

Translation

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

August 10, 2023

Company name: ISEWAN TERMINAL SERVICE CO.,LTD.
 Stock exchange listing: Nagoya
 Stock code: 9359 URL <https://www.isewan.co.jp/>
 Representative: President Masanobu Takami
 Inquiries: Managing Executive Officer Yoshihiro Shimojo TEL 052-661-5181
 Scheduled date to file Quarterly Securities Report: August 14, 2023
 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, 2023 (from April 1, 2023 to June 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	%
Three months ended June 30, 2023	15,183	(7.4)	1,172	(8.0)	1,463	(11.7)	963	(11.8)
Three months ended June 30, 2022	16,395	44.3	1,274	160.5	1,658	132.9	1,092	144.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	38.85		–	
Three months ended June 30, 2022	44.06		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	54,618	42,446	74.9
As of March 31, 2023	54,746	41,443	73.0

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	–	11.00	–	21.00	32.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	12.00	–	12.00	24.00

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
Six months ending September 30, 2023	28,500	(17.6)	1,450	(48.7)	1,700	(52.0)	1,150	(50.2)	46.36
Full year	56,000	(20.0)	2,800	(52.2)	3,300	(50.0)	2,200	(48.1)	88.69

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 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 June 30, 2023	27,487,054 shares	As of March 31, 2023	27,487,054 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	2,681,901 shares	As of March 31, 2023	2,681,796 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, 2023	24,805,218 shares	Three months ended June 30, 2022	24,805,409 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	15,358,306	16,750,624
Notes and accounts receivable - trade, and contract assets	9,658,882	8,309,770
Other	2,699,044	2,243,485
Allowance for doubtful accounts	(13,363)	(12,520)
Total current assets	27,702,869	27,291,360
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,823,184	5,802,218
Machinery, equipment and vehicles, net	827,153	979,727
Land	12,849,497	12,935,550
Leased assets, net	159,337	155,564
Construction in progress	1,034	1,034
Other, net	820,771	817,632
Total property, plant and equipment	20,480,977	20,691,727
Intangible assets		
Other	83,237	76,868
Total intangible assets	83,237	76,868
Investments and other assets		
Investment securities	4,510,176	4,943,928
Investments in capital	1,760	1,760
Long-term loans receivable	340,238	341,398
Deferred tax assets	1,038,153	685,490
Other	618,565	615,464
Allowance for doubtful accounts	(29,523)	(29,295)
Total investments and other assets	6,479,370	6,558,746
Total non-current assets	27,043,585	27,327,342
Total assets	54,746,455	54,618,702

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	4,374,720	4,066,248
Short-term borrowings	66,396	391,584
Current portion of long-term borrowings	20,811	16,845
Lease liabilities	230,095	244,562
Income taxes payable	1,254,119	241,486
Provision for bonuses	958,457	479,947
Other	1,636,878	1,964,187
Total current liabilities	8,541,478	7,404,861
Non-current liabilities		
Long-term borrowings	160,833	144,965
Lease liabilities	634,124	616,982
Retirement benefit liability	3,630,356	3,667,940
Asset retirement obligations	193,158	194,284
Other	142,662	142,745
Total non-current liabilities	4,761,135	4,766,918
Total liabilities	13,302,614	12,171,780
Net assets		
Shareholders' equity		
Share capital	2,046,941	2,046,941
Capital surplus	1,464,060	1,464,060
Retained earnings	36,053,092	36,472,448
Treasury shares	(1,218,638)	(1,218,712)
Total shareholders' equity	38,345,455	38,764,737
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,422,543	1,704,956
Foreign currency translation adjustment	158,817	410,062
Remeasurements of defined benefit plans	54,490	47,810
Total accumulated other comprehensive income	1,635,851	2,162,829
Non-controlling interests	1,462,533	1,519,354
Total net assets	41,443,840	42,446,922
Total liabilities and net assets	54,746,455	54,618,702

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	16,395,353	15,183,767
Cost of sales	13,036,774	11,738,514
Gross profit	3,358,579	3,445,252
Selling, general and administrative expenses	2,084,278	2,272,759
Operating profit	1,274,300	1,172,492
Non-operating income		
Interest income	9,761	18,366
Dividend income	47,874	51,028
Foreign exchange gains	262,844	137,424
Share of profit of entities accounted for using equity method	15,082	23,439
Rental income	26,266	26,712
Other	27,498	39,540
Total non-operating income	389,328	296,512
Non-operating expenses		
Interest expenses	4,024	4,173
Depreciation	841	841
Other	692	504
Total non-operating expenses	5,558	5,519
Ordinary profit	1,658,070	1,463,486
Extraordinary income		
Gain on sale of non-current assets	1,203	2,409
Gain on sale of investment securities	–	2,604
Total extraordinary income	1,203	5,014
Extraordinary losses		
Loss on sale of non-current assets	37	3
Loss on retirement of non-current assets	386	5
Total extraordinary losses	424	8
Profit before income taxes	1,658,849	1,468,491
Income taxes - current	245,695	198,132
Income taxes - deferred	209,030	233,719
Total income taxes	454,726	431,852
Profit	1,204,123	1,036,639
Profit attributable to non-controlling interests	111,290	72,883
Profit attributable to owners of parent	1,092,833	963,756

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,204,123	1,036,639
Other comprehensive income		
Valuation difference on available-for-sale securities	(38,263)	280,282
Foreign currency translation adjustment	350,580	251,995
Remeasurements of defined benefit plans, net of tax	(10,961)	(6,679)
Share of other comprehensive income of entities accounted for using equity method	2,364	3,917
Total other comprehensive income	303,720	529,515
Comprehensive income	1,507,843	1,566,154
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,398,631	1,490,734
Comprehensive income attributable to non-controlling interests	109,211	75,420