

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 9, 2023

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 TEL 059-363-5211
 General Manager
 Scheduled date to file Quarterly Securities Report: August 10, 2023
 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, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	31,571	0.3	1,771	(3.4)	2,162	(16.0)	1,463	(14.4)
Three months ended June 30, 2022	31,488	15.9	1,834	27.3	2,575	36.7	1,710	37.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	22.83		–	
Three months ended June 30, 2022	26.59		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	153,176	82,005	51.4
As of March 31, 2023	137,166	79,742	55.9

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, 2023	–	5.50	–	6.00	11.50
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		6.00	–	6.00	12.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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, 2023	59,700	(7.4)	2,700	(34.1)	3,200	(41.5)	2,100	(43.7)	32.76
Full year	120,000	(10.5)	5,500	(24.1)	6,500	(27.8)	4,500	(26.9)	70.19

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
 (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, 2023	67,142,417 shares	As of March 31, 2023	67,142,417 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	3,159,967 shares	As of March 31, 2023	2,897,602 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, 2023	64,110,574 shares	Three months ended June 30, 2022	64,304,184 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	19,814	21,268
Notes and accounts receivable - trade and contract assets	18,717	16,990
Inventories	206	230
Other	2,905	3,946
Allowance for doubtful accounts	(67)	(67)
Total current assets	41,577	42,369
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	30,677	42,144
Land	32,291	34,412
Other, net	7,667	7,739
Total property, plant and equipment	70,636	84,296
Intangible assets	1,122	1,227
Investments and other assets		
Investment securities	17,720	19,167
Other	6,122	6,126
Allowance for doubtful accounts	(11)	(11)
Total investments and other assets	23,830	25,282
Total non-current assets	95,589	110,806
Total assets	137,166	153,176

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Trade accounts payable	10,472	9,181
Short-term borrowings	2,457	2,455
Current portion of long-term borrowings	5,174	5,326
Income taxes payable	1,417	644
Provision for bonuses	1,238	685
Other	4,368	4,629
Total current liabilities	25,128	22,923
Non-current liabilities		
Bonds payable	–	8,000
Long-term borrowings	20,042	27,751
Deferred tax liabilities for land revaluation	3,694	3,694
Retirement benefit liability	2,134	2,155
Long-term guarantee deposits	2,075	2,061
Other	4,349	4,583
Total non-current liabilities	32,296	48,246
Total liabilities	57,424	71,170
Net assets		
Shareholders' equity		
Share capital	8,428	8,428
Capital surplus	6,822	6,822
Retained earnings	59,332	60,410
Treasury shares	(1,154)	(1,320)
Total shareholders' equity	73,428	74,340
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,142	4,234
Revaluation reserve for land	(1,364)	(1,364)
Foreign currency translation adjustment	822	970
Remeasurements of defined benefit plans	580	556
Total accumulated other comprehensive income	3,181	4,397
Non-controlling interests	3,132	3,267
Total net assets	79,742	82,005
Total liabilities and net assets	137,166	153,176

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, 2022	Three months ended June 30, 2023
Net sales	31,488	31,571
Cost of sales	28,024	28,024
Gross profit	3,463	3,547
Selling, general and administrative expenses	1,629	1,775
Operating profit	1,834	1,771
Non-operating income		
Interest income	4	8
Dividend income	165	182
Share of profit of entities accounted for using equity method	235	147
Foreign exchange gains	305	117
Other	64	21
Total non-operating income	775	476
Non-operating expenses		
Interest expenses	28	29
Bond issuance costs	–	43
Other	6	13
Total non-operating expenses	34	86
Ordinary profit	2,575	2,162
Extraordinary income		
Gain on disposal of non-current assets	13	2
Gain on sale of investment securities	9	50
Other	–	2
Total extraordinary income	22	56
Extraordinary losses		
Loss on disposal of non-current assets	33	18
Total extraordinary losses	33	18
Profit before income taxes	2,565	2,199
Income taxes	761	662
Profit	1,803	1,537
Profit attributable to non-controlling interests	93	74
Profit attributable to owners of parent	1,710	1,463

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,803	1,537
Other comprehensive income		
Valuation difference on available-for-sale securities	(77)	1,091
Foreign currency translation adjustment	432	209
Remeasurements of defined benefit plans, net of tax	(23)	(23)
Share of other comprehensive income of entities accounted for using equity method	20	4
Total other comprehensive income	351	1,281
Comprehensive income	2,154	2,819
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,930	2,680
Comprehensive income attributable to non-controlling interests	223	139