

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 10, 2023

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 13, 2023
 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, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	53,292	41.4	4,683	132.3	5,469	132.1	3,561	139.3
Nine months ended December 31, 2021	37,679	–	2,015	–	2,356	–	1,488	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	143.56		–	
Nine months ended December 31, 2021	59.99		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	54,233	41,386	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 nine months ended December 31, 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 December 31, 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 December 31, 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)

Nine months ended December 31, 2022	24,805,329 shares	Nine months ended December 31, 2021	24,805,522 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	11,682,810	13,974,573
Notes and accounts receivable - trade, and contract assets	8,005,068	9,862,255
Other	2,395,918	2,903,190
Allowance for doubtful accounts	(11,484)	(12,789)
Total current assets	22,072,313	26,727,229
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,087,267	6,050,005
Machinery, equipment and vehicles, net	871,050	787,106
Land	13,028,041	13,383,042
Leased assets, net	151,102	174,266
Other, net	784,973	785,291
Total property, plant and equipment	20,922,435	21,179,712
Intangible assets		
Other	98,295	78,775
Total intangible assets	98,295	78,775
Investments and other assets		
Investment securities	3,901,718	4,132,483
Investments in capital	1,760	1,760
Long-term loans receivable	631,872	625,732
Deferred tax assets	1,091,816	896,924
Other	447,626	619,184
Allowance for doubtful accounts	(30,663)	(27,925)
Total investments and other assets	6,044,130	6,248,159
Total non-current assets	27,064,861	27,506,648
Total assets	49,137,174	54,233,877

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	3,821,619	4,337,691
Short-term borrowings	66,396	391,584
Current portion of long-term borrowings	18,543	22,550
Lease liabilities	179,004	219,529
Income taxes payable	985,401	786,343
Provision for bonuses	873,951	478,892
Other	1,539,930	1,949,489
Total current liabilities	7,484,848	8,186,081
Non-current liabilities		
Long-term borrowings	159,232	174,433
Lease liabilities	612,579	615,864
Retirement benefit liability	3,460,499	3,557,223
Asset retirement obligations	188,757	192,058
Other	117,954	121,559
Total non-current liabilities	4,539,024	4,661,139
Total liabilities	12,023,872	12,847,221
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	35,372,294
Treasury shares	(1,218,535)	(1,218,638)
Total shareholders' equity	34,674,077	37,664,657
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,106,889	1,165,244
Foreign currency translation adjustment	(30,754)	990,525
Remeasurements of defined benefit plans	171,205	138,321
Total accumulated other comprehensive income	1,247,340	2,294,091
Non-controlling interests	1,191,883	1,427,907
Total net assets	37,113,301	41,386,656
Total liabilities and net assets	49,137,174	54,233,877

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, 2021	Nine months ended December 31, 2022
Net sales	37,679,313	53,292,932
Cost of sales	29,646,316	42,163,165
Gross profit	8,032,997	11,129,766
Selling, general and administrative expenses	6,017,019	6,445,991
Operating profit	2,015,977	4,683,774
Non-operating income		
Interest income	29,091	36,617
Dividend income	74,006	113,797
Foreign exchange gains	–	451,770
Share of profit of entities accounted for using equity method	37,210	30,674
Rental income	78,765	79,294
Other	142,267	91,277
Total non-operating income	361,342	803,431
Non-operating expenses		
Interest expenses	9,816	12,893
Foreign exchange losses	6,083	–
Depreciation	2,703	2,525
Other	1,946	2,607
Total non-operating expenses	20,549	18,026
Ordinary profit	2,356,770	5,469,179
Extraordinary income		
Gain on sale of non-current assets	4,303	5,169
Gain on sale of investment securities	1,332	8,595
Total extraordinary income	5,635	13,765
Extraordinary losses		
Loss on sale of non-current assets	16	37
Loss on retirement of non-current assets	3,082	29,988
Impairment losses	24,662	–
Loss on valuation of membership	150	–
Total extraordinary losses	27,911	30,026
Profit before income taxes	2,334,493	5,452,918
Income taxes - current	710,949	1,418,854
Income taxes - deferred	92,012	198,581
Total income taxes	802,961	1,617,435
Profit	1,531,532	3,835,482
Profit attributable to non-controlling interests	43,326	274,474
Profit attributable to owners of parent	1,488,206	3,561,008

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	1,531,532	3,835,482
Other comprehensive income		
Valuation difference on available-for-sale securities	(53,299)	55,820
Foreign currency translation adjustment	281,114	1,017,987
Remeasurements of defined benefit plans, net of tax	(9,246)	(32,884)
Share of other comprehensive income of entities accounted for using equity method	(1,280)	4,576
Total other comprehensive income	217,287	1,045,500
Comprehensive income	1,748,820	4,880,982
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,701,440	4,607,759
Comprehensive income attributable to non-controlling interests	47,379	273,223