

Translation

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

February 10, 2022

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: February 14, 2022  
 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 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	37,679	–	2,015	–	2,356	–	1,488	–
Nine months ended December 31, 2020	30,940	(15.1)	593	(68.9)	729	(68.6)	464	(68.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	59.99		–	
Nine months ended December 31, 2020	18.71		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	47,082	36,114	74.3
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	–	11.00	–		
Year ending March 31, 2022 (Forecast)				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
Full year	50,000	19.7	2,500	162.0	2,900	122.8	1,850	123.7	74.58

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): 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 December 31, 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 December 31, 2021	2,681,595 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)

Nine months ended December 31, 2021	24,805,522 shares	Nine months ended December 31, 2020	24,805,733 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	9,794,605	10,839,122
Notes and accounts receivable - trade	6,955,176	–
Notes and accounts receivable - trade, and contract assets	–	7,796,253
Other	1,096,508	1,844,287
Allowance for doubtful accounts	(11,522)	(10,896)
<b>Total current assets</b>	<b>17,834,768</b>	<b>20,468,765</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	6,382,623	6,097,230
Machinery, equipment and vehicles, net	860,978	941,852
Land	12,901,649	12,959,312
Leased assets, net	126,147	135,041
Construction in progress	2,732	–
Other, net	443,535	399,166
<b>Total property, plant and equipment</b>	<b>20,717,666</b>	<b>20,532,603</b>
<b>Intangible assets</b>		
Other	112,965	99,330
<b>Total intangible assets</b>	<b>112,965</b>	<b>99,330</b>
<b>Investments and other assets</b>		
Investment securities	4,031,260	3,965,185
Investments in capital	1,760	1,760
Long-term loans receivable	723,549	649,886
Deferred tax assets	1,039,047	959,588
Other	468,783	437,004
Allowance for doubtful accounts	(69,997)	(31,458)
<b>Total investments and other assets</b>	<b>6,194,403</b>	<b>5,981,966</b>
<b>Total non-current assets</b>	<b>27,025,036</b>	<b>26,613,899</b>
<b>Total assets</b>	<b>44,859,805</b>	<b>47,082,665</b>

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	3,170,704	3,381,638
Short-term borrowings	66,396	391,584
Current portion of long-term borrowings	16,245	17,590
Lease obligations	161,252	117,248
Income taxes payable	221,467	460,806
Provision for bonuses	854,417	439,217
Other	1,191,581	1,873,742
<b>Total current liabilities</b>	<b>5,682,064</b>	<b>6,681,827</b>
<b>Non-current liabilities</b>		
Long-term borrowings	158,036	153,697
Lease obligations	256,633	256,374
Retirement benefit liability	3,458,994	3,586,408
Asset retirement obligations	216,063	187,682
Other	103,281	102,166
<b>Total non-current liabilities</b>	<b>4,193,009</b>	<b>4,286,329</b>
<b>Total liabilities</b>	<b>9,875,074</b>	<b>10,968,157</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,046,941	2,046,941
Capital surplus	1,464,060	1,464,060
Retained earnings	30,741,657	31,637,458
Treasury shares	(1,218,319)	(1,218,501)
<b>Total shareholders' equity</b>	<b>33,034,340</b>	<b>33,929,958</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,208,431	1,153,239
Foreign currency translation adjustment	(426,782)	(149,109)
Remeasurements of defined benefit plans	73,967	64,720
<b>Total accumulated other comprehensive income</b>	<b>855,615</b>	<b>1,068,850</b>
<b>Non-controlling interests</b>	<b>1,094,775</b>	<b>1,115,698</b>
<b>Total net assets</b>	<b>34,984,731</b>	<b>36,114,507</b>
<b>Total liabilities and net assets</b>	<b>44,859,805</b>	<b>47,082,665</b>

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

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	30,940,047	37,679,313
Cost of sales	24,678,156	29,646,316
Gross profit	6,261,891	8,032,997
Selling, general and administrative expenses	5,668,587	6,017,019
Operating profit	593,304	2,015,977
Non-operating income		
Interest income	39,856	29,091
Dividend income	58,222	74,006
Share of profit of entities accounted for using equity method	26,158	37,210
Rental income	79,639	78,765
Other	147,542	142,267
Total non-operating income	351,419	361,342
Non-operating expenses		
Interest expenses	8,701	9,816
Foreign exchange losses	201,983	6,083
Depreciation	3,064	2,703
Other	1,226	1,946
Total non-operating expenses	214,975	20,549
Ordinary profit	729,747	2,356,770
Extraordinary income		
Gain on sale of non-current assets	3,115	4,303
Gain on sale of investment securities	5,500	1,332
Total extraordinary income	8,615	5,635
Extraordinary losses		
Loss on sale of non-current assets	–	16
Loss on retirement of non-current assets	8,794	3,082
Impairment losses	–	24,662
Loss on valuation of investment securities	3,145	–
Loss on valuation of membership	–	150
Total extraordinary losses	11,940	27,911
Profit before income taxes	726,423	2,334,493
Income taxes - current	172,795	710,949
Income taxes - deferred	135,062	92,012
Total income taxes	307,858	802,961
Profit	418,565	1,531,532
Profit (loss) attributable to non-controlling interests	(45,531)	43,326
Profit attributable to owners of parent	464,096	1,488,206

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	418,565	1,531,532
Other comprehensive income		
Valuation difference on available-for-sale securities	452,081	(53,299)
Foreign currency translation adjustment	(385,460)	281,114
Remeasurements of defined benefit plans, net of tax	29,497	(9,246)
Share of other comprehensive income of entities accounted for using equity method	7,442	(1,280)
Total other comprehensive income	103,561	217,287
Comprehensive income	522,126	1,748,820
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	570,880	1,701,440
Comprehensive income attributable to non-controlling interests	(48,754)	47,379