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Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 10, 2024

Company name: Keikyu Corporation

Stock exchange listing: Tokyo

Code number: 9006

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

Representative: Yukihiro Kawamata

President & Representative Director

Contact: President & Representative Director

Toshiaki Mori

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Scheduled date of Annual General Meeting of Shareholders: June 27, 2024

Scheduled date of commencing dividend payments: June 28, 2024

Scheduled date of filing annual securities report: June 27, 2024

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	280,624	10.9	28,040	159.2	28,402	132.2	83,750	429.5
March 31, 2023	253,005	(4.6)	10,819	208.2	12,233	141.5	15,817	26.2

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 87,803 million [354.5%]
Fiscal year ended March 31, 2023: ¥ 19,318 million [75.9%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2024	304.23	-	26.7	2.8	10.0
March 31, 2023	57.46	-	6.0	1.3	4.3

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ million
Fiscal year ended March 31, 2023: ¥ million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	1,086,902	357,684	32.7	1,289.94
March 31, 2023	935,420	273,452	29.0	984.76

(Reference) Equity: As of March 31, 2024: ¥ 355,107 million
As of March 31, 2023: ¥ 271,085 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2024	66,202	29,656	(3,751)	149,073
March 31, 2023	24,786	(24,094)	(4,969)	56,969

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	-	5.00	-	6.00	11.00	3,029	19.1	1.2
March 31, 2024	-	7.00	-	8.00	15.00	4,131	4.9	1.3
Fiscal year ending March 31, 2025 (Forecast)	-	8.00	-	8.00	16.00		26.2	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2024 :

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)

(% indicates changes from the previous corresponding period.)

	Net sales		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
Six months ending September 30, 2024	139,000	8.6	15,300	10.8	14,200	4.2	8,400	(8.8)	30.51
Full year	305,400	8.8	30,000	7.0	27,800	(2.1)	16,800	(79.9)	61.03

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New	-	(Company name:)
Exclusion:	-	(Company name:)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2024:	275,760,547 shares
March 31, 2023:	275,760,547 shares

2) Number of treasury shares at the end of the period:

March 31, 2024:	471,485 shares
March 31, 2023:	479,005 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024:	275,285,302 shares
Fiscal Year ended March 31, 2023:	275,279,518 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	116,059	11.1	16,477	378.4	16,705	223.5	75,942	863.3
March 31, 2023	104,491	(15.3)	3,443	671.5	5,163	-	7,883	(43.6)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	275.84	-
March 31, 2023	28.64	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	983,792	225,860	23.0	820.38
March 31, 2023	831,360	147,552	17.7	535.96

(Reference) Equity: As of March 31, 2024: ¥ 225,860 million
As of March 31, 2023: ¥ 147,552 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

Full year	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	135,900	17.1	20,200	22.6	18,700	11.9	13,900	(81.7)	50.49

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	57,119	149,223
Notes and accounts receivable - trade, and contract assets	14,181	16,037
Merchandise and finished goods	2,008	2,031
Land and buildings for sale in lots	54,802	65,451
Work in process	896	711
Raw materials and supplies	312	291
Other	5,535	8,427
Allowance for doubtful accounts	(128)	(16)
Total current assets	134,727	242,157
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	313,521	297,923
Machinery, equipment and vehicles, net	35,069	35,154
Land	175,259	168,371
Construction in progress	114,416	172,666
Other, net	6,519	5,934
Total property, plant and equipment	644,786	680,050
Intangible assets	8,300	8,194
Investments and other assets		
Investment securities	84,591	103,100
Long-term loans receivable	714	667
Deferred tax assets	6,525	7,092
Retirement benefit asset	35,086	25,338
Other	20,842	20,571
Allowance for doubtful accounts	(155)	(268)
Total investments and other assets	147,605	156,500
Total non-current assets	800,692	844,745
Total assets	935,420	1,086,902

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	27,560	39,206
Short-term borrowings	122,733	133,256
Current portion of bonds payable	30,000	-
Income taxes payable	3,765	36,068
Advances received	6,832	16,377
Provision for bonuses	1,584	1,676
Provision for bonuses for directors (and other officers)	68	59
Allowance for construction loss	-	983
Other provisions	105	-
Other	30,126	31,838
Total current liabilities	222,775	259,468
Non-current liabilities		
Bonds payable	105,000	125,000
Long-term borrowings	229,717	229,117
Deferred tax liabilities	5,011	4,983
Provision for retirement benefits for directors (and other officers)	284	273
Retirement benefit liability	11,341	11,487
Long-term deferred contribution for construction	69,294	81,266
Reserve for dismantling costs	4,109	4,109
Other	14,434	13,512
Total non-current liabilities	439,192	469,749
Total liabilities	661,968	729,218
Net assets		
Shareholders' equity		
Share capital	43,738	43,738
Capital surplus	44,158	44,158
Retained earnings	165,164	245,334
Treasury shares	(821)	(809)
Total shareholders' equity	252,240	332,423
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,758	13,769
Foreign currency translation adjustment	385	613
Remeasurements of defined benefit plans	10,701	8,301
Total accumulated other comprehensive income	18,845	22,684
Non-controlling interests	2,366	2,576
Total net assets	273,452	357,684
Total liabilities and net assets	935,420	1,086,902

Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Operating revenue	253,005	280,624
Operating expenses		
Operating expenses and cost of sales of transportation	203,397	211,224
Selling, general and administrative expenses	38,788	41,359
Total operating expenses	242,186	252,584
Operating profit	10,819	28,040
Non-operating income		
Interest income	64	163
Dividend income	472	414
Share of profit of entities accounted for using equity method	486	565
Gain on sale of investment securities	3,425	2,458
Subsidy income	119	311
Other	1,143	1,089
Total non-operating income	5,710	5,002
Non-operating expenses		
Interest expenses	3,645	3,745
Other	650	894
Total non-operating expenses	4,296	4,640
Ordinary profit	12,233	28,402
Extraordinary income		
Gain on sale of non-current assets	13,204	90,614
Gain on cancellation of retirement benefit trust	-	4,427
Contribution received for construction	1,858	421
Other	1	122
Total extraordinary income	15,064	95,586
Extraordinary losses		
Impairment losses	1,232	3,012
Loss on retirement of non-current assets	1,531	624
Loss on sale of non-current assets	12	466
Loss on tax purpose reduction entry of non-current assets	1,858	421
Other	311	185
Total extraordinary losses	4,945	4,710
Profit before income taxes	22,352	119,279
Income taxes - current	6,775	37,669
Income taxes - deferred	(264)	(2,202)
Total income taxes	6,510	35,466
Profit	15,841	83,812
Profit attributable to non-controlling interests	23	61
Profit attributable to owners of parent	15,817	83,750

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit	15,841	83,812
Other comprehensive income		
Valuation difference on available-for-sale securities	(346)	6,010
Foreign currency translation adjustment	214	379
Remeasurements of defined benefit plans, net of tax	3,608	(2,399)
Total other comprehensive income	3,476	3,991
Comprehensive income	19,318	87,803
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,208	87,589
Comprehensive income attributable to non-controlling interests	109	213

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	43,738	44,158	152,100	(827)	239,170
Changes during period					
Dividends of surplus			(2,754)		(2,754)
Profit attributable to owners of parent			15,817		15,817
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		(0)		9	9
Net changes in items other than shareholders' equity					
Total changes during period	-	(0)	13,063	6	13,070
Balance at end of period	43,738	44,158	165,164	(821)	252,240

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	8,105	256	7,092	15,454	2,259	256,884
Changes during period						
Dividends of surplus						(2,754)
Profit attributable to owners of parent						15,817
Purchase of treasury shares						(2)
Disposal of treasury shares						9
Net changes in items other than shareholders' equity	(346)	128	3,608	3,390	106	3,497
Total changes during period	(346)	128	3,608	3,390	106	16,567
Balance at end of period	7,758	385	10,701	18,845	2,366	273,452

For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	43,738	44,158	165,164	(821)	252,240
Changes during period					
Dividends of surplus			(3,580)		(3,580)
Profit attributable to owners of parent			83,750		83,750
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares				15	15
Net changes in items other than shareholders' equity					
Total changes during period	-	-	80,170	12	80,182
Balance at end of period	43,738	44,158	245,334	(809)	332,423

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,758	385	10,701	18,845	2,366	273,452
Changes during period						
Dividends of surplus						(3,580)
Profit attributable to owners of parent						83,750
Purchase of treasury shares						(2)
Disposal of treasury shares						15
Net changes in items other than shareholders' equity	6,010	227	(2,399)	3,839	210	4,049
Total changes during period	6,010	227	(2,399)	3,839	210	84,231
Balance at end of period	13,769	613	8,301	22,684	2,576	357,684

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	22,352	119,279
Depreciation	28,309	28,170
Impairment losses	1,232	3,012
Loss on retirement of property, plant and equipment	1,259	846
Decrease (increase) in retirement benefit asset	833	6,312
Losses (gains) on cancellation of employee retirement benefit trust	-	(4,427)
Interest and dividend income	(536)	(577)
Interest expenses	3,645	3,745
Share of loss (profit) of entities accounted for using equity method	(486)	(565)
Loss (gain) on sale of non-current assets	(13,204)	(90,148)
Loss (gain) on sale of investment securities	(3,391)	(2,458)
Contribution received for construction	(1,858)	(421)
Loss on tax purpose reduction entry of non-current assets	1,858	421
Decrease (increase) in trade receivables	(1,837)	(1,761)
Decrease (increase) in inventories	(3,388)	(4,088)
Increase (decrease) in unearned fares	114	953
Increase (decrease) in trade payables	(428)	1,070
Increase (decrease) in accrued consumption taxes	(2,215)	(508)
Increase (decrease) in advances received	1,619	12,716
Other, net	2,824	4,404
Subtotal	36,700	75,974
Interest and dividends received	663	700
Interest paid	(3,693)	(3,749)
Income taxes paid	(8,883)	(6,723)
Net cash provided by (used in) operating activities	24,786	66,202
Cash flows from investing activities		
Purchase of investment securities	(8,086)	(17,406)
Proceeds from sale and redemption of investment securities	12,351	10,410
Purchase of property, plant and equipment	(53,245)	(70,532)
Proceeds from sale of property, plant and equipment	20,972	99,738
Purchase of intangible assets	(2,709)	(2,320)
Long-term loan advances	(18)	(19)
Proceeds from collection of long-term loans receivable	47	42
Proceeds from contribution received for construction	6,135	9,292
Other, net	458	452
Net cash provided by (used in) investing activities	(24,094)	29,656

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from financing activities		
Proceeds from long-term borrowings	38,000	39,000
Repayments of long-term borrowings	(30,218)	(29,076)
Proceeds from issuance of bonds	-	19,896
Redemption of bonds	(10,000)	(30,000)
Dividends paid	(2,754)	(3,580)
Dividends paid to non-controlling interests	(3)	(3)
Other, net	6	12
Net cash provided by (used in) financing activities	(4,969)	(3,751)
Effect of exchange rate change on cash and cash equivalents	12	(4)
Net increase (decrease) in cash and cash equivalents	(4,264)	92,103
Cash and cash equivalents at beginning of period	61,234	56,969
Cash and cash equivalents at end of period	56,969	149,073