

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 14, 2023

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 14, 2023
 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, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	1,117,658	119.7	46,679	–	56,446	137.1	89,321	75.8
Nine months ended December 31, 2021	508,766	–	3,911	–	23,802	–	50,799	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	469.66	–
Nine months ended December 31, 2021	267.11	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	2,434,059	501,760	18.3
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	1,600,000	131.4	56,000	–	60,000	95.7	76,000	77.8	399.61

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 2022	480,726 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)

Nine months ended December 31, 2022	190,182,828 shares	Nine months ended December 31, 2021	190,182,858 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	78,902	220,478
Notes and accounts receivable - trade, and contract assets	59,730	262,602
Merchandise and finished goods	9,575	10,480
Work in process	4,032	8,196
Raw materials and supplies	4,934	4,794
Land and buildings for sale	132,965	141,077
Other	41,966	76,064
Allowance for doubtful accounts	(537)	(2,247)
Total current assets	331,569	721,446
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	545,943	547,889
Land	671,685	686,764
Construction in progress	2,262	3,650
Other, net	69,202	110,721
Total property, plant and equipment	1,289,093	1,349,025
Intangible assets		
Goodwill	13	107,796
Other	13,944	63,093
Total intangible assets	13,958	170,889
Investments and other assets		
Investment securities	141,291	58,285
Other	118,679	133,817
Allowance for doubtful accounts	(1,075)	(1,729)
Total investments and other assets	258,895	190,373
Total non-current assets	1,561,947	1,710,287
Deferred assets	2,252	2,325
Total assets	1,895,770	2,434,059

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	49,084	151,945
Short-term borrowings	204,018	297,411
Commercial papers	40,000	20,000
Current portion of bonds payable	12,753	53,137
Income taxes payable	4,262	11,059
Provision for bonuses	7,912	13,062
Provision for loss on exchanging gift certificates	5,495	5,710
Provision for loss on contract	—	7,544
Other	180,518	243,915
Total current liabilities	504,045	803,785
Non-current liabilities		
Bonds payable	300,191	342,768
Long-term borrowings	503,125	584,830
Retirement benefit liability	8,569	11,990
Other	158,077	188,924
Total non-current liabilities	969,964	1,128,513
Total liabilities	1,474,009	1,932,299
Net assets		
Shareholders' equity		
Share capital	126,476	126,476
Capital surplus	61,927	50,716
Retained earnings	80,555	165,177
Treasury shares	(1,150)	(694)
Total shareholders' equity	267,809	341,675
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,572	4,942
Deferred gains or losses on hedges	(0)	(0)
Revaluation reserve for land	87,108	87,061
Foreign currency translation adjustment	1,837	(3,803)
Remeasurements of defined benefit plans	16,293	14,468
Total accumulated other comprehensive income	110,812	102,669
Non-controlling interests	43,139	57,414
Total net assets	421,760	501,760
Total liabilities and net assets	1,895,770	2,434,059

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, 2021	Nine months ended December 31, 2022
Operating revenue	508,766	1,117,658
Operating expenses		
Operating expenses and cost of sales of transportation	414,673	940,056
Selling, general and administrative expenses	90,182	130,923
Total operating expenses	504,855	1,070,979
Operating profit	3,911	46,679
Non-operating income		
Interest income	90	635
Dividend income	978	629
Share of profit of entities accounted for using equity method	15,449	8,428
Subsidies for employment adjustment	7,539	1,143
Foreign exchange gains	126	3,418
Other	3,514	4,883
Total non-operating income	27,698	19,138
Non-operating expenses		
Interest expenses	5,648	6,499
Other	2,158	2,871
Total non-operating expenses	7,806	9,371
Ordinary profit	23,802	56,446
Extraordinary income		
Contribution for construction	4,869	2,841
Gain on sale of non-current assets	20,709	348
Gain on sale of investment securities	2,778	354
Gain on step acquisitions	—	47,536
Gain on bargain purchase	10,863	—
Other	1,099	1,884
Total extraordinary income	40,319	52,966
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	4,827	2,838
Loss on sale of non-current assets	44	23
Loss on retirement of non-current assets	533	899
Impairment losses	565	23
Other	1,666	479
Total extraordinary losses	7,637	4,265
Profit before income taxes	56,484	105,147
Income taxes	5,628	14,447
Profit	50,856	90,700
Profit attributable to non-controlling interests	56	1,378
Profit attributable to owners of parent	50,799	89,321

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	50,856	90,700
Other comprehensive income		
Valuation difference on available-for-sale securities	(412)	349
Deferred gains or losses on hedges	—	(0)
Foreign currency translation adjustment	591	(1,416)
Remeasurements of defined benefit plans, net of tax	12,731	(2,626)
Share of other comprehensive income of entities accounted for using equity method	987	(4,133)
Total other comprehensive income	13,898	(7,826)
Comprehensive income	64,754	82,873
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	64,966	81,226
Comprehensive income attributable to non-controlling interests	(212)	1,647