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## Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]

July 27, 2022

Company name: MORITA HOLDINGS CORPORATION

Stock exchange listing: Tokyo

Code number: 6455

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

Representative: Shinichi Kanaoka, President

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Scheduled date of filing quarterly securities report: August 9, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down)

## 1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)

## (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	12,417	19.3	(27)	-	58	-	(124)	-
June 30, 2021	10,411	0.1	(721)	-	(623)	-	(601)	-

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ (452) million [ -%]  
Three months ended June 30, 2021: ¥ (564) million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	(2.83)	-
June 30, 2021	(13.25)	-

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2022	119,461	80,525	66.6
March 31, 2022	125,167	81,906	64.7

(Reference) Equity: As of June 30, 2022: ¥ 79,574 million  
As of March 31, 2022: ¥ 80,947 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	19.00	-	21.00	40.00
Fiscal year ending March 31, 2023	-	-	-	-	-
Fiscal year ending March 31, 2023 (Forecast)	-	-	-	-	-

(Note) At this point, the dividends forecast for the fiscal year ending March 31, 2023 has yet to be determined. It will be announced promptly after the forecasts for consolidated financial results become reasonably predictable

## 3. The Forecasts of Business Results for the Fiscal Year ending March 31, 2023 (From April 1, 2022 to March 31, 2023)

At this point, the forecasts of business results have yet to be determined due to uncertain factors related to provisions of chassis for the fire fighting vehicles segment and the environmental conservation vehicles segment, which make reasonable forecasts unpredictable. It will be announced promptly after the forecasts for consolidated financial results become reasonably predictable.

## \* Notes:

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022  
(changes in specified subsidiaries resulting in changes in scope of consolidation): No
- |            |   |                |   |
|------------|---|----------------|---|
| New        | - | (Company name: | ) |
| Exclusion: | - | (Company name: | ) |
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: No
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
 

June 30, 2022:	46,918,542 shares
March 31, 2022:	46,918,542 shares
  - 2) Total number of treasury shares at the end of the period:
 

June 30, 2022:	2,817,534 shares
March 31, 2022:	2,817,506 shares
  - 3) Average number of shares during the period:
 

Three months ended June 30, 2022:	44,101,040 shares
Three months ended June 30, 2021:	45,435,540 shares

\* This report is out of audit scope by Certified Public Accountants or Audit companies.

## \* Statement regarding the proper use of financial forecasts and other remarks

Descriptions regarding the future, including the financial projections contained in this report, are based on certain assumptions currently available to the Company, which are, at the discretion of the Company, deemed reasonable, and the Company gives no guarantees that it will achieve these results. In addition, actual financial results may significantly vary due to various factors.

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# Quarterly Consolidated Financial Statements

## Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of June 30,2022
<b>Assets</b>		
Current assets		
Cash and deposits	29,276	28,934
Notes and accounts receivable - trade	22,406	12,213
Electronically recorded monetary claims - operating	1,812	2,005
Merchandise and finished goods	3,512	3,837
Work in process	7,770	10,759
Raw materials and supplies	5,608	6,641
Other	1,457	2,557
Allowance for doubtful accounts	(216)	(195)
Total current assets	71,629	66,753
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,137	10,030
Machinery, equipment and vehicles, net	2,406	2,305
Land	18,468	18,457
Construction in progress	254	724
Other, net	912	921
Total property, plant and equipment	32,179	32,438
Intangible assets		
Goodwill	1,820	1,792
Other	852	912
Total intangible assets	2,672	2,704
Investments and other assets		
Investment securities	12,879	11,525
Retirement benefit asset	1,517	1,518
Other	4,906	5,137
Allowance for doubtful accounts	(616)	(616)
Total investments and other assets	18,686	17,565
Total non-current assets	53,538	52,708
Total assets	125,167	119,461

(Million yen)

	As of March 31,2022	As of June 30,2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	8,601	5,715
Electronically recorded obligations - operating	7,827	6,983
Short-term borrowings	954	991
Current portion of long-term borrowings	5,316	5,316
Income taxes payable	2,005	284
Provision for bonuses	1,161	587
Provision for bonuses for directors (and other officers)	119	23
Provision for product warranties	491	492
Provision for recall	179	167
Other	6,460	8,726
Total current liabilities	33,118	29,288
Non-current liabilities		
Long-term borrowings	54	57
Retirement benefit liability	4,075	4,076
Provision for retirement benefits for directors (and other officers)	11	11
Other	6,002	5,501
Total non-current liabilities	10,143	9,647
Total liabilities	43,261	38,935
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,746	4,746
Capital surplus	5,048	5,048
Retained earnings	71,099	70,048
Treasury shares	(3,042)	(3,042)
Total shareholders' equity	77,851	76,800
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,319	4,427
Deferred gains or losses on hedges	11	11
Revaluation reserve for land	(2,600)	(2,600)
Foreign currency translation adjustment	321	892
Remeasurements of defined benefit plans	44	43
Total accumulated other comprehensive income	3,095	2,774
Non-controlling interests	959	951
Total net assets	81,906	80,525
Total liabilities and net assets	125,167	119,461

## Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Net sales	10,411	12,417
Cost of sales	7,731	8,991
Gross profit	2,680	3,426
Selling, general and administrative expenses	3,401	3,454
Operating loss	(721)	(27)
Non-operating income		
Interest income	1	0
Dividend income	59	77
Rental income	20	21
Other	81	84
Total non-operating income	162	183
Non-operating expenses		
Interest expenses	14	15
Rental expenses	1	1
Foreign exchange losses	0	26
Share of loss of entities accounted for using equity method	43	35
Other	5	17
Total non-operating expenses	65	97
Ordinary profit (loss)	(623)	58
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	1	-
Total extraordinary income	2	0
Extraordinary losses		
Loss on sale and retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit (loss) before income taxes	(621)	58
Income taxes	(13)	188
Loss	(608)	(130)
Loss attributable to non-controlling interests	(6)	(5)
Loss attributable to owners of parent	(601)	(124)

## Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Loss	(608)	(130)
Other comprehensive income		
Valuation difference on available-for-sale securities	(348)	(892)
Deferred gains or losses on hedges	(1)	0
Foreign currency translation adjustment	283	490
Remeasurements of defined benefit plans, net of tax	4	(1)
Share of other comprehensive income of entities accounted for using equity method	104	80
Total other comprehensive income	43	(322)
Comprehensive income	(564)	(452)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(557)	(446)
Comprehensive income attributable to non-controlling interests	(6)	(6)

## Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(621)	58
Depreciation	455	455
Amortization of goodwill	111	114
Increase (decrease) in allowance for doubtful accounts	77	(22)
Increase (decrease) in provision for recall loss	-	(12)
Interest and dividend income	(60)	(78)
Interest expenses	14	15
Share of loss (profit) of entities accounted for using equity method	43	35
Loss (gain) on sale and retirement of property, plant and equipment	(0)	(0)
Decrease (increase) in trade receivables	16,247	10,991
Decrease (increase) in inventories	(5,034)	(4,154)
Increase (decrease) in trade payables	(4,325)	(3,773)
Other, net	(433)	133
Subtotal	6,475	3,763
Interest and dividends received	60	78
Interest paid	(7)	(8)
Income taxes paid	(2,659)	(2,683)
Net cash provided by (used in) operating activities	3,867	1,149
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(131)	(506)
Proceeds from sale of property, plant and equipment	93	12
Purchase of intangible assets	(35)	(111)
Loan advances	(160)	(0)
Proceeds from collection of loans receivable	0	61
Other, net	(64)	(69)
Net cash provided by (used in) investing activities	(298)	(615)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	155	(10)
Dividends paid	(849)	(906)
Dividends paid to non-controlling interests	(3)	(2)
Other, net	(40)	(44)
Net cash provided by (used in) financing activities	(738)	(963)
Effect of exchange rate change on cash and cash equivalents	23	15
Net increase (decrease) in cash and cash equivalents	2,854	(414)
Cash and cash equivalents at beginning of period	22,839	29,132
Cash and cash equivalents at end of period	25,694	28,718



## Segment Information, etc.

I. For the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

1. Information concerning net sales, profit or loss by reporting segment, and information on disaggregation of revenue

Million yen

	Reporting segment				Total
	Fire Fighting Vehicles	Fire Protection Equipment & Systems	Recycling Machines	Environmental Conservation Vehicles	
Net Sales:					
Revenue from Contracts with Customers	3,412	3,776	1,091	2,131	10,411
Other revenue	—	—	—	0	0
Sales to external customers	3,412	3,776	1,091	2,131	10,411
Inter segment sales or transfers	26	48	0	72	147
Total	3,438	3,824	1,091	2,204	10,559
Segment profit(loss)	(1,033)	62	133	122	(714)

2. Differences between the total amounts of reporting segments and the amounts stated in the consolidated financial statements and the main contents of the differences (matters related to the adjustment of differences)

Million yen

Profit	Amount
Total amount of reporting segments	(714)
Elimination of inter-segment transaction	1
Adjusted amount of inventories	(7)
Operating loss in the consolidated financial statements	(721)

3. Information related to losses on the impairment of fixed assets or goodwill for each reportable segment

Not applicable.

II. For the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

1. Information concerning net sales, profit or loss by reporting segment, and information on disaggregation of revenue

Million yen

	Reporting segment				Total
	Fire Fighting Vehicles	Fire Protection Equipment & Systems	Recycling Machines	Environmental Conservation Vehicles	
Net Sales:					
Revenue from Contracts with Customers	4,906	4,042	1,344	2,121	12,414
Other revenue	—	—	—	2	2
Sales to external customers	4,906	4,042	1,344	2,124	12,417
Inter segment sales or transfers	28	55	2	30	116
Total	4,934	4,098	1,346	2,154	12,534
Segment profit(loss)	(431)	234	122	41	(33)

2. Differences between the total amounts of reporting segments and the amounts stated in the consolidated financial statements and the main contents of the differences (matters related to the adjustment of differences)

Million yen

Profit	Amount
Total amount of reporting segments	(33)
Elimination of inter-segment transaction	0
Adjusted amount of inventories	4
Operating loss in the consolidated financial statements	(27)

3. Information related to losses on the impairment of fixed assets or goodwill for each reportable segment

Not applicable.

## Supplementary Information

[Production performance, Order intake, Order backlog and Sales performance]

### (1) Production performance

Reporting segment	Production performance (Million yen)	Year on year change (%)
Fire Fighting Vehicles	7,541	14.6
Fire Protection Equipment & Systems	3,982	14.5
Recycling Machines	1,278	3.3
Environmental Conservation Vehicles	2,174	(10.9)
Total	14,976	9.0

Note: 1. Inter-segment transactions are offset and eliminated.

2. The amount indicated above are shown as sales price.

3. The amount indicated above do not include consumption and other taxes.

### (2) Order intake and Order backlog

Reporting segment	Order Intake (Million yen)	Year on year change (%)	Order backlog (Million yen)	Year on year change (%)
Fire Fighting Vehicles	25,257	(4.0)	34,748	(3.6)
Fire Protection Equipment & Systems	2,041	11.4	5,630	18.9
Recycling Machines	1,840	29.5	5,045	62.5
Environmental Conservation Vehicles	3,168	11.4	7,082	38.6
Total	32,308	(0.3)	52,506	7.2

Note: 1. Inter-segment transactions are offset and eliminated.

2. The amount indicated above are shown as sales price.

3. The amount indicated above do not include consumption and other taxes.

4. The amount of Fire Protection Equipment & Systems Business do not include those of the fire protection equipment department because it does not conduct make-to-stock production.

### (3) Sales performance

Reporting segment	Sales performance (Million yen)	Year on year change (%)
Fire Fighting Vehicles	4,906	43.8
Fire Protection Equipment & Systems	4,042	7.0
Recycling Machines	1,344	23.2
Environmental Conservation Vehicles	2,124	(0.3)
Total	12,417	19.3

Note: 1. Inter-segment transactions are offset and eliminated.

2. The amount indicated above do not include consumption and other taxes.