

**Translation**

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

November 8, 2023

Company name: FUKUYAMA TRANSPORTING CO.,LTD
 Stock exchange listing: Tokyo
 Stock code: 9075 URL <http://www.fukutsu.co.jp>
 Representative: PRESIDENT & C.E.O SHIGEHIRO KOMARU
 CORPORATE OFFICER
 Inquiries: GENERAL MANAGER OF ACCOUNTING YOSHIHIRO SATO TEL 084-924-2000
 AND FINANCE DEPARTMENT
 Scheduled date to file Quarterly Securities Report: November 9, 2023
 Scheduled date to commence dividend payments: December 4, 2023
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 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	%
Six months ended September 30, 2023	141,229	(2.8)	6,237	(46.6)	7,175	(41.9)	4,384	(45.6)
Six months ended September 30, 2022	145,325	2.3	11,688	6.7	12,350	9.5	8,056	6.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	108.32		-	
Six months ended September 30, 2022	199.07		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	488,784	282,581	57.4	6,931.69
As of March 31, 2023	477,015	270,381	55.9	6,589.57

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	-	35.00	-	35.00	70.00
Year ending March 31, 2024	-	35.00	-	-	-
Year ending March 31, 2024 (Forecast)	-	-	-	40.00	75.00

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
Full year	287,200	(2.1)	11,500	(46.2)	13,000	(43.4)	8,800	(57.7)	216.66

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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: 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, 2023	50,770,363 shares	As of March 31, 2023	50,770,363 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	10,294,463 shares	As of March 31, 2023	10,297,078 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, 2023	40,474,017 shares	Six months ended September 30, 2022	40,472,125 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	44,892	38,436
Notes and accounts receivable - trade	39,038	39,380
Other	4,546	4,768
Allowance for doubtful accounts	(48)	(45)
Total current assets	88,429	82,538
Non-current assets		
Property, plant and equipment		
Buildings and structures	263,695	268,297
Accumulated depreciation	(174,092)	(176,542)
Buildings and structures, net	89,602	91,754
Machinery, equipment and vehicles	113,986	115,726
Accumulated depreciation	(97,990)	(99,463)
Machinery, equipment and vehicles, net	15,995	16,262
Tools, furniture and fixtures	16,220	16,675
Accumulated depreciation	(12,944)	(13,227)
Tools, furniture and fixtures, net	3,275	3,447
Land	211,720	211,731
Construction in progress	8,746	10,002
Total property, plant and equipment	329,341	333,198
Intangible assets		
Other	4,454	4,767
Total intangible assets	4,454	4,767
Investments and other assets		
Investment securities	47,515	60,961
Deferred tax assets	4,511	4,416
Other	2,937	3,216
Allowance for doubtful accounts	(175)	(315)
Total investments and other assets	54,789	68,279
Total non-current assets	388,585	406,245
Total assets	477,015	488,784

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,950	14,369
Short-term borrowings	10,700	10,569
Current portion of long-term borrowings	21,673	38,661
Lease liabilities	147	185
Income taxes payable	7,196	2,577
Accrued consumption taxes	3,149	2,355
Provision for bonuses	5,070	4,389
Other	14,658	20,292
Total current liabilities	78,546	93,400
Non-current liabilities		
Long-term borrowings	68,748	49,137
Lease liabilities	210	207
Deferred tax liabilities	9,840	14,332
Deferred tax liabilities for land revaluation	23,573	23,573
Retirement benefit liability	24,141	24,036
Provision for loss on business of subsidiaries and associates	3	–
Asset retirement obligations	490	492
Other	1,078	1,023
Total non-current liabilities	128,087	112,802
Total liabilities	206,633	206,203
Net assets		
Shareholders' equity		
Share capital	30,310	30,310
Capital surplus	37,634	39,272
Retained earnings	183,483	186,446
Treasury shares	(37,465)	(37,455)
Total shareholders' equity	213,962	218,573
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,184	28,399
Revaluation reserve for land	34,150	34,150
Foreign currency translation adjustment	86	88
Remeasurements of defined benefit plans	(683)	(645)
Total accumulated other comprehensive income	52,738	61,992
Non-controlling interests	3,680	2,014
Total net assets	270,381	282,581
Total liabilities and net assets	477,015	488,784

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

	(Millions of yen)	
	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	145,325	141,229
Cost of sales	129,532	130,865
Gross profit	15,792	10,363
Selling, general and administrative expenses	4,103	4,125
Operating profit	11,688	6,237
Non-operating income		
Dividend income	667	806
Subsidy income	18	32
Other	272	289
Total non-operating income	958	1,128
Non-operating expenses		
Interest expenses	153	140
Expenditures related to natural disaster	32	30
Settlement payments	74	1
Other	36	19
Total non-operating expenses	297	191
Ordinary profit	12,350	7,175
Extraordinary income		
Gain on sale of non-current assets	52	67
Gain on sale of investment securities	120	40
Reversal of provision for loss on business of subsidiaries and associates	20	3
Total extraordinary income	193	111
Extraordinary losses		
Loss on sale of non-current assets	2	0
Loss on retirement of non-current assets	307	216
Loss on valuation of investment securities	-	2
Total extraordinary losses	309	218
Profit before income taxes	12,233	7,067
Income taxes - current	3,819	2,199
Income taxes - deferred	249	481
Total income taxes	4,069	2,681
Profit	8,164	4,386
Profit attributable to		
Profit attributable to owners of parent	8,056	4,384
Profit attributable to non-controlling interests	107	1
Other comprehensive income		
Valuation difference on available-for-sale securities	591	9,248
Foreign currency translation adjustment	110	14
Remeasurements of defined benefit plans, net of tax	69	37
Total other comprehensive income	771	9,300
Comprehensive income	8,935	13,686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,781	13,638
Comprehensive income attributable to non-controlling interests	154	47

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	12,233	7,067
Depreciation	7,198	7,162
Increase (decrease) in provisions	(1,076)	(554)
Increase (decrease) in retirement benefit liability	158	(54)
Increase (decrease) in accrued expenses	(500)	570
Increase (decrease) in accrued consumption taxes	100	(794)
Loss (gain) on sale of investment securities	(120)	(40)
Loss (gain) on valuation of investment securities	–	2
Other, net	(1,278)	(312)
Subtotal	16,715	13,045
Interest paid	(157)	(130)
Interest and dividends received	669	812
Income taxes paid	(3,585)	(6,675)
Proceeds from compensation for expropriation	749	–
Net cash provided by (used in) operating activities	14,391	7,051
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,074)	(8,021)
Proceeds from sale of property, plant and equipment	102	64
Purchase of investment securities	(11)	(238)
Proceeds from sale of investment securities	154	172
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(199)
Payments into time deposits	(865)	(493)
Proceeds from withdrawal of time deposits	741	893
Other, net	(393)	(746)
Net cash provided by (used in) investing activities	(7,346)	(8,567)
Cash flows from financing activities		
Proceeds from borrowings	24,371	28,357
Repayments of borrowings	(32,414)	(31,304)
Dividends paid	(1,207)	(1,421)
Purchase of treasury shares	(1)	(1)
Other, net	27	(163)
Net cash provided by (used in) financing activities	(9,223)	(4,533)
Effect of exchange rate change on cash and cash equivalents	110	13
Net increase (decrease) in cash and cash equivalents	(2,069)	(6,037)
Cash and cash equivalents at beginning of period	38,722	43,524
Cash and cash equivalents at end of period	36,653	37,487