

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 14, 2024

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: February 14, 2024
 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, 2023 (from April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	1,217,397	8.9	69,196	50.0	66,120	24.4	39,274	(54.0)
Nine months ended December 31, 2022	1,117,658	119.7	46,139	–	53,137	123.2	85,331	68.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	206.51	–
Nine months ended December 31, 2022	448.68	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	2,413,128	549,230	20.2
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	–	0.00	–		
Year ending March 31, 2024 (Forecast)				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
Full year	1,628,000	4.3	80,000	19.1	74,000	(0.8)	42,000	(52.7)	220.84

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2023	190,662,061 shares	As of March 31, 2023	190,662,061 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	484,710 shares	As of March 31, 2023	482,673 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, 2023	190,179,788 shares	Nine months ended December 31, 2022	190,182,828 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	217,087	236,157
Notes and accounts receivable - trade, and contract assets	224,337	188,400
Securities	5,008	5,780
Merchandise and finished goods	9,638	10,834
Work in process	4,750	6,896
Raw materials and supplies	5,176	5,345
Land and buildings for sale	155,664	170,346
Other	82,640	69,026
Allowance for doubtful accounts	(2,254)	(2,104)
Total current assets	702,048	690,684
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	557,549	543,996
Land	679,139	679,332
Construction in progress	5,379	9,323
Other, net	122,335	129,446
Total property, plant and equipment	1,364,404	1,362,099
Intangible assets		
Goodwill	62,517	60,076
Other	107,399	109,383
Total intangible assets	169,917	169,459
Investments and other assets		
Investment securities	58,827	64,518
Other	129,109	125,812
Allowance for doubtful accounts	(1,750)	(1,455)
Total investments and other assets	186,186	188,875
Total non-current assets	1,720,508	1,720,434
Deferred assets	2,199	2,009
Total assets	2,424,755	2,413,128

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	133,461	121,587
Short-term borrowings	273,229	218,461
Commercial papers	45,000	—
Current portion of bonds payable	43,137	63,137
Income taxes payable	10,220	18,616
Provision for bonuses	17,281	10,603
Provision for loss on exchanging gift certificates	5,755	5,954
Provision for loss on contract	3,470	218
Other	248,206	237,669
Total current liabilities	779,761	676,249
Non-current liabilities		
Bonds payable	342,054	309,631
Long-term borrowings	575,903	649,480
Retirement benefit liability	12,056	13,597
Other	214,718	214,940
Total non-current liabilities	1,144,732	1,187,648
Total liabilities	1,924,493	1,863,898
Net assets		
Shareholders' equity		
Share capital	126,476	126,476
Capital surplus	54,898	54,719
Retained earnings	161,795	191,526
Treasury shares	(1,164)	(1,178)
Total shareholders' equity	342,006	371,543
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,920	7,912
Deferred gains or losses on hedges	(0)	(0)
Revaluation reserve for land	89,899	89,915
Foreign currency translation adjustment	(8,346)	7,454
Remeasurements of defined benefit plans	13,371	10,547
Total accumulated other comprehensive income	99,845	115,830
Non-controlling interests	58,410	61,855
Total net assets	500,262	549,230
Total liabilities and net assets	2,424,755	2,413,128

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, 2022	Nine months ended December 31, 2023
Operating revenue	1,117,658	1,217,397
Operating expenses		
Operating expenses and cost of sales of transportation	940,316	981,078
Selling, general and administrative expenses	131,202	167,122
Total operating expenses	1,071,519	1,148,201
Operating profit	46,139	69,196
Non-operating income		
Interest income	635	2,741
Dividend income	629	747
Share of profit of entities accounted for using equity method	8,428	1,749
Subsidies for employment adjustment	1,143	—
Foreign exchange gains	3,418	—
Other	2,113	3,263
Total non-operating income	16,368	8,501
Non-operating expenses		
Interest expenses	6,499	7,496
Foreign exchange losses	—	98
Other	2,871	3,982
Total non-operating expenses	9,371	11,577
Ordinary profit	53,137	66,120
Extraordinary income		
Contribution received for construction	2,841	1,480
Gain on sale of non-current assets	348	43
Gain on step acquisitions	47,536	—
Other	464	298
Total extraordinary income	51,191	1,822
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	2,838	1,480
Loss on sale of non-current assets	23	365
Loss on retirement of non-current assets	899	546
Impairment losses	23	82
Special survey costs, etc.	—	557
Other	479	1,354
Total extraordinary losses	4,265	4,387
Profit before income taxes	100,063	63,555
Income taxes	13,353	20,672
Profit	86,710	42,883
Profit attributable to non-controlling interests	1,378	3,608
Profit attributable to owners of parent	85,331	39,274

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	86,710	42,883
Other comprehensive income		
Valuation difference on available-for-sale securities	349	3,136
Deferred gains or losses on hedges	(0)	(0)
Foreign currency translation adjustment	(3,311)	17,343
Remeasurements of defined benefit plans, net of tax	(2,626)	(2,876)
Share of other comprehensive income of entities accounted for using equity method	(4,133)	116
Total other comprehensive income	(9,721)	17,720
Comprehensive income	76,988	60,603
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	75,341	55,244
Comprehensive income attributable to non-controlling interests	1,647	5,359