

Financial Statements

Consolidated Balance Sheets

Unit: Million yen		
	Prior consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
<b>Assets</b>		
Current assets		
Cash	290,138	233,465
Notes and accounts receivable-trade	43,886	58,437
Railway fares receivable	41,472	52,676
Accounts receivable	115,535	114,129
Securities	36	—
Inventories	153,234	160,631
Other current assets	73,844	82,161
Less allowance for doubtful accounts	(1,616)	(537)
Total current assets	716,532	700,963
Non-current assets		
Property, plant, and equipment		
Buildings and structures	1,230,595	1,236,295
Machinery and transport equipment	399,001	414,075
Land	782,965	806,288
Construction in progress	117,193	122,667
Other property, plant, and equipment	51,447	54,097
Total property, plant, and equipment	2,581,205	2,633,423
Intangible assets	49,254	46,490
Investments and other assets		
Investments in securities	101,980	127,931
Net defined benefit asset	3,173	4,564
Deferred tax assets	232,895	207,161
Other investments and assets	53,558	60,497
Less allowance for doubtful accounts	(3,761)	(3,306)
Total investments and other assets	387,846	396,848
Total non-current assets	3,018,306	3,076,763
Deferred assets		
Share issuance cost	668	196
Total deferred assets	668	196
<b>Total assets</b>	<b>3,735,507</b>	<b>3,777,923</b>

Unit: Million yen		
	Prior consolidated fiscal year (March 31, 2023)	Current consolidated fiscal year (March 31, 2024)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	66,020	59,894
Short-term loans payable	17,483	19,298
Current portion of bonds	100,000	60,000
Current portion of long-term loans payable	39,553	77,130
Current portion of long-term payables for acquisition of railway properties	1,245	1,327
Accounts payable	122,108	163,458
Accrued consumption tax	23,451	25,326
Accrued income tax	13,600	13,422
Inter-line fares received	2,240	4,147
Deposits received	119,536	131,092
Prepaid railway fares received	37,244	38,339
Advances received	44,052	37,512
Allowance for bonuses	29,540	36,251
Allowance for loss on disaster	396	2,575
Allowance for point program	706	143
Other current liabilities	41,283	40,254
Total current liabilities	658,464	710,175
Non-current liabilities		
Bonds	859,992	799,994
Long-term loans payable	557,482	519,855
Long-term payables for acquisition of railway properties	97,436	96,108
Deferred tax liabilities	1,474	1,807
Allowance for large scale renovation of Shinkansen infrastructure	29,166	33,333
Allowance for environmental safety measures	3,414	2,255
Allowance for loss on liquidation of railway belts	15,794	30,292
Net defined benefit liability	223,318	211,647
Other long-term liabilities	144,653	147,491
Total non-current liabilities	1,932,733	1,842,786
Total liabilities	2,591,198	2,552,961
<b>Net assets</b>		
Total shareholders' equity		
Common stock	226,136	226,136
Capital surplus	183,904	183,939
Retained earnings	626,108	692,468
Treasury stock, at cost	(1,378)	(1,262)
Total shareholders' equity	1,034,772	1,101,282
Valuation and translation adjustments		
Net unrealized holding gain on securities	1,061	6,569
Deferred gains or losses on hedges	(9)	130
Remeasurements of defined benefit plans	(1,347)	(2,087)
Total valuation and translation adjustments	(295)	4,613
Non-controlling interests	109,832	119,064
Total net assets	1,144,309	1,224,961
<b>Total liabilities and net assets</b>	<b>3,735,507</b>	<b>3,777,923</b>

## Consolidated Statements of Income

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (from April 1, 2023 to March 31, 2024)
Operating revenue	1,395,531	<b>1,635,023</b>
Operating expenses		
Transportation, other services and cost of sales	1,126,833	<b>1,239,576</b>
Selling, general, and administrative expenses	184,727	<b>215,698</b>
Total operating expenses	1,311,560	<b>1,455,275</b>
Operating income (loss)	83,970	<b>179,748</b>
Non-operating revenue		
Interest income	41	<b>57</b>
Dividend income	997	<b>879</b>
Dividends income of insurance	1,546	<b>1,549</b>
Transfer from administrative fee of contracted construction	1,646	<b>1,472</b>
Equity in earnings of affiliates	1,099	<b>1,379</b>
Reversal of allowance for doubtful accounts	1,708	<b>998</b>
Other	6,137	<b>3,639</b>
Total non-operating revenue	13,177	<b>9,977</b>
Non-operating expenses		
Interest expense	20,816	<b>20,101</b>
Other	2,711	<b>2,241</b>
Total non-operating expenses	23,528	<b>22,343</b>
Recurring income (loss)	73,619	<b>167,382</b>
Extraordinary profits		
Gain on sale of non-current assets	7,262	<b>4,066</b>
Gain on contributions received for construction	65,983	<b>17,105</b>
Compensation income for expropriation	1,406	<b>4,514</b>
Other	1,787	<b>5,218</b>
Total extraordinary profits	76,440	<b>30,904</b>
Extraordinary losses		
Loss on deduction of contributions received for construction from acquisition costs of property, plant, and equipment	63,493	<b>16,310</b>
Loss on reduction for expropriation, etc.	1,405	<b>4,370</b>
Provision of allowance for loss on liquidation of railway belts	—	<b>15,000</b>
Other	12,287	<b>17,424</b>
Total extraordinary losses	77,186	<b>53,105</b>
Profit (loss) before income taxes	72,873	<b>145,182</b>
Income taxes – Current	14,429	<b>17,102</b>
Income taxes – Deferred	(35,426)	<b>23,700</b>
Total income taxes	(20,997)	<b>40,803</b>
Profit (loss)	93,871	<b>104,379</b>
Profit attributable to non-controlling interests	5,342	<b>5,617</b>
Profit (loss) attributable to owners of parent	88,528	<b>98,761</b>

## Consolidated Statements of Comprehensive Income

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (from April 1, 2023 to March 31, 2024)
Profit (loss)	93,871	<b>104,379</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	2,442	<b>5,794</b>
Deferred gains or losses on hedges	(12)	<b>143</b>
Remeasurements of defined benefit plans, net of tax	(275)	<b>(373)</b>
Share of other comprehensive income of associates accounted for using equity method	(29)	<b>109</b>
Total other comprehensive income	2,125	<b>5,673</b>
Comprehensive income	95,996	<b>110,052</b>
Comprehensive income attributable to:		
Comprehensive income attributable to owners of the parent	90,635	<b>103,670</b>
Comprehensive income attributable to non-controlling interests	5,361	<b>6,382</b>

## Consolidated Statement of Cash Flows

Unit: Million yen

	Prior consolidated fiscal year (from April 1, 2022 to March 31, 2023)	Current consolidated fiscal year (from April 1, 2023 to March 31, 2024)
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	72,873	<b>145,182</b>
Depreciation and amortization	159,655	<b>163,322</b>
Loss on deduction of contributions received for construction from acquisition costs of property, plant, and equipment	63,493	<b>16,310</b>
Loss on disposal of property, plant, and equipment	5,228	<b>5,601</b>
Gain (loss) on sales of non-current assets	(7,184)	<b>(3,594)</b>
Increase (decrease) in liability for retirement benefits	(15,416)	<b>(13,459)</b>
Increase (decrease) in allowance for doubtful accounts	(147)	<b>(1,533)</b>
Increase (decrease) in provision for employees' bonuses	6,055	<b>6,705</b>
Increase in allowance for large-scale renovation of Shinkansen infrastructure	4,166	<b>4,166</b>
Increase (decrease) in other provisions	(4,089)	<b>14,806</b>
Interest and dividend income	(1,039)	<b>(937)</b>
Interest expense	20,816	<b>20,101</b>
Equity in earnings of affiliates	(1,099)	<b>(1,379)</b>
Proceeds from contribution for construction	(65,983)	<b>(17,105)</b>
Decrease (increase) in notes and accounts receivable-trade	(37,305)	<b>(9,117)</b>
Decrease (increase) in inventories	(3,364)	<b>(6,492)</b>
Increase (decrease) in notes and accounts payable-trade	55,335	<b>24,688</b>
Decrease/increase in consumption taxes receivable/payable	15,073	<b>1,837</b>
Other	37,883	<b>5,500</b>
Subtotal	304,952	<b>354,603</b>
Interest and dividends income received	1,033	<b>934</b>
Interest paid	(20,633)	<b>(19,939)</b>
Income taxes paid	(11,388)	<b>(17,283)</b>
Net cash provided by operating activities	273,964	<b>318,314</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant, and equipment	(246,013)	<b>(249,352)</b>
Proceeds from sales of property, plant, and equipment	11,389	<b>4,964</b>
Contributions received for constructions	28,920	<b>23,325</b>
Purchases of investments in securities	(2,375)	<b>(22,327)</b>
Proceeds from sales of investments in securities	700	<b>1,422</b>
Net decrease (increase) in loans receivable	(1,304)	<b>3,561</b>
Other	(6,218)	<b>(5,245)</b>
Net cash used in investing activities	(214,902)	<b>(243,651)</b>
<b>Cash flows from financing activities</b>		
Net increase in short-term loans	1,217	<b>1,508</b>
Proceeds from long-term loans	18,600	<b>39,500</b>
Repayments of long-term loans	(71,572)	<b>(39,550)</b>
Proceeds from issuance of bonds	10,000	<b>—</b>
Redemption of bonds	(25,000)	<b>(100,000)</b>
Payment of long-term payables for acquisition of railway properties	(1,167)	<b>(1,245)</b>
Purchases of treasury stock	(963)	<b>(1)</b>
Cash dividends paid	(24,400)	<b>(32,290)</b>
Dividends paid to non-controlling interests	(235)	<b>(300)</b>
Other	4,756	<b>759</b>
Net cash (used in) provided by financing activities	(88,765)	<b>(131,620)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	(29,703)	<b>(56,956)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	319,596	<b>289,893</b>
<b>Increase in cash and cash equivalents from newly consolidated subsidiary</b>	—	<b>282</b>
<b>Cash and cash equivalents at end of year</b>	289,893	<b>233,218</b>