

Financial Statements

Consolidated Balance Sheets

	Unit: Million yen	
	Prior consolidated fiscal year (March 31, 2022)	Current consolidated fiscal year (March 31, 2023)
Assets		
Current assets		
Cash	319,843	290,138
Notes and accounts receivable-trade	42,579	43,886
Railway fares receivable	30,906	41,472
Accounts receivable	90,441	115,535
Securities	79	36
Inventories	145,884	153,234
Other current assets	88,902	73,844
Less allowance for doubtful accounts	(588)	(1,616)
Total current assets	718,048	716,532
Non-current assets		
Property, plant, and equipment		
Buildings and structures	1,234,911	1,230,595
Machinery and transport equipment	385,046	399,001
Land	782,009	782,965
Construction in progress	150,783	117,193
Other property, plant, and equipment	57,029	51,447
Total property, plant, and equipment	2,609,781	2,581,205
Intangible assets	31,268	49,254
Investments and other assets		
Investments in securities	97,520	101,980
Net defined benefit asset	3,134	3,173
Deferred tax assets	197,964	232,895
Other investments and assets	48,499	53,558
Less allowance for doubtful accounts	(4,936)	(3,761)
Total investments and other assets	342,181	387,846
Total non-current assets	2,983,232	3,018,306
Deferred assets		
Share issuance cost	1,140	668
Total deferred assets	1,140	668
Total assets	3,702,421	3,735,507

	Unit: Million yen	
	Prior consolidated fiscal year (March 31, 2022)	Current consolidated fiscal year (March 31, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	57,134	66,020
Short-term loans payable	14,229	17,483
Current portion of bonds	25,000	100,000
Current portion of long-term loans payable	71,572	39,553
Current portion of long-term payables for acquisition of railway properties	1,167	1,245
Accounts payable	105,944	122,108
Accrued consumption tax	8,371	23,451
Accrued income tax	9,535	13,600
Inter-line fares received	3,588	2,240
Deposits received	122,083	119,536
Prepaid railway fares received	30,404	37,244
Advances received	62,336	44,052
Allowance for bonuses	23,480	29,540
Allowance for loss on disaster	1,205	396
Allowance for point program	654	706
Other current liabilities	39,188	41,283
Total current liabilities	575,898	658,464
Non-current liabilities		
Bonds	949,990	859,992
Long-term loans payable	578,435	557,482
Long-term payables for acquisition of railway properties	98,681	97,436
Deferred tax liabilities	1,145	1,474
Allowance for large scale renovation of Shinkansen infrastructure	25,000	29,166
Allowance for environmental safety measures	5,880	3,414
Allowance for loss on liquidation of railway belts	16,627	15,794
Net defined benefit liability	238,077	223,318
Other long-term liabilities	138,471	144,653
Total non-current liabilities	2,052,311	1,932,733
Total liabilities	2,628,209	2,591,198
Net assets		
Total shareholders' equity		
Common stock	226,136	226,136
Capital surplus	183,812	183,904
Retained earnings	561,874	626,108
Treasury stock, at cost	(482)	(1,378)
Total shareholders' equity	971,341	1,034,772
Valuation and translation adjustments		
Net unrealized holding gain on securities	(1,270)	1,061
Deferred gains or losses on hedges	—	(9)
Remeasurements of defined benefit plans	(1,131)	(1,347)
Total valuation and translation adjustments	(2,402)	(295)
Non-controlling interests	105,272	109,832
Total net assets	1,074,211	1,144,309
Total liabilities and net assets	3,702,421	3,735,507

Consolidated Statements of Income

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2021 to March 31, 2022)	Current consolidated fiscal year (from April 1, 2022 to March 31, 2023)
Operating revenue	1,031,103	1,395,531
Operating expenses		
Transportation, other services and cost of sales	987,857	1,126,833
Selling, general, and administrative expenses	162,338	184,727
Total operating expenses	1,150,195	1,311,560
Operating income (loss)	(119,091)	83,970
Non-operating revenue		
Interest income	101	41
Dividend income	3,153	997
Dividends income of insurance	1,443	1,546
Transfer from administrative fee of contracted construction	1,762	1,646
Equity in earnings of affiliates	1,022	1,099
Reversal of allowance for doubtful accounts	173	1,708
Subsidies for employment adjustment	10,371	1,854
Other	5,591	4,282
Total non-operating revenue	23,620	13,177
Non-operating expenses		
Interest expense	21,450	20,816
Other	4,126	2,711
Total non-operating expenses	25,576	23,528
Recurring income (loss)	(121,047)	73,619
Extraordinary profits		
Gain on sale of non-current assets	33,674	7,262
Gain on contributions received for construction	19,678	65,983
Compensation income for expropriation	1,208	1,406
Other	4,256	1,787
Total extraordinary profits	58,818	76,440
Extraordinary losses		
Loss on deduction of contributions received for construction from acquisition costs of property, plant, and equipment	18,375	63,493
Loss on reduction for expropriation, etc.	1,208	1,405
Provision of allowance for loss on liquidation of railway belts	8,638	—
Other	15,121	12,287
Total extraordinary losses	43,343	77,186
Profit (loss) before income taxes	(105,573)	72,873
Income taxes – Current	11,378	14,429
Income taxes – Deferred	(6,186)	(35,426)
Total income taxes	5,191	(20,997)
Profit (loss)	(110,764)	93,871
Profit attributable to non-controlling interests	2,433	5,342
Profit (loss) attributable to owners of parent	(113,198)	88,528

Consolidated Statements of Comprehensive Income

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2021 to March 31, 2022)	Current consolidated fiscal year (from April 1, 2022 to March 31, 2023)
Profit (loss)	(110,764)	93,871
Other comprehensive income		
Valuation difference on available-for-sale securities	(484)	2,442
Deferred gains or losses on hedges	—	(12)
Remeasurements of defined benefit plans, net of tax	(975)	(275)
Share of other comprehensive income of associates accounted for using equity method	(1)	(29)
Total other comprehensive income	(1,462)	2,125
Comprehensive income	(112,226)	95,996
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	(114,838)	90,635
Comprehensive income attributable to non-controlling interests	2,611	5,361

Consolidated Statement of Cash Flows

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2021 to March 31, 2022)	Current consolidated fiscal year (from April 1, 2022 to March 31, 2023)
Cash flows from operating activities		
Profit (loss) before income taxes	(105,573)	72,873
Depreciation and amortization	160,868	159,655
Loss on deduction of contributions received for construction from acquisition costs of property, plant, and equipment	18,375	63,493
Loss on disposal of property, plant, and equipment	5,984	5,228
Gain (loss) on sales of non-current assets	(33,488)	(7,184)
Increase (decrease) in liability for retirement benefits	(18,686)	(15,416)
Increase (decrease) in allowance for doubtful accounts	(113)	(147)
Increase (decrease) in provision for employees' bonuses	4	6,055
Increase in allowance for large-scale renovation of Shinkansen infrastructure	4,166	4,166
Increase (decrease) in other provisions	5,721	(4,089)
Interest and dividend income	(3,255)	(1,039)
Interest expense	21,450	20,816
Equity in earnings of affiliates	(1,022)	(1,099)
Proceeds from contribution for construction	(19,678)	(65,983)
Decrease (increase) in notes and accounts receivable-trade	(39,478)	(37,305)
Decrease (increase) in inventories	(22,680)	(3,364)
Increase (decrease) in notes and accounts payable-trade	(41,733)	55,335
Decrease/increase in consumption taxes receivable/payable	10,194	15,073
Other	8,563	37,883
Subtotal	(50,382)	304,952
Interest and dividends income received	3,254	1,033
Interest paid	(21,215)	(20,633)
Income taxes paid	(18,124)	(11,388)
Net cash provided by operating activities	(86,468)	273,964
Cash flows from investing activities		
Purchases of property, plant, and equipment	(240,480)	(246,013)
Proceeds from sales of property, plant, and equipment	34,832	11,389
Contributions received for constructions	26,365	28,920
Purchases of investments in securities	(1,829)	(2,375)
Proceeds from sales of investments in securities	1,582	700
Net decrease (increase) in loans receivable	(3,144)	(1,304)
Other	(6,036)	(6,218)
Net cash used in investing activities	(188,711)	(214,902)
Cash flows from financing activities		
Net increase in short-term loans	(5,104)	1,217
Proceeds from long-term loans	68,600	18,600
Repayments of long-term loans	(36,952)	(71,572)
Proceeds from issuance of bonds	160,000	10,000
Redemption of bonds	(25,000)	(25,000)
Payment of long-term payables for acquisition of railway properties	(1,309)	(1,167)
Proceeds from issuance of common shares	250,857	—
Purchases of treasury stock	(0)	(963)
Cash dividends paid	(23,214)	(24,400)
Dividends paid to non-controlling interests	(305)	(235)
Other	(2,885)	4,756
Net cash (used in) provided by financing activities	384,685	(88,765)
Net increase (decrease) in cash and cash equivalents	109,505	(29,703)
Cash and cash equivalents at the beginning of the period	210,045	319,596
Increase in cash and cash equivalents from newly consolidated subsidiary	45	—
Cash and cash equivalents at end of year	319,596	289,893