

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 10, 2022

Company name: Kintetsu Group Holdings Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 9041 URL <https://www.kintetsu-g-hd.co.jp/>
 Representative: President Toshihide Ogura
 General Manager of Accounting and Finance
 Inquiries: Naoyuki Isokawa TEL 06-6775-3465
 Division
 Scheduled date to file Quarterly Securities Report: February 10, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 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, 2021 (from April 1, 2021 to December 31, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		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, 2021	508,766	–	3,911	–	23,802	–	50,799	–
Nine months ended December 31, 2020	483,352	(47.0)	(59,694)	–	(44,640)	–	(35,439)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	267.11	–
Nine months ended December 31, 2020	(186.43)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	1,919,774	427,123	20.0
As of March 31, 2021	1,955,048	338,494	16.4

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, 2021	–	0.00	–	0.00	0.00
Year ending March 31, 2022	–	0.00	–		
Year ending March 31, 2022 (Forecast)				–	–

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Operating revenue		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	716,000	–	3,000	–	18,000	–	34,000	–	178.77

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021
(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: Yes
- (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, 2021	190,662,061 shares	As of March 31, 2021	190,662,061 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	479,195 shares	As of March 31, 2021	572,160 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, 2021	190,182,858 shares	Nine months ended December 31, 2020	190,094,547 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	76,972	85,991
Notes and accounts receivable - trade	44,717	–
Notes and accounts receivable - trade, and contract assets	–	60,392
Merchandise and finished goods	9,237	10,927
Work in process	2,397	5,926
Raw materials and supplies	5,221	5,159
Land and buildings for sale	144,224	137,949
Other	48,874	43,076
Allowance for doubtful accounts	(521)	(514)
Total current assets	331,123	348,908
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	592,985	552,419
Land	687,688	677,879
Construction in progress	4,047	4,510
Other, net	73,987	71,200
Total property, plant and equipment	1,358,710	1,306,009
Intangible assets		
Goodwill	22	16
Other	14,941	14,152
Total intangible assets	14,963	14,169
Investments and other assets		
Investment securities	125,186	128,557
Other	123,553	120,879
Allowance for doubtful accounts	(1,151)	(1,109)
Allowance for investment evaluation	(19)	–
Total investments and other assets	247,568	248,326
Total non-current assets	1,621,243	1,568,505
Deferred assets	2,681	2,359
Total assets	1,955,048	1,919,774

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	39,879	50,964
Short-term borrowings	249,407	200,352
Commercial papers	45,000	20,000
Current portion of bonds payable	31,704	12,420
Income taxes payable	959	2,741
Provision for bonuses	5,422	3,504
Provision for loss on exchanging gift certificates	7,648	5,436
Other	205,782	206,147
Total current liabilities	585,804	501,566
Non-current liabilities		
Bonds payable	312,944	310,905
Long-term borrowings	543,163	515,042
Provision for loss on uncollected gift coupon for future use	913	—
Retirement benefit liability	8,795	8,990
Other	164,933	156,145
Total non-current liabilities	1,030,748	991,084
Total liabilities	1,616,553	1,492,651
Net assets		
Shareholders' equity		
Share capital	126,476	126,476
Capital surplus	61,884	61,927
Retained earnings	40,829	88,608
Treasury shares	(1,424)	(1,145)
Total shareholders' equity	227,766	275,867
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,995	5,186
Deferred gains or losses on hedges	0	(0)
Revaluation reserve for land	89,894	88,527
Foreign currency translation adjustment	(9,300)	(3,352)
Remeasurements of defined benefit plans	5,238	18,076
Total accumulated other comprehensive income	92,829	108,437
Non-controlling interests	17,899	42,818
Total net assets	338,494	427,123
Total liabilities and net assets	1,955,048	1,919,774

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, 2020	Nine months ended December 31, 2021
Operating revenue	483,352	508,766
Operating expenses		
Operating expenses and cost of sales of transportation	447,093	414,673
Selling, general and administrative expenses	95,953	90,182
Total operating expenses	543,046	504,855
Operating profit (loss)	(59,694)	3,911
Non-operating income		
Interest income	141	90
Dividend income	595	978
Share of profit of entities accounted for using equity method	7,821	15,449
Subsidies for employment adjustment	12,404	7,539
Other	2,211	3,641
Total non-operating income	23,175	27,698
Non-operating expenses		
Interest expenses	5,949	5,648
Other	2,171	2,158
Total non-operating expenses	8,121	7,806
Ordinary profit (loss)	(44,640)	23,802
Extraordinary income		
Contribution for construction	3,256	4,869
Gain on sale of non-current assets	107	20,709
Gain on sale of investment securities	18	2,778
Gain on bargain purchase	—	10,863
Other	646	1,099
Total extraordinary income	4,029	40,319
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	3,254	4,827
Loss on sale of non-current assets	18	44
Loss on retirement of non-current assets	1,465	533
Impairment losses	3,600	565
Loss on temporary closure	2,149	948
Other	1,093	717
Total extraordinary losses	11,581	7,637
Profit (loss) before income taxes	(52,192)	56,484
Income taxes	(6,502)	5,628
Profit (loss)	(45,690)	50,856
Profit (loss) attributable to non-controlling interests	(10,250)	56
Profit (loss) attributable to owners of parent	(35,439)	50,799

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit (loss)	(45,690)	50,856
Other comprehensive income		
Valuation difference on available-for-sale securities	266	(412)
Deferred gains or losses on hedges	(83)	—
Foreign currency translation adjustment	(207)	591
Remeasurements of defined benefit plans, net of tax	(144)	12,731
Share of other comprehensive income of entities accounted for using equity method	(692)	987
Total other comprehensive income	(861)	13,898
Comprehensive income	(46,551)	64,754
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(36,170)	64,966
Comprehensive income attributable to non-controlling interests	(10,380)	(212)