

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 10, 2024

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 of ordinary general meeting of shareholders: June 27, 2024
 Scheduled date to file Securities Report: June 27, 2024
 Scheduled date to commence dividend payments: June 28, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(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, 2024	56,699	(19.0)	3,170	(45.8)	3,981	(39.6)	2,499	(41.1)
Year ended March 31, 2023	69,994	34.4	5,855	92.6	6,596	82.5	4,241	90.0

	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, 2024	101.62	–	6.0	7.2	5.6
Year ended March 31, 2023	171.00	–	11.2	12.7	8.4

(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, 2024	56,551	44,970	76.6	1,786.70
As of March 31, 2023	54,746	41,443	73.0	1,611.81

(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, 2024	5,276	(2,252)	(1,321)	17,289
Year ended March 31, 2023	4,642	(610)	(855)	15,099

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, 2023	–	11.00	–	21.00	32.00	829	18.7	2.1
Year ended March 31, 2024	–	12.00	–	16.00	28.00	717	27.6	1.6
Year ending March 31, 2025 (Forecast)	–	12.00	–	12.00	24.00		33.7	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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, 2024	25,000	(16.2)	850	(54.9)	1,100	(54.5)	800	(46.2)	32.53
Full year	51,500	(9.2)	2,050	(35.3)	2,600	(34.7)	1,750	(30.0)	71.16

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(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: No

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, 2024	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 March 31, 2024	3,232,346 shares	As of March 31, 2023	2,681,796 shares
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Average number of shares during the period

Year ended March 31, 2024	24,593,384 shares	Year ended March 31, 2023	24,805,312 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	15,358,306	17,592,263
Notes receivable - trade	197,490	198,720
Accounts receivable - trade	9,240,132	6,529,389
Contract assets	221,259	211,096
Other	2,699,044	1,933,980
Allowance for doubtful accounts	(13,363)	(12,429)
Total current assets	27,702,869	26,453,020
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,415,701	21,527,861
Accumulated depreciation	(14,592,516)	(15,658,375)
Buildings and structures, net	5,823,184	5,869,486
Machinery, equipment and vehicles	7,475,516	8,326,968
Accumulated depreciation	(6,648,363)	(6,980,029)
Machinery, equipment and vehicles, net	827,153	1,346,938
Land	12,849,497	14,363,299
Leased assets	267,910	288,506
Accumulated depreciation	(108,572)	(152,467)
Leased assets, net	159,337	136,038
Construction in progress	1,034	43,197
Other	2,378,382	2,564,972
Accumulated depreciation	(1,557,611)	(1,824,272)
Other, net	820,771	740,700
Total property, plant and equipment	20,480,977	22,499,661
Intangible assets		
Other	83,237	71,953
Total intangible assets	83,237	71,953
Investments and other assets		
Investment securities	4,510,176	6,172,466
Investments in capital	1,760	1,760
Long-term loans receivable	340,238	286,794
Deferred tax assets	1,038,153	420,484
Other	618,565	670,867
Allowance for doubtful accounts	(29,523)	(25,933)
Total investments and other assets	6,479,370	7,526,438
Total non-current assets	27,043,585	30,098,053
Total assets	54,746,455	56,551,073

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	4,374,720	3,502,254
Short-term borrowings	66,396	66,396
Current portion of long-term borrowings	20,811	117,418
Lease liabilities	230,095	250,396
Income taxes payable	1,254,119	173,403
Provision for bonuses	958,457	1,069,840
Other	1,636,878	1,717,853
Total current liabilities	8,541,478	6,897,562
Non-current liabilities		
Long-term borrowings	160,833	344,844
Lease liabilities	634,124	514,723
Retirement benefit liability	3,630,356	3,275,415
Asset retirement obligations	193,158	197,662
Other	142,662	350,142
Total non-current liabilities	4,761,135	4,682,788
Total liabilities	13,302,614	11,580,351
Net assets		
Shareholders' equity		
Share capital	2,046,941	2,046,941
Capital surplus	1,464,060	1,478,058
Retained earnings	36,053,092	37,696,895
Treasury shares	(1,218,638)	(1,634,285)
Total shareholders' equity	38,345,455	39,587,609
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,422,543	2,506,085
Foreign currency translation adjustment	158,817	912,263
Remeasurements of defined benefit plans	54,490	329,934
Total accumulated other comprehensive income	1,635,851	3,748,283
Non-controlling interests	1,462,533	1,634,830
Total net assets	41,443,840	44,970,722
Total liabilities and net assets	54,746,455	56,551,073

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	69,994,167	56,699,891
Cost of sales	55,265,074	43,890,188
Gross profit	14,729,093	12,809,702
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	1,003,602	560,600
Salaries and bonuses	4,082,953	4,838,927
Retirement benefit expenses	122,496	142,163
Provision for bonuses	570,000	584,900
Depreciation	254,882	259,147
Other	2,840,080	3,253,111
Total selling, general and administrative expenses	8,874,014	9,638,850
Operating profit	5,855,078	3,170,852
Non-operating income		
Interest income	52,707	94,386
Dividend income	126,307	140,137
Foreign exchange gains	320,270	250,542
Share of profit of entities accounted for using equity method	29,787	61,837
Rental income	105,441	105,636
Other	129,579	183,129
Total non-operating income	764,094	835,670
Non-operating expenses		
Interest expenses	18,212	17,797
Depreciation	3,367	3,367
Other	1,297	3,431
Total non-operating expenses	22,877	24,595
Ordinary profit	6,596,295	3,981,927
Extraordinary income		
Gain on sale of non-current assets	5,216	14,802
Gain on sale of investment securities	11,342	2,604
Total extraordinary income	16,559	17,407
Extraordinary losses		
Loss on sale of non-current assets	37	3
Loss on retirement of non-current assets	31,556	49,997
Loss on valuation of membership	–	1,500
Total extraordinary losses	31,594	51,500
Profit before income taxes	6,581,260	3,947,834
Income taxes - current	2,055,424	1,206,529
Income taxes - deferred	(25,338)	25,983
Total income taxes	2,030,086	1,232,512
Profit	4,551,173	2,715,321
Profit attributable to non-controlling interests	309,367	216,036
Profit attributable to owners of parent	4,241,806	2,499,285

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	4,551,173	2,715,321
Other comprehensive income		
Valuation difference on available-for-sale securities	311,860	1,072,314
Foreign currency translation adjustment	185,114	756,387
Remeasurements of defined benefit plans, net of tax	(116,715)	275,443
Share of other comprehensive income of entities accounted for using equity method	6,734	15,743
Total other comprehensive income	386,993	2,119,888
Comprehensive income	4,938,167	4,835,210
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,630,317	4,611,716
Comprehensive income attributable to non-controlling interests	307,849	223,494

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,046,941	1,464,060	32,381,611	(1,218,535)	34,674,077
Changes during period					
Dividends of surplus			(570,325)		(570,325)
Profit attributable to owners of parent			4,241,806		4,241,806
Purchase of treasury shares				(103)	(103)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	3,671,480	(103)	3,671,377
Balance at end of period	2,046,941	1,464,060	36,053,092	(1,218,638)	38,345,455

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,106,889	(30,754)	171,205	1,247,340	1,191,883	37,113,301
Changes during period						
Dividends of surplus						(570,325)
Profit attributable to owners of parent						4,241,806
Purchase of treasury shares						(103)
Net changes in items other than shareholders' equity	315,654	189,572	(116,715)	388,511	270,649	659,161
Total changes during period	315,654	189,572	(116,715)	388,511	270,649	4,330,538
Balance at end of period	1,422,543	158,817	54,490	1,635,851	1,462,533	41,443,840

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,046,941	1,464,060	36,053,092	(1,218,638)	38,345,455
Changes during period					
Dividends of surplus			(855,481)		(855,481)
Profit attributable to owners of parent			2,499,285		2,499,285
Purchase of treasury shares				(415,647)	(415,647)
Change in ownership interest of parent due to transactions with non-controlling interests		13,997			13,997
Net changes in items other than shareholders' equity					
Total changes during period	–	13,997	1,643,803	(415,647)	1,242,154
Balance at end of period	2,046,941	1,478,058	37,696,895	(1,634,285)	39,587,609

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,422,543	158,817	54,490	1,635,851	1,462,533	41,443,840
Changes during period						
Dividends of surplus						(855,481)
Profit attributable to owners of parent						2,499,285
Purchase of treasury shares						(415,647)
Change in ownership interest of parent due to transactions with non-controlling interests						13,997
Net changes in items other than shareholders' equity	1,083,541	753,445	275,443	2,112,431	172,296	2,284,727
Total changes during period	1,083,541	753,445	275,443	2,112,431	172,296	3,526,881
Balance at end of period	2,506,085	912,263	329,934	3,748,283	1,634,830	44,970,722

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	6,581,260	3,947,834
Depreciation	996,244	1,101,369
Increase (decrease) in provision for bonuses	84,491	103,795
Increase (decrease) in allowance for doubtful accounts	(191)	(5,085)
Increase (decrease) in retirement benefit liability	19,033	46,761
Interest and dividend income	(179,015)	(234,524)
Interest expenses	18,212	17,797
Foreign exchange losses (gains)	(245,344)	(254,473)
Share of loss (profit) of entities accounted for using equity method	(29,787)	(61,837)
Loss (gain) on sale of property, plant and equipment	(5,178)	(14,798)
Loss on retirement of property, plant and equipment	31,556	49,997
Decrease (increase) in accounts receivable - trade, and contract assets	(1,519,281)	2,905,014
Increase (decrease) in trade payables	476,773	(938,860)
Other, net	32,980	688,688
Subtotal	6,261,753	7,351,675
Interest and dividends received	189,085	243,684
Interest paid	(18,239)	(18,333)
Income taxes paid	(1,790,231)	(2,300,353)
Net cash provided by (used in) operating activities	4,642,367	5,276,673
Cash flows from investing activities		
Payments into time deposits	(427,909)	(370,570)
Proceeds from withdrawal of time deposits	309,724	336,694
Purchase of property, plant and equipment	(198,598)	(1,271,339)
Proceeds from sale of property, plant and equipment	7,494	14,926
Purchase of investment securities	(141,024)	(49,001)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(1,169,720)
Proceeds from collection of loans receivable	28,794	319,764
Proceeds from refund of guarantee deposits	39,585	21,289
Other, net	(228,341)	(84,399)
Net cash provided by (used in) investing activities	(610,274)	(2,252,354)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	300,000
Repayments of long-term borrowings	(22,984)	(31,080)
Purchase of treasury shares	(103)	(415,647)
Dividends paid	(570,037)	(854,677)
Dividends paid to non-controlling interests	(37,200)	(37,200)
Repayments of lease liabilities	(225,189)	(283,286)
Net cash provided by (used in) financing activities	(855,515)	(1,321,891)
Effect of exchange rate change on cash and cash equivalents	370,727	487,016
Net increase (decrease) in cash and cash equivalents	3,547,304	2,189,444
Cash and cash equivalents at beginning of period	11,552,433	15,099,738
Cash and cash equivalents at end of period	15,099,738	17,289,182