | — | — | — | 56 | 23 | 79 | — | 79 | — | 79 |
| Capital expenditures (Note 5) | 2,840 | 1,907 | 336 | 668 | 359 | 6,112 | 10 | 6,123 | 636 | 6,759 |

(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.
The adjustment amount for the “Other items” primarily includes corporate expenses not attributable to reportable segments.
4. Includes property, plant and equipment, intangible assets and depreciation arising from right-of-use assets.
5. Includes property, plant and equipment, intangible assets and investments in right-of-use assets.

For the Fiscal Year Ended March 31, 2022

(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 | 63,122 | 37,012 | 13,112 | 22,476 | 7,761 | 143,484 | 58 | 143,543 | — | 143,543 |
| Intersegment revenue and transfers | 3,403 | 193 | 70 | 261 | 82 | 4,011 | 570 | 4,581 | (4,581) | — |
| Total | 66,525 | 37,205 | 13,182 | 22,738 | 7,844 | 147,496 | 629 | 148,125 | (4,581) | 143,543 |
| Segment profit | 5,831 | 9,637 | 322 | 2,357 | 1,310 | 19,458 | 68 | 19,526 | (84) | 19,441 |
| Finance income | — | — | — | — | — | — | — | — | — | 677 |
| Finance costs | — | — | — | — | — | — | — | — | — | 137 |
| Share of profit on equity method | — | — | — | — | — | — | — | — | — | 439 |
| Profit before income taxes | — | — | — | — | — | — | — | — | — | 20,421 |
| Other items | | | | | | | | | | |
| Depreciation and amortization (Note 4) | 2,436 | 1,901 | 1,007 | 576 | 322 | 6,243 | 7 | 6,251 | 628 | 6,879 |
| Impairment losses | — | — | — | — | — | — | — | — | — | — |
| Capital expenditures (Note 5) | 3,539 | 1,975 | 125 | 827 | 376 | 6,843 | 7 | 6,851 | 482 | 7,333 |

(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.
The adjustment amount for the “Other items” primarily includes corporate expenses not attributable to reportable segments.
4. Includes property, plant and equipment, intangible assets and depreciation arising from right-of-use assets.
5. Includes property, plant and equipment, intangible assets and investments in right-of-use assets.

(Per Share Information)

The basis for calculating basic profit per share and diluted profit per share is as follows.

| | Fiscal year ended March 31, 2021 | Fiscal year ended March 31, 2022 |
|--|-------------------------------------|-------------------------------------|
| Basis for calculating basic earnings per share Profit attributable to owners of parent (Million yen) | 12,695 | 14,415 |
| Profit used in calculating basic earnings per share (Million yen) | 12,695 | 14,415 |
| Average number of common stock shares during the period (Thousand shares) | 112,726 | 112,856 |
| Basis for calculating diluted earnings per share Profit used in calculating basic earnings per share (Million yen) | 12,695 | 14,415 |
| Profit used in calculating diluted earnings per share (Million yen) | 12,695 | 14,415 |
| Average number of common stock shares during the period (Thousand shares) | 112,726 | 112,856 |
| Effect of dilutive shares (Thousand shares) | 194 | 161 |
| Average number of common stock shares after adjustment for dilution (Thousand shares) | 112,921 | 113,018 |

(Important Subsequent Events)

Not applicable.