



MORITA GROUP

Protecting Human Life
and Mother Earth

To Shareholders and Investors

Interim Business Report for the 89th Term

From April 1, 2021 to September 30, 2021



Securities Identification Code: 6455

BUSINESS REPORT

Top Message Greeting

Over the years since our company was founded in 1907, we have shared the path with the history of Japan's firefighting technology development as a top manufacturer of fire fighting vehicles. We would like to express our deepest appreciation for the warm support and patronage of shareholders and all those concerned.

The Morita Group has the slogan "Protecting Human Life and Mother Earth" and develops our four businesses of Fire Fighting Vehicles, Fire Protection Equipment & Systems, Recycling Machines and Environmental Conservation Vehicles while remaining committed to its mission of protecting human lives and property and the irreplaceable nature on Earth and, to that end, we continue trying to come up with greater innovations and creating new values.

The Morita Group established our new Mid-term Plan "Morita Reborn 2025", which sets fiscal 2025 as its final fiscal year. In this plan, we set our basic policies as "increasing the profitability of our existing business", "cultivating and expanding overseas businesses and new businesses", "enhancing basic research capabilities and new product development", "developing innovative human resources" and "promoting CSR activities". We will positively implement these policies in order to become a global company providing comprehensive disaster prevention solutions. With all our energy, we will continue working on becoming a company group widely trusted by society, so we would ask for your continued support.

Masahiro Nakajima, Chairman & CEO
Kazumi Ogata, President

Overview of the first half of 89th Term

Net sales ¥27,011 million	Operating income ¥311 million	Ordinary income ¥631 million	Profit attributable to owners of parent ¥262 million
Year on year Down 4.1% ↓	Year on year Down 61.5% ↓	Year on year Down 38.0% ↓	Year on year Down 48.0% ↓

During the consolidated cumulative second quarter under review, the Japanese economy continued to face difficult situations in terms of social and economic activities, and the future remains uncertain due to the declaration of a state of emergency and implementation of quasi-emergency measures as a result of the increase in COVID-19 infections.

In this environment, the Group has continued its corporate activities while reducing the risk of infection to employees and other stakeholders and preventing the spread of infection.

As for the results of the consolidated cumulative second quarter under review, the Group posted net sales of 27,011

million yen (down 1,151 million yen or 4.1%, year on year), operating income of 311 million yen (down 498 million yen or 61.5%, year on year), ordinary income of 631 million yen (down 387 million yen or 38.0%, year on year), and profit attributable to the owners of the parent company of 262 million yen (down 241 million yen or 48.0%, year on year).

As a result of the adoption of the Accounting Standard for Revenue Recognition from the beginning of the first quarter, net sales decreased by 1,871 million yen, and operating income, ordinary income, and income before income taxes decreased by 558 million yen.

Morita Participated in the Security & Safety Trade Expo (RISCON TOKYO) 2021

Morita exhibited products related to landslides, floods, and support for disaster victims in order to help prepare for diversifying disasters

Morita participated in the Security & Safety Trade Expo (RISCON TOKYO) 2021 held at Tokyo Big Sight from Wednesday, October 20 to Friday, October 22 this year. At the expo, we exhibited actual products as countermeasures against frequent torrential rains and typhoons, the accompanying landslides, and flood damage caused by inland flooding and flooding rivers, as well as for measures to support activities in the field as well as the lives of disaster victims at evacuation centers. These products included electric all-terrain vehicle, dewatering pumps, quick flood barrier, portable LED working light, and portable power supply equipment, as well as panel displays for mobile toilet cars, compact off-road rescue trucks, rescue airboats, and video broadcasts of other products. Under the slogan "Protecting Human Life and Mother Earth," the Morita Group aims to become a "Global Fire Fighting and Disaster Prevention Solutions Company", providing products and services needed to respond to diversifying disasters.

Electric all-terrain vehicle EZ-Raider

The electric all-terrain vehicle EZ-Raider is extremely effective in areas where transporting materials and equipment is difficult, such as disaster sites where debris, earth and sand are scattered due to increasingly frequent sudden disasters, mountainous areas, and narrow roads where vehicles cannot enter.

The EZ-Raider consists of a front cart and a rear cart, and each of the wheels on the front cart (four wheels) and the rear cart (two wheels) are equipped with high-torque electric motors. When connected, it can operate with a six-wheel drive at most, giving it higher traveling performance. Large-capacity lithium-ion batteries and regenerative motors provide a range of approximately 45–80 km, and allow up to 450 kg* of cargo to be transported, with a loaded weight of 200 kg* for the front cart and 250 kg* for the rear cart.
*Including occupant weight



Electric all-terrain vehicle with high traveling performance and powerful transport capability

Dewatering pump (Hydraulic/Electric)

We provide dewatering pump units and dewatering pump vehicles that contribute to dewatering activities at sites of inundation and submergence due to river flooding.

At this year's expo, we exhibited hydraulic submersible pump and electric submersible pumps.

[1] Mobile dewatering pump unit

One pump can lift water with a pump head of 20 m and a maximum of approximately 11,000 L/min. Conventional products require two or more submersible pumps to lift more than 10,000 L/min of water. However, this product requires fewer pumps, thus reducing installation and hose extension times and labor saving. Equipment such as the engine and the submersible pump is housed in the unit, making it more compact. It can be stored in a disaster prevention warehouse without being carried on a vehicle during normal times.



Image of truck loading (permissible load 2 tons)

[2] Electric dewatering pump vehicle

Morita's wide lineup of electric dewatering pump vehicles ranges from 2,500 L/min to 30,000 L/min of drainage capacity. Users can choose the optimal vehicle based on the usage environment (such as narrow roads), driver's license requirements, and dewatering scale.



Dewatering pump useful for dewatering at sites of inundation and submergence

Quick flood barrier Flood Guard F

In recent years, torrential rains, typhoons, and water pipe ruptures are rising at an alarming rate, frequently causing flood damage. Flood Guard F is a quick water barrier that can be easily installed instead of sandbags and water bags. While sandbags used in general weigh about 25 kg per bag, this product is light at about 4.4 kg per unit, so it can be installed easily and quickly with a small number of people. Users can choose the size and adjust the placement according to the location and environment. And no special tools are required for installation. It is ideal for installing at entrances to stores, government offices, community centers, subway stations, and underground parking lots.

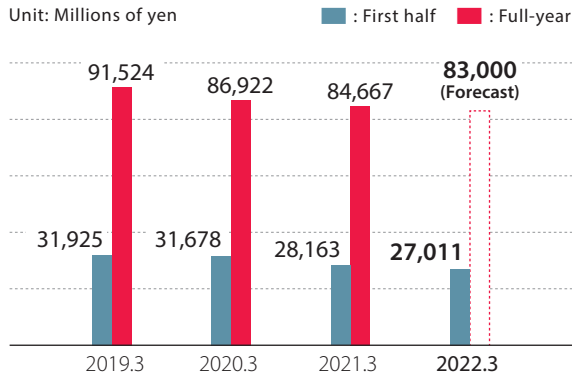


Quick flood barrier that can be easily installed to prevent flooding caused by torrential rain (Left: Side view, Right: Warehouse entrance)

Financial Highlights (Consolidated)

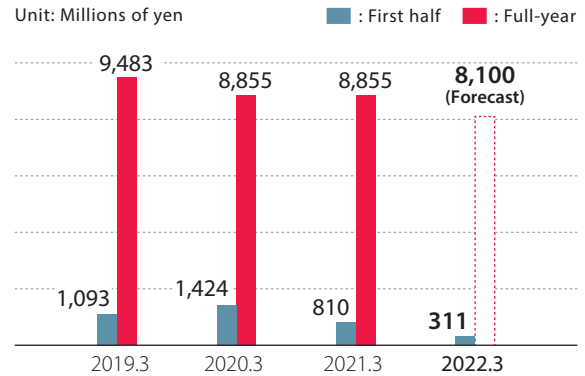
▶ Net sales

Unit: Millions of yen



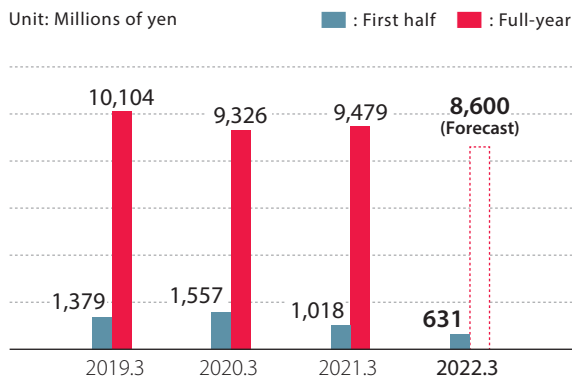
▶ Operating income

Unit: Millions of yen



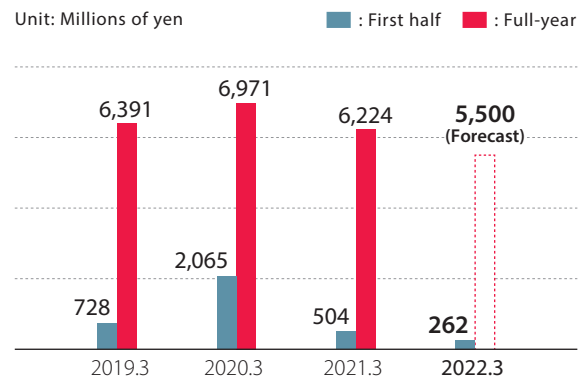
▶ Ordinary income

Unit: Millions of yen



▶ Profit attributable to owners of parent

Unit: Millions of yen



Notes: As a result of the adoption of the Accounting Standard for Revenue Recognition from the beginning of the first quarter of the fiscal year ending March 2022, net sales for the consolidated cumulative second quarter under review decreased by 1,871 million yen, and operating income, ordinary income, and income before income taxes decreased by 558 million yen.

Performance by Segment

Fire Protection Equipment & Systems Business



Net sales
8,058 million yen
Year on year ↑
Up 10.5%

Operating income
183 million yen
Previous year :
Loss of 114 million yen ↑

Fire Fighting Vehicles Business



Net sales
11,910 million yen
Year on year ↓
Down 14.6%

Operating loss
506 million yen
Previous year :
Income of 378 million yen ↓

Environmental Conservation Vehicles Business



Net sales
4,630 million yen
Year on year ↓
Down 5.1%

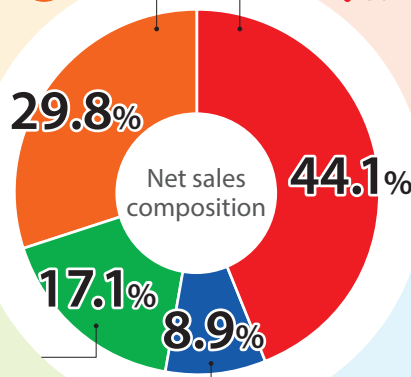
Operating income
317 million yen
Year on year ↑
Up 1.4%

Recycling Machines Business



Net sales
2,411 million yen
Year on year ↑
Up 17.6%

Operating income
317 million yen
Year on year ↑
Up 73.9%



Company Profile and Stock Information

Company Name	MORITA HOLDINGS CORPORATION
Founded	April 23, 1907
Established	July 23, 1932
Paid-in capital	4,746 million yen
Osaka Head Office	3-6-1 Doshomachi, Chuo-ku, Osaka-shi, Osaka
Tokyo Head Office	5-36-7 Shiba, Minato-ku, Tokyo
Business	Control/management of business activities of group companies, and being entrusted with indirect management operations

Executives

Chairman & CEO	Masahiro Nakajima
President	Kazumi Ogata
Director and Managing Executive Officer	Kunio Morimoto
Director and Managing Executive Officer	Shinichi Kanaoka
Director	Mitsuo Isoda
Director	Takao Kawanishi
Director	Masaki Hojo
Full-Time Corporate Auditor	Eiji Asada
Full-Time Corporate Auditor	Atsushi Miyazaki
Auditor	Masaru Ota
Auditor	Shozo Nishimura
Managing Executive Officer	Shinya Murai
Executive Officer	Mitsuru Ito

Information about the Stock

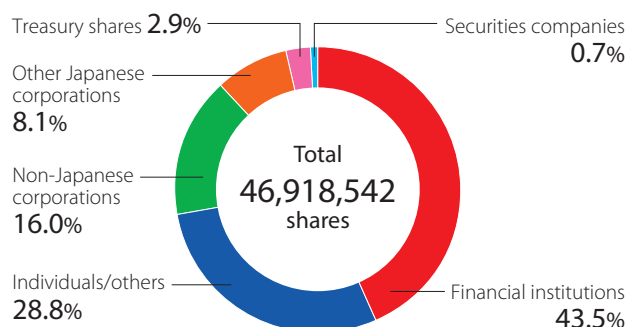
Fiscal Year	April 1 to March 31
Annual General Meeting of Shareholders	June
Reference Dates	Annual General Meeting of Shareholders - March 31 Year-end Dividend - March 31 Interim Dividend - September 30 Other dates published in advance as necessary
Method of Public Notice	Posted as electronic public notice on company website https://www.morita119.com/ir/stock/kohkoku.html
Shareholder Registry Administrator	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Handling Office of Shareholder Registry Administrator	Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited 4-5-33 Kitahama, Chuo-ku, Osaka-shi, Osaka
(Postal Address)	Stock Transfer Agency Department, Sumitomo Mitsui Trust Bank, Limited 2-8-4 Izumi, Suginami-ku, Tokyo, 168-0063
(Telephone Inquiries)	+81-3-3323-7111
(Internet Website URL)	https://www.smtb.jp/personal/procedure/agency/
Stock Exchang Listing	Tokyo Stock Exchange
Number of shares per unit	100 shares

Major Group Companies

MORITA CORPORATION	1-5 Techno Park, Sanda-shi, Hyogo, 669-1339, Japan Development, manufacturing and sales of ladder trucks, fire trucks, and specialty vehicles
MORITA MIYATA CORPORATION	3-5-7 Ariake, Koto-ku, Tokyo, 135-0063, Japan Development, manufacturing and sales of fire extinguishing-related equipment, mainly of fire extinguishers, firefighting equipment and fire protection-related equipment
MORITA ENVIRONMENTAL TECH CORPORATION	1530 Konoda-cho, Funabashi-shi, Chiba, 274-0081, Japan Design and construction of waste recycling facilities and other waste disposal facilities. Development, manufacturing and sales of large hydraulic equipment
MORITA ECONOS CORPORATION	28 Techno Park, Sanda-shi, Hyogo, 669-1339, Japan Development, manufacturing and sales of environmental conservation vehicles such as sanitation vehicles (Vacuum trucks) and garbage collectors
MORITA TECHNOS CORPORATION	32 Techno Park, Sanda-shi, Hyogo, 669-1339, Japan Aftercare service and maintenance of fire trucks and of rescue equipment. Development, manufacturing and sales of electronic applied machinery and information processing machinery
BRONTO SKYLIFT OY AB	Teerivuorenkatu 28, FI-33300 Tampere, Finland Development, manufacturing and sales of combined platform ladders and aerial platforms

Breakdown of Shares by Type of Shareholder

As of September 30, 2021



Major Shareholders (Top 10)

As of September 30, 2021

Name	No. of shares (thousand)
The Master Trust Bank of Japan, Ltd. (Trust account)	4,123
The Dai-ichi Life Insurance Company, Limited	3,265
Morita Trading-Partner Shareholding Association	2,306
Mizuho Bank, Ltd.	2,087
Sumitomo Mitsui Trust Bank, Limited	2,082
MUFG Bank, Ltd.	2,048
Sumitomo Mitsui Banking Corporation	2,007
Custody Bank of Japan, Ltd.	1,974
AIR WATER INC.	1,730
NORTHERN TRUST CO. (AVFC) RE HCR00	1,223

Notes: 1. Number of shares held is rounded down to the nearest thousand shares.
2. The Company holds treasury shares numbering 1,345 thousand shares.