

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 9, 2024

Company name: Japan Transcity Corporation
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 9310 URL <https://www.trancy.co.jp>
 Representative: President and Representative Director Hitoshi Ando
 Finance & Accounting Dept. General Manager Ritsuko Kato TEL 059-363-5211
 Scheduled date to file Quarterly Securities Report: February 13, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	93,073	(6.9)	5,145	(21.5)	6,173	(24.4)	4,120	(26.7)
Nine months ended December 31, 2022	100,010	15.6	6,553	23.3	8,162	26.1	5,618	24.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	64.40		–	
Nine months ended December 31, 2022	87.38		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	155,752	85,824	52.8
As of March 31, 2023	137,166	79,742	55.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	5.50	–	6.00	11.50
Year ending March 31, 2024	–	6.00	–		
Year ending March 31, 2024 (Forecast)				6.00	12.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	123,000	(8.3)	6,000	(17.2)	7,000	(22.2)	4,600	(25.3)	71.90

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	67,142,417 shares	As of March 31, 2023	67,142,417 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	3,460,811 shares	As of March 31, 2023	2,897,602 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	63,975,017 shares	Nine months ended December 31, 2022	64,304,202 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	19,814	21,666
Notes and accounts receivable - trade and contract assets	18,717	18,415
Inventories	206	270
Other	2,905	3,866
Allowance for doubtful accounts	(67)	(67)
Total current assets	41,577	44,150
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	30,677	40,974
Land	32,291	34,423
Other, net	7,667	8,089
Total property, plant and equipment	70,636	83,488
Intangible assets	1,122	1,400
Investments and other assets		
Investment securities	17,720	20,630
Other	6,122	6,094
Allowance for doubtful accounts	(11)	(11)
Total investments and other assets	23,830	26,713
Total non-current assets	95,589	111,601
Total assets	137,166	155,752

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Trade accounts payable	10,472	9,670
Short-term borrowings	2,457	2,369
Current portion of long-term borrowings	5,174	5,376
Income taxes payable	1,417	413
Provision for bonuses	1,238	676
Other	4,368	3,916
Total current liabilities	25,128	22,423
Non-current liabilities		
Bonds payable	–	8,000
Long-term borrowings	20,042	26,725
Deferred tax liabilities for land revaluation	3,694	3,694
Retirement benefit liability	2,134	2,163
Long-term guarantee deposits	2,075	2,061
Other	4,349	4,859
Total non-current liabilities	32,296	47,504
Total liabilities	57,424	69,928
Net assets		
Shareholders' equity		
Share capital	8,428	8,428
Capital surplus	6,822	6,870
Retained earnings	59,332	62,681
Treasury shares	(1,154)	(1,555)
Total shareholders' equity	73,428	76,424
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,142	5,050
Revaluation reserve for land	(1,364)	(1,364)
Foreign currency translation adjustment	822	1,552
Remeasurements of defined benefit plans	580	507
Total accumulated other comprehensive income	3,181	5,746
Non-controlling interests	3,132	3,652
Total net assets	79,742	85,824
Total liabilities and net assets	137,166	155,752

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	100,010	93,073
Cost of sales	88,489	82,573
Gross profit	11,520	10,499
Selling, general and administrative expenses	4,967	5,354
Operating profit	6,553	5,145
Non-operating income		
Interest income	12	37
Dividend income	401	389
Share of profit of entities accounted for using equity method	741	462
Foreign exchange gains	432	252
Other	115	79
Total non-operating income	1,703	1,222
Non-operating expenses		
Interest expenses	81	100
Interest expenses on bonds	–	21
Bond issuance costs	–	43
Other	12	28
Total non-operating expenses	94	194
Ordinary profit	8,162	6,173
Extraordinary income		
Gain on disposal of non-current assets	24	14
Gain on sale of investment securities	9	50
Other	–	2
Total extraordinary income	33	68
Extraordinary losses		
Loss on disposal of non-current assets	52	34
Impairment losses	–	67
Total extraordinary losses	52	102
Profit before income taxes	8,143	6,138
Income taxes	2,190	1,730
Profit	5,952	4,408
Profit attributable to non-controlling interests	333	288
Profit attributable to owners of parent	5,618	4,120

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	5,952	4,408
Other comprehensive income		
Valuation difference on available-for-sale securities	401	1,918
Foreign currency translation adjustment	1,084	891
Remeasurements of defined benefit plans, net of tax	(70)	(72)
Share of other comprehensive income of entities accounted for using equity method	52	37
Total other comprehensive income	1,467	2,775
Comprehensive income	7,419	7,183
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,856	6,686
Comprehensive income attributable to non-controlling interests	562	496