

Translation

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

November 11, 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: November 14, 2022
 Scheduled date to commence dividend payments: December 5, 2022
 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 six months ended September 30, 2022 (from April 1, 2022 to September 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	%
Six months ended September 30, 2022	34,582	46.1	2,827	162.5	3,538	165.0	2,308	182.9
Six months ended September 30, 2021	23,664	–	1,077	–	1,335	–	816	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	93.07		–	
Six months ended September 30, 2021	32.90		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	52,494	40,049	73.7
As of March 31, 2022	49,137	37,113	73.1

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	–	11.00	–	11.00	22.00
Year ending March 31, 2023	–	11.00	–	–	–
Year ending March 31, 2023 (Forecast)	–	–	–	16.00	27.00

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
Full year	68,000	30.6	4,800	57.9	5,800	60.5	3,600	61.3	145.13

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 30, 2022	27,487,054 shares	As of March 31, 2022	27,487,054 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	2,681,795 shares	As of March 31, 2022	2,681,645 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	24,805,359 shares	Six months ended September 30, 2021	24,805,549 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	11,682,810	12,257,925
Notes and accounts receivable - trade, and contract assets	8,005,068	9,636,091
Other	2,395,918	3,226,066
Allowance for doubtful accounts	(11,484)	(12,332)
Total current assets	22,072,313	25,107,749
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,087,267	6,116,728
Machinery, equipment and vehicles, net	871,050	825,957
Land	13,028,041	13,336,266
Leased assets, net	151,102	178,878
Construction in progress	–	21,560
Other, net	784,973	826,186
Total property, plant and equipment	20,922,435	21,305,576
Intangible assets		
Other	98,295	84,551
Total intangible assets	98,295	84,551
Investments and other assets		
Investment securities	3,901,718	3,843,741
Investments in capital	1,760	1,760
Long-term loans receivable	631,872	624,862
Deferred tax assets	1,091,816	1,118,716
Other	447,626	436,603
Allowance for doubtful accounts	(30,663)	(28,748)
Total investments and other assets	6,044,130	5,996,934
Total non-current assets	27,064,861	27,387,062
Total assets	49,137,174	52,494,812

(Thousands of yen)

	As of March 31, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	3,821,619	4,058,289
Short-term borrowings	66,396	66,396
Current portion of long-term borrowings	18,543	21,267
Lease liabilities	179,004	218,389
Income taxes payable	985,401	1,065,621
Provision for bonuses	873,951	904,245
Other	1,539,930	1,459,463
Total current liabilities	7,484,848	7,793,672
Non-current liabilities		
Long-term borrowings	159,232	164,699
Lease liabilities	612,579	652,818
Retirement benefit liability	3,460,499	3,523,080
Asset retirement obligations	188,757	190,957
Other	117,954	120,575
Total non-current liabilities	4,539,024	4,652,131
Total liabilities	12,023,872	12,445,804
Net assets		
Shareholders' equity		
Share capital	2,046,941	2,046,941
Capital surplus	1,464,060	1,464,060
Retained earnings	32,381,611	34,405,201
Treasury shares	(1,218,535)	(1,218,638)
Total shareholders' equity	34,674,077	36,697,565
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,106,889	1,046,465
Foreign currency translation adjustment	(30,754)	781,056
Remeasurements of defined benefit plans	171,205	149,283
Total accumulated other comprehensive income	1,247,340	1,976,805
Non-controlling interests	1,191,883	1,374,638
Total net assets	37,113,301	40,049,008
Total liabilities and net assets	49,137,174	52,494,812

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	23,664,206	34,582,949
Cost of sales	18,530,790	27,433,102
Gross profit	5,133,415	7,149,846
Selling, general and administrative expenses	4,056,136	4,322,119
Operating profit	1,077,279	2,827,726
Non-operating income		
Interest income	18,855	22,557
Dividend income	40,372	69,008
Foreign exchange gains	23,766	500,827
Share of profit of entities accounted for using equity method	18,835	15,146
Rental income	52,349	52,707
Other	113,302	63,751
Total non-operating income	267,481	723,999
Non-operating expenses		
Interest expenses	6,231	8,637
Depreciation	1,802	1,683
Other	1,495	3,404
Total non-operating expenses	9,529	13,725
Ordinary profit	1,335,231	3,538,000
Extraordinary income		
Gain on sale of non-current assets	3,498	1,500
Gain on sale of investment securities	1,331	8,595
Total extraordinary income	4,830	10,095
Extraordinary losses		
Loss on sale of non-current assets	16	37
Loss on retirement of non-current assets	2,678	453
Loss on valuation of membership	150	–
Total extraordinary losses	2,844	491
Profit before income taxes	1,337,217	3,547,605
Income taxes - current	524,080	1,017,912
Income taxes - deferred	(51,215)	18,295
Total income taxes	472,865	1,036,207
Profit	864,351	2,511,397
Profit attributable to non-controlling interests	48,316	202,643
Profit attributable to owners of parent	816,035	2,308,753

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	864,351	2,511,397
Other comprehensive income		
Valuation difference on available-for-sale securities	79,907	(63,950)
Foreign currency translation adjustment	258,388	809,757
Remeasurements of defined benefit plans, net of tax	(6,164)	(21,922)
Share of other comprehensive income of entities accounted for using equity method	4,347	4,291
Total other comprehensive income	336,478	728,175
Comprehensive income	1,200,830	3,239,572
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,151,109	3,038,218
Comprehensive income attributable to non-controlling interests	49,720	201,354