

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

## Consolidated Financial Results for the Fiscal Year Ended 31 March 2025 (Japanese GAAP) (Unaudited)

**Nagoya Railroad Co., Ltd.**

8 May 2025

Stock exchange Listing: Tokyo Nagoya  
 Securities code: 9048  
 URL: <https://top.meitetsu.co.jp/>  
 Representative: Hiroki Takasaki, President, Director  
 For further information contact: Tomonori Kawatsu, Managing Executive Officer and General Manager, Finance and Accounting Dept.  
 Tel: +81-52-588-0846

Scheduled date of ordinary shareholders meeting: 26 June 2025  
 Scheduled date of dividend payment commencement: 27 June 2025  
 Scheduled date of filing of annual securities report: 25 June 2025  
 Supplementary explanations of financial results: Yes  
 Financial results presentation meeting: Yes (for institutional investors and analysts)

\* Amounts of less than ¥1 million have been rounded down.

### 1. Consolidated financial results for the fiscal year ended 31 March 2025 (1 April 2024 - 31 March 2025)

(1) Consolidated operating results

(%: year-on-year)

	Operating revenues		Operating income		Ordinary income		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended 31 March 2025	690,720	14.9	42,076	21.1	47,671	27.0	37,733	54.6
Fiscal year ended 31 March 2024	601,121	9.0	34,750	52.9	37,544	42.4	24,400	29.4

Note: Comprehensive income - for the fiscal year ended 31 March 2025 ¥33,661 million [(12.2%)]  
 for the fiscal year ended 31 March 2024 ¥38,323 million [65.4%]

	Net income per share-basic	Net income per share-diluted	Return on equity	Return on assets	Operating income ratio
	Yen	Yen	%	%	%
Fiscal year ended 31 March 2025	192.12	167.69	8.4	3.5	6.1
Fiscal year ended 31 March 2024	124.13	116.01	5.8	3.0	5.8

Reference: Equity in earnings of affiliates- for the fiscal year ended 31 March 2025 ¥5,798 million  
 for the fiscal year ended 31 March 2024 ¥2,996 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share-basic
As of	Millions of yen	Millions of yen	%	Yen
31 March 2025	1,448,908	498,311	31.9	2,354.79
31 March 2024	1,303,205	464,054	33.6	2,230.53

Reference: Shareholders' equity - as of 31 March 2025 ¥461,710 million  
 as of 31 March 2024 ¥438,487 million

Note: The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, 28 October 2022) and others from the beginning of the first quarter of the current fiscal year; therefore, the figures for the fiscal year ended 31 March 2024 are retroactively applied.

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended 31 March 2025	78,729	(138,132)	55,854	56,493
Fiscal year ended 31 March 2024	55,533	(68,430)	18,034	60,025

2. Cash dividends

	Annual dividends				
	1st quarter end	2nd quarter end	3rd quarter end	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended 31 March 2024	—	0.00	—	27.50	27.50
Fiscal year ended 31 March 2025	—	0.00	—	38.50	38.50
Fiscal year ending 31 March 2026 (forecast)	—	0.00	—	40.00	40.00
	Total cash dividends (Annual)	Payout ratio (Consolidated)	Dividend on net assets (Consolidated)		
	Millions of yen	%	%		
Fiscal year ended 31 March 2024	5,406	22.2	1.3		
Fiscal year ended 31 March 2025	7,549	20.0	1.7		
Fiscal year ending 31 March 2026 (forecast)		30.2			

### 3. Forecast of consolidated financial results for the fiscal year ending 31 March 2026

(%: year-on-year)

	Operating revenues		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending 31 March 2026	710,000	2.8	44,000	4.6	42,500	(10.8)

	Profit attributable to owners of the parent		Net income per share-basic
	Millions of yen	%	Yen
Fiscal year ending 31 March 2026	26,000	(31.1)	132.60

#### Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of revisions
- i ) Changes in accounting policies resulting from the revision of the accounting standards: Yes
  - ii ) Changes in accounting policies other than the above: None
  - iii ) Changes in accounting estimates: None
  - iv ) Restatement of revisions: None

- (3) Number of issued shares (Common stock) (Shares)

	Number of issued shares (including treasury stock)	Number of treasury stock
As of 31 March 2025	196,700,692	627,654
31 March 2024	196,700,692	116,752

(Shares)

	Average number of shares outstanding during the period
Fiscal year ended 31 March 2025	196,401,818
Fiscal year ended 31 March 2024	196,567,973

**(Reference) Overview of the non-consolidated financial results****1. Non-consolidated results for the fiscal year ended 31 March 2025****(1 April 2024 - 31 March 2025)****(1) Non-consolidated operating results****(%: year-on-year)**

	Operating revenues		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended 31 March 2025	107,406	9.6	16,985	33.1	22,748	49.6	20,683	56.5
Fiscal year ended 31 March 2024	98,025	8.5	12,760	86.5	15,208	79.4	13,219	81.8

	Net income per share-basic	Net income per share-diluted
	Yen	Yen
Fiscal year ended 31 March 2025	105.30	91.91
Fiscal year ended 31 March 2024	67.25	62.85

**(2) Non-consolidated financial position**

As of	Total assets	Net assets	Equity ratio	Net assets per share-basic
	Millions of yen	Millions of yen	%	Yen
31 March 2025	1,051,237	315,932	30.1	1,611.11
31 March 2024	948,098	306,953	32.4	1,561.25

Reference: Shareholders' equity- as of 31 March 2025 ¥315,932 million  
as of 31 March 2024 ¥306,953 million

\* This report is not subject to audit procedures.

\* Explanation for appropriate use of forecasts and other notes

The forward-looking statements such as operational forecasts contained in this statement's summary are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable, and are not intended to be a promise by the Company to realise the above.

Actual results may differ from such forward-looking statements for a variety of reasons.

## ○ **Table of Contents for Appendix**

1. Overview of Operating Results, etc.	2
(1) Overview of Operating Results for the Current Fiscal Year	2
(2) Overview of Financial Position for the Current Fiscal Year	8
(3) Overview of Cash Flows for the Current Fiscal Year	8
(4) Future Outlook	8
2. Basic Considerations Regarding the Selection of Accounting Standards	8
3. Consolidated Financial Statements and Main Notes	9
(1) Consolidated Balance Sheets (Unaudited)	9
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income (Unaudited)	11
Consolidated Statements of Income (Unaudited)	11
Consolidated Statements of Comprehensive Income (Unaudited)	12
(3) Consolidated Statements of Changes in Net Assets (Unaudited)	13
(4) Consolidated Statements of Cash Flows (Unaudited)	15
(5) Notes to Consolidated Financial Statements (Unaudited)	17
(Notes on Going Concern Assumption)	17
(Notes on Change in Accounting Policy)	17
(Notes on Segment Information, etc.)	17
(Notes on Per Share Information)	20
(Notes on Significant Subsequent Event)	20

## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Current Fiscal Year

During the current fiscal year (1 April 2024 to 31 March 2025), the Japanese economy showed signs of a gradual recovery due to factors including improvements in the employment and income environment. Meanwhile, the future outlook remains uncertain due to risks of a global economic slowdown caused by unstable international circumstances and the impact of rising prices for raw materials and energy.

Against this backdrop, the Group conducted business operations with a top priority on safety and engaged in proactive sales activities while advancing various initiatives based on the Meitetsu Group's Medium-term Management Plan (FY2024-FY2026) which began in the current fiscal year. As a result, operating revenue increased in all businesses, mainly in the Real Estate and Traffic businesses in addition to the Transport business affected by business integration, and reached ¥690,720 million (up 14.9% YoY). Operating income rose to ¥42,076 million (up 21.1% YoY) despite an increase in outsourcing expenses and personnel expenses, due to higher revenues. Ordinary income rose to ¥47,671 million (up 27.0% YoY) due to improvements in non-operating income, including an increase in share of profit of entities accounted for using equity method, in addition to growth in operating income. Profit attributable to owners of the parent increased to ¥37,733 million (up 54.6% YoY) due to improvements in extraordinary income, including the recording of a gain on bargain purchase, in addition to growth in ordinary income.

The main initiatives and operating results by segment are as follows.

#### (1) Traffic business

##### [Main initiatives]

In the railroad business, the Company advanced elevated track construction at four locations as part of urban development projects by the national and local governments, expanded level crossings equipped with AI image analysis-enabled monitoring systems, and conducted test runs of vehicles equipped with track displacement monitoring devices to measure track deformation, as it continued efforts to enhance safety through the adoption of new technologies. In terms of sales measures, the Company worked to improve revenue by operating the Blue  $\mu$  Sky train featuring an inverted colour scheme to commemorate the Company's 130th anniversary, as well as selling commemorative tickets and holding various events.

In addition, to enhance customer service and ease congestion when purchasing commuter passes, the Company launched the Meitetsu Commuter Pass Web Reservation Service, which makes it possible for customers to apply online in advance and smoothly purchase commuter passes (manaca commuter passes) at automatic ticket machines.

Moreover, in the area-specific MaaS app CentX, we expanded the range of digital tickets and payment methods available, and conducted a pilot test with Central Japan Railway Company and others to verify the practicality of digital ride services as initiatives aimed at improving convenience. In the bus business, Gifubus Co., Ltd. has been working to provide high-value-added products through its premium bus tour "Kiwami" in an aim to appeal to new customer segments.

##### [Operating results]

Operating revenue in the Traffic business increased to 159,825 million (up 9.0% YoY), driven by fare revisions in the railroad business and bus business and an increase in the number of passengers, and operating income rose to ¥19,602 million (up 51.0% YoY) despite increases in personnel and repair expenses.

#### Breakdown of Traffic Business

	Operating revenues			Operating income		
	FY2024	FY2023	Change	FY2024	FY2023	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Railroad	97,910	88,338	10.8	15,418	10,366	48.7
Bus	42,120	39,056	7.8	3,550	2,172	63.4
Taxi	21,936	21,186	3.5	492	305	61.2
Adjustment	(2,141)	(1,998)	—	140	136	—
Total	159,825	146,582	9.0	19,602	12,980	51.0

(2) Transport business

[Main initiatives]

In the trucking business, Meitetsu Transportation Co., Ltd. integrated its special combined delivery service business (\*) with NX Transport Co., Ltd. and the Arrow Express transport service of Nippon Express Co., Ltd., strengthening its management base in this business.

(\*) A delivery method in which goods from multiple shippers are combined and delivered nationwide through a large-scale network

[Operating results]

Operating revenue in the Transport business increased by 30.3% YoY to ¥180,183 million, driven by contributions from the trucking business following the business integration. Meanwhile, operating income decreased by ¥5,513 million YoY to an operating loss of ¥3,721 million, despite an increase in profit in the maritime transportation business, due to a deterioration in the financial performance in the trucking business.

Breakdown of Transport Business

	Operating revenues			Operating income		
	FY2024	FY2023	Change	FY2024	FY2023	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Trucking	196,601	154,118	27.6	(5,303)	1,117	—
Maritime Transportation	18,554	16,778	10.6	1,493	601	148.3
Adjustment	(34,973)	(32,588)	—	88	73	—
Total	180,183	138,308	30.3	(3,721)	1,792	—

### (3) Real Estate business

#### [Main initiatives]

In the Real Estate business, as part of our full-scale entry into the real estate turnover business, we established and commenced operations of the first real estate private fund managed by MEITETSU CITY DESIGN CO., LTD. as the asset manager. As part of our alliance strategy, the Company entered into a capital and business alliance with Tosei Corporation, which focuses on real estate revitalization businesses.

In the real estate leasing business, as part of efforts to promote the creation of attractive communities and towns, the Company opened commercial facilities Atsuta nagAya at Jingu-mae Station and SWING MALL at Higashi-Okazaki Station, and launched meLiV brand rental apartments at Miyoshigaoka Station and Nishi Ichinomiya Station.

In the real estate sales development business, MEITETSU CITY DESIGN CO., LTD. pursued the development of condominiums for individual sale, including the sale of the first project under its highest-grade condominium brand FUDE, namely Shumokucho Residence The FUDE (Higashi-ku, Nagoya City) and Mates The Marks Shinyokohama (Kohoku-ku, Yokohama City).

#### [Operating results]

Operating revenue in the Real Estate business increased to ¥129,028 million (up 19.6% YoY), driven an increase in the number of units delivered in condominium sales and proceeds from sales of assets to real estate funds. Meanwhile, operating income rose to ¥18,947 million (up 18.7% YoY) thanks to higher profits in the sales development business, despite lower profits in the leasing business.

#### Breakdown of Real Estate Business

	Operating revenues			Operating income		
	FY2024	FY2023	Change	FY2024	FY2023	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Real Estate Leasing	57,140	53,258	7.3	8,952	9,764	(8.3)
Real Estate Development	66,159	49,150	34.6	9,251	5,550	66.7
Real Estate Management	15,519	14,139	9.8	700	648	8.0
Adjustment	(9,791)	(8,642)	—	42	4	—
Total	129,028	107,906	19.6	18,947	15,967	18.7

#### (4) Leisure and Services business

##### [Main initiatives]

In the hotel business, we continued to improve profitability by setting appropriate prices and capturing demand in response to the increase in inbound tourism and the recovery of domestic travel demand in Japan.

In the tourist facilities business, Okuhi Kanko Kaihatsu Co., Ltd., completed the development of walking trails and other improvements in the Summit Forest area located at an altitude of over 2,000 meters, further enhancing the appeal of the Shin-Hotaka Ropeway.

##### [Operating results]

In the Leisure and Services business, operating revenue increased to ¥102,682 million (up 4.0% YoY), mainly due to increased revenue in the hotel business driven by a recovery in tourism demand. Meanwhile, operating income declined to ¥2,546 million (down 4.7% YoY) as gains in the hotel business were offset by losses in the travel business.

##### Breakdown of Leisure and Services Business

	Operating revenues			Operating income		
	FY2024	FY2023	Change	FY2024	FY2023	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Hotel	24,402	21,838	11.7	1,514	339	346.4
Tourist Facilities	20,634	19,382	6.5	665	428	55.4
Travel	58,184	58,133	0.1	386	1,914	(79.8)
Adjustment	(538)	(582)	—	(20)	(11)	—
Total	102,682	98,772	4.0	2,546	2,671	(4.7)

(5) Distribution business

[Main initiatives]

In the Distribution business, Meitetsu Retail Holdings Co., Ltd., an intermediate holding company, was established with MEITETSU Creative Life Institute and On Seven Days Co., Ltd. as subsidiaries in order to share operational know-how and improve management efficiency.

In addition, MEITETSU Creative Life Institute opened a new store, Meitetsu Shoten ATSUTA, inside the commercial facility Atsuta nagAya at Jingu-mae Station as part of proactive sales activities.

[Operating results]

In the Distribution business, operating revenue increased to ¥69,112 million (up 3.7% YoY), mainly due to higher revenue from other merchandise sales despite a decline in revenue from department store operations due to store closures. Meanwhile, operating loss improved by ¥1,405 million compared to the previous fiscal year, reaching ¥1,292 million, due to higher revenue and improved profitability from the closure of unprofitable stores in department store operations.

Breakdown of Distribution Business

	Operating revenues			Operating income		
	FY2024	FY2023	Change	FY2024	FY2023	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Department Store	17,209	17,762	(3.1)	(1,507)	(2,173)	—
Other merchandise sales	52,159	49,088	6.3	317	(437)	—
Adjustment	(256)	(173)	—	(102)	(86)	—
Total	69,112	66,676	3.7	(1,292)	(2,697)	—

(6) Aviation Services business

[Operating results]

In the Aviation Services business, operating revenue increased to ¥29,781 million (up 13.3% YoY), mainly due to growth in the flight catering business and increased orders in the helicopter business and survey and measurement business. Meanwhile, operating income increased to ¥2,266 million (up 108.4% YoY) due to higher revenue.

Breakdown of Aviation Services Business

	Operating revenues			Operating income		
	FY2024	FY2023	Change	FY2024	FY2023	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Aviation Services	30,133	26,605	13.3	2,256	1,076	109.6
Adjustment	(351)	(326)	—	10	10	—
Total	29,781	26,278	13.3	2,266	1,087	108.4

(7) Other businesses

[Operating results]

In Other businesses, operating revenue increased to ¥67,973 million (up 20.6% YoY), mainly due to contributions from construction subsidiaries newly consolidated in the previous fiscal year and an increase in equipment construction orders. Meanwhile, operating income increased to ¥4,622 million (up 40.1% YoY) due to higher revenue.

Breakdown of Other businesses

	Operating revenues			Operating income		
	FY2024	FY2023	Change	FY2024	FY2023	Change
	Millions of yen	Millions of yen	%	Millions of yen	Millions of yen	%
Equipment Maintenance	39,049	31,039	25.8	2,981	1,748	70.5
Others	29,799	26,252	13.5	1,716	1,617	6.1
Adjustment	(875)	(908)	—	(74)	(66)	—
Total	67,973	56,383	20.6	4,622	3,299	40.1

## (2) Overview of Financial Position for the Current Fiscal Year

Total assets at the end of the current fiscal year increased by ¥145,702 million from the end of the previous fiscal year to to ¥1,448,908 million, due to increases in property and equipment from capital investments and investment securities from stock acquisitions.

Liabilities increased by ¥111,445 million from the end of the previous fiscal year to ¥950,597 million, mainly due to an increase in advances received for construction costs related to railway elevated track construction projects and an increase in interest-bearing liabilities.

Net assets increased by ¥34,256 million from the end of the previous fiscal year to ¥498,311 million, primarily due to an increase in retained earnings resulting from the recording of profit attributable to owners of the parent.

## (3) Overview of Cash Flows for the Current Fiscal Year

The balance of cash and cash equivalents as of the end of the current fiscal year decreased by ¥3,532 million compared to the end of the previous fiscal year to ¥56,493 million.

Cash flows from operating activities increased by ¥23,195 million compared to the previous fiscal year to ¥78,729 million, primarily due to a increase in profit before income tax.

Cash flows from investing activities decreased by ¥69,701 million compared to the previous fiscal year to ¥(138,132) million, primarily due to an increase in purchases of fixed assets.

Cash flows from financing activities increased by ¥37,819 million compared to the previous fiscal year to ¥55,854 million, primarily due to an increase in commercial papers.

## (4) Future Outlook

The Group will strive to achieve sustainable growth by working as one to implement the various measures outlined in the Meitetsu Group's Medium-term Management Plan. We will also continue to establish a foundation for future growth and strive to strengthen our profitability.

For the consolidated earnings forecast for the fiscal year ending March 2026, which is the second year of the plan, we expect operating revenue to increase, mainly driven by the Traffic business including the newly consolidated Miyagi Transportation Group in addition to the Transport business, to ¥710,000 million (up 2.8% YoY). Operating income is projected to be ¥44,000 million (up 4.6% YoY), primarily due to the increase in revenue from the Transport business, despite a decrease in profit from the Real Estate business and other segments. Ordinary income and profit attributable to owners of the parent are projected to decrease to ¥42,500 million (down 10.8% YoY) and ¥26,000 million (down 31.1% YoY), respectively, due to the absence of special factors such as gain on bargain purchase.

Regarding profit distribution, the Company strives for stable management over the long term to fulfill its public mission in the railroad business, while maintaining stable dividends with a consolidated dividend payout ratio of at least 30% as a guideline. Taking into account recent performance trends, the business environment, financial condition, and other factors in addition to this policy, the year-end dividend forecast is set at ¥40 per share.

Please note that the earnings forecast announced this time are based on information available as of the announcement date and actual results may differ significantly due to various factors going forward.

## 2. Basic Considerations Regarding the Selection of Accounting Standards

The Group applies Japanese accounting standards in order to ensure comparability with other companies in the same industry in Japan.

### 3. Consolidated financial statements and Main Notes

#### (1) Consolidated Balance Sheets (Unaudited)

	Millions of yen	
	31 March 2024	31 March 2025
<b>ASSETS</b>		
Current assets		
Cash and deposits	60,388	58,637
Trade notes, accounts receivable and contract assets	63,831	71,559
Short-term loans receivable	1,814	96
Land and buildings for sale	76,717	84,471
Merchandise and finished goods	6,329	7,859
Work in process	626	824
Raw materials and supplies	5,511	6,376
Others	23,451	26,774
Allowance for doubtful accounts	(185)	(182)
<b>Total current assets</b>	<b>238,484</b>	<b>256,417</b>
Non-current assets		
Property and equipment		
Buildings and structures, net	317,548	333,452
Machinery, equipment and vehicles, net	83,615	89,238
Land	381,227	421,580
Lease assets, net	9,569	8,854
Construction in progress	90,654	130,782
Other properties, net	11,008	14,073
<b>Total property and equipment</b>	<b>893,624</b>	<b>997,980</b>
Intangible assets		
Right-of-use facilities	7,945	8,809
Goodwill	2,294	2,027
Lease assets	217	173
Other intangible assets	3,505	3,941
<b>Total intangible assets</b>	<b>13,963</b>	<b>14,952</b>
Investments and other assets		
Investment securities	128,202	147,074
Long-term loans receivable	292	238
Deferred tax assets	11,606	13,178
Others	17,525	19,459
Allowance for doubtful accounts	(493)	(392)
<b>Total investments and other assets</b>	<b>157,133</b>	<b>179,558</b>
<b>Total non-current assets</b>	<b>1,064,720</b>	<b>1,192,491</b>
<b>Total assets</b>	<b>1,303,205</b>	<b>1,448,908</b>

## (1) Consolidated Balance Sheets (Unaudited)

	Millions of yen	
	31 March 2024	31 March 2025
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Current liabilities		
Trade notes and accounts payable	74,816	90,679
Short-term loans payable	43,574	75,462
Commercial papers	-	10,000
Current portion of bonds payable	40,000	25,000
Lease obligations	1,373	1,225
Income taxes payable	4,619	8,981
Deposits received from employees	19,964	4,039
Advances received	68,511	83,856
Provision for bonuses	5,841	6,736
Provision for loss on liquidation	29	27
Allowance for loss on collection of gift certificates outstanding	369	378
Others	49,848	49,998
Total current liabilities	308,949	356,386
Non-current liabilities		
Bonds payable	225,000	270,000
Long-term loans payable	179,631	194,533
Lease obligations	9,958	9,286
Deferred tax liabilities	3,229	5,940
Deferred tax liabilities for land revaluation	55,271	56,706
Provision for loss on liquidation	3,906	459
Employee retirement benefit liability	32,535	35,874
Others	20,669	21,410
Total non-current liabilities	530,201	594,210
Total liabilities	839,151	950,597
Net assets		
Shareholders' equity		
Common stock	101,158	101,158
Capital surplus	40,426	35,978
Retained earnings	179,468	211,944
Treasury stock	(233)	(1,116)
Total shareholders' equity	320,819	347,965
Accumulated other comprehensive income		
Net unrealised gains on available-for-sale securities	28,631	25,885
Deferred gains and losses on hedges	379	107
Land revaluation increment	87,298	85,629
Foreign currency translation adjustments	24	47
Retirement benefit adjustments	1,332	2,075
Total accumulated other comprehensive income	117,667	113,745
Non-controlling interests	25,567	36,600
Total net assets	464,054	498,311
Total liabilities and net assets	1,303,205	1,448,908

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income (Unaudited)

## Consolidated Statements of Income (Unaudited)

	Millions of yen	
	1 April 2023 -31 March 2024	1 April 2024 -31 March 2025
Operating revenues	601,121	690,720
Operating expenses		
Transportation, other services and cost of sales	512,245	586,267
Selling, general and administrative expenses	54,125	62,376
Total operating expenses	566,371	648,643
Operating income	34,750	42,076
Non-operating income		
Interest income	47	227
Dividend income	1,379	1,938
Equity in net earnings of affiliates	2,996	5,798
Miscellaneous income	2,313	1,898
Total non-operating income	6,737	9,862
Non-operating expenses		
Interest expenses	3,061	3,521
Provision for loss on liquidation	198	-
Miscellaneous expenses	684	745
Total non-operating expenses	3,943	4,267
Ordinary income	37,544	47,671
Extraordinary income		
Gain on sales of fixed assets	1,535	1,064
Gain on contributions for construction	1,480	2,278
Gain on sales of investment securities	1,798	6,209
Gain on bargain purchase	-	4,756
Others	574	1,356
Total extraordinary income	5,390	15,664
Extraordinary losses		
Loss on sales of fixed assets	222	197
Impairment loss on fixed assets	1,761	2,236
Loss on disposition of fixed assets	630	1,319
Loss on valuation of investment securities	49	97
Loss on reduction of property and equipment	1,691	2,218
Provision for return of subsidies	2,552	2,696
Loss on step acquisitions	-	1,530
Others	1,481	1,797
Total extraordinary losses	8,388	12,095
Profit before income taxes	34,546	51,240
Income taxes – current	8,489	11,340
Income taxes – deferred	647	2,375
Total income taxes	9,137	13,715
Profit	25,409	37,525
Profit attributable to:		
Non-controlling interests	1,009	(208)
Owners of the parent	24,400	37,733

Consolidated Statements of Comprehensive Income (Unaudited)

	Millions of yen	
	1 April 2023 -31 March 2024	1 April 2024 -31 March 2025
Profit	25,409	37,525
Other comprehensive income		
Net unrealised gains and losses on available-for-sale securities	11,094	(3,378)
Deferred gains and losses on hedges	242	(278)
Land revaluation increment	-	(1,517)
Foreign currency translation adjustments	13	22
Retirement benefit adjustments	70	842
Share of other comprehensive income of affiliates accounted for using the equity method	1,494	444
Total other comprehensive income	12,914	(3,864)
Comprehensive income	38,323	33,661
Comprehensive income attributable to:		
Owners of the parent	37,069	33,991
Non-controlling interests	1,254	(330)

## (3) Consolidated Statements of Changes in Net Assets (Unaudited)

Fiscal year ended 31 March 2024

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the fiscal year start	101,158	40,144	158,112	(365)	299,050
Cumulative effects of changes in accounting policies			521		521
Restated balance	101,158	40,144	158,634	(365)	299,572
Changes of items during the year					
Cash dividends			(3,931)		(3,931)
Profit attributable to owners of the parent			24,400		24,400
Purchase of treasury stock				(42)	(42)
Disposal of treasury stock		(20)		173	153
Reversal for land revaluation increment			384		384
Transfer from retained earnings to capital surplus		20	(20)		—
Change in treasury shares arising from change in equity in entities accounted for using equity method				0	0
Change in ownership interest of parent related to transactions with non-controlling interests		281			281
Net changes in items other than shareholders' equity for the year					
Total changes of items during the year	—	281	20,833	131	21,246
Balance at the fiscal year end	101,158	40,426	179,468	(233)	320,819

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealised gains on available-for-sale securities	Deferred gains and losses on hedges	Land revaluation increment	Foreign currency translation adjustments	Retirement benefit adjustments	Total accumulated other comprehensive income		
Balance at the fiscal year start	16,490	143	87,683	11	1,053	105,382	24,655	429,089
Cumulative effects of changes in accounting policies								521
Restated balance	16,490	143	87,683	11	1,053	105,382	24,655	429,610
Changes of items during the year								
Cash dividends								(3,931)
Profit attributable to owners of the parent								24,400
Purchase of treasury stock								(42)
Disposal of treasury stock								153
Reversal for land revaluation increment								384
Transfer from retained earnings to capital surplus								—
Change in treasury shares arising from change in equity in entities accounted for using equity method								0
Change in ownership interest of parent related to transactions with non-controlling interests								281
Net changes in items other than shareholders' equity for the year	12,140	236	(384)	13	279	12,285	911	13,196
Total changes of items during the year	12,140	236	(384)	13	279	12,285	911	34,443
Balance at the fiscal year end	28,631	379	87,298	24	1,332	117,667	25,567	464,054

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the fiscal year start	101,158	40,426	179,468	(233)	320,819
Cumulative effects of changes in accounting policies					—
Restated balance	101,158	40,426	179,468	(233)	320,819
Changes of items during the year					
Cash dividends			(5,406)		(5,406)
Profit attributable to owners of the parent			37,733		37,733
Purchase of treasury stock				(1,025)	(1,025)
Disposal of treasury stock		(30)		142	112
Reversal for land revaluation increment			179		179
Transfer from retained earnings to capital surplus		30	(30)		—
Change in treasury shares arising from change in equity in entities accounted for using equity method				—	—
Change in ownership interest of parent related to transactions with non-controlling interests		(4,447)			(4,447)
Net changes in items other than shareholders' equity for the year					
Total changes of items during the year	—	(4,447)	32,476	(882)	27,146
Balance at the fiscal year end	101,158	35,978	211,944	(1,116)	347,965

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealised gains on available-for-sale securities	Deferred gains and losses on hedges	Land revaluation increment	Foreign currency translation adjustments	Retirement benefit adjustments	Total accumulated other comprehensive income		
Balance at the fiscal year start	28,631	379	87,298	24	1,332	117,667	25,567	464,054
Cumulative effects of changes in accounting policies								—
Restated balance	28,631	379	87,298	24	1,332	117,667	25,567	464,575
Changes of items during the year								
Cash dividends								(5,406)
Profit attributable to owners of the parent								37,733
Purchase of treasury stock								(1,025)
Disposal of treasury stock								112
Reversal for land revaluation increment								179
Transfer from retained earnings to capital surplus								—
Change in treasury shares arising from change in equity in entities accounted for using equity method								—
Change in ownership interest of parent related to transactions with non-controlling interests								(4,447)
Net changes in items other than shareholders' equity for the year	(2,746)	(272)	(1,669)	22	742	(3,922)	11,033	7,110
Total changes of items during the year	(2,746)	(272)	(1,669)	22	742	(3,922)	11,033	34,256
Balance at the fiscal year end	25,885	107	85,629	47	2,075	113,745	36,600	498,311

## (4) Consolidated Statements of Cash Flows (Unaudited)

	Millions of yen	
	1 April 2023 -31 March 2024	1 April 2024 -31 March 2025
Cash flows from operating activities:		
Profit before income taxes	34,546	51,240
Depreciation	38,879	41,824
Impairment loss on fixed assets	1,761	2,236
Amortization of goodwill	330	266
Increase (decrease) in allowance for doubtful accounts	(90)	(105)
Increase (decrease) in provision for bonuses	140	481
Increase (decrease) in provision for loss on liquidation	(1,926)	(3,448)
Increase (decrease) in other provisions	204	(212)
Gain on bargain purchase	-	(4,756)
Increase (decrease) in employee retirement benefit liability	91	1,952
Interest and dividend income	(1,427)	(2,165)
Interest expense	3,061	3,521
Share of (gain) loss of entities accounted for using equity method	(2,996)	(5,798)
Loss (gain) on sale of fixed assets	(1,313)	(866)
Loss on disposition of fixed assets	399	284
Loss (gain) on valuation of investment securities	49	97
Loss (gain) on sales of investment securities	(1,796)	(6,206)
Gain on contributions for construction	(1,480)	(2,278)
Decrease (increase) in trade notes and accounts receivable	(2,863)	(5,456)
Decrease (increase) in inventories	4,360	2,260
Increase (decrease) in trade notes and accounts payable	153	6,368
Others, net	(4,850)	5,714
Subtotal	65,230	84,956
Interest and dividends received	2,572	4,022
Interest paid	(2,991)	(3,508)
Income taxes paid	(9,278)	(6,740)
Net cash provided by (used in) operating activities	55,533	78,729

	Millions of yen	
	1 April 2023	1 April 2024
	-31 March 2024	-31 March 2025
Cash flows from investing activities:		
Decrease (increase) in time deposits	11	(1,822)
Purchases of fixed assets	(85,996)	(133,363)
Proceeds from sales of fixed assets	5,859	1,855
Purchases of investment securities	(5,008)	(36,203)
Proceeds from sales and redemptions of investment securities	1,980	19,731
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(791)	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	1,404
Payments of short-term loans receivable	(13)	(14)
Proceeds from collection of short-term loans receivable	108	1,808
Payments of long-term loans receivable	(21)	(30)
Proceeds from collection of long-term loans receivable	12	10
Proceeds from contribution received for construction	15,421	10,161
Others, net	6	(1,669)
Net cash provided by (used in) investing activities	(68,430)	(138,132)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	11,213	17,677
Increase (decrease) in commercial papers	(10,000)	9,999
Proceeds from long-term debt	30,755	31,461
Repayment of long-term debt	(27,880)	(8,373)
Issuance of bonds	49,782	69,730
Redemption of bonds	(30,000)	(40,000)
Deposits received from employees	(419)	(15,925)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(17)	(1,098)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	92	-
Repayments of lease obligations	(1,385)	(1,077)
Proceeds from sales of treasury stock	0	1
Purchase of treasury stock	(42)	(1,025)
Dividends paid to non-controlling shareholders	(136)	(136)
Dividends paid to shareholders	(3,927)	(5,378)
Net cash provided by (used in) financing activities	18,034	55,854
Effect of exchange rate changes on cash and cash equivalents	7	16
Net increase (decrease) in cash and cash equivalents	5,145	(3,532)
Cash and cash equivalents at beginning of period	54,879	60,025
Cash and cash equivalents at end of period	60,025	56,493

## (5) Notes to Consolidated Financial Statements (Unaudited)

Notes on Going Concern Assumption: None

### Notes on Change in Accounting Policy

(Application of the Accounting Standard for Current Income Taxes and others)

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, 28 October 2022. Hereinafter referred to as the “2022 Revised Accounting Standard”.) and others from the beginning of the first quarter of the current fiscal year.

The revision regarding the classification of income taxes (taxation on other comprehensive income) is based on the transitional treatment stipulated in the proviso of paragraph 20-3 of the 2022 Revised Accounting Standard and the proviso paragraph 65-2(2) of “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, 28 October 2022. Hereinafter referred to as the “2022 Revised Implementation Guidance”). The change in accounting policy has no impact on the consolidated financial statements.

In addition, the Company has adopted the 2022 Revised Implementation Guidance for the revision related to the revised treatment in consolidated financial statements of the deferral for tax purposes of gains or losses arising from the sale of shares of subsidiaries and other securities among consolidated companies, effective as of the beginning of the first quarter of the current fiscal year. The change in accounting policy has been applied retrospectively, and consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis. With respect to the treatment of the tax effect of deferring for tax purposes the gain or losses arising from the sale of shares of subsidiaries and other securities among consolidated companies, if deferred tax assets or deferred tax liabilities are recognised for the temporary difference related to the gain or loss on the sale in the financial statements of the entity that sold such shares of subsidiaries and other securities, in the process of consolidated accounting, the Company had not adjusted the amount of deferred tax assets or deferred tax liabilities relating to such temporary differences, but it has decided to reverse the deferred tax assets or deferred tax liabilities related to such temporary differences. As a result, compared to the consolidated balance sheet for the previous fiscal year before the retrospective application, deferred tax liabilities decreased by ¥521 million. In addition, the balance of retained earnings at the beginning of the previous period increased by ¥521 million due to the cumulative effect reflected in net assets at the beginning of the previous period.

### Notes on Segment information, etc.

#### (1) General information about reportable segments

The reportable segments of the Company are those units for which separate financial statements can be obtained among the constituent units of the Company and which are regularly examined by the Board of Directors to determine the allocation of management resources and to assess business performance.

The Group is engaged in diversified business activities involving traffic, transport, real estate, leisure, distribution, aviation services, equipment maintenance and others. On the basis of the above activities, the Company’s reportable segments are “Traffic,” “Transport,” “Real Estate,” “Leisure and Services,” “Distribution” and “Aviation Services.”

The business descriptions of the reportable segments are as follows:

- Traffic: business related to railroads, buses and taxis
- Transport: business related to trucking and maritime transportation
- Real Estate: real estate development, real estate leasing and building maintenance
- Leisure and Services: business related to hotels, restaurants, tourist facilities and travel
- Distribution: department store operations and distributions of other merchandise sales
- Aviation Services: business related to general aviation and flight catering

#### (2) Basis of measurement for reportable segment operating revenues, profit or loss, assets and other material items

Reportable segment income (loss) figures are on an operating income(loss) basis. Intersegment sales and transfers are based on prevailing market prices.

(3) Information about reportable segment operating revenues, profit or loss, assets and other material items

Information about reportable segments as of and for the fiscal year ended 31 March 2024 was as follows.

(Millions of yen)

	Traffic	Transport	Real Estate	Leisure and Services	Distribution	Aviation Services	Others (*1)	Total	Adjustment (*2)	Consolidated financial statements (*3)
Operating revenues:										
External customers	143,862	137,884	96,650	98,186	63,888	26,222	34,426	601,121	—	601,121
Intersegment sales/transfers	2,720	424	11,255	585	2,788	55	21,957	39,786	(39,786)	—
Total	146,582	138,308	107,906	98,772	66,676	26,278	56,383	640,908	(39,786)	601,121
Segment income (loss)	12,980	1,792	15,967	2,671	(2,697)	1,087	3,299	35,101	(351)	34,750
Segment assets	527,196	123,265	362,492	32,882	34,776	32,879	83,784	1,197,275	105,929	1,303,205
Other items										
Depreciation	17,847	7,120	5,594	1,134	1,217	2,790	3,630	39,334	(454)	38,879
Amortisation of goodwill	—	—	155	37	115	—	21	330	—	330
Impairment loss on fixed assets	99	0	1,207	173	406	—	13	1,900	(139)	1,761
Increase in property and equipment and intangible assets	25,578	7,053	30,515	1,839	1,635	4,211	5,985	76,818	—	76,818

\*1) “Others” is a business segment that is not considered a reportable segment. It includes the business of equipment maintenance, information processing, insurance agency and others.

\*2) Adjustment is as follows

- (1) Segment income (loss) adjustment amounting to ¥(351) million was treated as intersegment elimination.
- (2) Segment assets adjustment amounting to ¥105,929 million consisted of unallocated general corporate assets amounting to ¥141,686 million, net of intersegment elimination of ¥(35,756) million. Such general corporate assets consisted mainly of cash, deposits and investment securities.
- (3) Depreciation adjustment amounting to ¥(454) million was treated as intersegment elimination.

\*3) Segment income (loss) was reconciled to operating income in the accompanying consolidated statements of income.

Information about reportable segments as of and for the fiscal year ended 31 March 2025 was as follows.

(Millions of yen)

	Traffic	Transport	Real Estate	Leisure and Services	Distribution	Aviation Services	Others (*1)	Total	Adjustment (*2)	Consolidated financial statements (*3)
Operating revenues:										
External customers	156,942	179,757	116,408	102,057	65,529	29,729	40,295	690,720	—	690,720
Intersegment sales/transfers	2,882	425	12,620	625	3,583	52	27,678	47,867	(47,867)	—
Total	159,825	180,183	129,028	102,682	69,112	29,781	67,973	738,587	(47,867)	690,720
Segment income (loss)	19,602	(3,721)	18,947	2,546	(1,292)	2,266	4,622	42,971	(895)	42,076
Segment assets	573,396	141,236	424,888	33,710	34,078	37,892	88,982	1,334,186	114,722	1,448,908
Other items										
Depreciation	18,666	8,316	6,196	1,232	1,427	2,703	3,881	42,425	(601)	41,824
Amortisation of goodwill	—	—	31	37	115	—	81	266	—	266
Impairment loss on fixed assets	176	1,065	240	256	472	—	25	2,236	—	2,236
Increase in property and equipment and intangible assets	35,504	10,164	60,994	2,347	1,802	5,103	5,539	121,455	—	121,455

\*1) “Others” is a business segment that is not considered a reportable segment. It includes the business of equipment maintenance, information processing, insurance agency and others.

\*2) Adjustment is as follows

(1) Segment income (loss) adjustment amounting to ¥(895) million was treated as intersegment elimination.

(2) Segment assets adjustment amounting to ¥114,722 million consisted of unallocated general corporate assets amounting to ¥157,069 million, net of intersegment elimination of ¥(42,347) million. Such general corporate assets consisted mainly of cash, deposits and investment securities.

(3) Depreciation adjustment amounting to ¥(601) million was treated as intersegment elimination.

\*3) Segment income (loss) was reconciled to operating income in the accompanying consolidated statements of income.

Notes on Per share information

	1 April 2023 -31 March 2024	1 April 2024 -31 March 2025
Net assets per share-basic	2,230.53 yen	2,354.79 yen
Net income per share-basic	124.13 yen	192.12 yen
Net income per share-diluted	116.01 yen	167.69 yen

(1) The basis for calculating of net income per share-basic and net income per share-diluted was as follows.

	1 April 2023 -31 March 2024	1 April 2024 -31 March 2025
Net income per share-basic		
Profit attributable to owners of the parent (Millions of yen)	24,400	37,733
Profit not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of the parent related to common stock (Millions of yen)	24,400	37,733
Average number of shares outstanding during the periods (share)	196,567,973	196,401,818
Net income per share-diluted		
Adjustments to profit attributable to owners of the parent (Millions of yen)	—	—
Increase in the number of common stock (share)	13,759,676	28,614,993
[Of the above, convertible bond (share)]	[13,759,676]	[28,614,993]
Descriptions of potentially dilutive common stock with an anti-dilutive effect that was not included in the computation of net income per share-diluted	—	—

(2) The basis for calculating of net assets per share-basic was as follows.

	As of 31 March 2024	As of 31 March 2025
Total net assets (Millions of yen)	464,054	498,311
Amounts deducted from total net assets (Millions of yen)	25,567	36,600
[Of the above, non-controlling interests (Millions of yen)]	[25,567]	[36,600]
Net assets related to common stock (Millions of yen)	438,487	461,710
Number of common stock used for the calculation of net assets per share (share)	196,583,940	196,073,038

Notes on Significant Subsequent events: None