

# Financial Statements

## Consolidated Balance Sheets

Unit: Million yen

	Prior consolidated fiscal year (March 31, 2021)	Current consolidated fiscal year (March 31, 2022)
<b>Assets</b>		
Current assets		
Cash	210,291	<b>319,843</b>
Notes and accounts receivable-trade	37,347	<b>42,579</b>
Railway fares receivable	25,107	<b>30,906</b>
Accounts receivable	61,177	<b>90,441</b>
Securities	24	<b>79</b>
Inventories	118,899	<b>145,884</b>
Other current assets	79,400	<b>88,902</b>
Less allowance for doubtful accounts	(638)	<b>(588)</b>
Total current assets	531,609	<b>718,048</b>
Non-current assets		
Property, plant, and equipment		
Buildings and structures	1,219,124	<b>1,234,911</b>
Machinery and transport equipment	384,067	<b>385,046</b>
Land	783,246	<b>782,009</b>
Construction in progress	118,904	<b>150,783</b>
Other property, plant, and equipment	62,713	<b>57,029</b>
Total property, plant, and equipment	2,568,055	<b>2,609,781</b>
Intangible assets	34,054	<b>31,268</b>
Investments and other assets		
Investments in securities	103,105	<b>97,520</b>
Net defined benefit asset	2,595	<b>3,134</b>
Deferred tax assets	191,769	<b>197,964</b>
Other investments and assets	51,192	<b>48,499</b>
Less allowance for doubtful accounts	(5,000)	<b>(4,936)</b>
Total investments and other assets	343,662	<b>342,181</b>
Total non-current assets	2,945,773	<b>2,983,232</b>
Deferred assets		
Share issuance cost	—	<b>1,140</b>
Total deferred assets	—	<b>1,140</b>
<b>Total assets</b>	<b>3,477,382</b>	<b>3,702,421</b>

Unit: Million yen

	Prior consolidated fiscal year (March 31, 2021)	Current consolidated fiscal year (March 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	60,255	<b>57,134</b>
Short-term loans payable	19,474	<b>14,229</b>
Current portion of bonds	25,000	<b>25,000</b>
Current portion of long-term loans payable	36,952	<b>71,572</b>
Current portion of long-term payables for acquisition of railway properties	1,309	<b>1,167</b>
Accounts payable	149,889	<b>105,944</b>
Accrued consumption tax	6,225	<b>8,371</b>
Accrued income tax	18,142	<b>9,535</b>
Inter-line fares received	6,388	<b>3,588</b>
Deposits received	121,055	<b>122,083</b>
Prepaid railway fares received	30,202	<b>30,404</b>
Advances received	53,624	<b>62,336</b>
Allowance for bonuses	23,473	<b>23,480</b>
Allowance for loss on disaster	2,230	<b>1,205</b>
Allowance for point program	714	<b>654</b>
Other current liabilities	36,176	<b>39,188</b>
Total current liabilities	591,116	<b>575,898</b>
Non-current liabilities		
Bonds	814,988	<b>949,990</b>
Long-term loans payable	581,408	<b>578,435</b>
Long-term payables for acquisition of railway properties	99,848	<b>98,681</b>
Deferred tax liabilities	1,846	<b>1,145</b>
Allowance for large scale renovation of Shinkansen infrastructure	20,833	<b>25,000</b>
Allowance for environmental safety measures	6,898	<b>5,880</b>
Allowance for loss on liquidation of railway belts	8,809	<b>16,627</b>
Net defined benefit liability	254,830	<b>238,077</b>
Other long-term liabilities	140,544	<b>138,471</b>
Total non-current liabilities	1,930,009	<b>2,052,311</b>
Total liabilities	2,521,125	<b>2,628,209</b>
<b>Net assets</b>		
Total shareholders' equity		
Common stock	100,000	<b>226,136</b>
Capital surplus	57,454	<b>183,812</b>
Retained earnings	696,843	<b>561,874</b>
Treasury stock, at cost	(482)	<b>(482)</b>
Total shareholders' equity	853,815	<b>971,341</b>
Valuation and translation adjustments		
Net unrealized holding gain on securities	(780)	<b>(1,270)</b>
Deferred gains or losses on hedges	0	<b>—</b>
Remeasurements of defined benefit plans	17	<b>(1,131)</b>
Total valuation and translation adjustments	(762)	<b>(2,402)</b>
Non-controlling interests	103,203	<b>105,272</b>
Total net assets	956,256	<b>1,074,211</b>
<b>Total liabilities and net assets</b>	<b>3,477,382</b>	<b>3,702,421</b>

Our values

The president's message

Value creation story

Building safe and reliable railways that offer peace of mind

Strategy for creating value for our vision

A foundation for value creation (ESG)

Data

# Financial Statements

## Consolidated Statements of Income

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2020 to March 31, 2021)	Current consolidated fiscal year (from April 1, 2021 to March 31, 2022)
Operating revenue	920,046	<b>1,031,103</b>
Operating expenses		
Transportation, other services and cost of sales	998,025	<b>987,857</b>
Selling, general, and administrative expenses	167,528	<b>162,338</b>
Total operating expenses	1,165,554	<b>1,150,195</b>
Operating loss	(245,507)	<b>(119,091)</b>
Non-operating revenue		
Interest income	27	<b>101</b>
Dividend income	908	<b>3,153</b>
Dividends income of insurance	1,593	<b>1,443</b>
Transfer from administrative fee of contracted construction	1,710	<b>1,762</b>
Equity in earnings of affiliates	1,909	<b>1,022</b>
Subsidies for employment adjustment	3,316	<b>10,371</b>
Other	3,595	<b>5,765</b>
Total non-operating revenue	13,062	<b>23,620</b>
Non-operating expenses		
Interest expense	20,455	<b>21,450</b>
Other	4,430	<b>4,126</b>
Total non-operating expenses	24,885	<b>25,576</b>
Recurring loss	(257,330)	<b>(121,047)</b>
Extraordinary profits		
Gain on sale of non-current assets	10,407	<b>33,674</b>
Gain on contributions received for construction	11,841	<b>19,678</b>
Compensation income for expropriation	1,586	<b>1,208</b>
Subsidies for employment adjustment	4,991	<b>135</b>
Other	3,109	<b>4,120</b>
Total extraordinary profits	31,936	<b>58,818</b>
Extraordinary losses		
Loss on deduction of contributions received for construction from acquisition costs of property, plant, and equipment	10,666	<b>18,375</b>
Loss on reduction for expropriation, etc.	398	<b>1,208</b>
Loss related to pandemic	11,879	<b>1,804</b>
Loss on valuation of investments in securities	15,721	<b>4,293</b>
Provision of allowance for loss on liquidation of railway belts	—	<b>8,638</b>
Other	10,642	<b>9,023</b>
Total extraordinary losses	49,309	<b>43,343</b>
Loss before income taxes	(274,702)	<b>(105,573)</b>
Income taxes – Current	9,990	<b>11,378</b>
Income taxes – Deferred	(50,812)	<b>(6,186)</b>
Total income taxes	(40,822)	<b>5,191</b>
Loss	(233,880)	<b>(110,764)</b>
Profit (loss) attributable to non-controlling interests	(714)	<b>2,433</b>
Loss attributable to owners of parent	(233,166)	<b>(113,198)</b>

## Consolidated Statements of Comprehensive Income

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2020 to March 31, 2021)	Current consolidated fiscal year (from April 1, 2021 to March 31, 2022)
Loss	(233,880)	<b>(110,764)</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	(362)	<b>(484)</b>
Deferred gains or losses on hedges	(37)	<b>—</b>
Remeasurements of defined benefit plans, net of tax	(6,174)	<b>(975)</b>
Share of other comprehensive income of associates accounted for using equity method	38	<b>(1)</b>
Total other comprehensive income	(6,535)	<b>(1,462)</b>
Comprehensive income	(240,416)	<b>(112,226)</b>
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	(239,642)	<b>(114,838)</b>
Comprehensive income attributable to non-controlling interests	(773)	<b>2,611</b>

## Consolidated Statement of Cash Flows

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2020 to March 31, 2021)	Current consolidated fiscal year (from April 1, 2021 to March 31, 2022)
<b>Cash flows from operating activities</b>		
Loss before income taxes	(274,702)	<b>(105,573)</b>
Depreciation and amortization	173,468	<b>160,868</b>
Loss on deduction of contributions received for construction from acquisition costs of property, plant, and equipment	10,666	<b>18,375</b>
Loss on disposal of property, plant, and equipment	5,982	<b>5,984</b>
Gain (loss) on sales of non-current assets	(9,088)	<b>(33,488)</b>
Increase (decrease) in liability for retirement benefits	(23,911)	<b>(18,686)</b>
Increase (decrease) in allowance for doubtful accounts	311	<b>(113)</b>
Increase (decrease) in provision for employees' bonuses	(13,937)	<b>4</b>
Increase in allowance for large-scale renovation of Shinkansen infrastructure	4,166	<b>4,166</b>
Increase (decrease) in other provisions	(5,486)	<b>5,721</b>
Interest and dividend income	(936)	<b>(3,255)</b>
Interest expense	20,455	<b>21,450</b>
Equity in earnings of affiliates	(1,909)	<b>(1,022)</b>
Proceeds from contribution for construction	(11,841)	<b>(19,678)</b>
Decrease (increase) in notes and accounts receivable-trade	11,047	<b>(39,478)</b>
Decrease (increase) in inventories	3,874	<b>(22,680)</b>
Increase (decrease) in notes and accounts payable-trade	30,483	<b>(41,733)</b>
Decrease/increase in consumption taxes receivable/payable	(11,197)	<b>10,194</b>
Other	22,626	<b>8,563</b>
Subtotal	(69,930)	<b>(50,382)</b>
Interest and dividends income received	939	<b>3,254</b>
Interest paid	(20,191)	<b>(21,215)</b>
Income taxes paid	(14,113)	<b>(18,124)</b>
Net cash provided by operating activities	(103,295)	<b>(86,468)</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant, and equipment	(242,047)	<b>(240,480)</b>
Proceeds from sales of property, plant, and equipment	12,850	<b>34,832</b>
Contributions received for constructions	22,793	<b>26,365</b>
Purchases of investments in securities	(3,020)	<b>(1,829)</b>
Proceeds from sales of investments in securities	812	<b>1,582</b>
Net decrease (increase) in loans receivable	(927)	<b>(3,144)</b>
Other	(2,153)	<b>(6,036)</b>
Net cash used in investing activities	(211,692)	<b>(188,711)</b>
<b>Cash flows from financing activities</b>		
Net increase in short-term loans	(5,448)	<b>(5,104)</b>
Net changes in commercial paper	(60,000)	<b>—</b>
Proceeds from long-term loans	283,600	<b>68,600</b>
Repayments of long-term loans	(36,507)	<b>(36,952)</b>
Proceeds from issuance of bonds	330,000	<b>160,000</b>
Redemption of bonds	(35,000)	<b>(25,000)</b>
Payment of long-term payables for acquisition of railway properties	(1,567)	<b>(1,309)</b>
Proceeds from issuance of common shares	—	<b>250,857</b>
Purchases of treasury stock	—	<b>(0)</b>
Proceeds from sales of treasury shares	0	<b>—</b>
Cash dividends paid	(24,870)	<b>(23,214)</b>
Dividends paid to non-controlling interests	(311)	<b>(305)</b>
Other	(3,144)	<b>(2,885)</b>
Net cash (used in) provided by financing activities	446,749	<b>384,685</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	131,761	<b>109,505</b>
<b>Cash and cash equivalents at the beginning of the period</b>	78,283	<b>210,045</b>
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	—	<b>45</b>
<b>Cash and cash equivalents at end of year</b>	210,045	<b>319,596</b>