

MORITO CO., LTD.
Presentation Materials for
the First Quarter of Fiscal Year
Ending November 30, 2025,
Financial Results

Prime Market of TSE: 9837

April 2025

Where innovation is the norm

MORITO

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Company Profile

Morito Group Values

Founding Principles

Active and Steadfast

Corporate Principle

**DESIGN YOUR BRIGHT FUTURE WITH OUR
VARIOUS PARTS.**

Corporate Vision

**Create Morito's existence value,
Realize "New Morito Group"**

Company Profile

- **Founded in 1908**

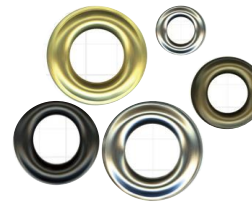
- Began operating in Osaka as a broker of eyelets and snap fasteners
- Later expanded operations mainly for sales of MAGIC TAPE® and other clothing accessories and automotive interior components.

- **Trading company with manufacturing functions**

- A specialized trading company that handles everything from planning and development to manufacturing, wholesale, and distribution
- Operating in 23 locations around the world

- **Operating three businesses**

- Apparel, product, and transportation businesses form the core of our operations
- Ratio of in-house production and procurement is 3:7



Eyelets



Snap fasteners



MAGIC TAPE®

*Eyelet: A metal ring attached to a hole in shoes, clothing, etc. through which a lace or cord is threaded



Operations by Business

Apparel Business

<Examples of products handled>



Snap fasteners



MAGIC TAPE®



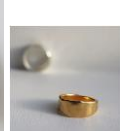
Buttons



Tape



Eyelets and shoelaces



In-house brand products

Applications

Casual wear/shoes
Sportswear/shoes
Workwear/shoes
Medical wear, baby wear
Formal wear/shoes
Bags and accessories
Ladies' wear

Product Business

<Examples of products handled>



MAGIC TAPE®



Grease filters



Insoles



Straps



Skateboards, snowboards, and surfboards



In-house brands

Applications

Insoles and shoe care products
Video equipment-related products such as camera/PC cases and mouse pads
Braces and supports, safety products, teaching tools and stationery
Skateboards, surfboards, etc.
Active sports products
Grease filter rental service

Transportation Business

<Examples of products handled>



Snap fasteners



MAGIC TAPE®



Nets



Emblems



Trunk floor lining

Applications

Automotive interior components
Railway and Shinkansen interior components
Aircraft interior components

Morito's Strengths

- **Lines of business for daily necessities, which are unaffected by trends**

Since we deal in parts for things that are vital to people's daily lives, many of our businesses are essentially immune to trends or economic downturns and can continue to operate as usual.

- **Stable performance with a diversified portfolio**

Operating worldwide with three core businesses focused on apparel, products, and transportation, we have maintained a stable financial performance without falling into the red despite the impact of the oil crises (in the 1970s), the 2008 financial crisis, and the COVID-19 pandemic.

- **Enjoying high market share for various products targeting niche areas**

Many products dominate the market in their respective industry.

We have the top market share for metal snap fasteners in Japan, and the highest or second-highest in the world.

- **Global manufacturing, procurement, and sales capabilities**

In addition to our own locations, we have partner plants and distributors all over the world, giving us close proximity to our customers and the ability to respond to their every need.



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FY2025.11 1Q Financial Results

Message from the CEO

- **Net sales, ordinary profit, and net income hit all-time highs since we began reporting quarterly results.**
- **Awareness about improving and maintaining gross profit ratio has permeated across the company, keeping the gross profit ratio high at 29%.**
- **We made Mitsubishi Corporation our subsidiary and revised the consolidated forecast upward. We'll improve profitability through PMI.**
- **There were signs of recovery from the impact of inventory adjustments, particularly in the apparel business. We expect our apparel factory in the U.S. to receive a tailwind from the U.S. tariffs.**

FY2025 1Q Summary of Financial Results

(Million JPY)	(FYI) 2023	2024	2025	Y/Y	
				Increase/ Decrease	Percentage change
Net sales	11,804	11,744	12,161	+417	+3.6%
Gross profit	3,232	3,378	3,526	+148	+4.4%
(%)	(27.4%)	(28.8%)	(29.0%)		
Cost	2,613	2,715	2,909	+193	+7.1%
(%)	(22.1%)	(23.1%)	(23.9%)		
Operating profit	619	662	617	-45	-6.8%
(%)	(5.2%)	(5.6%)	(5.1%)		
Ordinary profit	661	669	689	+19	+2.9%
(%)	(5.6%)	(5.7%)	(5.7%)		
Net income	516	564	601	+36	+6.5%
(%)	(4.4%)	(4.8%)	(4.9%)		

* Ms. ID and Mitsuboshi Corporation are scheduled to be consolidated starting in 2Q 2025 and 3Q 2025, respectively, and are not included in the above figures.

Upward Revision to FY2025 Full-Year Forecast (Consolidated)

We revised the forecast to reflect the acquisition of Mitsuboshi Corporation as a subsidiary. Since Mitsuboshi Corporation is scheduled to be consolidated starting in 3Q FY2025, the revised forecast includes its six-month figures.

Although negative goodwill is expected to arise, the amount is not incorporated in the figures below since it is still under scrutiny.

(Million JPY)

	Initial FY2025 Forecast	Revised FY2025 Forecast	Increase/ Decrease	Percentage Change
Net sales	53,000	56,000	+3,000	5.7%
Operating profit	3,100	3,200	+100	3.2%
(%)	5.8%	5.7%		
Ordinary profit	3,200	3,300	+100	3.1%
(%)	6.0%	5.9%		
Net income	2,700	2,800	+100	3.7%
(%)	5.1%	5.0%		

FY2025 Forecast & 1Q Progress

Net sales are expected to be steady going forward due to the consolidation of Ms. ID and Mitsuboshi Corporation and the expected recovery from the impact of inventory adjustments, especially in the apparel business. Operating profit is slightly below the forecast due to an increase in personnel and other expenses. We expect to continue to incur M&A-related expenses and other costs. We expect our apparel factory in the U.S. to receive a tailwind from the U.S. tariffs and will continue to monitor the situation.

(Million JPY)

	2025 1Q Results	2025 Full-Year Forecast	Progress
Net sales	12,161	56,000	21.7%
Operating profit	617	3,200	19.3%
(%)	5.1%	5.7%	
Ordinary profit	689	3,300	20.9%
(%)	5.7%	5.9%	
Net income	601	2,800	21.5%
(%)	4.9%	5.0%	

FY2025 1Q Major Factors for Y/Y Changes

Gross profit ratio remained high. Some expenses, such as personnel expenses, increased.

	Y/Y	Major factors for changes (+) Factor for increase (-) Factor for decrease
Net sales	+417 million JPY +3.6%	(+) Signs of recovery from the impact of inventory adjustments in Japan, especially in the apparel business (-) Decrease in active sports products due to warm winter, inventory adjustments, and price hikes the year before last (-) Decline in Japanese automotive manufactures' sales volumes
Gross profit	+148 million JPY +4.4%	(+) Awareness about improving and maintaining gross profit ratio permeating across the company (-) Decrease in active sports products
Operating profit	-45 million JPY -6.8%	(+) Improved gross profit (-) Increased costs due to personnel and other expenses
Ordinary profit	+19 million JPY +2.9%	(+) Increase due to foreign exchange gains
Net income	+36 million JPY +6.5%	(+) Increase due to sales of investment securities (cross-shareholdings)

FY2025 1Q Trends in Net Sales & Gross Profit Ratio

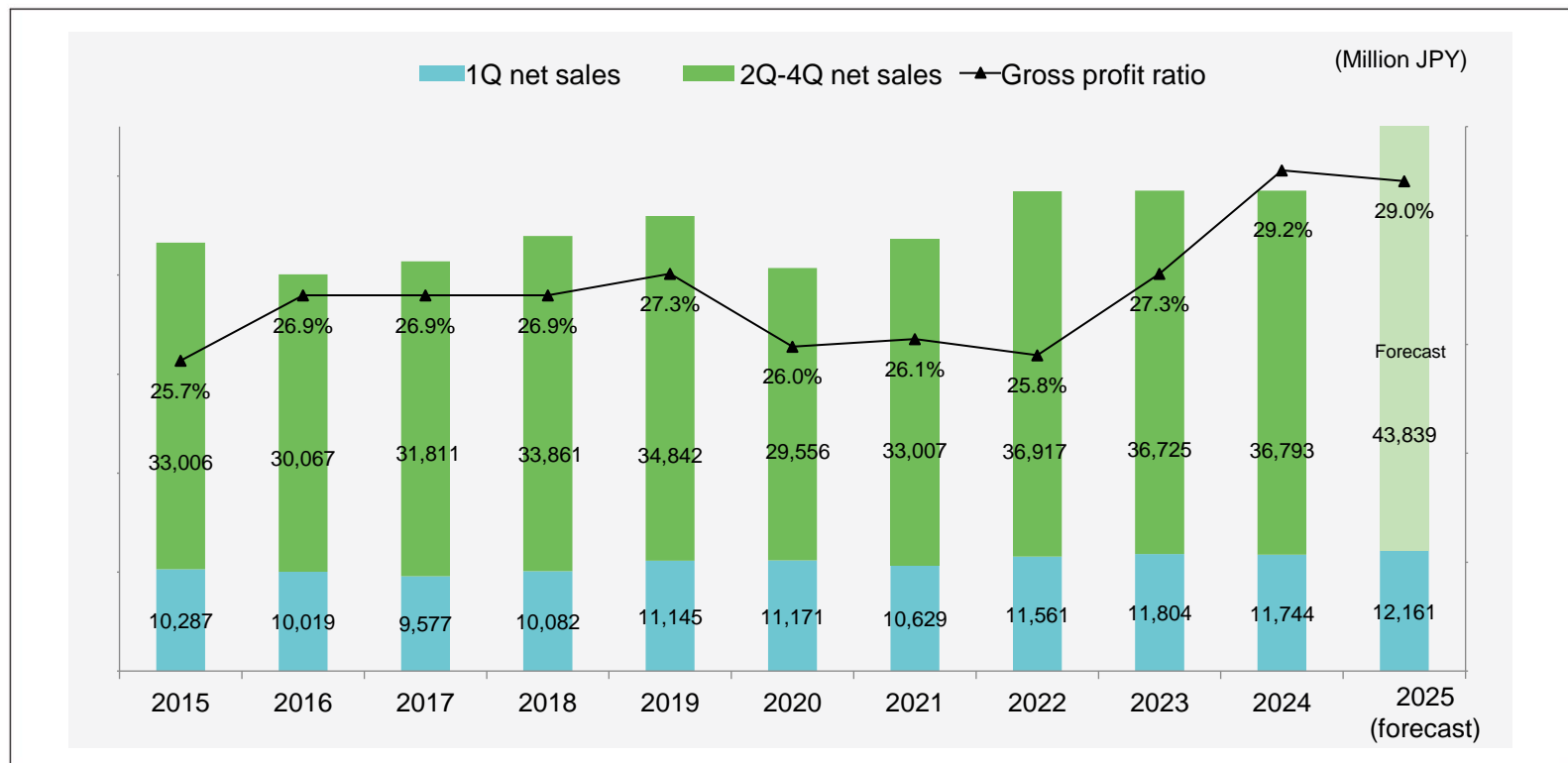
Gross profit ratio was up 0.2% year on year.

[Positive factors for gross profit ratio]

- Awareness about improving and maintaining gross profit ratio permeating across the company
- Recovery in net sales for the apparel business

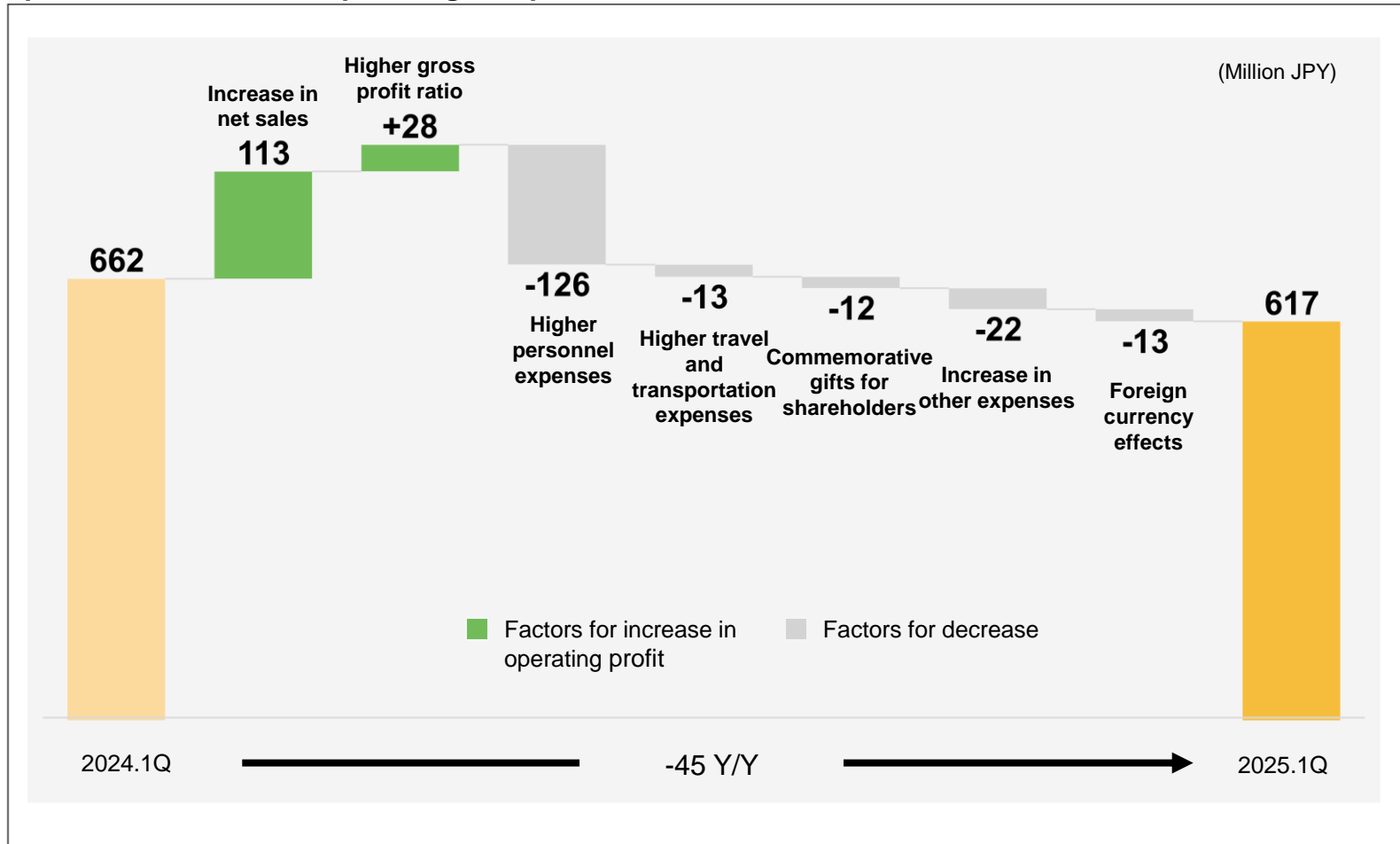
[Negative factors for gross profit ratio]

- Decreased sales of active sports products



FY2025 1Q Changes in Operating Profit (Y/Y)

Operating profit fell due to an increase in personnel, travel, transportation, and other expenses despite the positive effect of the improved gross profit.



FY2025 1Q Consolidated Balance Sheet

Ms. ID has been included in the consolidated balance sheet since 1Q FY2025. Cash and deposits decreased while inventories increased due to the acquisition.

(Million JPY)

	2024	2025 1Q
Assets		
Current assets	32,049	28,036 (- 4,013)
Fixed assets	20,427	24,689 (+4,262)
Total assets	52,476	52,726 (+249)

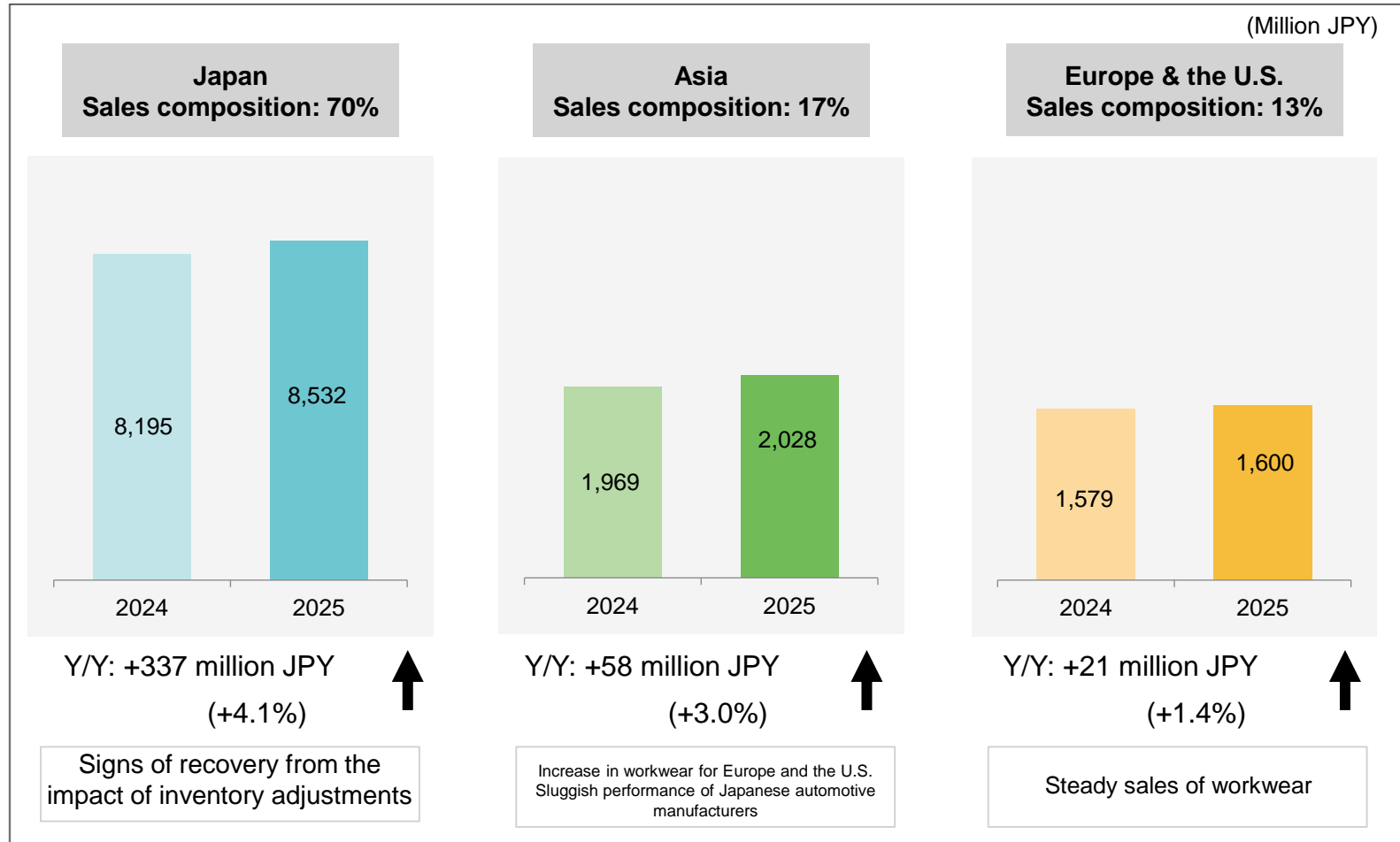
	2024	2025 1Q
Liabilities		
Current liabilities	8,886	8,371 (-515)
Fixed liabilities	4,313	4,514 (+200)
Total liabilities	13,200	12,885 (- 314)
Net assets		
Shareholders' equity	33,129	32,721 (- 407)
Accumulated other comprehensive income	6,147	7,119 (+971)
Total net assets	39,276	39,840 (+554)
Total liabilities and net assets	52,476	52,726 (+249)

Equity ratio for FY2025: 75.6%
(FY2024: 74.8%)

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FY2025.11 1Q Segment Information

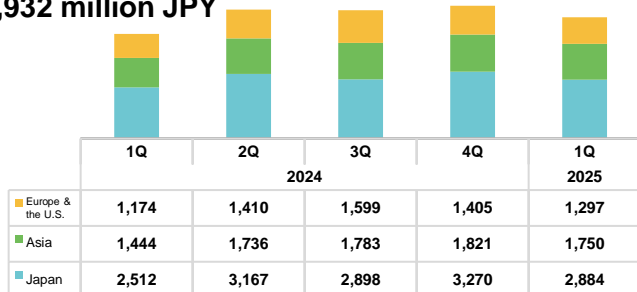
FY2025 1Q Net Sales and External Environment by Region



FY2025 1Q Net Sales and Comments by Business

Net sales	Y/Y	Comments
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Apparel Business
5,932 million JPY



**+801 million
JPY
+15.6%**

[Japan]

- (+) Slight signs of recovery from the impact of inventory adjustments
- (+) Increase in workwear for Europe and the U.S., accessories for high-end outdoor brands, and subsidiary material for apparel products sold at department stores

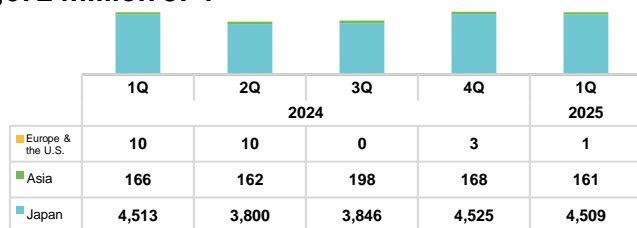
[Asia]

- (-) Decrease in casual wear in China and Hong Kong
- (+) Increase in workwear for Europe and the U.S. in China and Hong Kong
- (+) Increase in accessories for athletic shoes and workwear-related products in Vietnam

[Europe & the U.S.]

(+) Increase in workwear and leather goods accessories in Mexico

Product Business
4,672 million JPY



**-18 million
JPY
-0.4%**

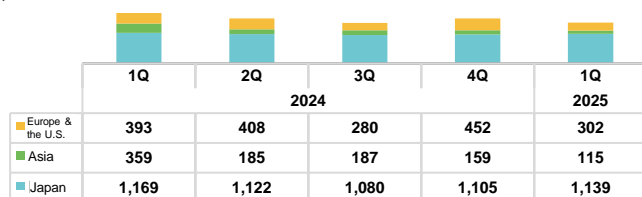
[Japan]

(+) Increase in stationery-related products

(+) Increase in kitchen appliance rental, sales, and cleaning business

(-) Decrease in snowboarding and skateboarding-related products due to warm winter, inventory adjustments, and price hikes the year before last

Transportation Business
1,556 million JPY



**-365 million
JPY
-19.0%**

[Japan]

(-) Decrease in automotive interior components for Japanese automotive manufacturers

[Asia]

(-) Decrease due to sluggish sales of for Japanese automotive manufacturers in China

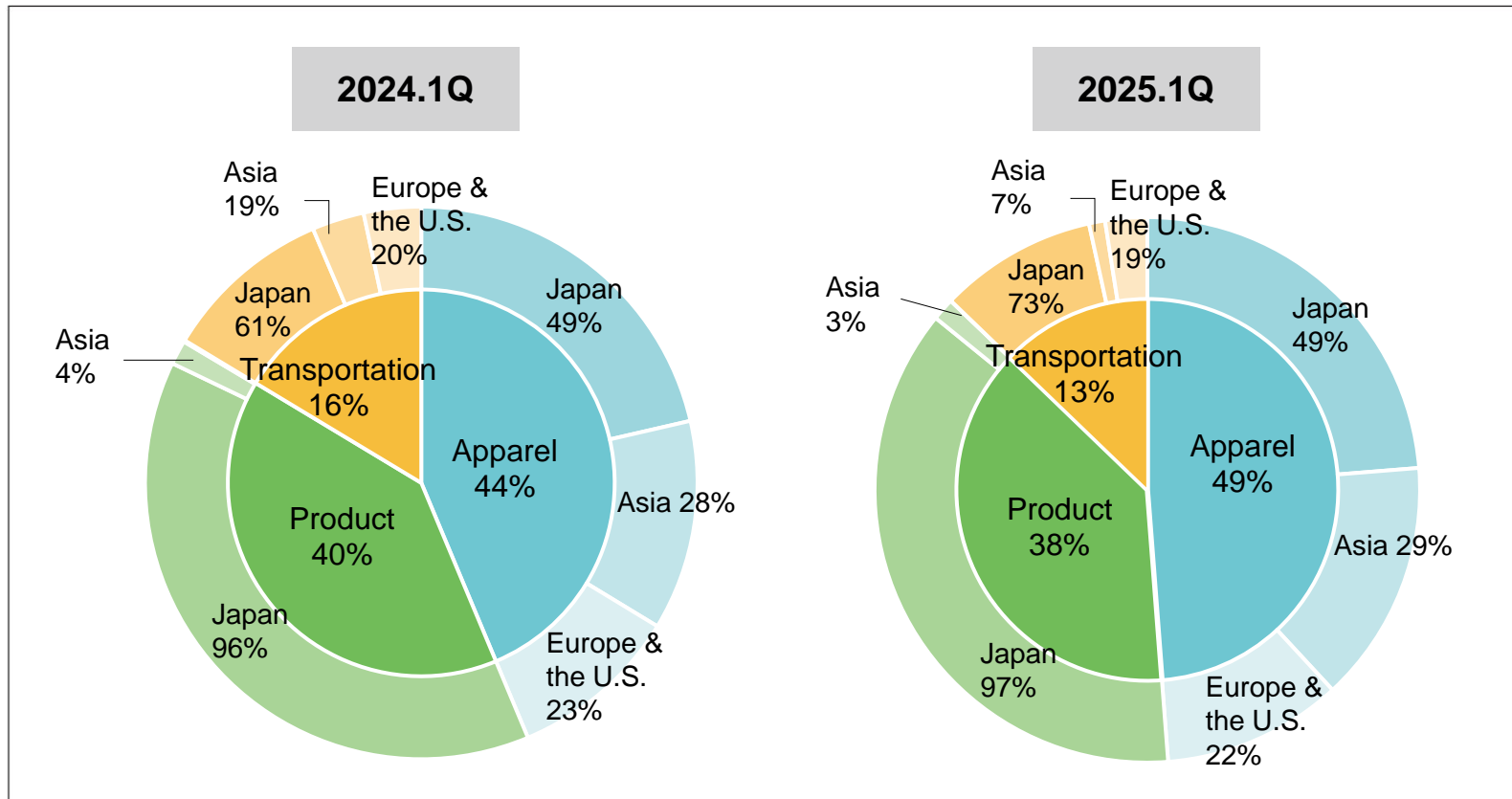
[Europe & the U.S.]

(+) Increase in automotive interior components for Japanese automotive manufacturers in North America

(-) Decrease due to streamlining by withdrawing from businesses in Europe

(FYI) FY2025 1Q Sales Composition by Region & Business

The apparel business recovered slightly in Japan. In the transportation business, sales were up in North America but down in China. The U.S. tariffs may have a positive impact on our own U.S. apparel factory. In the transportation-related business, there may be an impact due to fluctuations in Japanese automotive manufactures' sales volumes.



(FYI) FY2025 1Q Net Sales by Segment

(Million JPY)

2025 results				
	1Q	Composition	Increase/ Decrease	Percentage change
Japan	8,532	70.2%	+337	+4.1%
Asia	2,028	16.7%	+59	+3.0%
Europe & the U.S.	1,600	13.2%	+21	+1.3%
Total	12,161	100.0%	+417	+3.6%

2024 results								
	1Q	2Q	3Q	4Q	Full year	Composition	Increase/ Decrease	Percentage change
Japan	8,195	8,090	7,825	8,900	33,012	68.0%	-1,058	-3.1%
Asia	1,969	2,084	2,169	2,149	8,372	17.2%	+667	+8.7%
Europe & the U.S.	1,579	1,829	1,881	1,861	7,151	14.7%	+398	+5.9%
Total	11,744	12,005	11,875	12,911	48,537	100.0%	+7	+0.02%

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Business Topics

8th Mid-term Management Plan: M&As Acquisition of Mitsuboshi Corporation

Mitsuboshi Corporation mainly runs the sales business of a full line of clothing materials primarily for the workwear and uniform industries. We plan to expand the scale of sales by acquiring Mitsuboshi's sales methodologies and product know-how and combining them with the Morito Group's global network.



In addition to clothing parts, Mitsuboshi Corporation sells packaged clothing materials, including fabrics, threads, labels, and tags, to apparel manufacturers.



8th Mid-term Management Plan: M&As

Numerical Data for Mitsuboshi Corporation

There is plenty room for improvement in terms of costs, and we will overhaul its profit structure during the PMI process.

	Mitsuboshi Corporation
Business	Sales of a full line of clothing materials, apparel product production management, and recycling
Net assets	2,262 million JPY
Total assets	5,335 million JPY
Net sales	7,462 million JPY
Operating profit	66 million JPY
Ordinary profit	235 million JPY
Net income	190 million JPY

*Results for the year ended March 31, 2024

Acquisition cost

Common stock of the Subject	: 1,062 million JPY
Advisory and other expenses	: 25 million JPY
Total	: 1,087 million JPY

Impact on FY2025 consolidated forecast

Since Mitsuboshi Corporation is scheduled to be consolidated starting in 3Q FY2025, the revised consolidated forecast on p. 10 includes its six-month figures.

Although negative goodwill is expected to arise, the amount is currently under review and will be disclosed as soon as it is determined.

Environmental Initiatives

Adopted for Helly Hansen and agnès b. 2025 Fiberpile Collection

Fabric made from MURON, a fiber made entirely from discarded fishing nets collected in Japan, has been adopted for some of the products in the Helly Hansen and agnès b. 2025 Fiberpile Collection.



[▶Click here for product details](#)



Some of the items that use MURON

Matex Inc./Ms. ID Inc.: Demand from Inbound Tourists Keeps Performance Up

Sales of Matex's slippers for hotels increased. TEN. , a brand of Ms. ID, which became our subsidiary last year, is popular among foreign tourists (especially from Asia) for its unique design and high-quality products made in Japan. The brand also has a directly managed store in Taiwan.



Matex carries slippers for hotels in addition to apparel brand tags, woven labels, printed materials, and sales promotion materials for companies and schools.

TEN.

►[Click here for product details](#)



Morito's High Value-added Products: Product Examples

We develop original, value-added products that meet the needs of customers and consumers to win over customers looking for high functionality and quality. Here are some product lines that generate higher profit margins than standard products.



Product name: Raku Raku Kan

This product combines a spring with a hook and bar closure to be used over the zipper on bottoms for formal wear, uniforms, etc.

When one's waist size expands after a meal, etc., it automatically stretches through the spring which relieves tightness.

Product name: Tapey Snapper

This product integrates plastic snaps into tape. It allows customers to eliminate the process of attaching plastic snaps at their sewing factory. Since all they have to do is just sew the tape onto the fabric, they don't have to invest in the equipment for their factories. It's popular with baby and children's brands because it's safe and secure with little risk of falling out.



(FYI) Media Coverage

- **Matex's recycled paper ASUKAMI® was used in a Kobe Suma Sea World event and featured on NHK Hyogo News Web.**
<https://t.co/qM6NZ3SKSR?ssr=true>
- **MURON was adopted for the Helly Hansen and agnès b. 2025 Fiberpile Collection and was featured on Yahoo! News, etc.**
<https://news.yahoo.co.jp/articles/9325c9d3e0a2eb0682a95adbd1c29143006b703f>
- **Ice-Spike was featured in Kansai Television's "Shunkan Live Toretate!"**
Product details: <https://store.shopping.yahoo.co.jp/morito/ice-spike.html>
- **Studless Band® was featured on Nippon TV's "ZIP!"**
Product details: <https://store.shopping.yahoo.co.jp/morito/studless-band.html/>

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Shareholder Returns

Basic Dividend Policy

We regard returning profits to shareholders as one of the most important management issues, and determine the amount of dividends based on the following policy, taking into consideration investment projects and financial conditions (net assets, etc.).

Realize stable and continuous dividend payments

Dividend payout ratio of 50% or more
in relation to profit attributable to owners of parent is the standard

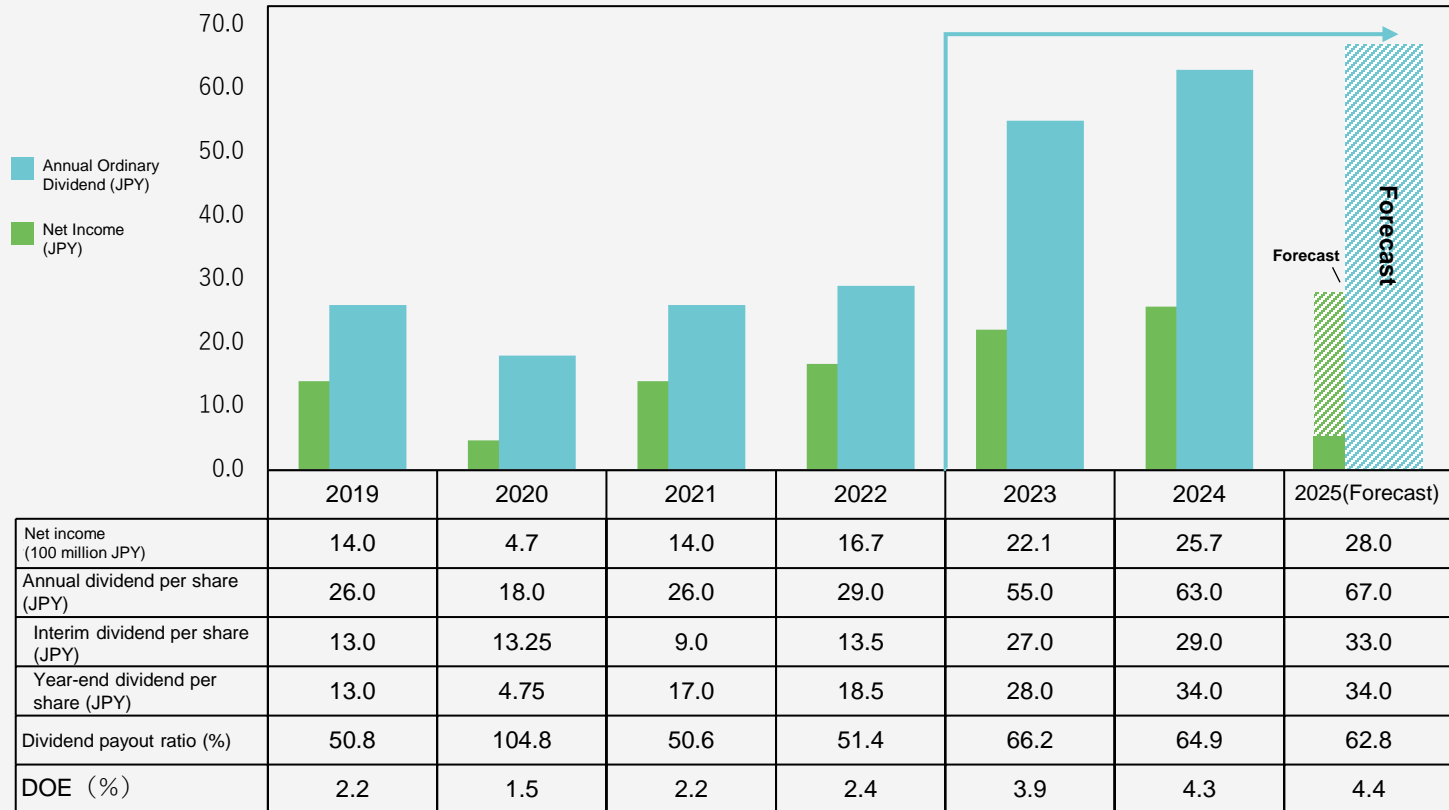
Standard for dividend on equity (DOE) ratio of 4.0%
(on a consolidated basis)

Continue to consider buying back shares whenever necessary and canceling them appropriately

*In a fiscal year with a significant fluctuation in after-tax profit attributable to owners of parent due to special factors such as extraordinary income or losses, the dividend amount will be determined in consideration of the corresponding impact.

Trends of Dividend, Dividend Payout Ratio & DOE

We adopted a revised basic dividend policy in FY2023.



6

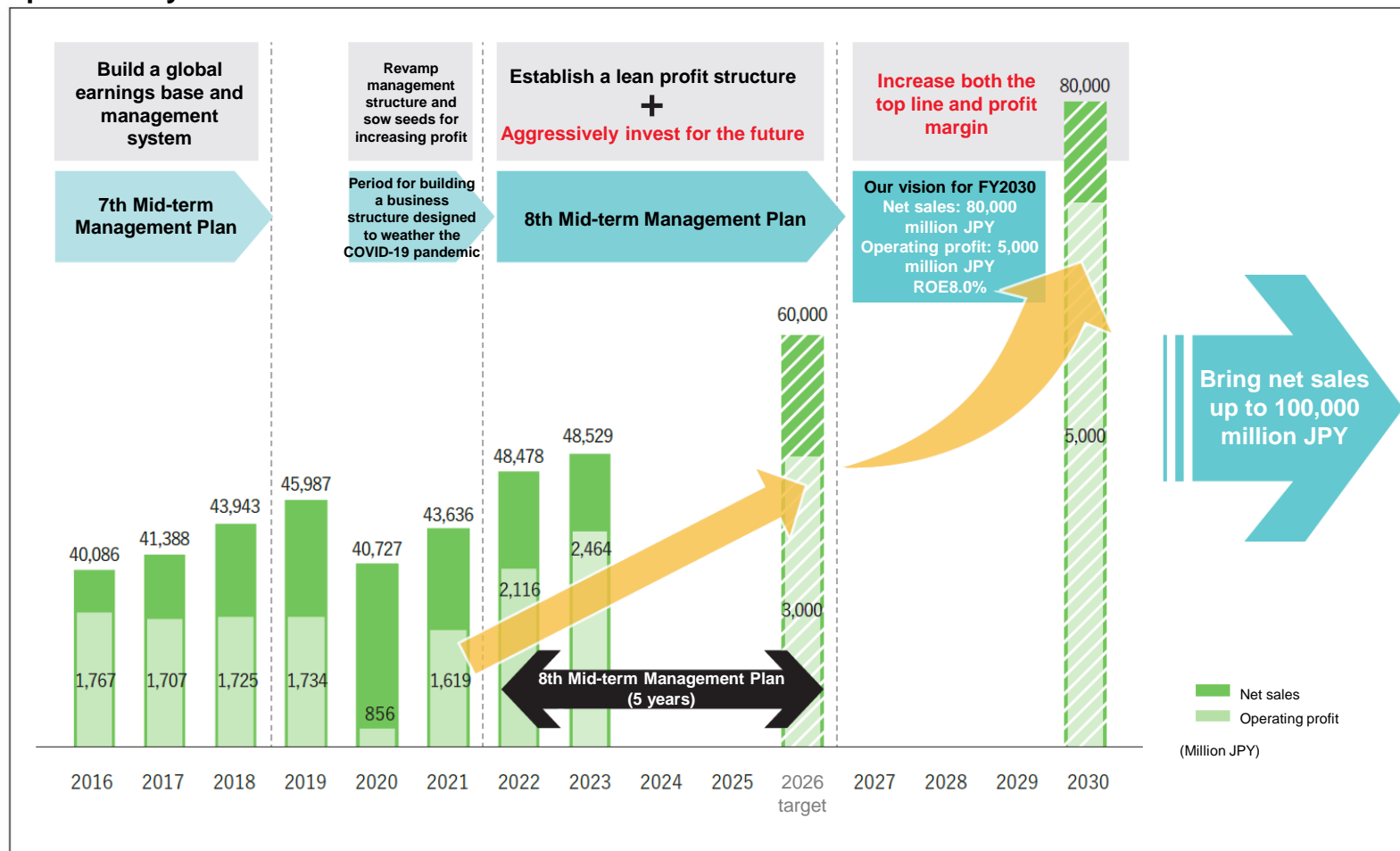
(FYI) 8th Mid-Term Management Plan

Medium- and Long-term Policy Morito's Vision

**Become a global niche top company
that keeps making a big difference
in the world with small parts**

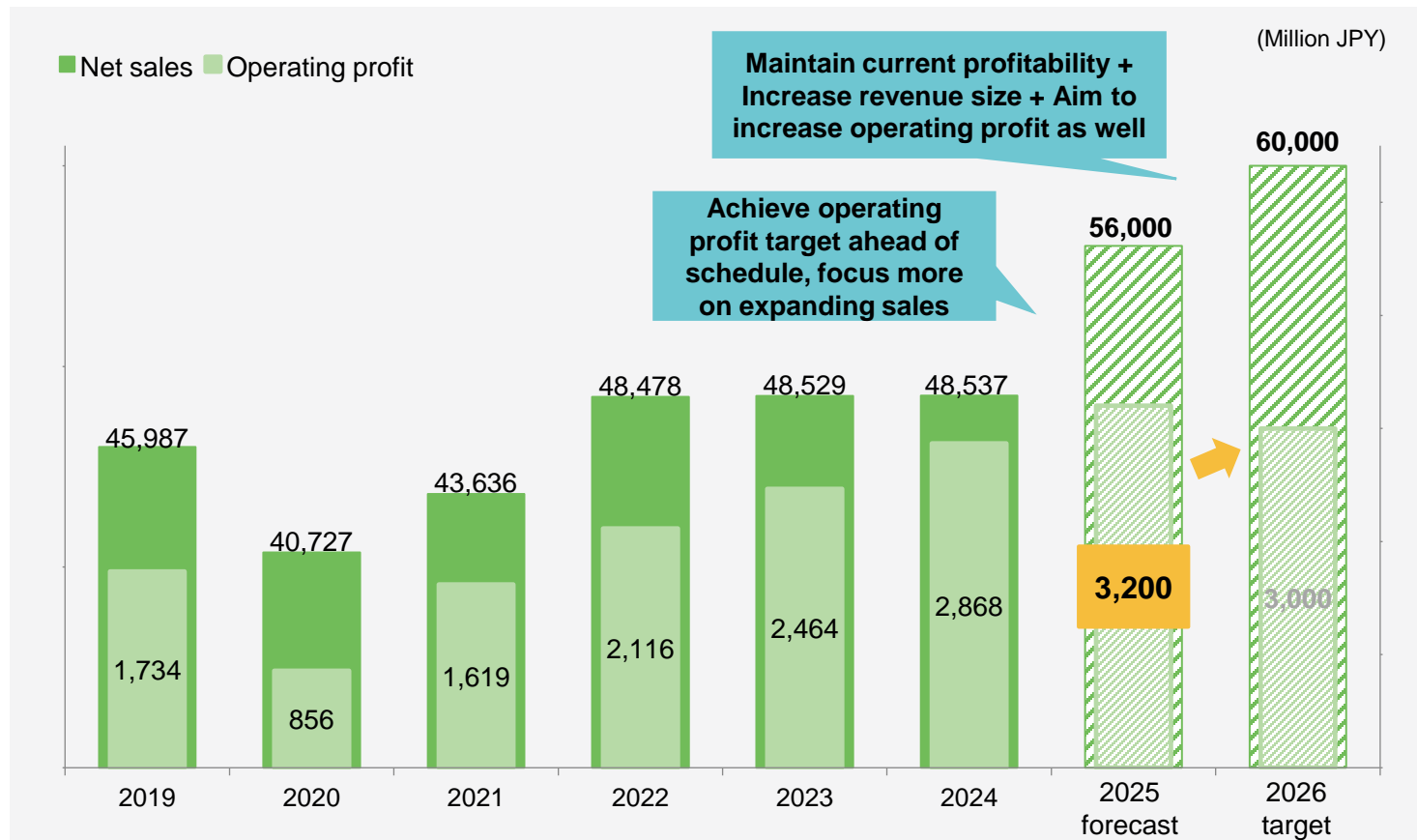
Toward Our Long-term Target of 100,000 Million JPY in Net Sales under the 8th Mid-Term Management Plan

Focus on initiatives aimed at increasing revenue size and aggressive investments while maintaining profitability.

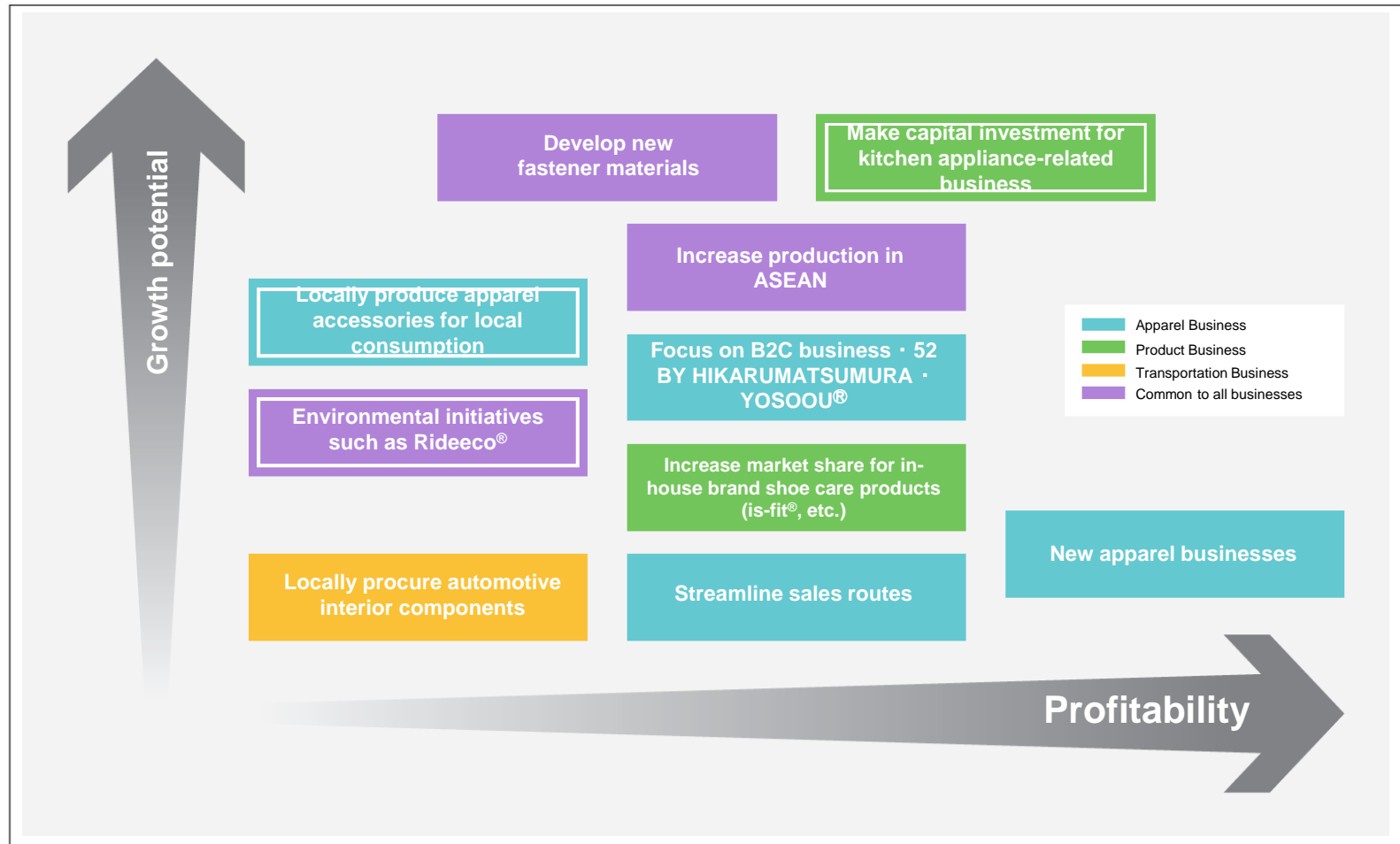


Progress in the 8th Mid-Term Management Plan [Financial Targets]

We expect to achieve the operating profit target ahead of schedule in FY2025, and implement the strategies set out in the Mid-Term Management Plan with an eye to net sales of 60,000 million JPY.



Overview of the Growth Strategy for Achieving the 8th Mid-Term Management Plan



Disclaimer

This handout has been prepared only for information purposes and is not intended to solicit investment.

Although this handout is made with extreme care, its completeness cannot be guaranteed.

We assume no responsibility whatsoever for any damages resulting from the contents.

The financial results forecasts and forward-looking statements in this presentation are made with information known as of the day of presentation and contain some potential risks and uncertainties. Therefore, please be aware that the content of the forecasts may differ significantly from actual results, due to various factors such as changes in the business environment.

Contact

MORITO CO., LTD.

Investor Relations/Public Relations Department

4-2-4, Minami Honmachi, Chuo-ku, Osaka 541-0054 Japan

E-mail: ir@morito.co.jp



MORITO

Where innovation is the norm