

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 1, 2024

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 Hiroshi Iba
 Inquiries: Manager of Corporate Planning Yoshiyuki Sakamoto TEL 078-576-8671
 Department, Corporate officer
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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, 2024	5,549	1.4	825	22.2	754	32.3	537	13.3
Three months ended June 30, 2023	5,471	4.1	675	8.5	570	1.8	474	3.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	66.88		–	
Three months ended June 30, 2023	59.10		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	89,953	23,450	26.1
As of March 31, 2024	90,451	22,942	25.4

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, 2024	–	0.00	–	10.00	10.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	0.00	–	10.00	10.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	(3.0)	1,750	(5.9)	1,240	(8.7)	900	(12.1)	112.01

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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, 2024	8,061,566 shares	As of March 31, 2024	8,061,566 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	26,920 shares	As of March 31, 2024	26,871 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, 2024	8,034,681 shares	Three months ended June 30, 2023	8,035,865 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	1,468	1,675
Accounts receivable - trade	1,333	1,166
Short-term loans receivable	87	47
Land and buildings for sale	230	230
Merchandise	110	118
Supplies	447	511
Other	1,621	1,256
Total current assets	5,299	5,006
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	39,807	39,369
Machinery, equipment and vehicles, net	4,832	4,756
Land	35,019	35,222
Construction in progress	106	165
Other, net	498	477
Total property, plant and equipment	80,264	79,992
Intangible assets		
Other	688	662
Total intangible assets	688	662
Investments and other assets		
Investment securities	1,579	1,652
Long-term loans receivable	195	191
Retirement benefit asset	2,030	2,051
Other	409	415
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	4,197	4,292
Total non-current assets	85,151	84,947
Total assets	90,451	89,953
Liabilities		
Current liabilities		
Accounts payable - trade	2,446	737
Short-term borrowings	17,803	19,158
Income taxes payable	174	277
Advances received	794	1,084
Provision for bonuses	53	97
Other	2,953	3,123
Total current liabilities	24,226	24,479
Non-current liabilities		
Long-term borrowings	37,079	35,818
Deferred tax liabilities	593	611
Deferred tax liabilities for land revaluation	3,461	3,461
Retirement benefit liability	105	106
Long-term accounts payable - other	539	499
Long-term guarantee deposits	927	920
Other	575	606
Total non-current liabilities	43,282	42,024
Total liabilities	67,508	66,503

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	11,710	11,710
Retained earnings	8,697	9,154
Treasury shares	(95)	(95)
Total shareholders' equity	20,313	20,770
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	642	706
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	1,480	1,480
Remeasurements of defined benefit plans	506	493
Total accumulated other comprehensive income	2,629	2,679
Total net assets	22,942	23,450
Total liabilities and net assets	90,451	89,953

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, 2023	Three months ended June 30, 2024
Operating revenue	5,471	5,549
Operating expenses		
Operating expenses and cost of sales of transportation	4,151	4,092
Selling, general and administrative expenses	644	630
Total operating expenses	4,795	4,723
Operating profit	675	825
Non-operating income		
Interest income	0	0
Dividend income	20	22
Gain on sale of securities	0	33
Miscellaneous income	23	26
Total non-operating income	44	83
Non-operating expenses		
Interest expenses	142	144
Miscellaneous expenses	6	9
Total non-operating expenses	149	154
Ordinary profit	570	754
Extraordinary income		
Gain on exchange of non-current assets	–	425
Contribution received for construction	–	7
Total extraordinary income	–	432
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	–	432
Total extraordinary losses	–	432
Profit before income taxes	570	754
Income taxes - current	106	215
Income taxes - deferred	(10)	2
Total income taxes	95	217
Profit	474	537
Profit attributable to owners of parent	474	537

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	474	537
Other comprehensive income		
Valuation difference on available-for-sale securities	86	63
Deferred gains or losses on hedges	(0)	(0)
Remeasurements of defined benefit plans, net of tax	(4)	(13)
Total other comprehensive income	82	50
Comprehensive income	557	587
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	557	587
Comprehensive income attributable to non-controlling interests	–	–