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July 31, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Sotetsu Holdings, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 9003
 URL: <https://www.sotetsu.co.jp>
 Representative: Takamasa Kato, Representative Director, President
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	75,082	(7.3)	11,105	(22.7)	10,240	(30.0)	7,355	(30.1)
June 30, 2024	80,998	31.3	14,362	114.1	14,632	113.8	10,529	106.5

Note: Comprehensive income For the three months ended June 30, 2025: ¥5,836 million [(44.1)%]
 For the three months ended June 30, 2024: ¥10,445 million [100.8%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	76.30	-
June 30, 2024	107.48	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	749,051	181,647	24.2
March 31, 2025	757,264	182,079	24.0

Reference: Equity As of June 30, 2025: ¥181,564 million
 As of March 31, 2025: ¥181,985 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	30.00	-	35.00	65.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		30.00	-	35.00	65.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	149,800	0.9	16,400	(25.0)	14,900	(28.3)	10,300	(32.5)	107.01
Fiscal year ending March 31, 2026	316,300	8.3	35,100	(7.2)	32,500	(6.6)	21,300	(4.9)	221.59

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	98,145,499 shares
As of March 31, 2025	98,145,499 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2025	2,175,051 shares
As of March 31, 2025	862,502 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	96,400,500 shares
Three months ended June 30, 2024	97,972,775 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* Proper use of earnings forecasts, and other special matters

Earnings forecasts are based on information available as of the date of publication, and actual results may differ from forecasts due to various factors in the future.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	16,008	13,120
Notes and accounts receivable - trade	15,942	13,651
Operational investment securities	15,568	15,658
Inventories	79,531	83,971
Other	14,662	10,843
Allowance for doubtful accounts	(30)	(32)
Total current assets	141,683	137,212
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	212,031	210,807
Machinery, equipment and vehicles, net	33,345	32,174
Land	262,880	262,964
Right-of-use assets, net	14,242	13,085
Construction in progress	8,324	8,531
Other, net	7,050	6,873
Total property, plant and equipment	537,875	534,437
Intangible assets		
Goodwill	22	5
Leasehold interests in land	3,547	3,547
Other	4,465	4,194
Total intangible assets	8,035	7,747
Investments and other assets		
Investment securities	23,387	23,310
Long-term loans receivable	430	408
Retirement benefit asset	24,113	24,258
Deferred tax assets	6,772	6,493
Other	15,486	15,705
Allowance for doubtful accounts	(522)	(522)
Total investments and other assets	69,669	69,654
Total non-current assets	615,580	611,839
Total assets	757,264	749,051

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,967	6,909
Short-term borrowings	68,961	61,454
Current portion of bonds payable	10,000	10,000
Lease liabilities	1,521	1,447
Income taxes payable	6,885	3,261
Contract liabilities	4,996	5,612
Provision for bonuses	2,665	957
Other provisions	60	106
Asset retirement obligations	104	117
Other	39,966	35,379
Total current liabilities	144,130	125,246
Non-current liabilities		
Bonds payable	165,000	175,000
Long-term borrowings	171,506	174,039
Lease liabilities	15,935	14,729
Deferred tax liabilities for land revaluation	23,891	23,891
Retirement benefit liability	17,131	17,252
Long-term leasehold and guarantee deposits received	28,668	28,964
Asset retirement obligations	5,302	5,317
Other	3,617	2,963
Total non-current liabilities	431,053	442,158
Total liabilities	575,184	567,404
Net assets		
Shareholders' equity		
Share capital	38,803	38,803
Capital surplus	26,981	26,981
Retained earnings	105,044	108,995
Treasury shares	(1,923)	(4,787)
Total shareholders' equity	168,905	169,991
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,070	5,925
Revaluation reserve for land	(1,048)	(1,048)
Foreign currency translation adjustment	784	(254)
Remeasurements of defined benefit plans	7,274	6,951
Total accumulated other comprehensive income	13,080	11,572
Non-controlling interests	94	82
Total net assets	182,079	181,647
Total liabilities and net assets	757,264	749,051

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Operating revenue	80,998	75,082
Operating expenses		
Operating expenses and cost of sales of transportation	49,586	46,215
Selling, general and administrative expenses	17,049	17,761
Total operating expenses	66,635	63,976
Operating profit	14,362	11,105
Non-operating income		
Interest income	68	11
Dividend income	143	161
Foreign exchange gains	769	123
Reversal of clerical costs on work performed on contract	16	7
Miscellaneous income	132	40
Total non-operating income	1,130	344
Non-operating expenses		
Interest expenses	772	963
Miscellaneous expenses	87	247
Total non-operating expenses	860	1,210
Ordinary profit	14,632	10,240
Extraordinary income		
Gain on sale of non-current assets	2	0
Gain on sale of investment securities	156	-
Subsidy income	31	65
Compensation income	9	13
Total extraordinary income	199	78
Extraordinary losses		
Loss on retirement of non-current assets	85	91
Loss on tax purpose reduction entry of non-current assets	29	62
Total extraordinary losses	115	153
Profit before income taxes	14,716	10,164
Income taxes - current	5,257	3,248
Income taxes - deferred	(1,094)	(439)
Total income taxes	4,162	2,809
Profit	10,553	7,355
Profit (loss) attributable to non-controlling interests	23	(0)
Profit attributable to owners of parent	10,529	7,355

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	10,553	7,355
Other comprehensive income		
Valuation difference on available-for-sale securities	678	(145)
Foreign currency translation adjustment	(544)	(870)
Remeasurements of defined benefit plans, net of tax	(248)	(323)
Share of other comprehensive income of entities accounted for using equity method	5	(179)
Total other comprehensive income	(108)	(1,518)
Comprehensive income	10,445	5,836
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,443	5,848
Comprehensive income attributable to non-controlling interests	2	(11)