

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 8, 2024

Company name: Japan Transcity Corporation
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 9310 URL <https://www.transcity.co.jp>
 Representative: President and Representative Director Hitoshi Ando
 Finance & Accounting Dept. Ritsuko Kato
 General Manager TEL 059-363-5211
 Scheduled date to commence dividend payments: –
 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 three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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, 2024	30,282	(4.1)	1,878	6.0	2,451	13.3	1,634	11.7
Three months ended June 30, 2023	31,571	0.3	1,771	(3.4)	2,162	(16.0)	1,463	(14.4)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	25.73		–	
Three months ended June 30, 2023	22.83		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	162,451	91,702	54.1
As of March 31, 2024	160,323	89,205	53.3

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, 2024	–	6.00	–	7.00	13.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	16.50	–	17.00	33.50

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	61,400	(1.3)	3,300	2.7	3,700	(4.4)	2,400	(8.3)	37.77
Full year	124,000	1.2	6,600	5.7	7,600	3.4	5,300	14.4	83.41

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (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, 2024	67,142,417 shares	As of March 31, 2024	67,142,417 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	3,597,349 shares	As of March 31, 2024	3,597,194 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, 2024	63,545,128 shares	Three months ended June 30, 2023	64,110,574 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	21,993	24,143
Notes and accounts receivable - trade and contract assets	18,027	18,265
Inventories	254	230
Other	3,797	2,904
Allowance for doubtful accounts	(67)	(67)
Total current assets	44,005	45,476
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	40,419	40,222
Land	35,012	35,014
Other, net	8,042	7,811
Total property, plant and equipment	83,474	83,048
Intangible assets	1,055	1,046
Investments and other assets		
Investment securities	23,099	24,222
Other	8,700	8,669
Allowance for doubtful accounts	(11)	(11)
Total investments and other assets	31,788	32,880
Total non-current assets	116,317	116,975
Total assets	160,323	162,451

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Trade accounts payable	9,654	9,224
Short-term borrowings	2,370	2,370
Current portion of long-term borrowings	2,251	2,101
Income taxes payable	359	720
Provision for bonuses	1,287	706
Other	3,761	4,094
Total current liabilities	19,683	19,216
Non-current liabilities		
Bonds payable	8,000	8,000
Long-term borrowings	29,091	28,950
Deferred tax liabilities for land revaluation	3,694	3,694
Retirement benefit liability	2,131	2,167
Long-term guarantee deposits	2,031	2,023
Other	6,485	6,696
Total non-current liabilities	51,434	51,532
Total liabilities	71,117	70,749
Net assets		
Shareholders' equity		
Share capital	8,428	8,428
Capital surplus	6,870	6,870
Retained earnings	63,194	64,385
Treasury shares	(1,642)	(1,642)
Total shareholders' equity	76,850	78,040
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,726	7,558
Revaluation reserve for land	(1,364)	(1,364)
Foreign currency translation adjustment	1,356	1,694
Remeasurements of defined benefit plans	1,951	1,899
Total accumulated other comprehensive income	8,670	9,789
Non-controlling interests	3,684	3,872
Total net assets	89,205	91,702
Total liabilities and net assets	160,323	162,451

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, 2023	Three months ended June 30, 2024
Net sales	31,571	30,282
Cost of sales	28,024	26,553
Gross profit	3,547	3,728
Selling, general and administrative expenses	1,775	1,850
Operating profit	1,771	1,878
Non-operating income		
Interest income	8	8
Dividend income	182	214
Share of profit of entities accounted for using equity method	147	155
Foreign exchange gains	117	205
Other	21	40
Total non-operating income	476	624
Non-operating expenses		
Interest expenses	27	39
Interest expenses on bonds	1	10
Bond issuance costs	43	–
Other	13	2
Total non-operating expenses	86	52
Ordinary profit	2,162	2,451
Extraordinary income		
Gain on disposal of non-current assets	2	11
Gain on sale of investment securities	50	123
Other	2	–
Total extraordinary income	56	135
Extraordinary losses		
Loss on disposal of non-current assets	18	4
Total extraordinary losses	18	4
Profit before income taxes	2,199	2,581
Income taxes	662	788
Profit	1,537	1,792
Profit attributable to non-controlling interests	74	158
Profit attributable to owners of parent	1,463	1,634

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	1,537	1,792
Other comprehensive income		
Valuation difference on available-for-sale securities	1,091	825
Foreign currency translation adjustment	209	358
Remeasurements of defined benefit plans, net of tax	(23)	(52)
Share of other comprehensive income of entities accounted for using equity method	4	19
Total other comprehensive income	1,281	1,152
Comprehensive income	2,819	2,944
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,680	2,752
Comprehensive income attributable to non-controlling interests	139	192

Consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,199	2,581
Depreciation	1,128	1,329
Increase (decrease) in provision for bonuses	(555)	(583)
Increase (decrease) in retirement benefit liability	23	38
Decrease (increase) in retirement benefit asset	(0)	(50)
Loss (gain) on disposal of non-current assets	16	(6)
Interest and dividend income	(191)	(223)
Interest expenses on borrowings and bonds	29	49
Share of loss (profit) of entities accounted for using equity method	(147)	(155)
Decrease (increase) in trade receivables	1,842	(115)
Increase (decrease) in trade payables	(1,400)	(516)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(1,145)	1,365
Other, net	292	(375)
Subtotal	2,092	3,336
Interest and dividends received	454	457
Interest paid	(16)	(53)
Income taxes paid	(1,505)	(356)
Net cash provided by (used in) operating activities	1,024	3,384
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(14,887)	(882)
Proceeds from sale of property, plant and equipment and intangible assets	2	11
Other, net	61	(60)
Net cash provided by (used in) investing activities	(14,823)	(931)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1)	(0)
Proceeds from long-term borrowings	8,000	–
Repayments of long-term borrowings	(139)	(291)
Proceeds from issuance of bonds	7,956	–
Dividends paid	(385)	(444)
Other, net	(310)	(124)
Net cash provided by (used in) financing activities	15,118	(860)
Effect of exchange rate change on cash and cash equivalents	128	344
Net increase (decrease) in cash and cash equivalents	1,448	1,936
Cash and cash equivalents at beginning of period	19,515	21,507
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	14	–
Cash and cash equivalents at end of period	20,977	23,444