

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on Japanese GAAP)

October 28, 2022

Company name: HAMAKYOREX CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 9037 URL <https://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, 2022
 Scheduled date to commence dividend payments: December 1, 2022
 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, 2022 (from April 1, 2022 to September 30, 2022)

(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, 2022	64,962	6.0	5,628	2.2	6,090	5.7	3,664	8.1
Six months ended September 30, 2021	61,267	6.2	5,504	12.5	5,764	12.8	3,389	7.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	195.03		-	
Six months ended September 30, 2021	180.40		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	139,879	84,744	53.2
As of March 31, 2022	135,672	81,592	52.7

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, 2022	-	40.00	-	45.00	85.00
Year ending March 31, 2023	-	45.00	-	-	-
Year ending March 31, 2023 (Forecast)	-	-	-	45.00	90.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	132,000	5.5	11,900	7.1	12,400	3.7	7,300	2.6	388.56

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2022
(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, 2022	19,012,000 shares	As of March 31, 2022	19,012,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	224,789 shares	As of March 31, 2022	224,751 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, 2022	18,787,234 shares	Six months ended September 30, 2021	18,787,284 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	19,604	21,630
Notes and accounts receivable - trade, and contract assets	15,118	15,426
Merchandise	2	2
Supplies	182	154
Other	3,570	3,742
Allowance for doubtful accounts	(33)	(35)
Total current assets	38,445	40,921
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,086	33,715
Land	45,040	45,984
Other, net	10,706	9,476
Total property, plant and equipment	87,832	89,177
Intangible assets	2,938	2,805
Investments and other assets	6,456	6,974
Total non-current assets	97,227	98,957
Total assets	135,672	139,879
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,316	7,015
Short-term borrowings	16,831	17,201
Income taxes payable	1,803	2,073
Provision for bonuses	1,288	1,362
Reserve for loss on dissolution of employee's pension fund	49	44
Other	8,354	8,270
Total current liabilities	35,644	35,967
Non-current liabilities		
Long-term borrowings	5,866	5,645
Retirement benefit liability	5,862	5,892
Reserve for loss on dissolution of employee's pension fund	76	52
Other	6,629	7,576
Total non-current liabilities	18,435	19,167
Total liabilities	54,079	55,134

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Net assets		
Shareholders' equity		
Share capital	6,547	6,547
Capital surplus	6,445	6,445
Retained earnings	59,046	61,865
Treasury shares	(643)	(643)
Total shareholders' equity	71,395	74,214
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	216	192
Remeasurements of defined benefit plans	(54)	(39)
Total accumulated other comprehensive income	162	152
Non-controlling interests	10,034	10,377
Total net assets	81,592	84,744
Total liabilities and net assets	135,672	139,879

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

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Operating revenue	61,267	64,962
Operating costs	53,964	57,313
Operating gross profit	7,302	7,649
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	(0)	1
Remuneration for directors (and other officers)	403	427
Salaries and allowances	425	456
Provision for bonuses	67	66
Retirement benefit expenses	21	33
Other	880	1,035
Total selling, general and administrative expenses	1,798	2,021
Operating profit	5,504	5,628
Non-operating income		
Interest income	0	0
Dividend income	39	44
Gain on sale of non-current assets	57	97
Subsidy income	21	74
Electricity sale income	220	223
Miscellaneous income	156	249
Total non-operating income	496	689
Non-operating expenses		
Interest expenses	72	71
Cost of electricity sales	113	110
Miscellaneous losses	50	45
Total non-operating expenses	236	227
Ordinary profit	5,764	6,090
Extraordinary income		
Gain on bargain purchase	–	105
Total extraordinary income	–	105

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Extraordinary losses		
Loss on transfer and closing of logistics center	16	10
Loss on valuation of shares of subsidiaries and associates	–	76
Total extraordinary losses	16	87
Profit before income taxes	5,748	6,109
Income taxes - current	1,832	1,958
Income taxes - deferred	35	(13)
Total income taxes	1,867	1,945
Profit	3,880	4,164
Profit attributable to		
Profit attributable to owners of parent	3,389	3,664
Profit attributable to non-controlling interests	491	499
Other comprehensive income		
Valuation difference on available-for-sale securities	(24)	(24)
Remeasurements of defined benefit plans, net of tax	15	19
Total other comprehensive income	(8)	(5)
Comprehensive income	3,872	4,158
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,387	3,654
Comprehensive income attributable to non-controlling interests	484	503