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Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

November 10, 2023

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

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Scheduled date of filing quarterly securities report: November 10, 2023

Scheduled date of commencing dividend payments: November 27, 2023

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

(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	%
Six months ended September 30, 2023	128,026	6.3	13,811	152.0	13,628	194.0	9,206	(26.5)
September 30, 2022	120,395	13.4	5,480	-	4,634	-	12,529	64.9

(Note) Comprehensive income: Six months ended September 30, 2023: ¥ 11,072 million [(28.0) %]

Six months ended September 30, 2022: ¥ 15,369 million [113.5 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	33.45	-
September 30, 2022	45.51	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	957,606	282,882	29.3
March 31, 2023	935,420	273,452	29.0

(Reference) Equity: As of September 30, 2023: ¥ 280,233 million

As of March 31, 2023: ¥ 271,085 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, 2023	-	5.00	-	6.00	11.00
Fiscal year ending March 31, 2024	-	7.00			
Fiscal year ending March 31, 2024 (Forecast)			-	7.00	14.00

(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, 2024 :

Commemorative dividend - yen
Special dividend - yen

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

(% 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
Full year	303,700	20.0	28,000	158.8	27,300	123.2	22,000	39.1	79.92

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

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) 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

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

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

September 30, 2023: 275,760,547 shares

March 31, 2023: 275,760,547 shares

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

September 30, 2023: 470,259 shares

March 31, 2023: 479,005 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2023: 275,285,915 shares

Six months ended September 30, 2022: 275,280,006 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	57,119	69,564
Notes and accounts receivable - trade, and contract assets	14,181	13,844
Merchandise and finished goods	2,008	2,215
Land and buildings for sale in lots	54,802	60,626
Work in process	896	1,394
Raw materials and supplies	312	312
Other	5,535	6,513
Allowance for doubtful accounts	(128)	(17)
Total current assets	134,727	154,453
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	313,521	306,883
Machinery, equipment and vehicles, net	35,069	33,703
Land	175,259	174,547
Construction in progress	114,416	123,954
Other, net	6,519	5,980
Total property, plant and equipment	644,786	645,069
Intangible assets	8,300	8,217
Investments and other assets		
Investment securities	84,591	87,567
Long-term loans receivable	714	688
Deferred tax assets	6,525	6,564
Retirement benefit asset	35,086	34,720
Other	20,842	20,478
Allowance for doubtful accounts	(155)	(153)
Total investments and other assets	147,605	149,866
Total non-current assets	800,692	803,153
Total assets	935,420	957,606

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	27,560	12,211
Short-term borrowings	122,733	121,697
Current portion of bonds payable	30,000	20,000
Income taxes payable	3,765	4,056
Advances received	6,832	13,476
Provision for bonuses	1,584	1,597
Provision for bonuses for directors (and other officers)	68	-
Other provisions	105	15
Other	30,126	31,822
Total current liabilities	222,775	204,876
Non-current liabilities		
Bonds payable	105,000	125,000
Long-term borrowings	229,717	232,140
Deferred tax liabilities	5,011	5,589
Provision for retirement benefits for directors (and other officers)	284	243
Retirement benefit liability	11,341	11,459
Long-term deferred contribution for construction	69,294	76,682
Reserve for dismantling costs	4,109	4,109
Other	14,434	14,622
Total non-current liabilities	439,192	469,846
Total liabilities	661,968	674,723
Net assets		
Shareholders' equity		
Share capital	43,738	43,738
Capital surplus	44,158	44,158
Retained earnings	165,164	172,718
Treasury shares	(821)	(807)
Total shareholders' equity	252,240	259,808
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,758	9,256
Foreign currency translation adjustment	385	778
Remeasurements of defined benefit plans	10,701	10,389
Total accumulated other comprehensive income	18,845	20,424
Non-controlling interests	2,366	2,649
Total net assets	273,452	282,882
Total liabilities and net assets	935,420	957,606

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Operating revenue	120,395	128,026
Operating expenses		
Operating expenses and cost of sales of transportation	96,150	95,112
Selling, general and administrative expenses	18,764	19,102
Total operating expenses	114,915	114,214
Operating profit	5,480	13,811
Non-operating income		
Interest income	31	41
Dividend income	250	254
Share of profit of entities accounted for using equity method	283	344
Gain on sale of investment securities	62	772
Subsidy income	110	306
Other	472	285
Total non-operating income	1,211	2,005
Non-operating expenses		
Interest expenses	1,840	1,818
Other	216	369
Total non-operating expenses	2,056	2,188
Ordinary profit	4,634	13,628
Extraordinary income		
Contribution received for construction	846	40
Gain on sale of non-current assets	13,092	31
Other	0	1
Total extraordinary income	13,938	73
Extraordinary losses		
Impairment losses	-	491
Loss on retirement of non-current assets	76	73
Loss on tax purpose reduction entry of non-current assets	846	40
Other	264	49
Total extraordinary losses	1,186	655
Profit before income taxes	17,386	13,047
Income taxes - current	3,313	3,805
Income taxes - deferred	1,494	9
Total income taxes	4,808	3,815
Profit	12,578	9,231
Profit attributable to non-controlling interests	49	24
Profit attributable to owners of parent	12,529	9,206

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profit	12,578	9,231
Other comprehensive income		
Valuation difference on available-for-sale securities	2,113	1,497
Foreign currency translation adjustment	600	654
Remeasurements of defined benefit plans, net of tax	76	(311)
Total other comprehensive income	2,791	1,840
Comprehensive income	15,369	11,072
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,080	10,785
Comprehensive income attributable to non-controlling interests	289	286