

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

July 29, 2019

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: August 9, 2019
 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, 2019 (from April 1, 2019 to June 30, 2019)

(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, 2019	29,692	10.5	2,491	7.7	2,644	8.4	1,528	5.4
Three months ended June 30, 2018	26,866	7.7	2,313	11.6	2,440	10.6	1,449	11.5

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2019	80.40	–
Three months ended June 30, 2018	76.26	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	119,443	65,535	48.0
As of March 31, 2019	119,184	64,614	47.4

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, 2019	–	30.00	–	35.00	65.00
Year ending March 31, 2020	–				
Year ending March 31, 2020 (Forecast)		35.00	–	35.00	70.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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	4.4	10,500	5.9	10,800	4.2	6,200	5.0	326.22

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019
(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, 2019	19,012,000 shares	As of March 31, 2019	19,012,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2019	6,682 shares	As of March 31, 2019	6,682 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, 2019	19,005,318 shares	Three months ended June 30, 2018	19,005,424 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	14,800	14,717
Notes and accounts receivable - trade	15,549	15,210
Merchandise	5	5
Supplies	166	149
Other	1,519	1,740
Allowance for doubtful accounts	(230)	(230)
Total current assets	31,810	31,592
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	28,339	28,731
Land	40,514	40,514
Other, net	10,747	10,788
Total property, plant and equipment	79,602	80,034
Intangible assets	2,567	2,614
Investments and other assets	5,204	5,202
Total non-current assets	87,373	87,851
Total assets	119,184	119,443
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,765	7,346
Short-term borrowings	17,687	17,873
Income taxes payable	2,108	924
Provision for bonuses	1,083	662
Provision for bonuses for directors (and other officers)	28	—
Reserve for loss on dissolution of employee's pension fund	49	49
Other	7,817	9,464
Total current liabilities	36,539	36,321
Non-current liabilities		
Long-term borrowings	4,598	4,271
Retirement benefit liability	6,126	6,099
Reserve for loss on dissolution of employee's pension fund	224	212
Other	7,080	7,004
Total non-current liabilities	18,030	17,587
Total liabilities	54,570	53,908
Net assets		
Shareholders' equity		
Share capital	6,547	6,547
Capital surplus	6,466	6,466
Retained earnings	43,469	44,332
Treasury shares	(10)	(10)
Total shareholders' equity	56,472	57,335
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	266	193
Remeasurements of defined benefit plans	(217)	(198)
Total accumulated other comprehensive income	48	(5)
Non-controlling interests	8,093	8,205
Total net assets	64,614	65,535
Total liabilities and net assets	119,184	119,443

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

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Operating revenue	26,866	29,692
Operating cost	23,888	26,278
Operating gross profit	2,977	3,414
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	(0)	2
Remuneration for directors (and other officers)	157	172
Salaries and allowances	138	172
Provision for bonuses	26	33
Provision for bonuses for directors (and other officers)	6	—
Retirement benefit expenses	6	8
Other	329	532
Total selling, general and administrative expenses	663	922
Operating profit	2,313	2,491
Non-operating income		
Interest income	0	0
Dividend income	30	32
Subsidy income	0	2
Electricity sale income	121	119
Miscellaneous income	101	120
Total non-operating income	254	275
Non-operating expenses		
Interest expenses	42	38
Cost of electricity sales	61	59
Miscellaneous loss	23	23
Total non-operating expenses	127	122
Ordinary profit	2,440	2,644
Profit before income taxes	2,440	2,644
Income taxes - current	881	896
Income taxes - deferred	(111)	(28)
Total income taxes	770	867
Profit	1,669	1,777
Profit attributable to		
Profit attributable to owners of parent	1,449	1,528
Profit attributable to non-controlling interests	220	249
Other comprehensive income		
Valuation difference on available-for-sale securities	24	(77)
Remeasurements of defined benefit plans, net of tax	18	25
Total other comprehensive income	43	(52)
Comprehensive income	1,713	1,725
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,483	1,474
Comprehensive income attributable to non-controlling interests	229	250