

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)

October 30, 2023

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: November 10, 2023  
 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 six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(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	%
Six months ended September 30, 2023	10,924	5.7	1,157	21.9	922	24.3	754	28.2
Six months ended September 30, 2022	10,337	4.0	949	51.4	742	96.8	588	109.3

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	93.94		–	
Six months ended September 30, 2022	73.22		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	89,301	22,185	24.8
As of March 31, 2023	90,804	21,243	23.4

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, 2023	–	0.00	–	0.00	0.00
Year ending March 31, 2024	–	0.00			
Year ending March 31, 2024 (Forecast)			–	10.00	10.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	22,130	3.8	1,510	8.6	1,000	0.2	700	3.6	87.11

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2023  
(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 September 30, 2023	8,061,566 shares	As of March 31, 2023	8,061,566 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	26,340 shares	As of March 31, 2023	25,598 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	8,035,616 shares	Six months ended September 30, 2022	8,036,810 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	1,443	1,579
Accounts receivable - trade	1,097	1,181
Short-term loans receivable	66	58
Land and buildings for sale	274	234
Merchandise	123	121
Supplies	418	454
Other	2,246	1,222
Total current assets	5,670	4,854
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	40,523	39,975
Machinery, equipment and vehicles, net	5,121	4,877
Land	34,912	34,913
Construction in progress	126	129
Other, net	546	513
Total property, plant and equipment	81,230	80,408
Intangible assets		
Other	576	540
Total intangible assets	576	540
Investments and other assets		
Investment securities	1,217	1,410
Long-term loans receivable	285	247
Retirement benefit asset	1,405	1,439
Other	435	418
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	3,326	3,499
Total non-current assets	85,133	84,447
Total assets	90,804	89,301
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,206	920
Short-term borrowings	18,463	18,284
Income taxes payable	130	194
Advances received	819	961
Provision for bonuses	51	64
Other	3,012	3,142
Total current liabilities	24,683	23,567
Non-current liabilities		
Long-term borrowings	38,686	37,556
Deferred tax liabilities	224	288
Deferred tax liabilities for land revaluation	3,471	3,471
Retirement benefit liability	112	112
Long-term accounts payable - other	773	579
Long-term guarantee deposits	933	927
Other	676	611
Total non-current liabilities	44,877	43,548
Total liabilities	69,560	67,116

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Net assets		
Shareholders' equity		
Share capital	11,710	11,710
Retained earnings	7,650	8,405
Treasury shares	(91)	(93)
Total shareholders' equity	19,270	20,022
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	333	531
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	1,503	1,503
Remeasurements of defined benefit plans	136	128
Total accumulated other comprehensive income	1,973	2,162
Total net assets	21,243	22,185
Total liabilities and net assets	90,804	89,301

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Operating revenue	10,337	10,924
Operating expenses		
Operating expenses and cost of sales of transportation	8,125	8,478
Selling, general and administrative expenses	1,263	1,288
Total operating expenses	9,388	9,767
Operating profit	949	1,157
Non-operating income		
Interest income	0	0
Dividend income	18	20
Compensation for damage income	–	17
Miscellaneous income	103	27
Total non-operating income	122	66
Non-operating expenses		
Interest expenses	280	283
Miscellaneous expenses	48	17
Total non-operating expenses	329	300
Ordinary profit	742	922
Extraordinary income		
Contribution received for construction	12	118
Total extraordinary income	12	118
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	12	118
Total extraordinary losses	12	118
Profit before income taxes	742	922
Income taxes - current	122	146
Income taxes - deferred	31	21
Total income taxes	153	167
Profit	588	754
Profit attributable to owners of parent	588	754

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	588	754
Other comprehensive income		
Valuation difference on available-for-sale securities	3	197
Deferred gains or losses on hedges	(0)	(0)
Remeasurements of defined benefit plans, net of tax	(10)	(8)
Total other comprehensive income	(7)	189
Comprehensive income	580	943
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	580	943
Comprehensive income attributable to non-controlling interests	–	–