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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 6, 2024

Company name: Keio Corporation

Listing: Tokyo

Securities code: 9008

URL: <https://www.keio.co.jp/>

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Scheduled date to file semi-annual securities report: November 14, 2024

Scheduled date to commence dividend payments: November 29, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

President, Representative Director and Executive Officer  
Manager of Finance and Accounting Department

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

#### (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Operating revenues		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	214,189	16.4	31,734	32.7	31,205	32.3	25,124	46.0
September 30, 2023	184,058	15.9	23,908	153.9	23,581	146.4	17,214	305.3

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 23,284 million [ (16.7)% ]  
Six months ended September 30, 2023: ¥ 27,965 million [ 728.8% ]

	Basic earnings per share	Diluted earnings per share
Six months ended September 30, 2024	Yen 205.76	Yen -
September 30, 2023	140.98	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of September 30, 2024	Millions of yen 1,056,011	Millions of yen 413,009	% 39.1
March 31, 2024	1,079,388	393,930	36.4

(Reference) Equity: As of September 30, 2024: ¥ 412,927 million  
As of March 31, 2024: ¥ 393,183 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	22.50	-	30.00	52.50
Fiscal year ending March 31, 2025	-	50.00			
Fiscal year ending March 31, 2025 (Forecast)			-	50.00	100.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend - yen

Special dividend - yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	470,000	15.0	55,000	25.5	53,600	23.3	41,000	40.2	335.77

(Note) Revision to the financial results forecast announced most recently: Yes

\* Notes:

- (1) Significant changes in the scope of consolidation during the period: Yes
- |                 |   |   |   |
|-----------------|---|---|---|
| Newly included: | 1 | (Company name: Keio SC Creation Co., Ltd.     | ) |
| Excluded:       | 1 | (Company name: Keio Chika Chushajou Co., Ltd. | ) |
- Note: See “(3) Notes to Semi-annual Consolidated Financial Statements (Segment Information, etc.) in the “[Supplementary Materials]” on Page 9.

- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes
- Note : See “(3) Notes to Semi-annual Consolidated Financial Statements (Application of special accounting treatment in preparing the semi-annual consolidated financial statements) in the “[Supplementary Materials]” on Page 7.

- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - 2) Changes in accounting policies due to other reasons: None
  - 3) Changes in accounting estimates: None
  - 4) Restatement: None
- Note : See “(3) Notes to Semi-annual Consolidated Financial Statements (Changes in Accounting Policies) in the “[Supplementary Materials]” on Page 7.

- (4) Number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2024:	128,550,830 shares
March 31, 2024:	128,550,830 shares
  - 2) Number of treasury shares at the end of the period:

September 30, 2024:	6,437,258 shares
March 31, 2024:	6,442,436 shares
  - 3) Average number of shares outstanding during the period:

Six months ended September 30, 2024:	122,108,992 shares
Six months ended September 30, 2023:	122,109,825 shares

Note: The number of the Company’s shares held by the Officer Compensation Trust Account included within the number of treasury shares is as follows:

2Q FYE March 2025:	103,400 shares	FYE March 2024:	109,300 shares
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\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

The earnings forecasts and outlines on future performance noted in these materials include projections based on certain forecasts/assumptions made at the time of publication.

Actual performance may differ from forecast figures due to various factors.

See “FY2024 2nd Quarter Financial Results Supplementary Materials” disclosed on TDnet today for information concerning earnings forecasts.

## Contents of Attachments

1. Overview of operating results, etc. ....	2
2. Semi-annual Consolidated Financial Statements .....	3
(1)Consolidated Balance Sheets .....	3
(2)Semi-annual Consolidated Statements of Income and Comprehensive Income .....	5
(3)Notes to Semi-annual Consolidated Financial Statements.....	7
(Premise of an Ongoing Concern) .....	7
(Marked Changes in Shareholders' Equity) .....	7
(Application of special accounting treatment in preparing the semi-annual consolidated financial statements) .....	7
(Changes in Accounting Policies) .....	7
(Supplemental Information) .....	7
(Segment Information, etc.) .....	9
(Significant Subsequent Events) .....	9

**1. Overview of operating results, etc.**

See “FY2024 2nd Quarter Financial Results Supplementary Materials” disclosed on TDnet today for the overview.

## 2. Semi-annual Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	73,064	58,550
Notes and accounts receivable - trade, and contract assets	59,650	45,338
Merchandise and finished goods	23,144	23,047
Work in process	81,984	97,148
Raw materials and supplies	2,502	2,544
Other	7,956	8,954
Allowance for doubtful accounts	(18)	(20)
Total current assets	248,285	235,563
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	331,028	323,152
Machinery, equipment and vehicles, net	24,378	22,628
Land	243,286	241,459
Construction in progress	86,746	90,968
Other, net	16,059	16,192
Total property, plant and equipment	701,499	694,401
Intangible assets	21,886	21,264
Investments and other assets		
Investment securities	78,133	75,794
Retirement benefit asset	14,464	14,411
Deferred tax assets	2,794	2,342
Other	12,463	12,372
Allowance for doubtful accounts	(139)	(139)
Total investments and other assets	107,717	104,781
Total non-current assets	831,103	820,447
Total assets	1,079,388	1,056,011

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	24,413	16,611
Short-term borrowings	99,741	107,180
Income taxes payable	8,850	7,438
Advances received	38,390	38,014
Contract liabilities	13,787	15,488
Provision for bonuses	4,155	5,247
Other provisions	3,089	2,700
Other	82,405	52,243
Total current liabilities	274,834	244,923
Non-current liabilities		
Bonds payable	170,100	170,100
Long-term borrowings	165,511	153,704
Deferred tax liabilities	5,582	4,466
Retirement benefit liability	18,212	18,152
Asset retirement obligations	15,414	15,451
Other provisions	491	419
Other	35,311	35,783
Total non-current liabilities	410,624	398,077
Total liabilities	685,458	643,001
Net assets		
Shareholders' equity		
Share capital	59,023	59,023
Capital surplus	42,288	42,324
Retained earnings	284,367	305,971
Treasury shares	(19,783)	(19,755)
Total shareholders' equity	365,896	387,564
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,636	21,143
Deferred gains or losses on hedges	75	76
Foreign currency translation adjustment	16	13
Remeasurements of defined benefit plans	4,558	4,129
Total accumulated other comprehensive income	27,287	25,363
Non-controlling interests	746	81
Total net assets	393,930	413,009
Total liabilities and net assets	1,079,388	1,056,011

**(2)Semi-annual Consolidated Statements of Income and Comprehensive Income****Semi-annual Consolidated Statements of Income**

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Operating revenue	184,058	214,189
Operating expenses		
Operating expenses and cost of sales of transportation	135,667	154,810
Selling, general and administrative expenses	24,482	27,644
Total operating expenses	160,150	182,455
Operating profit	23,908	31,734
Non-operating income		
Interest income	9	11
Dividend income	673	802
Share of profit of entities accounted for using equity method	101	122
Miscellaneous income	542	547
Total non-operating income	1,325	1,484
Non-operating expenses		
Interest expenses	1,579	1,828
Miscellaneous expenses	73	184
Total non-operating expenses	1,652	2,012
Ordinary profit	23,581	31,205
Extraordinary income		
Gain on sale of non-current assets	148	1,415
Contribution received for construction	89	138
Other	-	51
Total extraordinary income	238	1,605
Extraordinary losses		
Provision for loss on removal of non-current assets	-	445
Loss on retirement of non-current assets	147	153
Loss on tax purpose reduction entry of non-current assets	50	9
Other	108	128
Total extraordinary losses	305	737
Profit before income taxes	23,514	32,074
Income taxes	6,283	6,866
Profit	17,231	25,208
Profit attributable to non-controlling interests	16	83
Profit attributable to owners of parent	17,214	25,124



## Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	17,231	25,208
Other comprehensive income		
Valuation difference on available-for-sale securities	8,206	(1,494)
Deferred gains or losses on hedges	(16)	0
Remeasurements of defined benefit plans, net of tax	2,537	(428)
Share of other comprehensive income of entities accounted for using equity method	5	(1)
Total other comprehensive income	10,733	(1,923)
Comprehensive income	27,965	23,284
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	27,948	23,200
Comprehensive income attributable to non-controlling interests	16	83

### (3) Notes to Semi-annual Consolidated Financial Statements

(Premise of an Ongoing Concern)

Not applicable

(Marked Changes in Shareholders' Equity)

Not applicable

(Application of special accounting treatment in preparing the semi-annual consolidated financial statements)

Calculation of tax expenses

Tax expenses are calculated by producing a reasonable estimate of the effective tax rate after application of tax effect accounting to profit before income taxes for the consolidated fiscal year, and multiplying profit before income taxes by the effective tax rate.

(Changes in Accounting Policies)

Adoption of Accounting Standard for Current Income Taxes and related guidance

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, revised October 28, 2022; hereafter, “the 2022 revised accounting standard”) was adopted from the first quarter of the consolidated fiscal year ending March 31, 2025.

The changes relating to account classification of income taxes (tax on other comprehensive income) were made in accordance with the transitional treatment specified in the proviso to Paragraph 20-3 in the 2022 revised accounting standard and the transitional treatment specified in the proviso to Paragraph 65-2 (2) in the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, revised October 28, 2022; hereafter, “the 2022 revised guidance”). These changes had no effect on the semi-annual consolidated financial statements.

The 2022 revised guidance was also applied to changes relating to revision of the treatment in the consolidated financial statements when carrying forward gains on the sale of shares of subsidiaries between consolidated companies, from the beginning of the first quarter of the consolidated fiscal year ending March 31, 2025. These changes in accounting policies were applied retroactively and financial statements for the previous consolidated fiscal year were restated to reflect these changes. These changes had no effect on consolidated financial statements for the previous fiscal year.

(Supplemental Information)

Transactions, etc. under common control

#### 1. Succession of business to consolidated subsidiary via company split

At the Board of Directors meeting held on December 26, 2023, the Company decided to establish Keio SC Creation Co., Ltd. as a wholly owned subsidiary. The decision was made to cede the commercial facility management business (the shopping center business and part of the land and building leasing business) we operate to Keio SC Creation Co., Ltd., and this was effected via a simple absorption-type split on July 1, 2024.

#### (1) Transaction overview

##### (i) Name and description of business ceded

Name	Commercial facility management business
Business description	<ul style="list-style-type: none"><li>• Management of large shopping centers at main stations</li><li>• Development of commercial facilities near stations etc.</li></ul>

##### (ii) Date of business combination

July 1, 2024

##### (iii) Legal form of business combination

Simple absorption-type company split of the Company, with Keio SC Creation Co., Ltd. as the succeeding

company.

(iv) Name after business combination

The name of Keio SC Creation Co., Ltd. did not change after the business combination.

(v) Overview of other transactions

We decided this split was necessary to consolidate the commercial facility management businesses dispersed among the Company and some consolidated subsidiaries, improve operating efficiency, secure and develop professional talent, and accumulate operating expertise, while also centralizing management of commercial facilities to achieve further growth in profit for the Group as a whole and develop attractive urban areas.

(2) Overview of accounting treatment employed

We are treating this as a transaction under common control, based on the Accounting Standard for Business Combinations (ASBJ Statement No. 21, revised January 16, 2019) and the Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, revised January 16, 2019).

2. Absorption-type merger of consolidated subsidiary

At the Board of Directors meeting held on December 26, 2023, the Company decided to transfer control over all of the businesses of Keio Chika Chushajou Co., Ltd., a wholly owned subsidiary of the Company, to Keio SC Creation Co., Ltd. via an absorption-type split, and then merge it into the Company through absorption. This was effected on July 1, 2024.

(1) Transaction overview

(i) Name and business description of combined company

Name	Keio Chika Chushajou Co., Ltd.
Business description	<ul style="list-style-type: none"><li>• Parking facility operation and management business</li><li>• Real estate leasing and management etc.</li></ul>

(ii) Date of business combination

July 1, 2024

(iii) Legal form of business combination

Simple absorption-type merger with the Company as the surviving company and Keio Chika Chushajou Co., Ltd. as the defunct company.

(iv) Name after business combination

The name of the Company did not change after combination.

(v) Overview of other transactions

We decided this merger was necessary to consolidate the commercial facility management businesses dispersed among the Company and some consolidated subsidiaries, improve operating efficiency, secure and develop professional talent, and accumulate operating expertise, while also centralizing management of commercial facilities to achieve further growth in profit for the Group as a whole and develop attractive urban areas.

(2) Overview of accounting treatment employed

We are treating this as a transaction under common control, based on the Accounting Standard for Business Combinations (ASBJ Statement No. 21, revised January 16, 2019) and the Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, revised January 16, 2019).

(Segment Information, etc.)

Second quarter of consolidated fiscal year ended March 31, 2024 (April 1 to September 30, 2023)

1. Operating revenues and profit (loss) by segment

(Millions of yen)

	Transportation	Merchandise Sales	Real Estate	Leisure	Other Businesses	Total	Adjustments (Note 1)	Amount recorded on the consolidated statements of income (Note 2)
Operating revenues	60,107	48,330	29,577	34,151	26,853	199,020	(14,962)	184,058
Segment profit (loss)	8,883	2,074	7,342	4,483	1,133	23,917	(9)	23,908

Note 1: The adjustment to segment profit is the intersegment elimination.

Note 2: Segment profit (loss) is adjusted to match the operating profit on the consolidated statements of income.

Second quarter of consolidated fiscal year ending March 31, 2025 (April 1 to September 30, 2024)

1. Operating revenues and profit (loss) by segment

(Millions of yen)

	Transportation	Merchandise Sales	Real Estate	Leisure	Other Businesses	Total	Adjustments (Note 1)	Amount recorded on the consolidated statements of income (Note 2)
Operating revenues	66,437	50,835	42,420	38,440	31,610	229,743	(15,553)	214,189
Segment profit (loss)	13,218	2,186	9,078	6,233	1,229	31,947	(212)	31,734

Note 1: The adjustment to segment profit is the intersegment elimination.

Note 2: Segment profit (loss) is adjusted to match the operating profit on the consolidated statements of income.

2. Changes in reportable segments, etc.

Keio SC Creation Co., Ltd. was established as a consolidated subsidiary of the Keio Group on April 1, 2024, as part of the restructuring of our commercial facility management businesses. Along with this, "Shopping Centers," which was previously included in Merchandise Sales, was reclassified into "Department Stores" in Merchandise Sales and "Land and Building Leasing" in Real Estate from the first quarter of the consolidated fiscal year ending March 31, 2025. The segment information for the second quarter of the previous consolidated fiscal year has been restated to reflect these changes.

(Significant Subsequent Events)

1. Acquisition of treasury stock

Keio Corporation decided matters concerning the acquisition of treasury stock in accordance with Article 156 of the Companies Act, as applied pursuant to Article 165, Paragraph 3 of the Companies Act. The decision was made at the Board of Directors meeting held today. For more information, see the "Notice on Determination of Matters Concerning Acquisition of Treasury Stock (Acquisition of treasury stock as provided in the Articles of Incorporation, pursuant to Article 165, Paragraph 2 of the Companies Act)," disclosed today in a timely manner.

2. Construction to install platform doors and automated operating equipment on the Keio Line

Keio Corporation decided to install platform doors and automated operating equipment to achieve single person, automated operation on the Keio Line. The decision was made at the Board of Directors meeting held today. For more information, see "Construction to Install Platform Doors and Automated Operating Equipment on the Keio Line," disclosed today in a timely manner.