

# Financial Results for FY2021

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**May 17, 2022**

**Securities Code: 6455**

**MORITA HOLDINGS CORPORATION**

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





# Company Outline



- **Company Name** : MORITA HOLDINGS CORPORATION
- **Founded** : April 23, 1907
- **Established** : July 23, 1932
- **Representative** : Masahiro Nakajima, Chairman & CEO  
Kazumi Ogata, President
- **Paid-in Capital** : 4.75 bil. JPY
- **Net Sales** : 83.6 bil. JPY  
(Consolidated) (for the year ended March 31, 2022)
- **Employees** : 1,785  
(Consolidated) (as of March 31, 2022)
- **Affiliates** : 13 Companies
- **Equity Method Affiliates** : 2 Companies
- **Other Affiliates** : 6 Companies

# Business Segments



Segment	Fire Fighting Vehicles (FFV)	Fire Protection Equipment & Systems (FPES)	Recycling Machines (RM)	Environmental Conservation Vehicles (ECV)
Business Lines				
	Fire fighting vehicles, maintenance service for fire fighting vehicles	Extinguishers, fire extinguishing equipment	Recycling facilities, waste disposal facilities, industrial waste treatment	Sanitary vehicles, garbage trucks and other environmental sanitary vehicles
Operating Company	Morita, Morita Technos, Bronto Skylift	Morita Miyata	Morita Environmental Tech	Morita Econos
Net Sales	49.1 bil. JPY (59%)	19.4 bil. JPY (23%)	5.2 bil. JPY (6%)	9.9 bil. JPY (12%)
Operating Income	5.5 bil. JPY (67%)	1.3 bil. JPY (16%)	0.6 bil. JPY (8%)	0.7 bil. JPY (9%)

# Market Share (2000-2021)



**FFV**

(Fire Fighting Vehicles)

**58%\***



**FPES**

(Fire Extinguishers)

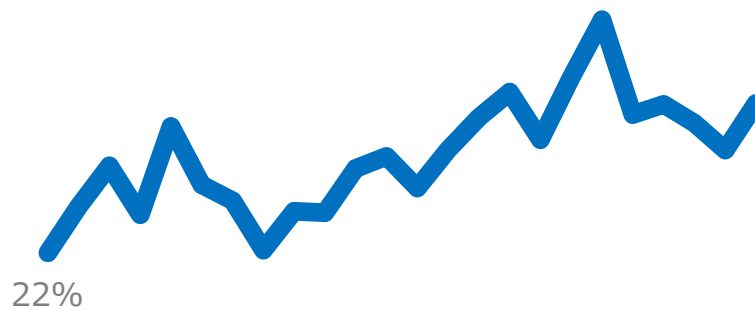
**38%\***



**RM**

(Scrap Shears)

**59%\***



**ECV**

(Sanitary Vehicles)

**85%\***



※ Internal investigation

# **I. Financial Results for FY2021**

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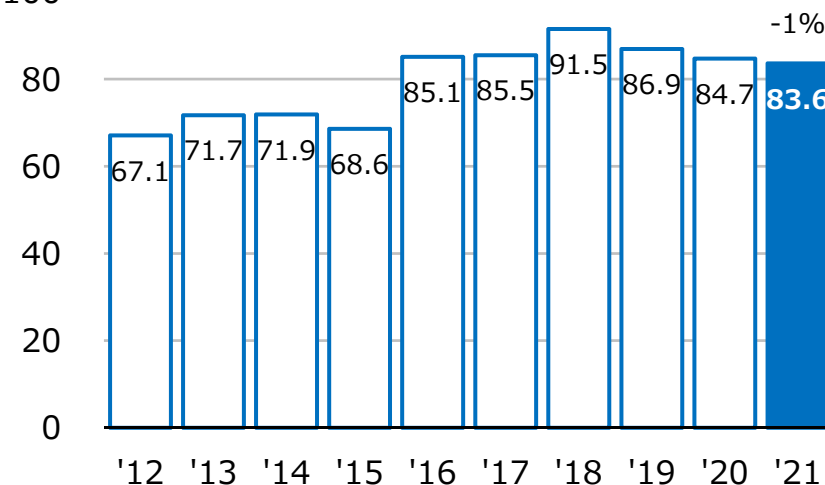
# Consolidated Statements of Income



(bil. JPY)	2020	2021	Change
Net Sales	84.7 100.0%	83.6 100.0%	-1.1
Cost of Sales	62.5 73.8%	61.5 73.6%	-1.0 -0.2pt.
Gross Profit	22.1 26.2%	22.1 26.4%	-0.1 +0.2pt.
S,G&A Expenses	13.3 15.7%	14.0 16.7%	+0.7 +1.0pt.
Operating Income	8.9 10.5%	8.1 9.7%	-0.7 -0.8pt.
Non-Operating Income	0.8 0.9%	0.9 1.0%	+0.1 +0.1pt.
Non-Operating Expenses	0.2 0.2%	0.2 0.3%	+0.0 +0.1pt.
Ordinary Income	9.5 11.2%	8.8 10.5%	-0.7 -0.7pt.
Extraordinary Income	0.1 0.1%	0.0 0.0%	-0.1 -0.1pt.
Extraordinary Loss	0.1 0.2%	0.4 0.4%	+0.2 +0.3pt.
Income before Income Taxes	9.4 11.1%	8.4 10.0%	-1.0 -1.1pt.
Net Income	6.2 7.4%	5.4 6.4%	-0.9 -1.0pt.

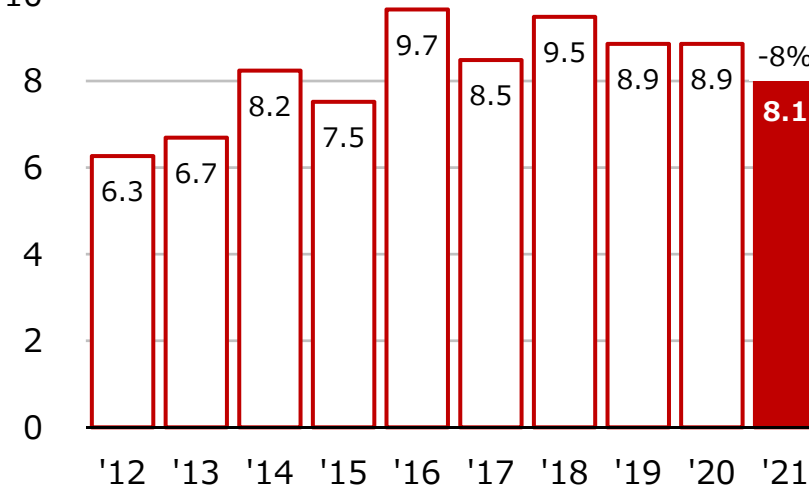
bil. JPY  
100

## Net Sales



bil. JPY  
10

## Operating Income



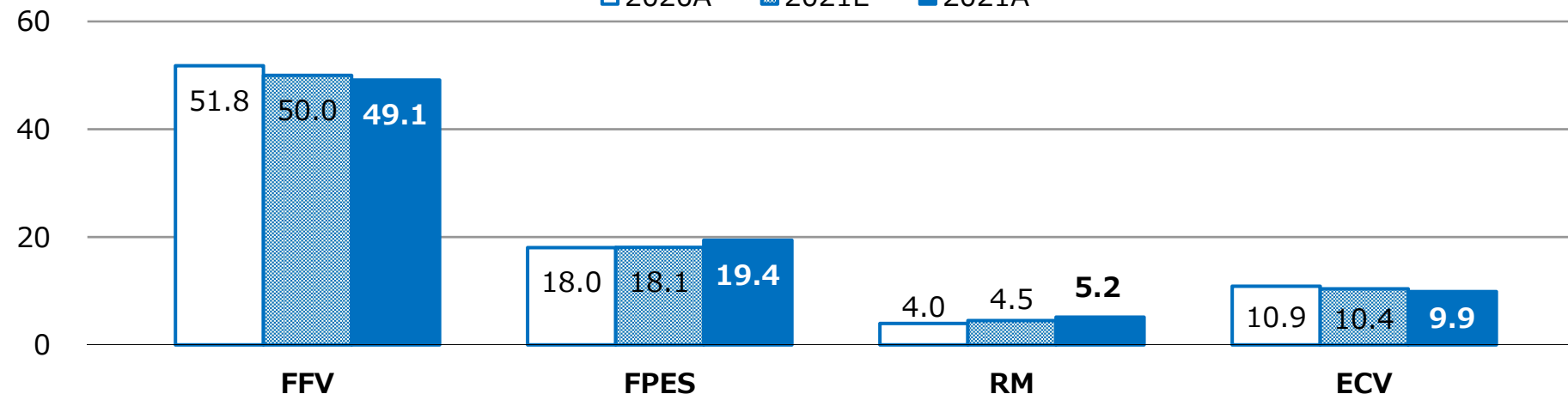
# Performance by Segment



## Net Sales

bil. JPY

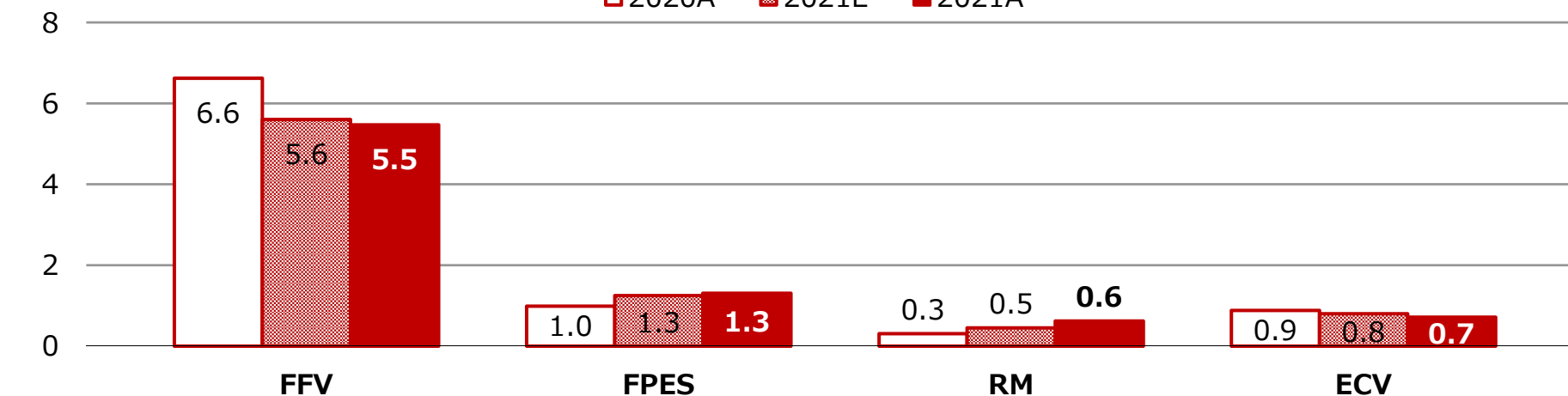
2020A 2021E 2021A



## Operating Income

bil. JPY

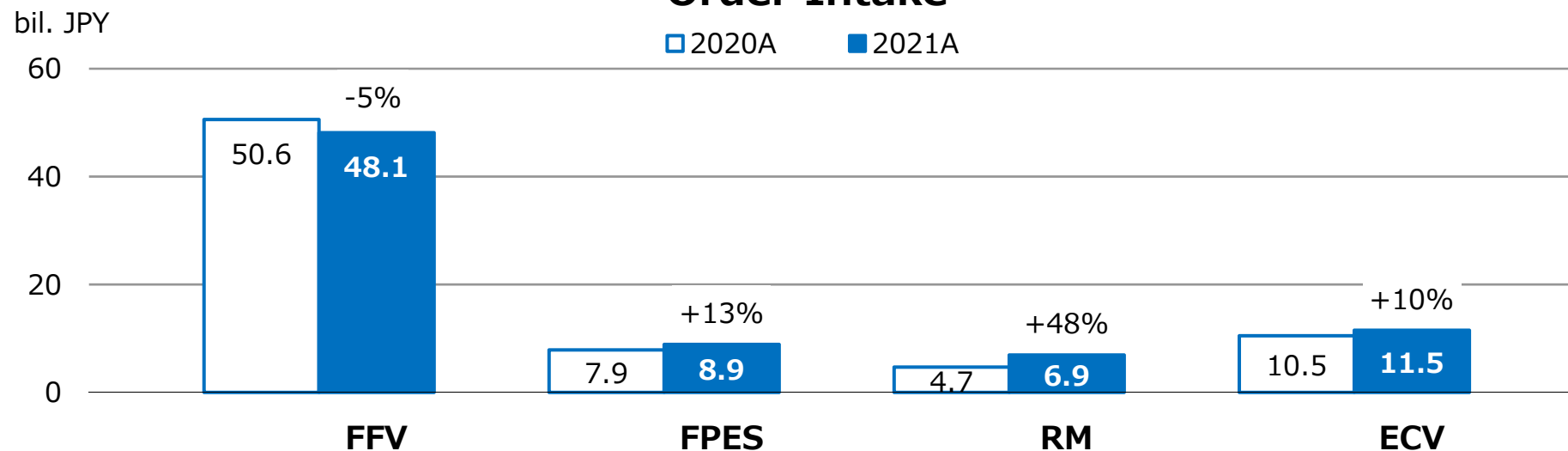
2020A 2021E 2021A



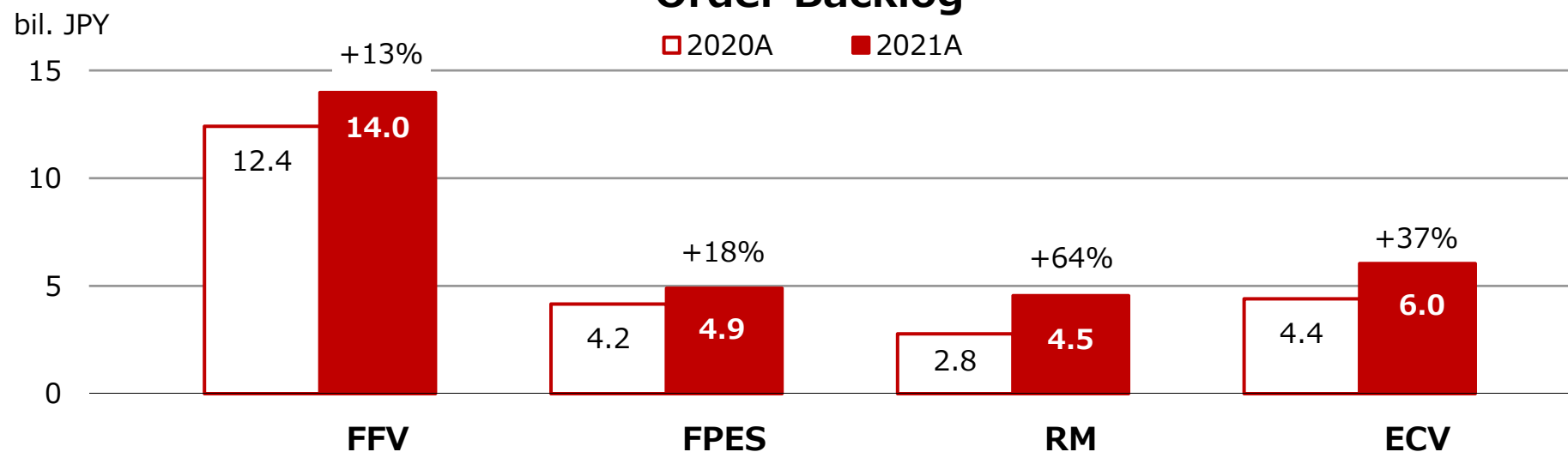
# Orders by Segment



## Order Intake



## Order Backlog





## Fire Fighting Vehicles

Overseas business were solid meanwhile demand in Japan domestic market were sluggish due to the impact of COVID-19.



## Fire Protection Equipment & Systems

Sales of fire extinguishers increased steadily due to recovery of upcycling demand. In addition, the sales of SPRINEX for apartment houses were solid too.



## Recycling Machines

Sales of products, maintenance and service progressed well positively affected by price increase of iron scrap.



## Environmental Conservation Vehicles

Sales of products decreased slightly due to chassis delivery delay caused by the IC chip shortage.

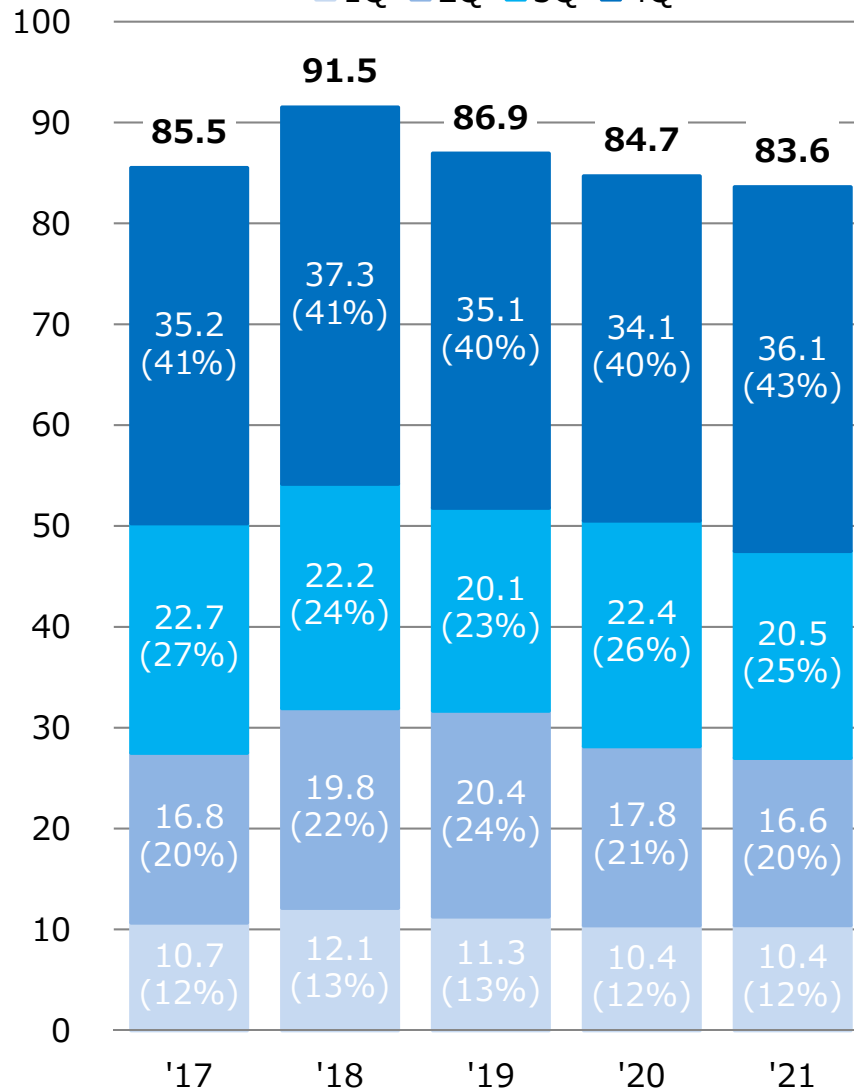
# Performance Composition by Quarter



## Net Sales

bil. JPY

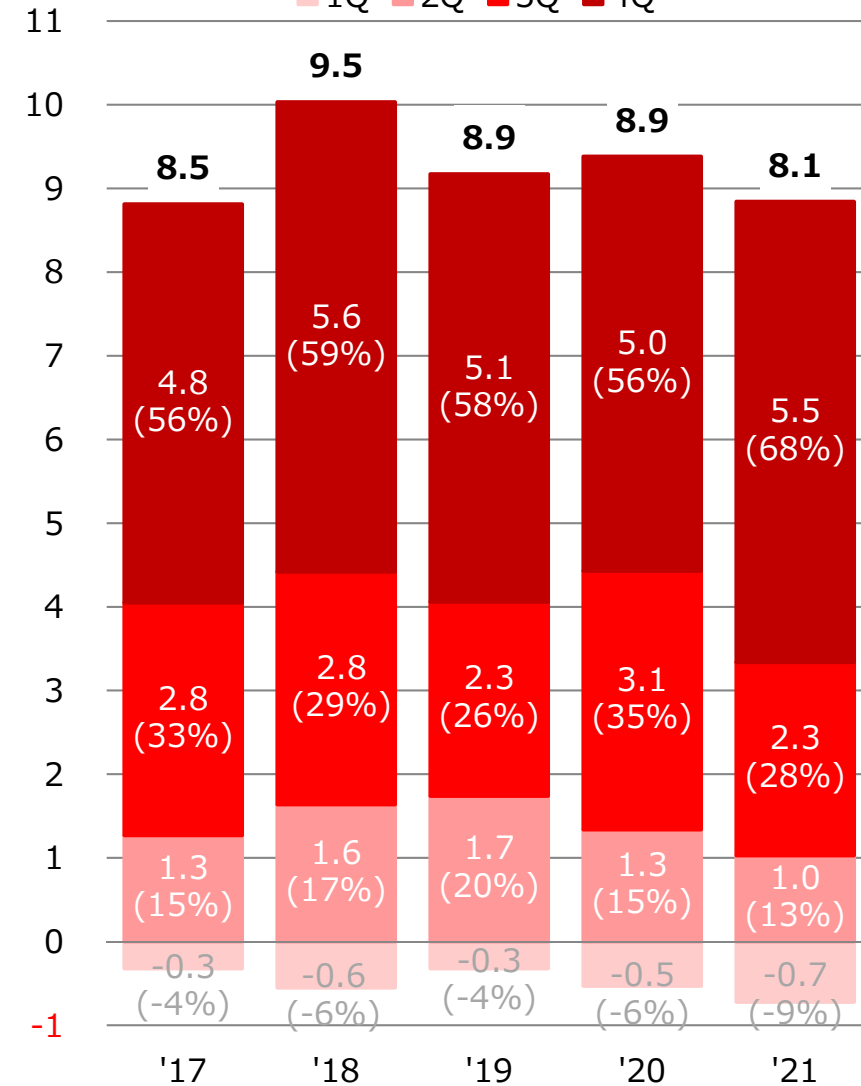
1Q 2Q 3Q 4Q



## Operating Income

bil. JPY

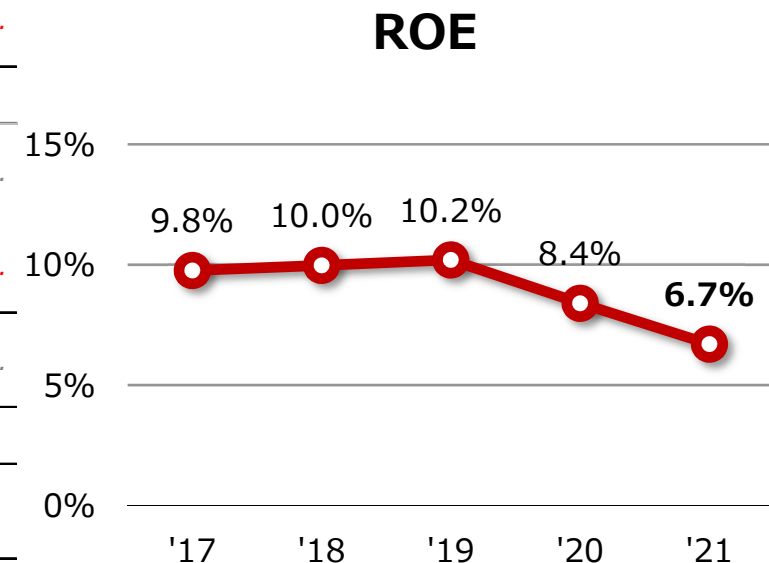
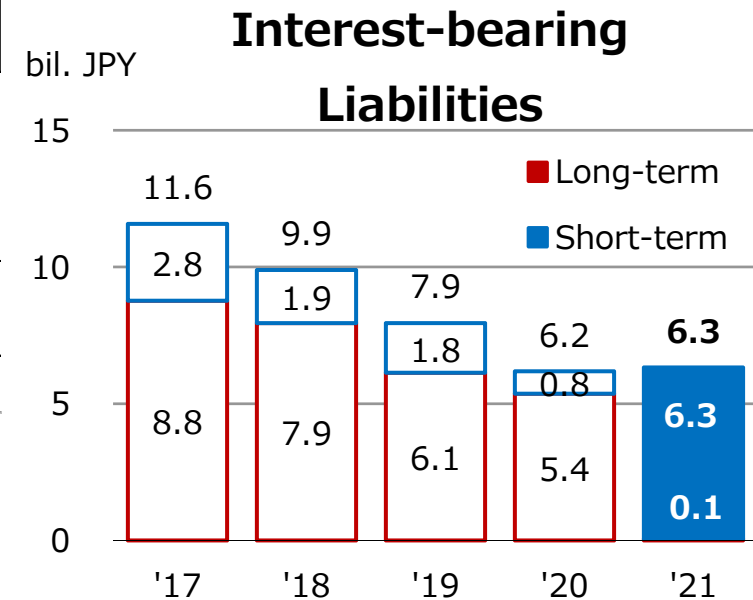
1Q 2Q 3Q 4Q



# Consolidated Balance Sheets



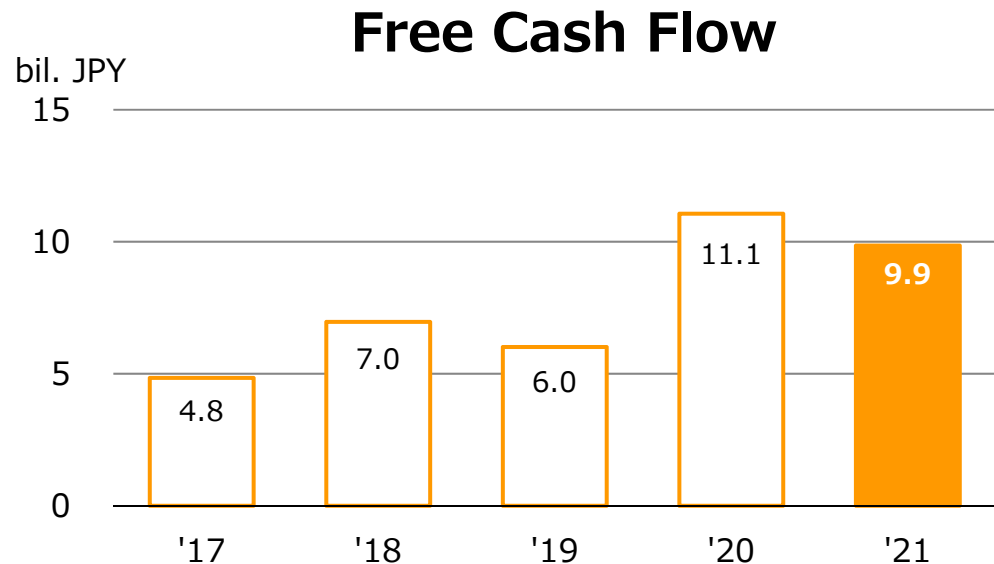
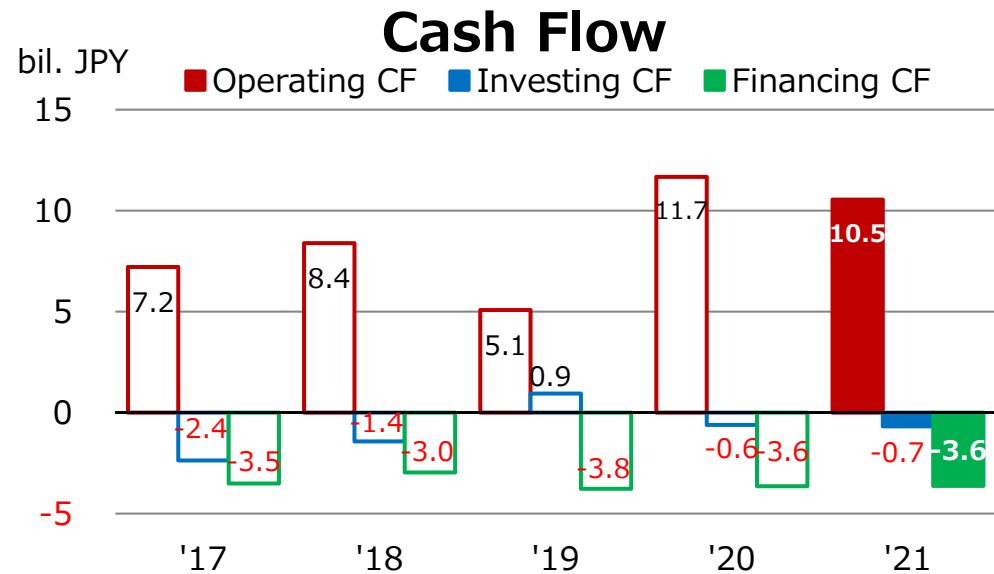
(bil. JPY)	2020	2021	Change
Current Assets	68.3 55.8%	71.6 57.2%	+3.3 +1.5pt.
Non-Current Assets	54.2 44.2%	53.5 42.8%	-0.6 -1.5pt.
Total Assets	122.5 100.0%	125.2 100.0%	+2.7
Current Liabilities	27.8 22.7%	33.1 26.5%	+5.3 +3.8pt.
Non-Current Liabilities	15.4 12.5%	10.1 8.1%	-5.2 -4.4pt.
Total Liabilities	43.1 35.2%	43.3 34.6%	+0.1 -0.7pt.
Shareholders' Equity	78.0 63.7%	80.9 64.7%	+2.9 +1.0pt.
Minority Interests	1.3 1.1%	1.0 0.8%	-0.4 -0.3pt.
Total Net Assets	79.4 64.8%	81.9 65.4%	+2.5 +0.7pt.
Total Liabilities & Net Assets	122.5 100.0%	125.2 100.0%	+2.7



# Consolidated Statement of Cash Flows



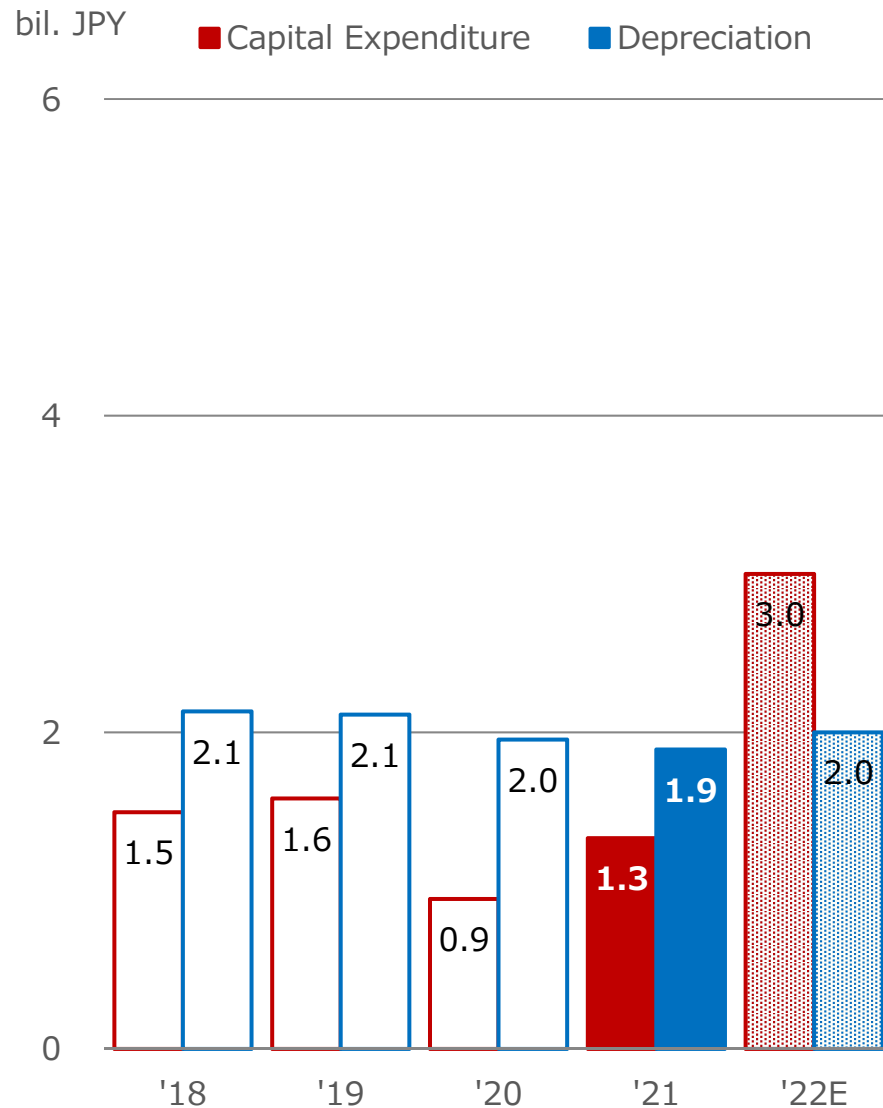
(bil. JPY)	2020	2021	Change
Operating Activities	11.7	10.5	-1.1
Investing Activities	-0.6	-0.7	-0.1
Financing Activities	-3.6	-3.6	+0.0
Net Increase/Decrease in Cash and Cash Equivalents	7.4	6.3	-1.1
Cash and Cash Equivalents at beginning of year	15.4	22.8	+7.4
Cash and Cash Equivalents at end of year	22.8	29.1	+6.3



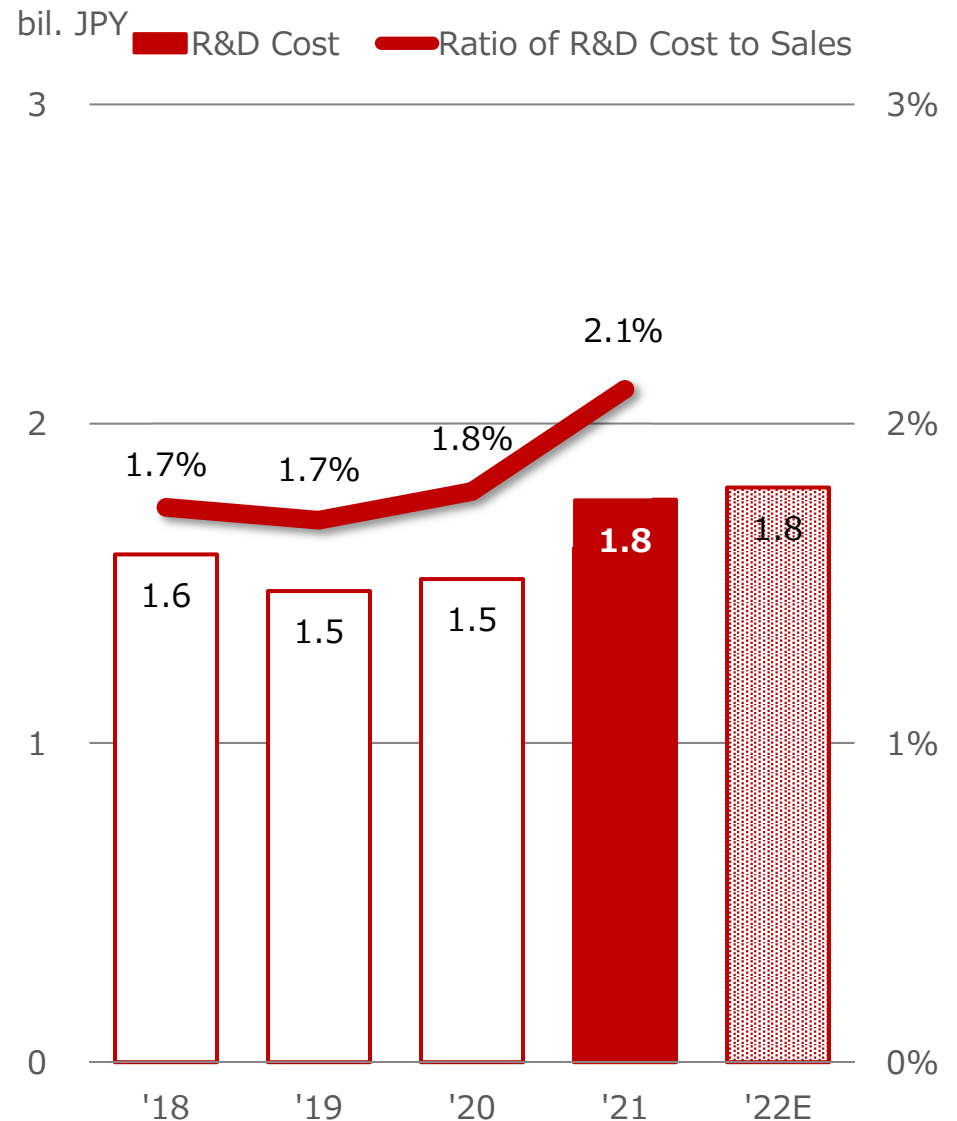
## **II. Investment & Shareholder Return**

# Capital Expenditure・Depreciation・R&D Cost **MORITA**

## Capital Expenditure・Depreciation



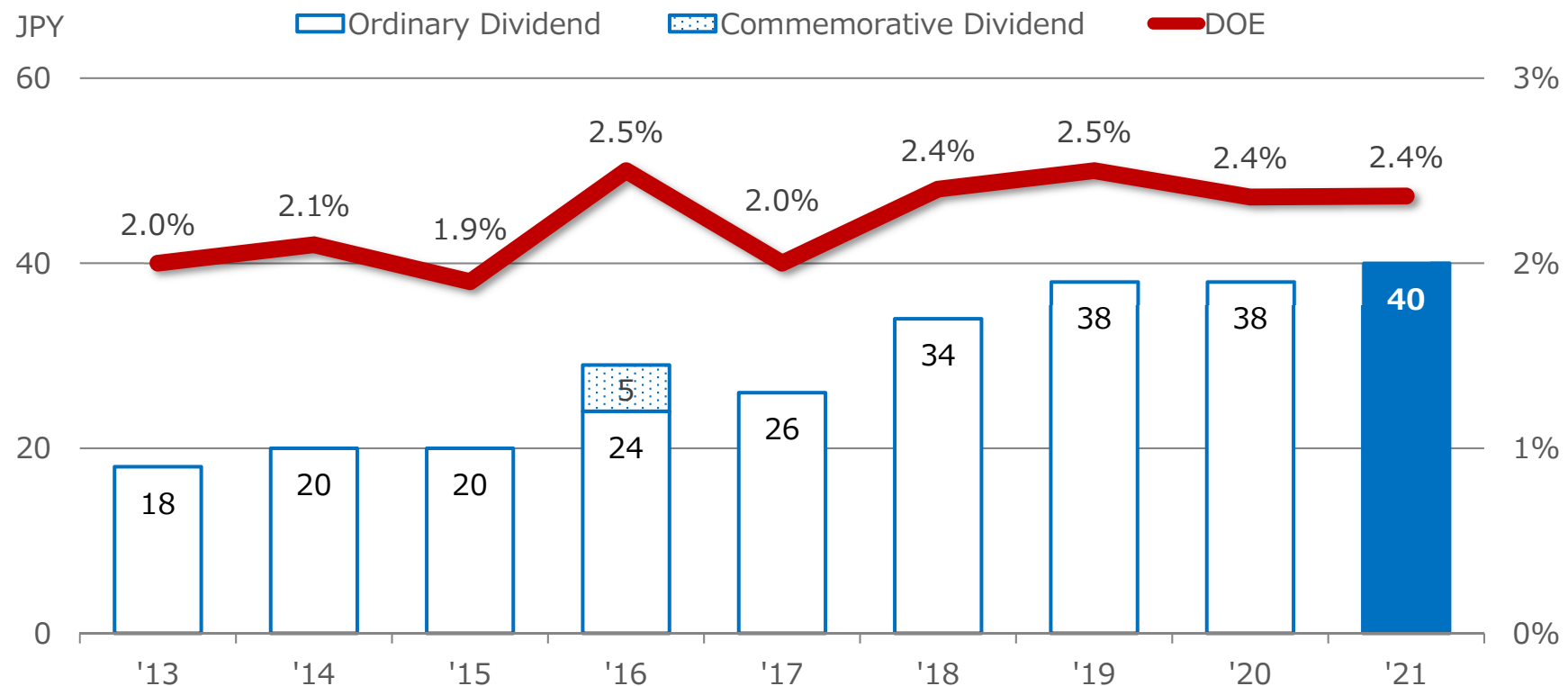
## R&D Cost



## Dividend policy

Increasing dividend payments in a stable and sustainable manner, strengthening financial structure and business foundation, and DOE (Dividend on Equity) is targeted around 2.5% or higher.

### DPS and DOE



## **Ⅲ. Financial Outlook for FY2022**

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## □ Financial Outlook

- The financial outlook for FY2022 will be announced when it becomes reasonably predictable, due to uncertain factors related to chassis supply caused by the global IC chip shortage.

## □ Outlook by segment



### **Fire Fighting Vehicles**

Order intake is expected to grow steadily with robust order backlog at the beginning of the fiscal year, although uncertain chassis supply schedule.



### **Fire Protection Equipment & Systems**

Solid demand are expected for fire extinguishers and SPRINEX.



### **Recycling Machines**

Solid demand are expected since iron scrap price is kept high as a result of tightening demand and supply.



### **Environmental Conservation Vehicles**

Robust order backlog at the beginning of the fiscal year, although uncertain chassis supply schedule.

## **IV. Performance by Segment**

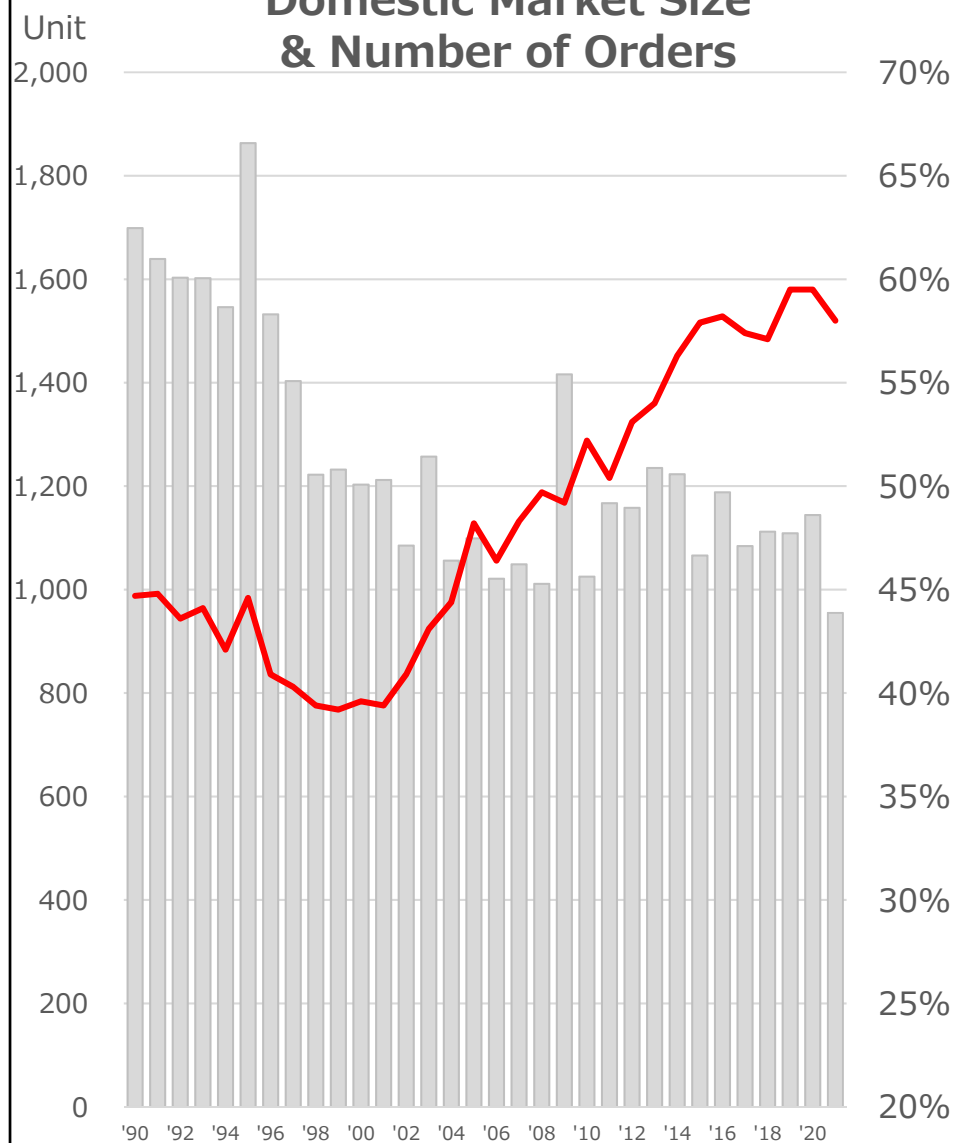
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# Fire Fighting Vehicles

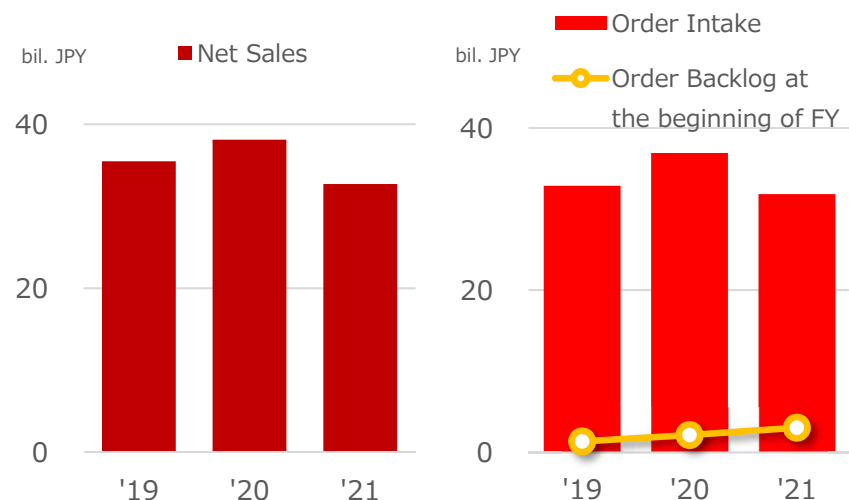


## Domestic Market Size & Number of Orders

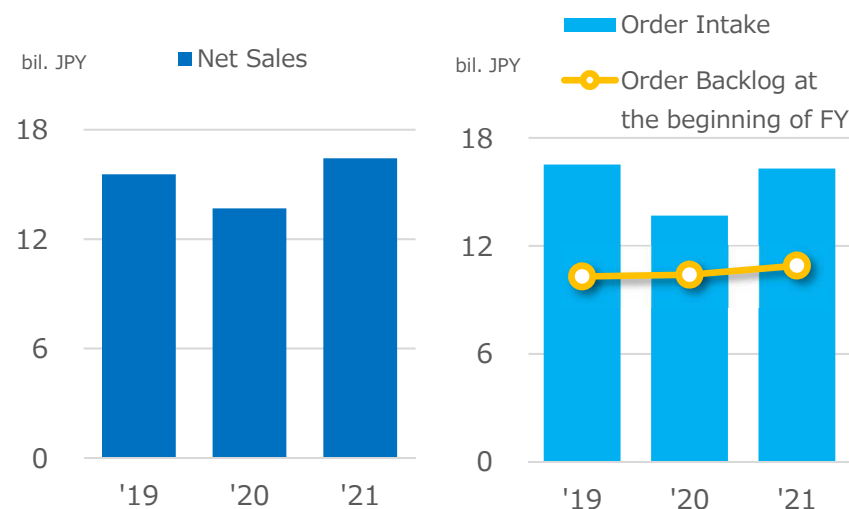


※ Internal investigation

## Japan domestic

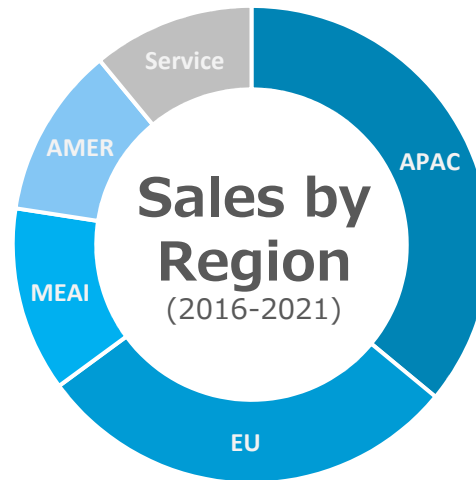
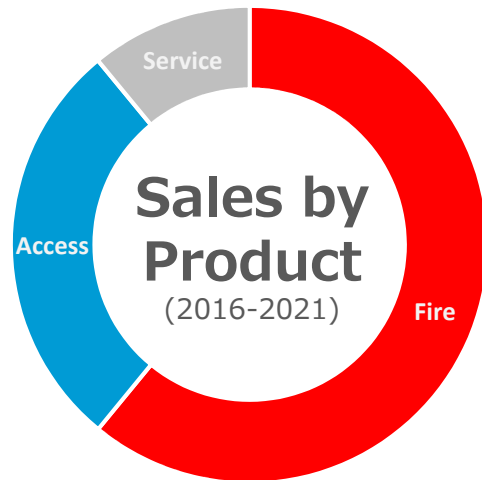


## Overseas

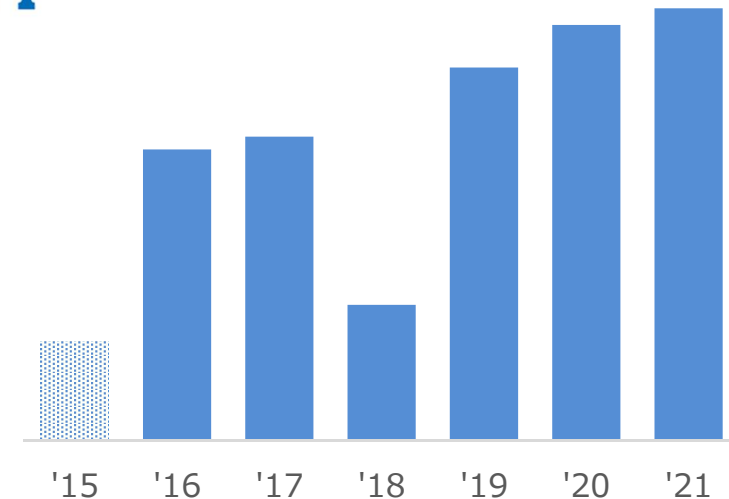




# Fire Fighting Vehicles



## Operating Income



### Fire and rescue



### Access

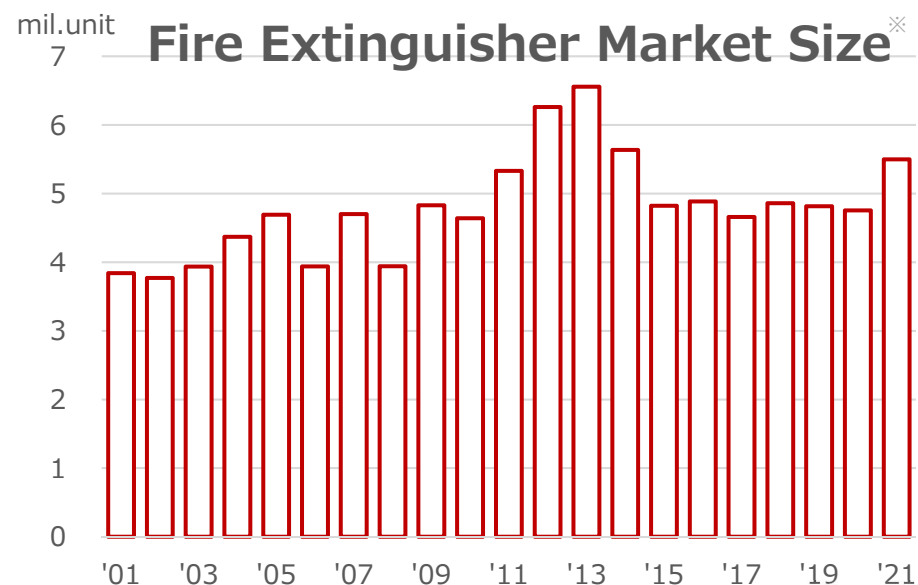
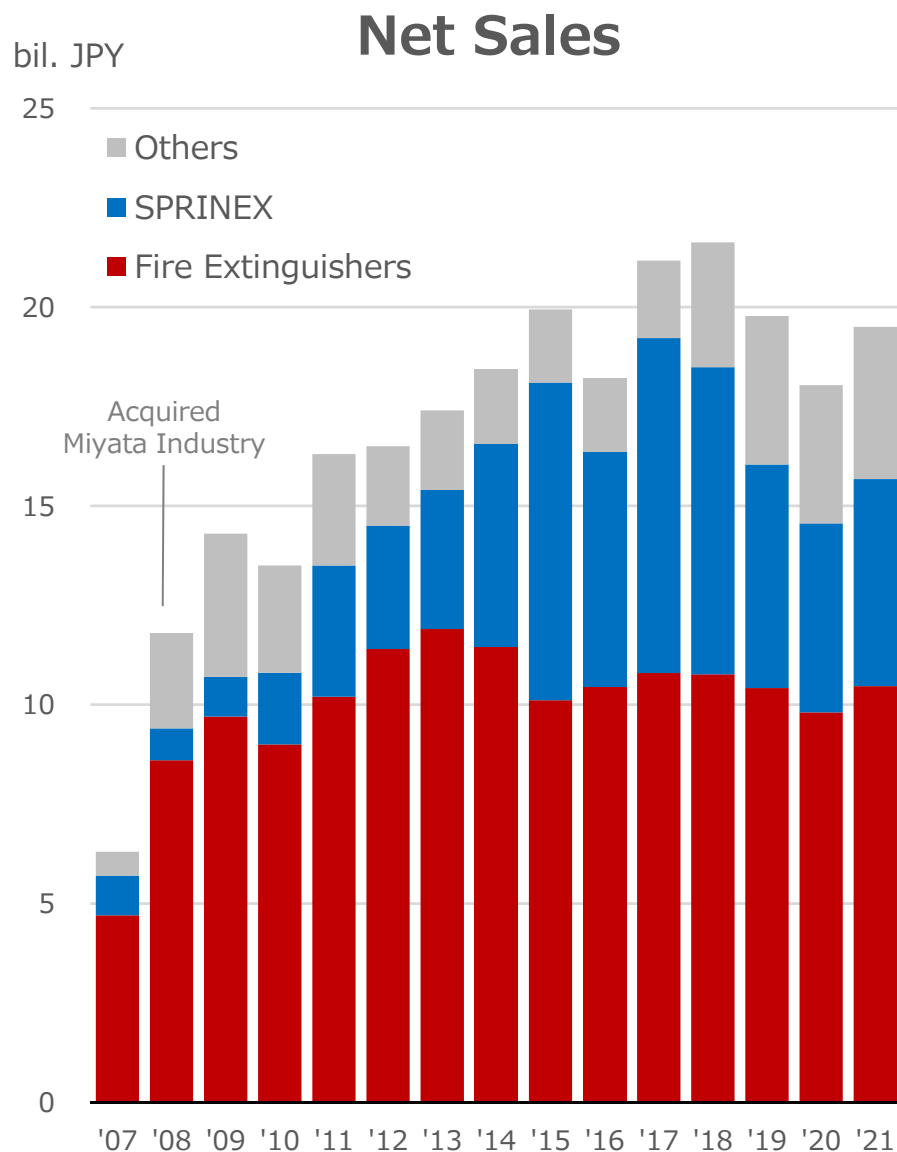


## Large scale order in the US

- In FY2022, Bronto received a large order which is one of the biggest deal in North America
- The order intake achieved compound annual growth rate of 30% after acquisition, backing up by robust investments on renewable energy infrastructure in North America.

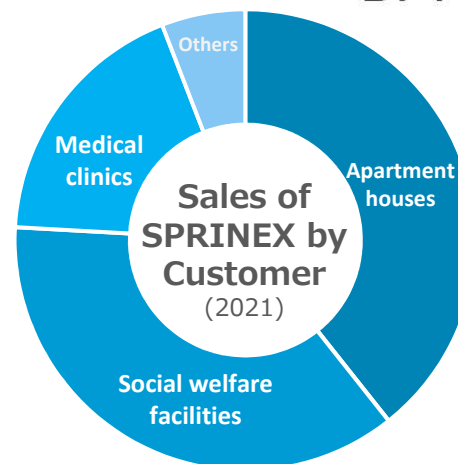


# Fire Protection Equipment & Systems **MORITA**



Packaged Automatic Fire Extinguishing System Type I

**SPRINEX**



### Product Features

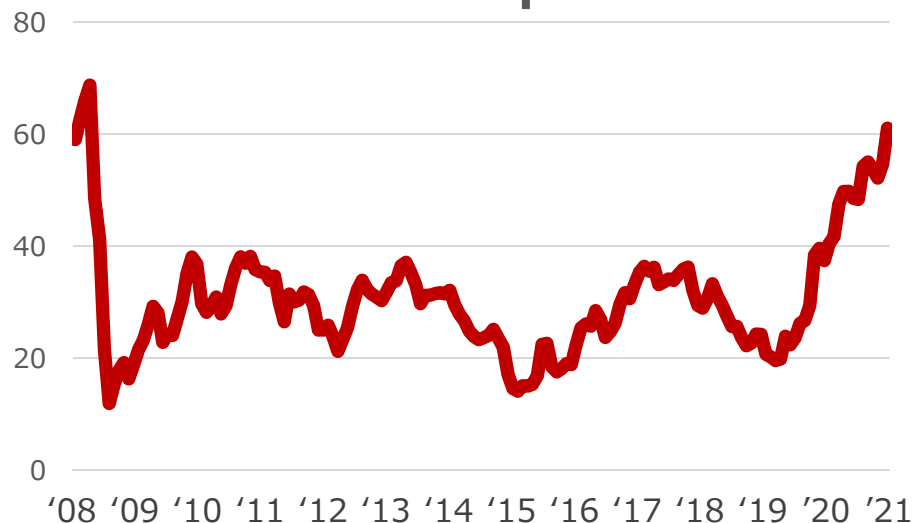
- High extinguish performance (x4 than water)
- Senses a fire in its early stage
- Availability at time of water outage
- Prevents water damage
- Non-Freezing system
- Easy installation

※ Internal investigation

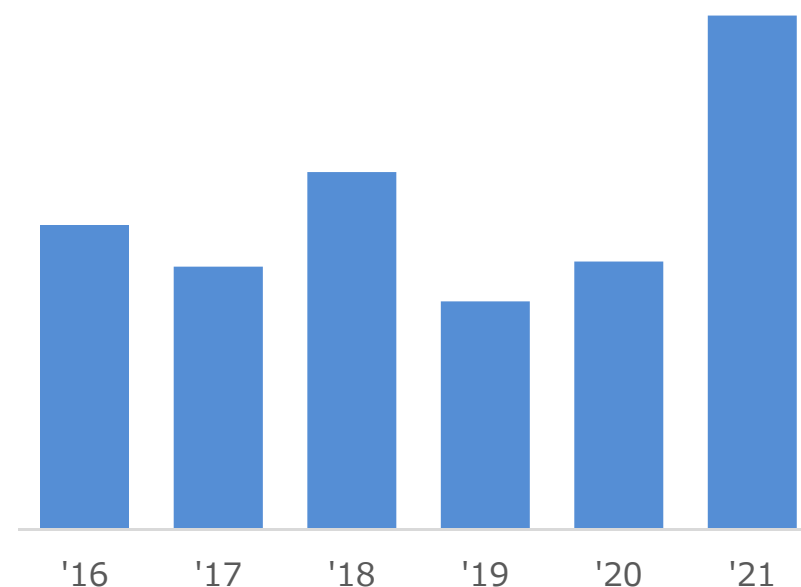


thou. JPY/t

## Iron Scrap Price<sup>※</sup>

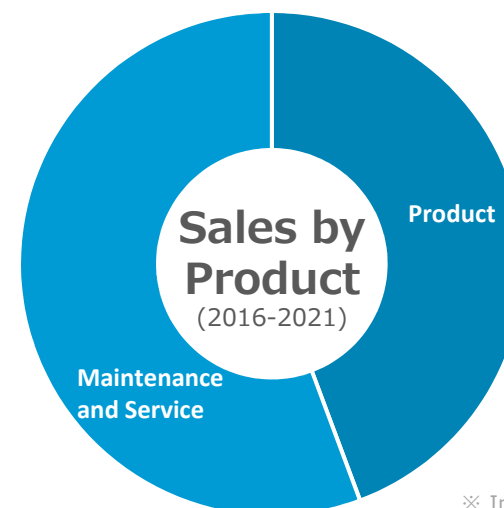


## Product Order Intake



## Iron scrap reevaluated internationally

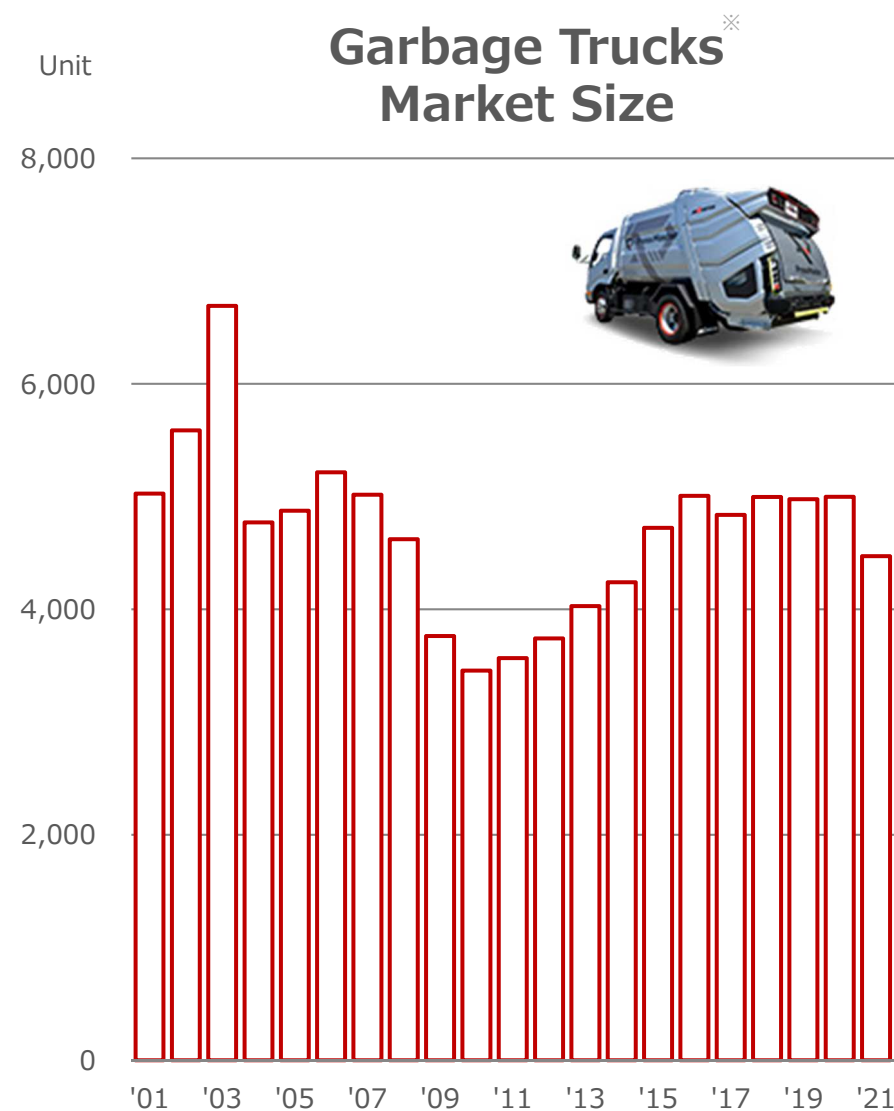
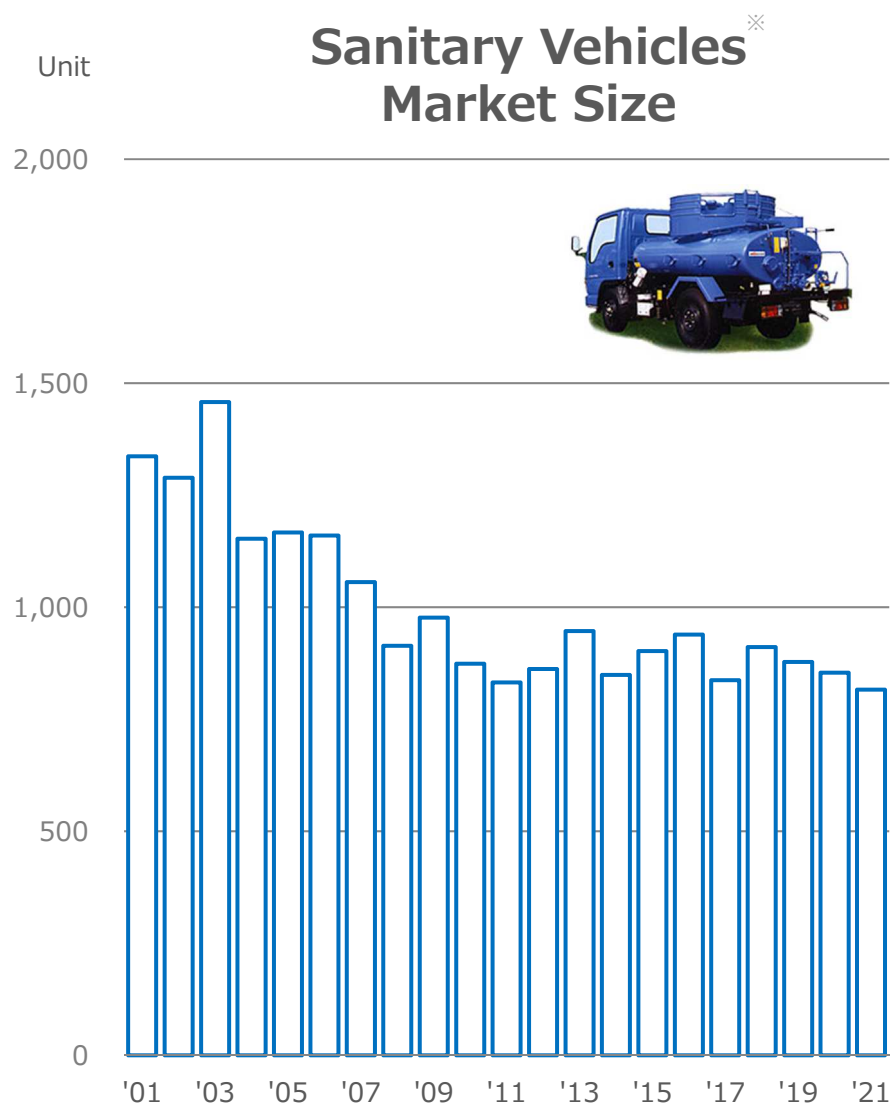
- Reducing CO2 emissions is an international challenge to achieve carbon neutrality.
- Iron scrap, the main raw material for electric furnaces, a method of steel production with low CO2 emissions, is being reevaluated.



※ Internal investigation



# Environmental Conservation Vehicles **MORITA**



※ Internal investigation

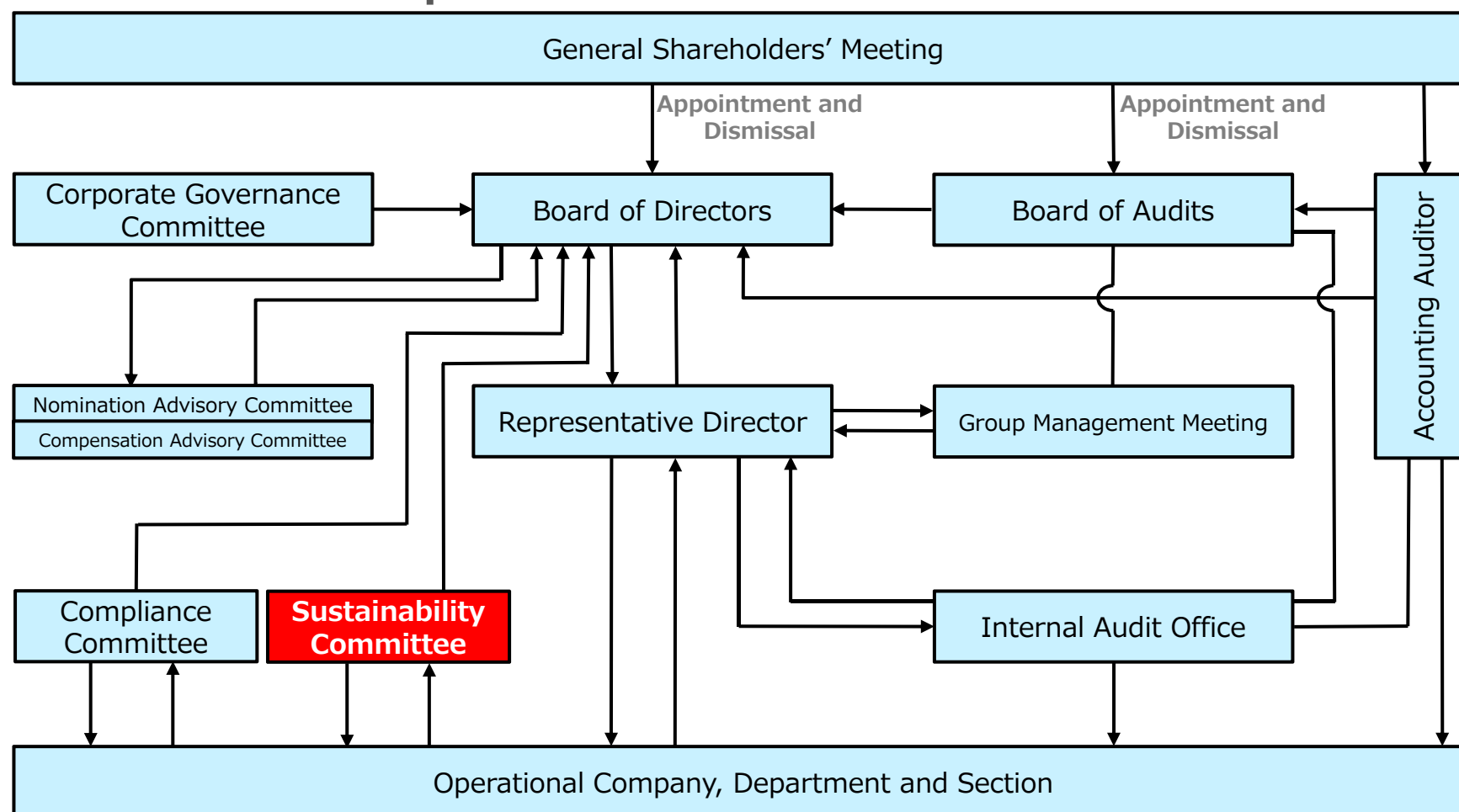
# **V. Towards Sustainable Management**

# Towards Sustainable Management



Aiming further improvement of corporate value in the mid-long term through endeavors toward sustainable management including actions for the environment and corporate governance, in addition to our business operations of each segment itself which are providing solutions for social issues directly.

## Corporate Governance Chart



# Sustainability in Morita Group





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.

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