

# First Quarter Financial Results for FY2018

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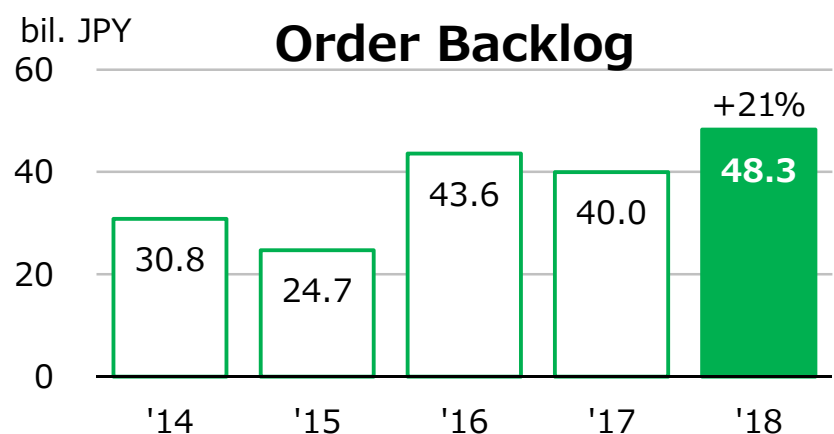
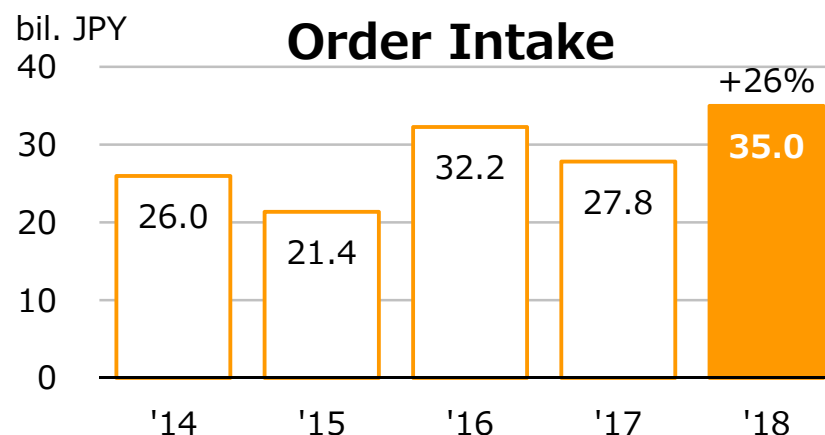
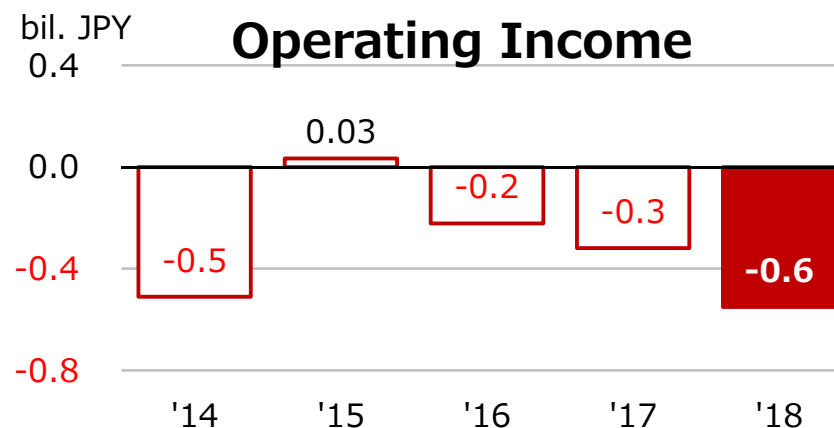
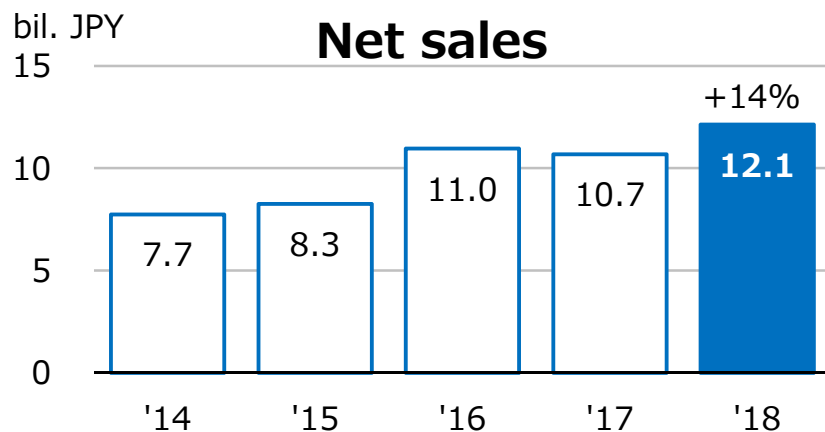
July 30, 2018

Securities Code: 6455

**MORITA HOLDINGS CORPORATION**

<http://www.morita119.com/en>

# Consolidated Performance (1Q)



- **Net Sales increased by 14% YoY**
  - While net sales decreased in FFV due to the delay in issuing China import license, FPES has grown dynamically.
- **Operating income decreased by 0.23 billion yen YoY**
  - Due to the cost for trade show and the influence of product mix.
- **Order intake increased by 26% YoY, and order backlog increased by 21%**
  - Order intake has grown steadily in FFV, FPES, and RM.

\* FFV: Fire Fighting Vehicles \*FPES: Fire Protection Equipment & Systems \*RM: Recycling Machines \*ECV: Environmental Conservation Vehicles

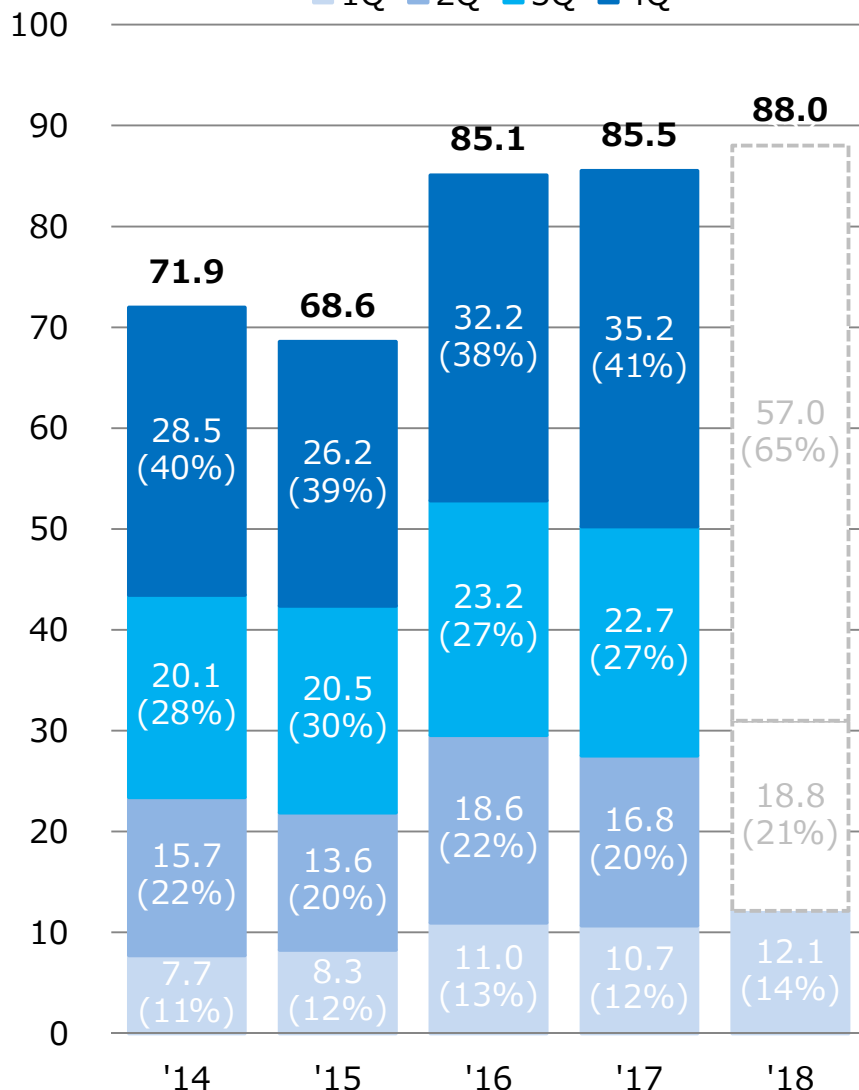
# Performance Composition by Quarter



## Net Sales

bil. JPY

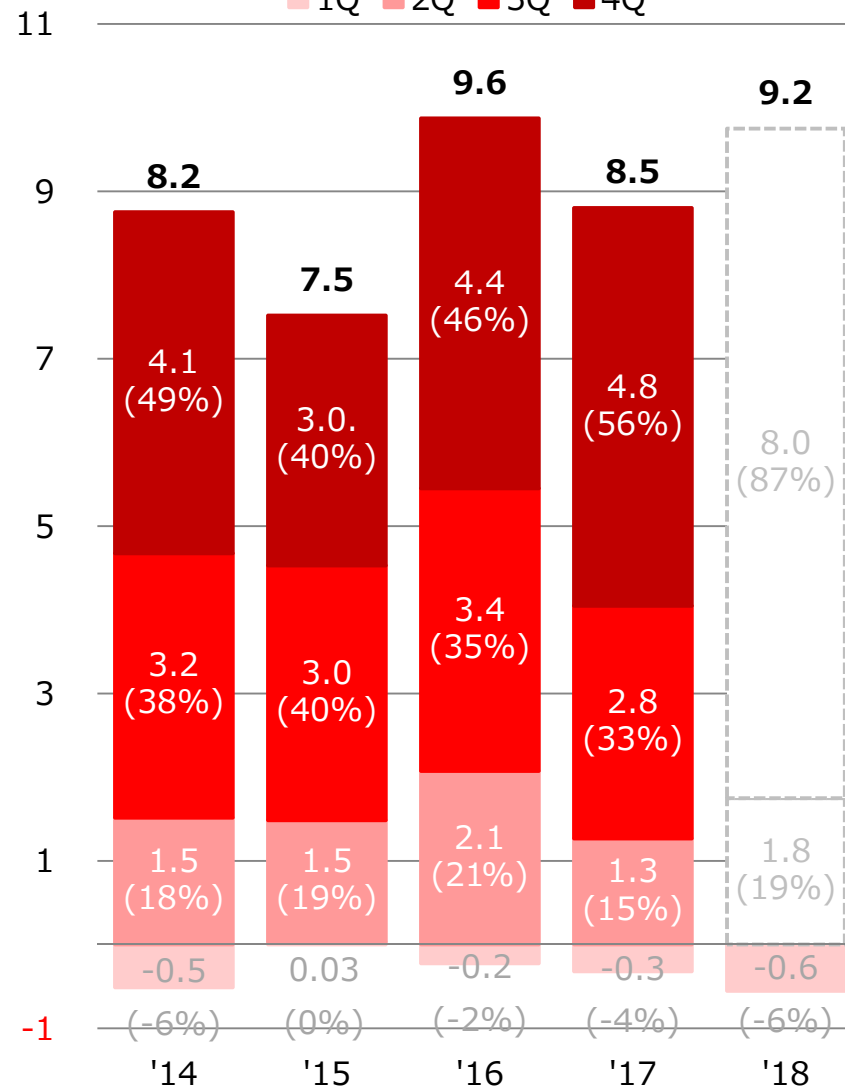
■ 1Q ■ 2Q ■ 3Q ■ 4Q



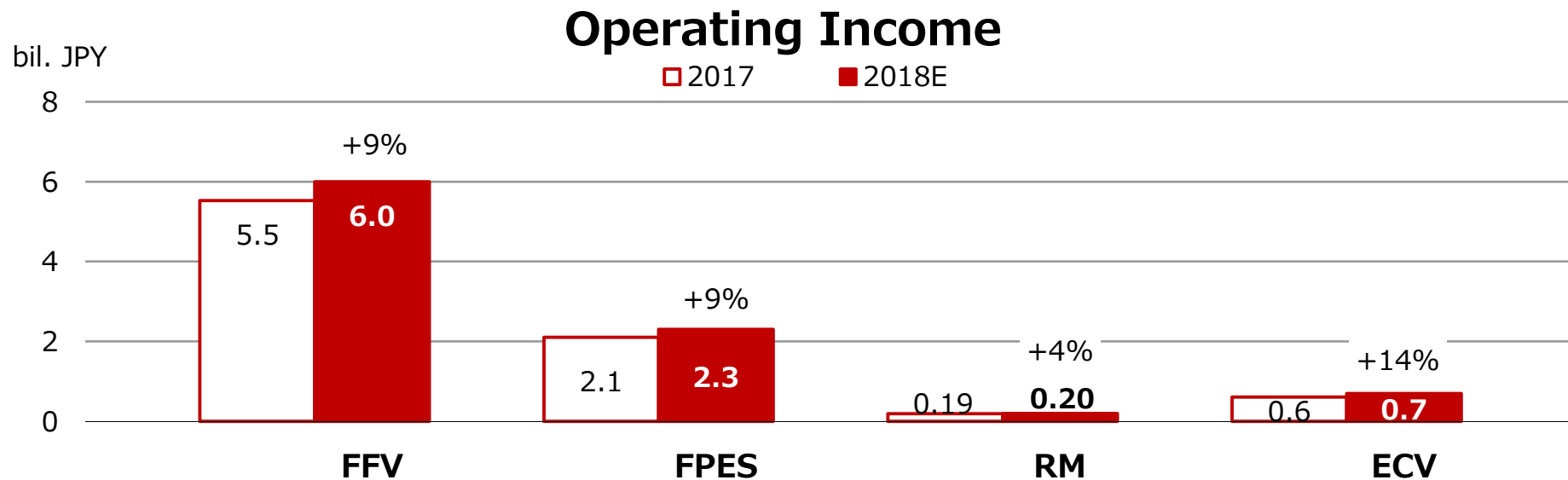
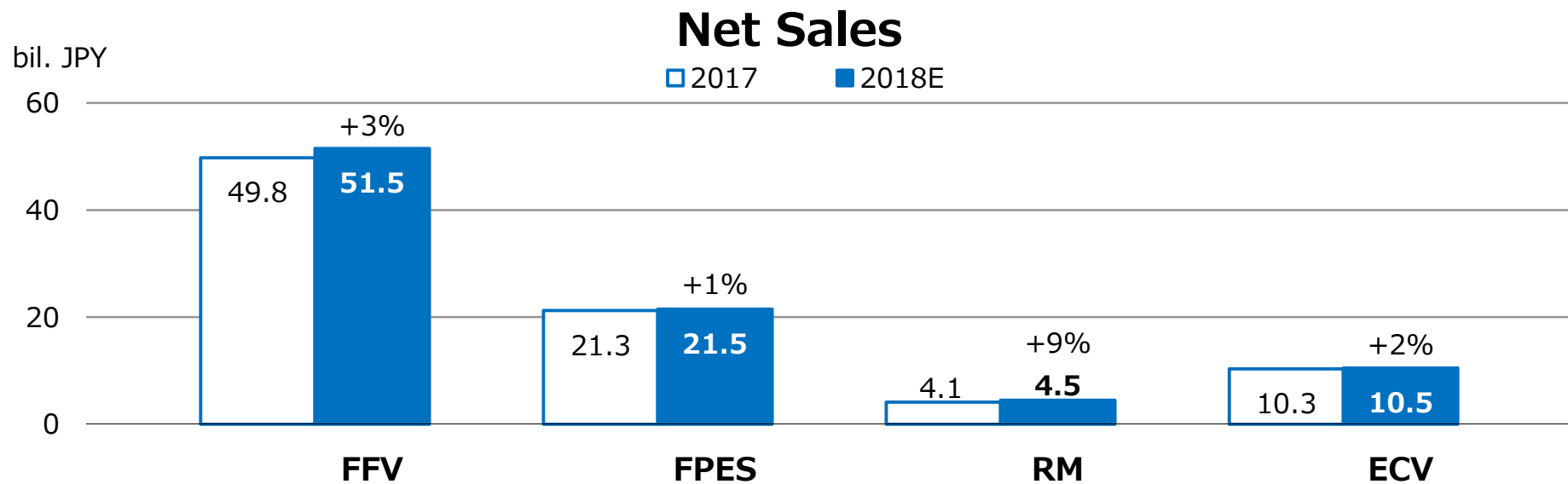
## Operating Income

bil. JPY

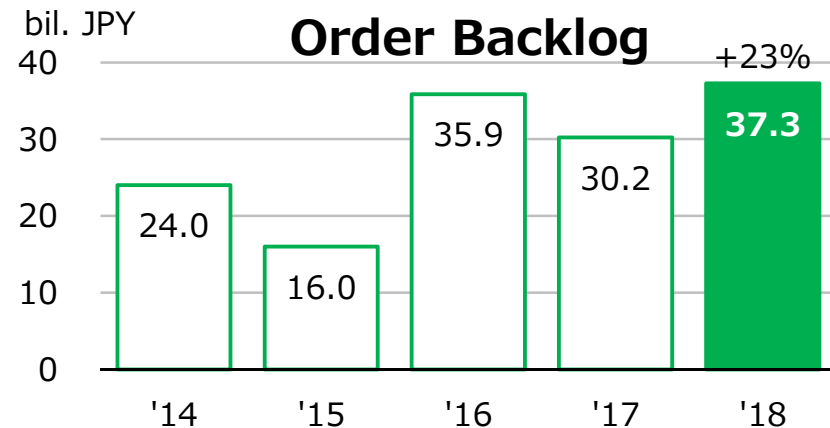
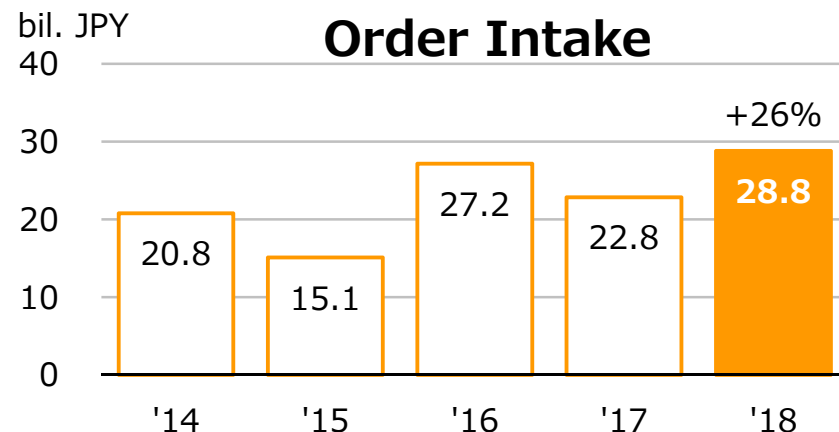
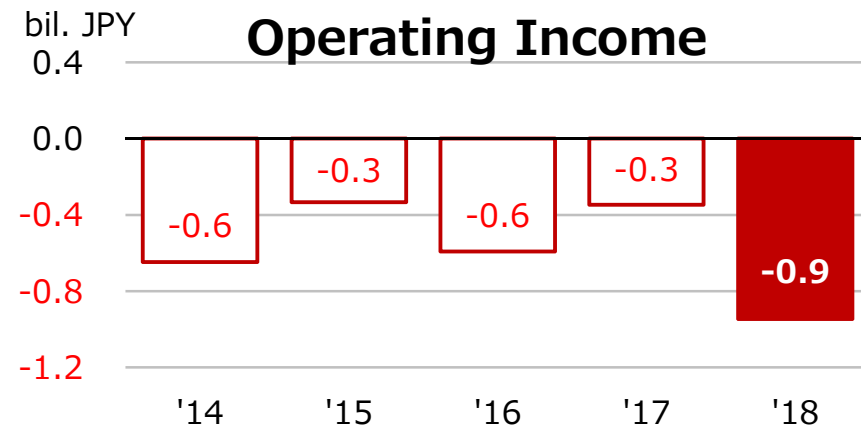
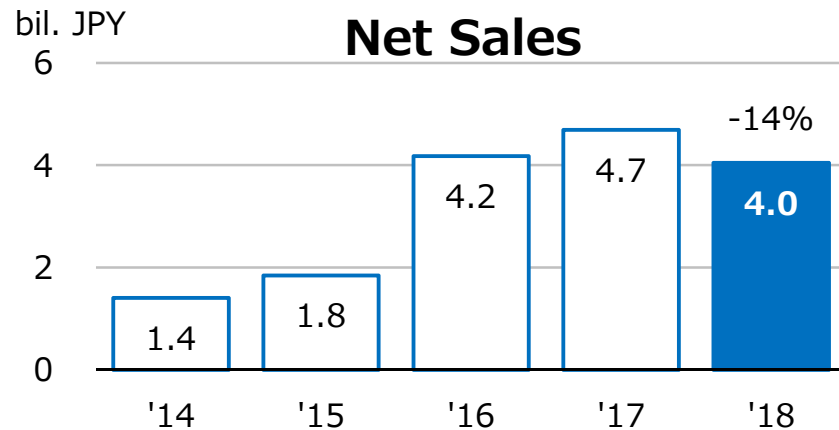
■ 1Q ■ 2Q ■ 3Q ■ 4Q



# Outlook for Segment Performance (Full year) MORITA

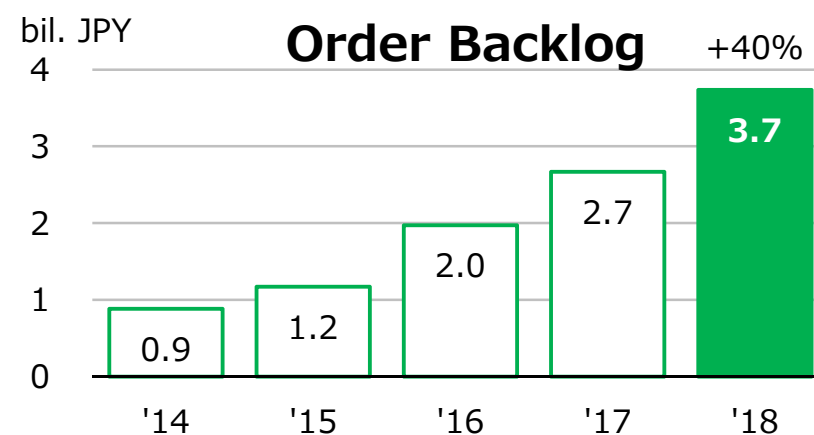
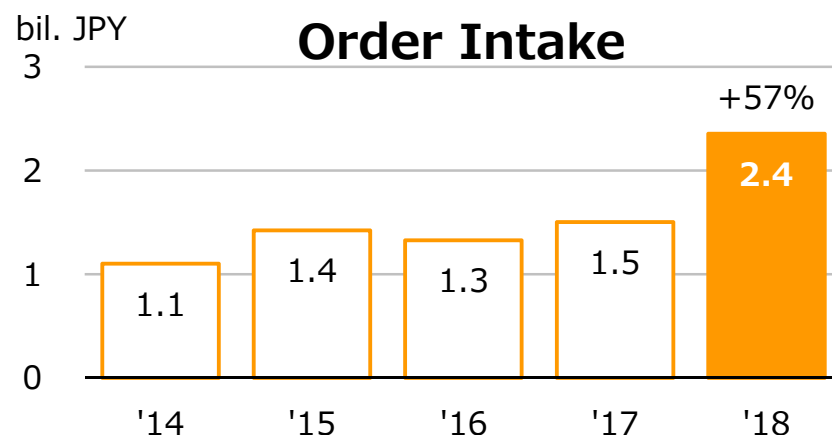
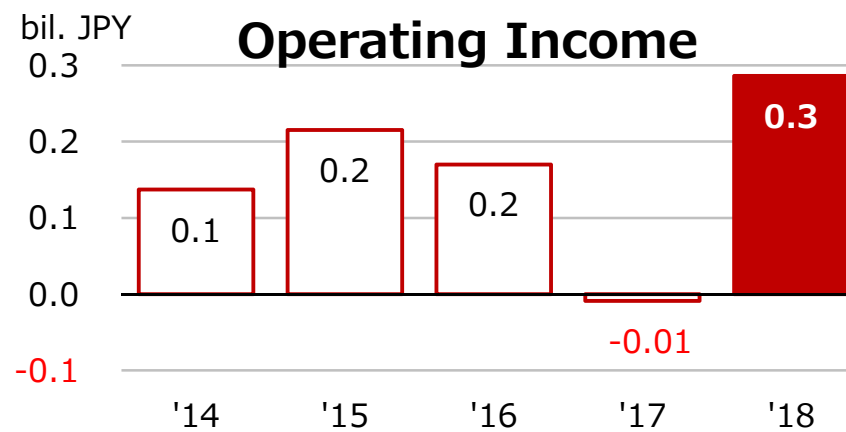
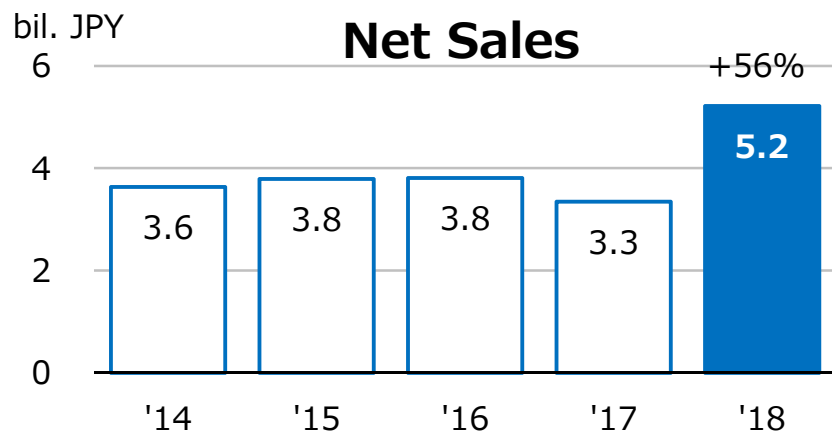


# Fire Fighting Vehicles (1Q)



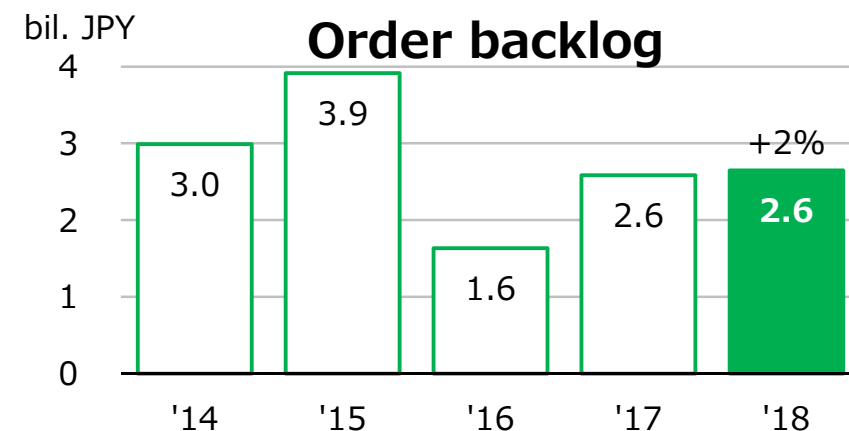
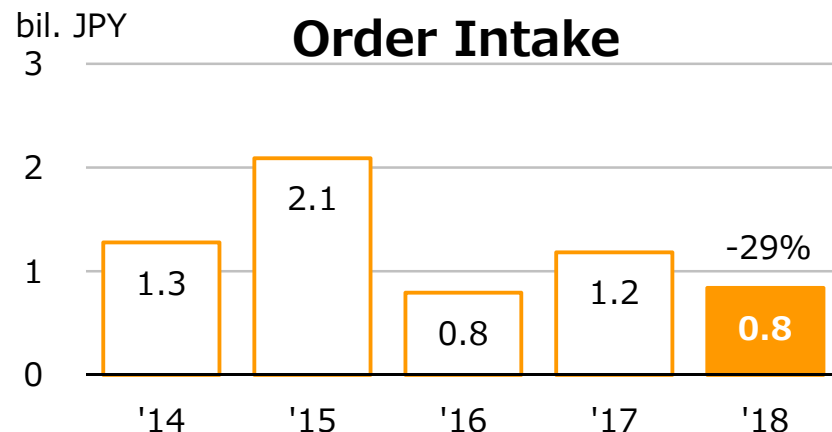
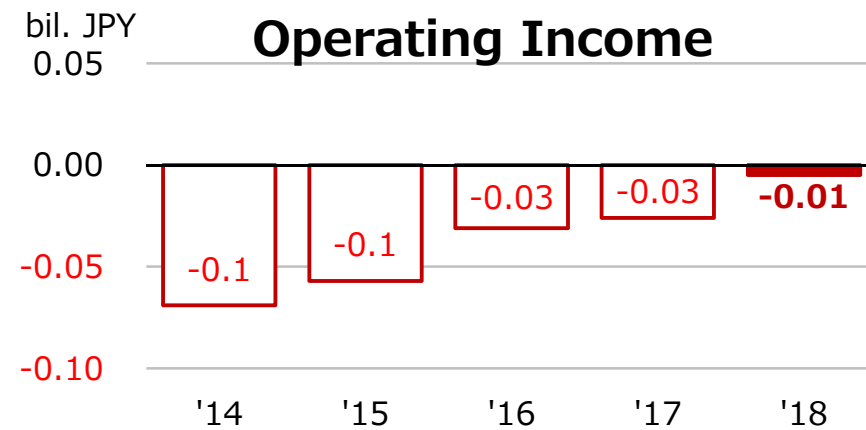
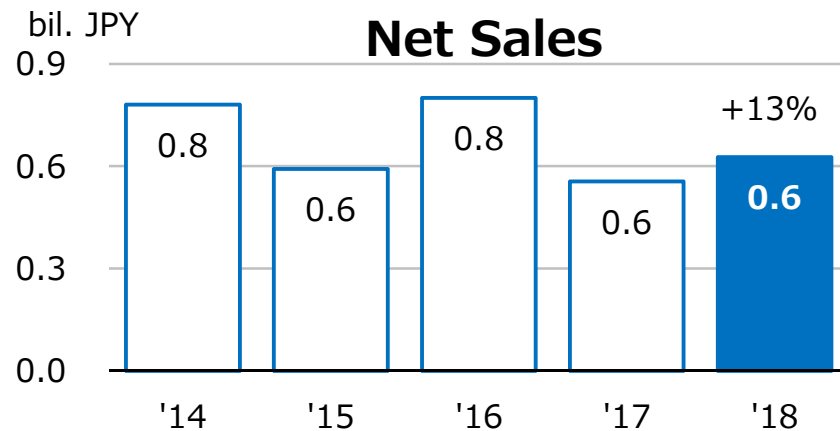
- **Net sales decreased by 14% YoY**
  - Delay in issuing import license occurred due to the system change in China.
- **Operating income decreased by 0.6 billion yen YoY**
  - Due to the cost for Tokyo International Fire and Safety Exhibition 2018, which is held once a 5 years, and the influence of product mix.
- **Order intake increased by 26% YoY, and order backlog increased by 23%**
  - Both domestic and overseas have grown steadily.

# Fire Protection Equipment & Systems (1Q)



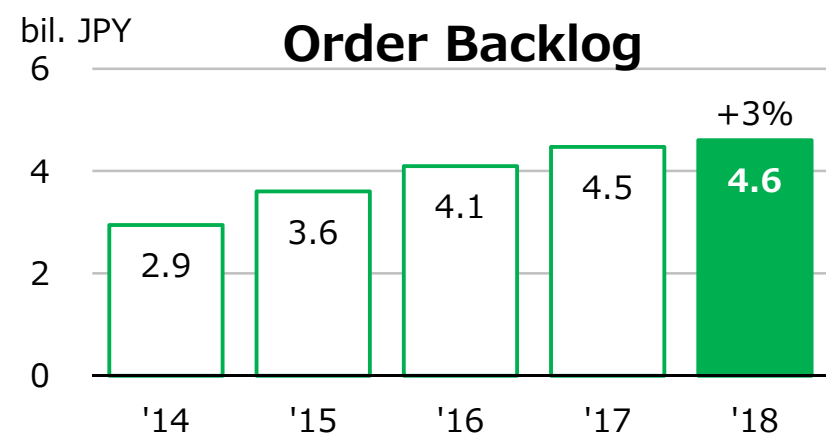
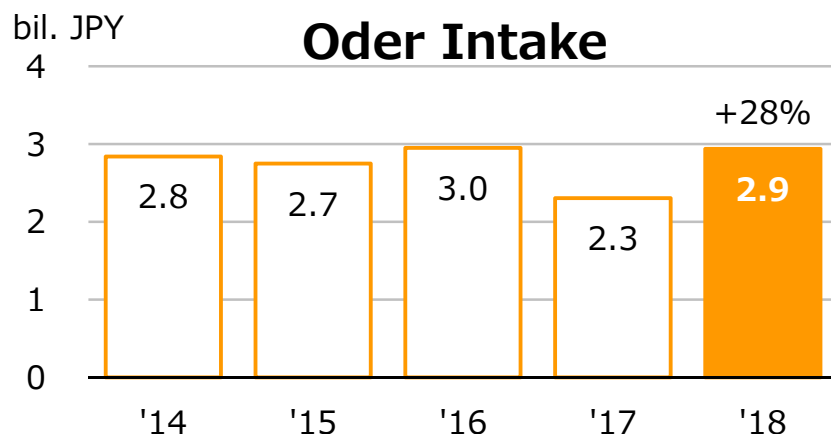
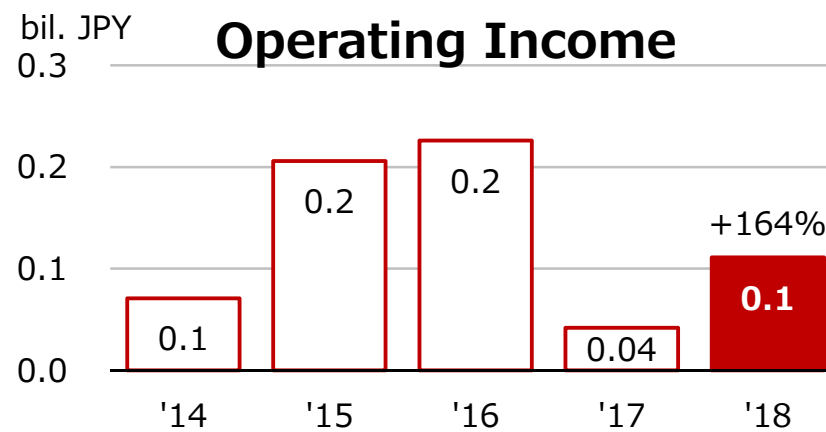
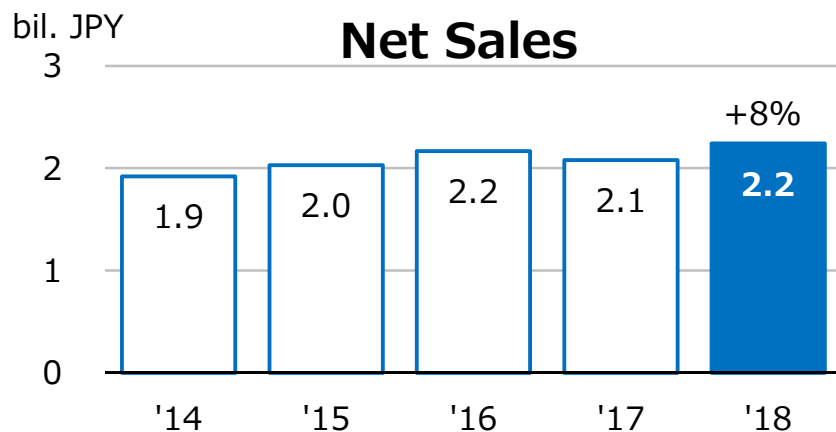
- **Net sales increased 56% YoY**
  - Sales of SPRINEX has increased dynamically partly because of the abundant order backlog at the beginning of the fiscal year.
- **Operating income increased 0.3 billion yen YoY**
  - Due to the positive impact by the increase in sales of SPRINEX.
- **Order intake increased by 57% YoY, and order backlog increased by 40%**
  - Order intake of SPRINEX remained robust.

# Recycling Machines (1Q)



- **Net sales increased by 13% YoY**
  - Due to the steady growth in sales of maintenance and service.
- **Operating income increased by 0.02 billion YoY**
  - Deficit shrank in accordance with the increase in sales.
- **Order intake decreased by 29% YoY, and order backlog increased by 2%**
  - Due to the delay of timing of product order intake.

# Environmental Conservation Vehicles (1Q) MORITA



- **Net sales increased by 8% YoY**
  - Due to the normalization of delay in production line caused by the relocation of factory in May 2017.
- **Operating income increased by 0.07 billion yen**
  - Due to the normalization of delay in production line and positive impact by the increase in sales.
- **Order intake increased by 28% YoY, and order backlog increased by 3 %**
  - Due to the rebound in demand for garbage collectors which has declined in the previous year in accordance with a new emission regulation.





**This document contains forward-looking statements. Where any such forward-looking statement includes a statement of the assumptions, bases underlying such a forward-looking statement, or economic environment in the primary markets and fluctuations of demand and supply, Morita Holdings cautions that assumed facts for bases almost always vary from the actual results, and differences between assumed facts or bases and actual results can be material, depending upon the circumstances. Where, in any forward-looking statement, Morita Holdings or its management expresses an expectation or belief as to future results, there can be no guaranty or assurance that the statement of expectation or belief will result or be achieved or accomplished. The words “forecast”, “project”, “believe”, “expect”, “anticipate”, and similar expressions may identify forward-looking statements.**

**Taking into account the foregoing, the following are identified as important factors, risks or uncertainties that cause the actual results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, Morita Holdings: competitive factors, including and not limited to, pricing, the implementation of Morita Holdings’ product strategies, and economic trends in important markets worldwide.**

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