The three months ended March 31, 2022

(1) Explanation of Results of Operations

Consolidated Income Statement for the three months ended March 31, 2022 (millions of yen)

	1Q of FY2021 (A)	1Q of FY2022 (B)	Increase/(decrease)	
			Amount(C) (B)-(A)	Percentage (C)/(A)
Sales	3,676	5,244	1,567	+42.6%
Operating income	500	1,179	679	+135.7%
Ordinary income	461	1,155	693	+150.4%
Profit attributable to owners of the parent	334	788	453	+135.5%
No. of Tank containers (as of March 31)	9,252	9,769	517	+5.6%
Utilization rate (over 3 months)	77.5%	76.7%	(0.8%)	

During the three months ended March 31, 2022, economic activities continued to pick up. However, the Japanese economy saw business sentiment DI of companies in the manufacturing industry decline compared with the previous fiscal year, as business sentiment of companies worsened in automobiles, etc. which were forced to adjust their production due to the rapid increase in the number of novel coronavirus (COVID-19) cases with Omicron variant. On the other hand, although in the non-manufacturing industry information services, etc. remained steady, business sentiment of companies in industries involving spending such as accommodation, food and beverage services, and personal services declined as people were again reluctant to eat out and stay out following the application of priority measures to prevent the spread of infection, and the business sentiment DI declined for the first time in seven quarters, though only slightly. Moreover, the dollar has appreciated rapidly against yen since March, reflecting rising interest rates in the U.S.

Looking at the world economy, in the U.S., while automobile production decreased against a backdrop of a shortage of semiconductors, etc., production of other durable goods and non-durable goods such as food increased significantly, and in non-manufacturing industry increases were also seen in the new orders index and business activities index. In Europe, manufacturing production declined due to

prolonged Ukraine conflict and consumer confidence deteriorated rapidly, and the future of the situation in Ukraine is becoming increasingly uncertain. In China, personal consumption is on the downswing due to zero-corona policies with tighter restrictions on activities through lockouts and other measures in response to the rapid increase in the number of COVID-19 cases, and housing demand continues to remain sluggish as the effects of government support measures for the real estate market have yet to be seen.
In the container shipping industry, which the Group use for its international transportation by tank containers, the schedule of ship calls is being changed frequently under these circumstances. In addition, available cargo space on container ships continues to be difficult to secure, and ocean freight rates continue to rise on some routes. Despite such a business environment, the Group has promoted sales activities for domestic transportation transactions in addition to international transportation transactions, and has been able to reduce the burden on customers by focusing on storage operations that leverage the Company's domestic branch network, which serve as its strength, on behalf of customers who were unable to bring in cargo immediately due to changes in the schedule of container ship calls. Moreover, sales of the CFC gas business amounted to ¥208 million (¥142 million for the previous corresponding period), amid its ongoing expansion.
As a result, net sales for the three months ended March 31, 2022 exceeded the previous corresponding period by ¥1,567 million, amounting to ¥5,244 million (an increase of 42.6% from the previous corresponding period). In terms of profits, despite the fact that the Group was affected by rising ocean freight rates, an increase in domestic transportation costs, rising fuel prices, and other factors, operating income amounted to ¥1,179 million (an increase of 135.7% from the previous corresponding period). In addition, ordinary income was ¥1,155 million (an increase of 150.4% from the previous corresponding period).

(2) Explanation of Financial Position

Consolidated Balance Sheet as of March 31, 2022 (millions of yen)

ASSET	FY2021 (A)	1Q of FY2022 (B)	Increase/(decrease)	
			Amount (C) (B)-(A)	Percentage (C)/(A)
Total current assets	9,707	10,213	506	+5.2%
Total non-current assets	12,657	12,719	62	+0.5%
Total	22,364	22,932	568	+2.5%

LIABILITIES AND SHAREHOLDERS' EQUITY	FY2021 (A)	1Q of FY2022 (B)	Increase/(decrease)	
			Amount (C) (B)-(A)	Percentage (C)/(A)
Total current liabilities	3,677	3,737	60	+1.6%
Total non-current liabilities	5,586	5,356	(230)	(4.1%)
Total liabilities	9,264	9,094	(169)	(1.8%)
Shareholders' equity	12,993	13,575	582	+4.5%
Total accumulated other comprehensive income	106	262	156	+146.7%
Total shareholders' equity	13,099	13,838	738	+5.6%
Total	22,364	22,932	568	+2.5%

Total assets at the end of the first quarter ended March 31, 2022, increased by ¥568 million (2.5% increase) as compared to the end of the previous fiscal year, to ¥22,932 million.

Total current assets increased by ¥506 million (5.2% increase) as compared to the end of the previous fiscal year, to ¥10,213 million. This was primarily due to increases of ¥456 million in cash and deposits and ¥317 million in notes and accounts receivable-trade, and contract assets (this item was presented as accounts receivable-trade for the end of the previous fiscal year), despite a decrease of ¥267 million in other current assets.

Total non-current assets increased by ¥62 million (0.5% increase) as compared to the end of the previous fiscal year, to ¥12,719 million. This was primarily due to increases of ¥61 million in tank containers (net) and ¥36 million in other property, plant and equipment (net), despite a decrease of ¥33 million in buildings and

structures (net).
Total current liabilities increased by ¥60 million (1.6% increase), as compared to the end of the previous fiscal year, to ¥3,737 million. This was primarily due to increases of ¥130 million in short-term loans payable, ¥165 million in current portion of long-term loans payable, ¥52 million in lease obligations and ¥29 million in provision for bonuses, despite decreases of ¥68 million in accounts payable-trade, ¥194 million in income taxes payable and ¥51 million in other current liabilities.
Total non-current liabilities decreased by ¥230 million (4.1% decrease), as compared to the end of the previous fiscal year, to ¥5,356 million. This was primarily due to an increase of ¥56 million in lease obligations, despite a decrease of ¥282 million in long-term loans payable.
Total shareholders' equity increased by ¥738 million (5.6% increase), as compared to the end of the previous fiscal year, to ¥13,838 million. This was primarily due to increases of ¥582 million in retained earnings and ¥156 million in foreign currency translation adjustment.

(3) Explanation of Consolidated Results Projections and Other Future Forecast Information
With respect to the consolidated results projections for the fiscal year ending December 31, 2022, we had continued to leave it undetermined, given that it was extremely difficult to appropriately and reasonably calculate the effect of the spread of COVID-19.
However, although we had been unable to disclose the consolidated results projections for two and a half years under the circumstances in which the timing of convergence of COVID-19 and the future of the situation in Ukraine remained uncertain, we were able to calculate figures we can disclose by comparing our management strategy with information we had collected through our close sales activities with each of our business partners while keeping an eye on the global situation and economic trends. We hereby announce the consolidated results projections for the fiscal year ending December 31, 2022.

Forecast for the Fiscal Year Ending December 31,2022 (millions of yen)

	2Q of FY2022	FY2022
Sales	9,759	18,732
Operating income	1,885	3,189
Ordinary income	1,838	3,100