

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

July 29, 2022

Company name: Kobe Electric Railway Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 9046 URL <https://www.shintetsu.co.jp/>
 Representative: President and Representative Director Nobuhiko Terada
 Inquiries: Manager of Corporate Planning Department Yoshiyuki Sakamoto TEL 078-576-8671
 Scheduled date to file Quarterly Securities Report: August 12, 2022
 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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	%
Three months ended June 30, 2022	5,258	7.2	622	72.8	560	136.3	458	141.1
Three months ended June 30, 2021	4,906	–	360	–	237	–	190	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	57.11		–	
Three months ended June 30, 2021	23.71		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	90,082	21,085	23.4
As of March 31, 2022	92,351	20,626	22.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	0.00	–	0.00	0.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	0.00	–	0.00	0.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	21,640	5.5	1,500	40.8	930	42.6	590	13.7	73.41

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
 (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: No
- (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 June 30, 2022	8,061,566 shares	As of March 31, 2022	8,061,566 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	24,608 shares	As of March 31, 2022	24,592 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	8,036,970 shares	Three months ended June 30, 2021	8,037,730 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	1,262	1,304
Notes and accounts receivable - trade	1,284	978
Short-term loans receivable	69	85
Land and buildings for sale	279	279
Merchandise	121	127
Supplies	396	444
Other	2,576	980
Allowance for doubtful accounts	(0)	(0)
Total current assets	5,988	4,199
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	41,519	41,197
Machinery, equipment and vehicles, net	5,434	5,280
Land	34,691	34,691
Construction in progress	240	241
Other, net	551	553
Total property, plant and equipment	82,436	81,964
Intangible assets		
Other	577	559
Total intangible assets	577	559
Investments and other assets		
Investment securities	1,126	1,127
Long-term loans receivable	352	318
Retirement benefit asset	1,419	1,469
Other	468	462
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	3,348	3,359
Total non-current assets	86,362	85,882
Total assets	92,351	90,082

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,692	767
Short-term borrowings	29,298	30,295
Income taxes payable	91	103
Advances received	975	818
Provision for bonuses	49	91
Other	2,634	3,162
Total current liabilities	35,741	35,239
Non-current liabilities		
Long-term borrowings	29,539	27,389
Deferred tax liabilities	255	252
Deferred tax liabilities for land revaluation	3,471	3,471
Retirement benefit liability	108	111
Long-term accounts payable - other	812	772
Long-term guarantee deposits	928	926
Other	866	834
Total non-current liabilities	35,982	33,757
Total liabilities	71,724	68,996
Net assets		
Shareholders' equity		
Share capital	11,710	11,710
Retained earnings	6,974	7,433
Treasury shares	(88)	(88)
Total shareholders' equity	18,596	19,055
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	250	256
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	1,503	1,503
Remeasurements of defined benefit plans	275	270
Total accumulated other comprehensive income	2,029	2,030
Total net assets	20,626	21,085
Total liabilities and net assets	92,351	90,082

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Operating revenue	4,906	5,258
Operating expenses		
Operating expenses and cost of sales of transportation	3,939	4,008
Selling, general and administrative expenses	606	627
Total operating expenses	4,545	4,636
Operating profit	360	622
Non-operating income		
Interest income	0	0
Dividend income	15	18
Reversal of clerical costs on work performed on contract	0	71
Miscellaneous income	53	4
Total non-operating income	69	94
Non-operating expenses		
Interest expenses	147	141
Miscellaneous expenses	45	15
Total non-operating expenses	192	156
Ordinary profit	237	560
Extraordinary income		
Contribution for construction	–	12
Total extraordinary income	–	12
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	–	12
Total extraordinary losses	–	12
Profit before income taxes	237	560
Income taxes - current	49	104
Income taxes - deferred	(3)	(3)
Total income taxes	46	101
Profit	190	458
Profit attributable to owners of parent	190	458

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	190	458
Other comprehensive income		
Valuation difference on available-for-sale securities	(21)	5
Deferred gains or losses on hedges	(0)	(0)
Remeasurements of defined benefit plans, net of tax	(9)	(5)
Total other comprehensive income	(31)	0
Comprehensive income	159	459
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	159	459
Comprehensive income attributable to non-controlling interests	–	–