

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

July 30, 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: August 12, 2020
 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, 2020 (from April 1, 2020 to June 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	%
Three months ended June 30, 2020	28,637	(3.6)	2,367	(5.0)	2,490	(5.8)	1,538	0.7
Three months ended June 30, 2019	29,692	10.5	2,491	7.7	2,644	8.4	1,528	5.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	81.52		–	
Three months ended June 30, 2019	80.40		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	122,613	70,233	50.3
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	–	–	–	–	–
Year ending March 31, 2021 (Forecast)	–	35.00	–	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 three months ended June 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 June 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 June 30, 2020	199,915 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)

Three months ended June 30, 2020	18,876,965 shares	Three months ended June 30, 2019	19,005,318 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	16,143	15,569
Notes and accounts receivable - trade	14,552	14,252
Merchandise	5	3
Supplies	172	184
Other	1,039	1,523
Allowance for doubtful accounts	(41)	(38)
Total current assets	31,872	31,495
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,116	28,681
Land	42,178	42,179
Other, net	11,136	11,652
Total property, plant and equipment	82,431	82,513
Intangible assets	2,632	2,575
Investments and other assets	5,836	6,029
Total non-current assets	90,900	91,118
Total assets	122,773	122,613
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,039	6,421
Short-term borrowings	16,563	16,583
Income taxes payable	1,818	975
Provision for bonuses	1,153	194
Reserve for loss on dissolution of employee's pension fund	49	49
Other	7,560	9,725
Total current liabilities	34,184	33,950
Non-current liabilities		
Long-term borrowings	5,462	5,169
Retirement benefit liability	5,997	5,996
Reserve for loss on dissolution of employee's pension fund	175	162
Other	7,129	7,100
Total non-current liabilities	18,764	18,429
Total liabilities	52,948	52,380
Net assets		
Shareholders' equity		
Share capital	6,547	6,547
Capital surplus	6,445	6,445
Retained earnings	48,373	49,247
Treasury shares	(40)	(565)
Total shareholders' equity	61,325	61,674
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	120	107
Remeasurements of defined benefit plans	(129)	(118)
Total accumulated other comprehensive income	(9)	(10)
Non-controlling interests	8,508	8,570
Total net assets	69,824	70,233
Total liabilities and net assets	122,773	122,613

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

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Operating revenue	29,692	28,637
Operating costs	26,278	25,441
Operating gross profit	3,414	3,196
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	2	(3)
Remuneration for directors (and other officers)	172	182
Salaries and allowances	172	178
Provision for bonuses	33	34
Retirement benefit expenses	8	9
Other	532	427
Total selling, general and administrative expenses	922	828
Operating profit	2,491	2,367
Non-operating income		
Interest income	0	0
Dividend income	32	29
Gain on sales of non-current assets	25	17
Subsidy income	2	1
Electricity sale income	119	123
Miscellaneous income	94	76
Total non-operating income	275	249
Non-operating expenses		
Interest expenses	38	38
Cost of electricity sales	59	57
Miscellaneous loss	23	29
Total non-operating expenses	122	125
Ordinary profit	2,644	2,490
Extraordinary income		
Subsidy income related to COVID-19	–	139
Gain on sales of investment securities	–	158
Total extraordinary income	–	298
Extraordinary losses		
Loss related to COVID-19	–	185
Total extraordinary losses	–	185
Profit before income taxes	2,644	2,603
Income taxes - current	896	967
Income taxes - deferred	(28)	(96)
Total income taxes	867	870
Profit	1,777	1,732
Profit attributable to		
Profit attributable to owners of parent	1,528	1,538
Profit attributable to non-controlling interests	249	193
Other comprehensive income		
Valuation difference on available-for-sale securities	(77)	(8)
Remeasurements of defined benefit plans, net of tax	25	14
Total other comprehensive income	(52)	5
Comprehensive income	1,725	1,738
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,474	1,537
Comprehensive income attributable to non-controlling interests	250	200