

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 13, 2022

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.
 Inquiries: General Manager Masayuki Nagato TEL 059-363-5211
 Scheduled date of ordinary general meeting of shareholders: June 29, 2022
 Scheduled date to file Securities Report: June 29, 2022
 Scheduled date to commence dividend payments: June 30, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

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	%
Year ended March 31, 2022	116,750	15.4	6,669	50.2	8,368	58.2	5,597	20.7
Year ended March 31, 2021	101,173	(0.4)	4,441	33.1	5,290	17.8	4,636	52.8

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	87.14	–	8.3	6.6	5.7
Year ended March 31, 2021	72.29	–	7.5	4.3	4.4

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	129,886	72,778	54.1	1,091.82
As of March 31, 2021	125,526	66,981	51.5	1,008.72

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	7,261	(2,518)	(3,593)	13,737
Year ended March 31, 2021	8,623	(3,477)	(3,412)	12,313

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	5.00	–	5.00	10.00	641	13.8	1.0
Year ended March 31, 2022	–	5.00	–	5.50	10.50	675	12.0	1.0
Year ending March 31, 2023 (Forecast)	–	5.50	–	5.50	11.00		14.4	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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, 2022	60,100	7.8	3,000	(11.6)	3,600	(13.6)	2,600	(11.2)	40.47
Full year	114,000	(2.4)	5,700	(14.5)	6,900	(17.5)	4,900	(12.5)	76.28

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2022	67,142,417 shares	As of March 31, 2021	67,142,417 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	2,838,228 shares	As of March 31, 2021	3,008,216 shares
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Average number of shares during the period

Year ended March 31, 2022	64,238,859 shares	Year ended March 31, 2021	64,134,772 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	13,352	14,567
Notes and accounts receivable-trade	15,719	–
Notes and accounts receivable - trade and contract assets	–	18,125
Inventories	159	183
Other	1,964	3,199
Allowance for doubtful accounts	(59)	(81)
Total current assets	31,136	35,993
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,306	31,722
Machinery, equipment and vehicles, net	4,254	4,116
Land	32,299	32,269
Construction in progress	687	364
Other, net	2,178	2,026
Total property, plant and equipment	71,726	70,499
Intangible assets	1,325	1,048
Investments and other assets		
Investment securities	15,806	16,552
Deferred tax assets	814	863
Retirement benefit asset	3,721	3,961
Other	1,010	981
Allowance for doubtful accounts	(15)	(14)
Total investments and other assets	21,338	22,344
Total non-current assets	94,390	93,892
Total assets	125,526	129,886

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Trade notes and accounts payable	9,684	10,045
Short-term borrowings	2,370	2,370
Current portion of long-term borrowings	3,372	7,894
Income taxes payable	883	985
Provision for bonuses	1,139	1,192
Other	3,878	3,995
Total current liabilities	21,327	26,482
Non-current liabilities		
Long-term borrowings	26,410	19,416
Deferred tax liabilities	1,455	2,008
Deferred tax liabilities for land revaluation	3,705	3,694
Retirement benefit liability	2,107	2,128
Long-term guarantee deposits	2,244	2,167
Other	1,292	1,208
Total non-current liabilities	37,216	30,624
Total liabilities	58,544	57,107
Net assets		
Shareholders' equity		
Share capital	8,428	8,428
Capital surplus	6,788	6,822
Retained earnings	48,915	53,883
Treasury shares	(1,186)	(1,119)
Total shareholders' equity	62,945	68,014
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,509	2,710
Revaluation reserve for land	(1,338)	(1,364)
Foreign currency translation adjustment	43	296
Remeasurements of defined benefit plans	533	550
Total accumulated other comprehensive income	1,747	2,194
Non-controlling interests	2,288	2,570
Total net assets	66,981	72,778
Total liabilities and net assets	125,526	129,886

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	101,173	116,750
Cost of sales	90,682	103,775
Gross profit	10,490	12,974
Selling, general and administrative expenses	6,049	6,305
Operating profit	4,441	6,669
Non-operating income		
Interest income	35	22
Dividend income	324	494
Share of profit of entities accounted for using equity method	542	873
Foreign exchange gains	–	242
Other	140	187
Total non-operating income	1,042	1,820
Non-operating expenses		
Interest expenses	140	115
Commission for syndicated loans	21	–
Foreign exchange losses	20	–
Other	12	5
Total non-operating expenses	194	121
Ordinary profit	5,290	8,368
Extraordinary income		
Gain on disposal of non-current assets	36	30
Other	0	1
Total extraordinary income	37	31
Extraordinary losses		
Loss on disposal of non-current assets	96	275
Impairment losses	111	52
Loss on liquidation of subsidiaries and associates	159	–
Other	0	–
Total extraordinary losses	367	328
Profit before income taxes	4,959	8,072
Income taxes - current	1,364	1,805
Income taxes - deferred	(1,170)	400
Total income taxes	193	2,206
Profit	4,765	5,865
Profit attributable to non-controlling interests	129	267
Profit attributable to owners of parent	4,636	5,597

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	4,765	5,865
Other comprehensive income		
Valuation difference on available-for-sale securities	1,188	201
Foreign currency translation adjustment	(246)	255
Remeasurements of defined benefit plans, net of tax	918	17
Share of other comprehensive income of entities accounted for using equity method	0	17
Total other comprehensive income	1,860	491
Comprehensive income	6,626	6,357
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,562	6,070
Comprehensive income attributable to non-controlling interests	64	287

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,428	6,785	44,919	(1,185)	58,946
Retrospective restatement			0		0
Restated balance	8,428	6,785	44,919	(1,185)	58,947
Changes during period					
Dividends of surplus			(641)		(641)
Profit attributable to owners of parent			4,636		4,636
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					
Purchase of shares of consolidated subsidiaries		2			2
Reversal of revaluation reserve for land					
Net changes in items other than shareholders' equity					
Total changes during period		2	3,995	(0)	3,997
Balance at end of period	8,428	6,788	48,915	(1,186)	62,945

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,329	(1,338)	214	(384)	(178)	2,230	60,998
Retrospective restatement							0
Restated balance	1,329	(1,338)	214	(384)	(178)	2,230	60,999
Changes during period							
Dividends of surplus							(641)
Profit attributable to owners of parent							4,636
Purchase of treasury shares							(0)
Disposal of treasury shares							
Purchase of shares of consolidated subsidiaries							2
Reversal of revaluation reserve for land							
Net changes in items other than shareholders' equity	1,179		(171)	918	1,925	58	1,984
Total changes during period	1,179		(171)	918	1,925	58	5,982
Balance at end of period	2,509	(1,338)	43	533	1,747	2,288	66,981

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,428	6,788	48,915	(1,186)	62,945
Cumulative effects of changes in accounting policies			(12)		(12)
Restated balance	8,428	6,788	48,902	(1,186)	62,932
Changes during period					
Dividends of surplus			(642)		(642)
Profit attributable to owners of parent			5,597		5,597
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		31		67	99
Purchase of shares of consolidated subsidiaries		1			1
Reversal of revaluation reserve for land			25		25
Net changes in items other than shareholders' equity					
Total changes during period	-	33	4,981	66	5,081
Balance at end of period	8,428	6,822	53,883	(1,119)	68,014

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,509	(1,338)	43	533	1,747	2,288	66,981
Cumulative effects of changes in accounting policies							(12)
Restated balance	2,509	(1,338)	43	533	1,747	2,288	66,969
Changes during period							
Dividends of surplus							(642)
Profit attributable to owners of parent							5,597
Purchase of treasury shares							(0)
Disposal of treasury shares							99
Purchase of shares of consolidated subsidiaries							1
Reversal of revaluation reserve for land							25
Net changes in items other than shareholders' equity	201	(25)	253	17	446	281	727
Total changes during period	201	(25)	253	17	446	281	5,809
Balance at end of period	2,710	(1,364)	296	550	2,194	2,570	72,778

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	4,959	8,072
Depreciation	4,467	4,516
Impairment losses	111	52
Increase (decrease) in retirement benefit liability	103	61
Decrease (increase) in retirement benefit asset	(74)	(257)
Loss (gain) on disposal of non-current assets	59	245
Loss on liquidation of subsidiaries and associates	159	–
Interest and dividend income	(359)	(517)
Interest expenses	140	115
Share of loss (profit) of entities accounted for using equity method	(542)	(873)
Decrease (increase) in trade receivables	(1,497)	(2,166)
Increase (decrease) in trade payables	610	208
Decrease (increase) in inventories	0	(24)
Increase (decrease) in accrued consumption taxes	924	(506)
Other, net	(190)	(852)
Subtotal	8,872	8,075
Interest and dividends received	730	971
Interest paid	(141)	(116)
Income taxes paid	(837)	(1,669)
Net cash provided by (used in) operating activities	8,623	7,261
Cash flows from investing activities		
Payments into time deposits	(515)	(1)
Proceeds from withdrawal of time deposits	412	207
Purchase of property, plant and equipment and intangible assets	(3,339)	(2,585)
Proceeds from sale of property, plant and equipment and intangible assets	34	46
Purchase of investment securities	(133)	(26)
Proceeds from sale of investment securities	1	6
Loan advances	(85)	(319)
Proceeds from collection of loans receivable	50	138
Other, net	97	16
Net cash provided by (used in) investing activities	(3,477)	(2,518)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	100	–
Proceeds from long-term borrowings	3,650	900
Repayments of long-term borrowings	(6,021)	(3,372)
Purchase of treasury shares	(0)	(0)
Dividends paid	(641)	(642)
Repayments of lease liabilities	(442)	(422)
Other, net	(56)	(56)
Net cash provided by (used in) financing activities	(3,412)	(3,593)
Effect of exchange rate change on cash and cash equivalents	(60)	274
Net increase (decrease) in cash and cash equivalents	1,673	1,423
Cash and cash equivalents at beginning of period	10,640	12,313
Cash and cash equivalents at end of period	12,313	13,737