

Second Quarter Financial Results for FY2019

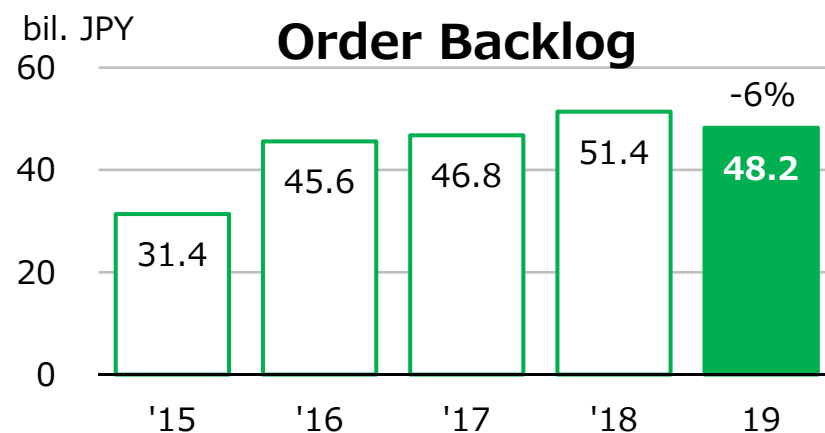
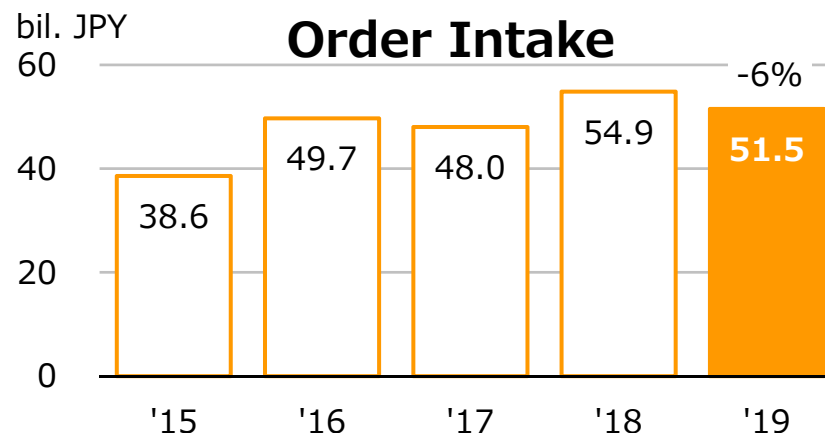
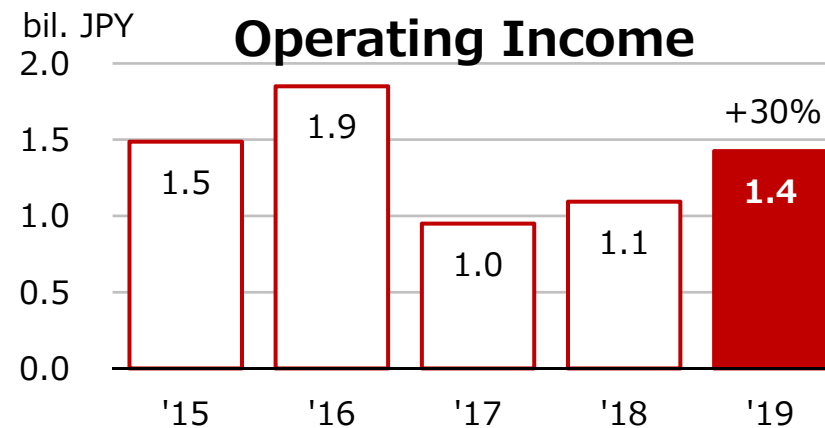
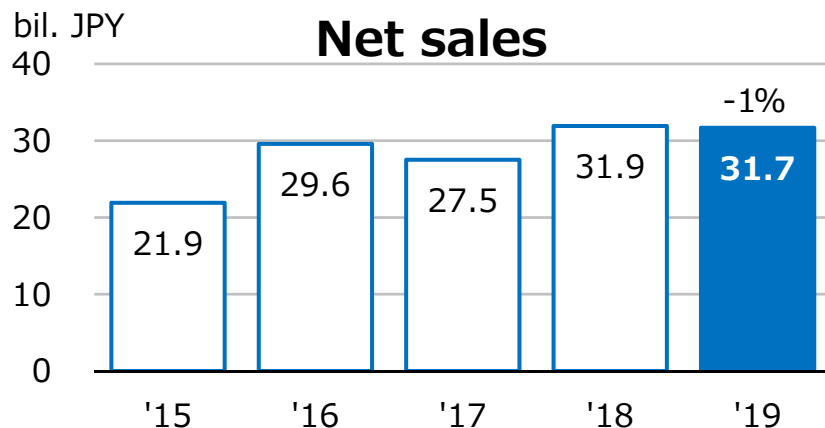
October 31, 2019

Securities Code: 6455

MORITA HOLDINGS CORPORATION

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

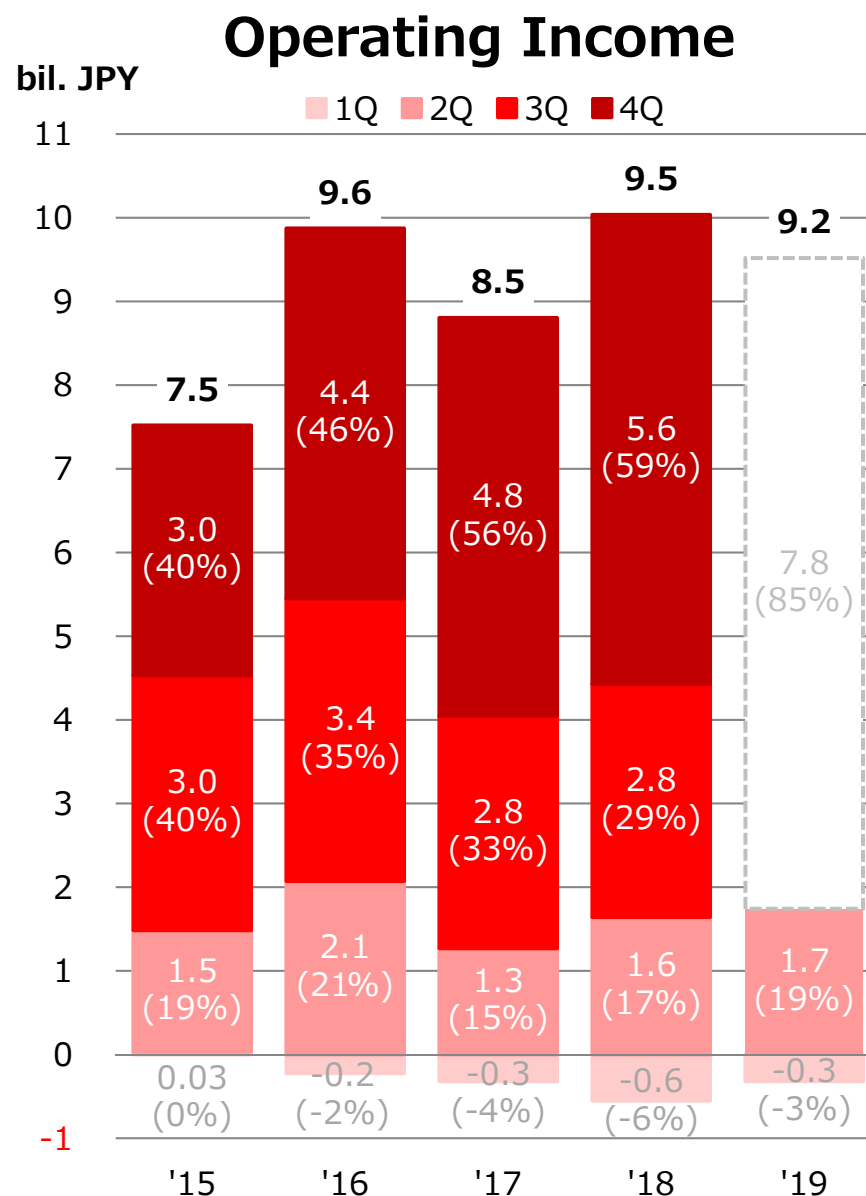
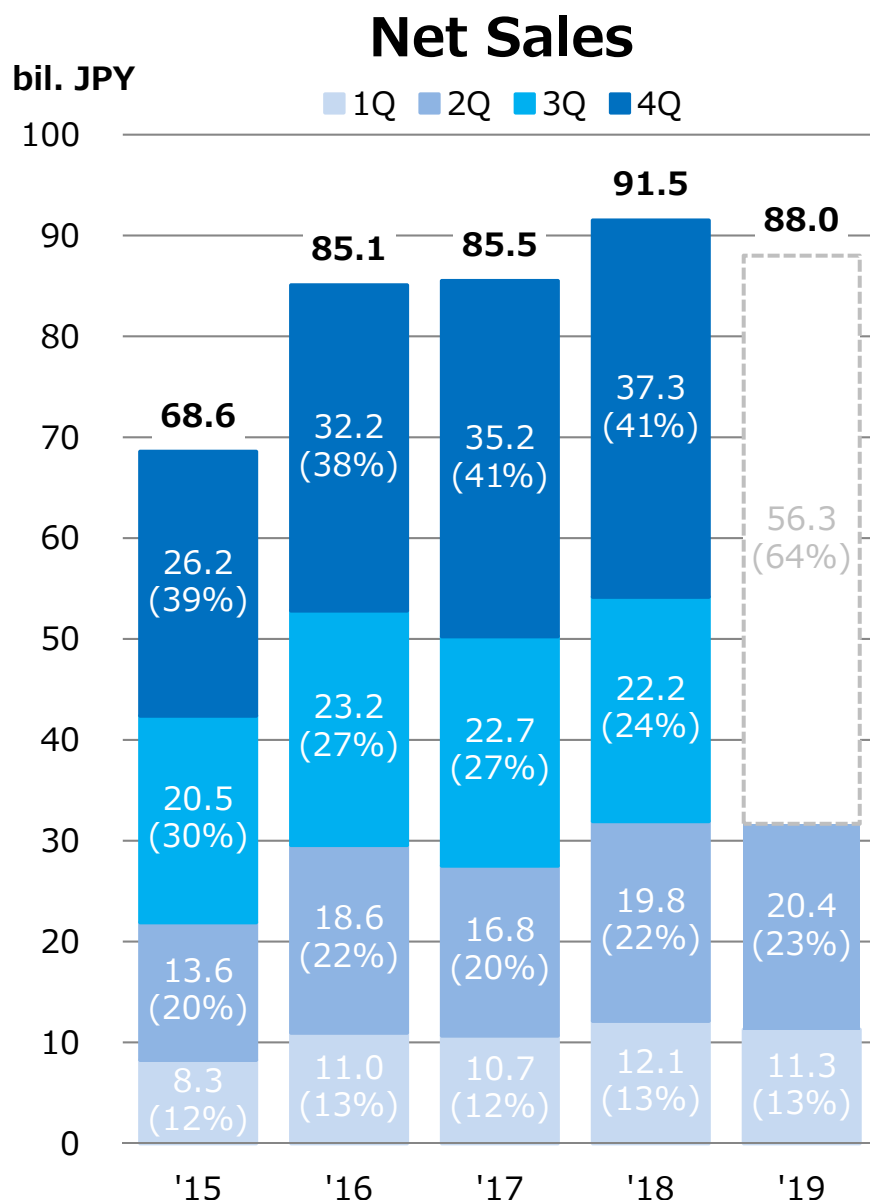
Consolidated Performance (2Q)



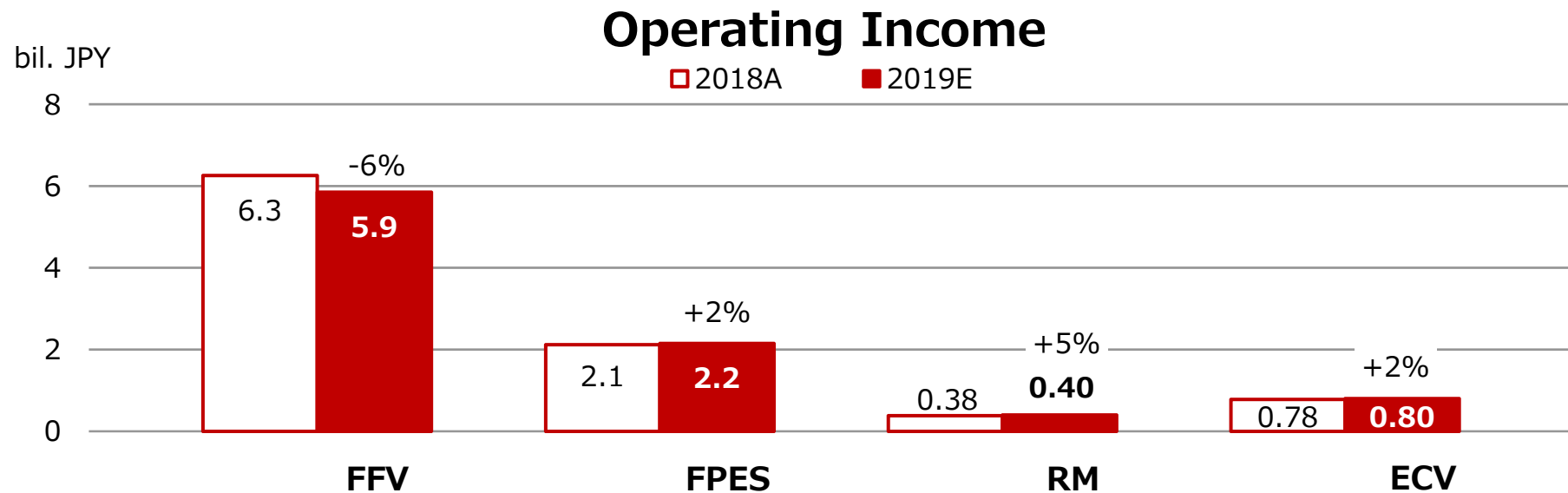
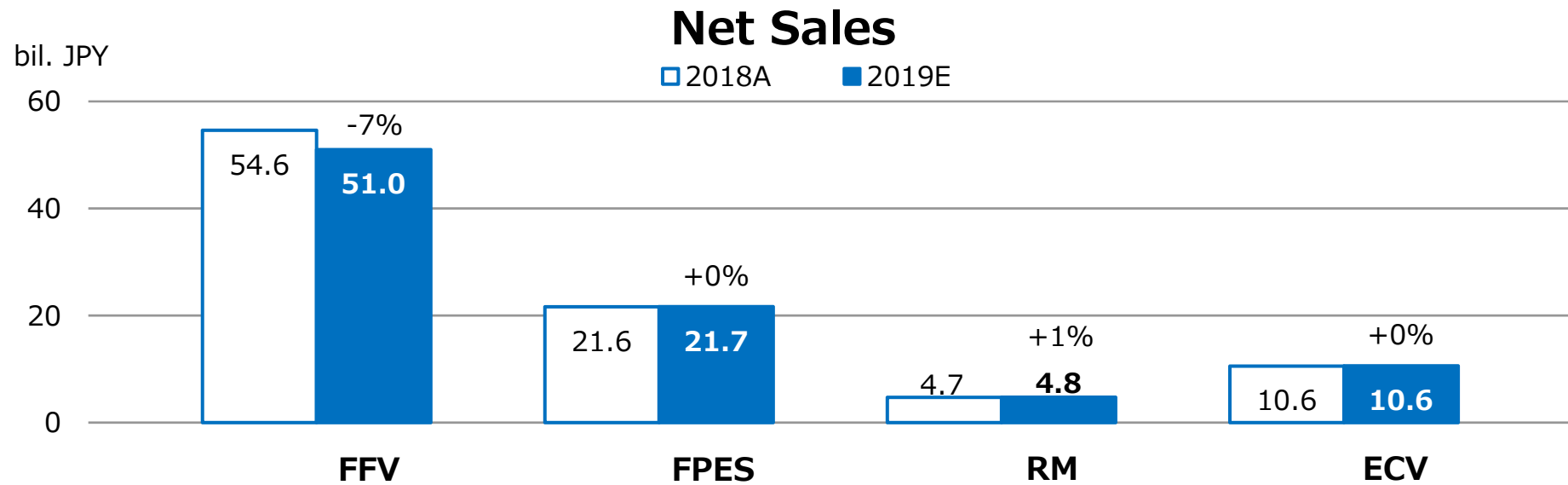
- **Net sales decreased by 1% YoY**
 - While net sales increased in FFV business, RM business, and ECV business, it decreased in FPES business
- **Operating income increased by 30% YoY**
 - FFV business and ECV business contributed to the increased operating income
- **Order intake decreased by 6% YoY, and order backlog decreased by 6%**
 - Partly due to the decrease in order intake in FFV business

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

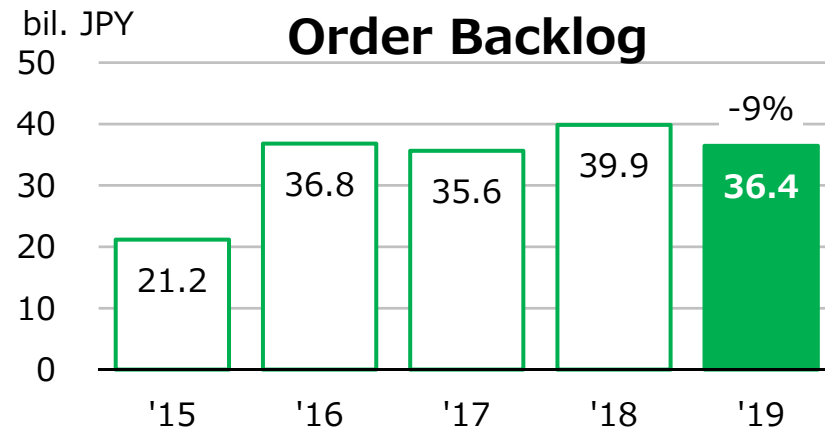
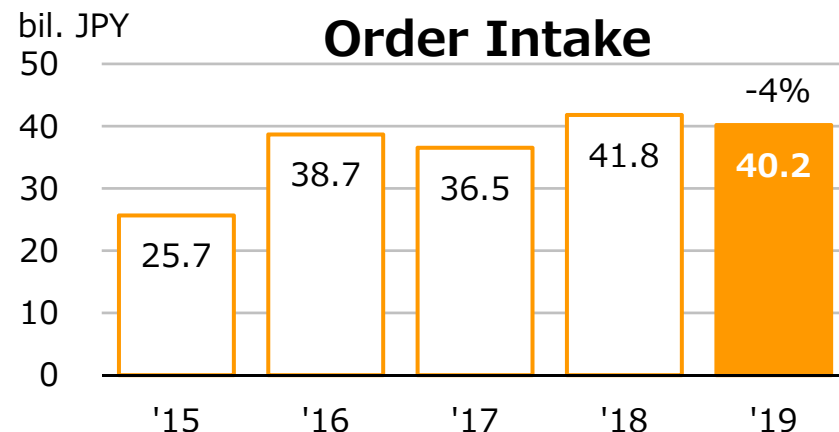
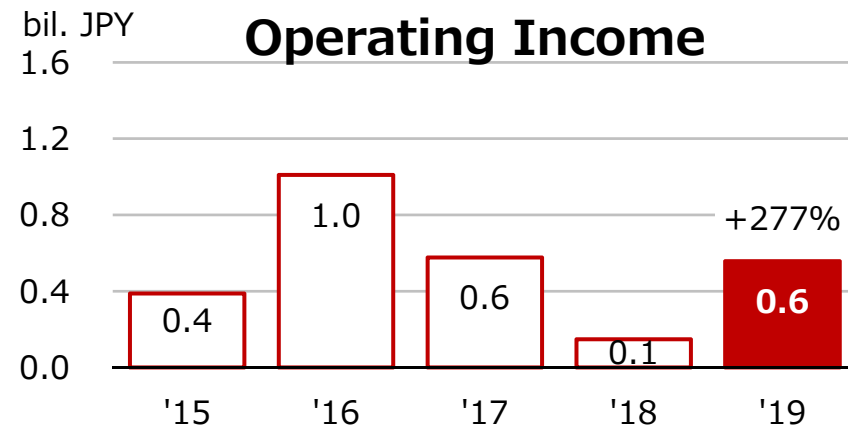
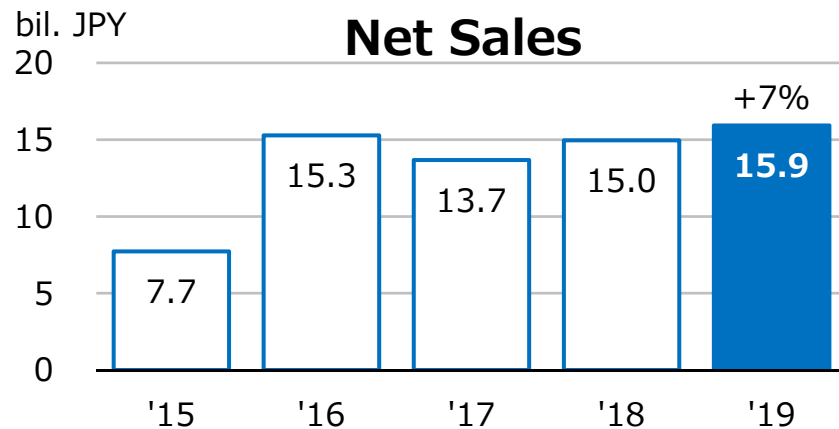
Performance Composition by Quarter



Outlook for Segment Performance (Full year) MORITA

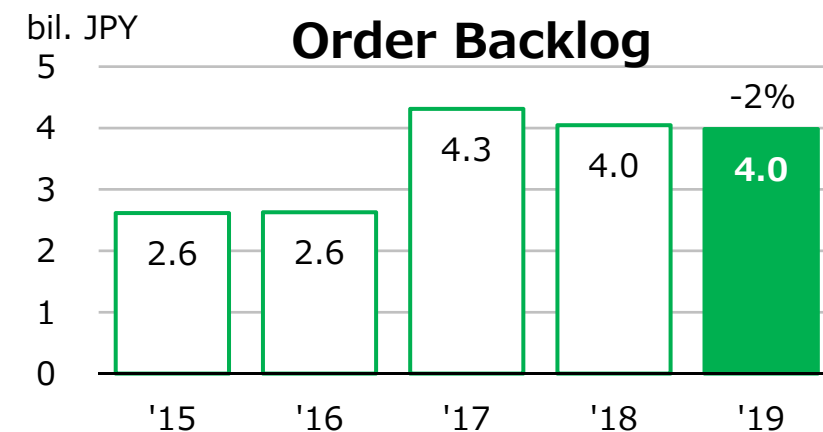
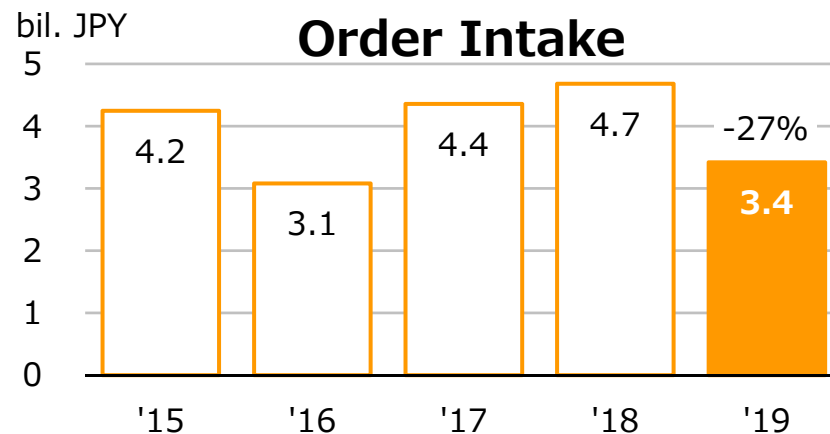
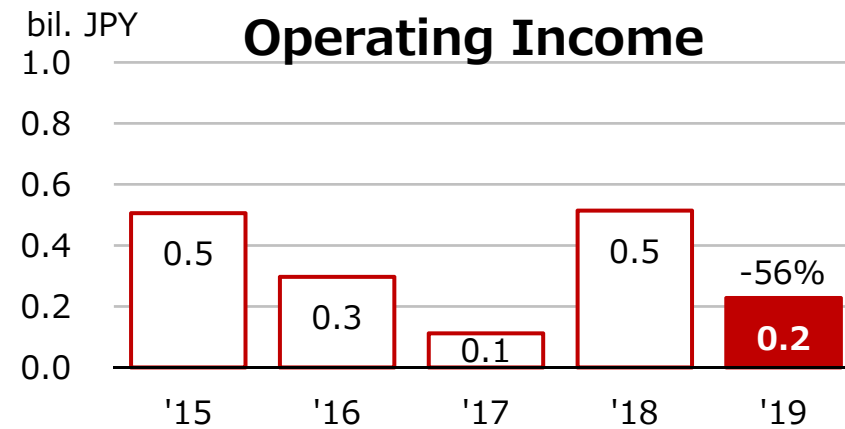
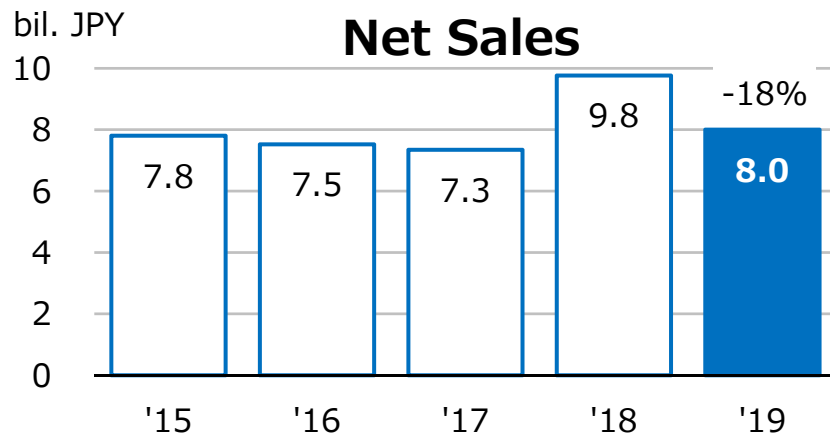


Fire Fighting Vehicles (2Q)



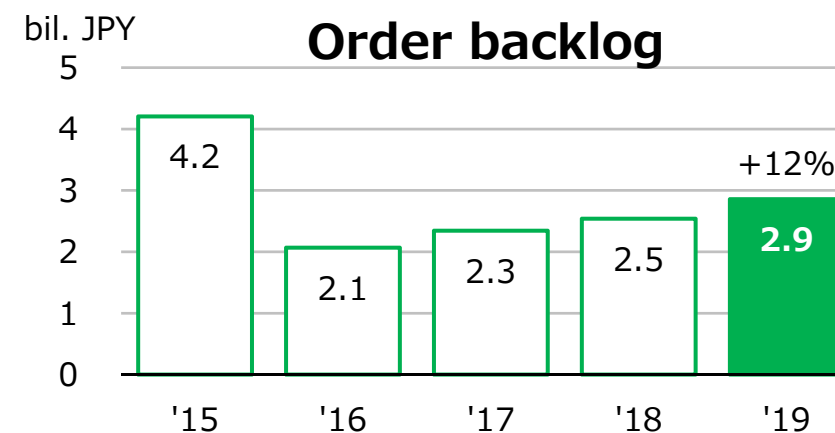
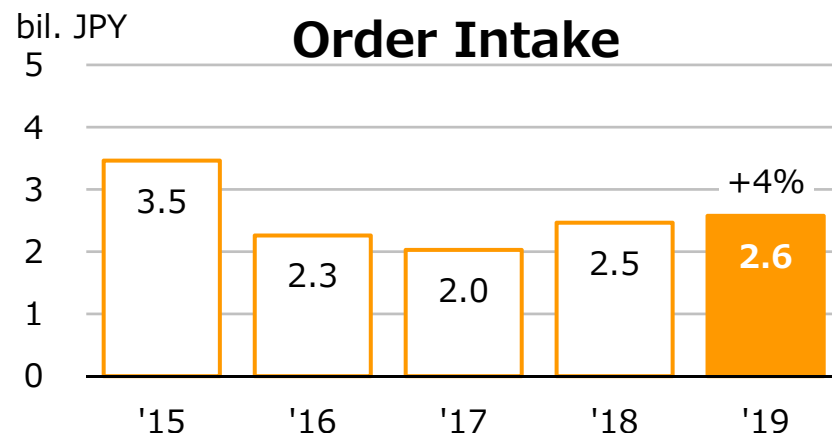
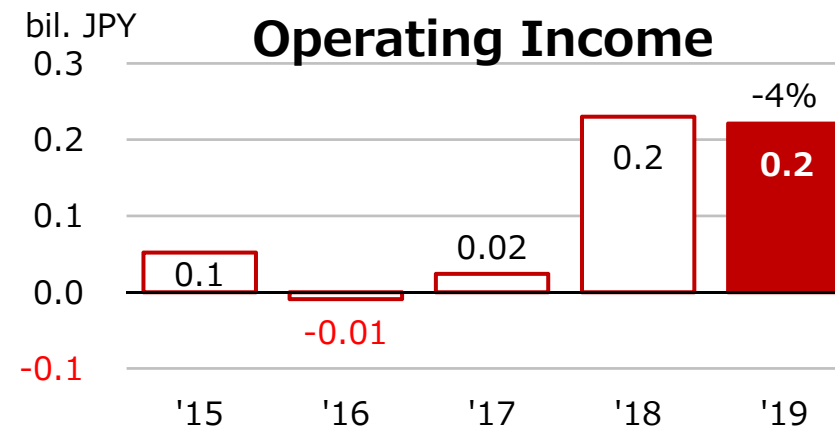
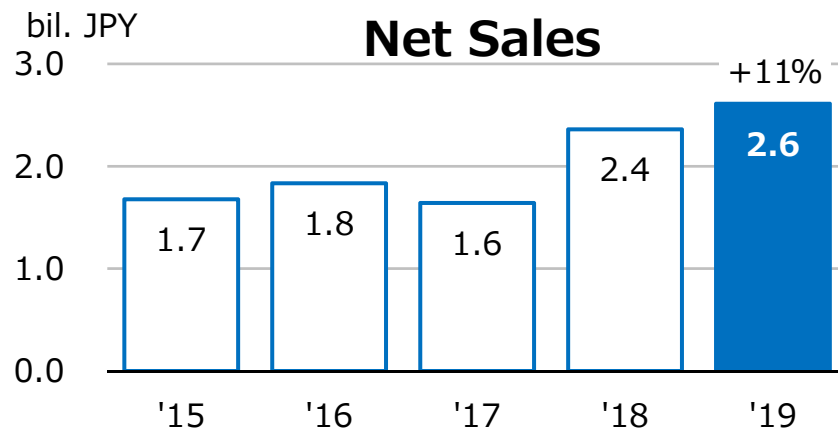
- **Net sales increased by 7% YoY**
 - Due to the steady increase in overseas sales primarily in Asia
- **Operating income increased 3.8 times YoY**
 - Due to the normalization of delay in issuing import license in China and absence of cost for trade show occurred in the previous year
- **Order intake decreased by 4% YoY, and order backlog decreased by 9%**
 - Due to the changes in domestic product mix

Fire Protection Equipment & Systems (2Q)



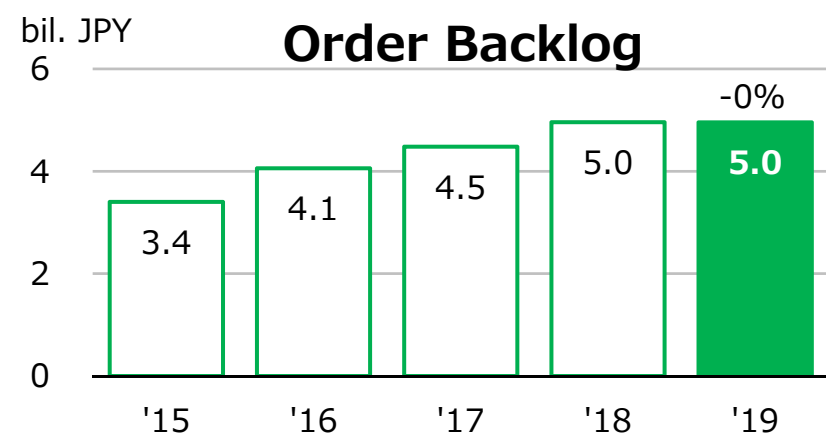
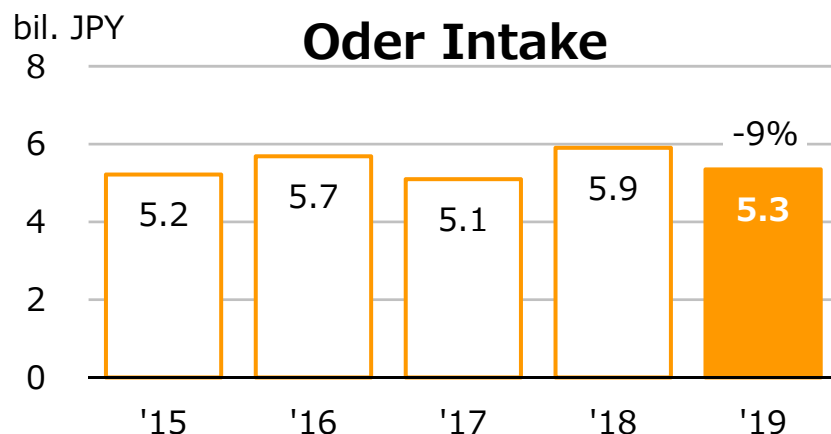
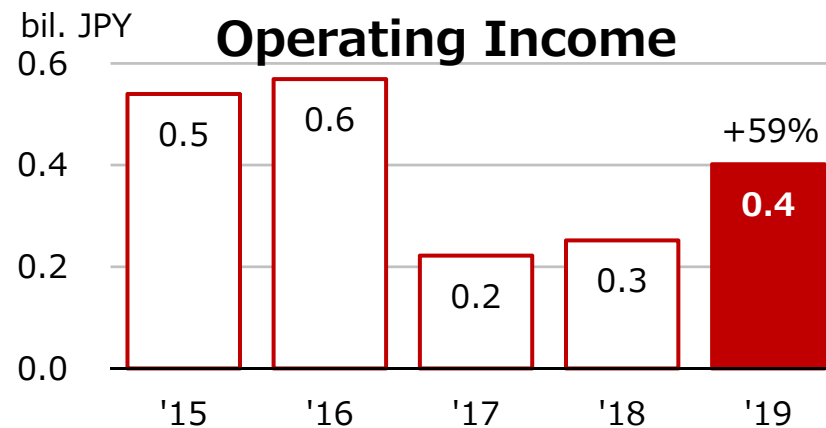
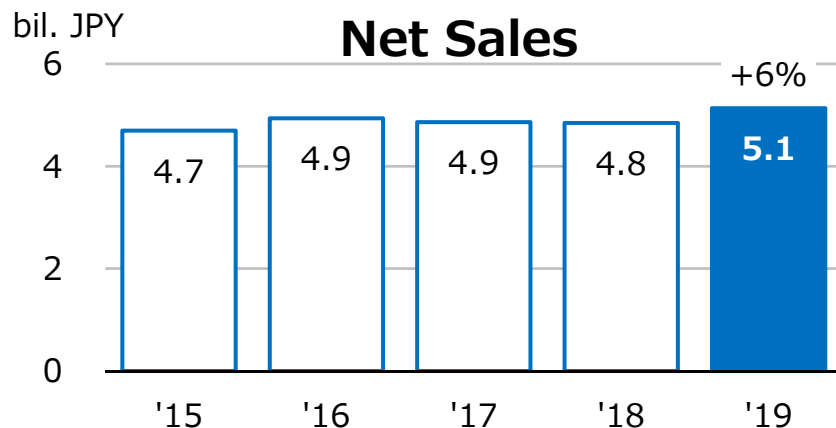
- **Net sales decreased by 18% YoY**
 - While sales of fire extinguisher were solid, SPRINEX decreased due to the delay in grant of government subsidies
- **Operating income decreased by 56% YoY**
 - In accordance with the decrease in sales of SPRINEX
- **Order intake decreased by 27% YoY, and order backlog decreased by 2%**
 - SPRINEX decreased due to the impact of delay in grant of government subsidies

Recycling Machines (2Q)



- **Net sales increased by 11% YoY**
 - While maintenance and services decreased, sales of products increased steadily
- **Operating income decreased by 4 % YoY**
 - Due to the change in composition of products, maintenance and service
- **Order intake increased by 4% YoY, and order backlog increased by 12%**
 - Maintenance and service increased steadily

Environmental Conservation Vehicles (2Q) MORITA



- **Net sales increased by 6% YoY**
 - Sales of products increased steadily since order backlog at the beginning of the period was higher than the previous years due to the rush demand before the model change of chassis
- **Operating income increased by 59% YoY**
 - In accordance with increase in sales
- **Order intake decreased by 9% YoY, and order backlog decreased slightly**
 - Due to the reactionary decrease in rush demand occurred in the previous year



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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