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Consolidated Financial Results for Fiscal Year Ended March 31, 2025
(Under Japanese GAAP)

May 9, 2025

Company Name: Nishi-Nippon Railroad Co., Ltd. Stock exchange listings: Tokyo and Fukuoka
Code Number 9031 URL <https://www.nishitetsu.co.jp/en/>
Representative: Koichi Hayashida, President and CEO
Contact: Takahide Kurata, Manager, Public Relations Department (TEL) +81-92-734-1217
Scheduled date of annual general meeting of shareholders: : June 27, 2025
Scheduled commencement date of dividend payments: : June 30, 2025
Scheduled filing date of securities report: : June 26, 2025
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, 2025 (From April 1, 2024, to March 31, 2025)

(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, 2025	443,495	7.7	26,655	3.0	28,739	17.1	20,810	(15.8)
Fiscal year ended March 31, 2024	411,649	(16.8)	25,877	(1.0)	24,538	(12.1)	24,723	34.6

(Notes) Comprehensive income Fiscal year ended March 31, 2025 26,916 million yen [(31.2%)]
Fiscal year ended March 31, 2024 39,143 million yen [50.3%]

	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, 2025	267.21	266.78	8.7	3.8	6.0
Fiscal year ended March 31, 2024	314.00	313.41	11.7	3.5	6.3

(Reference) Equity in earnings of affiliated companies Fiscal year ended March 31, 2025 794 million yen
Fiscal year ended March 31, 2024 (3,158) 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, 2025	782,126	256,039	31.8	3,214.37
Fiscal year ended March 31, 2024	727,002	235,839	31.5	2,910.74

(Reference) Shareholders' equity Fiscal year ended March 31, 2025 249,033 million yen
Fiscal year ended March 31, 2024 229,032 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, 2025	15,611	(74,546)	39,228	50,441
Fiscal year ended March 31, 2024	62,213	(42,028)	(25,959)	68,745

2. Dividends

	Annual dividend					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, 2024	-	17.50	-	22.50	40.00	3,163	12.7	1.5
Fiscal year ended March 31, 2025	-	17.50	-	22.50	40.00	3,115	15.0	1.3
Fiscal year ending March 31, 2026 (forecast)	-	20.00	-	20.00	40.00		14.7	

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2026 (from April 1, 2025, to March 31, 2026) (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	223,400	7.3	10,500	(17.1)	10,900	(17.5)	12,400	34.0	159.22
Full year	470,000	6.0	25,000	(6.2)	23,600	(17.9)	21,200	1.9	272.21

* Notes

(1) Significant changes in scope of consolidation during the period : None

(2) Change in accounting policies or estimates and restatements

1) Change in accounting policies due to revisions of accounting standards and other regulations : Yes

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

3) Change in accounting estimates : None

4) Restatements : None

(Note) For details, please refer to “(5) Notes to consolidated financial statements (Notes to changes to accounting policies)” in “3. Consolidated Financial Statements and Key Notes” on page 17 of the attachments.

(3) Number of shares issued (common stock)

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

Fiscal year ended March 31, 2025	79,360,186	Fiscal year ended March 31, 2024	79,360,186
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2) Number of treasury stocks at the end of the period

Fiscal year ended March 31, 2025	1,885,222	Fiscal year ended March 31, 2024	674,852
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3) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	77,880,088	Fiscal year ended March 31, 2024	78,738,163
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(Note) The number of treasury stocks includes shares of the Company remaining in the board benefit trust (as of March 31, 2025: 385,965 shares; as of March 31, 2024: 410,569 shares).

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025

(From April 1, 2024, to March 31, 2025)

(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, 2025	173,070	4.4	10,136	(11.6)	22,163	0.7	20,075	(29.2)
Fiscal year ended March 31, 2024	165,773	(17.0)	11,469	18.3	22,015	36.2	28,342	128.9
	Net income per share-basic		Net income per share-diluted					
	Yen		Yen					
Fiscal year ended March 31, 2025	257.78		257.36					
Fiscal year ended March 31, 2024	359.96		359.29					

(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, 2025	677,069	179,338	26.5	2,311.79
Fiscal year ended March 31, 2024	636,123	167,952	26.4	2,131.12

(Reference) Shareholders' equity Fiscal year ended March 31, 2025 179,106 million yen
Fiscal year ended March 31, 2024 167,688 million yen

* 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

(Caution regarding forward-looking statements, etc.)

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 are not intended as a guarantee that the Company will achieve these forecasts. 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.

(How to obtain supplementary materials for financial results)

Supplementary materials for financial results are posted on the Company's website and disclosed on TDnet on the same day.

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1. Overview of Results of Operations, Etc.

(1) Results of Operations

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change
Operating revenue	411,649	443,495	31,846	7.7%
Operating income	25,877	26,655	777	3.0%
Ordinary income	24,538	28,739	4,200	17.1%
Profit attributable to owners of parent	24,723	20,810	(3,913)	(15.8%)

During the fiscal year under review, the Japanese economy was on a gradual recovery path due to improvements in the employment and income environment, as well as an increase in inbound demand. On the other hand, the outlook remains uncertain due to the effects of the U.S. trade policy, in addition to continuing price hikes.

Operating revenue for the fiscal year under review was 443,495 million yen, up 7.7% year-on-year. This was due to an increase in the import/export transaction volume in the Global Logistics business, higher unit prices of guest rooms in the Hotel business of Leisure and Services and the effect of fare revision in the Bus business in Transportation. Accordingly, operating income came to 26,655 million yen, up 3.0% year-on-year.

Ordinary income was 28,739 million yen, up 17.1% year-on-year, due partly to an improvement in share of loss of entities accounted for using the equity method.

Profit attributable to owners of parent was 20,810 million yen, down 15.8% year-on-year, partly due to a decrease in gain on sale of non-current assets.

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

(Millions of yen)

	Operating revenue				Operating income			
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change
Transportation	77,721	80,940	3,219	4.1%	3,766	4,979	1,212	32.2%
Real Estate	85,945	87,777	1,831	2.1%	11,158	9,736	(1,422)	(12.7%)
Retail	70,908	71,981	1,073	1.5%	965	654	(311)	(32.3%)
Logistics	128,818	148,023	19,205	14.9%	4,528	3,849	(679)	(15.0%)
Leisure and Services	45,047	52,717	7,669	17.0%	4,632	5,932	1,299	28.1%
Subtotal	408,441	441,440	32,999	8.1%	25,052	25,151	98	0.4%
Others	30,391	30,956	564	1.9%	1,785	2,364	579	32.5%
Adjustments	(27,183)	(28,901)	(1,717)	-	(960)	(861)	99	-
Consolidated	411,649	443,495	31,846	7.7%	25,877	26,655	777	3.0%

1) Transportation

In the Bus business, revenue increased mainly due to the fare revision (implemented in January 2024). In the Railway business, revenues increased mainly due to a recovery in passenger volume. As a result, operating revenue for the Transportation business was 80,940 million yen, (4.1% increase year-on-year), and operating income posted 4,979 million yen, (32.2% increase year-on-year).

The number of passengers grew 3.8% year-on-year in the Railway business, but fell 3.4% in the Bus (public buses) business.

2) Real Estate

In the Housing business, the number of units sold increased, but unit sales price declined year-on-year, resulting in a decrease in revenue. On the other hand, in the Leasing business, revenue was up due to the completion of “ONE FUKUOKA BLDG.” (December 2024) and an increase in lease revenue from commercial facilities. As a result, operating revenues for the Real Estate business were 87,777 million yen, (2.1% increase year-on-year). Operating income was 9,736 million yen, (12.7% decrease year-on-year) due to expenses incurred from the completion of ONE FUKUOKA BLDG. in the Leasing business.

The number of units sold was 885 (up 53 units year-on-year).

3) Retail

In the Supermarkets/liquor stores business, sales rose due to the contribution of stores remodeled in the previous fiscal year. In the Sales of miscellaneous everyday items business, sales increased mainly due to the opening of “AEON MALL Nogata” in April 2024. As a result, operating revenues for the Retail business were 71,981 million yen (1.5% increase year-on-year). Operating income was 654 million yen (32.3% decrease year-on-year), mainly due to an increase in personnel and other expenses in the Supermarkets/liquor stores business.

4) Logistics

In the Global Logistics business, revenues grew due to an increase in the trading volume resulting from a recovery in cargo movement and an increase in the yen value due to exchange rate fluctuations. As a result, operating revenue for the Logistics business was 148,023 million yen (14.9% increase year-on-year). Operating income came to 3,849 million yen (15.0% decrease year-on-year) due partly to an increase in wholesale prices.

International cargo volume was up 8.8% year-on-year in Air Export, up 2.2% year-on-year in Air Import, up 13.1% year-on-year in Ocean Export, and up 12.8% year-on-year in Ocean Import.

5) Leisure and Services

In the Hotel business, sales increased mainly due to the rise in the average daily rate (ADR) and the contribution of Solaria Nishitetsu Hotel Taipei Ximen, which opened in the previous fiscal year (August 2023). As a result, operating revenue for the Leisure and Services business was 52,717 million yen (17.0% increase year-on-year), and operating income amounted to 5,932 million yen (28.1% increase year-on-year).

6) Others

Operating revenue for Others was 30,956 million yen (1.9% increase year-on-year) mainly due to an increase in orders received for vehicle maintenance-related businesses. Operating income was 2,364 million yen (32.5% increase year-on-year) mainly due to higher gross income for the Construction-related business.

(Statement of Income by Segment)

(Millions of yen)

	Operating revenue				Operating income			
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change (%)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change (%)
Transportation	77,721	80,940	3,219	4.1	3,766	4,979	1,212	32.2
Railway	21,784	22,595	811	3.7	2,476	2,223	(252)	(10.2)
Bus	52,572	55,288	2,715	5.2	1,155	2,691	1,536	132.9
(Bus, net)*	[49,155]	[51,867]	[2,712]	[5.5]	-	-	-	-
Other	13,778	14,226	447	3.3	352	372	20	5.7
Adjustments	(10,414)	(11,169)	(755)	-	(217)	(308)	(91)	-
Real Estate	85,945	87,777	1,831	2.1	11,158	9,736	(1,422)	(12.7)
Leasing	31,506	32,841	1,335	4.2	6,769	5,693	(1,076)	(15.9)
Housing	44,771	43,606	(1,165)	(2.6)	4,091	3,692	(399)	(9.8)
Other	14,241	16,255	2,014	14.1	545	639	94	17.3
Adjustments	(4,573)	(4,926)	(353)	-	(248)	(288)	(40)	-
Retail	70,908	71,981	1,073	1.5	965	654	(311)	(32.3)
Supermarkets/liquor stores	65,367	65,927	560	0.9	843	588	(254)	(30.2)
Sales of miscellaneous merchandise items	5,541	6,054	512	9.3	231	257	25	10.9
Adjustments	(0)	(0)	(0)	-	(109)	(191)	(82)	-
Logistics	128,818	148,023	19,205	14.9	4,528	3,849	(679)	(15.0)
Global logistics	138,653	154,941	16,288	11.7	4,696	3,866	(830)	(17.7)
Domestic logistics	10,595	10,948	353	3.3	145	147	2	1.8
Adjustments	(20,429)	(17,866)	2,563	-	(313)	(165)	147	-
Leisure and Services	45,047	52,717	7,669	17.0	4,632	5,932	1,299	28.1
Hotel	26,401	31,854	5,452	20.7	2,594	3,604	1,010	39.0
Travel	2,939	3,180	241	8.2	375	481	105	28.0
Facility outline	4,905	5,350	444	9.1	970	967	(3)	(0.3)
Other	12,130	13,826	1,695	14.0	815	1,079	263	32.3
Adjustments	(1,330)	(1,496)	(165)	-	(124)	(200)	(76)	-
Subtotal	408,441	441,440	32,999	8.1	25,052	25,151	98	0.4
Others	30,391	30,956	564	1.9	1,785	2,364	579	32.5
Adjustments	(27,183)	(28,901)	(1,717)	-	(960)	(861)	99	-
Consolidated	411,649	443,495	31,846	7.7	25,877	26,655	777	3.0

* Operating revenues for the Bus business, excluding intercompany transactions, increased 5.5%.

(Transaction volume)

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

	Unit	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change (%)
Number of passengers	Thousand passengers	103,057	107,015	3,958	3.8
Non-commuter	Thousand passengers	44,719	46,692	1,973	4.4
Commuter	Thousand passengers	58,338	60,323	1,985	3.4
Passenger revenue	Millions of yen	20,772	21,560	787	3.8
Non-commuter	Millions of yen	12,756	13,274	518	4.1
Commuter	Millions of yen	8,015	8,285	269	3.4

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

	Unit	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change (%)
Number of passengers	Thousand passengers	214,869	207,474	(7,395)	(3.4)
Non-commuter	Thousand passengers	124,601	118,496	(6,105)	(4.9)
Commuter	Thousand passengers	90,268	88,978	(1,290)	(1.4)
Passenger revenue	Millions of yen	43,343	45,682	2,339	5.4
Non-commuter	Millions of yen	32,766	34,312	1,546	4.7
Commuter	Millions of yen	10,576	11,370	793	7.5

3) Number of units sold (Real Estate)

	Unit	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change (%)
Number of units sold	Unit	832	885	53	6.4
Condominium	Dwelling unit	701	695	(6)	(0.9)
(Of which, rental condominium units sold as one building)	Dwelling unit	[115]	[149]	[34]	[29.6]
Detached house	Unit	117	175	58	49.6
Renovation	Dwelling unit	14	15	1	7.1

4) Transaction volume of international cargo (Logistics)

	Unit	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Percentage change (%)
Air Export	Thousand tons	95	103	8	8.8
Air Import	Thousand cases	314	321	6	2.2
Ocean Export	Thousand TEU	99	112	13	13.1
Ocean Import	Thousand TEU	129	146	16	12.8

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, 2024	Fiscal year ended March 31, 2025	Change	Percentage change (%)
ADR	Yen	11,576	13,084	1,508	13.0
OCC	%	78.6	79.2	0.6P	-
Rev PAR	Yen	9,098	10,363	1,265	13.9

(2) Financial Position

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change
Total Assets	727,002	782,126	55,123
Total Liabilities	491,163	526,086	34,922
Total net assets	235,839	256,039	20,200
Interest-bearing debt	316,838	366,160	49,321

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

Assets rose 55,123 million yen from the end of the previous fiscal year to 782,126 million yen mainly due to an increase in property, plant and equipment while cash and deposits decreased.

Liabilities rose 34,922 million yen from the end of the previous fiscal year to 526,086 million yen mainly due to an increase in interest-bearing debt while notes and accounts payable - trade decreased.

Net assets grew 20,200 million yen from the end of the previous fiscal year to 256,039 million yen mainly due to an increase in retained earnings, chiefly owing to the posting of profit attributable to owners of parent, despite a decrease due to purchase of treasury shares.

(3) Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change
Cash and cash equivalents at end of period	68,745	50,441	(18,303)

	Full year		Change
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	
Cash flows from operating activities	62,213	15,611	(46,602)
Cash flows from investing activities	(42,028)	(74,546)	(32,517)
Free cash flows (operating activities + investing activities)	20,184	(58,935)	(79,119)
Cash flows from financing activities	(25,959)	39,228	65,187

Cash and cash equivalents as of the end of the fiscal year under review decreased 18,303 million yen from the end of the previous fiscal year to 50,441 million yen.

Net cash provided by operating activities totaled 15,611 million yen, a decrease of 46,602 million yen from the previous fiscal year, mainly due to profit before income taxes of 30,888 million yen, depreciation of 20,132 million yen, and an increase (expenditure) in inventories of 12,164 million yen.

Net cash used in investing activities totaled 74,546 million yen, an increase of 32,517 million yen from the previous fiscal year, mainly due to the purchase of non-current assets of 83,252 million yen and proceeds from sale of investment securities of 5,352 million yen.

Net cash provided by financing activities totaled 39,228 million yen, an increase of 65,187 million yen from the previous fiscal year, mainly due to net increases in borrowings of 27,784 million yen and bonds payable of 20,000 million yen.

(4) Outlook

For the fiscal year ending March 2026, we expect operating revenue of 470,000 million yen (up 6.0% 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, and the opening of ONE FUKUOKA BLDG. (April 24, 2025) in the Leasing business.

Operating income is expected to be 25,000 million yen (down 6.2% from the previous fiscal year) mainly due to an increase in personnel expenses incurred from improved working conditions in the Transportation business and higher depreciation.

Ordinary income is expected to be 23,600 million yen (down 17.9% from the previous fiscal year), mainly due to a decrease in share of profit of entities accounted for using the equity method.

Profit attributable to owners of parent is expected to be 21,200 million yen (up 1.9% from the previous fiscal year) mainly due to an increase in gain on sale of non-current assets.

(Millions of yen)

	Fiscal year ended March 31, 2025 (results)	Fiscal year ending March 31, 2026 (forecast)	Change	Percentage change
Operating revenue	443,495	470,000	26,504	6.0%
Operating income	26,655	25,000	(1,655)	(6.2%)
Ordinary income	28,739	23,600	(5,139)	(17.9%)
Profit attributable to owners of parent	20,810	21,200	389	1.9%

(Millions of yen)

	Operating revenue				Operating income			
	Fiscal year ended March 31, 2025 (results)	Fiscal year ending March 31, 2026 (forecast)	Change	Percentage change	Fiscal year ended March 31, 2025 (results)	Fiscal year ending March 31, 2026 (forecast)	Change	Percentage change
Transportation	80,940	83,200	2,259	2.8%	4,979	3,500	(1,479)	(29.7%)
Real Estate	87,777	104,900	17,122	19.5%	9,736	10,000	263	2.7%
Retail	71,981	74,300	2,318	3.2%	654	700	45	7.0%
Logistics	148,023	148,000	(23)	(0.0%)	3,849	4,700	850	22.1%
Leisure and Services	52,717	56,600	3,882	7.4%	5,932	5,500	(432)	(7.3%)
Subtotal	441,440	467,000	25,559	5.8%	25,151	24,400	(751)	(3.0%)
Others	30,956	30,500	(456)	(1.5%)	2,364	1,600	(764)	(32.3%)
Adjustments	(28,901)	(27,500)	1,401	-	(861)	(1,000)	(138)	-
Consolidated	443,495	470,000	26,504	6.0%	26,655	25,000	(1,655)	(6.2%)

* 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, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	69,624	51,318
Notes and accounts receivable - trade, and contract assets	49,123	63,263
Land and buildings for sale	67,085	78,472
Merchandise and finished goods	3,970	4,255
Work in process	258	281
Raw materials and supplies	2,225	2,499
Others	16,726	17,766
Allowance for doubtful accounts	(237)	(173)
Total current assets	208,778	217,683
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	192,162	270,802
Machinery, equipment and vehicles, net	14,565	17,220
Land	141,769	148,120
Construction in progress	56,087	8,238
Other, net	11,503	13,245
Total property, plant and equipment	416,088	457,627
Intangible assets		
Goodwill	305	298
Others	3,663	4,278
Total intangible assets	3,968	4,577
Investments and other assets		
Investment securities	68,547	64,666
Retirement benefit assets	4,137	5,436
Deferred tax assets	2,162	2,105
Others	23,623	30,333
Allowance for doubtful accounts	(304)	(304)
Total investments and other assets	98,167	102,237
Total fixed assets	518,224	564,442
Total Assets	727,002	782,126

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	65,018	55,460
Short-term borrowings	47,161	48,064
Current portion of bonds payable	10,000	8,000
Consumption taxes payable	4,872	1,072
Income taxes payable	5,955	5,730
Advances received	2,424	1,398
Provision for bonuses	7,088	7,580
Other provisions	387	196
Others	27,925	29,602
Total current liabilities	170,833	157,105
Long-term liabilities		
Bonds payable	145,000	167,000
Long-term borrowings	114,677	143,096
Deferred tax liabilities	3,993	4,268
Other provisions	656	697
Retirement benefit liability	16,843	12,730
Long-term guarantee deposits	31,050	33,317
Others	8,108	7,871
Total long-term liabilities	320,329	368,981
Total Liabilities	491,163	526,086
Net assets		
Shareholders' equity		
Share capital	26,157	26,157
Capital surplus	12,137	12,137
Retained earnings	164,941	182,591
Treasury stock	(1,576)	(4,471)
Total shareholders' equity	201,659	216,414
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,598	11,977
Deferred gains or losses on hedges	96	726
Foreign currency translation adjustment	9,029	13,161
Remeasurements of defined benefit plans	3,648	6,753
Total accumulated other comprehensive income	27,373	32,618
Share acquisition rights	263	232
Non-controlling interests	6,542	6,774
Total net assets	235,839	256,039
Total liabilities and net assets	727,002	782,126

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

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Operating revenue	411,649	443,495
Operating expenses		
Operating expenses and cost of sales of transportation	355,558	385,479
Selling, general and administrative expenses	30,213	31,360
Total operating expenses	385,771	416,840
Operating income	25,877	26,655
Non-operating income		
Interest income	613	740
Dividend income	1,707	1,470
Share of profit of entities accounted for using the equity method	-	794
Foreign exchange gains	295	631
Miscellaneous income	1,897	1,627
Total non-operating income	4,512	5,264
Non-operating expenses		
Interest expenses	2,283	2,674
Share of loss of entities accounted for using the equity method	3,158	-
Miscellaneous expenses	409	505
Total non-operating expenses	5,851	3,180
Ordinary income	24,538	28,739
Extraordinary gains		
Gain on sales of fixed assets	14,124	37
Gain on sale of investment securities	5	2,316
Advances received on construction contracts	9,224	6,860
Contribution for construction	700	2,362
Others	1,017	-
Total extraordinary income	25,072	11,575
Extraordinary losses		
Loss on reduction of non-current assets for tax purposes	9,187	9,196
Impairment losses	200	226
Others	794	3
Total extraordinary losses	10,182	9,426
Income before income taxes	39,428	30,888
Income taxes - current	8,080	9,598
Income taxes - deferred	5,766	(219)
Total income taxes	13,846	9,379
Profit	25,581	21,508
Profit attributable to non-controlling interests	858	698
Profit attributable to owners of parent	24,723	20,810

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Profit	25,581	21,508
Other comprehensive income		
Valuation difference on available-for-sale securities	6,404	(2,622)
Deferred gains or losses on hedges	7	(8)
Foreign currency translation adjustment	2,503	2,123
Remeasurements of defined benefit plans, net of tax	2,929	3,105
Share of other comprehensive income of entities accounted for using the equity method	1,715	2,809
Total other comprehensive income	13,561	5,407
Comprehensive income	39,143	26,916
(Components)		
Comprehensive income attributable to owners of parent	38,097	26,056
Comprehensive income attributable to non-controlling interests	1,045	860

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	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					Share acquisition rights	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

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Common Stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	26,157	12,137	164,941	(1,576)	201,659
Changes during period					
Dividends of surplus			(3,142)		(3,142)
Profit attributable to owners of parent			20,810		20,810
Purchase of treasury shares				(3,008)	(3,008)
Disposal of treasury shares		(17)		113	95
Purchase of shares of consolidated subsidiaries					
Transfer from retained earnings to capital surplus		17	(17)		
Net changes in items other than shareholders' equity					
Total changes during period	-	-	17,650	(2,894)	14,755
Balance at end of period	26,157	12,137	182,591	(4,471)	216,414

	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	14,598	96	9,029	3,648	27,373	263	6,542	235,839
Changes during period								
Dividends of surplus								(3,142)
Profit attributable to owners of parent								20,810
Purchase of treasury shares								(3,008)
Disposal of treasury shares								95
Purchase of shares of consolidated subsidiaries								
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	(2,621)	630	4,131	3,105	5,245	(31)	231	5,445
Total changes during period	(2,621)	630	4,131	3,105	5,245	(31)	231	20,200
Balance at end of period	11,977	726	13,161	6,753	32,618	232	6,774	256,039

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Income before income taxes	39,428	30,888
Depreciation	18,306	20,132
Amortization of goodwill	38	42
Impairment losses	200	226
Loss on retirement of non-current assets	248	479
Loss on reduction of non-current assets for tax purposes	9,187	9,196
Contribution for construction	(9,924)	(9,222)
Share of loss (profit) of entities accounted for using the equity method	3,158	(794)
Loss (gain) on sale of non-current assets	(14,124)	(33)
Increase (decrease) in provision for bonuses	732	490
Increase (decrease) in retirement benefit liability	(354)	(556)
Decrease (increase) in retirement benefit asset	140	(268)
Increase (decrease) in other provisions	134	(150)
Interest and dividend income	(2,320)	(2,211)
Interest expenses	2,283	2,674
Loss (gain) on sale of investment securities	(5)	(2,316)
Decrease (increase) in trade receivables	13,219	(11,047)
Decrease (increase) in inventories	(3,143)	(12,164)
Decrease (increase) in other assets	(2,718)	2,783
Increase (decrease) in trade payables	5,169	4,862
Increase (decrease) in accrued consumption taxes	7,484	(11,251)
Increase (decrease) in guarantee deposits received	827	2,275
Increase (decrease) in other liabilities	(789)	1,181
Others	(1,058)	(121)
Subtotal	66,119	25,096
Interest and dividends received	3,287	2,848
Interest paid	(2,120)	(2,416)
Income taxes paid	(5,073)	(9,916)
Cash flows from operating activities	62,213	15,611
Cash flows from investing activities		
Purchase of non-current assets	(56,048)	(83,252)
Proceeds from sale of non-current assets	16,936	(226)
Purchase of investment securities	(3,994)	(937)
Proceeds from sale of investment securities	1,990	5,352
Payments for investments in capital	(2,057)	(2,139)
Proceeds from divestments	41	55
Loan advances	(4,278)	-
Proceeds from contribution received for construction	5,669	5,932
Others	(288)	668
Cash flows from investing activities	(42,028)	(74,546)

(Millions of yen)

	Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,293)	4,111
Proceeds from long-term borrowings	4,068	47,479
Repayments of long-term borrowings	(24,880)	(23,806)
Proceeds from issuance of bonds	10,000	30,000
Payments for redemption of bonds	(7,000)	(10,000)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(611)	-
Proceeds from sale of treasury shares	53	63
Purchase of treasury shares	(513)	(3,008)
Repayments of lease liabilities	(1,696)	(1,915)
Dividends paid	(2,958)	(3,142)
Dividends paid to non-controlling interests	(1,128)	(553)
Cash flows from financing activities	(25,959)	39,228
Effect of exchange rate change on cash and cash equivalents	1,961	1,402
Net increase (decrease) in cash and cash equivalents	(3,814)	(18,303)
Cash and cash equivalents at beginning of period	72,559	68,745
Cash and cash equivalents at end of period	68,745	50,441

(5) Notes to consolidated financial statements

(Notes to assumptions of going concern)

Not applicable.

(Notes on changes to accounting policies)

(Application of the “Accounting Standard for Current Income Taxes,” etc.)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27 on October 28, 2022; hereinafter referred to as the “Revised 2022 Accounting Standard”) has been applied since the beginning of the fiscal year under review.

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

In addition, for the revision related to the change in the treatment of loss (gain) on sale of equity securities of subsidiaries between consolidated companies that is deferred for tax purposes in the consolidated financial statements the Revised 2022 Guidance has been applied since the beginning of the fiscal year under review. This change in accounting policy has no impact on the consolidated financial statements for the previous fiscal year.

(Application of the “Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules”)

The “Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules” (Practical Solution No. 46 on March 22, 2024) has been applied since the beginning of the fiscal year under review. This change in accounting policy has a minimal impact on the consolidated financial statements.

(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, 2024

(Millions of yen)

	Reportable segment						Others (Note)	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

(Note) "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.

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segment						Others (Note)	Adjustments	Amount recorded in Consolidated Financial Statements
	Transportation	Real Estate	Retail	Logistics	Leisure and Services	Total			
Operating revenue									
(1) Operating revenue to external customers	80,097	75,866	71,883	147,407	48,294	423,549	19,946	-	443,495
(2) Intersegment operating revenue and transfers	843	11,910	98	616	4,422	17,891	11,010	(28,901)	-
Total	80,940	87,777	71,981	148,023	52,717	441,440	30,956	(28,901)	443,495
Segment income (loss)	4,979	9,736	654	3,849	5,932	25,151	2,364	(861)	26,655
Other Items									
Depreciation	7,052	7,526	950	2,410	1,662	19,603	882	(352)	20,132
Amortization of goodwill	-	42	-	-	-	42	-	-	42
Impairment losses	-	26	190	9	-	226	-	-	226

(Note) "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, 2024	Fiscal year ended March 31, 2025
Reportable segment total	25,052	25,151
Profit in the “Other” category	1,785	2,364
Elimination of intersegment transactions	125	85
Corporate expenses (Note)	(1,085)	(946)
Operating income in consolidated financial statements	25,877	26,655

(Note) Corporate expenses are primarily administrative expenses of the parent company not attributable to any reportable segment.

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

Fiscal year ended March 31, 2025

(Millions of yen)

Other Items	Reportable segment total	Others	Adjustments	Amount recorded in Consolidated Financial Statements
Depreciation	19,603	882	(352)	20,132
Impairment losses	226	-	-	226

(Per-share information)

Item	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	2,910.74 yen	3,214.37 yen
Net income per share-basic	314.00 yen	267.21 yen
Net income per share-diluted	313.41 yen	266.78 yen

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

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net income per share-basic		
Profit attributable to owners of parent (millions of yen)	24,723	20,810
Amount not attributable to common shareholders (millions of yen)	-	-
Profit attributable to owners of parent relating to common shares (millions of yen)	24,723	20,810
Average number of shares outstanding during the period (thousands of shares)	78,738	77,880
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)	147	125
(Share acquisition rights (thousands of shares))	(147)	(125)
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, 2024	As of March 31, 2025
Total net assets (millions of yen)	235,839	256,039
Amount to be deducted from total net assets (millions of yen)	6,806	7,006
(Share acquisition rights (millions of yen))	(263)	(232)
(Non-controlling interests (millions of yen))	(6,542)	(6,774)
Net assets at the end of the period relating to common shares (millions of yen)	229,032	249,033
Number of common shares at the end of the period used to calculate net assets per share (thousands of shares)	78,685	77,474

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 (340,000 shares in the previous fiscal year and 393,000 shares in the fiscal year under review).

(Material subsequent events)

(Transfer of non-current assets (beneficial interests in trust))

The Company transferred some of its non-current assets (beneficial interests in trust) on April 4, 2025.

Their summary is as follows:

1. Reason for transfer

In order to promote the use of external funds through a fund scheme using securitization of real estate and to maintain and improve capital efficiency, we have securitized and transferred some of our non-current assets.

2. Details of transferred assets

The transferred assets were three office buildings and rental condominiums owned by the Company in Fukuoka City, and the total gain from the transfer of the three buildings was approximately 4.5 billion yen.

The gain on transfer is an approximate amount obtained by deducting the book value and estimated costs related to the transfer from the transfer price.

In this transfer, the ownership of the real estate in question is transferred to the trust bank, beneficial interests in trust are established in the real estate on the same date, and the beneficial interests in trust are transferred to the counterparty.

3. Summary of the transferee

The beneficial interests in trust were transferred to NNR Fund No. 2, a limited liability company formed under our No. 2 private placement fund project.

Although the Company has a silent partnership investment in the transferee, there are no other noteworthy capital, personal, or business relationships, and therefore, the transferee does not fall under related parties.

4. Schedule of transfer

Date of contract concluded: April 4, 2025

Date of property delivered: April 4, 2025

5. Impact on business performance

As a result of the transfer of the non-current assets, the Company plans to record gain on sale of non-current assets of approximately 4.5 billion yen under extraordinary income for the first quarter of the fiscal year ending March 31, 2026.

(Purchase of treasury shares)

At a meeting of the Board of Directors held on May 9, 2025, 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 will repurchase treasury stock to implement a flexible capital policy designed to adapt to changes in the business environment.

When purchasing treasury shares, the Company will appropriate 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	2 million shares (maximum) (2.57% of the total number of shares issued (excluding treasury stock))
(3) Total acquisition cost of shares	5.3 billion yen (maximum)
(4) Acquisition period	May 12, 2025 – November 28, 2025
(5) Method of acquisition	Market purchase on the Tokyo Stock Exchange (including off-floor purchases)

(Reference) Treasury stock holdings as of March 31, 2025

Total number of shares issued (excluding treasury shares)	77,860,929 shares
Number of treasury shares	1,499,257 shares