

Quarterly consolidated financial statements
(1) Quarterly consolidated balance sheet

(Millions of yen)

| | As of March 31, 2019 | As of December 31, 2019 |
|--|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 21,385 | 23,379 |
| Notes and accounts receivable - trade | 31,189 | 23,362 |
| Securities | 809 | 800 |
| Land and buildings for sale | 112,710 | 113,492 |
| Merchandise | 1,813 | 2,097 |
| Other | 12,440 | 12,602 |
| Allowance for doubtful accounts | (267) | (319) |
| Total current assets | 180,080 | 175,415 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 207,375 | 211,987 |
| Machinery, equipment and vehicles, net | 17,686 | 16,944 |
| Land | 218,789 | 220,258 |
| Construction in progress | 19,272 | 15,333 |
| Other, net | 10,397 | 9,952 |
| Total property, plant and equipment | 473,522 | 474,475 |
| Intangible assets | 9,210 | 8,792 |
| Investments and other assets | | |
| Investment securities | 45,362 | 48,281 |
| Long-term loans receivable | 539 | 437 |
| Deferred tax assets | 9,904 | 9,233 |
| Retirement benefit asset | 1,072 | 1,127 |
| Other | 12,331 | 12,561 |
| Allowance for doubtful accounts | (272) | (199) |
| Total investments and other assets | 68,937 | 71,441 |
| Total non-current assets | 551,669 | 554,709 |
| Total assets | 731,750 | 730,124 |

(Millions of yen)

| | As of March 31, 2019 | As of December 31, 2019 |
|---|----------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 11,544 | 12,694 |
| Short-term borrowings | 96,076 | 96,773 |
| Current portion of bonds | 10,045 | 42 |
| Income taxes payable | 5,505 | 3,028 |
| Advances received | 8,439 | 7,135 |
| Provision for bonuses | 2,867 | 1,931 |
| Provision for loss on unused gift certificate | 634 | 671 |
| Other | 43,196 | 37,613 |
| Total current liabilities | 178,310 | 159,891 |
| Non-current liabilities | | |
| Bonds payable | 90,059 | 100,024 |
| Long-term borrowings | 138,164 | 125,908 |
| Long-term accounts payable - other | 442 | 379 |
| Deferred tax liabilities | 9,110 | 9,669 |
| Deferred tax liabilities for land revaluation | 33,047 | 33,047 |
| Provision for retirement benefits for directors (and other officers) | 297 | 228 |
| Retirement benefit liability | 18,360 | 18,590 |
| Other | 25,262 | 24,791 |
| Total non-current liabilities | 314,744 | 312,640 |
| Total liabilities | 493,055 | 472,531 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 51,466 | 51,466 |
| Capital surplus | 28,789 | 28,789 |
| Retained earnings | 134,559 | 152,046 |
| Treasury shares | (21,626) | (21,635) |
| Total shareholders' equity | 193,189 | 210,667 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 8,191 | 8,768 |
| Revaluation reserve for land | 36,373 | 36,376 |
| Foreign currency translation adjustment | (20) | 24 |
| Remeasurements of defined benefit plans | (2,597) | (2,371) |
| Total accumulated other comprehensive income | 41,946 | 42,798 |
| Share acquisition rights | 75 | 110 |
| Non-controlling interests | 3,484 | 4,016 |
| Total net assets | 238,695 | 257,593 |
| Total liabilities and net assets | 731,750 | 730,124 |

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
Quarterly consolidated statement of income (cumulative)

(Millions of yen)

| | Nine months ended December 31, 2018 | Nine months ended December 31, 2019 |
|---|--|--|
| Operating revenue | 226,665 | 246,932 |
| Operating expenses | | |
| Operating expenses and cost of sales of transportation | 170,689 | 182,891 |
| Selling, general and administrative expenses | 30,544 | 32,604 |
| Total operating expenses | 201,233 | 215,495 |
| Operating profit | 25,431 | 31,437 |
| Non-operating income | | |
| Interest income | 42 | 41 |
| Dividend income | 874 | 944 |
| Miscellaneous income | 775 | 700 |
| Total non-operating income | 1,692 | 1,686 |
| Non-operating expenses | | |
| Interest expenses | 1,813 | 1,668 |
| Share of loss of entities accounted for using equity method | 68 | 108 |
| Miscellaneous expenses | 724 | 656 |
| Total non-operating expenses | 2,606 | 2,433 |
| Ordinary profit | 24,517 | 30,690 |
| Extraordinary income | | |
| Compensation income | 132 | 1,093 |
| Gain on sales of investment securities | 479 | 827 |
| Contribution for construction | 16 | 507 |
| Subsidies | 378 | 385 |
| Gain on sales of non-current assets | 93 | 11 |
| Other | 7 | 6 |
| Total extraordinary income | 1,107 | 2,831 |
| Extraordinary losses | | |
| Loss on tax purpose reduction entry of non-current assets | 35 | 930 |
| Loss on retirement of non-current assets | 966 | 344 |
| Impairment loss | 6 | 38 |
| Loss on disaster | 555 | – |
| Loss on sales of investment securities | 6 | – |
| Total extraordinary losses | 1,570 | 1,313 |
| Profit before income taxes | 24,053 | 32,208 |
| Income taxes - current | 7,084 | 9,582 |
| Income taxes - deferred | 734 | 846 |
| Total income taxes | 7,819 | 10,428 |
| Profit | 16,234 | 21,779 |
| Profit attributable to non-controlling interests | 443 | 537 |
| Profit attributable to owners of parent | 15,790 | 21,242 |

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

| | Nine months ended December 31, 2018 | Nine months ended December 31, 2019 |
|--|--|--|
| Profit | 16,234 | 21,779 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (1,724) | 599 |
| Remeasurements of defined benefit plans, net of tax | (23) | 226 |
| Share of other comprehensive income of entities accounted for using equity method | 13 | 45 |
| Total other comprehensive income | (1,734) | 871 |
| Comprehensive income | 14,500 | 22,651 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 14,084 | 22,091 |
| Comprehensive income attributable to non- controlling interests | 415 | 559 |

(3) Notes on quarterly consolidated financial statements

Notes on premise of going concern

No items to report.

Notes on significant changes in the amount of shareholders' equity

No items to report.