

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 11, 2022

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 of ordinary general meeting of shareholders: June 21, 2022
 Scheduled date to file Securities Report: June 22, 2022
 Scheduled date to commence dividend payments: June 1, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

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	%
Year ended March 31, 2022	291,266	2.0	22,091	4.5	23,196	3.2	16,763	9.4
Year ended March 31, 2021	285,518	(2.6)	21,145	2.9	22,466	2.8	15,320	18.6

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	395.34	–	6.4	4.9	7.6
Year ended March 31, 2021	312.76	–	5.9	4.9	7.4

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	478,147	256,304	52.8	6,239.96
As of March 31, 2021	471,923	273,378	57.1	5,519.91

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	32,139	(16,777)	(12,520)	38,722
Year ended March 31, 2021	33,219	(18,297)	(4,066)	35,769

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	25.00	–	25.00	50.00	2,449	16.0	0.9
Year ended March 31, 2022	–	30.00	–	30.00	60.00	2,437	15.2	1.0
Year ending March 31, 2023 (Forecast)	–	30.00	–	30.00	60.00		15.9	

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
Six months ending September 30, 2022	144,800	2.0	10,700	(2.4)	11,200	(0.7)	7,100	(6.2)	176.09
Full year	296,800	1.9	22,500	1.9	23,800	2.6	15,300	(8.7)	378.01

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) 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

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	55,770,363 shares	As of March 31, 2021	55,770,363 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	15,298,467 shares	As of March 31, 2021	6,934,610 shares
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Average number of shares during the period

Year ended March 31, 2022	42,401,618 shares	Year ended March 31, 2021	48,985,185 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	37,027	39,869
Notes and accounts receivable - trade	40,730	39,681
Other	3,483	4,648
Allowance for doubtful accounts	(141)	(99)
Total current assets	81,100	84,099
Non-current assets		
Property, plant and equipment		
Buildings and structures	254,506	262,842
Accumulated depreciation	(164,143)	(169,062)
Buildings and structures, net	90,363	93,779
Machinery, equipment and vehicles	110,888	114,216
Accumulated depreciation	(88,401)	(95,647)
Machinery, equipment and vehicles, net	22,487	18,568
Tools, furniture and fixtures	15,107	16,096
Accumulated depreciation	(12,283)	(12,676)
Tools, furniture and fixtures, net	2,823	3,419
Land	210,681	210,838
Construction in progress	2,666	756
Total property, plant and equipment	329,022	327,363
Intangible assets		
Other	4,778	4,761
Total intangible assets	4,778	4,761
Investments and other assets		
Investment securities	50,379	54,936
Deferred tax assets	3,723	3,975
Other	3,061	3,186
Allowance for doubtful accounts	(142)	(176)
Total investments and other assets	57,022	61,922
Total non-current assets	390,822	394,047
Total assets	471,923	478,147

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,552	16,180
Short-term borrowings	10,784	10,675
Current portion of long-term borrowings	13,465	34,738
Lease liabilities	26	79
Income taxes payable	4,813	4,030
Accrued consumption taxes	4,018	2,947
Provision for bonuses	4,792	5,317
Other	17,755	14,859
Total current liabilities	71,208	88,828
Non-current liabilities		
Long-term borrowings	68,402	71,602
Lease liabilities	25	100
Deferred tax liabilities	9,895	12,196
Deferred tax liabilities for land revaluation	23,685	23,573
Retirement benefit liability	23,856	24,063
Provision for loss on business of subsidiaries and associates	59	26
Asset retirement obligations	481	486
Other	932	965
Total non-current liabilities	127,336	133,014
Total liabilities	198,545	221,843
Net assets		
Shareholders' equity		
Share capital	30,310	30,310
Capital surplus	39,264	39,488
Retained earnings	167,956	181,503
Treasury shares	(21,784)	(55,650)
Total shareholders' equity	215,746	195,651
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,375	23,466
Revaluation reserve for land	34,405	34,150
Foreign currency translation adjustment	(7)	71
Remeasurements of defined benefit plans	(951)	(798)
Total accumulated other comprehensive income	53,822	56,891
Non-controlling interests	3,809	3,761
Total net assets	273,378	256,304
Total liabilities and net assets	471,923	478,147

Consolidated statements of income and consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	285,518	291,266
Cost of sales	256,667	260,863
Gross profit	28,851	30,403
Selling, general and administrative expenses		
Personnel expenses	3,773	3,916
Retirement benefit expenses	169	171
Provision for bonuses	145	201
Depreciation	467	485
Taxes and dues	1,403	1,267
Facility expenses	192	176
Other	1,868	2,465
Provision of allowance for doubtful accounts	51	7
Total selling, general and administrative expenses	7,705	8,311
Operating profit	21,145	22,091
Non-operating income		
Interest income	4	8
Dividend income	1,072	1,095
Insurance claim income	187	80
Subsidy income	170	502
Other	326	358
Total non-operating income	1,761	2,044
Non-operating expenses		
Interest expenses	219	314
Expenditures related to natural disaster	156	97
Commission for syndicated loans	–	340
Other	64	188
Total non-operating expenses	440	940
Ordinary profit	22,466	23,196

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Extraordinary income		
Gain on sale of non-current assets	145	57
Compensation for expropriation	–	2,057
Gain on sale of investment securities	356	52
Reversal of provision for loss on business of subsidiaries and associates	28	33
Total extraordinary income	529	2,199
Extraordinary losses		
Loss on sale of non-current assets	5	0
Loss on retirement of non-current assets	233	237
Loss on valuation of investment securities	2	211
Provision of allowance for doubtful accounts	14	7
Total extraordinary losses	255	456
Profit before income taxes	22,740	24,939
Income taxes - current	7,530	7,287
Income taxes - deferred	(245)	677
Total income taxes	7,284	7,965
Profit	15,455	16,973
Profit attributable to		
Profit attributable to owners of parent	15,320	16,763
Profit attributable to non-controlling interests	135	210
Other comprehensive income		
Valuation difference on available-for-sale securities	6,392	3,038
Foreign currency translation adjustment	(12)	111
Remeasurements of defined benefit plans, net of tax	91	153
Total other comprehensive income	6,471	3,304
Comprehensive income	21,927	20,278
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	21,761	20,087
Comprehensive income attributable to non-controlling interests	165	190

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,310	39,257	155,094	(19,562)	205,099
Changes during period					
Dividends of surplus			(2,463)		(2,463)
Profit attributable to owners of parent			15,320		15,320
Purchase of treasury shares				(2,227)	(2,227)
Disposal of treasury shares				4	4
Change in ownership interest of parent due to transactions with non-controlling interests		7			7
Reversal of revaluation reserve for land			5		5
Net changes in items other than shareholders' equity					
Total changes during period	-	7	12,862	(2,222)	10,647
Balance at end of period	30,310	39,264	167,956	(21,784)	215,746

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	14,029	34,411	(9)	(1,043)	47,387	3,650	256,138
Changes during period							
Dividends of surplus							(2,463)
Profit attributable to owners of parent							15,320
Purchase of treasury shares							(2,227)
Disposal of treasury shares							4
Change in ownership interest of parent due to transactions with non-controlling interests							7
Reversal of revaluation reserve for land							5
Net changes in items other than shareholders' equity	6,346	(5)	2	91	6,434	158	6,592
Total changes during period	6,346	(5)	2	91	6,434	158	17,240
Balance at end of period	20,375	34,405	(7)	(951)	53,822	3,809	273,378

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,310	39,264	167,956	(21,784)	215,746
Cumulative effects of changes in accounting policies			(1,028)		(1,028)
Restated balance	30,310	39,264	166,928	(21,784)	214,718
Changes during period					
Dividends of surplus			(2,443)		(2,443)
Profit attributable to owners of parent			16,763		16,763
Purchase of treasury shares				(33,871)	(33,871)
Disposal of treasury shares				5	5
Change in ownership interest of parent due to transactions with non-controlling interests		224			224
Reversal of revaluation reserve for land			254		254
Net changes in items other than shareholders' equity					
Total changes during period	-	224	14,574	(33,865)	(19,066)
Balance at end of period	30,310	39,488	181,503	(55,650)	195,651

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	20,375	34,405	(7)	(951)	53,822	3,809	273,378
Cumulative effects of changes in accounting policies							(1,028)
Restated balance	20,375	34,405	(7)	(951)	53,822	3,809	272,349
Changes during period							
Dividends of surplus							(2,443)
Profit attributable to owners of parent							16,763
Purchase of treasury shares							(33,871)
Disposal of treasury shares							5
Change in ownership interest of parent due to transactions with non-controlling interests							224
Reversal of revaluation reserve for land							254
Net changes in items other than shareholders' equity	3,090	(254)	79	153	3,069	(47)	3,021
Total changes during period	3,090	(254)	79	153	3,069	(47)	(16,045)
Balance at end of period	23,466	34,150	71	(798)	56,891	3,761	256,304

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	22,740	24,939
Depreciation	16,846	17,169
Increase (decrease) in provisions	(18)	484
Increase (decrease) in retirement benefit liability	363	437
Interest and dividend income	(1,076)	(1,103)
Interest expenses	219	314
Loss (gain) on sale of investment securities	(356)	(52)
Loss (gain) on valuation of investment securities	2	211
Loss (gain) on sale of property, plant and equipment	(139)	(56)
Compensation for expropriation	–	(2,057)
Decrease (increase) in trade receivables	(240)	1,049
Decrease (increase) in inventories	(137)	(157)
Increase (decrease) in trade payables	(1,163)	(37)
Increase (decrease) in accrued expenses	670	162
Increase (decrease) in accrued consumption taxes	544	(1,070)
Other, net	277	(785)
Subtotal	38,532	39,447
Interest and dividends received	1,076	1,103
Proceeds from insurance income	187	80
Interest paid	(219)	(300)
Income taxes paid	(6,368)	(8,191)
Proceeds from compensation for expropriation	9	–
Net cash provided by (used in) operating activities	33,219	32,139
Cash flows from investing activities		
Purchase of property, plant and equipment	(17,671)	(15,657)
Proceeds from sale of property, plant and equipment	242	59
Purchase of intangible assets	(1,168)	(888)
Purchase of investment securities	(197)	(122)
Proceeds from sale of investment securities	830	66
Payments into time deposits	(1,036)	(1,018)
Proceeds from withdrawal of time deposits	1,045	1,114
Other, net	(341)	(331)
Net cash provided by (used in) investing activities	(18,297)	(16,777)
Cash flows from financing activities		
Proceeds from short-term borrowings	55,123	77,047
Repayments of short-term borrowings	(59,123)	(77,184)
Proceeds from long-term borrowings	25,950	47,435
Repayments of long-term borrowings	(21,221)	(23,011)
Repayments of lease liabilities	(26)	(26)
Dividends paid	(2,463)	(2,443)
Purchase of treasury shares	(2,227)	(33,871)
Other, net	(77)	(466)
Net cash provided by (used in) financing activities	(4,066)	(12,520)
Effect of exchange rate change on cash and cash equivalents	(12)	111
Net increase (decrease) in cash and cash equivalents	10,842	2,953
Cash and cash equivalents at beginning of period	24,926	35,769
Cash and cash equivalents at end of period	35,769	38,722