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Consolidated Financial Results for Fiscal Year Ended March 31, 2024
(Under Japanese GAAP)

May 10, 2024

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
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 Scheduled date of annual general meeting of shareholders : June 27, 2024
 Scheduled commencement date of dividend payments : June 28, 2024
 Scheduled filing date of securities report : June 27, 2024
 Preparation of supplementary materials for financial results : Yes
 Holding of financial results meeting : Yes (For institutional investors and analysts)

(Amounts rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(1) Consolidated operating results (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	%
Fiscal year ended March 31, 2024	411,649	(16.8)	25,877	(1.0)	24,538	(12.1)	24,723	34.6
Fiscal year ended March 31, 2023	494,643	15.8	26,150	150.2	27,901	100.0	18,368	86.0

(Notes) Comprehensive income Fiscal year ended March 31, 2024 39,143 million yen (50.3%)

Fiscal year ended March 31, 2023 26,045 million yen (114.0%)

	Net income per share-basic	Net income per share-diluted	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2024	314.00	313.41	11.7	3.5	6.3
Fiscal year ended March 31, 2023	233.10	232.54	10.0	3.9	5.3

(Reference) Equity in earnings of affiliated companies Fiscal year ended March 31, 2024 (3,158) million yen

Fiscal year ended March 31, 2023 (416) million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2024	727,002	235,839	31.5	2,910.74
Fiscal year ended March 31, 2023	685,795	201,881	28.4	2,471.07

(Reference) Shareholders' equity

Fiscal year ended March 31, 2024 229,032 million yen

Fiscal year ended March 31, 2023 194,793 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from 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 March 31, 2024	62,213	(42,028)	(25,959)	68,745
Fiscal year ended March 31, 2023	43,775	(24,600)	(19,164)	72,559

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	-	15.00	-	20.00	35.00	2,767	15.0	1.5
Fiscal year ended March 31, 2024	-	17.50	-	22.50	40.00	3,163	12.7	1.5
Fiscal year ending March 31, 2025 (forecast)	-	17.50	-	17.50	35.00		17.6	

(Notes) Breakdown of dividends at end of Q2 of fiscal year ended March 31, 2024 Common dividend 17.50 yen
Breakdown of dividends at end of fiscal year ended March 31, 2024 Common dividend 17.50 yen
 Commemorative dividend 5.00 yen

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages represents changes from the previous corresponding period.)

	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
First half	210,400	6.7	10,400	(3.5)	9,400	(11.0)	6,200	(43.5)	78.74
Full year	451,100	9.6	24,100	(6.9)	22,500	(8.3)	15,700	(36.5)	199.40

* Notes

- (1) Changes in important subsidiaries during the period under review (Changes in specified subsidiaries resulting in changes in scope of consolidation) : None
- (2) 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

(3) Number of shares issued (common stock)

- 1) Number of shares issued at the end of the period (including treasury stock)
- 2) Number of treasury stocks at the end of the period
- 3) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	79,360,186 shares	Fiscal year ended March 31, 2023	79,360,186 shares
Fiscal year ended March 31, 2024	674,852 shares	Fiscal year ended March 31, 2023	530,573 shares
Fiscal year ended March 31, 2024	78,738,163 shares	Fiscal year ended March 31, 2023	78,801,276 shares

(Notes) The number of treasury stocks includes shares of the Company remaining in the board benefit trust (as of March 31, 2024: 410,569 shares; as of March 31, 2023: 243,225 shares).

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results

(Percentages represent year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	165,773	(17.0)	11,469	18.3	22,015	36.2	28,342	128.9
Fiscal year ended March 31, 2023	199,705	12.9	9,699	552.7	16,165	281.7	12,383	185.2

	Net income per share-basic	Net income per share-diluted
	Yen	Yen
Fiscal year ended March 31, 2024	359.96	359.29
Fiscal year ended March 31, 2023	157.15	156.77

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2024	636,123	167,952	26.4	2,131.12
Fiscal year ended March 31, 2023	592,010	136,788	23.1	1,731.12

(Reference) Shareholders' equity Fiscal year ended March 31, 2024 167,688 million yen
Fiscal year ended March 31, 2023 136,463 million yen

<Reason for the difference from previous year's non-consolidated financial results>

While operating revenue fell due to a decrease in the volume of import and export transaction volume in the Global Logistics business, ordinary income and net income grew due to an increase in dividend income from subsidiaries and gain on sales of fixed assets, in addition to an increase in operating income mainly caused by the recovery of demand in the Transportation business, resulting in differences from the previous fiscal year.

* The current consolidated financial results are not subject to the audit 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 "(4) Outlook" in "1. Overview of Results of Operations, Etc." on page 7 of the attachments.

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1. Overview of Results of Operations, Etc.

(1) Results of Operations

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change
Operating revenue	494,643	411,649	(82,993)	(16.8%)
Operating income	26,150	25,877	(273)	(1.0%)
Ordinary income	27,901	24,538	(3,363)	(12.1%)
Profit attributable to owners of parent	18,368	24,723	6,355	34.6%

During the fiscal year under review, the Japanese economy showed a gradual recovery trend under the improved employment and income environment as social and economic activities normalized mainly due to the reclassification of COVID-19 as a Class 5 disease. At the same time, prospects remained uncertain mainly due to exchange rate fluctuations, soaring raw material and energy prices, and higher inflation.

Operating revenue for the fiscal year under review was 411,649 million yen, down 16.8% year-on-year. The reasons include a decrease in the import and export transaction volume owing to sluggish transportation demand in the Global Logistics business under the Logistics business. However, there was an increase in revenues due to a recovery in demand in the Transportation business and Leisure and Service business. Accordingly, operating income was 25,877 million yen, down 1.0% year-on-year.

Ordinary income was 24,538 million yen (down 12.1% year-on-year) due partly to an increase in share of loss of entities accounted for using equity method.

Profit attributable to owners of parent was 24,723 million yen, up 34.6% year-on-year, mainly due to the recording of a gain on sale of fixed assets from the sale of Nishijin Palace and beneficial interests in trust as a result of securitization of real estate.

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

During the fiscal year under review, the reorganization of consolidated subsidiaries accompanying an absorption-type merger took place; accordingly, changes were made to the segmentation of the relevant consolidated subsidiaries.

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

(Millions of yen)

	Operating revenue				Operating income			
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change
Transportation	72,069	77,721	5,651	7.8%	76	3,766	3,690	-
Real Estate	78,122	85,945	7,822	10.0%	8,256	11,158	2,901	35.1%
Retail	68,993	70,908	1,914	2.8%	87	965	878	-
Logistics	231,813	128,818	(102,994)	(44.4%)	17,078	4,528	(12,550)	(73.5%)
Leisure and Services	32,711	45,047	12,335	37.7%	84	4,632	4,547	-
Subtotal	483,712	408,441	(75,270)	(15.6%)	25,584	25,052	(531)	(2.1%)
Others	30,086	30,391	305	1.0%	1,111	1,785	673	60.6%
Adjustments	(19,155)	(27,183)	(8,028)	-	(545)	(960)	(414)	-
Consolidated	494,643	411,649	(82,993)	(16.8%)	26,150	25,877	(273)	(1.0%)

1) Transportation

In the Railway and Bus businesses, revenue grew mainly due to the adoption of the railway station barrier-free fare system in the Railway business and the revision of freight (implemented in January 2024) and others in the Bus business, in addition to an increase in the number of passengers along with a recovery in demand. As a result, operating revenue for the Transportation business was 77,721 million yen (7.8% increase year-on-year), and operating income came to 3,766 million yen (operating income of 76 million yen for the previous fiscal year).

The number of passengers in the Railway and Bus (public buses) businesses increased 7.0% and 2.6% year-on-year, respectively.

2) Real Estate

In the Leasing business, revenue grew mainly due to an increase in inter-group lease revenue (intersegment transactions) due to changes in the management structure of the Hotel business and a recovery in lease revenue from commercial facilities. In the Housing business, sales increased mainly due to sales of condominiums such as Tsukuba Grand Villa and a rise in the unit sales price from the previous fiscal year. As a result, operating revenue for the Real Estate business was 85,945 million yen (10.0% increase year-on-year), and operating income posted 11,158 million yen (35.1% increase year-on-year).

The number of units sold was 832 (down 88 units year-on-year).

3) Retail

In the Supermarkets/Liquor Stores business, sales increased mainly due to the contribution of new stores opened in the previous fiscal year and a reflection of an increase in wholesale prices in sales prices. As a result, operating revenue for the Retail business was 70,908 million yen (2.8% increase year-on-year), and operating income came to 965 million yen (operating income of 87 million yen for the previous fiscal year).

4) Logistics

In the Global Logistics business, the import and export transaction volume decreased due to weak transportation demand, resulting in a decrease in revenues. As a result, operating revenue for the Logistics business was 128,818 million yen (44.4% decrease year-on-year), and operating income was 4,528 million yen (down 73.5% year-on-year).

International cargo volume was down 25.4% year-on-year in Air exports, down 16.1% year-on-year in Air imports, down 3.2% year-on-year in Ocean exports, and down 7.4 year-on-year in Ocean imports.

5) Leisure and Services

In the Hotel business, revenue grew due to an increase in the occupancy rate and average daily rate, reflecting a recovery in demand, as well as the opening of Nishitetsu Hotel Croom Hakata Gion Kushida Jinja-mae in April 2023. As a result, operating revenue for the Leisure and Services business was 45,047 million yen (37.7% increase year-on-year), and operating income came to 4,632 million yen (operating income of 84 million yen for the previous fiscal year).

6) Others

Other operating revenue was 30,391 million yen (1.0% increase year-on-year) mainly due to an increase in orders received in the Vehicle Maintenance-related business while operating income was 1,785 million yen (60.6% increase year-on-year).

(Statement of Income by Segment)

(Millions of yen)

	Operating revenue				Operating income (loss)			
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change (%)	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change (%)
Transportation	72,069	77,721	5,651	7.8	76	3,766	3,690	-
Railway	19,506	21,784	2,277	11.7	909	2,476	1,566	172.3
Bus	48,845	52,572	3,727	7.6	(1,096)	1,155	2,252	-
(Bus, net) ^{*1}	[45,302]	[49,155]	[3,853]	[8.5]	-	-	-	-
Other	12,445	13,778	1,333	10.7	291	352	60	20.9
Adjustments	(8,727)	(10,414)	(1,687)	-	(27)	(217)	(190)	-
Real Estate	78,122	85,945	7,822	10.0	8,256	11,158	2,901	35.1
Leasing	25,167	31,506	6,338	25.2	4,475	6,769	2,294	51.3
Housing	44,237	44,771	534	1.2	3,350	4,091	741	22.1
Other	13,354	14,241	886	6.6	560	545	(14)	(2.7)
Adjustments	(4,635)	(4,573)	62	-	(129)	(248)	(118)	-
Retail	68,993	70,908	1,914	2.8	87	965	878	-
Supermarkets/liquor stores	63,804	65,367	1,562	2.4	171	843	671	390.9
Sales of miscellaneous everyday items	5,191	5,541	350	6.8	117	231	114	96.9
Adjustments	(2)	(0)	2	-	(202)	(109)	92	-
Logistics	231,813	128,818	(102,994)	(44.4)	17,078	4,528	(12,550)	(73.5)
Global logistics	247,340	138,653	(108,687)	(43.9)	17,197	4,696	(12,500)	(72.7)
Domestic logistics	10,345	10,595	249	2.4	110	145	35	31.9
Adjustments	(25,872)	(20,429)	5,443	-	(228)	(313)	(84)	-
Leisure and Services	32,711	45,047	12,335	37.7	84	4,632	4,547	-
Hotel	26,981	26,401	(579)	(2.1)	(1,488)	2,594	4,082	-
(Hotel, net) ^{*2}	[16,286]	[26,369]	[10,082]	[61.9]	-	-	-	-
Travel	2,633	2,939	305	11.6	196	375	179	91.5
Facility outline	4,243	4,905	661	15.6	712	970	258	36.2
Other	10,790	12,130	1,340	12.4	627	815	188	29.9
Adjustments	(11,937)	(1,330)	10,607	-	36	(124)	(161)	-
Subtotal	483,712	408,441	(75,270)	(15.6)	25,584	25,052	(531)	(2.1)
Others	30,086	30,391	305	1.0	1,111	1,785	673	60.6
Adjustments	(19,155)	(27,183)	(8,028)	-	(545)	(960)	(414)	-
Consolidated	494,643	411,649	(82,993)	(16.8)	26,150	25,877	(273)	(1.0)

*1 Operating revenues for the Bus business, excluding intercompany transactions, increased 8.5%.

*2 Operating revenues for the Hotel business, excluding intercompany transactions, increased 61.9%.

(Transaction volume)

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

	Unit	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change (%)
Number of passengers	Thousand passengers	96,357	103,057	6,700	7.0
Non-commuter	Thousand passengers	40,513	44,719	4,206	10.4
Commuter	Thousand passengers	55,844	58,338	2,494	4.5
Passenger revenue	Millions of yen	18,563	20,772	2,208	11.9
Non-commuter	Millions of yen	11,004	12,756	1,751	15.9
Commuter	Millions of yen	7,559	8,015	456	6.0

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

	Unit	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change (%)
Number of passengers	Thousand passengers	209,330	214,869	5,539	2.6
Non-commuter	Thousand passengers	119,637	124,601	4,964	4.1
Commuter	Thousand passengers	89,693	90,268	575	0.6
Passenger revenue	Millions of yen	40,015	43,343	3,327	8.3
Non-commuter	Millions of yen	29,485	32,766	3,280	11.1
Commuter	Millions of yen	10,530	10,576	46	0.4

3) Number of units sold (Real Estate)

	Unit	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change (%)
Number of units sold	Unit	920	832	(88)	(9.6)
Condominium	Dwelling unit	763	701	(62)	(8.1)
Detached house	Unit	142	117	(25)	(17.6)
Renovation	Dwelling unit	15	14	(1)	(6.7)

4) Transaction volume of international cargo (Logistics)

	Unit	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change (%)
Air Export	Thousand tons	127	95	(32)	(25.4)
Air Import	Thousand cases	375	314	(60)	(16.1)
Ocean Export	Thousand TEU	102	99	(3)	(3.2)
Ocean Import	Thousand TEU	140	129	(10)	(7.4)

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	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change	Percentage change (%)
ADR	Yen	8,736 [8,736]	11,576 [11,542]	2,840 [2,806]	32.5 [32.1]
OCC	%	70.6 [70.6]	78.6 [77.8]	8.0P [7.2P]	-
Rev PAR	Yen	6,167 [6,167]	9,098 [8,981]	2,931 [2,814]	47.5 [45.6]

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

(2) Financial Position

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change
Total Assets	685,795	727,002	41,207
Total Liabilities	483,913	491,163	7,249
Total Net Assets	201,881	235,839	33,957
Interest-bearing debt	334,875	316,838	(18,036)

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

Assets rose 41,207 million yen from the end of the previous fiscal year to 727,002 million yen mainly due to an increase in property, plant and equipment while notes and accounts receivable - trade, and contract assets decreased.

Liabilities rose 7,249 million yen from the end of the previous fiscal year to 491,163 million yen mainly due to an increase in notes and accounts payable - trade while interest-bearing debt decreased.

Net assets rose 33,957 million yen from the end of the previous fiscal year to 235,839 million yen mainly due to an increase in retained earnings chiefly owing to the posting of profit attributable to owners of parent and an increase in valuation difference on available-for-sale securities.

(3) Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Change
Cash and cash equivalents at end of period	72,559	68,745	(3,814)

	Full year		Change
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	
Cash flows from operating activities	43,775	62,213	18,437
Cash flows from investing activities	(24,600)	(42,028)	(17,428)
Free cash flows (operating activities + investing activities)	19,174	20,184	1,009
Cash flows from financing activities	(19,164)	(25,959)	(6,795)

Cash and cash equivalents as of the end of the fiscal year under review decreased 3,814 million yen from the end of the previous fiscal year to 68,745 million yen.

Net cash provided by operating activities totaled 62,213 million yen, an increase of 18,437 million yen from the previous fiscal year, mainly due to profit before income taxes of 39,428 million yen, depreciation of 18,306 million yen, and a decrease in trade receivables of 13,219 million yen.

Net cash used in investing activities totaled 42,028 million yen, an increase of 17,428 million yen from the previous fiscal year, mainly due to the purchase of non-current assets of 56,048 million yen and loan advances of 4,278 million yen.

Net cash used in financing activities totaled 25,959 million yen, an increase of 6,795 million yen from the previous fiscal year, mainly due to a net decrease in borrowings of 22,105 million yen and dividends paid of 2,958 million yen.

(4) Outlook

For the fiscal year ending March 2025, we expect operating revenue of 451,100 million yen (up 9.6% from the previous fiscal year) mainly due to an increase in the number of units sold in the Housing business of the Real Estate business, in addition to an increase in trading volume in the Global Logistics business of the Logistics business.

Operating income is expected to be 24,100 million yen (down 6.9% from the previous fiscal year) mainly due to expenses incurred from the completion of “ONE FUKUOKA BLDG.,” a rebuilding project for the Fukuoka Building Block in the Leasing business in the Real Estate business.

Ordinary income is expected to be 22,500 million yen (down 8.3% from the previous fiscal year), and profit attributable to owners of parent is expected to be 15,700 million yen (down 36.5% from the previous fiscal year) mainly due to a decrease in extraordinary income.

(Millions of yen)

	Fiscal year ended March 31, 2024 (results)	Fiscal year ending March 31, 2025 (forecast)	Change	Percentage change
Operating revenue	411,649	451,100	39,450	9.6%
Operating income	25,877	24,100	(1,777)	(6.9%)
Ordinary income	24,538	22,500	(2,038)	(8.3%)
Profit attributable to owners of parent	24,723	15,700	(9,023)	(36.5%)

(Millions of yen)

	Operating revenue				Operating income			
	Fiscal year ended March 31, 2024 (results)	Fiscal year ending March 31, 2025 (forecast)	Change	Percentage change	Fiscal year ended March 31, 2024 (results)	Fiscal year ending March 31, 2025 (forecast)	Change	Percentage change
Transportation	77,721	81,300	3,578	4.6%	3,766	4,800	1,033	27.4%
Real Estate	85,945	90,500	4,554	5.3%	11,158	8,800	(2,358)	(21.1%)
Retail	70,908	72,600	1,691	2.4%	965	600	(365)	(37.9%)
Logistics	128,818	150,900	22,081	17.1%	4,528	5,100	571	12.6%
Leisure and Services	45,047	48,400	3,352	7.4%	4,632	4,300	(332)	(7.2%)
Subtotal	408,441	443,700	35,258	8.6%	25,052	23,600	(1,452)	(5.8%)
Others	30,391	32,400	2,008	6.6%	1,785	1,400	(385)	(21.6%)
Adjustments	(27,183)	(25,000)	2,183	-	(960)	(900)	60	-
Consolidated	411,649	451,100	39,450	9.6%	25,877	24,100	(1,777)	(6.9%)

*The forecasts have been prepared based on information currently available to the Company, and actual results may differ from the forecasts due to various factors in the future.

2. Basic Approach to the Selection of Accounting Standards

The Group prepares its consolidated financial statements in accordance with Japanese GAAP. However, we intend to respond appropriately to the adoption of International Financial Reporting Standards (IFRS), with consideration given to internal and external circumstances.

3. Consolidated Financial Statements and Key Notes

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	72,796	69,624
Notes and accounts receivable - trade, and contract assets	59,546	49,123
Land and buildings for sale	63,898	67,085
Merchandise and finished goods	3,971	3,970
Work in process	237	258
Raw materials and supplies	2,176	2,225
Others	17,383	16,726
Allowance for doubtful accounts	(268)	(237)
Total current assets	219,742	208,778
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	190,327	192,162
Machinery, equipment and vehicles, net	12,616	14,565
Land	130,871	141,769
Construction in progress	29,080	56,087
Other, net	10,312	11,503
Total property, plant and equipment	373,207	416,088
Intangible assets		
Goodwill	321	305
Others	3,523	3,663
Total intangible assets	3,844	3,968
Investments and other assets		
Investment securities	56,163	68,547
Retirement benefit assets	3,787	4,137
Deferred tax assets	8,159	2,162
Others	21,207	23,623
Allowance for doubtful accounts	(317)	(304)
Total investments and other assets	89,000	98,167
Total fixed assets	466,053	518,224
Total Assets	685,795	727,002

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	43,561	65,018
Short-term borrowings	49,163	47,161
Current portion of bonds payable	7,000	10,000
Consumption taxes payable	1,132	4,872
Income taxes payable	2,850	5,955
Advances received	5,739	2,424
Provision for bonuses	6,355	7,088
Other provisions	340	387
Others	28,282	27,925
Total current liabilities	144,426	170,833
Long-term liabilities		
Bonds payable	145,000	145,000
Long-term borrowings	133,711	114,677
Deferred tax liabilities	109	3,993
Other provisions	569	656
Retirement benefit liability	21,967	16,843
Long-term guarantee deposits	30,218	31,050
Others	7,910	8,108
Total long-term liabilities	339,486	320,329
Total Liabilities	483,913	491,163
Net assets		
Shareholders' equity		
Common stock	26,157	26,157
Capital surplus	12,608	12,137
Retained earnings	143,194	164,941
Treasury stock	(1,166)	(1,576)
Total shareholders' equity	180,794	201,659
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,182	14,598
Deferred gains or losses on hedges	(195)	96
Foreign currency translation adjustment	5,293	9,029
Remeasurements of defined benefit plans	718	3,648
Total accumulated other comprehensive income	13,999	27,373
Subscription rights to shares	324	263
Non-controlling interests	6,763	6,542
Total Net Assets	201,881	235,839
Total liabilities and net assets	685,795	727,002

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Operating revenue	494,643	411,649
Operating expenses		
Operating expenses and cost of sales of transportation	438,461	355,558
Selling, general and administrative expenses	30,030	30,213
Total operating expenses	468,492	385,771
Operating income	26,150	25,877
Non-operating income		
Interest income	257	613
Dividend income	1,238	1,707
Miscellaneous income	3,149	2,191
Total non-operating income	4,645	4,512
Non-operating expenses		
Interest expenses	2,197	2,283
Share of loss of entities accounted for using equity method	416	3,158
Miscellaneous expenses	282	409
Total non-operating expenses	2,895	5,851
Ordinary income	27,901	24,538
Extraordinary gains		
Gain on sales of fixed assets	121	14,124
Advances received on construction contracts	75,274	9,224
Contribution for construction	795	700
Others	1,411	1,023
Total extraordinary income	77,603	25,072
Extraordinary losses		
Loss on reduction of non-current assets for tax purposes	74,254	9,187
Loss on retirement of non-current assets	3,060	768
Impairment losses	300	200
Others	243	26
Total extraordinary losses	77,858	10,182
Income before income taxes	27,646	39,428
Income taxes - current	6,887	8,080
Income taxes - deferred	1,236	5,766
Total income taxes	8,124	13,846
Profit	19,522	25,581
Profit attributable to non-controlling interests	1,154	858
Profit attributable to owners of parent	18,368	24,723

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	19,522	25,581
Other comprehensive income		
Valuation difference on available-for-sale securities	1,637	6,404
Deferred gains or losses on hedges	(8)	7
Foreign currency translation adjustment	2,961	2,503
Remeasurements of defined benefit plans, net of tax	225	2,929
Share of other comprehensive income of entities accounted for using equity method	1,706	1,715
Total other comprehensive income	6,522	13,561
Comprehensive income	26,045	39,143
(Components)		
Comprehensive income attributable to owners of parent	24,693	38,097
Comprehensive income attributable to non-controlling interests	1,352	1,045

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	26,157	12,608	127,430	(1,278)	164,918
Changes during period					
Dividends of surplus			(2,568)		(2,568)
Profit attributable to owners of parent			18,368		18,368
Purchase of treasury shares				(8)	(8)
Disposal of treasury shares		(35)		119	83
Transfer from retained earnings to capital surplus		35	(35)		
Net changes in items other than shareholders' equity					
Total changes during period	-	-	15,764	111	15,875
Balance at end of period	26,157	12,608	143,194	(1,166)	180,794

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total Net Assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	6,544	(591)	1,227	492	7,674	405	6,085	179,084
Changes during period								
Dividends of surplus								(2,568)
Profit attributable to owners of parent								18,368
Purchase of treasury shares								(8)
Disposal of treasury shares								83
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	1,638	395	4,065	225	6,324	(81)	678	6,921
Total changes during period	1,638	395	4,065	225	6,324	(81)	678	22,797
Balance at end of period	8,182	(195)	5,293	718	13,999	324	6,763	201,881

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	26,157	12,608	143,194	(1,166)	180,794
Changes during period					
Dividends of surplus			(2,965)		(2,965)
Profit attributable to owners of parent			24,723		24,723
Purchase of treasury shares				(513)	(513)
Disposal of treasury shares		(11)		104	92
Purchase of shares of consolidated subsidiaries		(471)			(471)
Transfer from retained earnings to capital surplus		11	(11)		
Net changes in items other than shareholders' equity					
Total changes during period	-	(471)	21,746	(409)	20,865
Balance at end of period	26,157	12,137	164,941	(1,576)	201,659

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total Net Assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	8,182	(195)	5,293	718	13,999	324	6,763	201,881
Changes during period								
Dividends of surplus								(2,965)
Profit attributable to owners of parent								24,723
Purchase of treasury shares								(513)
Disposal of treasury shares								92
Purchase of shares of consolidated subsidiaries								(471)
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	6,416	292	3,735	2,929	13,373	(60)	(220)	13,092
Total changes during period	6,416	292	3,735	2,929	13,373	(60)	(220)	33,957
Balance at end of period	14,598	96	9,029	3,648	27,373	263	6,542	235,839

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Income before income taxes	27,646	39,428
Depreciation	18,354	18,306
Amortization of goodwill	174	38
Impairment losses	300	200
Loss on retirement of non-current assets	1,503	248
Loss on reduction of non-current assets for tax purposes	74,254	9,187
Contribution for construction	(76,070)	(9,924)
Share of loss (profit) of entities accounted for using equity method	416	3,158
Loss (gain) on sale of non-current assets	(121)	(14,124)
Increase (decrease) in provision for bonuses	1,746	732
Increase (decrease) in retirement benefit liability	(174)	(354)
Decrease (increase) in retirement benefit asset	(221)	140
Increase (decrease) in other provisions	285	134
Interest and dividend income	(1,496)	(2,320)
Interest expenses	2,197	2,283
Loss (gain) on sale of investment securities	(1,411)	(5)
Decrease (increase) in trade receivables	3,955	13,219
Decrease (increase) in inventories	(4,185)	(3,143)
Decrease (increase) in other assets	4,173	(2,718)
Increase (decrease) in trade payables	(1,718)	5,169
Increase (decrease) in accrued consumption taxes	(4,186)	7,484
Increase (decrease) in guarantee deposits received	2,428	827
Increase (decrease) in other liabilities	2,014	(789)
Others	404	(1,058)
Subtotal	50,267	66,119
Interest and dividends received	1,832	3,287
Interest paid	(2,105)	(2,120)
Income taxes paid	(6,218)	(5,073)
Cash flows from operating activities	43,775	62,213
Cash flows from investing activities		
Purchase of non-current assets	(22,262)	(56,048)
Proceeds from sale of non-current assets	857	16,936
Purchase of investment securities	(6,140)	(3,994)
Proceeds from sale of investment securities	1,792	1,990
Payments for investments in capital	(1,544)	(2,057)
Proceeds from divestments	9	41
Purchase of shares of subsidiaries resulting in change in scope of consolidation	14	-
Loan advances	(5,098)	(4,278)
Proceeds from collection of loans receivable	3,571	6
Proceeds from contribution received for construction	4,009	5,669
Others	191	(295)
Cash flows from investing activities	(24,600)	(42,028)

(Millions of yen)

	Fiscal year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)	Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	415	(1,293)
Proceeds from long-term borrowings	10,100	4,068
Repayments of long-term borrowings	(24,647)	(24,880)
Proceeds from issuance of bonds	-	10,000
Payments for redemption of bonds	-	(7,000)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(611)
Proceeds from sale of treasury shares	2	53
Purchase of treasury shares	(8)	(513)
Repayments of lease liabilities	(1,568)	(1,696)
Dividends paid	(2,566)	(2,958)
Dividends paid to non-controlling interests	(891)	(1,128)
Cash flows from financing activities	(19,164)	(25,959)
Effect of exchange rate change on cash and cash equivalents	1,936	1,961
Net increase (decrease) in cash and cash equivalents	1,946	(3,814)
Cash and cash equivalents at beginning of period	70,612	72,559
Cash and cash equivalents at end of period	72,559	68,745

(5) Notes to consolidated financial statements

(Notes to assumptions of going concern)

Not applicable.

(Segment information)

1 Overview of reportable segments

The Group's reportable segments are the components of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and to assess performance.

The Group is engaged in a wide range of business activities centering on the Transportation business, including the Railway and Bus businesses. The business operations are managed by classifying the businesses of the Company and group companies by business type.

Accordingly, the Group consists of five reportable business segments: Transportation, Real Estate, Retail, Logistics, and Leisure and Services. Transportation includes the Railway business and the Bus business. Real Estate includes the Leasing business and the Housing business. Retail includes the Supermarkets/liquor stores business. Logistics includes the Global Logistics business. Leisure and Services includes the Hotel business, Travel business, and Advertising business.

2 Information related to operating revenue, profit or loss, and other items for each reportable segment

Fiscal year ended March 31, 2023

(Millions of yen)

	Reportable segment						Others (Note) ¹	Adjustments	Amount recorded in Consolidated Financial Statements
	Transportation	Real Estate	Retail	Logistics	Leisure and Services	Total			
Operating revenue									
(1) Operating revenue to external customers	71,194	72,800	68,926	231,370	29,746	474,038	20,604	-	494,643
(2) Intersegment operating revenue and transfers	875	5,322	67	443	2,965	9,673	9,481	(19,155)	-
Total	72,069	78,122	68,993	231,813	32,711	483,712	30,086	(19,155)	494,643
Segment income (loss)	76	8,256	87	17,078	84	25,584	1,111	(545)	26,150
Other Items									
Depreciation	6,387	5,710	866	1,911	2,697	17,573	1,166	(385)	18,354
Amortization of goodwill	-	48	-	126	-	174	-	-	174
Impairment losses	-	11	285	-	-	297	3	-	300

- (Notes) 1. "Other" consists of business segments that are not included in any of the reportable segments and includes the IC card business, the Vehicle Maintenance-related business, the Construction-related business, and the Metal Recycling business.
2. The segment information above was prepared and shown according to the changed classification of reportable segments following the reorganization of consolidated subsidiaries.

Fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segment						Others (Notes)	Adjustments	Amount recorded in Consolidated Financial Statements
	Transportation	Real Estate	Retail	Logistics	Leisure and Services	Total			
Operating revenue									
(1) Operating revenue to external customers	76,891	74,849	70,799	128,217	41,320	392,078	19,571	-	411,649
(2) Intersegment operating revenue and transfers	829	11,096	109	601	3,727	16,363	10,820	(27,183)	-
Total	77,721	85,945	70,908	128,818	45,047	408,441	30,391	(27,183)	411,649
Segment income (loss)	3,766	11,158	965	4,528	4,632	25,052	1,785	(960)	25,877
Other Items									
Depreciation	6,537	6,983	874	2,056	1,229	17,681	949	(324)	18,306
Amortization of goodwill	-	38	-	-	-	38	-	-	38
Impairment losses	-	-	130	-	70	200	-	-	200

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

- 3 Difference between the total amount of reportable segment income and the amount recorded in the consolidated financial statements and major breakdown of such differences (matters relating to adjustment of differences)

(Millions of yen)

Profit	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Reportable segment total	25,584	25,052
Profit in the "Other" category	1,111	1,785
Elimination of intersegment transactions	273	125
Corporate expenses (Note 1)	(819)	(1,085)
Operating income in consolidated financial statements	26,150	25,877

- (Notes) 1. Corporate expenses are primarily administrative expenses of the parent company not attributable to any reportable segment.
2. The segment information for the previous fiscal year was prepared and shown according to the changed classification of reportable segments following the reorganization of consolidated subsidiaries.

Fiscal year ended March 31, 2023

(Millions of yen)

Other Items	Reportable segment total	Others	Adjustments	Amount recorded in Consolidated Financial Statements
Depreciation	17,573	1,166	(385)	18,354
Impairment losses	297	3	-	300

- (Notes) The segment information above was prepared and shown according to the changed classification of reportable segments following the reorganization of consolidated subsidiaries.

Fiscal year ended March 31, 2024

(Millions of yen)

Other Items	Reportable segment total	Others	Adjustments	Amount recorded in Consolidated Financial Statements
Depreciation	17,681	949	(324)	18,306
Impairment losses	200	-	-	200

- 4 Matters related to changes to reportable segments, etc.

During the fiscal year under review, Nishitetsu Building Management Co., Ltd. in "Real Estate" merged with Nishitetsu Densetsu Kogyo Co., Ltd. in "Others" with the aim of further improving the efficiency of group management. As a result of this reorganization, the business of Nishitetsu Densetsu Kogyo Co., Ltd. was changed from "Others" to "Real Estate."

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

(Per-share information)

Item	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net assets per share	2,471.07 yen	2,910.74 yen
Net income per share-basic	233.10 yen	314.00 yen
Net income per share-diluted	232.54 yen	313.41 yen

(Notes) 1. The basis for calculating net income per share and diluted net income per share is as follows:

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net income per share-basic		
Profit attributable to owners of parent (millions of yen)	18,368	24,723
Amount not attributable to common shareholders (millions of yen)	-	-
Profit attributable to owners of parent relating to common shares (millions of yen)	18,368	24,723
Average number of shares outstanding during the period (thousands of shares)	78,801	78,738
Net income per share-diluted		
Adjustments of profit attributable to owners of parent (millions of yen)	-	-
Increase in the number of common shares (thousands of shares)	189	147
(Share acquisition rights (thousands of shares))	(189)	(147)
Summary of dilutive shares that were not included in the calculation of diluted net income per share because of their anti-dilutive effect	-	-

2. The basis for calculating net assets per share is as follows:

	As of March 31, 2023	As of March 31, 2024
Total net assets (millions of yen)	201,881	235,839
Amount to be deducted from total net assets (millions of yen)	7,088	6,806
(Share acquisition rights (millions of yen))	(324)	(263)
(Non-controlling interests (millions of yen))	(6,763)	(6,542)
Net assets at the end of the period relating to common shares (millions of yen)	194,793	229,032
Number of common shares at the end of the period used to calculate net assets per share (thousands of shares)	78,829	78,685

3. For calculating net income per share and diluted net income per share, average number of shares outstanding during the period excludes the Company's shares held by the Board Benefit Trust (243,000 shares in the previous fiscal year and 340,000 shares in the fiscal year under review).

(Material subsequent events)

(Issuance of bonds)

Based on a resolution by the Board of Directors on March 21, 2024, the Company issued its 55th Unsecured Bond (with pari passu clause limited to the bonds) (Green Bond) and 56th Unsecured Bond (with pari passu clause limited to the bonds) (Green Bond) on April 11, 2024.

Their summary is as follows:

Type of corporate bond	55th Unsecured Bond (with pari passu clause limited to the bonds) (Green Bond)
Amount of bonds	15 billion yen
Issuance price	100 yen per 100 yen of the amount of each corporate bond
Interest rate	0.667% per annum
Redemption date	April 11, 2029
Use of funds	ONE FUKUOKA BLDG. construction work

Type of corporate bond	56th Unsecured Bond (with pari passu clause limited to the bonds) (Green Bond)
Amount of bonds	15 billion yen
Issuance price	100 yen per 100 yen of the amount of each corporate bond
Interest rate	1.125% per annum
Redemption date	April 11, 2034
Use of funds	ONE FUKUOKA BLDG. construction work

(Purchase of treasury shares)

At a meeting of the Board of Directors held on May 10, 2024, the Company passed a resolution on matters pertaining to the acquisition of treasury stock in accordance with Article 156 of the Companies Act as applied mutatis mutandis pursuant to Article 165, Paragraph 3 of the said Act.

Their summary is as follows:

1. Reasons for purchase of treasury shares

The Company purchases treasury shares in order to implement a flexible capital policy in response to changes in the business environment and to improve capital efficiency.

When purchasing treasury shares, the Company will use funds from the sale of policy shareholdings through a review on the size of its holdings in accordance with the purpose of holding such shares.

2. Details of matters relating to purchase

- | | |
|---|---|
| (1) Type of shares to be purchased | Shares of the Company's common stock |
| (2) Total number of shares that may be purchased (excluding treasury stock) | 1.5 million shares (maximum) (1.90% of the total number of shares issued) |
| (3) Total acquisition cost of shares | 3 billion yen (maximum) |
| (4) Acquisition period | May 13, 2024 – November 29, 2024 |
| (5) Method of acquisition | Market purchase on the Tokyo Stock Exchange |

(Reference) Treasury stock holdings as of March 31, 2024

Total number of shares issued (excluding treasury shares)	79,095,903 shares
Number of treasury shares	264,283 shares