



August 8, 2024

Consolidated Financial Results for the Three Months Ended June 30, 2024 (IFRS)

Company name: MIURA CO.,LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 6005
 URL: <https://www.miuraz.co.jp/>
 Representative: YONEDA Tsuyoshi, President, CEO & CTO
 Contact: HIROI Masayuki, Director & Senior Managing Executive Officer of Administration
 Headquarters
 Telephone: +81-89-979-7012
 Scheduled date of commencement of dividend payment: —
 Supplementary documents for financial results: None
 Financial results briefing: None

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 – June 30, 2024)

(1) Consolidated Operating Results (cumulative)

(Percentages show year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2024	44,509	49.8	2,005	(43.2)	3,176	(37.4)	2,405	(35.7)
June 30, 2023	29,714	1.6	3,530	13.2	5,076	45.2	3,738	56.1

	Profit attributable to owners of parent		Comprehensive income		Basic earnings per share	Diluted earnings per share
	Million yen	%	Million yen	%	Yen	Yen
Three months ended June 30, 2024	2,364	(34.4)	6,237	(10.9)	21.45	21.44
June 30, 2023	3,605	52.0	6,998	45.0	32.35	32.33

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

Three months ended June 30, 2024: ¥636 million Three months ended June 30, 2023: ¥268 million

(Note) In the third quarter ended December 31, 2023, provisional accounting treatment for the conversion of JENSEN-GROUP NV into an equity-method affiliate company was finalized.

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
	Million yen	Million yen	Million yen	%
As of June 30, 2024	411,798	185,173	183,558	44.6
March 31, 2024	240,962	181,515	180,695	75.0

2. Dividends

	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	23.00	—	30.00	53.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (Forecasts)		24.00	—	31.00	55.00

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

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(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	80,700	15.0	12,000	21.7	13,600	12.6	10,100	12.6	91.26
Full-year	175,500	9.9	25,600	11.0	29,200	9.0	21,400	10.5	193.36

(Notes)

- Revisions to the consolidated forecasts most recently announced: None
- As announced in the “Notice regarding Acquisition of Cleaver-Brooks, Inc.” dated March 29, 2024, and “MIURA Acquires U.S.-based CBE ENTERPRISES, INC.” dated May 16, 2024, we have acquired all shares of The Cleaver-Brooks Company, Inc. on May 15, 2024 (U.S. time), but it is not included in the Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2025, at this time. Furthermore, regarding the consolidated results as of June 30, 2024, we have made the provisional accounting treatment based on reasonable information currently available, because the allocation of the acquisition cost of the assets and liabilities from the acquisition has not been completed.

* Notes

- Significant changes in the scope of consolidation during the period: Yes
Number of new companies is 21 including CBE ENTERPRISES, INC. and its 20 subsidiaries.

- Changes in accounting policies and accounting estimates

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

- Numbers of outstanding shares (Common shares)

- Number of shares outstanding at the end of the period (including treasury shares)
As of June 30, 2024: 125,291,112 shares
As of March 31, 2024: 125,291,112 shares
- Number of treasury shares at the end of the period
As of June 30, 2024: 15,041,593 shares
As of March 31, 2024: 15,041,593 shares
- Weighted-average number of common shares outstanding for the period
Three months ended June 30, 2024: 110,249,519 shares
Three months ended June 30, 2023: 111,468,759 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* 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. (3) Explanation of Consolidated Forecasts and Other Forward-Looking Statements” on page 3 of the attached materials.

Index

1. Overview of Operating Results, etc.....	2
(1) Overview of Operating Results for the First Quarter of the Fiscal Year Ending March 31, 2025.....	2
(2) Overview of Financial Position for the First Quarter of the Fiscal Year Ending March 31, 2025	3
(3) Explanation of Consolidated Forecasts and Other Forward-Looking Statements	3
2. Condensed Consolidated Financial Statements.....	4
(1) Condensed Consolidated Statements of Financial Position	4
(2) Condensed Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	6
(3) Condensed Consolidated Statements of Changes in Equity	8
(4) Condensed Consolidated Statements of Cash Flows	10
3. Notes on Condensed Consolidated Financial Statements	11
(Notes on Going Concern Assumptions)	11
(Material Accounting Policies)	11
(Changes in Methods of Presentation).....	11
(Segment Information).....	11
(Investments Accounted for Using the Equity Method).....	13

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the First Quarter of the Fiscal Year Ending March 31, 2025

Looking back on the state of the Japanese economy during the three months ended June 30, 2024, the demand for capital investment has stabilized due to the normalization of economic activities.

On the other hand, the uncertainty about economic outlook continues due to ongoing concerns such as increasing energy and logistics prices, and geopolitical issues.

Under these circumstances, the Miura Group has connectedness with customers by equipment and services, and we are promoting activities to further build relationships of trust and realize the “Super maintenance company,” that prepares to provide one-stop services, due to proposing “total solutions” to solve customers’ problems.

Regarding the consolidated results for the three months ended June 30, 2024, in the Domestic Manufacturing and Sales of Products business, sales of food processing equipment and boiler and related equipment were solid, despite sluggish sales of laundry equipment. Furthermore, the Domestic Maintenance business also performed steadily.

Overseas, sales in the Overseas Manufacturing and Sales of Products business and Overseas Maintenance business increased significantly due to the acquisition of The Cleaver-Brooks Company, Inc. (hereinafter referred to as “Cleaver-Brooks, Inc.”).

In terms of profits, profits decreased due to M&A expenses, despite the impact of increased profit due to the acquisition.

As a result, revenue was ¥44,509 million, up 49.8% from the same period of the previous fiscal year, operating profit was ¥2,005 million, down 43.2%, profit before income taxes amounted to ¥3,176 million, down 37.4% and profit attributable to owners of parent stood at ¥2,364 million, down 34.4%.

Operating results for each business segment are as follows.

(i) Domestic Manufacturing and Sales of Products

In the Domestic Manufacturing and Sales of Products business, sales increased due to sales of the large project on food processing equipment and solid sales of boiler and marine equipment, although sales of laundry equipment decreased due in part to the large project in the same period of the previous fiscal year.

As a result, revenue in this business was ¥14,749 million, up 7.8% from the same period of the previous fiscal year (¥13,686 million). Segment profit was ¥43 million, down 91.4% from the same period of the previous fiscal year (¥502 million), due to impacts of low gross margin project and increases such as personnel expenses, despite the impact of increased sales.

(ii) Domestic Maintenance

In the Domestic Maintenance business, sales grew due to increases in the number of paid maintenance contracts for boilers and promoting energy-saving activities.

As a result, revenue in this business was ¥10,223 million, up 9.8% from the same period of the previous fiscal year (¥9,309 million). Segment profit was ¥2,787 million, up 0.2% from the same period of the previous fiscal year (¥2,782 million), due to the impact of increased sales, despite increases such as personnel expenses.

(iii) Overseas Manufacturing and Sales of Products

In the Overseas Manufacturing and Sales of Products business, sales increased due to the acquisition of Cleaver-Brooks, Inc. Moreover, sales of boiler were solid in Korea.

As a result, revenue in this business was ¥13,177 million, up 208.1% from the same period of the previous fiscal year (¥4,277 million). Segment profit was ¥872 million, up 418.1% from the same period of the previous fiscal year (¥168 million).

(iv) Overseas Maintenance

In the Overseas Maintenance business, sales increased due to the acquisition of Cleaver-Brooks, Inc. In each country and region, sales grew due to our proactively securing paid maintenance contracts.

As a result, revenue in this business was ¥6,344 million, up 161.2% from the same period of the previous fiscal year (¥2,428 million). Segment profit was ¥750 million, up 126.4% from the same period of the previous fiscal year (¥331 million).

(2) Overview of Financial Position for the First Quarter of the Fiscal Year Ending March 31, 2025

(i) Overview of Assets, Liabilities and Equity

(Million yen)

	As of March 31, 2024	As of June 30, 2024	Change
Total assets	240,962	411,798	170,835
Total liabilities	59,446	226,624	167,178
Total equity	181,515	185,173	3,657

Total assets as of June 30, 2024, were ¥411,798 million, an increase of ¥170,835 million compared to the previous fiscal year-end. Current assets increased by ¥39,053 million, mainly due to increases in, inventories by ¥19,464 million and trade and other receivables by ¥16,897 million, as a result of the acquisition of Cleaver-Brooks, Inc. Non-current assets increased by ¥131,782 million, mainly due to increases in, goodwill and intangible assets by ¥110,161 million, right-of-use assets by ¥15,773 million and property, plant and equipment by ¥5,740 million, as a result of the acquisition of Cleaver-Brooks, Inc.

Total liabilities were ¥226,624 million, an increase of ¥167,178 million compared to the previous fiscal year-end. Current liabilities increased by ¥138,931 million, mainly due to increases in, other financial liabilities by ¥118,990 million, contract liabilities by ¥10,575 million and trade and other payables by ¥6,394 million, as a result of the acquisition of Cleaver-Brooks, Inc. Non-current liabilities increased by ¥28,246 million, mainly due to increases in, lease liabilities by ¥15,416 million, other financial liabilities by ¥9,996 million, and deferred tax liabilities by ¥2,414 million, as a result of the acquisition of Cleaver-Brooks, Inc.

Total equity was ¥185,173 million, an increase of ¥3,657 million compared to the previous fiscal year-end. This was mainly due to an increase in, other components of equity by ¥3,552 million.

As a result, the ratio of equity attributable to owners of parent to total assets comes to 44.6%.

(ii) Cash Flows for the Period under Review

The following outlines the state of cash flows by category during the three months ended June 30, 2024, under review.

Net cash used in operating activities totaled ¥1,423 million (¥1,298 million provided in the same period of the previous year). The increase was mainly due to profit before income taxes of ¥3,176 million, and a decrease in trade and other receivables of ¥6,629 million. The decrease was mainly due to an increase in inventories of ¥3,895 million, a decrease in accrued bonuses of ¥3,734, and income taxes paid of ¥4,403 million.

Net cash used in investing activities totaled ¥123,350 million (¥2,351 million provided in the same period of the previous year). This was mainly due to proceeds from withdrawal of time deposits of ¥10,333 million, payments into time deposits of ¥7,657 million, and purchase of subsidiary or other business of ¥125,327 million.

Net cash provided by financing activities totaled ¥124,874 million (¥6,410 million used in the same period of the previous year). This was mainly due to net increase in short-term borrowings of ¥119,000 million, and proceeds from long-term borrowings of ¥10,000 million.

As a result of the above, cash and cash equivalents as of June 30, 2024, were ¥38,567 million, an increase of ¥1,280 million compared to the previous fiscal year-end.

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

The first-half and full-year consolidated forecast for the fiscal year ending March 31, 2025, that the Company announced on May 14, 2024, remain unchanged.

2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statements of Financial Position

(Million yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and cash equivalents	37,287	38,567
Trade and other receivables	47,934	64,831
Other financial assets	20,511	18,634
Inventories	30,087	49,552
Other current assets	2,360	5,648
Total current assets	138,181	177,234
Non-current assets		
Property, plant and equipment	40,590	46,331
Right-of-use assets	6,936	22,709
Goodwill and intangible assets	4,017	114,179
Investments accounted for using the equity method	33,630	33,137
Other financial assets	15,658	15,515
Net defined benefit asset	404	385
Deferred tax assets	1,435	1,759
Other non-current assets	108	545
Total non-current assets	102,780	234,563
Total assets	240,962	411,798

(Million yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Lease liabilities	2,599	3,055
Trade and other payables	14,263	20,658
Other financial liabilities	70	119,061
Income taxes payable	4,640	1,201
Provisions	899	3,936
Contract liabilities	17,256	27,831
Other current liabilities	14,815	17,731
Total current liabilities	54,544	193,475
Non-current liabilities		
Lease liabilities	4,045	19,461
Other financial liabilities	4	10,000
Net defined benefit liability	135	464
Provisions	57	60
Deferred tax liabilities	99	2,514
Other non-current liabilities	560	647
Total non-current liabilities	4,902	33,148
Total liabilities	59,446	226,624
Equity		
Capital stock	9,544	9,544
Capital surplus	12,445	12,445
Retained earnings	163,926	163,236
Treasury shares	(16,686)	(16,686)
Other components of equity	11,465	15,018
Total equity attributable to owners of parent	180,695	183,558
Non-controlling interests	819	1,615
Total equity	181,515	185,173
Total liabilities and equity	240,962	411,798

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

(Million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Revenue	29,714	44,509
Cost of revenue	17,002	27,650
Gross profit	12,712	16,858
Selling, general and administrative expenses	9,394	15,352
Other income	224	536
Other expenses	11	36
Operating profit	3,530	2,005
Finance income	1,297	878
Finance costs	19	343
Share of profit of investments accounted for using the equity method	268	636
Profit before income taxes	5,076	3,176
Income tax expenses	1,338	771
Profit	3,738	2,405
Profit attributable to:		
Owners of parent	3,605	2,364
Non-controlling interests	132	40
Profit	3,738	2,405
Earnings per share		
Basic (Yen)	32.35	21.45
Diluted (Yen)	32.33	21.44

(Consolidated Statements of Comprehensive Income)

(Million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	3,738	2,405
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	969	31
Share of other comprehensive income of investments accounted for using the equity method	(93)	(9)
Total items that will not be reclassified to profit or loss	875	21
Items that may be reclassified to profit or loss		
Translation adjustments of foreign operations	2,298	3,588
Share of other comprehensive income of investments accounted for using the equity method	86	222
Total items that may be reclassified to profit or loss	2,384	3,810
Other comprehensive income, net of taxes	3,260	3,832
Comprehensive income	6,998	6,237
Comprehensive income attributable to:		
Owners of parent	6,861	6,169
Non-controlling interests	136	67
Comprehensive income	6,998	6,237

(3) Condensed Consolidated Statements of Changes in Equity

For the three months ended June 30, 2023 (April 1, 2023 – June 30, 2023)

(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, 2023	9,544	12,403	150,912	(10,787)	2,312	3,742
Profit	—	—	3,605	—	—	—
Other comprehensive income (loss)	—	—	—	—	969	2,294
Comprehensive income (loss)	—	—	3,605	—	969	2,294
Dividends	—	—	(2,910)	—	—	—
Acquisition of treasury shares	—	—	—	(2,411)	—	—
Increase (decrease) by business combination	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	—
Other	—	—	(132)	—	—	—
Total transactions with the owners	—	—	(3,042)	(2,411)	—	—
As of June 30, 2023	9,544	12,403	151,475	(13,199)	3,282	6,036

	Equity attributable to owners of parent					
	Other components of equity			Total	Non-controlling interests	Total equity
	Share of other comprehensive income of investments accounted for using equity method	Total	Other comprehensive income related to disposal groups held for sale			
As of April 1, 2023	221	6,276	(0)	168,348	564	168,912
Profit	—	—	—	3,605	132	3,738
Other comprehensive income (loss)	(7)	3,256	—	3,256	3	3,260
Comprehensive income (loss)	(7)	3,256	—	6,861	136	6,998
Dividends	—	—	—	(2,910)	—	(2,910)
Acquisition of treasury shares	—	—	—	(2,411)	—	(2,411)
Increase (decrease) by business combination	—	—	—	—	149	149
Transfer from other components of equity to retained earnings	—	—	0	0	—	0
Other	—	—	—	(132)	—	(132)
Total transactions with the owners	—	—	0	(5,453)	149	(5,304)
As of June 30, 2023	213	9,532	—	169,756	849	170,606

For the three months ended June 30, 2024 (April 1, 2024 – June 30, 2024)

(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, 2024	9,544	12,445	163,926	(16,686)	4,021	7,312
Profit	—	—	2,364	—	—	—
Other comprehensive income (loss)	—	—	—	—	31	3,561
Comprehensive income (loss)	—	—	2,364	—	31	3,561
Dividends	—	—	(3,307)	—	—	—
Acquisition of treasury shares	—	—	—	—	—	—
Increase (decrease) by business combination	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	252	—	(252)	—
Other	—	—	(0)	—	—	—
Total transactions with the owners	—	—	(3,054)	—	(252)	—
As of June 30, 2024	9,544	12,445	163,236	(16,686)	3,800	10,873

	Equity attributable to owners of parent					
	Other components of equity		Other comprehensive income related to disposal groups held for sale	Total	Non-controlling interests	Total equity
	Share of other comprehensive income of investments accounted for using equity method	Total				
As of April 1, 2024	131	11,465	—	180,695	819	181,515
Profit	—	—	—	2,364	40	2,405
Other comprehensive income (loss)	212	3,805	—	3,805	27	3,832
Comprehensive income (loss)	212	3,805	—	6,169	67	6,237
Dividends	—	—	—	(3,307)	—	(3,307)
Acquisition of treasury shares	—	—	—	—	—	—
Increase (decrease) by business combination	—	—	—	—	727	727
Transfer from other components of equity to retained earnings	—	(252)	—	—	—	—
Other	—	—	—	(0)	—	(0)
Total transactions with the owners	—	(252)	—	(3,307)	727	(2,579)
As of June 30, 2024	344	15,018	—	183,558	1,615	185,173

(4) Condensed Consolidated Statements of Cash Flows

(Million yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	5,076	3,176
Depreciation and amortization	1,610	1,949
Shares of profit on equity method	(268)	(636)
Interest and dividend income	(270)	(354)
Interest expenses	19	254
Foreign exchange losses (gains)	(38)	(228)
Decrease (increase) in trade and other receivables	5,496	6,629
Decrease (increase) in inventories	(2,596)	(3,895)
Increase (decrease) in trade and other payables	(2,096)	(2,520)
Increase (decrease) in accrued bonuses	(3,477)	(3,734)
Decrease (increase) in retirement benefit assets	(726)	30
Increase (decrease) in retirement benefit liabilities	2	14
Increase (decrease) in contract liabilities	442	2,647
Other	370	(1,782)
Subtotal	3,543	1,549
Interest and dividends received	274	1,676
Interest paid	(19)	(246)
Income taxes paid	(2,500)	(4,403)
Net cash provided by (used in) operating activities	1,298	(1,423)
Cash flows from investing activities		
Payments into time deposits	(6,121)	(7,657)
Proceeds from withdrawal of time deposits	11,052	10,333
Purchase of property, plant and equipment	(798)	(1,447)
Purchase of intangible assets	(166)	(106)
Purchase of securities	(0)	(11)
Proceeds from sale or redemption of securities	24	861
Purchase of subsidiary or other business	(185)	(125,327)
Purchase of investments accounted for using equity method	(1,617)	—
Other	165	5
Net cash provided by (used in) investing activities	2,351	(123,350)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(150)	119,000
Proceeds from long-term borrowings	—	10,000
Repayments of long-term borrowings	(165)	(3)
Repayments of lease liabilities	(753)	(802)
Purchase of treasury shares	(2,411)	—
Dividends paid	(2,928)	(3,319)
Net cash provided by (used in) financing activities	(6,410)	124,874
Foreign currency transaction adjustments on cash and cash equivalents	588	1,180
Net increase (decrease) in cash and cash equivalents	(2,171)	1,280
Cash and cash equivalents at the beginning of the year	32,051	37,287
Cash and cash equivalents at the end of the year	29,880	38,567

3. Notes on Condensed Consolidated Financial Statements

(Notes on Going Concern Assumptions)

None

(Material Accounting Policies)

Material accounting policies adopted in the condensed consolidated financial statements for the three months ended June 30, 2024, basically remain the same as those adopted in the consolidated financial statements for the previous fiscal year. In addition, income tax expenses for the three months ended June 30, 2024, are calculated based upon an estimated annual effective tax rate.

Temporary Exception for Recognition and Disclosure of Deferred Tax Assets and Liabilities Related to “International Tax Reform – Pillar Two Model Rules”

IAS 12 Income Taxes introduces a temporary exception that makes recognition and disclosure of deferred tax assets and liabilities related to “International Tax Reform – Pillar Two Model Rules” unnecessary. Therefore, the Miura Group has adopted this temporary exception and has not recognized deferred tax assets and liabilities related to “International Tax Reform – Pillar Two Model Rules.”

(Changes in Methods of Presentation)

Condensed Consolidated Statements of Cash Flows

“Interest expenses,” which was included in “Other” under “Net cash provided by (used in) operating activities,” and “Proceeds from sale or redemption of securities” and “Purchase of subsidiary or other business,” which were included in “Other” under “Net cash provided by (used in) investing activities,” for the three months ended June 30, 2023, are separately presented for the three months ended June 30, 2024, due to their increased materiality in terms of amount.

In order to reflect these changes in presentation, condensed consolidated statements of cash flows for the three months ended June 30, 2023, has been reclassified. Consequently, “Other” of ¥389 million included in “Net cash provided by (used in) operating activities” has been reclassified as “Interest expenses” of ¥19 million and “Other” of ¥370 million. And “Other” of ¥4 million included in “Net cash provided by (used in) investing activities” has been reclassified as “Proceeds from sale or redemption of securities” of ¥24 million, “Purchase of subsidiary or other business” of ¥ (185) million and “Other” of ¥165 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 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, Overseas Manufacturing and Sales of Products, and Overseas Maintenance as our reporting segments.

Furthermore, regarding segment profit, the Miura Group has deducted “Amortization of intangible assets recognized through acquisitions” and “Expenses related to M&A (e.g., financial advisory fees, etc.)” from operating profit in order to better clarify the contribution of the acquired company to the overall earnings of the Group from the first quarter ended June 30, 2024. However, we have made the provisional accounting treatment because the allocation of the acquisition cost of the assets and liabilities due to the acquisition carried out in the first quarter ended June 30, 2024, has not been completed.

In addition, the segment information for the three months ended June 30, 2023, has been prepared based on the classification after the change.

(2) Segment revenue and performance

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

Intersegment revenue and transfers are based on current market values.

For the three months ended June 30, 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	Manufacturing and sales of products	Maintenance					
Revenue									
Revenue to external customers	13,686	9,309	4,277	2,428	29,702	12	29,714	—	29,714
Intersegment revenue and transfers	734	63	52	10	861	152	1,014	(1,014)	—
Total	14,421	9,373	4,329	2,439	30,564	165	30,729	(1,014)	29,714
Segment profit	502	2,782	168	331	3,784	25	3,810	(249)	3,560
Amortization of intangible assets recognized through acquisitions	—	—	—	—	—	—	—	—	18
Expenses related to M&A	—	—	—	—	—	—	—	—	12
Operating profit	—	—	—	—	—	—	—	—	3,530
Finance income	—	—	—	—	—	—	—	—	1,297
Finance costs	—	—	—	—	—	—	—	—	19
Share of profit on equity method	—	—	—	—	—	—	—	—	268
Profit before income taxes	—	—	—	—	—	—	—	—	5,076

(Notes)

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

For the three months ended June 30, 2024

(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	Manufacturing and sales of products	Maintenance					
Revenue									
Revenue to external customers	14,749	10,223	13,177	6,344	44,494	14	44,509	—	44,509
Intersegment revenue and transfers	874	84	103	18	1,081	159	1,240	(1,240)	—
Total	15,624	10,307	13,281	6,362	45,575	174	45,749	(1,240)	44,509
Segment profit	43	2,787	872	750	4,453	25	4,478	(73)	4,405
Amortization of intangible assets recognized through acquisitions	—	—	—	—	—	—	—	—	13
Expenses related to M&A	—	—	—	—	—	—	—	—	2,386
Operating profit	—	—	—	—	—	—	—	—	2,005
Finance income	—	—	—	—	—	—	—	—	878
Finance costs	—	—	—	—	—	—	—	—	343
Share of profit on equity method	—	—	—	—	—	—	—	—	636
Profit before income taxes	—	—	—	—	—	—	—	—	3,176

(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.

(Investments Accounted for Using the Equity Method)

Retrospective Adjustment in Accordance with the Finalization of Provisional Accounting Treatment

In the third quarter ended December 31, 2023, provisional accounting treatment for the conversion of JENSEN-GROUP NV into an equity-method affiliate company was finalized. Therefore, the figures for three months ended June 30, 2023, the previous fiscal year reflect the finalization of the provisional accounting treatment. As a result, “Share of profit of investments accounted for using the equity method” decreased by ¥36 million, compared with the amount before retrospective adjustment.