

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 10, 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 General Manager of Finance/Accounting Division Yoshihito Nakanishi TEL 06-6227-4600
 Scheduled date to file Quarterly Securities Report: August 10, 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	76,471	6.3	3,441	12.2	3,967	12.8	2,439	(10.8)
Three months ended June 30, 2021	71,909	1.5	3,065	284.4	3,515	148.0	2,733	175.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	46.10		–	
Three months ended June 30, 2021	52.01		51.73	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2022	261,681	116,144	43.5	2,149.66
As of March 31, 2022	257,764	113,291	43.0	2,096.38

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, 2022	–	11.00	–	18.00	29.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	18.00	–	18.00	36.00

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	149,000	2.5	5,400	1.4	5,500	(10.1)	3,500	(20.3)	66.30
Full year	301,000	(0.1)	11,000	6.9	11,100	(6.3)	6,700	(16.1)	126.92

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
 (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: No
- 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, 2022	56,952,442 shares	As of March 31, 2022	56,952,442 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	4,036,193 shares	As of March 31, 2022	4,036,193 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, 2022	52,916,249 shares	Three months ended June 30, 2021	52,556,020 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	59,092	61,915
Notes and accounts receivable - trade, and contract assets	59,713	58,288
Costs on construction contracts in progress	71	151
Supplies	1,591	1,687
Other	3,739	4,800
Allowance for doubtful accounts	(308)	(275)
Total current assets	123,899	126,568
Non-current assets		
Property, plant and equipment		
Buildings and structures	117,917	119,152
Accumulated depreciation	(73,119)	(74,298)
Buildings and structures, net	44,797	44,853
Machinery, equipment and vehicles	50,714	51,429
Accumulated depreciation	(39,915)	(40,430)
Machinery, equipment and vehicles, net	10,799	10,998
Land	41,661	41,894
Leased assets	5,700	5,677
Accumulated depreciation	(2,685)	(2,802)
Leased assets, net	3,015	2,875
Construction in progress	657	736
Other	9,077	9,217
Accumulated depreciation	(7,385)	(7,576)
Other, net	1,692	1,641
Total property, plant and equipment	102,623	102,999
Intangible assets		
Goodwill	1,800	1,742
Other	4,158	4,508
Total intangible assets	5,959	6,251
Investments and other assets		
Investment securities	12,290	11,968
Long-term loans receivable	345	324
Deferred tax assets	5,676	6,615
Retirement benefit asset	170	161
Other	6,975	6,948
Allowance for doubtful accounts	(176)	(157)
Total investments and other assets	25,281	25,861
Total non-current assets	133,864	135,112
Total assets	257,764	261,681

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,618	15,209
Short-term borrowings	4,949	4,973
Current portion of long-term borrowings	2,620	2,619
Provision for bonuses for directors (and other officers)	320	60
Accrued expenses	11,652	14,898
Income taxes payable	2,716	2,425
Other	11,131	11,971
Total current liabilities	51,010	52,158
Non-current liabilities		
Bonds payable	55,000	55,000
Long-term borrowings	9,107	9,028
Lease liabilities	2,693	2,585
Deferred tax liabilities	492	461
Deferred tax liabilities for land revaluation	1,219	1,165
Retirement benefit liability	21,502	21,759
Provision for directors' retirement benefits	142	99
Long-term accounts payable - other	682	679
Other	2,622	2,599
Total non-current liabilities	93,462	93,377
Total liabilities	144,472	145,536
Net assets		
Shareholders' equity		
Share capital	1,723	1,723
Capital surplus	1,908	1,908
Retained earnings	114,564	116,173
Treasury shares	(6,596)	(6,596)
Total shareholders' equity	111,599	113,208
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,054	3,819
Revaluation reserve for land	(5,182)	(5,303)
Foreign currency translation adjustment	1,328	2,818
Remeasurements of defined benefit plans	(869)	(791)
Total accumulated other comprehensive income	(667)	543
Non-controlling interests	2,358	2,392
Total net assets	113,291	116,144
Total liabilities and net assets	257,764	261,681

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	71,909	76,471
Cost of sales	65,163	69,426
Gross profit	6,745	7,044
Selling, general and administrative expenses	3,680	3,603
Operating profit	3,065	3,441
Non-operating income		
Interest income	11	14
Dividend income	95	183
Rental income	36	21
Foreign exchange gains	–	258
Subsidies for employment adjustment	452	155
Other	76	108
Total non-operating income	673	742
Non-operating expenses		
Interest expenses	75	67
Share of loss of entities accounted for using equity method	83	85
Foreign exchange losses	25	–
Other	38	64
Total non-operating expenses	223	216
Ordinary profit	3,515	3,967
Extraordinary income		
Gain on sale of non-current assets	21	3
Gain on sale of investment securities	380	3
Total extraordinary income	402	7
Extraordinary losses		
Loss on sale and retirement of non-current assets	37	30
Loss on sale of investment securities	9	–
Loss on valuation of investment securities	9	1
Loss on sale of shares of subsidiaries	8	–
Impairment losses	–	172
Other	12	0
Total extraordinary losses	77	205
Profit before income taxes	3,840	3,768
Income taxes - current	1,930	2,309
Income taxes - deferred	(789)	(955)
Total income taxes	1,140	1,354
Profit	2,700	2,414
Loss attributable to non-controlling interests	(33)	(25)
Profit attributable to owners of parent	2,733	2,439

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	2,700	2,414
Other comprehensive income		
Valuation difference on available-for-sale securities	(622)	(240)
Foreign currency translation adjustment	1,009	1,479
Remeasurements of defined benefit plans, net of tax	78	75
Share of other comprehensive income of entities accounted for using equity method	110	88
Total other comprehensive income	575	1,403
Comprehensive income	3,275	3,817
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,287	3,772
Comprehensive income attributable to non-controlling interests	(11)	45