

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 12, 2021

Company name: Konoike Transport Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 9025 URL <https://www.konoike.net/>
 Representative: Representative Director & President and Tadahiko Konoike
 Chief Executive Officer
 Executive General Manager
 Inquiries: Finance / Accounting Division Kazuo Ofuchi TEL 06-6227-4600
 Scheduled date to file Quarterly Securities Report: February 12, 2021
 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 nine months ended December 31, 2020 (from April 1, 2020 to December 31, 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	%
Nine months ended December 31, 2020	219,625	(7.3)	3,681	(60.4)	7,969	(16.8)	4,950	(21.1)
Nine months ended December 31, 2019	236,809	8.1	9,286	(8.4)	9,582	(8.3)	6,276	(7.1)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	94.31	93.77
Nine months ended December 31, 2019	115.08	114.54

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2020	236,480	105,111	43.1	1,940.68
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	–	9.00	–		
Year ending March 31, 2021 (Forecast)				9.00	18.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	289,000	(7.0)	2,700	(72.1)	7,000	(26.8)	3,700	(19.5)	70.49

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 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)

Nine months ended December 31, 2020	52,493,067 shares	Nine months ended December 31, 2019	54,537,560 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	29,470	37,530
Notes and accounts receivable - trade	55,680	56,439
Costs on uncompleted works	107	244
Supplies	1,631	1,625
Other	3,024	3,886
Allowance for doubtful accounts	(78)	(65)
Total current assets	89,835	99,660
Non-current assets		
Property, plant and equipment		
Buildings and structures	111,930	114,328
Accumulated depreciation	(70,915)	(72,753)
Buildings and structures, net	41,015	41,574
Machinery, equipment and vehicles	48,005	49,138
Accumulated depreciation	(39,399)	(40,117)
Machinery, equipment and vehicles, net	8,606	9,021
Land	42,577	42,600
Leased assets	7,002	7,675
Accumulated depreciation	(3,165)	(3,687)
Leased assets, net	3,837	3,988
Construction in progress	3,602	5,602
Other	8,887	9,030
Accumulated depreciation	(7,252)	(7,490)
Other, net	1,634	1,539
Total property, plant and equipment	101,272	104,326
Intangible assets		
Goodwill	2,417	2,171
Other	3,973	4,141
Total intangible assets	6,390	6,313
Investments and other assets		
Investment securities	11,704	13,885
Long-term loans receivable	497	478
Deferred tax assets	6,752	4,526
Retirement benefit asset	171	173
Other	7,184	7,282
Allowance for doubtful accounts	(177)	(165)
Allowance for investment loss	(132)	—
Total investments and other assets	26,000	26,180
Total non-current assets	133,663	136,820
Total assets	223,499	236,480

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,491	12,098
Short-term borrowings	9,116	7,990
Current portion of long-term borrowings	2,528	1,344
Accrued expenses	11,838	7,796
Income taxes payable	2,639	355
Other	13,229	16,231
Total current liabilities	52,845	45,817
Non-current liabilities		
Bonds payable	30,000	45,000
Long-term borrowings	9,172	10,459
Lease obligations	3,025	2,245
Deferred tax liabilities	564	634
Deferred tax liabilities for land revaluation	1,444	1,439
Retirement benefit liability	22,666	21,615
Provision for directors' retirement benefits	144	143
Long-term accounts payable - other	1,626	1,576
Other	2,435	2,438
Total non-current liabilities	71,081	85,552
Total liabilities	123,926	131,369
Net assets		
Shareholders' equity		
Share capital	1,723	1,723
Capital surplus	1,908	1,908
Retained earnings	103,972	107,510
Treasury shares	(7,324)	(7,288)
Total shareholders' equity	100,278	103,854
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,294	4,798
Revaluation reserve for land	(4,688)	(4,699)
Foreign currency translation adjustment	237	(387)
Remeasurements of defined benefit plans	(2,939)	(1,693)
Total accumulated other comprehensive income	(4,096)	(1,981)
Share acquisition rights	397	459
Non-controlling interests	2,992	2,779
Total net assets	99,572	105,111
Total liabilities and net assets	223,499	236,480

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	236,809	219,625
Cost of sales	215,641	204,778
Gross profit	21,168	14,847
Selling, general and administrative expenses	11,881	11,165
Operating profit	9,286	3,681
Non-operating income		
Interest income	84	77
Dividend income	413	268
Rental income	107	112
Subsidies for employment adjustment	—	3,956
Other	207	634
Total non-operating income	812	5,049
Non-operating expenses		
Interest expenses	147	172
Loss on valuation of investment securities	162	1
Foreign exchange losses	123	118
Share of loss of entities accounted for using equity method	—	251
Other	83	217
Total non-operating expenses	516	760
Ordinary profit	9,582	7,969
Extraordinary income		
Gain on sales of non-current assets	279	59
Gain on sales of investment securities	28	0
Insurance claim income	114	—
Other	0	—
Total extraordinary income	422	59
Extraordinary losses		
Loss on sales and retirement of non-current assets	108	67
Loss on valuation of investment securities	2	3
Loss on valuation of investments in capital of subsidiaries and associates	—	73
Impairment loss	74	74
Loss on disaster	53	—
Other	6	2
Total extraordinary losses	245	222
Profit before income taxes	9,759	7,807
Income taxes - current	2,417	1,864
Income taxes - deferred	987	1,100
Total income taxes	3,404	2,964
Profit	6,355	4,843
Profit (loss) attributable to non-controlling interests	79	(107)
Profit attributable to owners of parent	6,276	4,950

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	6,355	4,843
Other comprehensive income		
Valuation difference on available-for-sale securities	(330)	1,503
Foreign currency translation adjustment	(496)	(738)
Remeasurements of defined benefit plans, net of tax	377	1,249
Share of other comprehensive income of entities accounted for using equity method	—	31
Total other comprehensive income	(448)	2,045
Comprehensive income	5,906	6,888
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,852	7,075
Comprehensive income attributable to non-controlling interests	54	(186)