

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

November 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 Wakai
 Inquiries: Managing Executive Officer Hiroyuki Kasamatsu TEL 06-6775-3465
 Scheduled date to file Semi-annual Securities Report: November 14, 2024
 Scheduled date to commence dividend payments: December 6, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of 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, 2024 (from April 1, 2024 to September 30, 2024)

(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, 2024	853,363	6.2	39,504	(8.3)	37,867	(6.5)	21,824	(8.5)
Six months ended September 30, 2023	803,623	29.0	43,060	229.3	40,509	84.8	23,858	(61.1)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	114.76	–
Six months ended September 30, 2023	125.45	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	2,431,407	600,243	21.9
As of March 31, 2024	2,454,316	585,650	21.3

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, 2024	–	0.00	–	50.00	50.00
Year ending March 31, 2025	–	25.00			
Year ending March 31, 2025 (Forecast)			–	25.00	50.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	1,790,000	9.8	88,000	0.7	80,000	(5.5)	45,000	(5.9)	236.62

4. Notes

- (1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No
- (2) Application of special accounting methods for preparing semi-annual 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 September 30, 2024	190,662,061 shares	As of March 31, 2024	190,662,061 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	484,986 shares	As of March 31, 2024	487,679 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, 2024	190,175,567 shares	Six months ended September 30, 2023	190,180,372 shares
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Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	266,970	208,887
Notes and accounts receivable - trade, and contract assets	184,926	195,694
Securities	5,589	6,502
Merchandise and finished goods	9,674	9,998
Work in process	2,693	5,029
Raw materials and supplies	5,401	5,319
Land and buildings for sale	172,954	186,048
Other	74,476	77,722
Allowance for doubtful accounts	(1,875)	(1,817)
Total current assets	720,811	693,386
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	547,905	541,784
Land	678,114	679,145
Construction in progress	10,537	18,537
Other, net	132,501	132,080
Total property, plant and equipment	1,369,058	1,371,548
Intangible assets		
Goodwill	59,264	57,641
Other	108,228	106,920
Total intangible assets	167,493	164,561
Investments and other assets		
Investment securities	66,003	70,524
Other	129,728	130,209
Allowance for doubtful accounts	(668)	(658)
Total investments and other assets	195,063	200,075
Total non-current assets	1,731,615	1,736,186
Deferred assets	1,889	1,835
Total assets	2,454,316	2,431,407

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	122,435	122,815
Short-term borrowings	230,442	242,523
Current portion of bonds payable	73,137	82,137
Income taxes payable	12,643	14,998
Provision for bonuses	15,653	18,385
Provision for loss on exchanging gift certificates	5,984	6,065
Other	252,989	244,277
Total current liabilities	713,284	731,202
Non-current liabilities		
Bonds payable	298,917	275,348
Long-term borrowings	634,396	608,453
Retirement benefit liability	12,899	12,859
Other	209,167	203,299
Total non-current liabilities	1,155,381	1,099,961
Total liabilities	1,868,666	1,831,163
Net assets		
Shareholders' equity		
Share capital	126,476	126,476
Capital surplus	54,803	55,416
Retained earnings	202,990	215,276
Treasury shares	(1,192)	(1,179)
Total shareholders' equity	383,077	395,990
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,069	9,820
Deferred gains or losses on hedges	32	(169)
Revaluation reserve for land	99,724	99,866
Foreign currency translation adjustment	12,993	13,619
Remeasurements of defined benefit plans	15,909	13,964
Total accumulated other comprehensive income	138,729	137,101
Non-controlling interests	63,842	67,152
Total net assets	585,650	600,243
Total liabilities and net assets	2,454,316	2,431,407

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, 2023	Six months ended September 30, 2024
Operating revenue	803,623	853,363
Operating expenses		
Operating expenses and cost of sales of transportation	649,675	696,752
Selling, general and administrative expenses	110,888	117,105
Total operating expenses	760,563	813,858
Operating profit	43,060	39,504
Non-operating income		
Interest income	1,620	2,417
Dividend income	541	632
Share of profit of entities accounted for using equity method	982	1,072
Foreign exchange gains	30	–
Other	2,300	1,558
Total non-operating income	5,476	5,679
Non-operating expenses		
Interest expenses	4,874	5,567
Foreign exchange losses	–	295
Other	3,152	1,454
Total non-operating expenses	8,027	7,317
Ordinary profit	40,509	37,867
Extraordinary income		
Contribution received for construction	1,420	4,097
Gain on sale of non-current assets	16	14
Other	296	700
Total extraordinary income	1,733	4,812
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	1,420	4,092
Loss on sale of non-current assets	365	11
Loss on retirement of non-current assets	348	322
Impairment losses	82	21
Special survey costs, etc.	551	–
Other	433	278
Total extraordinary losses	3,202	4,726
Profit before income taxes	39,039	37,953
Income taxes	13,130	12,552
Profit	25,908	25,401
Profit attributable to non-controlling interests	2,050	3,576
Profit attributable to owners of parent	23,858	21,824

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	25,908	25,401
Other comprehensive income		
Valuation difference on available-for-sale securities	3,389	(279)
Revaluation reserve for land	–	122
Deferred gains or losses on hedges	–	(353)
Foreign currency translation adjustment	21,456	1,631
Remeasurements of defined benefit plans, net of tax	(1,922)	(1,931)
Share of other comprehensive income of entities accounted for using equity method	91	(7)
Total other comprehensive income	23,015	(817)
Comprehensive income	48,924	24,583
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	45,244	20,177
Comprehensive income attributable to non-controlling interests	3,679	4,406

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	39,039	37,953
Depreciation	35,619	38,469
Amortization of goodwill	1,627	1,623
Reduction entry of land contribution for construction	1,420	4,092
Impairment losses	82	21
Contribution received for construction	(1,420)	(4,097)
Loss (gain) on sale of non-current assets	349	(3)
Loss (gain) on sale of securities	(30)	(24)
Increase (decrease) in retirement benefit liability	(555)	(2,902)
Interest and dividend income	(2,162)	(3,049)
Interest expenses	4,874	5,567
Share of loss (profit) of entities accounted for using equity method	(982)	(1,072)
Decrease (increase) in accounts receivable - trade, and contract assets	50,406	(9,798)
Decrease (increase) in inventories	(8,560)	(15,501)
Increase (decrease) in trade payables	(11,185)	(531)
Other, net	(6,819)	(1,345)
Subtotal	101,702	49,402
Interest and dividends received	2,081	2,703
Interest paid	(4,641)	(5,531)
Income taxes refund (paid)	(1,519)	(9,314)
Net cash provided by (used in) operating activities	97,622	37,259
Cash flows from investing activities		
Purchase of short-term and long-term investment securities	(4,355)	(9,748)
Proceeds from sale and redemption of short-term and long-term investment securities	11,196	5,217
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	49	–
Purchase of property, plant and equipment and intangible assets	(28,367)	(46,470)
Proceeds from sale of property, plant and equipment and intangible assets	146	776
Proceeds from contribution received for construction	1,420	4,097
Net decrease (increase) in time deposits	(1,812)	(1,491)
Other, net	410	(44)
Net cash provided by (used in) investing activities	(21,312)	(47,662)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(51,050)	1,000
Proceeds from long-term borrowings	114,300	47,650
Repayments of long-term borrowings	(66,956)	(63,058)
Net increase (decrease) in commercial papers	(35,000)	–
Proceeds from issuance of bonds	29,817	29,810
Redemption of bonds	(41,568)	(44,568)
Dividends paid	(9,524)	(9,523)
Dividends paid to non-controlling interests	(966)	(1,435)
Repayments of lease liabilities	(8,898)	(9,843)
Other, net	(1,284)	989
Net cash provided by (used in) financing activities	(71,132)	(48,978)
Effect of exchange rate change on cash and cash equivalents	10,621	260
Net increase (decrease) in cash and cash equivalents	15,798	(59,120)
Cash and cash equivalents at beginning of period	208,188	241,657
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	5	–
Cash and cash equivalents at end of period	223,992	182,537