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July 31, 2023



Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2024 [Japanese GAAP]

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 Listed on: Tokyo Stock Exchange
 Code number: 9009
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 Scheduled date for filing quarterly reports: August 10, 2023
 Scheduled date for commencing dividend payments: –
 Availability of supplementary quarterly results presentation materials: Available
 Schedule of quarterly financial results presentation session: Not scheduled

(Rounded down to nearest million.)

1. Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2024, (April 1 to June 30, 2023)

(1) Consolidated Operating Results

(% indicates year-on-year change)

	Operating revenue		Operating income		Ordinary income		Income attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2023	72,466	21.3	7,653	138.9	13,831	132.5	10,622	142.4
June 30, 2022	59,756	15.1	3,203	–	5,948	–	4,382	–

(Note) Comprehensive income:

Three months ended June 30, 2023: ¥12,511 million [133.4%]

Three months ended June 30, 2022: ¥5,360 million [–%]

	Earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	63.43	–
June 30, 2022	26.35	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2023	984,702	421,402	41.1
As of March 31, 2023	965,573	410,945	40.9

(Reference) Equity:

As of June 30, 2023: ¥405,044 million

As of March 31, 2023: ¥394,912 million

2. Dividends

	Annual dividends				
	1st quarter end	2nd quarter end	3rd quarter end	Year end	Total
Fiscal year ended March 31, 2023	Yen —	Yen 8.50	Yen —	Yen 11.50	Yen 20.00
Fiscal year ending March 31, 2024	—				
Fiscal year ending March 31, 2024 (Forecast)		10.00	—	10.00	20.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Operating revenue		Operating income		Ordinary income		Income attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	308,800	22.4	24,800	142.5	42,200	57.7	33,300	23.7	198.83

(Note) The most recently announced performance forecasts remain unchanged

* Notes:

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

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued and outstanding shares (common stock)

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

As of June 30, 2023: 172,411,185 shares

As of March 31, 2023: 172,411,185 shares

2) Total number of treasury shares at the end of the period:

As of June 30, 2023: 4,928,816 shares

As of March 31, 2023: 4,928,374 shares

3) Average number of shares during the period:

Three months ended June 30, 2023: 167,482,560 shares

Three months ended June 30, 2022: 166,338,510 shares

* These quarterly financial results are outside the scope of a quarterly review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecasts and other notes

1. The forward-looking statements contained herein were prepared based on information available as of the date of publication. Actual financial results may differ from what the forecasts suggest. For financial consolidated results forecasts, see “1 (3) Description of Consolidated Performance Forecasts and Other Forward-Looking Statements” on page 4 of this Appendix.

2. Supplementary materials for the quarterly results are appended to these quarterly financial results.

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1. Qualitative Information on the Quarterly Financial Results

(1) Description of operating results

The global economy

Japan's economy traced a moderate recovery path. A key development came in May 2023, when the government downgraded Covid-19 to a Class 5 disease (the same level as seasonal influenza). This move led to better corporate earnings and employment levels as well as a recovery in consumer confidence.

Business actions we took

We embarked on Medium-Term Business Plan D1, which last from fiscal 2022 to fiscal 2024. The objective of D1 is to set our businesses on the path of post-pandemic growth and make organizational changes to drive forward our long-term strategy, D Plan.

Business results

Operating revenue amounted to ¥72,466 million (up 21.3% year on year) and operating income amounted to ¥7,653 million (up 138.9% YoY). Ordinary income amounted to ¥13,831 million (up 132.5% YoY) and net income attributable to owners of parent amounted to ¥10,622 million (up 142.4% YoY).

Disclosed below are the segment-specific results:

Transportation

Railway business

We unveiled a program to make our railway stations more accessible and safe. The program, which includes installing platform doors, will commence in spring 2024 and be funded by a fare hike. In April, we started making the full switchover to digital radio on our rolling stock. Switching to digital radio will expedite emergency responses and thus improve passenger safety. Other safety actions during the period included strengthening the earthquake resistance of elevated sections and stations.

We also proceeded with rail engineering works. These included a project to construct grade separations along the Oshiage line in Katsushika-ku. For this project, we constructed a temporary station to which Keisei Tateishi Station will be relocated while the engineering work proceeds. We also proceeded with the rebuilding of Arakawa bridge, along the main line.

On the business front, we took the following actions. Ramping up promotion efforts overseas, we organized a booth at an overseas travel exhibition to encourage travel to Japan. We also conducted a campaign in Sendai City to spread the message that Skyliner provides an express route for passengers using Narita Airport. Along with four other railway companies, we launched an all-day pass (Allday pass) and a range of special tickets to commemorate the 150th anniversary of Chiba Prefecture.

Bus business

Catering to the demand for intercity bus travel, we launched a new intercity bus route, from Michino Terrace Toyosu (La Vista Tokyo Bay) to Haneda Airport, and proactively organized temporary services for Japan's Golden Week holiday. As for transit bus routes, in April 2023, our subsidiary Tokyo BRT launched the second phase of trial runs for a bus rapid transit system that connects the heart of Tokyo with the Rinkai area. We also adjusted bus timetables to match the changes in travel demand.

Taxi business

Our taxi subsidiary Teito Motor Transportation Co., Ltd. grew earnings after securing taxi services orders for the G7 summit in Hiroshima held in May 2023. More generally, our taxi companies continued providing safe and comfortable taxi services.

The segment results were as follows: Operating revenue amounted to ¥43,290 million (up 29.3% year on year) and operating income amounted to ¥4,238 million (up 396.8% YoY).

Distribution

Store

Our store companies acted to increase their revenue growth. Keisei Store Co., Ltd., opened two Gyomu Super stores on a franchised basis (Yachimata Store, Higashi-Matsudo Store); Community Keisei Co., Ltd., opened a FamilyMart store (Narihira 3-Chome Store); and Shin-Keisei Retailing Net Co., Ltd., took over the operation of a 7-Eleven store (Urayasu Maihama Store).

Other

Businesses in this segment enhanced their retail assets to increase footfall. For example, Keisei Rose Nurseries Co., Ltd., opened a new area.

The segment results were as follows: Operating revenue amounted to ¥13,991 million (up 11.0% year on year) and operating income amounted to ¥255 million (up 142.0% YoY).

Real Estate

Leasing

We started building rental housing on land we had acquired in Senju-Kawaracho, Adachi-ku. We also acquired rental properties in Kanamachi, Katsushika-ku, and in Honcho, Funabashi city.

Sales

Having sold the last of the units in Park Homes Chiba, we completed the transfer process for the mid-rise apartment building. We also sold units in another mid-rise apartment building, Sungrande Chiba Tsuga Terrace, with a view to completing the transfer this year. Alongside this, we purchased land Toyoshikidai, Kashiwa City.

The segment results were as follows: Operating revenue amounted to ¥7,885 million (up 13.9% year on year) and operating income amounted to ¥2,837 million (up 15.6% YoY).

Leisure, Service

We worked to capitalize on the recovery in demand for hotel and food services following the easing of international and domestic travel restrictions. Keisei Hotel Miramare upgraded its Keisei train-themed concept room by adding a train simulator. In an effort to grow revenue, Keisei Travel Service Co., Ltd., organized travel event packages. One example was a tour of Shin-Keisei Electric Railway's train depot.

The segment results were as follows: Operating revenue amounted to ¥3,470 million (up 39.6% year on year) but operating loss amounted to ¥91 million (compared to an operating loss of ¥436 million in the same period last year).

Construction

In this segment, we worked on engineering projects for improving our railways. We also worked on contracts obtained from outside Keisei Group.

The segment results were as follows: Operating revenue amounted to ¥6,819 million (up 18.4% year on year) and operating income amounted to ¥419 million (up 172.8% YoY).

(2) Description of Financial Position

At the end of the period under review:

Assets amounted to ¥984,702 million, up ¥19,128 million (2.0%) year on year. A major factor was an increase in cash and deposits.

Liabilities amounted to ¥563,299 million, up ¥8,671 million (1.6%) year on year. A major factor was an increase in interest-bearing debt.

Net assets amounted to ¥421,402 million, up ¥10,456 million (2.5%) year on year. A major factor was an increase in retained earnings with the recording of net income attributable to owners of parent.

(3) Description of Consolidated Performance Forecasts and Other Forward-Looking Statements

In view of performance during the period under review, performance forecasts for the year ending March 31, 2024, remain unchanged from those announced on April 28, 2023.

We will continue monitoring trends and issue a public notice without delay if a revision to the forecasts becomes necessary.

2. Quarterly Consolidated Financial Statements with Main Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	34,607	47,082
Notes and accounts receivable: Trade and contract assets	28,445	25,033
Land and building for sale	6,224	8,002
Merchandise	2,246	2,453
Work in progress	168	190
Raw materials and supplies	4,085	4,153
Other	14,420	13,809
Allowance for doubtful accounts	(36)	(43)
Total current assets	90,160	100,681
Non-current assets		
Property, plant, and equipment		
Buildings and structures, net	321,354	320,782
Machinery, equipment, and vehicles, net	30,780	30,003
Land	207,127	209,444
Right-of-use assets, net	29,506	29,555
Construction in progress	42,636	45,175
Other, net	4,168	3,960
Total property, plant, and equipment	635,573	638,921
Intangible assets		
Right-of-use assets	1,161	1,157
Other	11,934	11,451
Total intangible assets	13,095	12,609
Investments and other assets		
Investment securities	202,892	209,025
Long-term loans receivable	160	168
Retirement benefit assets	178	178
Deferred tax assets	18,987	18,659
Other	4,219	4,176
Allowance for doubtful accounts	(183)	(183)
Total investments and other assets	226,256	232,024
Total non-current assets	874,925	883,555
Deferred assets	486	465
Assets	965,573	984,702

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable trade	20,723	15,913
Short-term loans payable	55,986	66,349
Commercial papers	—	9,000
Current portion of bonds payable	20,000	20,000
Lease obligations	4,985	4,862
Income taxes payable	2,504	2,182
Provision for bonuses	3,954	2,860
Other	74,483	72,459
Total current liabilities	182,638	193,628
Non-current liabilities		
Bonds	110,450	110,450
Long-term loans payable	148,431	145,749
Long-term accounts payable to JR TT	36,710	36,710
Lease obligations	19,964	20,246
Deferred tax liabilities	2,128	2,284
Retirement benefit liability	39,784	39,756
Other	14,519	14,473
Total non-current liabilities	371,989	369,670
Liabilities	554,627	563,299
Net assets		
Shareholders' equity		
Capital stock	36,803	36,803
Capital surplus	34,396	34,396
Retained earnings	335,790	344,470
Treasury stock	(13,641)	(13,643)
Total shareholders' equity	393,350	402,028
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,537	3,956
Remeasurements of defined benefit plans	(975)	(940)
Total accumulated other comprehensive income	1,562	3,015
Non-controlling interests	16,033	16,358
Net assets	410,945	421,402
Liabilities and net assets	965,573	984,702

(2) Quarterly Consolidated Income Statement and Quarterly Consolidated Statement of Comprehensive Income

Quarterly Consolidated Income Statement

First Quarter

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Operating revenue	59,756	72,466
Operating expenses		
Transport related operating expenses and sales costs	46,272	52,998
Selling, general, and administrative expenses	10,280	11,814
Total operating expenses	56,553	64,812
Operating income	3,203	7,653
Non-operating income		
Interest income	59	73
Dividend income	116	130
Share of profit of entities accounted for using equity method	2,604	5,926
Miscellaneous income	785	954
Total non-operating income	3,565	7,084
Non-operating expenses		
Interest expenses	578	626
Miscellaneous expenses	242	279
Total non-operating expenses	820	906
Ordinary income	5,948	13,831
Extraordinary income		
Gain on sale of non-current assets	–	73
Contribution for construction	312	49
Other	16	13
Total extraordinary income	328	135
Extraordinary losses		
Impairment loss	–	165
Loss on territorial rights exchange of non-current assets	–	84
Loss on retirement of non-current assets	31	37
Loss on reduction of non-current assets	283	33
Total extraordinary losses	314	320
Net income before income taxes	5,962	13,646
Income taxes: Current	1,341	2,561
Income taxes: Deferred	(89)	28
Total income taxes	1,251	2,589
Net income	4,710	11,056
Net income attributable to non-controlling interests	327	433
Net income attributable to owners of parent	4,382	10,622

Quarterly Consolidated Statement of Comprehensive Income

First Quarter

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net income	4,710	11,056
Other comprehensive income		
Valuation difference on available-for-sale securities	573	957
Remeasurements of defined benefit plans, net of tax	157	51
Share of other comprehensive income of entities accounted for using equity method	(80)	446
Total other comprehensive income	650	1,455
Comprehensive income	5,360	12,511
Comprehensive income attributable to		
owners of parent	4,993	12,076
non-controlling interests	367	435

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on the Going Concern Assumption)

No notes.

(Notes on significant changes in the amount of shareholders' equity)

No notes.

(Segment Information)

I Comparative period: First Quarter of Year Ended March 31, 2023, (April 1 to June 30, 2022)

Monetary Amounts for Segment-Specific Operating revenue, Income (Loss)

(Millions of yen)

	Reportable segments						Total	Reconciliation *1	Book value *2
	Transportation	Distribution	Real Estate	Leisure, Service	Construction	Other			
Operating revenue									
(1) Operating revenue from sales to external customers	33,349	12,527	5,413	2,055	5,033	1,377	59,756	—	59,756
(2) Operating revenue or transfer balance from inter-segment sales	142	83	1,508	430	725	800	3,690	(3,690)	—
Total	33,492	12,610	6,922	2,486	5,758	2,177	63,447	(3,690)	59,756
Segment profit (loss)	853	105	2,454	(436)	153	94	3,225	(21)	3,203

(Notes) 1 "Reconciliation" covers inter-segment gains and losses, inter-segment eliminations, and inter-segment goodwill amortization.

2 Segment profit (loss) is reconciled to the operating income reported in the quarterly consolidated income statement.

II Period Under Review: First Quarter of Year Ending March 31, 2024, (April 1 to June 30, 2023)

Monetary Amounts for Segment-Specific Operating revenue, Income (Loss)

(Millions of yen)

	Reportable segments						Total	Reconciliation *1	Book value *2
	Transportation	Distribution	Real Estate	Leisure, Service	Construction	Other			
Operating revenue									
(1) Operating revenue from sales to external customers	43,102	13,901	5,961	2,764	5,576	1,158	72,466	—	72,466
(2) Operating revenue or transfer balance from inter-segment sales	187	89	1,923	705	1,242	833	4,983	(4,983)	—
Total	43,290	13,991	7,885	3,470	6,819	1,992	77,449	(4,983)	72,466
Segment profit (loss)	4,238	255	2,837	(91)	419	15	7,674	(21)	7,653

(Notes) 1 "Reconciliation" covers inter-segment gains and losses, inter-segment eliminations, and inter-segment goodwill amortization.

2 Segment profit (loss) is reconciled to the operating income reported in the quarterly consolidated income statement.

3. Supplementary Information to Quarterly Earnings Report

■ Consolidated income statement

- Operating revenue and income grew thanks to a recovery in transport demand
- Impact of Shin-Keisei Electric Railway Co., Ltd. becoming consolidated subsidiary: Operating revenue +¥4.7 billion

Million yen, %		Q1 2022 Result	Q1 2023 Result	Change	% change
Transportation	Operating revenue	33,492	43,290	9,797	29.3
	Operating income	853	4,238	3,385	396.8
Distribution	Operating revenue	12,610	13,991	1,381	11.0
	Operating income	105	255	149	142.0
Real Estate	Operating revenue	6,922	7,885	962	13.9
	Operating income	2,454	2,837	382	15.6
Leisure, Service	Operating revenue	2,486	3,470	983	39.6
	Operating income	(436)	(91)	345	-
Construction	Operating revenue	5,758	6,819	1,061	18.4
	Operating income	153	419	265	172.8
Other	Operating revenue	2,177	1,992	(185)	(8.5)
	Operating income	94	15	(79)	(83.9)
Subtotal	Operating revenue	63,447	77,449	14,002	22.1
	Operating income	3,225	7,674	4,449	138.0
Reconciliation	Operating revenue	(3,690)	(4,983)	(1,292)	-
	Operating income	(21)	(21)	0	-
Total	Operating revenue	59,756	72,466	12,709	21.3
	Operating income	3,203	7,653	4,449	138.9
Non-operating income		3,565	7,084	3,518	98.7
Non-operating expenses		820	906	85	10.4
Ordinary income		5,948	13,831	7,882	132.5
Extraordinary income		328	135	(193)	(58.8)
Extraordinary losses		314	320	5	1.8
Net income before income taxes		5,962	13,646	7,684	128.9
Income taxes	Current	1,341	2,561	1,219	91.0
	Deferred	(89)	28	117	-
	Total	1,251	2,589	1,337	106.9
Net income		4,710	11,056	6,346	134.7
Net income attributable to non-controlling interests		327	433	106	32.4
Net income attributable to owners of parent		4,382	10,622	6,240	142.4

Non-operating income

Share of profit of entities accounted for
using equity method

2,604

5,926

■ FY2023 Results by Segment

• Transportation

• Impact of

Million yen, %		Q1 2022 Result	Q1 2023 Result	Change	% change
Railway	Operating revenue	15,857	21,879	6,021	38.0
	Operating income	559	3,037	2,478	443.3
Bus	Operating revenue	11,005	13,520	2,514	22.8
	Operating income	227	825	597	262.6
Taxi	Operating revenue	6,628	7,890	1,261	19.0
	Operating income	66	376	309	464.8
Transportation	Operating revenue	33,492	43,290	9,797	29.3
	Operating income	853	4,238	3,385	396.8

• Distribution

Million yen, %		Q1 2022 Result	Q1 2023 Result	Change	% change
Store	Operating revenue	8,413	9,942	1,529	18.2
	Operating income	10	111	100	958.2
Department store	Operating revenue	2,709	2,510	(199)	(7.3)
	Operating income	(86)	(37)	48	—
Other	Operating revenue	1,487	1,538	51	3.5
	Operating income	180	180	(0)	(0.0)
Distribution	Operating revenue	12,610	13,991	1,381	11.0
	Operating income	105	255	149	142.0

• Real Estate

Million yen, %		Q1 2022 Result	Q1 2023 Result	Change	% change
Leasing	Operating revenue	4,987	6,321	1,333	26.7
	Operating income	2,337	2,742	405	17.3
Sales	Operating revenue	744	108	(636)	(85.5)
	Operating income	60	(22)	(83)	—
Management	Operating revenue	1,190	1,455	264	22.3
	Operating income	56	117	60	107.1
Real Estate	Operating revenue	6,922	7,885	962	13.9
	Operating income	2,454	2,837	382	15.6

■ Transportation Performance [non-consolidated]

Thousand people, Million yen, %		Q1 2022 Result	Q1 2023 Result	Change	% change
Number of passengers	Commuters	37,659	39,753	2,094	5.6
	Non-commuters	25,608	29,493	3,885	15.2
	Total	63,267	69,246	5,979	9.5
	To/from Narita Airport	2,692	4,762	2,070	76.9
	Charged limited Express	612	1,509	897	146.6
Revenue from passengers	Commuters	4,482	4,708	226	5.1
	Non-commuters	7,405	10,620	3,215	43.4
	Total	11,888	15,329	3,441	28.9
	To/from Narita Airport	2,213	4,999	2,785	125.8
	Charged limited Express	555	1,503	948	170.9

[Reference] Comparison with FY2019

Thousand people, Million yen, %		Q1 2019 Result	Q1 2023 Result	Change	% change
Number of passengers	Commuters	44,792	39,753	(5,039)	(11.2)
	Non-commuters	30,911	29,493	(1,418)	(4.6)
	Total	75,703	69,246	(6,457)	(8.5)
	To/from Narita Airport	5,555	4,762	(793)	(14.3)
	Charged limited Express	1,571	1,509	(62)	(3.9)
Revenue from passengers	Commuters	5,512	4,708	(803)	(14.6)
	Non-commuters	11,277	10,620	(656)	(5.8)
	Total	16,790	15,329	(1,460)	(8.7)
	To/from Narita Airport	5,434	4,999	(435)	(8.0)
	Charged limited Express	1,493	1,503	10	0.7

Number of passengers: Rounded off to nearest thousand people

Revenue from passengers: Rounded down to nearest million yen