

May 13, 2025

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

Company name: Kobe Electric Railway Co.,Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9046
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 Scheduled date of annual general meeting of shareholders: June 13, 2025
 Scheduled date to commence dividend payments: June 16, 2025
 Scheduled date to file annual securities report: June 12, 2025
 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 fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	22,131	(0.8)	2,006	7.9	1,589	17.0	1,150	12.3
March 31, 2024	22,313	4.7	1,859	33.6	1,358	36.1	1,024	51.5

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥972 million [(42.9)%]
 For the fiscal year ended March 31, 2024: ¥1,702 million [174.5%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Operating profit to operating revenues ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	143.57	-	4.9	1.8	9.1
March 31, 2024	127.46	-	4.6	1.5	8.3

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2025: ¥1 million
 For the fiscal year ended March 31, 2024: ¥(4) million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	90,680	23,539	26.0	2,975.00
March 31, 2024	90,451	22,942	25.4	2,855.47

Reference: Equity
 As of March 31, 2025: ¥23,539 million
 As of March 31, 2024: ¥22,942 million

(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 period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	2,964	(2,015)	(1,356)	1,052
March 31, 2024	3,780	(1,319)	(2,437)	1,460

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividends payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	0.00	-	10.00	10.00	80	7.8	0.4
Fiscal year ended March 31, 2025	-	0.00	-	20.00	20.00	158	13.9	0.7
Fiscal year ending March 31, 2026 (Forecast)	-	0.00	-	20.00	20.00		14.3	

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 revenue		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
Fiscal year ending March 31, 2026	22,770	2.9	2,230	11.2	1,590	0.1	1,110	(3.5)	140.29

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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
- (3) Number of issued shares (common shares)

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

As of March 31, 2025	8,061,566 shares
As of March 31, 2024	8,061,566 shares

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

As of March 31, 2025	149,148 shares
As of March 31, 2024	26,871 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	8,015,377 shares
Fiscal year ended March 31, 2024	8,035,281 shares

[Reference] Overview 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 indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	12,111	(4.8)	1,588	7.7	1,182	15.2	887	6.7
March 31, 2024	12,718	5.0	1,475	35.4	1,026	22.3	831	32.3

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	110.66	-
March 31, 2024	103.44	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	88,482	21,972	24.8	2,777.01
March 31, 2024	87,700	21,463	24.5	2,671.35

Reference: Equity

As of March 31, 2025: ¥21,972 million

As of March 31, 2024: ¥21,463 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. In addition, actual results may differ from forecasts due to various factors in the future.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	1,468	1,054
Accounts receivable - trade	1,333	1,586
Short-term loans receivable	87	21
Land and buildings for sale	230	230
Merchandise	110	120
Supplies	447	479
Other	1,621	1,671
Total current assets	5,299	5,163
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	39,807	39,114
Machinery, equipment and vehicles, net	4,832	4,845
Land	35,019	35,485
Construction in progress	106	404
Other, net	498	489
Total property, plant and equipment	80,264	80,340
Intangible assets		
Other	688	806
Total intangible assets	688	806
Investments and other assets		
Investment securities	1,579	1,824
Long-term loans receivable	195	173
Retirement benefit asset	2,030	1,937
Other	409	452
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	4,197	4,370
Total non-current assets	85,151	85,516
Total assets	90,451	90,680

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	2,446	2,963
Short-term borrowings	17,803	21,847
Income taxes payable	174	385
Advances received	794	290
Provision for bonuses	53	51
Other	2,953	2,784
Total current liabilities	24,226	28,323
Non-current liabilities		
Long-term borrowings	37,079	32,588
Deferred tax liabilities	593	627
Deferred tax liabilities for land revaluation	3,461	3,559
Retirement benefit liability	105	95
Long-term accounts payable - other	539	549
Long-term guarantee deposits	927	908
Other	575	488
Total non-current liabilities	43,282	38,817
Total liabilities	67,508	67,141
Net assets		
Shareholders' equity		
Share capital	11,710	11,710
Retained earnings	8,697	9,768
Treasury shares	(95)	(391)
Total shareholders' equity	20,313	21,087
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	642	739
Deferred gains or losses on hedges	0	(0)
Revaluation reserve for land	1,480	1,382
Remeasurements of defined benefit plans	506	330
Total accumulated other comprehensive income	2,629	2,451
Total net assets	22,942	23,539
Total liabilities and net assets	90,451	90,680

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Operating revenue	22,313	22,131
Operating expenses		
Operating expenses and cost of sales of transportation	17,833	17,509
Selling, general and administrative expenses	2,621	2,615
Total operating expenses	20,454	20,124
Operating profit	1,859	2,006
Non-operating income		
Interest income	1	1
Dividend income	34	38
Gain on sale of securities	15	38
Reversal of clerical costs on work performed on contract	16	38
Gain on sale of goods	10	52
Miscellaneous income	67	59
Total non-operating income	145	229
Non-operating expenses		
Interest expenses	568	606
Miscellaneous expenses	78	39
Total non-operating expenses	646	645
Ordinary profit	1,358	1,589
Extraordinary income		
Gain on exchange of non-current assets	-	425
Contribution received for construction	556	863
Total extraordinary income	556	1,288
Extraordinary losses		
Tax purpose reduction entry of contribution for construction	556	1,288
Other	23	-
Total extraordinary losses	580	1,288
Profit before income taxes	1,334	1,589
Income taxes - current	182	378
Income taxes - deferred	127	60
Total income taxes	310	439
Profit	1,024	1,150
Profit attributable to owners of parent	1,024	1,150

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	1,024	1,150
Other comprehensive income		
Valuation difference on available-for-sale securities	309	96
Deferred gains or losses on hedges	(0)	(0)
Remeasurements of defined benefit plans, net of tax	369	(176)
Revaluation reserve for land	-	(98)
Total other comprehensive income	678	(177)
Comprehensive income	1,702	972
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,702	972
Comprehensive income attributable to non-controlling interests	-	-

Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,710	7,650	(91)	19,270
Changes during period				
Dividends of surplus		-		-
Profit attributable to owners of parent		1,024		1,024
Purchase of treasury shares			(3)	(3)
Reversal of revaluation reserve for land		22		22
Net changes in items other than shareholders' equity				
Total changes during period	-	1,047	(3)	1,043
Balance at end of period	11,710	8,697	(95)	20,313

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	333	0	1,503	136	1,973	21,243
Changes during period						
Dividends of surplus						-
Profit attributable to owners of parent						1,024
Purchase of treasury shares						(3)
Reversal of revaluation reserve for land						22
Net changes in items other than shareholders' equity	309	(0)	(22)	369	655	655
Total changes during period	309	(0)	(22)	369	655	1,699
Balance at end of period	642	0	1,480	506	2,629	22,942

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,710	8,697	(95)	20,313
Changes during period				
Dividends of surplus		(80)		(80)
Profit attributable to owners of parent		1,150		1,150
Purchase of treasury shares			(295)	(295)
Reversal of revaluation reserve for land		(0)		(0)
Net changes in items other than shareholders' equity				
Total changes during period	-	1,070	(295)	774
Balance at end of period	11,710	9,768	(391)	21,087

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	642	0	1,480	506	2,629	22,942
Changes during period						
Dividends of surplus						(80)
Profit attributable to owners of parent						1,150
Purchase of treasury shares						(295)
Reversal of revaluation reserve for land						(0)
Net changes in items other than shareholders' equity	96	(0)	(98)	(176)	(177)	(177)
Total changes during period	96	(0)	(98)	(176)	(177)	596
Balance at end of period	739	(0)	1,382	330	2,451	23,539

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	1,334	1,589
Depreciation	2,282	2,208
Increase (decrease) in net defined benefit asset and liability	(99)	(164)
Interest and dividend income	(35)	(40)
Interest expenses	568	606
Loss (gain) on sale of securities	(15)	(38)
Gain on exchange of non-current assets	-	(425)
Contribution received for construction	(556)	(863)
Reduction entry of land contribution for construction	556	1,288
Decrease (increase) in trade receivables	(236)	(252)
Decrease (increase) in inventories	37	(40)
Increase (decrease) in trade payables	155	(20)
Other, net	456	(148)
Subtotal	4,447	3,699
Interest and dividends received	35	39
Interest paid	(563)	(606)
Income taxes paid	(139)	(167)
Net cash provided by (used in) operating activities	3,780	2,964
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,854)	(2,609)
Purchase of investment securities	(300)	(201)
Proceeds from sale and redemption of investment securities	327	138
Loan advances	(16)	(1)
Proceeds from collection of loans receivable	85	88
Proceeds from contribution received for construction	772	578
Other, net	(333)	(8)
Net cash provided by (used in) investing activities	(1,319)	(2,015)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(326)	1,083
Proceeds from long-term borrowings	6,450	6,550
Repayments of long-term borrowings	(8,390)	(8,079)
Purchase of treasury shares	(3)	(295)
Dividends paid	-	(80)
Repayments of lease liabilities	(167)	(533)
Net cash provided by (used in) financing activities	(2,437)	(1,356)
Net increase (decrease) in cash and cash equivalents	23	(407)
Cash and cash equivalents at beginning of period	1,436	1,460
Cash and cash equivalents at end of period	1,460	1,052

(Segment information, etc.)

Segment Information

1. Overview of Reportable Segments

The Group's reportable segments are those of the constituent units of the Group for which segregated financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

The Group is developing businesses rooted in local communities, with a focus on its core businesses of transportation, real estate, and distribution.

The Group is comprised of the above three business group segments, with three reportable segments: Transportation, Real Estate, and Distribution. The Transportation Business consists of three businesses: the Railway Business, the Bus Business, and the Taxi Business. The "Real Estate Business" consists of two businesses: land and building sales and land and building leasing. The "Distribution business" consists mainly of the food supermarket business and the convenience store business.

2. Method of calculating the amount of operating revenue, profit or loss, assets and other items for each reportable segment

The accounting methods for the reportable business segments are the same as those described in the "Fundamental Important Matters for the Preparation of Consolidated Financial Statements" in the recent Annual Securities Report (filed on June 14, 2024).

Profit in the reportable segment is a figure based on operating income.

Internal revenues and transfers between segments are based on prevailing market prices.

3. Information on the amount of operating revenue, profit or loss, assets and other items for each reportable segment

The previous fiscal year (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments				Other (Note)	Total	Reconciling items	Per consolidated financial statements
	Transportation	Real Estate	Distribution	Total				
Operating revenue								
(1) Sales revenue to external customers	13,492	1,807	5,162	20,462	1,851	22,313	-	22,313
(2) Internal operating revenue or transfers between segments	17	181	11	211	1,115	1,327	(1,327)	-
Total	13,510	1,989	5,174	20,674	2,966	23,640	(1,327)	22,313
Segment Profit	866	836	75	1,777	55	1,832	26	1,859
Segment Assets	68,472	15,365	706	84,544	2,019	86,563	3,887	90,451
Depreciation	1,965	202	56	2,224	85	2,310	(27)	2,282
Increase in property, plant and equipment and intangible assets	1,694	363	29	2,087	42	2,130	(1)	2,128

Note: The "Other" category is a business segment that is not included in the reportable segments, and includes the childcare business, the health business, and the construction business.

The current fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments				Other (Note)	Total	Reconciling items	Per consolidated financial statements
	Transportation	Real Estate	Distribution	Total				
Operating revenue								
(1) Sales revenue to external customers	13,022	1,782	5,336	20,141	1,989	22,131	-	22,131
(2) Internal operating revenue or transfers between segments	17	184	11	214	1,222	1,436	(1,436)	-
Total	13,040	1,967	5,347	20,355	3,212	23,568	(1,436)	22,131
Segment Profit	918	910	103	1,932	59	1,992	14	2,006
Segment Assets	68,205	15,904	708	84,818	2,075	86,894	3,785	90,680
Depreciation	1,934	170	45	2,150	85	2,236	(27)	2,208
Increase in property, plant and equipment and intangible assets	2,632	2,804	40	5,477	207	5,684	(11)	5,673

Note: The "Other" category is a business segment that is not included in the reportable segments, and includes the childcare business, the health business, and the construction business.

4. Difference between the Total Amount of Reportable Segments and the Amount Recorded in Consolidated Financial Statements, and Main Details of the Difference (Matters Related to Adjustment of Differences)

(Millions of yen)

Operating revenue	The previous fiscal year	The current fiscal year
Total Reportable Segments	20,674	20,355
Operating revenue in the "Other" category	2,966	3,212
Inter-segment transaction elimination	(1,327)	(1,436)
Operating Revenue in Consolidated Financial Statements	22,313	22,131

(Millions of yen)

Profit	The previous fiscal year	The current fiscal year
Total Reportable Segments	1,777	1,932
Profit of the "Other" category	55	59
Inter-segment transaction elimination	26	14
Operating income in consolidated financial statements	1,859	2,006

(Millions of yen)

Assets	The previous fiscal year	The current fiscal year
Total Reportable Segments	84,544	84,818
Assets in the "Other" category	2,019	2,075
Company-wide assets (Note)	3,887	3,785
Total assets in consolidated financial statements	90,451	90,680

Note: Company-wide assets are mainly residual funds under management (cash and deposits) and long-term investment funds (investment securities) at the submitting company.

(Millions of yen)

Other Topics	Total Reportable Segments		Other		Reconciling items		Per consolidated financial statements	
	Previous Consolidated Fiscal Year	Consolidated fiscal year	Previous Consolidated Fiscal Year	Consolidated fiscal year	Previous Consolidated Fiscal Year	Consolidated fiscal year	Previous Consolidated Fiscal Year	Consolidated fiscal year
Depreciation	2,224	2,150	85	85	(27)	(27)	2,282	2,208
Increase in property, plant and equipment and intangible assets	2,087	5,477	42	207	(1)	(11)	2,128	5,673