



**MORITO CO., LTD.**

## **Materials for New Investors**

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Prime Market of TSE: 9837

June 2025

Where innovation is the norm **MORITO**



# 1

## **Company Profile**

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# Company Profile: MORITO, Parts General Trading Company

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MORITO CO., LTD. (Prime Market of TSE: 9837)

# MORITO

Where innovation is the norm

**Founded in 1908 in Osaka**  
**Global development of small parts**  
**indispensable to daily life**

**Stable performance, keeping in the**  
**black even during economic shocks**

**Sales networks in various markets,**  
**such as apparel, sports, and**  
**automotive**

**Numerous top market shares in**  
**Japan and around the world for**  
**eyelets, snap fasteners,**  
**MAGICTAPE®, and more**

# MORITO's Philosophy

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## 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”**

## MORITO's Tagline: "Where Innovation is the Norm"

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# MORITO

Where innovation is the norm

- Structural reforms from 2019 are changing the structure to one in which operating companies operate more autonomously
- On the other hand, in order to strengthen the MORITO Group's unity and grow together, we have formulated a tagline that serves as a common point of recognition and renewed our corporate logo
- Various employees participated in the development of the tagline and discussed "the essence of MORITO"
- The tagline, "Where innovation is the norm," includes two meanings: "The value provided by the MORITO Group," adding innovation to the everyday to improve what is considered ordinary, and the "attitude of MORITO employees," to make innovation the norm

## Profile of Takaki Ichitsubo, Representative Director, CEO

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### [Biography]

Studied in U.K. as a student. In 1981, he joined MORITO, which had been expanding globally since that time. From 1985, he spent 11 years posted abroad in the Netherlands, where he acquired the ability to adapt to different cultures. In 1996, he served as General Manager of the Company's Overseas Business Department, and in 2000 he was appointed to the Board of Directors. He had consistently been involved in the apparel business for overseas markets. In 2009, he was appointed Division Manager of Control and Supervision Division, and in 2013, he was appointed Representative Director, CEO of the Company.

With a strong commitment to integrity and honesty, he is committed to the development of the MORITO Group so that its employees and their families can live in peace and security.



**Takaki Ichitsubo**

# 2

## **Business Overview**

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# MORITO's Business

A trading company with manufacturing functions based on the concept of “Connect, Fasten, Decorate.” Starting with the mainstay products of eyelets, shoelaces, and snap fasteners that we have made since our founding, we are also involved in the planning and development, manufacturing, procurement, sales, and customer production follow-up of various parts across all industries, including clothing, bags, shoes, and automobiles. We handle over 500,000 products.

## Example products



Eyelets

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



Snap fasteners



Shoelaces

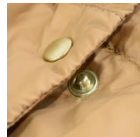


MAGICTAPE®



# Examples of Products by Business

## Apparel Business



Snap fasteners



MAGICTAPE®



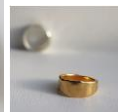
Buttons



Tape



Eyelets and shoelaces



In-house brand products

### Applications

Casual wear, sportswear, ladies' wear, formal wear, baby wear, medical wear, workwear, shoes, bags, accessories

## Product Business



MAGICTAPE®



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



Snap fasteners



MAGICTAPE®



Nets



Emblems



Trunk floor lining

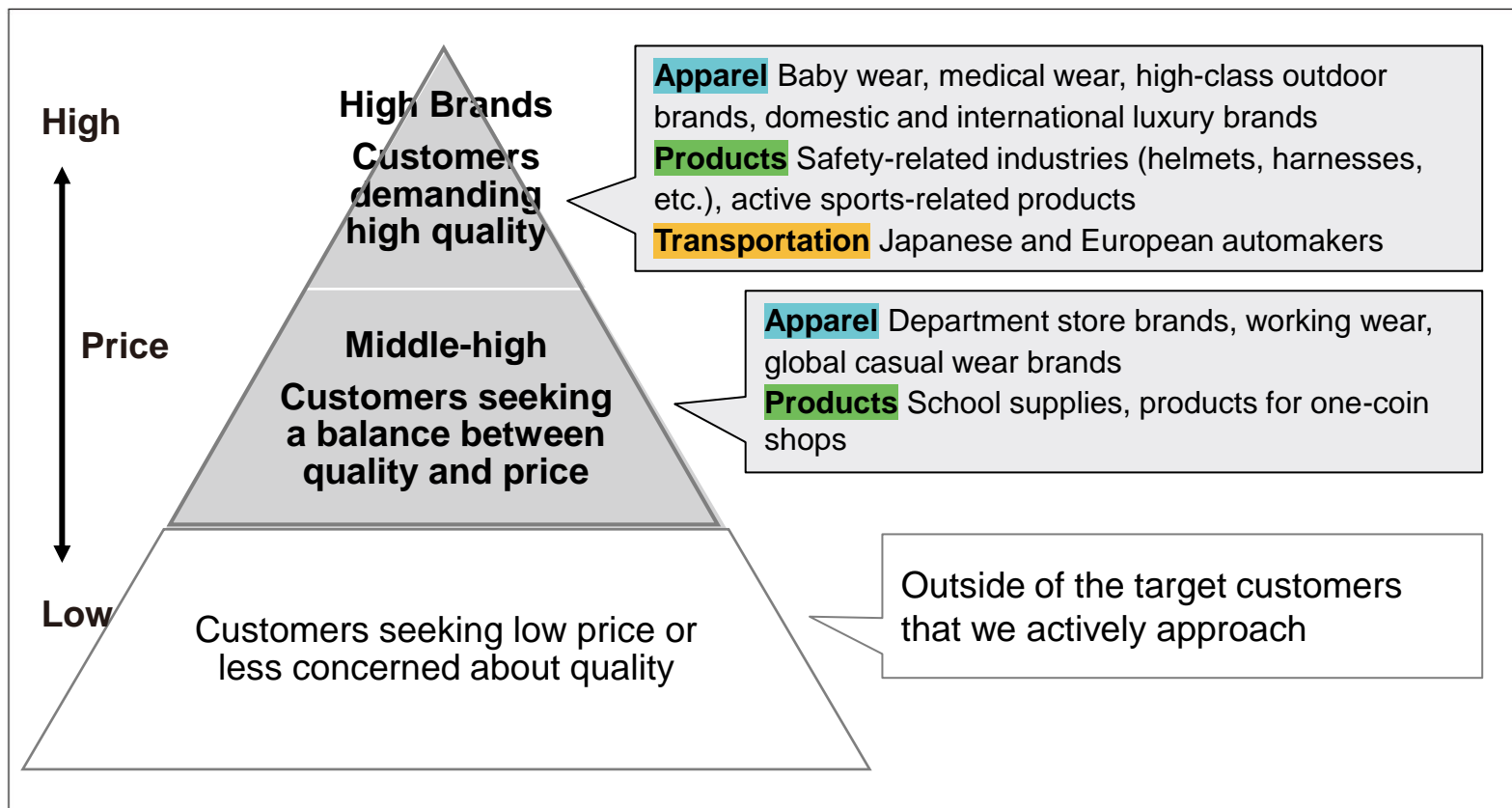
### Applications

Automotive interior components  
Railway and Shinkansen interior components  
Aircraft interior components

# MORITO's Targets

Our target is customers who demand quality of mid-high tier or higher quality, which is common to all of our businesses.

We proactively approach customers who seek the MORITO Group's global quality control, high value-added products that focus on various functionality and designs, and original products that reflect customer needs.

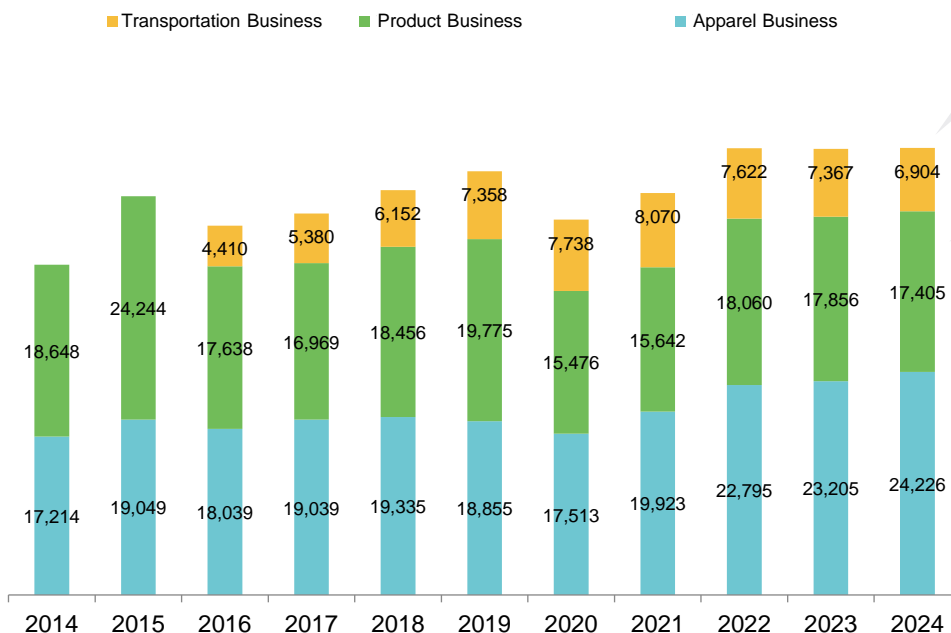


# Business Portfolio Characteristics

A diversified portfolio with three businesses and products for a wide range of industries. In addition to fashion, our strength lies in industries that require functionality, such as working, medical, and sports wear, which are not influenced by fashion trends.

→ Overall performance is less likely to be influenced by the performance of a specific business, product, or customer, and performance is stable.

**Trends in Net Sales by Business Segment**



## Transportation Business

- Automotive interior components,
- Railway interior components,
- Aircraft interior components, etc.

## Product Business

- Teaching tools and stationery,
- Skateboards and surfboards,
- Shoe care products, etc.

## Apparel Business

- Fashion,
- Sports,
- Workwear, etc.

# List of Overseas Locations

Our strength lies in our ability to handle things globally, with our own bases and distributors around the world. This allows us to handle planning, development, procurement, and production support tailored to the customer's production location.

**Manufacturing (approx. 30% of total):** The U.S., China, Vietnam

**Sales (procurement: approx. 70%):** China, Hong Kong, Vietnam, Thailand, Myanmar, the U.S., Netherlands, U.K., India, Mexico



# 3

## **Why Brands from Around the World Order from MORITO**

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## **Why Brands from Around the World Order from MORITO**

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- 1. We have established an overwhelming recognition regarding niche items in each industry**
- 2. The breadth of products we handle**
- 3. We offer manufacturing, procurement, sales, quality control, and support on a global level**
- 4. We offer high value-added products such as functionality and design**

# We Have Established an Overwhelming Recognition Regarding Niche Items in Each Industry

Especially in the domestic apparel industry, MORITO has established an overwhelming level of general and brand recognition, and is considered the utility provider that customers turn to when they have a problem with parts.

We boast the No. 1 market share in Japan for eyelets, insoles, and more, and also have one of the world's leading shares in metal snap fasteners.

Worldwide Share

No. 2

Metal snap fasteners

Designated supplier for national brands for baby clothes

Domestic Share

No. 1

MAGICTAPE®

Eyelets and metal snap fasteners

Insoles

Hook and bars

Surfboard blanks

Car metal emblems

Commercial grease filter rental service

\*Based on in-house research

## The Breadth of Products We Handle

We procure parts made of various materials such as metals, resins, and fibers in-house, and can deliver them in combination in accordance with customer requirements. We handle not only parts, but also semi-finished and finished products, from planning and design to sewing, eliminating the need to procure from multiple suppliers and improving efficiency on the customer side.

**(Example product) Net and resin frame attached in front of the seats on Shinkansen trains**

A net made using a special knotless process. Items can be put in and taken out smoothly. When not in use, it holds tight against the seat back. Because of the feature, passengers can both maintain a wide sitting space and check for forgotten items. The product is supplied together with a plastic frame around the net.

(Enlarged)





## **We Offer Manufacturing, Procurement, Sales, Quality, and Support on a Global Level**

In order to accommodate quality standards that vary from region to region, we handle parts that meet quality standards which allow them to be sold worldwide.

The Global Quality Assurance Division was established to ensure stable quality control at all times on a global scale. In the unlikely event of issues such as product defects, staff from domestic or overseas offices directly visit customers' factories to provide support.



← At a sewing factory

The MORITO Group provides production support to customers, including machine maintenance in accordance with the type of snap fasteners used and the fabric to which they are attached.

The same measures are also taken at overseas sewing factories to prevent product defects.

## We Offer High Value-added Products Such as Functionality and Design

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.

(Example 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.



# 4

## **Future Growth Strategy**

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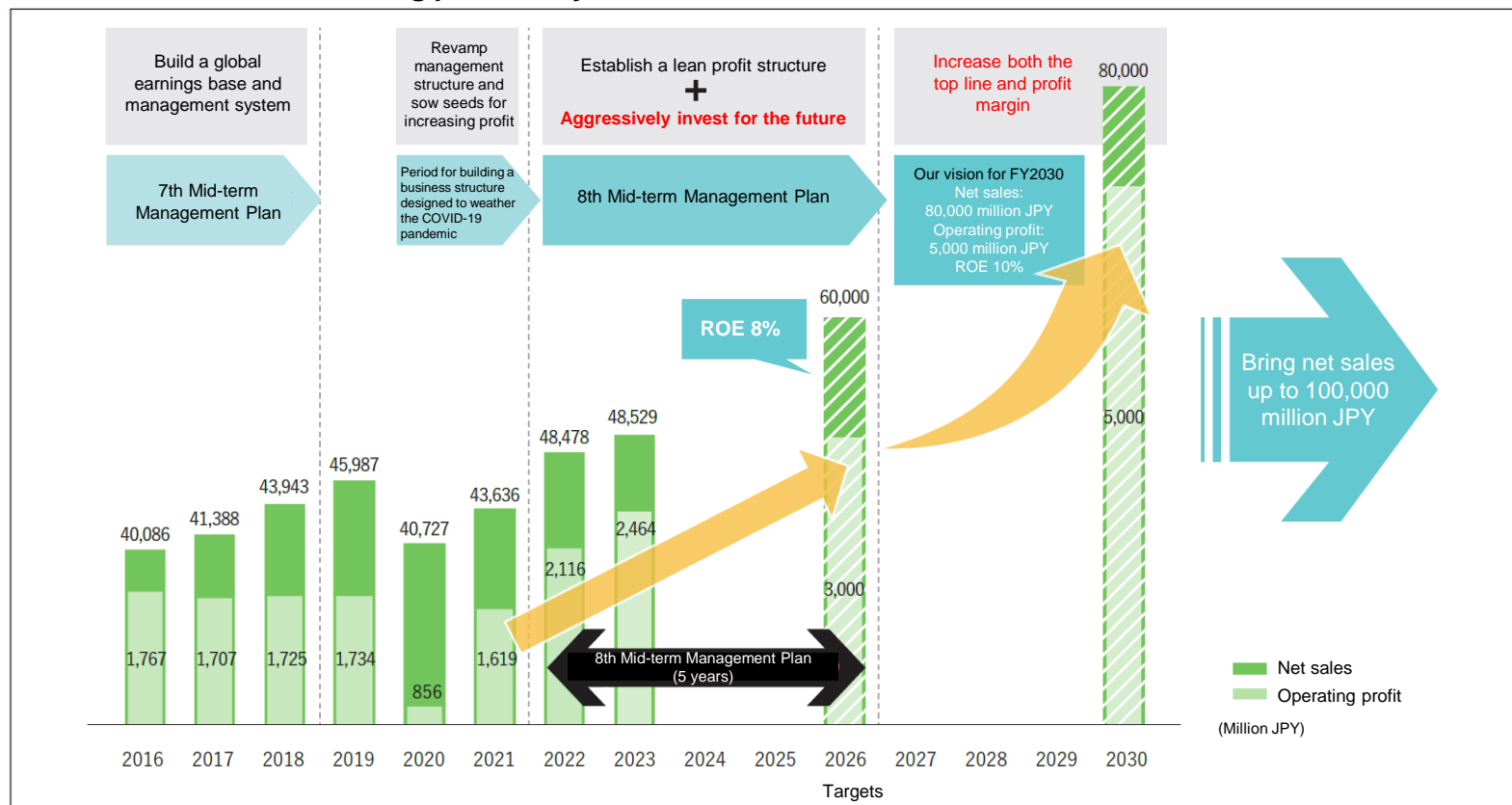
## **Medium- and Long-term Policy MORITO's Vision**

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

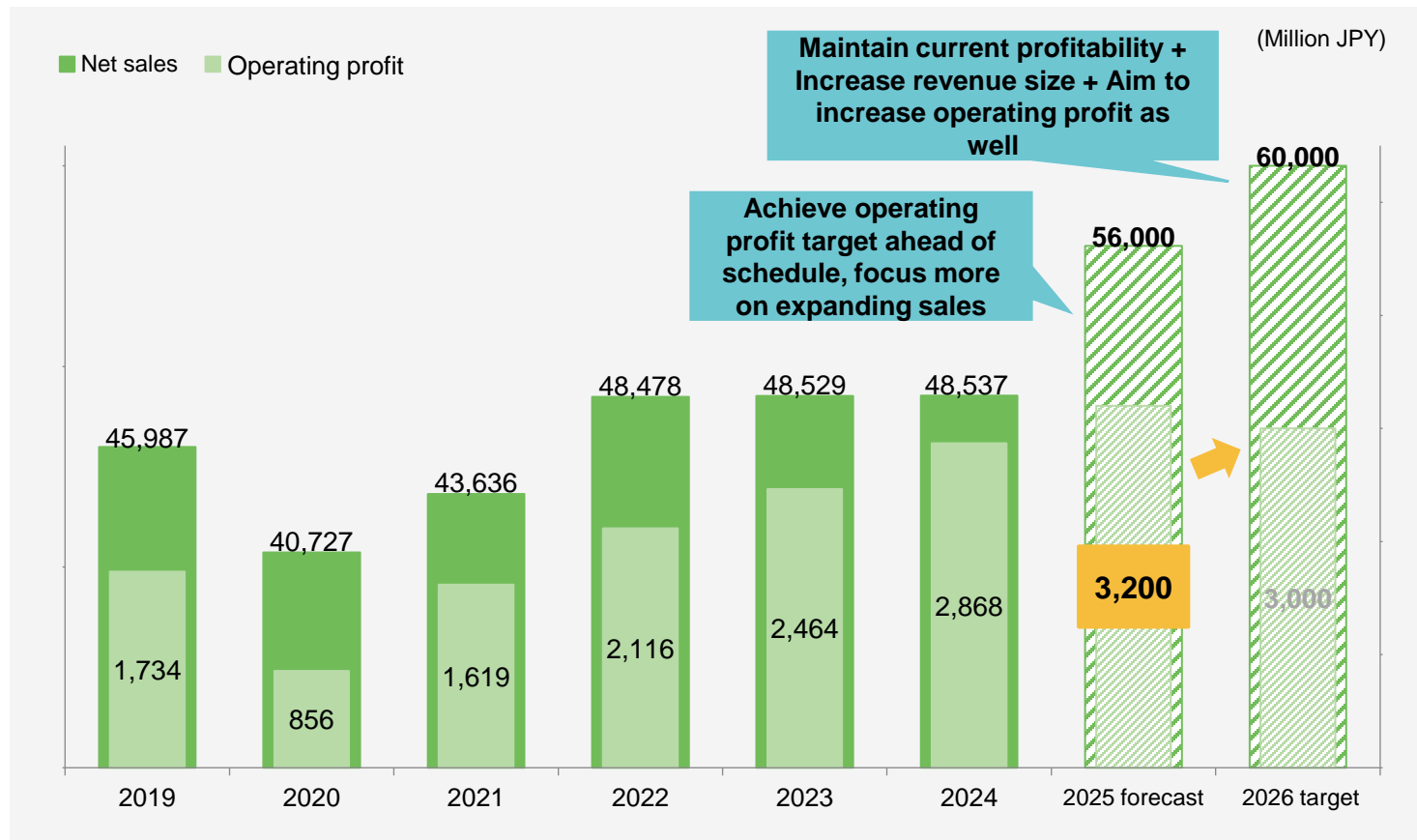
# Toward Our Long-term Target of 100,000 Million JPY in Net Sales under the 8th Mid-term Management Plan

We are currently implementing the 8th Mid-term Management Plan, which will run through November 2026. The “establishment of a lean profit structure” has been progressing faster than expected up through FY2024, thanks to reorganization and the change in employees’ awareness regarding profit margins. From FY2025, we have been focusing on initiatives aimed at increasing net sales and making aggressive investments while maintaining profitability.



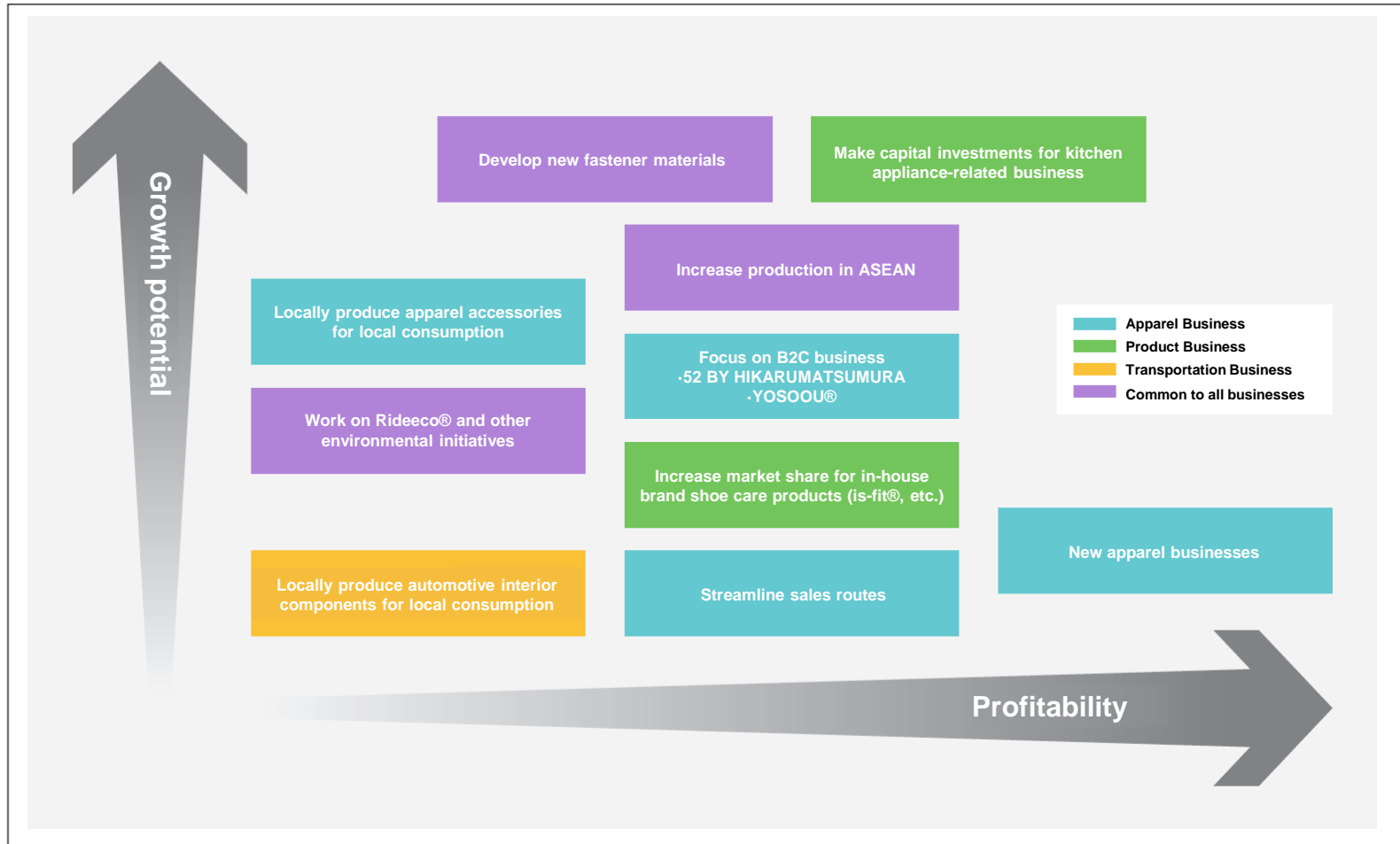
## Progress in the 8th Mid-term Management Plan [Financial Targets]

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.



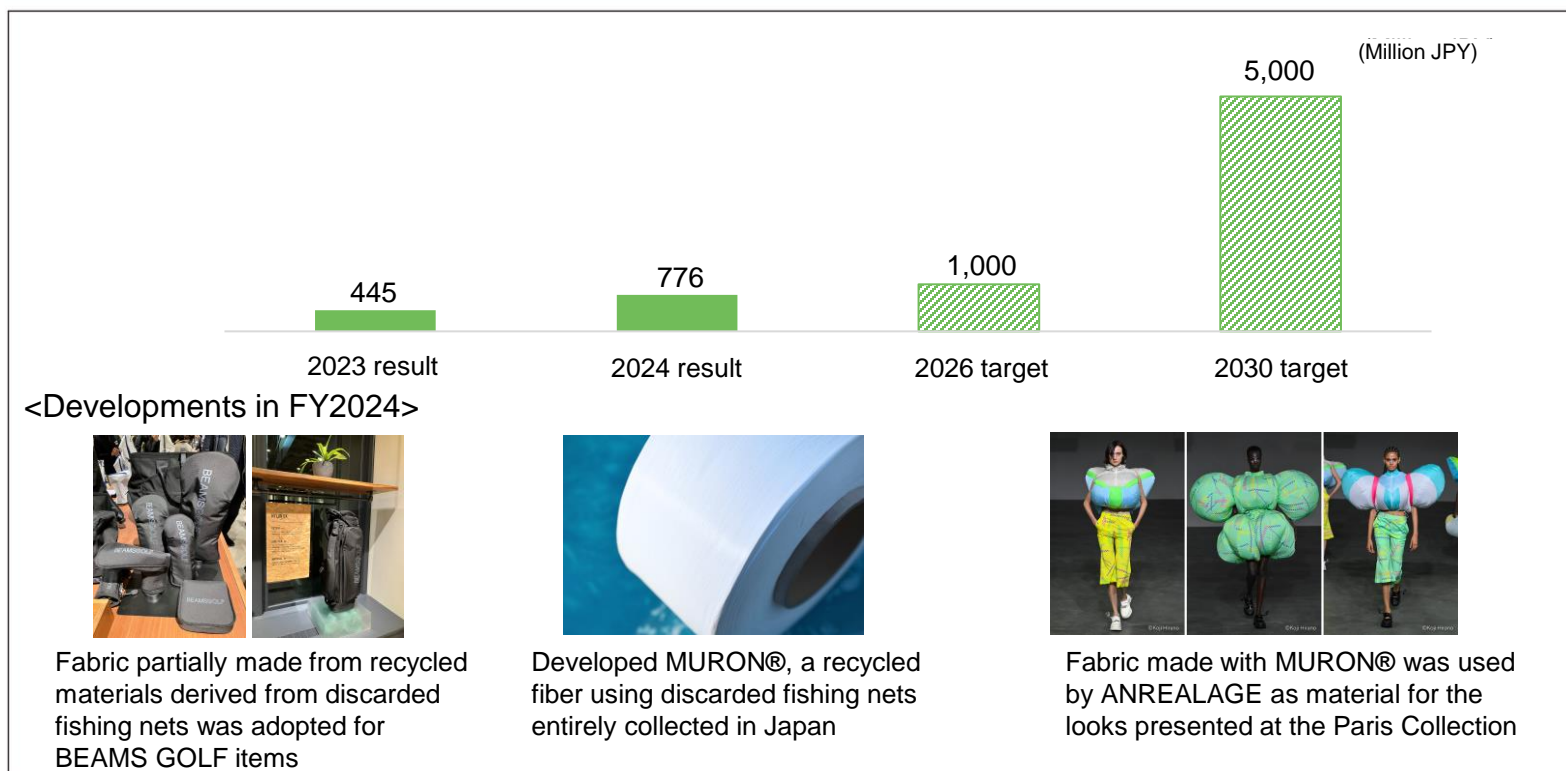
# Overview of the Growth Strategy for Achieving the 8th Mid-term Management Plan

We are evaluating and mapping each measure of the 8th Mid-term Management Plan in terms of profitability and expected growth.



## Growth Strategy 1 [Environmental Initiatives]

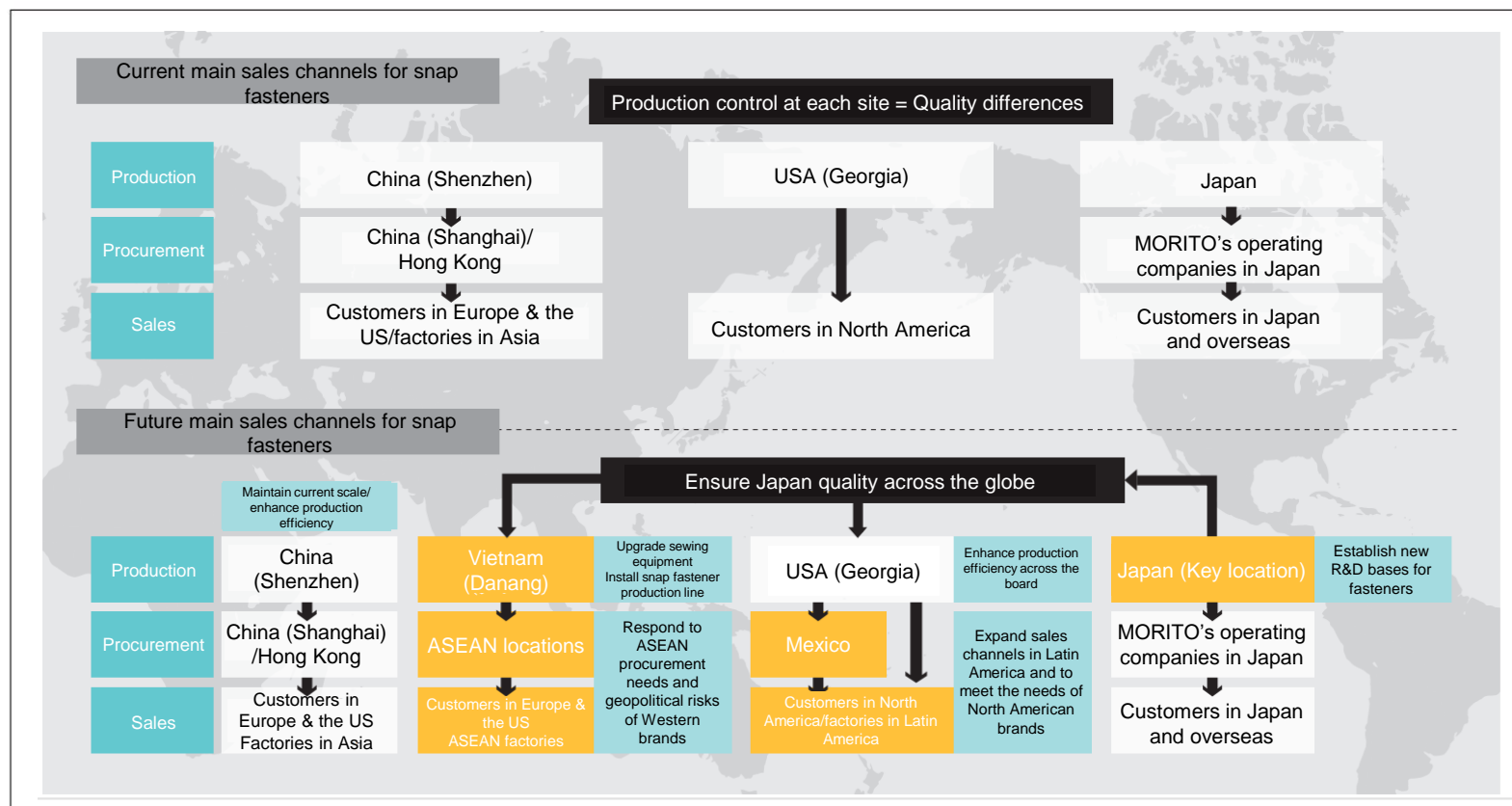
Rideeco® is the MORITO Group's initiative to develop environmentally friendly products. Made good progress with an increase in products including fabrics and materials using discarded fishing nets and ASUKAMI® mixed paper using sewing factory scrap. In FY2025, we will continue to focus on achieving the 1,000 million JPY sales target set in the Mid-term plan through full-scale sales of MURON® and the launch of a new department for the development of sustainable products.





## Growth Strategy 2 [Local Production of Apparel Accessories for Local Consumption]

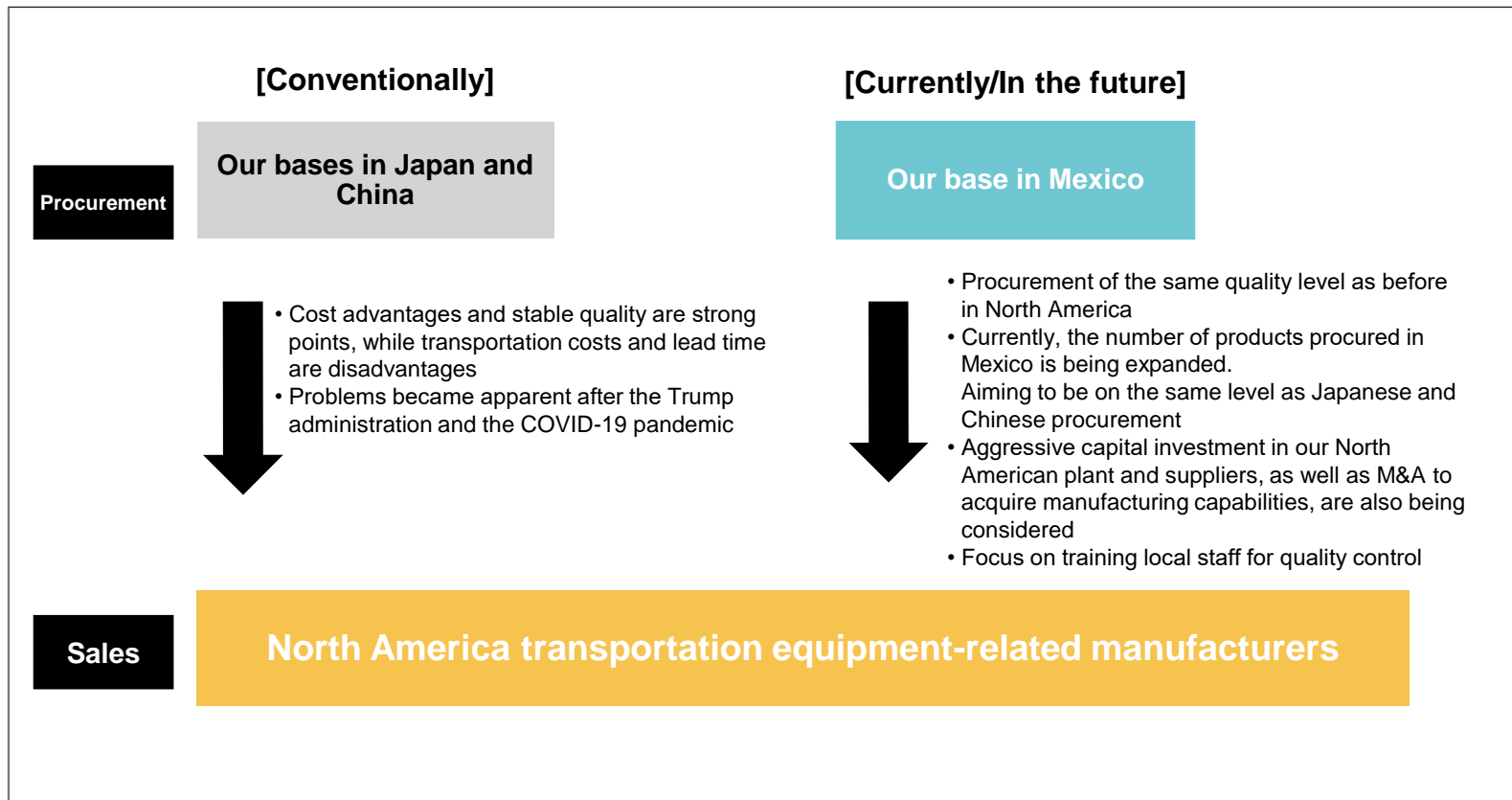
We will eliminate quality differences between regions and supply MORITO quality products from all over the world. In response to customer needs, we will select production sites and minimize transportation distances to achieve sustainable and efficient production and supply.



## Growth Strategy 3 [Transportation Business and Local Production for Local Consumption]

In order to accommodate the global production of Japanese automakers, it is essential to procure and supply products from locations close to the production sites.

Aggressive investment will be made to increase local suppliers and products, particularly in North America.



## Growth Strategy 4 [Focus on B2C Businesses]

While B2B business will remain the core of our business, we will focus on B2C businesses with the aim of increasing profitability, gaining a better understanding of consumer and customer needs, and applying the results back into the B2B business. Our aim is to grow our existing B2C brands by leveraging the know-how of Ms. ID INC., which we acquired through M&A in December 2024.

### Some of our B2C brands



52 BY HIKARUMATSUMURA  
Bag brand



ZAT  
Waterproof material bag brand



SELECT MOCA

SELECT MOCA  
E-commerce-specific women's apparel



YOSOOU®  
Downwear brand



POLeR®  
Outdoor brand

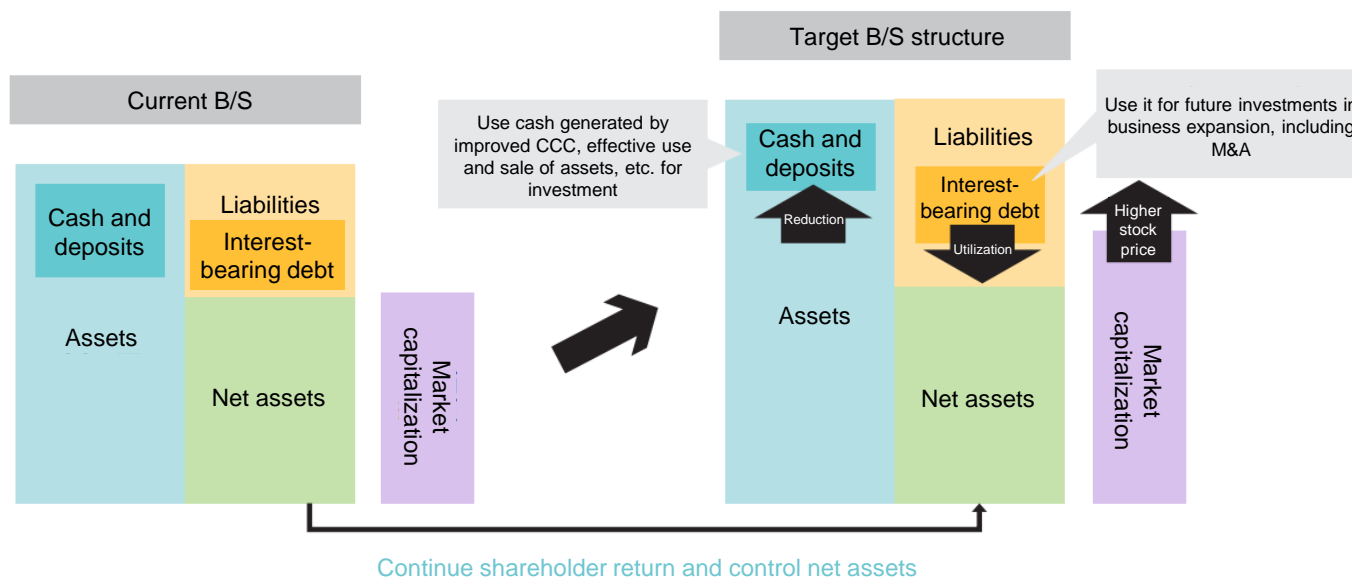


TEN.  
Silver accessories brand

# Corporate Strategy [Capital and Financial Strategy: Overview]

This will be implemented in conjunction with sales growth in order to further improve ROE.

- Expand business through aggressive growth investments
- Optimize capital structure by utilizing interest-bearing debt
- Continue shareholder return and control net assets



Basic Dividend Policy: Payout ratio 50%, DOE 4.0% standard  
Implement flexible share repurchases and appropriate cancellation of shares

► Details of the 8th Mid-term Management Plan can be found here

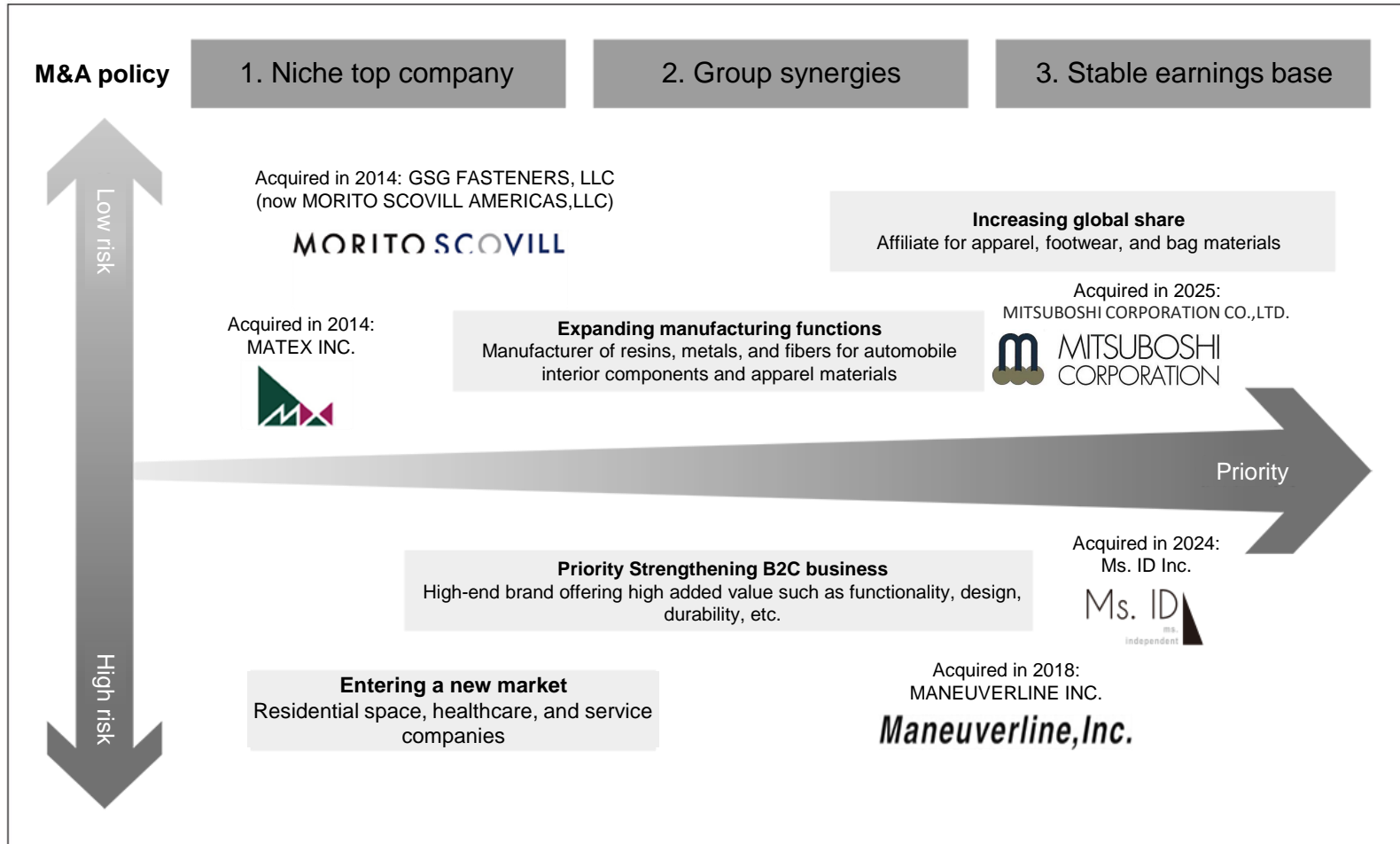
## Investment Strategy

Invest cash to generate profit while controlling net assets, with the aim of improving ROE.

Growth investment	Total investment for FY2024 – FY2026		FY2024 results
New product development expenses	500 million JPY	<ul style="list-style-type: none"><li>• Held a solo exhibition to boost sales to high-end apparel brands</li></ul>	Actual 1,110 million JPY
Initiatives to reduce environmental impact	500 million JPY	<ul style="list-style-type: none"><li>• Improved efficiency of plating process at our plant in the U.S.</li><li>• Developed and expanded sales of sustainable products</li></ul>	
Capital investment	600 million JPY	<ul style="list-style-type: none"><li>• Made capital investment in our U.S. plant</li><li>• Established an in-house service center and bolstered equipment for kitchen appliance-related services</li></ul>	
Strengthening B2C	300 million JPY	<ul style="list-style-type: none"><li>• Worked on advertising and promotion of 52 BY HIKARUMATSUMURA and YOSOOU®</li><li>• Strengthened lineup of existing B2C products</li></ul>	
Building data infrastructure and enhancing BI functions	500 million JPY	<ul style="list-style-type: none"><li>• Built data infrastructure and enhanced BI functions</li></ul>	
Investing in human capital	100 million JPY	<ul style="list-style-type: none"><li>• Worked on initiatives aimed at improving employee engagement</li></ul>	
M&A	5,000 million JPY	<ul style="list-style-type: none"><li>• Revised the forecast to reflect the acquisition of Ms. ID and MITSUBOSHI CORPORATION as subsidiaries</li></ul>	Actual 3,150 million JPY
Shareholder returns	6,000 million JPY	<ul style="list-style-type: none"><li>• Paid dividends and bought back shares based on our basic policy</li></ul>	

# Investment Strategy [M&A]

We are proactively considering M&A with policies 1 through 3 as basic requirements.



# Investment Strategy [M&A] Results

Aiming to strengthen our B2C business and increase our global market share, two M&As were executed during the 8th Mid-term Management Plan.

## Ms.ID



An apparel and accessory brand specializing in e-commerce. In addition to improving profitability, we expect to create synergies by utilizing Ms. ID's marketing know-how for our existing B2C brands while at the same time switching to MORITO procurement for materials.

In addition, we are aiming to leverage the MORITO Group's global network to expand the Ms. ID brand overseas.

(Ms. ID FY8/2024, C.T.A.CO., LTD. FY12/2023, simple combined results)

Net assets	1,475 million JPY
Total assets	2,467 million JPY
Net sales	3,893 million JPY
Operating profit	442 million JPY

## MITSUBOSHI CORPORATION



Mainly runs the sales business of a full line of clothing materials primarily for the workwear and uniform industries.

In addition to clothing parts, they sell packaged clothing materials, including fabrics, threads, labels, and tags, to apparel manufacturers.

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.

(Results for the year ended March 31, 2024)

Net assets	2,262 million JPY
Total assets	5,335 million JPY
Net sales	7,462 million JPY
Operating profit	66 million JPY

# 5

## Shareholder Returns

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## 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**

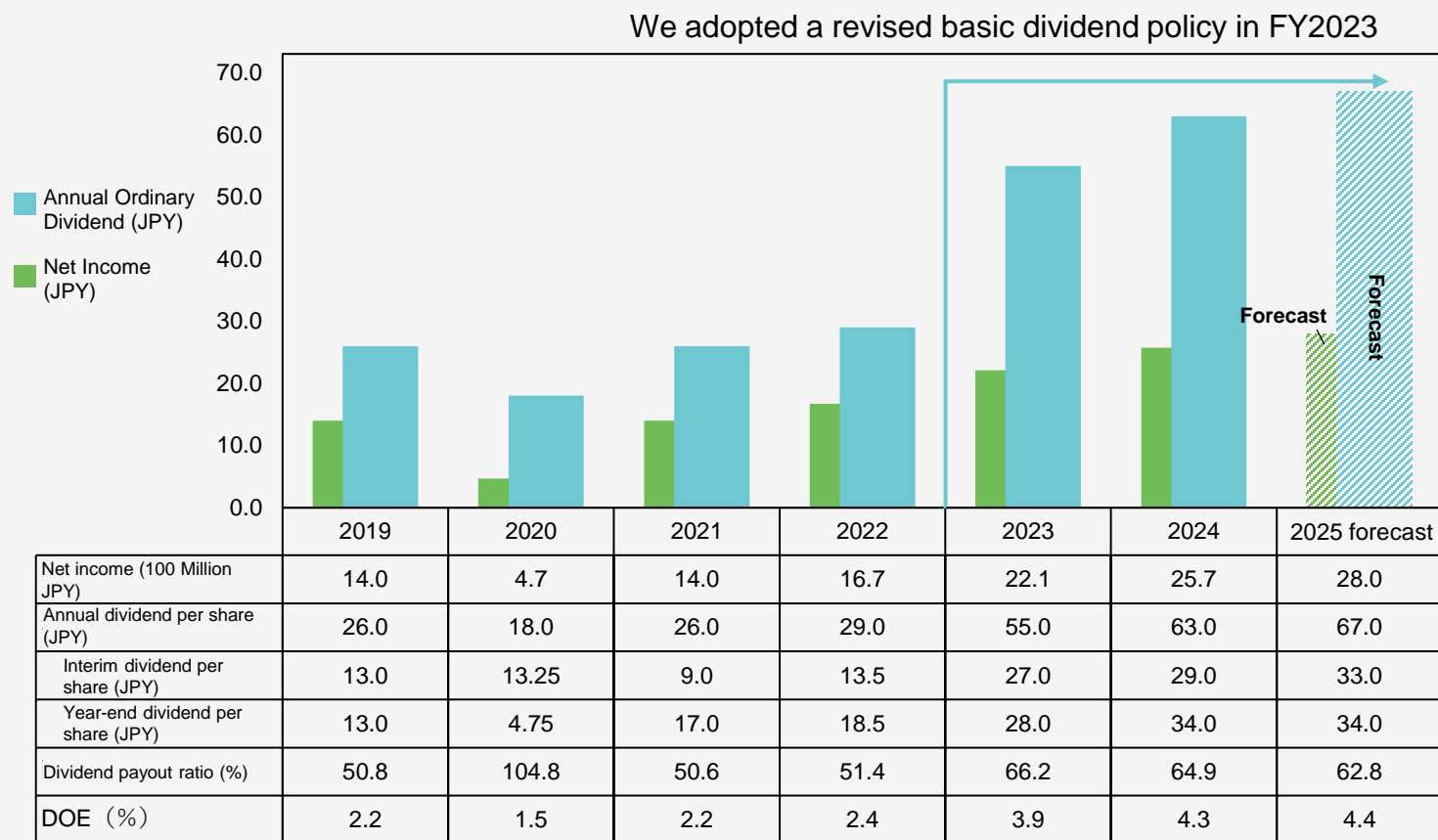
**Dividend payout ratio of 50% or more**  
in relation to profit attributable to owners of parent is the standard

**Standard of a 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



# 6

## Reference Information

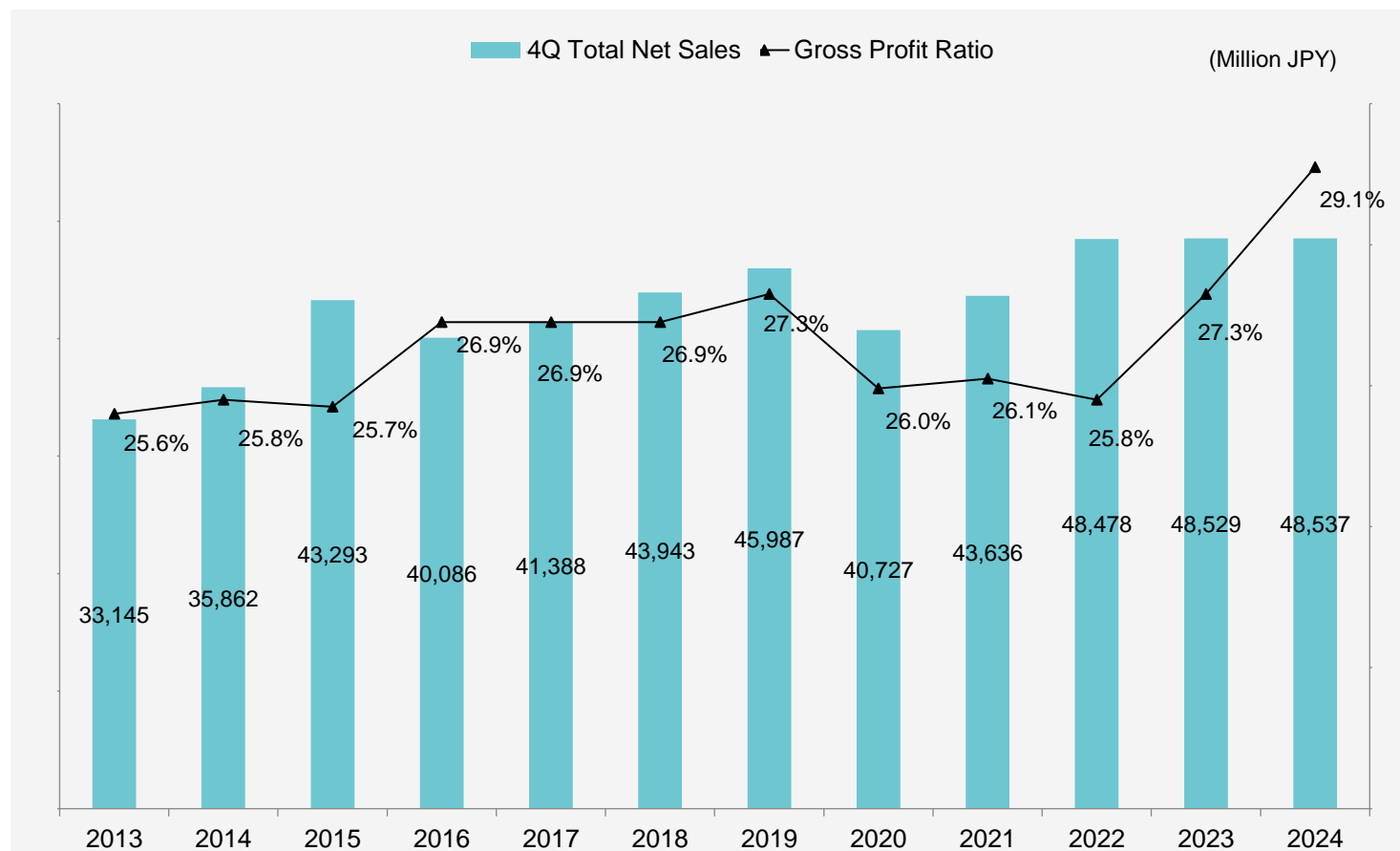
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## FY2024 Summary of Financial Results

(Million JPY)	(Reference) 2022	2023	2024	Y/Y	
				Increase/ Decrease	Percentage change
Net sales	48,478	48,529	<b>48,537</b>	+7	+0.02%
Gross profit	12,487	13,265	<b>14,138</b>	+872	+6.6%
(%)	(25.8%)	(27.3%)	<b>(29.1%)</b>		
Cost	10,370	10,801	<b>11,269</b>	+468	+4.3%
(%)	(21.4%)	(22.3%)	<b>(23.2%)</b>		
Operating profit	2,116	2,464	<b>2,868</b>	+404	+16.4%
(%)	(4.4%)	(5.1%)	<b>(5.9%)</b>		
Ordinary profit	2,342	2,771	<b>3,003</b>	+231	+8.4%
(%)	(4.8%)	(5.7%)	<b>(6.2%)</b>		
Net income	1,674	2,217	<b>2,572</b>	+354	+16.0%
(%)	(3.5%)	(4.6%)	<b>(5.3%)</b>		

## Trends in Net Sales & Gross Profit Ratio

Structural reforms since 2019 have changed sales staff's awareness of profit. Contributing to the improvement of gross profit ratio.



## FY2024 Balance Sheet

We have a stable financial base. Moving forward, we will consider utilizing interest-bearing debt for growth investments.

(Million JPY)

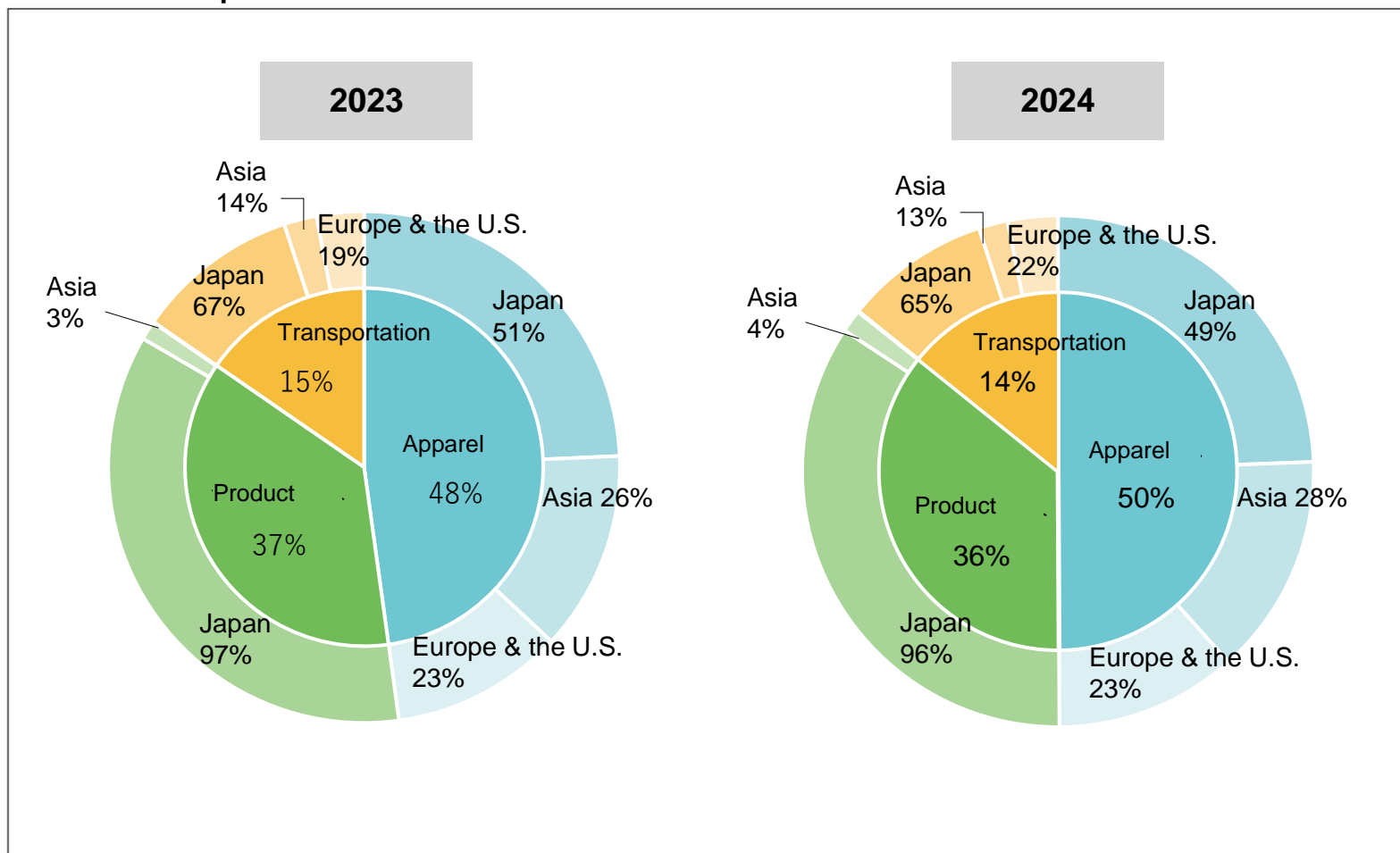
	2023	2024
<b>Assets</b>		
Current assets	31,149	32,049 (+900)
Fixed assets	20,280	20,427 (+147)
<b>Total assets</b>	<b>51,429</b>	<b>52,476</b> (+1,047)

	2023	2024
<b>Liabilities</b>		
Current liabilities	8,589	8,886 (+297)
Fixed liabilities	4,382	4,313 (-69)
<b>Total liabilities</b>	<b>12,972</b>	<b>13,200</b> (+228)
<b>Net assets</b>		
Shareholders' equity	32,673	33,129 (+455)
Accumulated other comprehensive income	5,760	6,147 (+387)
Share acquisition rights	23	0 (-23)
<b>Total net assets</b>	<b>38,457</b>	<b>39,276</b> (+819)
<b>Total liabilities and net assets</b>	<b>51,429</b>	<b>52,476</b> (+1,047)

Equity ratio for FY2024: 74.8%  
(FY2023: 74.7%)

## FY2024 Sales Composition by Region and Business

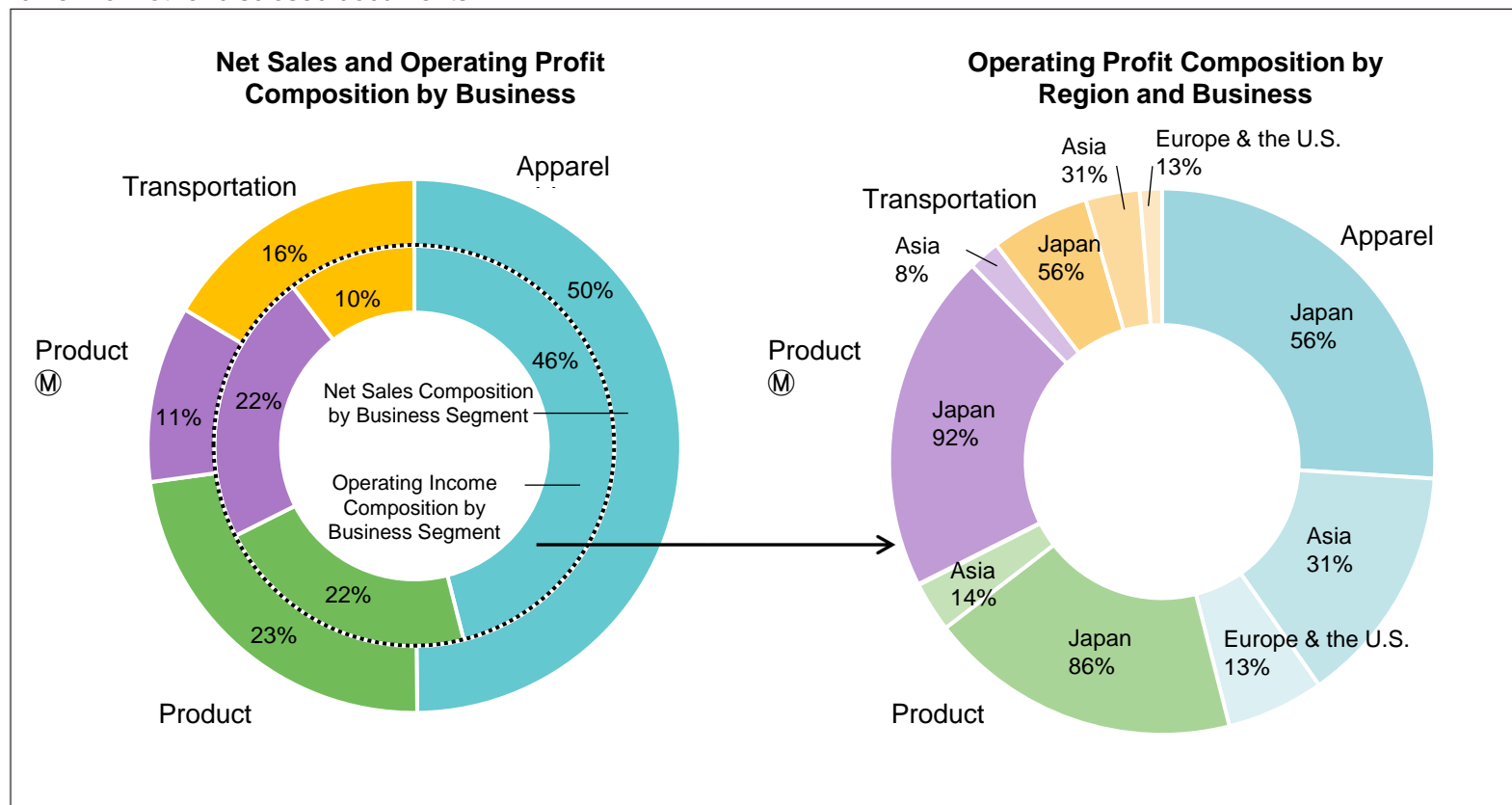
The Apparel Business saw an increase in demand for local production for local consumption in Asia, while the Transportation Business saw an increase in North America.



# FY2024 Net Sales and Operating Profit Composition by Business and Region

In presenting segment profit, businesses related to products that have been added to the MORITO Group through acquisitions or other means are classified as Product  $\text{\textcircled{M}}$ . Specific company names for Product  $\text{\textcircled{M}}$  are listed on the next page.


\*The composition is based on figures before the elimination of intercompany transactions and goodwill amortization, and it may differ from other disclosed documents.





## Group Companies by Segment

On the previous pages, Product Business that have been added to the Group through acquisitions or other means were classified as Product .

	Apparel Business	Product Business	Transportation Business
Japan	MORITO APPAREL CO., LTD.	MORITO JAPAN CO., LTD.	MORITO AUTO-PARTS CO., LTD.
	MATEX INC.	ACE INDUSTRIAL MACHINERY CO., LTD.	Product 
	Ms. ID INC.	MANEUVERLINE INC.	
	MITSUBOSHI CORPORATION CO.,LTD.	CANVAS CO., LTD.	
Asia	MORITO SCOVILL HONG KONG CO.,LTD.		
	MORITO SHANGHAI CO., LTD.		
	MORITO TRADING (THAILAND) CO.,LTD.		
	MORITO (SHENZHEN) CO., LTD.		
	MORITO DANANG CO.,LTD.		
Europe & the U.S.	MORITO (EUROPE) B.V.		
	MORITO SCOVILL MEXICO S.A. de C.V.		
	MORITO SCOVILL AMERICAS, LLC		MORITO NORTH AMERICA, INC.

## External Environmental Business Risks

Our business domains and sales regions are diversified, and our sales composition is about 6:4 (imports:exports), so we are well hedged against risk.

### 1. Warm winters

Sales of products sold in winter, such as winter outerwear, snowboards, and insoles for protection against the cold, may be affected.

### 2. Soaring brass material prices

Price fluctuations in brass material (an alloy of copper and zinc), the raw material for our mainstay products, such as eyelets and snap fasteners, may affect Group companies (in the U.S., China, and Vietnam) that manufacture said products.

### 3. Slowdown in societal consumption as a whole

Demand stagnation → Sales may be affected by customer inventory adjustments, etc.

### 4. Exchange rates

Natural hedging is in place due to our sales composition of imports:exports = approx. 6:4.

(Reference) Actual results for FY2024, yen impact equivalent to 1 USD

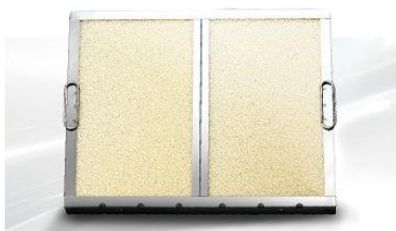
Net sales: Change of approx. 130 million yen plus, operating profit: approx. 73 million yen plus

\*There is an upswing trend when the yen weakens and a downswing trend when the yen appreciates

## Group Company: ACE INDUSTRIAL MACHINERY CO., LTD. (Product Business)

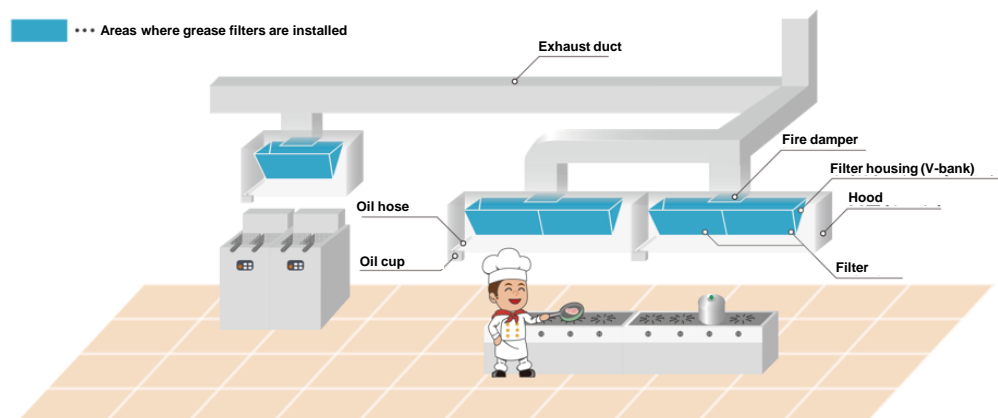
The company provides rental services for grease filters used in commercial kitchen exhaust ducts and has one of the highest market shares in Japan. It provides filter exchange, delivery, and cleaning services across Japan.

The company also offers kitchen exhaust hood cleaning services, helping restaurant operators realize a comfortable working environment and mitigate the risk of fire.



### Grease filters

A grease filter is installed at the inlet of the exhaust path in restaurant kitchens. It reduces grease build-up in the ducts and the risk of fire.

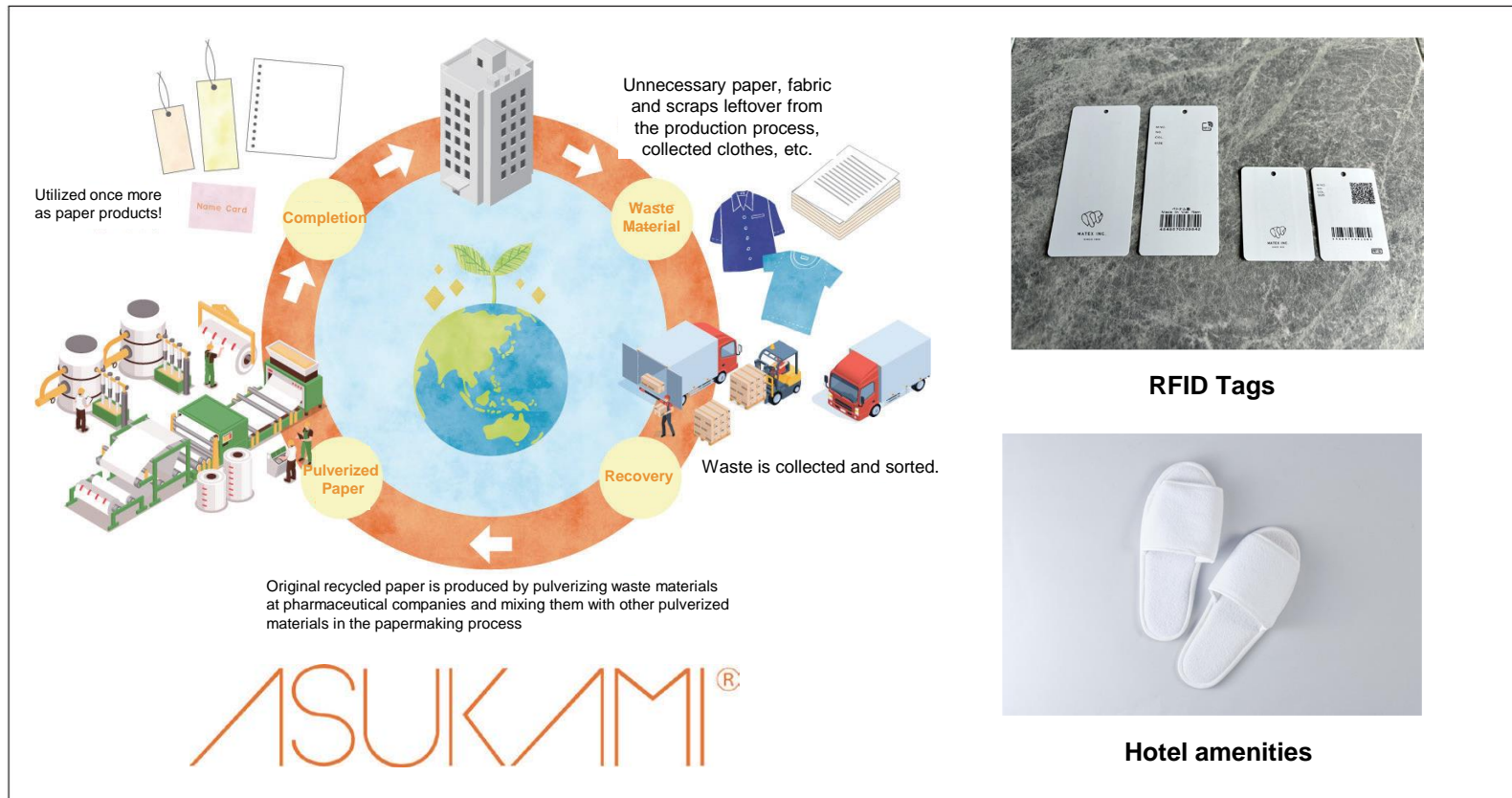


### In-house service center facilities

Filters are changed at restaurants, supermarkets, convenience stores, food factories, etc., and cleaned at in-house service centers. Capital investment will be used to promote the automation of cleaning.

## Group Company: MATEX INC. (Apparel Business)

MATEX's main business is printing. In addition to providing general commercial printing services, the company delivers packaged apparel materials, including labels and tags to be attached to finished products, worldwide. RFID tags are aimed at being sold to various brands. Currently, MATEX is also working on industry-academia collaboration projects using the recycled paper ASUKAMI®.



RFID Tags



Hotel amenities

## Group Company: **MORITO SCOVILL AMERICAS, LLC (Apparel Business)**

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Acquired through M&A in 2014. A manufacturing plant in Georgia, U.S. with over 220 years of history. The company is essential in the production of jeans buttons and rivets, as well as electrocardiogram patches, snap fasteners for medical gowns and workwear, and more. We are aiming to further improve production efficiency through capital investment.



## Group Company: MANEUVERLINE INC. (Product Business)

Imports and sells skateboards, surfboards, snowboards, and other active sports-related products. The company handles a number of brands professional athletes use. Serving as an agency, MANEUVERLINE designs and develops products originating in Japan, and sells products fitted with MORITO Group parts to create a synergistic effect.

[Examples of products handled]





## Group Company: Ms.ID INC. (Apparel Business)

Apparel brands focused around EC. Has strengths in EC-specific marketing know-how, with a total of more than 910,000 followers on social networking sites.

SELECT MOCA

It is a women's apparel brand specializing in EC, with high customer recognition. Offering a good balance between design and price range, the brand has a customer base with a wide-age range, spanning from 20 to early 40s.



TEN.

With its simple yet organic design and high-purity silver materials, this accessory brand is popular among fashion-conscious customers for everyday use.



C.T.plage

It is a knitwear brand originating in Paris and handled by famous stores in European countries.

It features products made of high-end materials offered at affordable prices.



**EC Platform  
Business**

Utilizing its expertise in EC sales, the company is entrusted with EC sales for other brands.

## Group Company: MITSUBOSHI CORPORATION CO., LTD. (Apparel Business)

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.



Generally, Japanese apparel makers require customers to purchase fabrics, threads, labels, tags, etc. as a set in addition to clothing parts. MITSUBOSHI CORPORATION sells sets to manufacturers of workwear, uniforms, etc. based in Hiroshima and Okayama.





## Disclaimer

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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](mailto:ir@morito.co.jp)



# MORITO

Where innovation is the norm