May 12, 2023

Consolidated Financial Results for the FY2022 Ended March 31, 2023 (IFRS)

Company name:	MIURA CO.,LTD.
Stock exchange listing:	Tokyo Stock Exchange
Stock code:	6005
URL:	https://www.miuraz.co.jp/
Representative:	MIYAUCHI Daisuke, President & CEO
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Scheduled date of ordinary shareholders' meeting:	June 29, 2023
Scheduled date of commencement of dividend payment:	June 30, 2023
Scheduled date for filing of annual securities report:	June 30, 2023
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, 2023 (April 1, 2022 – March 31, 2023)

(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	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	158,377	10.3	21,928	12.8	23,467	15.9	16,986	19.4	16,876	18.5	17,171	0.6
March 31, 2022	143,543	6.5	19,441	8.9	20,242	11.4	14,223	11.9	14,236	12.1	17,073	6.2

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2023	149.52	149.39	10.3	10.5	13.8
March 31, 2022	126.15	125.97	9.3	9.7	13.5

(Reference) Share of profit in investments accounted for using the equity method:
Fiscal year ended March 31, 2023: ¥1,230 million Fiscal year ended March 31, 2022: ¥259 million

(Note) With regard to the conversion of KOBELCO COMPRESSORS CORPORATION into an equity-method affiliate company on January 5, 2022, although provisional accounting treatment was applied in the previous fiscal year, it was finalized in the third quarter ended December 31, 2022. Therefore, the figures used for comparison reflect the finalization of the provisional accounting treatment.

(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
As of	Million yen	Million yen	Million yen	%	Yen
March 31, 2023	229,560	168,912	168,348	73.3	1,504.02
March 31, 2022	218,975	160,056	160,017	73.1	1,414.51

(Note) With regard to the conversion of KOBELCO COMPRESSORS CORPORATION into an equity-method affiliate company on January 5, 2022, although provisional accounting treatment was applied in the previous fiscal year, it was finalized in the third quarter ended December 31, 2022. Therefore, the figures used for comparison reflect the finalization of the provisional accounting treatment.

(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
Year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2023	17,844	(12,535)	(13,766)	30,565
March 31, 2022	19,442	(14,481)	(3,389)	40,041

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, 2022	—	17.00	—	22.00	39.00	4,406	30.9	2.9
March 31, 2023	—	19.00	—	26.00	45.00	5,061	30.1	3.1
Fiscal year ending March 31, 2024 (Forecasts)	—	22.00	—	26.00	48.00		30.1	

(Note) 1. The year-end dividend per share for the fiscal year ended March 31, 2023 has been changed from 22 yen to 26 yen.
2. With regard to the conversion of KOBELCO COMPRESSORS CORPORATION into an equity-method affiliate company on January 5, 2022, although provisional accounting treatment was applied in the previous fiscal year, it was finalized in the third quarter ended December 31, 2022. Therefore, payout ratio for the fiscal year ended March 31, 2022 reflect the finalization of the provisional accounting treatment.

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)

(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	71,200	2.8	10,400	11.5	11,600	11.1	8,500	11.5	75.31
Full-year	151,500	(4.3)	22,100	0.8	24,600	4.8	18,000	6.7	159.48

(Note) Since Inax Corporation will become an equity-method affiliate as a result of the joint venture agreement with JENSEN-GROUP NV, the results of Inax Corporaiton are not included in revenue and operating profit, however, are included in profit before income taxes as share of profit in investments accounted for using the equity method in the consolidated forecasts for the fiscal year ending March 31, 2024.

* 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

(Note) For details, please refer to "5. Notes on Consolidated Financial Statements (Changes in Accounting Policies)" on page 16 of the attached materials.

(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, 2023: 125,291,112 shares
  - As of March 31, 2022: 125,291,112 shares
- (ii) Number of treasury shares at the end of the period
  - As of March 31, 2023: 13,359,047 shares
  - As of March 31, 2022: 12,165,220 shares
- (iii) Weighted-average number of common shares outstanding for the period
  - Fiscal year ended March 31, 2023: 112,869,795 shares
  - Fiscal year ended March 31, 2022: 112,856,720 shares

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 – March 31, 2023)

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

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	107,828	5.1	14,893	9.7	20,954	27.0	15,519	35.2
March 31, 2022	102,611	5.5	13,577	11.5	16,498	11.1	11,476	11.5

	Net income per share	Diluted net income per share
Fiscal year ended	Yen	Yen
March 31, 2023	137.50	137.38
March 31, 2022	101.69	101.55

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2023	176,133	144,877	82.2	1,293.19
March 31, 2022	171,771	138,378	80.4	1,221.40

(Reference) Shareholders' equity
As of March 31, 2023 : ¥144,749 million
As of March 31, 2022 : ¥138,171 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.

Attached Materials

Index

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 2023, the impact of COVID-19 was limited, however, the outlook remains uncertain due to ongoing problems such as increasing energy and raw material prices, semiconductor shortages, and geopolitical issues.

Under these circumstances, the Miura Group has been promoting activities in Japan to realize the “Super maintenance company” proposing “total solutions” that solve customers’ problems and preparing to provide one-stop service 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.”

Regarding the consolidated financial results for the current consolidated fiscal year, in the Domestic Manufacturing and Sales of Products business, sales of small once-through boilers, which are the mainstays of the business, were solid, in addition, the Domestic Laundry and the Domestic Maintenance business also performed steadily.
Overseas, sales increased due in part to solid boiler sales in the Americas and the impact of exchange fluctuations.
In terms of profits, profits increased due in part to the effect of increased sales and selling price revisions, while expenses increased due to increases in raw material prices and energized sales activities.

Revenue was ¥158,377 million, up 10.3% from the previous fiscal year, operating profit was ¥21,928 million, up 12.8% from the previous fiscal year, profit before income taxes was ¥23,467 million, up 15.9% from the previous fiscal year, and profit attributable to owners of parent was ¥16,876 million, up 18.5%, 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, sales increased due to solid sales of small once-through boilers, related equipment, and construction work associated with energy conservation proposals, etc.
As a result, revenue in this business was ¥66,199 million, up 4.9% from the previous fiscal year (¥63,122 million). Segment profit was ¥6,803 million, up 16.7% from the previous fiscal year (¥5,831 million), due in part to the effect of increased sales and selling price revisions.

[Domestic Maintenance]
In the Domestic Maintenance business, sales grew due to an increase in the number of paid maintenance contracts with extended contract terms and promotion of proposal activities such as energy saving.
As a result, revenue in this business was ¥38,605 million, up 4.3% from the previous fiscal year (¥37,012 million). Segment profit was ¥10,164 million, up 5.5% from the previous fiscal year (¥9,637 million).

[Domestic Laundry]
In the Domestic Laundry business, sales increased due to the impact of the accounting treatment for a newly consolidated company and a recovery in stagnant demand for replacement of aging equipment for the purpose of saving manpower and energy by increasing in the utilization rate of facilities as a result of an increase of human mobility.
As a result, revenue in this business was ¥17,421 million, up 32.9% from the previous fiscal year (¥13,112 million). Segment profit was ¥701 million, up 117.8% from the previous fiscal year (¥322 million), due to the impact of increased sales.

[Overseas Manufacturing and Sales of Products]
In the Overseas Manufacturing and Sales of Products business, sales increased due to a strengthened cooperation with distributors in Americas and the effect of selling price revisions, despite sluggish sales due to stagnant sales activities because of behavioral restrictions caused by the spread of COVID-19 in China.
As a result, revenue in this business was ¥26,517 million, up 18.0% from the previous fiscal year (¥22,476 million). Segment profit was ¥2,972 million, up 26.1% from the previous fiscal year (¥2,357 million).

[Overseas Maintenance]
In the Overseas Maintenance business, sales grew due to an increase in the number of contracts with our proactively proposals of securing paid maintenance contracts.
As a result, revenue in this business was ¥9,573 million, up 23.3% from the previous fiscal year (¥7,761 million). Segment profit was ¥1,394 million, up 6.4% from the previous fiscal year (¥1,310 million), despite increases in expenses related to maintenance contracts and personnel.

(2) Overview of Financial Position

(Million yen)

	As of March 31, 2022	As of March 31, 2023	Change
Total assets	218,975	229,560	10,584
Total liabilities	58,919	60,648	1,729
Total equity	160,056	168,912	8,855

Total assets as of March 31, 2023, were ¥229,560 million, an increase of ¥10,584 million compared to the previous fiscal year-end. Current assets increased by ¥22,972 million, mainly due to increases in, assets held for sale by ¥20,366 million, other financial assets by ¥5,294 million, and other current assets by ¥4,439 million, while cash and cash equivalents decreased by ¥9,476 million. Non-current assets decreased by ¥12,387 million, mainly due to decreases in, goodwill and intangible assets by ¥10,047 million, property, plant and equipment by ¥1,764 million, as well as right-of-use assets by ¥1,014 million, while investments accounted for using the equity method increased by ¥770 million.

Total liabilities were ¥60,648 million, an increase of ¥1,729 million compared to the previous fiscal year-end. Current liabilities increased by ¥4,365 million, mainly due to increases in, liabilities directly associated with assets held for sale by ¥8,286 million, and contract liabilities by ¥3,111 million, while trade and other payables decreased by ¥3,521 million, income taxes payable by ¥1,620 million, as well as other financial liabilities by ¥1,110 million. Non-current liabilities decreased by ¥2,636 million, mainly due to decreases in deferred tax liabilities by ¥1,360 million, lease liabilities by ¥889 million, and other financial liabilities by ¥545 million.

Furthermore, in March 2023, the Company closed a capital contribution agreement and a joint venture agreement to contribute in kind a portion of the shares of Inax Corporation in JENSEN-GROUP NV (head office: Belgium) for the purpose of a capital and business alliance for the manufacture and sale of industrial laundry and related equipment. Based on the conclusion of this agreement, the assets and directly related liabilities of Inax Corporation are presented as assets held for sale and liabilities directly associated with assets held for sale until the completion of the contribution in kind.

Total equity was ¥168,912 million, an increase of ¥8,855 million compared to the previous fiscal year-end. This was mainly due to an increase in retained earnings of ¥11,955 million.
As a result, the ratio of equity attributable to owners of parent to total assets comes to 73.3%.

Moreover, with regard to the conversion of KOBELCO COMPRESSORS CORPORATION into an equity-method affiliate company on January 5, 2022, although provisional accounting treatment was applied in the previous fiscal year, it was finalized in the third quarter ended December 31, 2022. Therefore, the figures used for comparison reflect the finalization of the provisional accounting treatment.

(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 totaled ¥17,844 million (¥19,442 million provided in the same period of the previous year). The increase was mainly due to profit before income taxes of ¥23,467 million and depreciation and amortization of ¥7,033 million. The decrease was mainly due to an increase in inventories of ¥5,183 million and income taxes paid of ¥7,899 million.

Net cash used in investing activities totaled ¥12,535 million (¥14,481 million used in the same period of the previous year). This was mainly due to payments into time deposits of ¥42,767 million, purchase of property, plant and equipment of ¥1,610 million, and proceeds from withdrawal of time deposits of ¥37,773 million.

Net cash used in financing activities totaled ¥13,766 million (¥3,389 million used in the same period of the previous year). This was mainly due to dividends paid of ¥4,634 million, purchase of treasury shares of ¥4,142 million, and repayments of lease liabilities of ¥3,172 million.

As a result of the above, cash and cash equivalents as of March 31, 2023 were ¥30,565 million, a decrease of ¥9,476 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, 2024 is expected to be as follows.
Furthermore, since Inax Corporation will become an equity-method affiliate as a result of the joint venture agreement with JENSEN-GROUP NV, the results of Inax Corporation are not included in revenue and operating profit, however, are included in profit before income taxes as share of profit in investments accounted for using the equity method in the consolidated forecasts for the fiscal year ending March 31, 2024.

[Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2024]

	Fiscal year ending March 31, 2024
	Amount (Million yen)
Revenue	151,500
Operating profit	22,100
Profit before income taxes	24,600
Profit attributable to owners of parent	18,000

We plan to pay an annual dividend of ¥48 per share.

(5) 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 products and new services and M&A to acquire original technologies. We will also use internal reserves for the purposes of investments to enhance environmental protection, safety, and quality, etc., as well as for reconstruction of information systems for productivity improvement, and employee trainings 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 ¥26 per share, and as a result, the annual dividend will be ¥45 per share including an interim dividend of ¥19 per share. Accordingly, we expect a consolidated dividend payout ratio to be 30.1% 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 ¥48 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 conductive 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, 2024, with ¥22,100 million in operating profit and ¥18,000 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, 2024	Fiscal year ending March 31, 2025	Fiscal year ending March 31, 2026
Revenue	151,500	158,900	167,500
Operating profit	22,100	23,000	24,100

Furthermore, since Inax Corporation will become an equity-method affiliate as a result of the joint venture agreement with JENSEN-GROUP NV, the results of Inax Corporaiton are not included in the above medium-term plan.

(4) Issues to be Addressed by the Company

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 FY2022, 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 FY2023, 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, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and cash equivalents	40,041	30,565
Trade and other receivables	42,681	41,575
Other financial assets	17,874	23,169
Inventories	23,436	26,891
Other current assets	898	5,337
Subtotal	124,932	127,538
Assets held for sale	—	20,366
Total current assets	124,932	147,904
Non-current assets		
Property, plant and equipment	41,446	39,682
Right-of-use assets	7,532	6,517
Goodwill and intangible assets	14,132	4,085
Investments accounted for using the equity method	14,434	15,205
Other financial assets	13,224	13,599
Net defined benefit asset	875	429
Deferred tax assets	2,159	2,014
Other non-current assets	236	121
Total non-current assets	94,043	81,655
Total assets	218,975	229,560

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Lease liabilities	2,595	2,470
Trade and other payables	15,916	12,395
Other financial liabilities	2,085	974
Income taxes payable	4,156	2,535
Provisions	740	747
Contract liabilities	13,384	16,495
Other current liabilities	12,928	12,266
Subtotal	51,806	47,885
Liabilities directly associated with assets held for sale	—	8,286
Total current liabilities	51,806	56,171
Non-current liabilities		
Lease liabilities	4,656	3,766
Other financial liabilities	562	17
Net defined benefit liability	76	71
Provisions	1	1
Deferred tax liabilities	1,442	81
Other non-current liabilities	373	538
Total non-current liabilities	7,112	4,476
Total liabilities	58,919	60,648
Equity		
Capital stock	9,544	9,544
Capital surplus	12,393	12,403
Retained earnings	138,956	150,912
Treasury shares	(6,697)	(10,787)
Other components of equity	5,820	6,276
Other comprehensive income related to disposal groups held for sale	—	(0)
Total equity attributable to owners of parent	160,017	168,348
Non-controlling interests	39	564
Total equity	160,056	168,912
Total liabilities and equity	218,975	229,560

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

(Million yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Revenue	143,543	158,377
Cost of revenue	84,556	94,058
Gross profit	58,987	64,318
Selling, general and administrative expenses	40,229	43,116
Other income	930	914
Other expenses	246	188
Operating profit	19,441	21,928
Finance income	677	905
Finance costs	137	596
Share of profit of investments accounted for using the equity method	259	1,230
Profit before income taxes	20,242	23,467
Income tax expenses	6,018	6,480
Profit	14,223	16,986
Profit attributable to:		
Owners of parent	14,236	16,876
Non-controlling interests	(13)	110
Profit	14,223	16,986
Earnings per share		
Basic (Yen)	126.15	149.52
Diluted (Yen)	125.97	149.39

(Consolidated Statements of Comprehensive Income)

(Million yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	14,223	16,986
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(306)	(116)
Remeasurement of defined benefit plans	(309)	(451)
Share of other comprehensive income of investments accounted for using the equity method	191	(66)
Total items that will not be reclassified to profit or loss	(424)	(634)
Items that may be reclassified to profit or loss		
Translation adjustments of foreign operations	3,126	871
Share of other comprehensive income of investments accounted for using the equity method	148	(51)
Total items that may be reclassified to profit or loss	3,274	819
Other comprehensive income, net of taxes	2,850	185
Comprehensive income	17,073	17,171
Comprehensive income attributable to:		
Owners of parent	17,085	17,057
Non-controlling interests	(12)	113
Comprehensive income	17,073	17,171

(3) Consolidated Statements of Changes in Equity

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

(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, 2021	9,544	10,839	129,168	(6,913)	3,058	(250)
Profit	—	—	14,236	—	—	—
Other comprehensive income (loss)	—	—	—	—	(306)	3,125
Comprehensive income (loss)	—	—	14,236	—	(306)	3,125
Disposal of treasury stock accompanying stock option exercise	—	(19)	—	—	—	—
Restricted stock	—	61	—	—	—	—
Dividends	—	—	(4,284)	—	—	—
Acquisition of treasury shares	—	—	—	(0)	—	—
Disposal of treasury shares	—	1,511	—	215	—	—
Increase (decrease) by business combination	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(163)	—	(145)	—
Transfer to other comprehensive income related to disposal groups held for sale	—	—	—	—	—	—
Other	—	—	—	—	—	—
Total transactions with the owners	—	1,553	(4,448)	215	(145)	—
As of March 31, 2022	9,544	12,393	138,956	(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						
	Other components of equity						
	Remeasurement of defined benefit plans	Share of other comprehensive income of investments accounted for using equity method	Total	Other comprehensive income related to disposal groups held for sale	Total	Non-controlling interests	Total equity
As of April 1, 2021	—	—	2,807	—	145,447	51	145,498
Profit	—	—	—	—	14,236	(13)	14,223
Other comprehensive income (loss)	(309)	339	2,849	—	2,849	1	2,850
Comprehensive income (loss)	(309)	339	2,849	—	17,085	(12)	17,073
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	—	—	—	—	1,727	—	1,727
Increase (decrease) by business combination	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	309	—	163	—	—	—	—
Transfer to other comprehensive income related to disposal groups held for sale	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—
Total transactions with the owners	309	—	163	—	(2,515)	—	(2,515)
As of March 31, 2022	—	339	5,820	—	160,017	39	160,056

For the Fiscal Year Ended March 31, 2023 (April 1, 2022 – March 31, 2023)

(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, 2022	9,544	12,393	138,956	(6,697)	2,606	2,874
Profit	—	—	16,876	—	—	—
Other comprehensive income (loss)	—	—	—	—	(116)	867
Comprehensive income (loss)	—	—	16,876	—	(116)	867
Disposal of treasury stock accompanying stock option exercise	—	(40)	—	—	—	—
Restricted stock	—	49	—	—	—	—
Dividends	—	—	(4,639)	—	—	—
Acquisition of treasury shares	—	—	—	(4,142)	—	—
Disposal of treasury shares	—	—	—	52	—	—
Increase (decrease) by business combination	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(274)	—	(177)	—
Transfer to other comprehensive income related to disposal groups held for sale	—	—	—	—	0	—
Other	—	—	(6)	—	—	—
Total transactions with the owners	—	9	(4,920)	(4,089)	(177)	—
As of March 31, 2023	9,544	12,403	150,912	(10,787)	2,312	3,742

For the Fiscal Year Ended March 31, 2023 (April 1, 2022 – March 31, 2023)

(Million yen)

	Equity attributable to owners of parent						
	Other components of equity						
	Remeasurement of defined benefit plans	Share of other comprehensive income of investments accounted for using equity method	Total	Other comprehensive income related to disposal groups held for sale	Total	Non-controlling interests	Total equity
As of April 1, 2022	—	339	5,820	—	160,017	39	160,056
Profit	—	—	—	—	16,876	110	16,986
Other comprehensive income (loss)	(451)	(118)	181	—	181	3	185
Comprehensive income (loss)	(451)	(118)	181	—	17,057	113	17,171
Disposal of treasury stock accompanying stock option exercise	—	—	—	—	(40)	—	(40)
Restricted stock	—	—	—	—	49	—	49
Dividends	—	—	—	—	(4,639)	—	(4,639)
Acquisition of treasury shares	—	—	—	—	(4,142)	—	(4,142)
Disposal of treasury shares	—	—	—	—	52	—	52
Increase (decrease) by business combination	—	—	—	—	—	410	410
Transfer from other components of equity to retained earnings	451	—	274	—	—	—	—
Transfer to other comprehensive income related to disposal groups held for sale	—	—	0	(0)	—	—	—
Other	—	—	—	—	(6)	—	(6)
Total transactions with the owners	451	—	274	(0)	(8,727)	410	(8,316)
As of March 31, 2023	—	221	6,276	(0)	168,348	564	168,912

(4) Consolidated Statements of Cash Flows

(Million yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	20,242	23,467
Depreciation and amortization	6,879	7,033
Shares of profit on equity method	(259)	(1,230)
Interest and dividend income	(409)	(635)
Foreign exchange losses (gains)	(229)	(193)
Loss (gain) on assessment of investment securities	69	500
Decrease (increase) in trade and other receivables	(3,398)	(2,240)
Decrease (increase) in inventories	(2,997)	(5,183)
Increase (decrease) in trade and other payables	2,030	806
Increase (decrease) in accrued bonuses	587	1
Decrease (increase) in retirement benefit assets	(279)	(201)
Increase (decrease) in retirement benefit liabilities	125	(47)
Increase (decrease) in contract liabilities	1,535	2,019
Other	972	620
Subtotal	24,867	24,717
Interest and dividends received	406	1,112
Interest paid	(69)	(84)
Income taxes paid	(5,762)	(7,899)
Net cash provided by (used in) operating activities	19,442	17,844
Cash flows from investing activities		
Payments into time deposits	(31,906)	(42,767)
Proceeds from withdrawal of time deposits	32,401	37,773
Purchase of property, plant and equipment	(2,445)	(1,610)
Purchase of intangible assets	(1,908)	(1,048)
Purchase of securities	(2,009)	(1,245)
Proceeds from sale or redemption of securities	5,213	488
Purchase of investments accounted for using equity method	(13,835)	(150)
Other	7	(3,975)
Net cash provided by (used in) investing activities	(14,481)	(12,535)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,312	(877)
Proceeds from long-term borrowings	1,500	—
Repayment of long-term borrowings	(537)	(939)
Repayments of lease liabilities	(3,082)	(3,172)
Proceeds from sales of treasury shares	1,700	0
Purchase of treasury shares	(0)	(4,142)
Dividends paid	(4,281)	(4,634)
Net cash provided by (used in) financing activities	(3,389)	(13,766)
Foreign currency transaction adjustments on cash and cash equivalents	1,041	467
Net increase (decrease) in cash and cash equivalents	2,613	(7,989)
Cash and cash equivalents at the beginning of the year	37,428	40,041
Cash and cash equivalents at the end of the year	40,041	32,051
Increase (decrease) in cash and cash equivalents due to transfer to assets held for sale	—	(1,486)
Cash and cash equivalents at the end of the year (Statement of financial position)	40,041	30,565

5. Notes on Consolidated Financial Statements

(Notes on Going Concern Assumptions)

None

(Changes in Accounting Policies)

The Miura group adopted following accounting policies from the fiscal year ended March 31, 2023.

IFRS	Title	Summaries of new IFRS and amendments
IAS16	Property, plant and equipment	Prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
IAS37	Provisions, contingent liabilities and contingent assets	Stipulates that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'.
IFRS3	Business combinations	Updates an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.
IAS41	Agriculture	Removes the requirement for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.
IFRS9	Financial instruments	Clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The effect of the application of the above standards on the condensed consolidated financial statements is immaterial.

(Changes in Methods of Presentation)

Consolidated Statements of Cash Flows

"Loss (gain) on assessment of investment securities," which was included in "Other" under "Net cash provided by (used in) operating activities" in the previous consolidated fiscal year, is separately presented in the current consolidated fiscal year due to its increased importance in terms of amount.

In order to reflect this change in presentation, "Other" of ¥1,042 million included in "Net cash provided by (used in) operating activities" in the previous consolidated fiscal year has been reclassified as "Loss (gain) on assessment of investment securities" of ¥69 million and "Other" of ¥972 million.

(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, 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	—	—	—	—	—	—	—	—	—	259
Profit before income taxes	—	—	—	—	—	—	—	—	—	20,242
Other items										
Depreciation and amortization (Note 4)	2,436	1,901	1,007	576	322	6,243	7	6,251	628	6,879
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.

For the Fiscal Year Ended March 31, 2023 (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	66,199	38,605	17,421	26,517	9,573	158,317	59	158,377	—	158,377
Intersegment revenue and transfers	3,616	274	122	250	101	4,364	605	4,969	(4,969)	—
Total	69,815	38,880	17,544	26,767	9,674	162,682	664	163,346	(4,969)	158,377
Segment profit	6,803	10,164	701	2,972	1,394	22,036	45	22,082	(153)	21,928
Finance income	—	—	—	—	—	—	—	—	—	905
Finance costs	—	—	—	—	—	—	—	—	—	596
Share of profit on equity method	—	—	—	—	—	—	—	—	—	1,230
Profit before income taxes	—	—	—	—	—	—	—	—	—	23,467
Other items										
Depreciation and amortization (Note 4)	2,416	1,913	1,020	647	388	6,386	5	6,391	640	7,032
Capital expenditures (Note 5)	2,571	1,910	261	466	413	5,623	0	5,623	650	6,274

(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.

(Investments Accounted for Using the Equity Method)

With regard to the conversion of KOBELCO COMPRESSORS CORPORATION into an equity-method affiliate company on January 5, 2022, although provisional accounting treatment was applied in the previous fiscal year, it was finalized in the third quarter ended December 31, 2022. Therefore, the figures for the previous fiscal year reflect the finalization of the provisional accounting treatment.

As a result, mainly, “Investments accounted for using the equity method” decreased by ¥179 million, “Retained earnings” decreased by ¥179 million, as well as “Share of profit of investments accounted for using the equity method” decreased by ¥179 million, compared with the amounts before retrospective adjustment.

(Per Share Information)

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

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Basis for calculating basic earnings per share Profit attributable to owners of parent (Million yen)	14,236	16,876
Profit used in calculating basic earnings per share (Million yen)	14,236	16,876
Average number of common stock shares during the period (Thousand shares)	112,856	112,869
Basis for calculating diluted earnings per share Profit used in calculating basic earnings per share (Million yen)	14,236	16,876
Profit used in calculating diluted earnings per share (Million yen)	14,236	16,876
Average number of common stock shares during the period (Thousand shares)	112,856	112,869
Effect of dilutive shares (Thousand shares)	161	101
Average number of common stock shares after adjustment for dilution (Thousand shares)	113,018	112,971

(Important Subsequent Events)

Acquisition of JENSEN-GROUP NV shares and partial contribution in kind of Inax Corporation shares

At the resolution at extraordinary meeting of the Board of Directors held on March 6, 2023, the Company resolved to acquire shares of JENSEN-GROUP NV (hereinafter referred to as JENSEN-GROUP) (head office: Belgium) through a third-party allotment of new shares, and in connection with this third-party allotment, the Company also resolved to make a contribution in kind of a portion of the shares of its subsidiary, Inax Corporation (hereinafter referred to as Inax). The Company closed a capital contribution agreement and a joint venture agreement with JENSEN-GROUP for the purpose of a capital and business alliance for the manufacture and sale of industrial laundry and related equipment on March 9, 2023.

On April 3, 2023, the Company completed the acquisition of JENSEN-GROUP shares through a third-party allotment and a contribution in kind in JENSEN-GROUP for a portion of Inax shares held by the Company.

By subscribing to a third-party allotment of new shares by JENSEN-GROUP, the Company acquired 20% shares of JENSEN-GROUP, and became an equity method affiliate of the Company from the fiscal year ending March 31, 2024. In this capital increase through third-party allotment, the Company made a contribution in kind of 49% shares of Inax. As a result of above, the Company's and JENSEN-GROUP's shareholding ratio in Inax became 51% and 49%, respectively.

In accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations," assets and liabilities held by Inax have been reclassified to "Assets held for sale" and "Liabilities directly associated with assets held for sale" in relation to the partial contribution in kind of Inax shares. The reclassifications were made with book value, measured at the lower of book value or fair value less costs of disposal. "Assets held for sale" and "Liabilities directly associated with assets held for sale" amounted to ¥20,366 million and ¥8,286 million, respectively, as of March 31, 2023.

Furthermore, other comprehensive income related to disposal groups held for sale amounted to ¥(0) million and is included in equity in the consolidated statement of financial position as of March 31, 2023.

Moreover, revenue, operating income, and profit of Inax in the consolidated statements for the current fiscal year are ¥15,024 million, ¥1,299 million, ¥1,106 million, respectively.