

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2020 (Based on Japanese GAAP)

October 28, 2020

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 Yoshiyuki Takeuchi TEL 053(444)0054  
 Scheduled date to file Quarterly Securities Report: November 10, 2020  
 Scheduled date to commence dividend payments: December 1, 2020  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2020 (from April 1, 2020 to September 30, 2020)

(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	%
Six months ended September 30, 2020	57,675	(4.4)	4,894	(3.6)	5,111	(4.1)	3,154	2.7
Six months ended September 30, 2019	60,314	12.4	5,075	12.6	5,329	12.8	3,072	8.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2020	167.47		-	
Six months ended September 30, 2019	161.66		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	123,931	72,038	51.0
As of March 31, 2020	122,773	69,824	49.9

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, 2020	-	35.00	-	35.00	70.00
Year ending March 31, 2021	-	35.00			
Year ending March 31, 2021 (Forecast)			-	35.00	70.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	121,000	(1.2)	10,000	(1.9)	10,300	(3.0)	6,000	(3.7)	315.70

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2020  
(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 September 30, 2020	19,012,000 shares	As of March 31, 2020	19,012,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2020	224,553 shares	As of March 31, 2020	18,515 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2020	18,834,003 shares	Six months ended September 30, 2019	19,005,307 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
<b>Assets</b>		
Current assets		
Cash and deposits	16,143	14,382
Notes and accounts receivable - trade	14,552	13,821
Merchandise	5	63
Supplies	172	184
Other	1,039	1,400
Allowance for doubtful accounts	(41)	(37)
Total current assets	31,872	29,815
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,116	29,168
Land	42,178	42,946
Other, net	11,136	13,070
Total property, plant and equipment	82,431	85,185
Intangible assets	2,632	2,592
Investments and other assets	5,836	6,338
Total non-current assets	90,900	94,116
Total assets	122,773	123,931
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	7,039	6,248
Short-term borrowings	16,563	16,296
Income taxes payable	1,818	1,842
Provision for bonuses	1,153	1,198
Reserve for loss on dissolution of employee's pension fund	49	49
Other	7,560	7,769
Total current liabilities	34,184	33,403
Non-current liabilities		
Long-term borrowings	5,462	5,148
Retirement benefit liability	5,997	5,974
Reserve for loss on dissolution of employee's pension fund	175	150
Other	7,129	7,215
Total non-current liabilities	18,764	18,488
Total liabilities	52,948	51,892
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,547	6,547
Capital surplus	6,445	6,445
Retained earnings	48,373	50,862
Treasury shares	(40)	(643)
Total shareholders' equity	61,325	63,211
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	120	127
Remeasurements of defined benefit plans	(129)	(106)
Total accumulated other comprehensive income	(9)	20
Non-controlling interests	8,508	8,806
Total net assets	69,824	72,038
Total liabilities and net assets	122,773	123,931

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

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Operating revenue	60,314	57,675
Operating costs	53,718	51,177
Operating gross profit	6,596	6,498
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	0	(4)
Remuneration for directors (and other officers)	344	366
Salaries and allowances	354	352
Provision for bonuses	67	66
Retirement benefit expenses	16	18
Other	737	804
Total selling, general and administrative expenses	1,520	1,603
Operating profit	5,075	4,894
Non-operating income		
Interest income	0	0
Dividend income	35	31
Gain on sales of non-current assets	51	34
Subsidy income	7	12
Electricity sale income	226	223
Miscellaneous income	172	152
Total non-operating income	494	456
Non-operating expenses		
Interest expenses	78	75
Cost of electricity sales	119	115
Miscellaneous loss	43	49
Total non-operating expenses	240	239
Ordinary profit	5,329	5,111
Extraordinary income		
Subsidy income related to COVID-19	–	213
Gain on sales of investment securities	–	158
Total extraordinary income	–	371
Extraordinary losses		
Loss related to COVID-19	–	189
Total extraordinary losses	–	189
Profit before income taxes	5,329	5,293
Income taxes - current	1,683	1,729
Income taxes - deferred	41	(14)
Total income taxes	1,725	1,714
Profit	3,603	3,579

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Profit attributable to		
Profit attributable to owners of parent	3,072	3,154
Profit attributable to non-controlling interests	531	425
Other comprehensive income		
Valuation difference on available-for-sale securities	(87)	13
Remeasurements of defined benefit plans, net of tax	50	28
Total other comprehensive income	(37)	41
Comprehensive income	3,566	3,620
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,028	3,183
Comprehensive income attributable to non-controlling interests	538	436