

# Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 13, 2020

Company name: Konoike Transport Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 9025 URL <https://www.konoike.net/>  
 Representative: Representative Director & President and Chief Executive Officer Tadahiko Konoike  
 Executive General Manager  
 Inquiries: Finance / Accounting Division Kazuo Ofuchi TEL 06-6227-4600  
 Scheduled date to file Quarterly Securities Report: August 13, 2020  
 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, 2020 (from April 1, 2020 to June 30, 2020)

#### (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, 2020	70,848	(8.7)	797	(76.4)	1,417	(59.0)	993	(56.3)
Three months ended June 30, 2019	77,635	8.0	3,378	2.2	3,453	1.2	2,274	9.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2020	18.93	18.84
Three months ended June 30, 2019	41.11	40.95

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2020	225,922	101,107	43.3	1,865.14
As of March 31, 2020	223,499	99,572	43.0	1,833.07

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2020	–	18.00	–	18.00	36.00
Year ending March 31, 2021	–				
Year ending March 31, 2021 (Forecast)		9.00	–	–	–

### 3. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020  
(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 June 30, 2020	56,952,442 shares	As of March 31, 2020	56,952,442 shares
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Number of treasury shares at the end of the period

As of June 30, 2020	4,459,211 shares	As of March 31, 2020	4,481,701 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, 2020	52,492,737 shares	Three months ended June 30, 2019	55,332,316 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	29,470	29,345
Notes and accounts receivable - trade	55,680	54,243
Costs on uncompleted works	107	151
Supplies	1,631	1,677
Other	3,024	3,808
Allowance for doubtful accounts	(78)	(70)
Total current assets	89,835	89,157
Non-current assets		
Property, plant and equipment		
Buildings and structures	111,930	114,116
Accumulated depreciation	(70,915)	(71,416)
Buildings and structures, net	41,015	42,699
Machinery, equipment and vehicles	48,005	48,635
Accumulated depreciation	(39,399)	(39,494)
Machinery, equipment and vehicles, net	8,606	9,141
Land	42,577	42,727
Leased assets	7,002	7,119
Accumulated depreciation	(3,165)	(3,342)
Leased assets, net	3,837	3,777
Construction in progress	3,602	2,464
Other	8,887	8,907
Accumulated depreciation	(7,252)	(7,314)
Other, net	1,634	1,592
Total property, plant and equipment	101,272	102,403
Intangible assets		
Goodwill	2,417	2,355
Other	3,973	4,110
Total intangible assets	6,390	6,465
Investments and other assets		
Investment securities	11,704	13,120
Long-term loans receivable	497	489
Deferred tax assets	6,752	7,212
Retirement benefit asset	171	188
Other	7,184	7,195
Allowance for doubtful accounts	(177)	(177)
Allowance for investment loss	(132)	(132)
Total investments and other assets	26,000	27,896
Total non-current assets	133,663	136,765
Total assets	223,499	225,922

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,491	12,579
Short-term borrowings	9,116	8,535
Current portion of long-term borrowings	2,528	2,725
Accrued expenses	11,838	14,447
Income taxes payable	2,639	3,433
Other	13,229	14,617
Total current liabilities	52,845	56,339
Non-current liabilities		
Bonds payable	30,000	30,000
Long-term borrowings	9,172	8,843
Lease obligations	3,025	1,990
Deferred tax liabilities	564	521
Deferred tax liabilities for land revaluation	1,444	1,444
Retirement benefit liability	22,666	21,542
Provision for directors' retirement benefits	144	132
Long-term accounts payable - other	1,626	1,608
Other	2,435	2,392
Total non-current liabilities	71,081	68,475
Total liabilities	123,926	124,814
Net assets		
Shareholders' equity		
Share capital	1,723	1,723
Capital surplus	1,908	1,908
Retained earnings	103,972	104,015
Treasury shares	(7,324)	(7,288)
Total shareholders' equity	100,278	100,359
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,294	4,279
Revaluation reserve for land	(4,688)	(4,688)
Foreign currency translation adjustment	237	(160)
Remeasurements of defined benefit plans	(2,939)	(1,882)
Total accumulated other comprehensive income	(4,096)	(2,452)
Share acquisition rights	397	366
Non-controlling interests	2,992	2,834
Total net assets	99,572	101,107
Total liabilities and net assets	223,499	225,922

**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, 2019	Three months ended June 30, 2020
Net sales	77,635	70,848
Cost of sales	70,316	66,363
Gross profit	7,318	4,485
Selling, general and administrative expenses	3,939	3,687
Operating profit	3,378	797
Non-operating income		
Interest income	14	29
Dividend income	122	89
Rental income	34	36
Subsidies for employment adjustment	—	526
Other	64	125
Total non-operating income	236	806
Non-operating expenses		
Interest expenses	52	52
Share of loss of entities accounted for using equity method	—	56
Loss on valuation of investment securities	66	0
Foreign exchange losses	15	41
Other	27	36
Total non-operating expenses	161	186
Ordinary profit	3,453	1,417
Extraordinary income		
Gain on sales of non-current assets	250	28
Other	4	—
Total extraordinary income	254	28
Extraordinary losses		
Loss on sales and retirement of non-current assets	21	17
Loss on valuation of investment securities	2	—
Other	—	0
Total extraordinary losses	23	17
Profit before income taxes	3,684	1,428
Income taxes - current	2,396	1,902
Income taxes - deferred	(1,038)	(1,396)
Total income taxes	1,358	506
Profit	2,325	922
Profit (loss) attributable to non-controlling interests	50	(71)
Profit attributable to owners of parent	2,274	993

# Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit	2,325	922
Other comprehensive income		
Valuation difference on available-for-sale securities	(482)	984
Foreign currency translation adjustment	73	(464)
Remeasurements of defined benefit plans, net of tax	128	1,058
Share of other comprehensive income of entities accounted for using equity method	—	(11)
Total other comprehensive income	(280)	1,566
Comprehensive income	2,044	2,488
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,990	2,638
Comprehensive income attributable to non-controlling interests	53	(149)