

Morita Holdings Acquires Bronto Skylift Oy Ab

Morita Holdings Corporation (“Morita”) has resolved at its Board of Directors meeting of 11 December 2015, to acquire 100% shares of Bronto Skylift Oy Ab (“Bronto”), a privately owned Finnish company as follows.

1. Purpose and background of the acquisition

Since its establishment in 1907, Morita has continued to develop and produce high quality fire fighting vehicles by catering to the exacting needs of the customers. As a result, Morita has established itself as a dominant leader of this field in Japan. In recent years, however, the Japanese market has reached maturity and expanding its overseas business is essential for the sustainable growth.

Bronto is a leading global provider of truck mounted hydraulic articulated aerial platforms or combined platform ladders (“CPL”) with sales network and operations spanning across more than 100 countries in Europe, North America, Asia, Africa, Oceania, and so on.

Morita believes that integrating Bronto into its group will contribute to the group’s sustainable growth and corporate value improvement through enhancing its overseas fire fighting vehicles business and obtaining Bronto’s state-of-the-art CPL technology.

2. About Bronto

(1)	Company Name	Bronto Skylift Oy Ab	
(2)	Headquarters	Teerivuorenkatu 28, FI-33300 Tampere, Finland	
(3)	Representative	Harry Clayhills, Managing Director	
(4)	Business	Development, manufacture and marketing of aerial platform used for firefighting, rescue and industrial applications	
(5)	Paid in Capital	EUR 1,555,909	
(6)	Year of Establishment	1938	
(7)	Shareholders and ownership	Federal Signal of Europe B.V.	50.1 %
		Federal Signal Corporation	49.9 %
(8)	Relationships to Morita	Capital relationships	n.a.
		Personnel relationships	n.a.
		Trade relationships	n.a.

(9) Consolidated financial results in the past 3 years			(EUR 000's)
Fiscal year	Dec 2012	Dec 2013	Dec 2014
Net Assets	60,339	47,752	50,649
Total Assets	79,252	72,056	88,843
Net Assets per share	59.74	47.28	50.15
Revenue	104,702	104,202	106,633
Operating profit	6,899	6,790	3,298
Net income attributable to parent	5,628	5,830	2,236
Net income per share	5.57	5.77	2.21

The following wholly-owned subsidiaries of Bronto will become consolidated subsidiaries of Morita as a result of this acquisition.

- (1) Bronto Skylift Aktiebolag (Stockholm, Sweden)
- (2) Bronto Skylift AG (Rumlag-Zurich, Switzerland)
- (3) Bronto Skylift Deutschland GmbH (Berghulen, Germany)
- (4) Bronto Skylift, Inc. (Florida, USA)
- (5) Bronton Kiinteistöt Ky (Tampere, Finland)

3. About the Sellers (shareholders of Bronto)

(1)	Company Name	Federal Signal of Europe B.V.	
(2)	Headquarters	Blaak 40 Rotterdam, Zuid-Holland, 3011 TA The Netherlands	
(3)	Representative	John DeLeonardis, Managing Director	
(4)	Business	Holding Company	
(5)	Paid in Capital	EUR 907,560	
(6)	Year of Establishment	1991	
(7)	Net Assets	EUR 47,334,528	
(8)	Total Assets	EUR 47,948,114	
(9)	Shareholders and ownership	Federal Signal Corporation	100%
(10)	Relationships to Morita	Capital relationships	n.a
		Personnel relationships	n.a
		Trade relationships	n.a
		Status as to related parties	n.a

(1)	Company Name	Federal Signal Corporation	
(2)	Headquarters	1415 West 22nd Street, Oak Brook, Illinois, 60523-2004 USA	
(3)	Representative	Dennis J. Martin, President and Chief Executive Officer	
(4)	Business	Design and manufacture of range of products and integrated solutions related to specialty vehicles and public safety equipment for municipal, governmental, industrial and commercial customers	
(5)	Paid in Capital	USD 64.8 million	
(6)	Year of Establishment	1901	
(7)	Net Assets	USD 372 million	
(8)	Total Assets	USD 658 million	
(9)	Shareholders and ownership (as of 30 September 2015)	Royce & Associates, LLC	7.69%
		Franklin Mutual Advisers, LLC	7.50%
		Dimensional Fund Advisors, Inc.	6.32%
		BlackRock Fund Advisors	5.90%
		Franklin Mutual Shares Z	5.38%
		Vanguard Group, Inc.	4.39%
		Fidelity Management and Research Company	3.39%
		Fidelity Advisor® Small Cap A	2.88%
		Heartland Advisors, Inc.	2.29%
State Street Corp	2.21%		
(10)	Relationships to Morita	Capital relationships	n.a
		Personnel relationships	n.a
		Trade relationships	n.a
		Status as to related parties	n.a

4. Number of acquiring shares, purchase price and changes in shareholdings

(1)	Number of shares held prior to the Acquisition	0 shares (number of voting rights: 0 units) (shareholding ratio: 0%)	
(2)	Number of shares to be subscribed	1,010 shares (number of voting rights: 1,010 (1 vote per share))	
(3)	Purchase price	Common shares of Bronto	JPY 10,184 million
		Other expenditures	JPY 300 million
		Total (estimated)	JPY 10,484 million
(4)	Number of shares held after the acquisition	1,010 shares (number of voting rights: 1,010 (1 vote per share)) (shareholding ratio: 100%)	

5. Schedule

(1)	Board resolution	11 December 2015
(2)	Share Purchase Agreement	11 December 2015
(3)	Transfer of Shares	29 January 2016 (planned)

6. Effect on financial performance for the current fiscal year

The acquisition is expected to have no significant impact on Morita's consolidated financial performance for the fiscal year ending 31 March 2016.

About Morita

"To save as many lives as possible"—this has been a goal continuously inherited to the present within the Morita Group since its establishment in 1907. Always reflecting the latest technologies, we develop and produce products that help make a safe and secure society for all, ranging from fire trucks for use at various types of disaster sites and disaster-related products including fire extinguishers which are indispensable for suppressing fire, to recycle facility equipment and plants and vehicles designed for environmental protection such as waste collection trucks which support environmental health. Our products support and protect many aspects of people's lives.

Contacts
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