Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2015 (Based on Japanese GAAP)

February 9, 2016

Company name: Konoike Transport Co.,Ltd.
Stock exchange listing: Tokyo
Stock code: 9025 URL http://www.konoike.net/
Representative: Executive Director and President Tadahiko Konoike
Inquiries: Executive Officer,General Manager Finance / Accounting Division Mitsuhiro Nakatani TEL 06-6227-4600

Scheduled date to file Quarterly Securities Report: February 12, 2016
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, 2015 (from April 1, 2015 to December 31, 2015)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2015	190,784	3.5	8,481	8.7	8,658	9.0	5,814	26.2
Nine months ended December 31, 2014	184,256	6.1	7,803	18.7	7,940	18.6	4,609	17.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2015	102.20	102.11
Nine months ended December 31, 2014	81.01	–

(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, 2015	198,809	88,832	43.7	1,526.50
As of March 31, 2015	192,841	84,742	43.0	1,457.39

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, 2015	–	22.50	–	22.50	45.00
Year ending March 31, 2016	–	16.50	–		
Year ending March 31, 2016 (Forecast)				16.50	33.00

3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	253,000	3.3	10,500	12.2	10,400	8.4	6,300	15.8	110.72

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2015 (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, 2015	56,899,202 shares	As of March 31, 2015	56,899,202 shares

Number of treasury shares at the end of the period

As of December 31, 2015	276 shares	As of March 31, 2015	36 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2015	56,898,950 shares	Nine months ended December 31, 2014	56,899,166 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Assets		
Current assets		
Cash and deposits	26,746	24,326
Notes and accounts receivable - trade	41,603	45,466
Costs on uncompleted works	84	31
Supplies	973	989
Deferred tax assets	2,386	1,237
Other	3,214	3,777
Allowance for doubtful accounts	(89)	(58)
Total current assets	74,919	75,770
Non-current assets		
Property, plant and equipment		
Buildings and structures	96,821	103,862
Accumulated depreciation	(58,918)	(60,901)
Buildings and structures, net	37,902	42,960
Machinery, equipment and vehicles	45,554	47,435
Accumulated depreciation	(38,557)	(39,577)
Machinery, equipment and vehicles, net	6,996	7,858
Land	41,140	41,384
Leased assets	3,598	3,942
Accumulated depreciation	(1,231)	(1,461)
Leased assets, net	2,366	2,480
Construction in progress	6,378	4,255
Other	6,671	6,877
Accumulated depreciation	(5,704)	(5,700)
Other, net	966	1,177
Total property, plant and equipment	95,752	100,118
Intangible assets	4,021	3,715
Investments and other assets		
Investment securities	10,193	10,065
Long-term loans receivable	352	371
Deferred tax assets	2,626	3,211
Net defined benefit asset	41	104
Other	5,113	5,629
Allowance for doubtful accounts	(177)	(176)
Total investments and other assets	18,148	19,205
Total non-current assets	117,921	123,039
Total assets	192,841	198,809

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,917	14,488
Short-term loans payable	2,788	2,946
Commercial papers	–	8,000
Current portion of bonds	–	3,000
Current portion of long-term loans payable	5,344	1,907
Accrued expenses	9,052	6,191
Income taxes payable	2,279	520
Other	15,382	14,918
Total current liabilities	48,764	51,973
Non-current liabilities		
Bonds payable	20,000	17,000
Long-term loans payable	14,236	15,126
Lease obligations	2,009	2,101
Deferred tax liabilities	558	579
Deferred tax liabilities for land revaluation	2,119	2,119
Net defined benefit liability	16,278	16,535
Provision for directors' retirement benefits	1,978	91
Allowance for loss dissolution of employees' pension fund	122	58
Long-term accounts payable - other	364	2,164
Other	1,665	2,227
Total non-current liabilities	59,334	58,003
Total liabilities	108,099	109,976
Net assets		
Shareholders' equity		
Capital stock	1,688	1,688
Capital surplus	755	755
Retained earnings	81,784	85,944
Treasury shares	(0)	(0)
Total shareholders' equity	84,228	88,388
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,258	3,171
Revaluation reserve for land	(4,570)	(4,570)
Foreign currency translation adjustment	2,259	1,900
Remeasurements of defined benefit plans	(2,251)	(2,033)
Total accumulated other comprehensive income	(1,304)	(1,531)
Subscription rights to shares	–	121
Non-controlling interests	1,818	1,854
Total net assets	84,742	88,832
Total liabilities and net assets	192,841	198,809

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	184,256	190,784
Cost of sales	167,893	172,917
Gross profit	16,362	17,866
Selling, general and administrative expenses	8,559	9,385
Operating income	7,803	8,481
Non-operating income		
Interest income	76	77
Dividend income	174	186
Gain on reversal of loss on valuation of investment securities	45	1
Other	173	225
Total non-operating income	470	490
Non-operating expenses		
Interest expenses	297	263
Other	35	50
Total non-operating expenses	333	314
Ordinary income	7,940	8,658
Extraordinary income		
Gain on sales of non-current assets	75	78
Other	30	9
Total extraordinary income	105	87
Extraordinary losses		
Loss on sales and retirement of non-current assets	167	95
Other	25	1
Total extraordinary losses	192	96
Income before income taxes and minority interests	7,853	8,649
Income taxes - current	2,221	2,186
Income taxes - deferred	949	530
Total income taxes	3,170	2,717
Profit	4,683	5,932
Profit attributable to non-controlling interests	73	117
Profit attributable to owners of parent	4,609	5,814

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Profit	4,683	5,932
Other comprehensive income		
Valuation difference on available-for-sale securities	773	(91)
Foreign currency translation adjustment	554	(395)
Remeasurements of defined benefit plans, net of tax	198	218
Share of other comprehensive income of entities accounted for using equity method	–	(9)
Total other comprehensive income	1,526	(278)
Comprehensive income	6,209	5,653
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,109	5,587
Comprehensive income attributable to non-controlling interests	100	66