

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

January 30, 2023

Company name: TRANCOM CO.,LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 9058 URL <https://www.trancom.co.jp/ir/>  
 Representative: Representative Director ,President Atsunori Takabe  
 Inquiries: Executive Officer / Finance and Accounting Naoki Mitamura TEL (052)939-2011  
 Scheduled date to file Quarterly Securities Report: February 3, 2023  
 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, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	127,850	4.4	5,726	(7.4)	5,894	(6.1)	4,709	16.3
Nine months ended December 31, 2021	122,409	8.0	6,184	(1.7)	6,274	(2.1)	4,050	(8.4)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	486.94		485.73	
Nine months ended December 31, 2021	413.56		412.54	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	73,755	50,403	67.5	5,209.12
As of March 31, 2022	69,786	47,714	67.6	4,816.37

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	–	62.00	–	64.00	126.00
Year ending March 31, 2023	–	68.00	–		
Year ending March 31, 2023 (Forecast)				68.00	136.00

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	171,500	5.2	7,800	(2.4)	8,000	(2.3)	6,000	13.4	617.90

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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: Yes
- 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, 2022	10,324,150 shares	As of March 31, 2022	10,324,150 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	761,029 shares	As of March 31, 2022	527,285 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, 2022	9,670,981 shares	Nine months ended December 31, 2021	9,793,631 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	20,024	19,596
Notes and accounts receivable - trade, and contract assets	25,728	27,188
Merchandise	8	11
Work in process	5	3
Supplies	18	27
Prepaid expenses	794	913
Deposits paid	–	292
Other	222	469
Allowance for doubtful accounts	(1)	(1)
Total current assets	46,800	48,502
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,874	10,324
Accumulated depreciation	(5,197)	(5,439)
Buildings and structures, net	4,676	4,884
Machinery, equipment and vehicles	7,960	8,495
Accumulated depreciation	(5,764)	(6,367)
Machinery, equipment and vehicles, net	2,195	2,128
Land	3,005	3,005
Leased assets	2,376	2,336
Accumulated depreciation	(1,830)	(1,912)
Leased assets, net	545	424
RightOfUseAssets	1,797	3,375
Accumulated depreciation	(605)	(1,081)
RightOfUseAssets, net	1,192	2,294
Construction in progress	251	361
Other	1,596	1,850
Accumulated depreciation	(1,107)	(1,198)
Other, net	489	652
Total property, plant and equipment	12,356	13,752
Intangible assets		
Goodwill	1,489	1,522
Software	1,432	1,226
Software in progress	36	163
Customer Relationship	747	732
Other	154	151
Total intangible assets	3,860	3,796
Investments and other assets		
Investment securities	3,622	4,182
Deferred tax assets	755	494
Deferred tax assets for land revaluation	19	19
Guarantee deposits	2,240	2,559
Other	142	467
Allowance for doubtful accounts	(13)	(18)
Total investments and other assets	6,768	7,704
Total non-current assets	22,986	25,253
Total assets	69,786	73,755

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	12,402	12,719
Lease liabilities	708	705
Accounts payable - other	1,727	1,787
Accrued expenses	1,355	1,634
Income taxes payable	1,024	714
Accrued consumption taxes	673	614
Provision for bonuses	635	237
Provision for bonuses for directors (and other officers)	–	23
Other	357	729
Total current liabilities	18,885	19,167
Non-current liabilities		
Lease liabilities	1,295	2,249
Deferred tax liabilities	154	147
Provision for stocks payment	306	343
Provision for share awards for directors (and other officers)	343	380
Retirement benefit liability	94	90
Asset retirement obligations	636	612
Other	356	360
Total non-current liabilities	3,186	4,185
<b>Total liabilities</b>	<b>22,072</b>	<b>23,352</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,080	1,080
Capital surplus	1,815	1,832
Retained earnings	45,007	48,348
Treasury shares	(1,049)	(2,788)
Total shareholders' equity	46,853	48,472
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	241	446
Revaluation reserve for land	(44)	(44)
Foreign currency translation adjustment	141	944
Remeasurements of defined benefit plans	(5)	(4)
Total accumulated other comprehensive income	332	1,342
Share acquisition rights	100	100
Non-controlling interests	428	487
<b>Total net assets</b>	<b>47,714</b>	<b>50,403</b>
<b>Total liabilities and net assets</b>	<b>69,786</b>	<b>73,755</b>

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

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	122,409	127,850
Cost of sales	114,092	119,366
Gross profit	8,316	8,484
Selling, general and administrative expenses	2,131	2,757
Operating profit	6,184	5,726
Non-operating income		
Interest and dividend income	28	38
Share of profit of entities accounted for using equity method	51	92
Subsidy income	108	113
Other	79	71
Total non-operating income	268	317
Non-operating expenses		
Interest expenses	94	92
Loss on retirement of non-current assets	32	1
Compensation expenses	25	–
Other	27	55
Total non-operating expenses	178	149
Ordinary profit	6,274	5,894
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	–	1,343
Total extraordinary income	–	1,343
Extraordinary losses		
Impairment losses	46	52
Total extraordinary losses	46	52
Profit before income taxes	6,228	7,185
Income taxes - current	1,967	2,276
Income taxes - deferred	169	133
Total income taxes	2,136	2,409
Profit	4,091	4,775
Profit attributable to		
Profit attributable to owners of parent	4,050	4,709
Profit attributable to non-controlling interests	41	66
Other comprehensive income		
Valuation difference on available-for-sale securities	(77)	205
Foreign currency translation adjustment	227	842
Remeasurements of defined benefit plans, net of tax	3	1
Total other comprehensive income	152	1,050
Comprehensive income	4,244	5,826
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,204	5,719
Comprehensive income attributable to non-controlling interests	39	106