

# Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on Japanese GAAP)

November 11, 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: November 11, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

#### (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	%
Six months ended September 30, 2022	623,066	113.6	13,679	–	25,293	–	64,331	436.0
Six months ended September 30, 2021	291,679	–	(19,045)	–	(7,391)	–	12,002	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	338.26	–
Six months ended September 30, 2021	63.11	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	2,463,560	481,593	17.3
As of March 31, 2022	1,895,770	421,760	20.0

### 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, 2022	–	0.00	–	25.00	25.00
Year ending March 31, 2023	–	0.00			
Year ending March 31, 2023 (Forecast)			–	50.00	50.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	1,696,000	145.3	56,000	–	60,000	95.7	76,000	77.8	399.61

#### 4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2022  
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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: 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 September 30, 2022	190,662,061 shares	As of March 31, 2022	190,662,061 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	477,983 shares	As of March 31, 2022	480,661 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	190,183,097 shares	Six months ended September 30, 2021	190,182,389 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	78,902	228,041
Notes and accounts receivable - trade, and contract assets	59,730	283,169
Merchandise and finished goods	9,575	9,108
Work in process	4,032	5,823
Raw materials and supplies	4,934	4,545
Land and buildings for sale	132,965	133,533
Other	41,966	78,982
Allowance for doubtful accounts	(537)	(2,272)
Total current assets	331,569	740,931
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	545,943	553,881
Land	671,685	686,735
Construction in progress	2,262	2,974
Other, net	69,202	114,526
Total property, plant and equipment	1,289,093	1,358,118
Intangible assets		
Goodwill	13	109,124
Other	13,944	61,639
Total intangible assets	13,958	170,763
Investments and other assets		
Investment securities	141,291	60,107
Other	118,679	133,266
Allowance for doubtful accounts	(1,075)	(1,826)
Total investments and other assets	258,895	191,547
Total non-current assets	1,561,947	1,720,430
Deferred assets	2,252	2,198
Total assets	1,895,770	2,463,560

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	49,084	165,611
Short-term borrowings	204,018	368,269
Commercial papers	40,000	25,000
Current portion of bonds payable	12,753	53,137
Income taxes payable	4,262	14,354
Provision for bonuses	7,912	17,366
Provision for loss on exchanging gift certificates	5,495	5,675
Provision for loss on contract	—	9,699
Other	180,518	266,634
Total current liabilities	504,045	925,748
Non-current liabilities		
Bonds payable	300,191	293,622
Long-term borrowings	503,125	558,621
Retirement benefit liability	8,569	11,971
Other	158,077	192,003
Total non-current liabilities	969,964	1,056,218
Total liabilities	1,474,009	1,981,967
Net assets		
Shareholders' equity		
Share capital	126,476	126,476
Capital surplus	61,927	50,585
Retained earnings	80,555	140,267
Treasury shares	(1,150)	(1,142)
Total shareholders' equity	267,809	316,187
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,572	4,286
Deferred gains or losses on hedges	(0)	0
Revaluation reserve for land	87,108	87,125
Foreign currency translation adjustment	1,837	2,049
Remeasurements of defined benefit plans	16,293	15,373
Total accumulated other comprehensive income	110,812	108,835
Non-controlling interests	43,139	56,570
Total net assets	421,760	481,593
Total liabilities and net assets	1,895,770	2,463,560

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

## Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Operating revenue	291,679	623,066
Operating expenses		
Operating expenses and cost of sales of transportation	253,824	534,215
Selling, general and administrative expenses	56,899	75,171
Total operating expenses	310,724	609,386
Operating profit (loss)	(19,045)	13,679
Non-operating income		
Interest income	80	247
Dividend income	621	452
Share of profit of entities accounted for using equity method	7,922	7,747
Subsidies for employment adjustment	5,601	948
Foreign exchange gains	42	3,663
Other	2,667	4,850
Total non-operating income	16,935	17,910
Non-operating expenses		
Interest expenses	3,819	4,014
Other	1,462	2,281
Total non-operating expenses	5,282	6,296
Ordinary profit (loss)	(7,391)	25,293
Extraordinary income		
Contribution for construction	4,572	2,566
Gain on sale of non-current assets	275	25
Gain on sale of investment securities	2,547	354
Gain on step acquisitions	—	47,536
Gain on bargain purchase	10,863	—
Other	953	82
Total extraordinary income	19,211	50,565
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	4,531	2,563
Loss on sale of non-current assets	26	22
Loss on retirement of non-current assets	478	517
Impairment losses	426	22
Other	1,517	391
Total extraordinary losses	6,981	3,517
Profit before income taxes	4,839	72,341
Income taxes	(7,065)	7,311
Profit	11,905	65,029
Profit (loss) attributable to non-controlling interests	(97)	698
Profit attributable to owners of parent	12,002	64,331

# Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	11,905	65,029
Other comprehensive income		
Valuation difference on available-for-sale securities	361	(335)
Deferred gains or losses on hedges	—	0
Foreign currency translation adjustment	464	3,954
Remeasurements of defined benefit plans, net of tax	(2,958)	(1,714)
Share of other comprehensive income of entities accounted for using equity method	(1,040)	(3,832)
Total other comprehensive income	(3,173)	(1,927)
Comprehensive income	8,731	63,102
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,798	62,338
Comprehensive income attributable to non-controlling interests	(66)	763

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from operating activities		
Profit before income taxes	4,839	72,341
Depreciation	25,846	26,550
Amortization of goodwill	8	1,441
Gain on bargain purchase	(10,863)	–
Reduction entry of land contribution for construction	4,531	2,563
Impairment losses	426	22
Proceeds from contribution for construction	(4,572)	(2,566)
Loss (gain) on sale of non-current assets	(248)	(2)
Loss (gain) on sale of securities	(2,549)	(344)
Increase (decrease) in retirement benefit liability	13,876	(3,090)
Interest and dividend income	(701)	(700)
Interest expenses	3,819	4,014
Subsidies for employment adjustment	(5,601)	(948)
Share of loss (profit) of entities accounted for using equity method	(7,922)	(7,747)
Loss (gain) on step acquisitions	–	(47,536)
Decrease (increase) in trade receivables and contract assets	(2,736)	13,042
Decrease (increase) in inventories	(8,367)	(925)
Increase (decrease) in trade payables	2,629	(6,000)
Other, net	(15,444)	36,076
Subtotal	(3,030)	86,190
Interest and dividends received	2,079	3,443
Interest paid	(3,874)	(4,098)
Subsidies for employment adjustment received	5,638	1,194
Income taxes refund (paid)	1,012	(9,143)
Net cash provided by (used in) operating activities	1,826	77,586
Cash flows from investing activities		
Purchase of short-term and long-term investment securities	(5)	(530)
Proceeds from sale and redemption of short-term and long-term investment securities	17,733	421
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(574)	(19,183)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	36	–
Purchase of property, plant and equipment and intangible assets	(22,171)	(15,626)
Proceeds from sale of property, plant and equipment and intangible assets	713	164
Proceeds from contribution received for construction	4,572	2,566
Other, net	(979)	1,773
Net cash provided by (used in) investing activities	(675)	(30,414)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	12,473	124,719
Proceeds from long-term borrowings	35,700	61,150
Repayments of long-term borrowings	(61,233)	(62,174)
Net increase (decrease) in commercial papers	5,000	(15,000)
Redemption of bonds	(20,852)	(1,184)
Proceeds from share issuance to non-controlling shareholders	24,835	–
Dividends paid	–	(4,762)
Dividends paid to non-controlling interests	(28)	(570)
Other, net	(3,297)	(6,239)
Net cash provided by (used in) financing activities	(7,402)	95,938
Effect of exchange rate change on cash and cash equivalents	131	1,470
Net increase (decrease) in cash and cash equivalents	(6,120)	144,580
Cash and cash equivalents at beginning of period	76,321	75,765
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(0)	–
Increase (decrease) in cash and cash equivalents	–	(21)
Cash and cash equivalents at end of period	70,200	220,324