

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2018 (Based on Japanese GAAP)

July 27, 2018

Company name: HAMAKYOREX CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 9037 URL <http://www.hamakyorex.co.jp>
 Representative: President Hidenori Osuka
 Inquiries: Executive officer Rikiya Yamada TEL 053-444-0054
 Scheduled date to file Quarterly Securities Report: August 10, 2018
 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, 2018 (from April 1, 2018 to June 30, 2018)

(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, 2018	26,866	7.7	2,313	11.6	2,440	10.6	1,449	11.5
Three months ended June 30, 2017	24,948	1.1	2,073	5.0	2,205	6.3	1,299	9.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2018	76.26	–
Three months ended June 30, 2017	68.38	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2018	113,484	59,825	46.4
As of March 31, 2018	112,520	58,641	45.9

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, 2018	–	22.50	–	22.50	45.00
Year ending March 31, 2019	–				
Year ending March 31, 2019 (Forecast)		26.00	–	26.00	52.00

3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

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
Full year	108,000	4.4	9,600	6.3	10,000	5.1	6,000	7.6	315.70

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2018
 (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, 2018	19,012,000 shares	As of March 31, 2018	19,012,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2018	6,617 shares	As of March 31, 2018	6,514 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, 2018	19,005,424 shares	Three months ended June 30, 2017	19,005,610 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Current assets		
Cash and deposits	9,530	10,808
Notes and accounts receivable - trade	14,362	14,310
Merchandise	16	15
Supplies	93	96
Other	1,029	1,367
Allowance for doubtful accounts	(44)	(44)
Total current assets	24,988	26,553
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,829	29,384
Land	40,530	40,530
Other, net	10,433	10,300
Total property, plant and equipment	80,793	80,215
Intangible assets	2,150	2,173
Investments and other assets	4,587	4,540
Total non-current assets	87,531	86,930
Total assets	112,520	113,484
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,777	6,519
Short-term loans payable	17,294	17,360
Income taxes payable	1,922	923
Provision for bonuses	880	1,021
Provision for directors' bonuses	34	12
Reserve for loss on dissolution of employee's pension fund	2	2
Other	7,290	8,642
Total current liabilities	34,201	34,482
Non-current liabilities		
Long-term loans payable	6,792	6,458
Net defined benefit liability	5,815	5,833
Reserve for loss on dissolution of employee's pension fund	39	38
Other	7,029	6,845
Total non-current liabilities	19,676	19,176
Total liabilities	53,878	53,658
Net assets		
Shareholders' equity		
Capital stock	6,547	6,547
Capital surplus	6,466	6,466
Retained earnings	38,562	39,584
Treasury shares	(9)	(10)
Total shareholders' equity	51,566	52,587
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	325	346
Remeasurements of defined benefit plans	(250)	(235)
Total accumulated other comprehensive income	75	110
Non-controlling interests	6,999	7,128
Total net assets	58,641	59,825
Total liabilities and net assets	112,520	113,484

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

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Operating revenue	24,948	26,866
Operating cost	22,243	23,888
Operating gross profit	2,705	2,977
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	0	(0)
Directors' compensations	145	157
Salaries and allowances	121	138
Provision for bonuses	29	26
Provision for directors' bonuses	9	6
Retirement benefit expenses	5	6
Other	319	329
Total selling, general and administrative expenses	631	663
Operating profit	2,073	2,313
Non-operating income		
Interest income	0	0
Dividend income	21	30
Subsidy income	4	0
Electrical Sales Income	126	121
Miscellaneous income	109	101
Total non-operating income	262	254
Non-operating expenses		
Interest expenses	50	42
Cost of electricity sales	64	61
Miscellaneous loss	14	23
Total non-operating expenses	129	127
Ordinary profit	2,205	2,440
Extraordinary losses		
Loss on transfer and closing of logistics center	24	–
Total extraordinary losses	24	–
Profit before income taxes	2,181	2,440
Income taxes - current	825	881
Income taxes - deferred	(124)	(111)
Total income taxes	700	770
Profit	1,480	1,669
Profit attributable to		
Profit attributable to owners of parent	1,299	1,449
Profit attributable to non-controlling interests	180	220
Other comprehensive income		
Valuation difference on available-for-sale securities	30	24
Remeasurements of defined benefit plans, net of tax	15	18
Total other comprehensive income	45	43
Comprehensive income	1,526	1,713
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,340	1,483
Comprehensive income attributable to non-controlling interests	186	229