

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 Six Months Ended September 30, 2022 (Under Japanese GAAP)

November 10, 2022

Company Name: Nishi-Nippon Railroad Co., Ltd.

Stock exchange listings: Tokyo and Fukuoka

Securities Code: 9031

URL <https://www.nishitetsu.co.jp/en/>

Representative: Koichi Hayashida, President and CEO

Contact: Tsuyoshi Kumai, Manager, Public Relations Department (Tel.) +81-92-734-1217

Scheduled filing date of quarterly securities report : November 10, 2022

Scheduled commencement date of dividend payments : December 1, 2022

Preparation of supplementary materials for quarterly financial results : Yes

Scheduled quarterly financial results briefing : Yes (For institutional investors and analysts)

(Amounts rounded down to the nearest million yen.)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2022

(from April 1, 2022 to September 30, 2022)

#### (1) Consolidated operating results (year to date) (Percentages represent year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2022	253,515	35.0	11,527	-	13,169	-	8,782	-
September 30, 2021	187,727	24.2	374	-	605	-	1	-

(Note(s)) Comprehensive income For the six months ended September 30, 2022 15,998million yen ( - %)   
 For the six months ended September 30, 2021 704million yen ( - %)

	Net income per share-basic	Net income per share-diluted
	Yen	Yen
Six months ended September 30, 2022	111.47	111.17
September 30, 2021	0.01	0.01

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	669,770	193,093	27.8
March 31, 2022	734,500	179,084	23.5

(Reference) Shareholders' equity As of September 30, 2022 186,217million yen   
 As of March 31, 2022 172,593million yen

### 2. Dividends

	Annual dividends				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022		12.50		17.50	30.00
Fiscal year ending March 31, 2023		15.00			
Fiscal year ending March 31, 2023 (Forecast)				15.00	30.00

(Note) Revision of the dividend forecast most recently announced: None

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2023  
(from April 1, 2022 to March 31, 2023)

(Percentages represent year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share-basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	495,800	16.1	20,000	91.4	20,500	46.9	12,800	29.6	162.47

(Note) Revision of the consolidated financial forecast most recently released: Yes

\* Notes

(1) Changes in important subsidiaries during the period under review : None

(Changes in specified subsidiaries resulting in changes in scope of consolidation)

(2) Adoption of special accounting treatment used in preparation of the quarterly consolidated financial statements : None

(3) Change in accounting policies or estimates and restatements

1) Change in accounting policies due to revisions of accounting standards and other regulations : None

2) Change in accounting policies other than item 1) above : None

3) Change in accounting estimates : None

4) Restatements : None

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)

As of September 30, 2022	79,360,186 shares	As of March 31, 2022	79,360,186 shares
--------------------------	-------------------	----------------------	-------------------

2) Number of treasury stocks at the end of the period

As of September 30, 2022	562,631 shares	As of March 31, 2022	588,852 shares
--------------------------	----------------	----------------------	----------------

3) Average number of shares outstanding during the period (year to date)

Six months ended September 30, 2022	78,784,863 shares	Six months ended September 30, 2021	78,807,944 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

(Note) The number of treasury stocks includes shares of the Company remaining in the board benefit trust (as of September 30, 2022: 243,225 shares; as of March 31, 2022: 244,266 shares).

\* Quarterly financial results are not subject to quarterly reviews by a certified public accountant or an audit firm.

\* Explanation of appropriate use of financial forecasts and other special notes

Any statements on the future such as financial outlooks included in this material are based on information the Company presently has and certain assumptions the Company considers reasonable, and the Company does not intend to be committed to their realization. In addition, actual financial results may differ significantly due to various factors. For assumptions for financial forecasts and points to consider in utilizing them, please see “(3) Explanation of future forecast information such as consolidated financial forecasts” in “1. Qualitative Information on Quarterly Financial Results under Review” on page 6 of the attachments.

○ Table of Contents of Attachments

1. Qualitative Information on Quarterly Financial Results under Review .....	2
(1) Explanation of operating results.....	2
(2) Explanation of financial position .....	6
(3) Explanation of future forecast information such as consolidated financial forecasts .....	6
2. Quarterly Consolidated Financial Statements and Key Notes.....	7
(1) Quarterly consolidated balance sheet.....	7
(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income .....	9
(3) Notes to quarterly consolidated financial statements .....	11
(Notes to assumptions on going concern) .....	11
(Notes if there is a significant change in the amount of shareholders' equity).....	11
(Segment information).....	12

# 1. Qualitative Information on Quarterly Financial Results under Review

## (1) Explanation of operating results

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change
Operating revenue	187,727	253,515	65,788	35.0%
Operating income	374	11,527	11,152	-
Ordinary income	605	13,169	12,564	-
Profit attributable to owners of parent	1	8,782	8,781	-

Operating revenue for the six-month period under review was 253,515 million yen, up 35.0% year-on-year, resulting in operating income of 11,527 million yen (compared with operating income of 374 million yen in the same period of the previous fiscal year). This was due to a recovery in demand from the same period of the previous fiscal year mainly due to an increase in sales prices in the Global Logistics business under the Logistics business caused by the continued high freight costs, and the easing of restrictions on activities in the Transportation business and Leisure and Services business caused by COVID-19.

Ordinary income was 13,169 million yen (compared with ordinary income of 605 million yen in the same period of the previous fiscal year) due to an increase in foreign exchange gains caused by the depreciation of the yen.

Profit attributable to owners of parent was 8,782 million yen (compared with 1 million yen in the same period of the previous fiscal year).

The Company's business performance by segment is as follows.

At the beginning of the third quarter of the previous fiscal year, reorganization of consolidated subsidiaries accompanying absorption-type company splits took place; accordingly, changes were made to the segmentation of businesses of the relevant consolidated subsidiaries.

The segment information for the six-month period in the previous fiscal year was prepared in accordance with the segments after the change.

(Millions of yen)

	Operating revenue				Operating income (loss)			
	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change
Transportation	30,019	34,625	4,605	15.3%	(3,931)	(782)	3,148	-
Real Estate	31,613	29,368	(2,245)	(7.1%)	3,193	2,507	(685)	(21.5%)
Retail	34,286	34,110	(176)	(0.5%)	153	(304)	(457)	-
Logistics	77,560	135,990	58,429	75.3%	4,763	11,199	6,435	135.1%
Leisure and Services	8,982	13,890	4,907	54.6%	(4,244)	(1,185)	3,059	-
Subtotal	182,463	247,985	65,521	35.9%	(65)	11,433	11,499	-
Others	13,521	14,457	935	6.9%	504	299	(204)	(40.5%)
Adjustments	(8,257)	(8,926)	(668)	-	(63)	(205)	(142)	-
Consolidated	187,727	253,515	65,788	35.0%	374	11,527	11,152	-

#### 1) Transportation

In the Railway and Bus businesses, revenue increased due to a recovery in demand from the same period of the previous fiscal year mainly due to the easing of restrictions on activities caused by COVID-19. As a result, operating revenue for the Transportation business was 34,625 million yen (15.3% increase year-on-year), and operating loss was 782 million yen (operating loss of 3,931 million yen for the same period of the previous fiscal year).

The number of passengers in the Railway and Bus (public buses) businesses increased 10.5% and 6.1% year-on-year, respectively.

#### 2) Real Estate

In the Leasing business, revenue increased mainly due to a recovery in lease revenue from commercial facilities, while in the Housing business, revenue decreased mainly due to a drop in the number of condominiums sold. As a result, operating revenue for the Real Estate business was 29,368 million yen (7.1% decrease year-on-year). Operating income was 2,507 million yen (down 21.5% year-on-year) due partly to a decrease in gross profit in the Housing business.

The number of lots sold was 244 (down 107 lots year-on-year).

#### 3) Retail

In the Supermarkets/liquor stores business, while new stores contributed to higher sales, sales at the existing stores fell due to higher inflation and consumers' intensified focus on saving, which have led to a decrease in revenue. As a result, operating revenue of the Retail business was 34,110 million yen (0.5% decrease year-on-year). Operating loss amounted to 304 million yen (compared with operating income of 153 million yen for the same period of the previous fiscal year) due in part to a decline in gross profit margins caused by soaring purchase prices in the Supermarkets/liquor stores business.

#### 4) Logistics

In the Global Logistics business, revenue grew mainly due to an increase in sales prices owing to high freight costs. As a result, operating revenue for the Logistics business was 135,990 million yen (75.3% increase year-on-year), and operating income was 11,199 million yen (up 135.1% year-on-year).

International cargo volume was down 6.1% year-on-year in Air exports, down 1.7% year-on-year in Air imports, up 15.7% year-on-year in Ocean exports, and up 10.9% year-on-year in Ocean imports.

#### 5) Leisure and Services

In the Hotel business, revenue increased due to higher occupancy from the same period of the previous fiscal year mainly due to the easing of restrictions on activities caused by COVID-19. As a result, operating revenue for the Leisure and Services business was 13,890 million yen (54.6% increase year-on-year), and operating loss was 1,185 million yen (operating loss of 4,244 million yen for the same period of the previous fiscal year).

#### 6) Others

Other operating revenue was 14,457 million yen (6.9% increase year-on-year) mainly due to an increase in revenue from large construction orders in the Construction related business, which offset a decrease in revenue mainly caused by a decline in orders received in the Vehicle maintenance related business. Operating income amounted to 299 million yen (down 40.5% year-on-year) due partly to a decrease in sales volume in the Metal recycling business and lower gross profit in the Vehicle maintenance related business.

## (Statement of Income by Segment)

(Millions of yen)

	Operating revenue				Operating income (loss)			
	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change (%)	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change (%)
Transportation	30,019	34,625	4,605	15.3	(3,931)	(782)	3,148	-
Railway	8,150	9,341	1,191	14.6	(418)	248	667	-
Bus	20,917	23,687	2,769	13.2	(3,094)	(1,083)	2,010	-
(Bus, net) *1	[19,111]	[21,952]	[2,840]	[14.9]	-	-	-	-
Other	4,845	5,649	803	16.6	(445)	14	459	-
Adjustments	(3,894)	(4,053)	(159)	-	27	37	10	-
Real Estate	31,613	29,368	(2,245)	(7.1)	3,193	2,507	(685)	(21.5)
Leasing	11,922	12,223	301	2.5	2,458	2,360	(97)	(4.0)
Housing	15,698	13,423	(2,275)	(14.5)	341	(87)	(429)	-
Other	5,986	5,798	(188)	(3.1)	392	266	(126)	(32.2)
Adjustments	(1,995)	(2,078)	(82)	-	0	(32)	(32)	-
Retail	34,286	34,110	(176)	(0.5)	153	(304)	(457)	-
Supermarkets/liquor stores	32,068	31,699	(369)	(1.2)	163	(257)	(421)	-
Sales of miscellaneous everyday items	2,227	2,411	183	8.3	28	14	(14)	(49.7)
Adjustments	(9)	(0)	9	-	(39)	(61)	(22)	-
Logistics	77,560	135,990	58,429	75.3	4,763	11,199	6,435	135.1
Global logistics	81,273	144,710	63,436	78.1	4,696	11,225	6,528	139.0
Domestic logistics	5,285	5,206	(78)	(1.5)	183	62	(120)	(66.0)
Adjustments	(8,998)	(13,926)	(4,927)	-	(115)	(88)	27	-
Leisure and Services	8,982	13,890	4,907	54.6	(4,244)	(1,185)	3,059	-
Hotel	6,893	11,555	4,662	67.6	(3,833)	(1,773)	2,059	-
(Hotel, net) *2	[3,189]	[6,557]	[3,368]	[105.6]	-	-	-	-
Travel	594	1,103	509	85.8	(405)	(21)	383	-
Facility outline	1,893	2,207	313	16.6	221	552	330	149.4
Other	3,754	4,595	840	22.4	(232)	32	265	-
Adjustments	(4,153)	(5,571)	(1,418)	-	5	24	19	-
Subtotal	182,463	247,985	65,521	35.9	(65)	11,433	11,499	-
Other	13,521	14,457	935	6.9	504	299	(204)	(40.5)
Adjustments	(8,257)	(8,926)	(668)	-	(63)	(205)	(142)	-
Consolidated	187,727	253,515	65,788	35.0	374	11,527	11,152	-

\*1 Operating revenues for the Bus business, excluding intercompany transactions, increased 14.9%.

\*2 Operating revenues for the Hotel business, excluding intercompany transactions, increased 105.6%.

(Transaction volume)

1) Number of railway passengers / passenger revenue (Transportation)

	Unit	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change (%)
Number of passengers	Thousand passengers	42,967	47,458	4,491	10.5
Non-commuter	Thousand passengers	15,879	19,023	3,144	19.8
Commuter	Thousand passengers	27,088	28,435	1,347	5.0
Passenger revenue	Millions of yen	7,758	8,896	1,137	14.7
Non-commuter	Millions of yen	4,099	5,109	1,009	24.6
Commuter	Millions of yen	3,658	3,786	127	3.5

2) Number of public bus passenger / passenger revenue (Transportation)

	Unit	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change (%)
Number of passengers	Thousand passengers	98,985	105,023	6,038	6.1
Non-commuter	Thousand passengers	52,065	59,004	6,939	13.3
Commuter	Thousand passengers	46,920	46,019	(901)	(1.9)
Passenger revenue	Millions of yen	16,945	19,557	2,612	15.4
Non-commuter	Millions of yen	11,741	14,147	2,405	20.5
Commuter	Millions of yen	5,203	5,410	206	4.0

3) Number of units sold (Real Estate)

	Unit	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change (%)
Number of units sold	Unit	351	244	(107)	(30.5)
Condominium	Dwelling unit	260	166	(94)	(36.2)
Detached house	Lot	88	74	(14)	(15.9)
Renovation	Dwelling unit	3	4	1	33.3

4) Transaction volume of international cargo (Logistics)

	Unit	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change (%)
Air Export	Thousand tons	72	68	(4)	(6.1)
Air Import	Thousand cases	196	192	(3)	(1.7)
Ocean Export	Thousand TEU	45	52	7	15.7
Ocean import	Thousand TEU	64	71	7	10.9

5) Average daily rate (ADR) of hotels targeting mainly domestic customers, occupancy rate (OCC) and revenue per available room (Rev PAR) (Leisure and Services)

	Unit	Six months ended September 30, 2021	Six months ended September 30, 2022	Change	Percentage change (%)
ADR	Yen	6,656 [6,759]	7,807 [7,807]	1,151 [1,048]	17.3 [15.5]
OCC	%	29.5 [29.5]	64.8 [64.8]	35.3P [35.3P]	-
Rev PAR	Yen	1,965 [1,994]	5,058 [5,058]	3,093 [3,064]	157.4 [153.7]

Note: Figures in brackets are for existing hotels. Hotels operating in both previous and current fiscal years are in the scope.

## (2) Explanation of financial position

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022	Change
Total Assets	734,500	669,770	(64,730)
Total Liabilities	555,416	476,676	(78,740)
Total Net Assets	179,084	193,093	14,009
Interest-bearing debt	347,793	338,061	(9,732)

(Note) Interest-bearing debt is the sum of borrowings and bonds payable.

Assets fell 64,730 million yen from the end of the previous fiscal year to 669,770 million yen, mainly due to the direct reduction of contribution for construction, which had been recorded as advances received, from the acquisition cost of the fixed assets acquired, in conjunction with the partial completion of the Tenjin-Omuta Line continuous grade separation project in the Railway business.

Liabilities dropped 78,740 million yen from the end of the previous fiscal year to 476,676 million yen, mainly due to a decrease in interest-bearing debt and a decrease in advances received following the partial completion of the Tenjin-Omuta Line continuous grade separation project in the Railway business.

Net assets rose 14,009 million yen from the end of the previous fiscal year to 193,093 million yen mainly due to an increase in retained earnings mainly owing to the posting of profit attributable to owners of parent and an increase in foreign currency translation adjustment.

## (3) Explanation of future forecast information such as consolidated financial forecasts

The consolidated financial forecasts for the full fiscal year ending March 31, 2023 have been changed from those announced on August 10, 2022, based on the business results of the six-month period under review and the future outlook for each business segment.

For details, please refer to “Notice Concerning Difference between Financial Forecast and Actual Results as well as Revision of Financial Forecast” announced on November 10, 2022.



## 2. Quarterly Consolidated Financial Statements and Key Notes

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	70,828	66,287
Notes and accounts receivable - trade, and contract assets	59,077	58,689
Land and buildings for sale	58,980	61,116
Merchandise and finished goods	3,839	4,227
Work in process	258	499
Raw materials and supplies	2,019	2,028
Others	16,634	21,825
Allowance for doubtful accounts	(215)	(263)
<b>Total current assets</b>	<b>211,422</b>	<b>214,410</b>
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	187,495	193,490
Machinery, equipment and vehicles, net	14,602	13,536
Land	129,278	131,450
Construction in progress	99,130	19,167
Other, net	7,383	7,971
<b>Total property, plant and equipment</b>	<b>437,890</b>	<b>365,616</b>
Intangible assets		
Goodwill	429	417
Others	3,597	3,764
<b>Total intangible assets</b>	<b>4,026</b>	<b>4,181</b>
Investments and other assets		
Investment securities	47,523	50,296
Retirement benefit assets	4,040	4,094
Deferred tax assets	11,706	11,103
Others	18,232	20,401
Allowance for doubtful accounts	(342)	(335)
<b>Total investments and other assets</b>	<b>81,160</b>	<b>85,561</b>
<b>Total fixed assets</b>	<b>523,077</b>	<b>455,359</b>
<b>Total Assets</b>	<b>734,500</b>	<b>669,770</b>

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	39,119	38,155
Short-term borrowings	48,898	49,771
Current portion of bonds payable	-	7,000
Accrued consumption taxes	1,496	1,041
Income taxes payable	1,478	2,573
Advances received	76,423	4,862
Provision for bonuses	4,583	5,715
Other provisions	169	102
Others	26,226	26,732
Total current liabilities	198,394	135,956
Long-term liabilities		
Bonds payable	152,000	145,000
Long-term borrowings	146,895	136,289
Deferred tax liabilities	1,572	1,098
Other provisions	454	505
Retirement benefit liability	22,913	23,023
Long-term guarantee deposits	27,740	29,334
Others	5,445	5,468
Total long-term liabilities	357,021	340,719
Total Liabilities	555,416	476,676
<b>Net assets</b>		
Shareholders' equity		
Common stock	26,157	26,157
Capital surplus	12,608	12,608
Retained earnings	127,430	134,808
Treasury stock	(1,278)	(1,208)
Total shareholders' equity	164,918	172,366
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,544	6,662
Deferred gains or losses on hedges	(591)	(259)
Foreign currency translation adjustment	1,227	6,992
Remeasurements of defined benefit plans	492	455
Total accumulated other comprehensive income	7,674	13,851
Subscription rights to shares	405	357
Non-controlling interests	6,085	6,519
Total Net Assets	179,084	193,093
Total liabilities and net assets	734,500	669,770

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income  
Quarterly consolidated statement of income  
(Six-month period)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Operating revenue	187,727	253,515
Operating expenses		
Operating expenses and cost of sales of transportation	173,094	227,362
Selling, general and administrative expenses	14,258	14,626
Total operating expenses	187,352	241,988
Operating income	374	11,527
Non-operating income		
Interest income	14	66
Dividend income	502	685
Foreign exchange gains	186	1,365
Miscellaneous income	1,942	985
Total non-operating income	2,645	3,103
Non-operating expenses		
Interest expenses	1,088	1,106
Share of loss of entities accounted for using equity method	917	292
Miscellaneous expenses	408	63
Total non-operating expenses	2,414	1,461
Ordinary income	605	13,169
Extraordinary gains		
Gain on sales of fixed assets	1,121	68
Advances received on construction contracts	-	74,926
Contribution for construction	14	472
Others	0	1,411
Total extraordinary income	1,136	76,879
Extraordinary losses		
Loss on reduction of non-current assets for tax purposes	14	73,648
Loss on retirement of non-current assets	-	2,887
Impairment losses	147	5
Loss on valuation of investment securities	89	-
Other	0	-
Total extraordinary losses	251	76,541
Income before income taxes	1,490	13,507
Income taxes - current	1,294	3,876
Income taxes - deferred	(204)	36
Total income taxes	1,089	3,913
Profit	400	9,594
Profit attributable to non-controlling interests	399	812
Profit attributable to owners of parent	1	8,782

Quarterly consolidated statement of comprehensive income  
(Six-month period)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	400	9,594
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,658)	117
Deferred gains or losses on hedges	(1)	(1)
Foreign currency translation adjustment	1,021	3,813
Remeasurements of defined benefit plans, net of tax	(17)	(37)
Share of other comprehensive income of entities accounted for using equity method	959	2,511
Total other comprehensive income	303	6,404
Comprehensive income	704	15,998
(Components)		
Comprehensive income attributable to owners of parent	259	14,959
Comprehensive income attributable to non-controlling interests	444	1,039

(3) Notes to quarterly consolidated financial statements

(Notes to assumptions on going concern)

Not applicable.

(Notes if there is a significant change in the amount of shareholders' equity)

Not applicable.

(Segment information)

Six-month period in the previous fiscal year (from April 1, 2021 to September 30, 2021)

1. Information on operating revenue, income or loss by reporting segment

(Millions of yen)

	Reporting segment						Other (Note) <sup>1</sup>	Adjustments (Note) <sup>2</sup>	Amount posted to the quarterly consolidated statement of income
	Transportation	Real Estate	Retail	Logistics	Leisure and Services	Total			
Operating revenue	30,019	31,613	34,286	77,560	8,982	182,463	13,521	(8,257)	187,727
Segment income (loss)	(3,931)	3,193	153	4,763	(4,244)	(65)	504	(63)	374

(Notes) 1. "Other" consists of business segments that are not included in any of the reporting segments and includes the IC card business, the Vehicle Maintenance related business, the Construction related business, and the Metal Recycling business.

2. An adjustment of (63) million yen in segment income (loss) is the net of (381) million yen administrative expenses of parent company that are not attributable to the reporting segments and 317 million yen of intersegment eliminations.

3. The segment information above was prepared and shown according to the changed classification of reporting segments following the reorganization of consolidated subsidiaries.

Six-month period under review (from April 1, 2022 to September 30, 2022)

1. Information on operating revenue, income or loss by reporting segment

(Millions of yen)

	Reporting segment						Other (Note) <sup>1</sup>	Adjustments (Note) <sup>2</sup>	Amount posted to the quarterly consolidated statement of income
	Transportation	Real Estate	Retail	Logistics	Leisure and Services	Total			
Operating revenue	34,625	29,368	34,110	135,990	13,890	247,985	14,457	(8,926)	253,515
Segment income (loss)	(782)	2,507	(304)	11,199	(1,185)	11,433	299	(205)	11,527

(Notes) 1. "Other" consists of business segments that are not included in any of the reporting segments and includes the IC card business, the Vehicle Maintenance related business, the Construction related business, and the Metal Recycling business.

2. An adjustment of (205) million yen in segment income (loss) is the net of (393) million yen administrative expenses of parent company that are not attributable to the reporting segments and 187 million yen of intersegment eliminations.

2. Matters related to changes to reporting segments, etc.

The Company implemented an absorption-type company split in which Nishitetsu Plaza Corporation in the Leisure and Services business passed on its restaurant business to Nishitetsu Store Inc. in the Retail business at the beginning of the third quarter of the previous fiscal year with the aim of improving profitability. As a result of this reorganization, the Restaurant business, which was previously operated by Nishitetsu Plaza Corporation, has been reclassified from the Leisure and Services segment to the Retail segment.

The segment information for the six-month period in the previous fiscal year was prepared in accordance with the segments after the change.