

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2014 (Based on Japanese GAAP)

August 8, 2014

Company name: Konoike Transport Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 9025 URL <http://www.konoike.net/>
 Representative: Executive Director and President Tadahiko Konoike
 Executive Officer, General Manager
 Inquiries: Mitsuhiko Nakatani TEL +81-3-6834-1690
 Finance / Accounting Division
 Scheduled date to file Quarterly Securities Report: August 13, 2014
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: No
 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, 2014 (from April 1, 2014 to June 30, 2014)

(1) Consolidated financial results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2014	59,252	4.3	2,468	23.1	2,540	19.3	1,448	9.9
Three months ended June 30, 2013	56,810	(1.3)	2,004	(11.0)	2,129	(1.0)	1,317	11.2

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2014	50.90	—
Three months ended June 30, 2013	46.31	—

(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, 2014	181,603	78,265	42.2	2,693.29
As of March 31, 2014	174,367	74,997	42.1	2,578.55

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, 2014	—	15.00	—	15.00	30.00
Year ending March 31, 2015	—	—	—	—	—
Year ending March 31, 2015 (Forecast)	—	22.50	—	22.50	45.00

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2014	121,100	5.6	4,900	16.1	4,800	9.8	2,500	(2.7)	87.87
Full year	243,700	5.3	9,600	20.9	9,400	17.4	5,400	23.6	189.81

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2014
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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: 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, 2014	28,449,601 shares	As of March 31, 2014	28,449,601 shares
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Number of treasury shares at the end of the period

As of June 30, 2014	18 shares	As of March 31, 2014	18 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, 2014	28,449,583 shares	Three months ended June 30, 2013	28,449,583 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of June 30, 2014
Assets		
Current assets		
Cash and deposits	19,054	20,611
Notes and accounts receivable - trade	39,304	41,467
Securities	10	10
CostsOnUncompletedWorks	21	57
Supplies	1,013	890
Deferred tax assets	2,427	2,927
Other	2,945	3,601
Allowance for doubtful accounts	(80)	(86)
Total current assets	64,695	69,478
Non-current assets		
Property, plant and equipment		
Buildings and structures	91,827	94,186
Accumulated depreciation	(54,970)	(57,165)
Buildings and structures, net	36,856	37,020
Machinery, equipment and vehicles	45,359	46,914
Accumulated depreciation	(38,234)	(39,642)
Machinery, equipment and vehicles, net	7,125	7,271
Land	38,831	39,918
Leased assets	2,915	2,883
Accumulated depreciation	(1,014)	(1,071)
Leased assets, net	1,900	1,812
Construction in progress	3,588	3,869
Other	6,705	6,743
Accumulated depreciation	(5,663)	(5,746)
Other, net	1,042	996
Total property, plant and equipment	89,344	90,890
Intangible assets	2,778	4,154
Investments and other assets		
Investment securities	7,931	8,707
Long-term loans receivable	346	340
Deferred tax assets	4,691	3,112
Net defined benefit asset	50	57
Other	4,764	5,108
Allowance for doubtful accounts	(234)	(246)
Total investments and other assets	17,550	17,079
Total non-current assets	109,672	112,125
Total assets	174,367	181,603

(Millions of yen)

	As of March 31, 2014	As of June 30, 2014
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,528	13,922
Short-term loans payable	2,734	2,770
Commercial papers	-	3,000
Current portion of bonds	6,000	6,000
Current portion of long-term loans payable	1,962	2,841
Accrued expenses	8,477	10,575
Income taxes payable	1,900	1,694
Other	10,039	11,506
Total current liabilities	44,642	52,310
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	18,169	17,194
Deferred tax liabilities	406	569
Deferred tax liabilities for land revaluation	2,355	2,355
Net defined benefit liability	18,026	15,273
Provision for Directors retirement benefits	1,911	1,898
Other	3,858	3,736
Total non-current liabilities	54,727	51,027
Total liabilities	99,370	103,338
Net assets		
Shareholders' equity		
Capital stock	1,688	1,688
Capital surplus	755	755
Retained earnings	75,287	78,408
Treasury shares	(0)	(0)
Total shareholders' equity	77,731	80,852
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,834	2,189
Revaluation reserve for land	(4,767)	(4,767)
Foreign currency translation adjustment	459	181
Remeasurements of defined benefit plans	(1,898)	(1,832)
Total accumulated other comprehensive income	(4,372)	(4,229)
Minority interests	1,638	1,641
Total net assets	74,997	78,265
Total liabilities and net assets	174,367	181,603

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, 2013	Three months ended June 30, 2014
Net sales	56,810	59,252
Cost of sales	51,925	53,947
Gross profit	4,884	5,305
Selling, general and administrative expenses	2,880	2,837
Operating income	2,004	2,468
Non-operating income		
Interest income	19	23
Dividend income	132	73
Gain on reversal of loss on valuation of investment securities	66	40
Other	50	56
Total non-operating income	267	194
Non-operating expenses		
Interest expenses	125	100
Other	17	22
Total non-operating expenses	143	122
Ordinary income	2,129	2,540
Extraordinary income		
Gain on sales of non-current assets	11	14
Total extraordinary income	11	14
Extraordinary losses		
Loss on sales and retirement of non-current assets	60	18
Other	25	-
Total extraordinary losses	85	18
Income before income taxes and minority interests	2,054	2,536
Income taxes - current	522	1,665
Income taxes - deferred	208	(607)
Total income taxes	731	1,057
Income before minority interests	1,323	1,478
Minority interests in income	5	30
Net income	1,317	1,448

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2013	Three months ended June 30, 2014
Income before minority interests	1,323	1,478
Other comprehensive income		
Valuation difference on available-for-sale securities	335	360
Foreign currency translation adjustment	906	(299)
Remeasurements of defined benefit plans, net of tax	-	66
Total other comprehensive income	1,241	127
Comprehensive income	2,564	1,606
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,491	1,591
Comprehensive income attributable to minority interests	73	15