

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 9, 2022

Company name: Konoike Transport Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 9025 URL <https://www.konoike.net/>
 Representative: Representative Director, Chairman, President and Chief Executive Officer Tadahiko Konoike
 Executive Officer, Executive General
 Inquiries: Manager of Finance/Accounting Division Kazuo Ofuchi TEL 06-6227-4600
 Scheduled date to file Quarterly Securities Report: February 9, 2022
 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, 2021 (from April 1, 2021 to December 31, 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	%
Nine months ended December 31, 2021	223,255	1.7	8,523	131.5	9,661	21.2	7,110	43.6
Nine months ended December 31, 2020	219,625	(7.3)	3,681	(60.4)	7,969	(16.8)	4,950	(21.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	134.80		134.47	
Nine months ended December 31, 2020	94.31		93.77	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	261,626	111,176	41.6	2,057.46
As of March 31, 2021	258,798	104,798	39.2	1,934.62

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2021	–	9.00	–	11.00	20.00
Year ending March 31, 2022	–	11.00	–		
Year ending March 31, 2022 (Forecast)				18.00	29.00

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
Full year	298,000	1.9	9,500	137.6	10,700	13.9	6,300	30.3	119.43

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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 December 31, 2021	56,952,442 shares	As of March 31, 2021	56,952,442 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	4,036,193 shares	As of March 31, 2021	4,459,211 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, 2021	52,749,489 shares	Nine months ended December 31, 2020	52,493,067 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	63,397	60,973
Notes and accounts receivable - trade	55,032	–
Notes and accounts receivable - trade, and contract assets	–	61,375
Costs on uncompleted works	85	172
Supplies	1,552	1,579
Other	3,519	4,227
Allowance for doubtful accounts	(385)	(436)
Total current assets	123,202	127,891
Non-current assets		
Property, plant and equipment		
Buildings and structures	114,967	119,161
Accumulated depreciation	(71,327)	(73,655)
Buildings and structures, net	43,639	45,506
Machinery, equipment and vehicles	48,949	50,454
Accumulated depreciation	(40,123)	(39,967)
Machinery, equipment and vehicles, net	8,825	10,487
Land	41,908	42,004
Leased assets	7,769	6,421
Accumulated depreciation	(3,828)	(2,794)
Leased assets, net	3,941	3,626
Construction in progress	3,118	758
Other	8,991	9,272
Accumulated depreciation	(7,480)	(7,610)
Other, net	1,511	1,662
Total property, plant and equipment	102,946	104,045
Intangible assets		
Goodwill	2,080	1,863
Other	4,183	4,071
Total intangible assets	6,264	5,935
Investments and other assets		
Investment securities	13,296	11,685
Long-term loans receivable	398	384
Deferred tax assets	5,382	4,634
Retirement benefit asset	193	188
Other	7,280	7,019
Allowance for doubtful accounts	(165)	(158)
Total investments and other assets	26,385	23,754
Total non-current assets	135,595	133,734
Total assets	258,798	261,626

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,446	15,140
Short-term borrowings	7,883	6,009
Current portion of bonds payable	10,000	10,000
Current portion of long-term borrowings	1,697	2,484
Provision for bonuses for directors (and other officers)	126	162
Accrued expenses	11,277	8,012
Income taxes payable	2,374	806
Other	11,668	14,236
Total current liabilities	59,473	56,851
Non-current liabilities		
Bonds payable	55,000	55,000
Long-term borrowings	10,176	8,963
Lease obligations	2,235	2,902
Deferred tax liabilities	601	617
Deferred tax liabilities for land revaluation	1,293	1,257
Retirement benefit liability	21,092	21,502
Provision for directors' retirement benefits	138	145
Long-term accounts payable - other	1,542	637
Other	2,443	2,571
Total non-current liabilities	94,525	93,597
Total liabilities	153,999	150,449
Net assets		
Shareholders' equity		
Share capital	1,723	1,723
Capital surplus	1,908	1,908
Retained earnings	107,728	113,605
Treasury shares	(7,288)	(6,596)
Total shareholders' equity	104,072	110,641
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,277	3,671
Revaluation reserve for land	(5,030)	(5,111)
Foreign currency translation adjustment	(510)	667
Remeasurements of defined benefit plans	(1,253)	(995)
Total accumulated other comprehensive income	(2,517)	(1,767)
Share acquisition rights	459	–
Non-controlling interests	2,784	2,303
Total net assets	104,798	111,176
Total liabilities and net assets	258,798	261,626

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, 2020	Nine months ended December 31, 2021
Net sales	219,625	223,255
Cost of sales	204,778	203,320
Gross profit	14,847	19,935
Selling, general and administrative expenses	11,165	11,412
Operating profit	3,681	8,523
Non-operating income		
Interest income	77	43
Dividend income	268	287
Rental income	112	108
Foreign exchange gains	–	61
Subsidies for employment adjustment	3,956	947
Other	634	265
Total non-operating income	5,049	1,714
Non-operating expenses		
Interest expenses	172	225
Share of loss of entities accounted for using equity method	251	226
Loss on valuation of investment securities	1	6
Foreign exchange losses	118	–
Other	217	117
Total non-operating expenses	760	576
Ordinary profit	7,969	9,661
Extraordinary income		
Gain on sale of non-current assets	59	219
Gain on sale of investment securities	0	1,054
Other	–	47
Total extraordinary income	59	1,321
Extraordinary losses		
Loss on sale and retirement of non-current assets	67	53
Loss on valuation of investment securities	3	9
Loss on valuation of investments in capital of subsidiaries and associates	73	–
Impairment losses	74	382
Other	2	41
Total extraordinary losses	222	487
Profit before income taxes	7,807	10,495
Income taxes - current	1,864	2,601
Income taxes - deferred	1,100	901
Total income taxes	2,964	3,503
Profit	4,843	6,992
Loss attributable to non-controlling interests	(107)	(118)
Profit attributable to owners of parent	4,950	7,110

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	4,843	6,992
Other comprehensive income		
Valuation difference on available-for-sale securities	1,503	(606)
Foreign currency translation adjustment	(738)	1,161
Remeasurements of defined benefit plans, net of tax	1,249	234
Share of other comprehensive income of entities accounted for using equity method	31	62
Total other comprehensive income	2,045	851
Comprehensive income	6,888	7,843
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,075	7,941
Comprehensive income attributable to non-controlling interests	(186)	(98)