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Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 11, 2022

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

Shinichi Akiyama

Phone: 045-225-9390

Scheduled date of Annual General Meeting of Shareholders: June 29, 2022

Scheduled date of commencing dividend payments: June 30, 2022

Scheduled date of filing annual securities report: June 29, 2022

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, 2022 (April 01, 2021 to March 31, 2022)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	265,237	-	3,510	-	5,065	-	12,529	-
March 31, 2021	234,964	(24.9)	(18,420)	-	(20,156)	-	(27,211)	-

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 10,981 million [-%]
Fiscal year ended March 31, 2021: ¥ (17,485) million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to operating revenues ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2022	45.52	-	5.0	0.6	1.3
March 31, 2021	(98.83)	-	(10.6)	(2.2)	(7.8)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ 490 million
Fiscal year ended March 31, 2021: ¥ 289 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	912,385	256,884	27.9	924.97
March 31, 2021	929,053	249,051	26.6	897.04

(Reference) Equity: As of March 31, 2022: ¥ 254,624 million
As of March 31, 2021: ¥ 246,928 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
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2022	58,230	(26,045)	(28,422)	61,234
March 31, 2021	(7,219)	(39,920)	69,190	57,450

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	Million yen	%	%
March 31, 2021	-	0.00	-	5.00	5.00	1,377	-	0.5
March 31, 2022	-	5.00	-	5.00	10.00	2,754	22.0	1.1
Fiscal year ending March 31, 2023 (Forecast)	-	5.00	-	5.00	10.00		18.4	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2022 :

Commemorative dividend	- yen
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Special dividend	- yen
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3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2022	119,500	12.5	2,500	-	1,200	-	9,800	29.0	35.60
Full year	257,000	(3.1)	8,000	127.9	5,000	(1.3)	15,000	19.7	54.49

* 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: Yes

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, 2022: 275,760,547 shares

March 31, 2021: 275,760,547 shares

2) Total number of treasury shares at the end of the period:

March 31, 2022: 483,052 shares

March 31, 2022:	182,852 shares
March 31, 2021:	489,879 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022: 275,274,081 shares

Fiscal Year ended March 31, 2022:	275,274,681 shares
Fiscal Year ended March 31, 2021:	275,328,296 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

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

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	123,382	-	446	-	211	-	13,988	-
March 31, 2021	87,680	(34.6)	(13,808)	-	(16,713)	-	(20,160)	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2022	50.81	-
March 31, 2021	(73.22)	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	821,892	142,758	17.4	518.56
March 31, 2021	841,363	135,750	16.1	493.11

(Reference) Equity: As of March 31, 2022: ¥ 142,758 million
 As of March 31, 2021: ¥ 135,750 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Net income		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	101,800	(17.5)	3,500	684.8	1,200	468.7	9,100	(34.9)	33.06

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	57,600	61,384
Notes and accounts receivable - trade	9,752	-
Notes and accounts receivable - trade, and contract assets	-	12,301
Merchandise and finished goods	2,277	1,968
Land and buildings for sale in lots	47,072	46,396
Work in process	818	491
Raw materials and supplies	345	305
Other	10,040	5,293
Allowance for doubtful accounts	(123)	(120)
Total current assets	127,783	128,019
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	334,133	315,921
Machinery, equipment and vehicles, net	39,103	38,140
Land	190,459	176,991
Construction in progress	86,452	93,516
Other, net	8,299	7,220
Total property, plant and equipment	658,448	631,790
Intangible assets	7,197	7,425
Investments and other assets		
Investment securities	75,428	85,846
Long-term loans receivable	797	764
Deferred tax assets	6,131	6,320
Retirement benefit asset	30,099	31,000
Other	23,324	21,371
Allowance for doubtful accounts	(154)	(154)
Total investments and other assets	135,625	145,149
Total non-current assets	801,270	784,365
Total assets	929,053	912,385

(Million yen)

	As of March 31,2021	As of March 31,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	25,180	24,363
Short-term borrowings	125,836	123,875
Current portion of bonds payable	10,000	10,000
Income taxes payable	1,583	6,095
Advances received	8,348	5,118
Provision for bonuses	1,546	1,547
Provision for bonuses for directors (and other officers)	70	75
Other provisions	15	111
Other	29,664	30,259
Total current liabilities	202,245	201,446
Non-current liabilities		
Bonds payable	145,000	135,000
Long-term borrowings	234,511	220,793
Deferred tax liabilities	2,936	3,648
Provision for retirement benefits for directors (and other officers)	414	401
Retirement benefit liability	11,076	11,273
Long-term deferred contribution for construction	63,618	65,155
Reserve for dismantling costs	4,575	4,109
Other	15,622	13,672
Total non-current liabilities	477,756	454,054
Total liabilities	680,002	655,500
Net assets		
Shareholders' equity		
Share capital	43,738	43,738
Capital surplus	44,158	44,158
Retained earnings	142,729	152,100
Treasury shares	(839)	(827)
Total shareholders' equity	229,788	239,170
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,975	8,105
Foreign currency translation adjustment	28	256
Remeasurements of defined benefit plans	5,136	7,092
Total accumulated other comprehensive income	17,140	15,454
Non-controlling interests	2,122	2,259
Total net assets	249,051	256,884
Total liabilities and net assets	929,053	912,385

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Operating revenue	234,964	265,237
Operating expenses		
Operating expenses and cost of sales of transportation	217,096	223,935
Selling, general and administrative expenses	36,288	37,792
Total operating expenses	253,384	261,727
Operating profit (loss)	(18,420)	3,510
Non-operating income		
Interest income	79	62
Dividend income	607	396
Share of profit of entities accounted for using equity method	289	490
Gain on sale of investment securities	164	2,395
Subsidy income	945	1,139
Other	875	1,392
Total non-operating income	2,961	5,877
Non-operating expenses		
Interest expenses	4,113	3,907
Other	583	414
Total non-operating expenses	4,697	4,322
Ordinary profit (loss)	(20,156)	5,065
Extraordinary income		
Gain on sale of non-current assets	185	17,275
Contribution for construction	2,577	1,408
Compensation income	2,001	647
Reversal of provision for loss on disaster	290	-
Other	10	0
Total extraordinary income	5,065	19,331
Extraordinary losses		
Impairment losses	9,510	1,554
Loss on tax purpose reduction entry of non-current assets	2,577	1,408
Loss on retirement of non-current assets	873	729
Provision for dismantling costs	4,494	-
Non-recurring loss	311	-
Loss on valuation of investment securities	91	-
Compensation expenses	60	-
Other	26	346
Total extraordinary losses	17,946	4,039
Profit (loss) before income taxes	(33,037)	20,357
Income taxes - current	1,957	6,306
Income taxes - deferred	(7,701)	1,535
Total income taxes	(5,743)	7,842
Profit (loss)	(27,293)	12,515
Loss attributable to non-controlling interests	(82)	(14)
Profit (loss) attributable to owners of parent	(27,211)	12,529

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit (loss)	(27,293)	12,515
Other comprehensive income		
Valuation difference on available-for-sale securities	3,068	(3,870)
Foreign currency translation adjustment	(178)	380
Remeasurements of defined benefit plans, net of tax	6,916	1,955
Total other comprehensive income	9,807	(1,533)
Comprehensive income	(17,485)	10,981
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(17,332)	10,844
Comprehensive income attributable to non-controlling interests	(153)	137

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	43,738	44,158	172,144	(660)	259,381
Changes during period					
Dividends of surplus			(2,203)		(2,203)
Profit (loss) attributable to owners of parent			(27,211)		(27,211)
Purchase of treasury shares				(178)	(178)
Disposal of treasury shares					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(29,414)	(178)	(29,593)
Balance at end of period	43,738	44,158	142,729	(839)	229,788

	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	8,906	135	(1,779)	7,261	1,012	267,655
Changes during period						
Dividends of surplus						(2,203)
Profit (loss) attributable to owners of parent						(27,211)
Purchase of treasury shares						(178)
Disposal of treasury shares						-
Net changes in items other than shareholders' equity	3,068	(106)	6,916	9,878	1,110	10,989
Total changes during period	3,068	(106)	6,916	9,878	1,110	(18,603)
Balance at end of period	11,975	28	5,136	17,140	2,122	249,051

For the fiscal year ended March 31,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	43,738	44,158	142,729	(839)	229,788
Cumulative effects of changes in accounting policies			(405)		(405)
Restated balance	43,738	44,158	142,324	(839)	229,383
Changes during period					
Dividends of surplus			(2,754)		(2,754)
Profit (loss) attributable to owners of parent			12,529		12,529
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares				13	13
Net changes in items other than shareholders' equity					
Total changes during period	-	-	9,775	11	9,786
Balance at end of period	43,738	44,158	152,100	(827)	239,170

	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	11,975	28	5,136	17,140	2,122	249,051
Cumulative effects of changes in accounting policies						(405)
Restated balance	11,975	28	5,136	17,140	2,122	248,646
Changes during period						
Dividends of surplus						(2,754)
Profit (loss) attributable to owners of parent						12,529
Purchase of treasury shares						(2)
Disposal of treasury shares						13
Net changes in items other than shareholders' equity	(3,870)	228	1,955	(1,685)	137	(1,548)
Total changes during period	(3,870)	228	1,955	(1,685)	137	8,238
Balance at end of period	8,105	256	7,092	15,454	2,259	256,884

Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from operating activities		
Profit (loss) before income taxes	(33,037)	20,357
Depreciation	31,712	29,567
Impairment losses	9,510	1,554
Increase (decrease) in provision for dismantling of fixed assets	4,575	(465)
Loss on retirement of property, plant and equipment	520	631
Decrease (increase) in retirement benefit asset	(1,092)	1,724
Interest and dividend income	(686)	(459)
Interest expenses	4,113	3,907
Share of loss (profit) of entities accounted for using equity method	(289)	(490)
Loss (gain) on sale of non-current assets	(171)	(17,274)
Proceeds from contribution for construction	(2,577)	(1,408)
Loss on tax purpose reduction entry of non-current assets	2,577	1,408
Compensation income	(2,001)	(647)
Decrease (increase) in trade receivables	2,839	(2,503)
Decrease (increase) in inventories	(5,602)	33,992
Increase (decrease) in unearned fares	(980)	477
Increase (decrease) in trade payables	(5,172)	(4,276)
Increase (decrease) in accrued consumption taxes	(941)	3,571
Increase (decrease) in advances received	1,411	(2,616)
Increase (decrease) in guarantee deposits received	(2,053)	(1,699)
Other, net	(1,340)	(1,475)
Subtotal	1,314	63,874
Interest and dividends received	915	687
Interest paid	(4,097)	(3,996)
Income taxes paid	(5,352)	(2,335)
Net cash provided by (used in) operating activities	(7,219)	58,230
Cash flows from investing activities		
Purchase of investment securities	(3,472)	(17,858)
Proceeds from sale of investment securities	437	4,476
Purchase of property, plant and equipment	(42,684)	(39,091)
Proceeds from sale of property, plant and equipment	1,783	23,069
Purchase of intangible assets	(1,621)	(1,813)
Long-term loan advances	(209)	(45)
Proceeds from collection of long-term loans receivable	66	62
Proceeds from contribution received for construction	5,984	3,313
Other, net	(204)	1,841
Net cash provided by (used in) investing activities	(39,920)	(26,045)

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,326	(1,500)
Proceeds from long-term borrowings	63,866	16,500
Repayments of long-term borrowings	(29,518)	(30,679)
Proceeds from issuance of bonds	44,720	-
Redemption of bonds	(10,000)	(10,000)
Dividends paid	(2,203)	(2,754)
Dividends paid to non-controlling interests	(4)	(0)
Other, net	3	11
Net cash provided by (used in) financing activities	69,190	(28,422)
Effect of exchange rate change on cash and cash equivalents	(6)	21
Net increase (decrease) in cash and cash equivalents	22,044	3,783
Cash and cash equivalents at beginning of period	35,405	57,450
Cash and cash equivalents at end of period	57,450	61,234