

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 10, 2021

Company name: ISEWAN TERMINAL SERVICE CO.,LTD.
 Stock exchange listing: Nagoya
 Stock code: 9359 URL <https://www.isewan.co.jp/>
 Representative: President Masanobu Takami
 Inquiries: Executive Managing Director Akihiko Takahashi TEL 052-661-5181
 Scheduled date to file Quarterly Securities Report: August 13, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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	%
Three months ended June 30, 2021	11,364	–	489	–	711	–	447	–
Three months ended June 30, 2020	10,227	(17.8)	(10)	–	(149)	–	(120)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	18.04		–	
Three months ended June 30, 2020	(4.84)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	45,638	35,322	74.9
As of March 31, 2021	44,859	34,984	75.5

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, 2021	–	11.00	–	12.00	23.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	11.00	–	11.00	22.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Six months ending September 30, 2021	21,400	4.9	870	428.0	1,120	236.5	730	253.6	29.43
Full year	43,500	4.2	1,870	96.0	2,350	80.5	1,530	85.0	61.68

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
 (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: No
- (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 June 30, 2021	27,487,054 shares	As of March 31, 2021	27,487,054 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	2,681,564 shares	As of March 31, 2021	2,681,341 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	24,805,601 shares	Three months ended June 30, 2020	24,805,763 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	9,794,605	10,147,387
Notes and accounts receivable - trade	6,955,176	–
Notes and accounts receivable - trade, and contract assets	–	7,239,502
Other	1,096,508	1,490,072
Allowance for doubtful accounts	(11,522)	(10,708)
Total current assets	17,834,768	18,866,253
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,382,623	6,326,055
Machinery, equipment and vehicles, net	860,978	863,077
Land	12,901,649	12,981,399
Leased assets, net	126,147	124,962
Construction in progress	2,732	1,658
Other, net	443,535	420,005
Total property, plant and equipment	20,717,666	20,717,159
Intangible assets		
Other	112,965	106,865
Total intangible assets	112,965	106,865
Investments and other assets		
Investment securities	4,031,260	3,964,238
Investments in capital	1,760	1,760
Long-term loans receivable	723,549	659,506
Deferred tax assets	1,039,047	895,471
Other	468,783	459,651
Allowance for doubtful accounts	(69,997)	(32,056)
Total investments and other assets	6,194,403	5,948,572
Total non-current assets	27,025,036	26,772,596
Total assets	44,859,805	45,638,849

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Accounts payable - trade	3,170,704	3,158,107
Short-term borrowings	66,396	466,584
Current portion of long-term borrowings	16,245	17,460
Lease obligations	161,252	146,501
Income taxes payable	221,467	104,338
Provision for bonuses	854,417	427,833
Other	1,191,581	1,808,236
Total current liabilities	5,682,064	6,129,060
Non-current liabilities		
Long-term borrowings	158,036	152,892
Lease obligations	256,633	253,426
Retirement benefit liability	3,458,994	3,493,361
Asset retirement obligations	216,063	185,531
Other	103,281	102,075
Total non-current liabilities	4,193,009	4,187,288
Total liabilities	9,875,074	10,316,348
Net assets		
Shareholders' equity		
Share capital	2,046,941	2,046,941
Capital surplus	1,464,060	1,464,060
Retained earnings	30,741,657	30,881,878
Treasury shares	(1,218,319)	(1,218,478)
Total shareholders' equity	33,034,340	33,174,401
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,208,431	1,174,365
Foreign currency translation adjustment	(426,782)	(233,143)
Remeasurements of defined benefit plans	73,967	70,884
Total accumulated other comprehensive income	855,615	1,012,106
Non-controlling interests	1,094,775	1,135,992
Total net assets	34,984,731	35,322,500
Total liabilities and net assets	44,859,805	45,638,849

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	10,227,825	11,364,906
Cost of sales	8,334,819	8,893,840
Gross profit	1,893,005	2,471,065
Selling, general and administrative expenses	1,903,931	1,981,920
Operating profit (loss)	(10,925)	489,144
Non-operating income		
Interest income	13,335	9,457
Dividend income	34,081	33,709
Foreign exchange gains	–	91,264
Share of profit of entities accounted for using equity method	11,217	15,848
Rental income	26,930	26,143
Other	37,691	51,650
Total non-operating income	123,256	228,074
Non-operating expenses		
Interest expenses	2,982	3,181
Foreign exchange losses	257,524	–
Depreciation	1,021	901
Other	390	1,206
Total non-operating expenses	261,919	5,288
Ordinary profit (loss)	(149,588)	711,929
Extraordinary income		
Gain on sale of non-current assets	267	2,297
Total extraordinary income	267	2,297
Extraordinary losses		
Loss on sale of non-current assets	–	16
Loss on retirement of non-current assets	0	0
Loss on valuation of membership	–	150
Total extraordinary losses	0	166
Profit (loss) before income taxes	(149,320)	714,060
Income taxes - current	19,401	78,408
Income taxes - deferred	21,544	136,081
Total income taxes	40,946	214,489
Profit (loss)	(190,266)	499,571
Profit (loss) attributable to non-controlling interests	(70,113)	52,109
Profit (loss) attributable to owners of parent	(120,153)	447,462

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	(190,266)	499,571
Other comprehensive income		
Valuation difference on available-for-sale securities	201,565	(32,218)
Foreign currency translation adjustment	(530,691)	193,198
Remeasurements of defined benefit plans, net of tax	9,832	(3,082)
Share of other comprehensive income of entities accounted for using equity method	4,216	(1,342)
Total other comprehensive income	(315,076)	156,555
Comprehensive income	(505,343)	656,127
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(433,086)	603,953
Comprehensive income attributable to non-controlling interests	(72,256)	52,174