



MORITA GROUP
Safeguarding Lives and the Environment

BUSINESS REPORT

To Shareholders and Investors

Business Report for the 90th Term

From April 1, 2022 to March 31, 2023

Securities Identification Code: 6455



TOP MESSAGE Greeting

Thank you for your continuing support.

The Morita Group was founded in 1907. The engineering and manufacturing skills we learned along the way, after developing Japan's first gasoline-powered fire pump, became the foundation that allowed us to continue taking firefighting technology forward, and we have constantly safeguarded the lives and assets of people from fires and disasters. Today, we safeguard human lives and the environment more broadly by developing recycling facilities and environmental conservation vehicles.

Safeguarding lives and the environment. Securing peace of mind.
Technology, powered by visionary challenge.

We define our purpose - our reason for being in society - as follows.

Precisely because this is an era of radical change and high uncertainty, we believe it is more important than ever to clarify our reason for being and the values we can provide to society, and bring together the capabilities of people with an unflagging passion for change.

Our commitment to this remains continuing and unwavering, as we dedicate ourselves to securing a future filled with peace of mind. Through our advanced technology - the source of so many groundbreaking products - we must constantly reinvent ourselves, and keep tackling the challenges of creating a sustainable future. I hope we can count on your continuing support for the Morita Group as we move forward.

Masahiro Nakajima Chairman & CEO

Shinichi Kanaoka President

Overview of 90th Term

Net sales

¥81,344 million

Year on year
Down 2.7% ↓

Operating income

¥5,081 million

Year on year
Down 37.4% ↓

Ordinary income

¥5,913 million

Year on year
Down 32.5% ↓

Profit attributable to
owners of parent

¥3,996 million

Year on year
Down 25.3% ↓

The outlook for the Japanese economy remained uncertain during the period of this consolidated fiscal year, including due to significant fluctuations in foreign exchange rates, soaring energy and raw material prices, and semiconductor supply shortages.

In addition to this environment, our group also experienced instability in the supply schedules for chassis for our firefighting and environmental vehicle business, but we worked to improve the efficiency of production.

In the results for this consolidated fiscal year, in comparison with

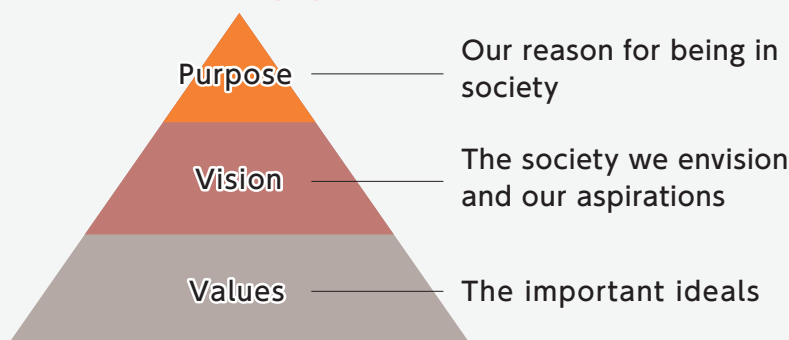
the previous period, the orders received increased by 9,384 million yen to 84,876 million yen (up 12.4%), and net sales decreased by 2,258 million yen to 81,344 million yen (down 2.7%). As for profit and loss, in comparison with the previous consolidated fiscal year, operating income decreased by 3,033 million yen to 5,081 million yen (down 37.4%), ordinary income decreased by 2,848 million yen to 5,913 million yen (down 32.5%), and profit attributable to owners of the parent decreased by 1,353 million yen to 3,996 million yen (down 25.3%).

Establishment of the Morita's Philosophy

Morita's Philosophy

In April 2022, our company established a Sustainability Committee and began sustainability initiatives in earnest. As part of these efforts, we revised and redefined our previous corporate philosophy in response to the trends of the times and the demands of society, and in March 2023, we reformulated it into a new Morita's Philosophy. We defined that the reason for the existence of our group in the era of sustainability is our purpose of "Safeguarding lives and the environment. Securing peace of mind. Technology, powered by visionary challenge." We clarified our vision of what we want to become as "To be a valued and respected company by serving to shape a safe, accessible, and thriving society" and we defined the values that we should hold to realize this vision.

▼Morita's Philosophy



MORITA NEWS

Mid-term Plan Toward Strengthening Basic Research Capabilities and New Product Development Capabilities

~ Start of operations at the "Morita ATI Center" research and development base ~

As was stated in the basic policy of "Morita Reborn 2025," the Morita Group is working to strengthen its basic research capabilities and new product development capabilities by consolidating its previously scattered R&D sites in Yao City in Osaka Prefecture. The new Morita ATI Center (in grounds of 15,674 m²) will begin full-scale operations in July 2023. The Morita ATI Center, a new research base for comprehensive disaster prevention solutions, consists of three buildings, which are named "A-Field", "T-Tower", and "I-Cube". The comprehensive test site (25m × 32m × 18m high) in "A-Field" is equipped with one of the largest combustion test sites in western Japan, a dust collector and wastewater treatment equipment. Together with the water discharge passage (30m × 7m × 15m high), it can evaluate water and foam emissions in a windless environment up to 55m long. "T-Tower" is a training tower of a height equivalent to an 11-story apartment building (33m high). It will be used for the planning and demonstration of firefighting and rescue tactics for various situations, the development of new products, and operational training. "I-Cube" aims to be a workplace that inspires open innovation and communication in a comfortable space with cutting-edge technology, to realize research and development that will protect human life and the Earth, and to be a research facility that also realizes collaboration between industry and academia and collaboration with other companies. Furthermore, a total of 1,200m² of photovoltaic panels have been installed on the rooftop to enable the use of energy-saving technologies and natural energy for cost effectiveness.

Based on its purpose of "Protecting human life and the Earth with technology that supports peace of mind and by continually taking on the challenges," the Morita Group aims to be a company that delivers unchanging peace of mind to the world with its advanced technological capabilities.

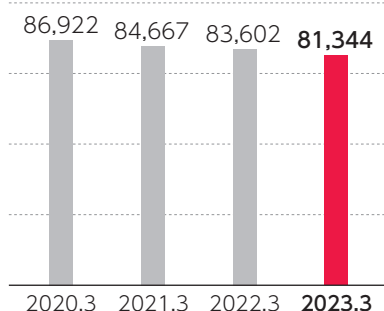
▼Morita ATI Center



Financial Highlights (Consolidated)

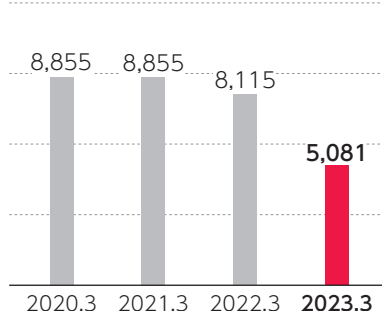
Net sales

Unit: Millions of yen



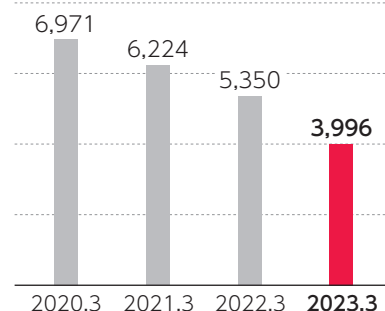
Operating income

Unit: Millions of yen



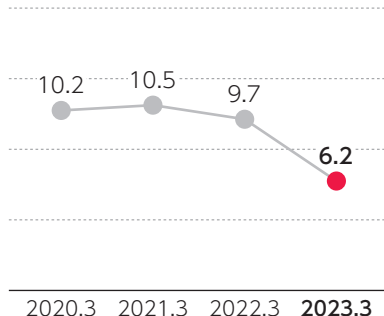
Profit attributable to owners of parent

Unit: Millions of yen



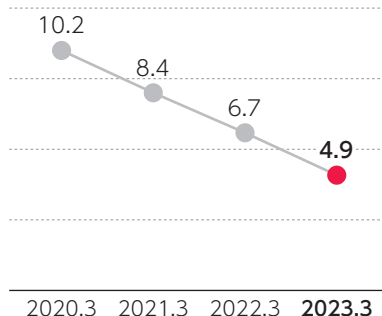
Operating income to net sales

Unit: %



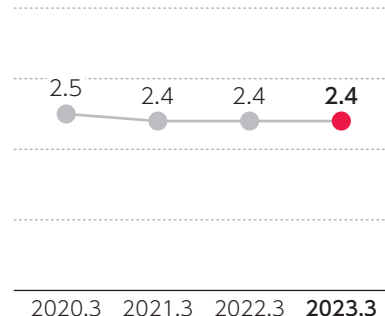
Return on equity (ROE)

Unit: %



Dividend on equity (DOE)

Unit: %



Performance by Segment

Fire Protection Equipment & Systems Business

Net sales

20,829 million yen

Year on year

Up 7.2%



Operating income

2,023 million yen

Year on year

Up 54.8%



Both sales and income increased thanks to increased demand for fire extinguishers as well as steady sales of fire extinguishing equipment.



Fire Fighting Vehicles Business

Net sales

44,869 million yen

Year on year

Down 8.7%



Operating income

1,771 million yen

Year on year

Down 67.6%



Although orders were strong, both in Japan and overseas, sales and profits decreased due to the impact of chassis supply delays on production and soaring raw material prices.



Environmental Conservation Vehicles Business

Net sales

9,758 million yen

Year on year

Down 1.3%



Operating income

586 million yen

Year on year

Down 18.1%



Although orders were strong, sales and profits decreased due to delays in the chassis supply.



Recycling Machines Business

Net sales

5,887 million yen

Year on year

Up 14.2%



Operating income

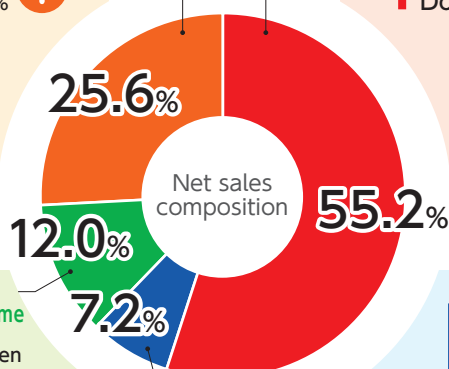
702 million yen

Year on year

Up 13.2%



Product sales were strong and both sales and profit increased.



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 Dosho-machi, 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	Shinichi Kanaoka
Director and Managing Executive Officer	Kunio Morimoto
Director and Managing Executive Officer	Shinya Murai
Director	Mitsuo Isoda
Director	Takao Kawanishi
Director	Masaki Hojo
Director	Masayoshi Kato
Director	Hiroyuki Fukunishi
Full-Time Corporate Auditor	Eiji Asada
Auditor	Masaru Ota
Auditor	Shozo Nishimura
Auditor	Mari Kaneko
Managing Executive Officer	Mitsuru Ito

Information about the Stock

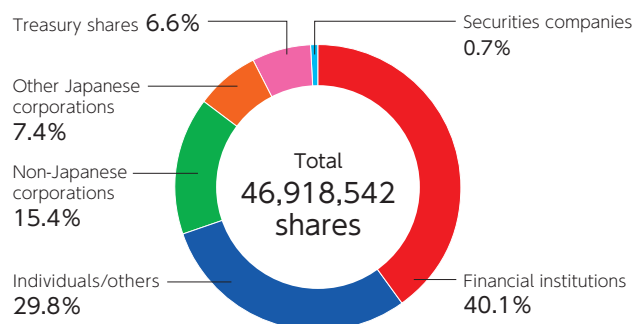
Fiscal Year	April 1 to March 31
Annual General Meeting of Shareholders	June
Reference Dates	Annual General Meeting of Shareholders - March 31 Year-end Dividend - March 31 Interim Dividend - September 30 Other dates published in advance as necessary
Method of Public Notice	Posted as electronic public notice on company website https://www.morita119.com/en/about/ir/shareholders_meeting/index.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 other fire protection 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 and garbage trucks
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 March 31, 2023



Major Shareholders (Top 10)

As of March 31, 2023

Name	No. of shares (thousand)
The Master Trust Bank of Japan, Ltd. (Trust account)	4,619
Morita Trading-Partner Shareholding Association	2,282
The Dai-ichi Life Insurance Company, Limited	2,123
Mizuho Bank, Ltd.	2,087
MUFG Bank, Ltd.	2,048
Sumitomo Mitsui Banking Corporation	2,007
Sumitomo Mitsui Trust Bank, Limited	1,828
Custody Bank of Japan, Ltd.	1,792
AIR WATER INC.	1,730
NORTHERN TRUST CO. (AVFC) RE THE HIGHCLERE INTERNATIONAL INVESTORS SMALLER COMPANIES FUND	1,151

Notes: 1. Number of shares held is rounded down to the nearest thousand shares.
2. The Company holds treasury shares numbering 3,111 thousand shares.