

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 10, 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 Takashi Tsuji
 General Manager of Accounting and Finance
 Inquiries: Naoyuki Isokawa TEL 06-6775-3465
 Division
 Scheduled date to file Quarterly Securities Report: August 10, 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 three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(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	%
Three months ended June 30, 2023	399,545	113.4	22,011	248.4	19,355	50.3	10,402	(7.4)
Three months ended June 30, 2022	187,192	49.8	6,317	–	12,879	–	11,232	20.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	54.70	–
Three months ended June 30, 2022	59.06	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	2,395,201	516,460	19.1
As of March 31, 2023	2,424,755	500,262	18.2

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, 2023	–	0.00	–	50.00	50.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		0.00	–	50.00	50.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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
Six months ending September 30, 2023	881,000	41.4	33,000	141.2	28,000	10.7	15,000	(76.7)	78.87
Full year	1,820,000	16.6	84,000	25.1	74,000	(0.8)	44,000	(50.4)	231.36

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
(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: 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 June 30, 2023	190,662,061 shares	As of March 31, 2023	190,662,061 shares
---------------------	--------------------	----------------------	--------------------

Number of treasury shares at the end of the period

As of June 30, 2023	484,735 shares	As of March 31, 2023	482,673 shares
---------------------	----------------	----------------------	----------------

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

Three months ended June 30, 2023	190,178,110 shares	Three months ended June 30, 2022	190,180,670 shares
----------------------------------	--------------------	----------------------------------	--------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	217,087	219,419
Notes and accounts receivable - trade, and contract assets	224,337	187,579
Securities	5,008	5,222
Merchandise and finished goods	9,638	10,365
Work in process	4,750	6,762
Raw materials and supplies	5,176	5,109
Land and buildings for sale	155,664	164,661
Other	82,640	75,354
Allowance for doubtful accounts	(2,254)	(2,182)
Total current assets	702,048	672,293
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	557,549	554,000
Land	679,139	679,283
Construction in progress	5,379	5,405
Other, net	122,335	125,926
Total property, plant and equipment	1,364,404	1,364,616
Intangible assets		
Goodwill	62,517	61,703
Other	107,399	106,639
Total intangible assets	169,917	168,343
Investments and other assets		
Investment securities	58,827	60,202
Other	129,109	129,467
Allowance for doubtful accounts	(1,750)	(1,795)
Total investments and other assets	186,186	187,874
Total non-current assets	1,720,508	1,720,835
Deferred assets	2,199	2,073
Total assets	2,424,755	2,395,201

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	133,461	121,947
Short-term borrowings	273,229	222,417
Commercial papers	45,000	40,000
Current portion of bonds payable	43,137	43,137
Income taxes payable	10,220	11,671
Provision for bonuses	17,281	19,061
Provision for loss on exchanging gift certificates	5,755	5,819
Provision for contract losses	3,470	3,145
Other	248,206	237,625
Total current liabilities	779,761	704,826
Non-current liabilities		
Bonds payable	342,054	341,200
Long-term borrowings	575,903	604,619
Retirement benefit liability	12,056	12,403
Other	214,718	215,692
Total non-current liabilities	1,144,732	1,173,914
Total liabilities	1,924,493	1,878,741
Net assets		
Shareholders' equity		
Share capital	126,476	126,476
Capital surplus	54,898	55,510
Retained earnings	161,795	162,667
Treasury shares	(1,164)	(1,173)
Total shareholders' equity	342,006	343,480
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,920	6,759
Deferred gains or losses on hedges	(0)	(0)
Revaluation reserve for land	89,899	89,909
Foreign currency translation adjustment	(8,346)	4,817
Remeasurements of defined benefit plans	13,371	12,458
Total accumulated other comprehensive income	99,845	113,945
Non-controlling interests	58,410	59,034
Total net assets	500,262	516,460
Total liabilities and net assets	2,424,755	2,395,201

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Operating revenue	187,192	399,545
Operating expenses		
Operating expenses and cost of sales of transportation	151,251	322,689
Selling, general and administrative expenses	29,623	54,844
Total operating expenses	180,875	377,533
Operating profit	6,317	22,011
Non-operating income		
Interest income	37	698
Dividend income	206	455
Share of profit of entities accounted for using equity method	6,852	452
Subsidies for employment adjustment	633	—
Foreign exchange gains	486	—
Other	848	1,316
Total non-operating income	9,064	2,923
Non-operating expenses		
Interest expenses	1,727	2,369
Foreign exchange losses	—	1,106
Other	775	2,103
Total non-operating expenses	2,502	5,579
Ordinary profit	12,879	19,355
Extraordinary income		
Contribution received for construction	2,566	1,420
Gain on sale of non-current assets	9	1
Other	44	66
Total extraordinary income	2,621	1,488
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	2,563	1,420
Loss on sale of non-current assets	20	4
Loss on retirement of non-current assets	164	144
Impairment losses	21	81
Special survey costs, etc.	—	515
Other	36	122
Total extraordinary losses	2,805	2,288
Profit before income taxes	12,694	18,554
Income taxes	1,036	7,348
Profit	11,658	11,205
Profit attributable to non-controlling interests	425	802
Profit attributable to owners of parent	11,232	10,402

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	11,658	11,205
Other comprehensive income		
Valuation difference on available-for-sale securities	(88)	1,820
Foreign currency translation adjustment	462	13,297
Remeasurements of defined benefit plans, net of tax	(774)	(894)
Share of other comprehensive income of entities accounted for using equity method	9,041	329
Total other comprehensive income	8,640	14,553
Comprehensive income	20,298	25,758
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,806	24,492
Comprehensive income attributable to non-controlling interests	492	1,266