

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 9, 2023

Company name: TRUST CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 3347 URL <https://www.trust-ltd.co.jp>
 Representative: CEO Kenji Kawamura
 Inquiries: Administration manager Naoki Nogimori TEL 052-219-9058
 Scheduled date to file Quarterly Securities Report: August 9, 2023
 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, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	9,344	4.3	609	(8.8)	676	(23.6)	279	(53.7)
Three months ended June 30, 2022	8,958	52.0	668	188.1	886	321.7	603	561.2

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	10.81	–
Three months ended June 30, 2022	23.34	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	41,193	13,624	21.5	341.97
As of March 31, 2023	39,480	13,338	21.8	332.30

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, 2023	–	4.00	–	2.00	6.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	3.00	–	3.00	6.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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
Six months ending September 30, 2023	19,106	6.4	1,088	(27.8)	1,013	(44.0)	418	(59.5)	16.15
Full year	39,012	13.8	2,442	2.7	2,282	(7.5)	873	(29.9)	33.73

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
 (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, 2023	28,150,000 shares	As of March 31, 2023	28,150,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	2,273,100 shares	As of March 31, 2023	2,273,100 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, 2023	25,876,900 shares	Three months ended June 30, 2022	25,876,900 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	975,211	1,105,794
Notes receivable - trade	36,199	47,796
Accounts receivable - trade	3,553,484	3,906,314
Lease receivables and investments in leases	9,384,446	9,951,393
Merchandise and finished goods	3,994,223	3,958,696
Work in process	427	1,450
Raw materials and supplies	44,679	44,576
Other	1,211,562	1,262,962
Allowance for doubtful accounts	(190,530)	(191,349)
Total current assets	19,009,705	20,087,634
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	5,648,964	5,633,311
Leased assets, net	7,252,548	7,669,846
Land	3,970,116	3,971,004
Other, net	2,469,990	2,718,358
Total property, plant and equipment	19,341,620	19,992,521
Intangible assets		
Goodwill	45,183	43,913
Other	103,762	102,137
Total intangible assets	148,945	146,051
Investments and other assets		
Other	1,056,399	1,044,884
Allowance for doubtful accounts	(76,269)	(77,767)
Total investments and other assets	980,129	967,117
Total non-current assets	20,470,696	21,105,690
Total assets	39,480,401	41,193,324
Liabilities		
Current liabilities		
Notes and accounts payable - trade	682,271	779,522
Short-term borrowings	6,600,000	7,500,000
Lease liabilities	11,620,065	12,260,956
Income taxes payable	299,882	186,520
Contract liabilities	455,688	436,192
Provision for bonuses	156,517	82,472
Other	1,594,968	1,204,057
Total current liabilities	21,409,394	22,449,722
Non-current liabilities		
Lease liabilities	4,538,269	4,910,045
Provision for retirement benefits for directors (and other officers)	15,062	15,367
Asset retirement obligations	80,224	82,597
Other	99,194	110,714
Total non-current liabilities	4,732,750	5,118,724
Total liabilities	26,142,145	27,568,446

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	1,349,000	1,349,000
Capital surplus	1,174,800	1,174,800
Retained earnings	6,748,352	6,976,324
Treasury shares	(618,209)	(618,209)
Total shareholders' equity	8,653,943	8,881,915
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,901	6,730
Foreign currency translation adjustment	(58,892)	(39,486)
Total accumulated other comprehensive income	(54,991)	(32,756)
Non-controlling interests	4,739,304	4,775,719
Total net assets	13,338,256	13,624,878
Total liabilities and net assets	39,480,401	41,193,324

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	8,958,158	9,344,440
Cost of sales	6,962,055	7,220,125
Gross profit	1,996,102	2,124,314
Selling, general and administrative expenses	1,327,130	1,514,419
Operating profit	668,972	609,894
Non-operating income		
Interest income	4,363	3,497
Dividend income	1,275	1,398
Foreign exchange gains	239,495	96,313
Other	6,242	7,209
Total non-operating income	251,376	108,419
Non-operating expenses		
Interest expenses	33,341	41,485
Other	702	44
Total non-operating expenses	34,043	41,530
Ordinary profit	886,305	676,783
Extraordinary income		
Gain on sale of investment securities	299,119	–
Total extraordinary income	299,119	–
Extraordinary losses		
Loss on retirement of non-current assets	9	45
Total extraordinary losses	9	45
Profit before income taxes	1,185,414	676,738
Income taxes - current	252,753	204,644
Income taxes - deferred	22,682	11,056
Total income taxes	275,435	215,701
Profit	909,979	461,037
Profit attributable to non-controlling interests	306,130	181,310
Profit attributable to owners of parent	603,849	279,726

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	909,979	461,037
Other comprehensive income		
Valuation difference on available-for-sale securities	(11,824)	2,913
Foreign currency translation adjustment	(930)	19,406
Total other comprehensive income	(12,755)	22,319
Comprehensive income	897,224	483,356
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	591,156	301,961
Comprehensive income attributable to non-controlling interests	306,067	181,395