

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

January 29, 2021

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: February 10, 2021
 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 nine months ended December 31, 2020 (from April 1, 2020 to December 31, 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	%
Nine months ended December 31, 2020	89,434	(3.6)	8,220	1.7	8,516	1.4	5,133	6.2
Nine months ended December 31, 2019	92,791	6.6	8,084	3.6	8,399	3.6	4,832	2.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2020	272.77	–
Nine months ended December 31, 2019	254.26	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2020	127,651	73,702	50.6
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	Yen	Yen	Yen	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)				40.00	75.00

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 nine months ended December 31, 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 December 31, 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 December 31, 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)

Nine months ended December 31, 2020	18,818,428 shares	Nine months ended December 31, 2019	19,005,300 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	16,143	14,901
Notes and accounts receivable - trade	14,552	16,565
Merchandise	5	2
Supplies	172	176
Other	1,039	2,335
Allowance for doubtful accounts	(41)	(44)
Total current assets	31,872	33,935
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,116	30,116
Land	42,178	43,000
Other, net	11,136	11,754
Total property, plant and equipment	82,431	84,871
Intangible assets	2,632	2,570
Investments and other assets	5,836	6,273
Total non-current assets	90,900	93,715
Total assets	122,773	127,651
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,039	8,007
Short-term borrowings	16,563	16,737
Income taxes payable	1,818	1,036
Provision for bonuses	1,153	645
Reserve for loss on dissolution of employee's pension fund	49	49
Other	7,560	9,412
Total current liabilities	34,184	35,888
Non-current liabilities		
Long-term borrowings	5,462	4,834
Retirement benefit liability	5,997	5,991
Reserve for loss on dissolution of employee's pension fund	175	138
Other	7,129	7,096
Total non-current liabilities	18,764	18,060
Total liabilities	52,948	53,948
Net assets		
Shareholders' equity		
Share capital	6,547	6,547
Capital surplus	6,445	6,445
Retained earnings	48,373	52,183
Treasury shares	(40)	(643)
Total shareholders' equity	61,325	64,533
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	120	171
Remeasurements of defined benefit plans	(129)	(95)
Total accumulated other comprehensive income	(9)	75
Non-controlling interests	8,508	9,093
Total net assets	69,824	73,702
Total liabilities and net assets	122,773	127,651

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

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Operating revenue	92,791	89,434
Operating costs	82,282	78,807
Operating gross profit	10,509	10,627
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	6	3
Remuneration for directors (and other officers)	518	550
Salaries and allowances	530	510
Provision for bonuses	55	67
Retirement benefit expenses	24	25
Other	1,289	1,248
Total selling, general and administrative expenses	2,425	2,406
Operating profit	8,084	8,220
Non-operating income		
Interest income	0	1
Dividend income	51	54
Gain on sales of non-current assets	68	52
Subsidy income	17	22
Electricity sale income	296	295
Miscellaneous income	240	231
Total non-operating income	674	658
Non-operating expenses		
Interest expenses	117	111
Cost of electricity sales	178	172
Miscellaneous loss	63	78
Total non-operating expenses	359	362
Ordinary profit	8,399	8,516
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	8,399	8,699
Income taxes - current	2,413	2,576
Income taxes - deferred	307	229
Total income taxes	2,721	2,805
Profit	5,678	5,893
Profit attributable to		
Profit attributable to owners of parent	4,832	5,133
Profit attributable to non-controlling interests	846	760

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Other comprehensive income		
Valuation difference on available-for-sale securities	(3)	60
Remeasurements of defined benefit plans, net of tax	75	42
Total other comprehensive income	72	103
Comprehensive income	5,750	5,996
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,882	5,218
Comprehensive income attributable to non-controlling interests	868	778