

Translation

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

August 9, 2022

Company name: Japan Transcity Corporation
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 9310 URL <https://www.transcity.co.jp>
 Representative: President and Representative Director Hitoshi Ando
 Finance & Accounting Dept. Ritsuko Kato
 General Manager TEL 059-363-5211
 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	31,488	15.9	1,834	27.3	2,575	36.7	1,710	37.2
Three months ended June 30, 2021	27,172	13.8	1,440	146.8	1,883	128.0	1,246	163.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	26.59		–	
Three months ended June 30, 2021	19.44		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	129,760	74,573	55.3
As of March 31, 2022	129,886	72,778	54.1

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	–	5.00	–	5.50	10.50
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		5.50	–	5.50	11.00

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	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 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: Yes
- (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, 2022	67,142,417 shares	As of March 31, 2022	67,142,417 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	2,838,250 shares	As of March 31, 2022	2,838,228 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	64,304,184 shares	Three months ended June 30, 2021	64,134,188 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	14,567	13,303
Notes and accounts receivable - trade and contract assets	18,125	18,302
Inventories	183	173
Other	3,199	4,187
Allowance for doubtful accounts	(81)	(67)
Total current assets	35,993	35,900
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	31,722	31,366
Land	32,269	32,284
Other, net	6,507	6,889
Total property, plant and equipment	70,499	70,540
Intangible assets	1,048	997
Investments and other assets		
Investment securities	16,552	16,473
Other	5,806	5,862
Allowance for doubtful accounts	(14)	(14)
Total investments and other assets	22,344	22,321
Total non-current assets	93,892	93,859
Total assets	129,886	129,760

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Trade notes and accounts payable	10,045	8,098
Short-term borrowings	2,370	2,458
Current portion of long-term borrowings	7,894	7,454
Income taxes payable	985	732
Provision for bonuses	1,192	630
Other	3,995	5,135
Total current liabilities	26,482	24,509
Non-current liabilities		
Long-term borrowings	19,416	19,277
Deferred tax liabilities for land revaluation	3,694	3,694
Retirement benefit liability	2,128	2,173
Long-term guarantee deposits	2,167	2,145
Other	3,217	3,387
Total non-current liabilities	30,624	30,677
Total liabilities	57,107	55,186
Net assets		
Shareholders' equity		
Share capital	8,428	8,428
Capital surplus	6,822	6,822
Retained earnings	53,883	55,238
Treasury shares	(1,119)	(1,119)
Total shareholders' equity	68,014	69,369
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,710	2,632
Revaluation reserve for land	(1,364)	(1,364)
Foreign currency translation adjustment	296	618
Remeasurements of defined benefit plans	550	527
Total accumulated other comprehensive income	2,194	2,414
Non-controlling interests	2,570	2,790
Total net assets	72,778	74,573
Total liabilities and net assets	129,886	129,760

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	27,172	31,488
Cost of sales	24,133	28,024
Gross profit	3,038	3,463
Selling, general and administrative expenses	1,597	1,629
Operating profit	1,440	1,834
Non-operating income		
Interest income	4	4
Dividend income	126	165
Share of profit of entities accounted for using equity method	198	235
Foreign exchange gains	53	305
Other	92	64
Total non-operating income	475	775
Non-operating expenses		
Interest expenses	29	28
Other	3	6
Total non-operating expenses	32	34
Ordinary profit	1,883	2,575
Extraordinary income		
Gain on disposal of non-current assets	6	13
Gain on sale of investment securities	–	9
Total extraordinary income	6	22
Extraordinary losses		
Loss on disposal of non-current assets	1	33
Total extraordinary losses	1	33
Profit before income taxes	1,888	2,565
Income taxes	592	761
Profit	1,296	1,803
Profit attributable to non-controlling interests	49	93
Profit attributable to owners of parent	1,246	1,710

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	1,296	1,803
Other comprehensive income		
Valuation difference on available-for-sale securities	(107)	(77)
Foreign currency translation adjustment	209	432
Remeasurements of defined benefit plans, net of tax	(17)	(23)
Share of other comprehensive income of entities accounted for using equity method	5	20
Total other comprehensive income	89	351
Comprehensive income	1,385	2,154
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,287	1,930
Comprehensive income attributable to non-controlling interests	98	223