



SUMMARY OF THE FIRST QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2025 [JAPANESE GAAP] (CONSOLIDATED BASIS)

August 1, 2024

Company name: West Japan Railway Company

Stock listings: Tokyo Stock Exchange

Code number: 9021 URL <https://www.westjr.co.jp>

Representative: Kazuaki Hasegawa

For further information, please contact: Shinkan Minagawa, General Manager, Corporate Communications Division

Start of dividend payments: -

Supplemental explanatory material prepared: Yes

Results briefing held: Yes

(Figures less than ¥1 million have been omitted.)

1. Results for the Three Months Ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Operating results

Percentages indicate year-on-year increase/(decrease) .

	Operating revenues		Operating Income		Recurring income		Income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2024	402,780	9.1	58,228	11.5	55,244	13.6	38,272	14.9
June 30, 2023	369,270	24.3	52,210	167.3	48,632	187.5	33,313	(42.4)

(Note) Comprehensive income: Three months ended June 30, 2024 39,701 Millions of yen 8.6%

Three months ended June 30, 2023 36,574 Millions of yen (37.8%)

	Income attributable to owners of parent per share	Income attributable to owners of parent per share after dilution
	Yen	Yen
June 30, 2024	79.03	-
June 30, 2023	68.35	-

(Note) The Company conducted a 2-for-1 stock split of shares of common stock that became effective on April 1, 2024.

Income attributable to owners of parent per share is calculated assuming this stock split was conducted at the beginning of the fiscal year ending March 31, 2024.

(2) Financial position

	Total Assets	Net Assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2024	3,612,970	1,217,554	30.4
FY2024.3	3,780,073	1,227,111	29.3

(Reference) Total shareholders' equity: June 30, 2024 1,097,883 Millions of yen FY2024.3 1,108,046 Millions of yen

(Note) The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022) etc. have been adopted from the beginning of the first quarter ended June 30, 2024, and the figures for the fiscal year ended March 31, 2024 have been retroactively applied.

2. Dividend

	Dividends per share				
	June. 30	Sept. 30	Dec. 30	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2024.3	-	57.50	-	84.50	142.00
FY2025.3	-	-	-	-	-
FY2025.3 (Forecast)	-	36.00	-	36.00	72.00

(Note) Revision of dividends forecast for this period: None

The Company conducted a 2-for-1 stock split of shares of common stock that became effective on April 1, 2024.

Dividends for FY2024.3 are pre-stock split dividends.

3. Forecasts for Fiscal Year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year increase/(decrease).

Fiscal year	Operating revenues		Operating Income		Recurring income		Income attributable to owners of parent		Income attributable to owners of parent per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	1,718,000	5.1	170,000	(5.4)	155,500	(7.1)	100,000	1.3	205.16

(Note) Revision of earnings forecast for this period: None

Notes

(1) Significant changes in subsidiaries during the subject period: None

(2) Adoption of simplified accounting practices and special accounting policy for quarterly financial reporting: None

(3) Changes in accounting policies, changes in accounting estimates, restatements

1) Changes based on revision of accounting standards: Yes

2) Changes other than 1) above: None

3) Changes in Accounting Estimates: None

4) Restatements: None

(Note) For details, please refer to “(3) Notes to Financial Statements (Notes to Changes in Accounting Policies)” of “2. Consolidated Financial Statements” on page 7 of the Attached Materials section.

(4) Number of shares outstanding (common stock)

1) Number of shares issued and outstanding (including treasury stock):	Three months ended June 30, 2024	488,003,200	FY2024.3	488,003,200
2) Number of treasury stock	Three months ended June 30, 2024	9,758,630	FY2024.3	583,706
3) Average number of shares outstanding for each period (cumulative term):	Three months ended June 30, 2024	484,258,866	Three months ended June 30, 2023	487,371,258

Note: The Company conducted a 2-for-1 stock split of shares of common stock that became effective on April 1, 2024. Number of shares issued and outstanding, number of treasury stock and average number of shares outstanding for each period are calculated assuming this stock split was conducted at the beginning of the fiscal year ended March 31, 2024.

* Review of the attached Quarterly Financial Statement by certified public accountants or the Accounting Auditor: None

Notes

- The forward-looking statements in this document, including forecasts, etc., are based on information available to the Company at the time of this document's release and on certain assumptions considered reasonable. For earnings forecasts, please refer to “Supplemental Data (Results for 3 months ended June 30, 2024)”.
- Supplementary materials for the financial statements are posted on our homepage. The Company plans to hold a presentation for analysts on August 1, 2024. The Company plans to promptly post the presentation materials on its homepage after the presentation.

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Reference: Supplemental Data (Results for 3 months ended June 30, 2024)

1. Analysis of Business Performance

An analysis of business performance for the first quarter of the current fiscal year is provided in the “Supplemental Data (Results for 3 months ended June 30, 2024),” which was disclosed on TD-net and the Company’s website on the same day.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	March 31, 2024	June 30, 2024
Assets		
Current assets		
Cash and deposits	233,465	134,716
Notes and accounts receivable-trade	58,437	39,756
Railway fares receivable	52,676	40,065
Accounts receivables	114,129	70,508
Securities	-	5
Inventories	160,631	174,370
Other	82,161	80,361
Less allowance for doubtful accounts	(537)	(491)
Current assets total	700,963	539,292
Non-current assets		
Property, plant and equipment		
Buildings and structures (net value)	1,236,295	1,221,035
Machinery and transport equipment (net value)	414,075	416,131
Land	806,288	809,304
Construction in progress	122,667	132,834
Other property, plant and equipment (net value)	54,097	52,905
Property, plant and equipment total	2,633,423	2,632,211
Intangible fixed assets	46,490	53,520
Investments and other assets		
Investments in securities	127,931	132,802
Net defined benefit asset	4,564	4,573
Deferred tax assets	209,312	195,831
Other	60,497	57,871
Less allowance for doubtful accounts	(3,306)	(3,211)
Total investments and other assets	398,999	387,867
Total non-current assets	3,078,913	3,073,599
Deferred assets		
Share issuance cost	196	78
Total deferred assets	196	78
Total assets	3,780,073	3,612,970

(Millions of yen)

	March 31, 2024	June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable-trade	59,894	37,222
Short-term loans payable	19,298	20,759
Current portion of bonds	60,000	65,500
Current portion of long-term debt	77,130	94,372
Current portion of long-term payables for acquisition of railway properties	1,327	1,327
Accounts payable	163,458	95,840
Accrued consumption tax	25,326	16,019
Accrued income tax	13,422	5,144
Prepaid railway fares received	38,339	40,051
Advances received	37,512	78,850
Allowance for bonuses	36,251	17,702
Allowance for loss on disaster	2,575	1,137
Other current liabilities	175,637	171,469
Total current liabilities	710,175	645,399
Non-current liabilities		
Bonds	799,994	744,994
Long-term debt	519,855	478,605
Long-term payables for acquisition of railway properties	96,108	96,108
Deferred tax liabilities	1,807	1,924
Allowance for large scale renovation of Shinkansen infrastructure	33,333	34,375
Allowance for environmental safety measures	2,255	2,255
Allowance for loss on liquidation of railway belts	30,292	30,275
Accrued retirement benefits	211,647	213,426
Other long-term liabilities	147,491	148,051
Total non-current liabilities	1,842,786	1,750,016
Total liabilities	2,552,961	2,395,416
Net assets		
Shareholders' equity		
Common stock	226,136	226,136
Capital surplus	183,939	183,939
Retained earnings	694,619	712,287
Treasury stock	(1,262)	(29,765)
Total shareholders' equity	1,103,433	1,092,598
Accumulated other comprehensive income		
Net unrealized holding gain on securities	6,569	7,247
Deferred gains or losses on hedges	130	333
Remeasurements of defined benefit plans	(2,087)	(2,296)
Total other comprehensive income	4,613	5,284
Non-controlling interests	119,064	119,671
Total net assets	1,227,111	1,217,554
Total liabilities and net assets	3,780,073	3,612,970

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income
Three months ended June 30

(Millions of yen)

	2023	2024
Operating revenues	369,270	402,780
Operating expenses		
Transportation, other services and cost of sales	268,692	288,714
Selling, general and administrative expenses	48,367	55,837
Total operating expenses	317,060	344,552
Operating income	52,210	58,228
Non-operating revenues		
Interest income	15	12
Dividend income	414	545
Transfer from administrative fee of contracted construction	26	76
Equity in earnings of affiliates	410	491
Other	996	975
Total non-operating revenues	1,862	2,101
Non-operating expenses		
Interest expenses	5,061	4,808
Other	379	276
Total non-operating expenses	5,440	5,084
Recurring income	48,632	55,244
Extraordinary income		
Gain on sales of noncurrent assets	54	864
Gain on contribution for construction	2,512	2,710
Compensation income for expropriation	27	7
Other	119	267
Total extraordinary income	2,714	3,849
Extraordinary losses		
Loss on deduction of contributions received for construction from acquisition costs of property, plant and equipment	2,441	2,581
Loss on reduction for expropriation	27	7
Other	399	558
Total extraordinary losses	2,867	3,147
Income before income taxes	48,478	55,946
Income taxes- Current	3,922	3,709
Income taxes- Deferred	9,829	13,284
Total income taxes	13,751	16,994
Income	34,726	38,952
Income attributable to non-controlling interests	1,413	679
Income attributable to owners of parent	33,313	38,272

Consolidated Statements of Comprehensive Income
Three months ended June 30

(Millions of yen)

	2023	2024
Income	34,726	38,952
Other comprehensive income		
Valuation difference on available-for-sale securities	2,092	786
Deferred gains or losses on hedges	13	209
Remeasurements of defined benefit plans	(234)	(261)
Share of other comprehensive income of associates accounted for using equity method	(23)	14
Total other comprehensive income	1,847	749
Comprehensive income	36,574	39,701
Breakdown of comprehensive income		
Comprehensive income attributable to owners of the parent	35,059	38,943
Comprehensive income attributable to non-controlling interests	1,514	758

(3) Notes to Consolidated Financial Statements

(Notes to Changes in Accounting Policies)

(Application of the Accounting Standard for Current Income Taxes)

The Accounting Standard for Current Income Taxes (ASBJ Statement No.27, October 28,2022; hereinafter referred to as the “Revised Accounting Standard 2022”), etc. have been adopted from the beginning of the first quarter ended June 30, 2024.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No.28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on the quarterly consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the first quarter ended June 30, 2024. This change in accounting policies was applied retrospectively. Hence, the quarterly consolidated financial statements for the same quarter of the prior fiscal year and the consolidated financial statements for the prior fiscal year have been modified retrospectively.

As a result, compared to before the retrospective application, deferred tax assets for the previous consolidated fiscal year increased by ¥2,150 million. Furthermore, due to the cumulative effect being reflected in the beginning net assets of the previous consolidated fiscal year, the beginning balance of retained earnings increased by ¥2,150 million.

(Notes to Segment Information)

1. First Quarter of the Previous Fiscal Year (from April 1, 2023 to June 30, 2023)
Information on Operating Revenues and Earnings (or Loss) by Reportable Segment

(Millions of yen)

	Mobility Segment	Retail Segment	Real Estate Segment	Travel and Regional Solutions Segment	Other businesses (Note 1)	Total	Eliminations and intergroup (Note 2)	Consolidated (Note 3)
Operating revenue:								
Operating revenues from third parties	221,580	46,520	46,301	49,623	5,244	369,270	-	369,270
Intergroup operating revenues and transfers	10,563	1,163	4,111	837	11,980	28,656	(28,656)	-
Total operating revenues	232,143	47,684	50,413	50,460	17,225	397,927	(28,656)	369,270
Segment income	32,862	3,428	10,395	5,172	133	51,993	216	52,210

(Note) 1. The "Other Businesses" category is a business segment not included in reportable segments. It includes such operations as advertising.

2. The segment income adjustment of ¥216 million is the elimination of intersegment transactions.

3. Segment income is adjusted to the operating income figure on the Consolidated Statements of Income.

2. First Quarter of the Current Fiscal Year (from April 1, 2024 to June 30, 2024)
Information on Operating Revenues and Earnings (or Loss) by Reportable Segment

(Millions of yen)

	Mobility Segment	Retail Segment	Real Estate Segment	Travel and Regional Solutions	Other businesses (Note 1)	Total	Eliminations and intergroup (Note 2)	Consolidated (Note 3)
Operating revenues:								
Operating revenues from third parties	239,468	49,783	63,333	44,256	5,938	402,780	-	402,780
Intergroup operating revenues and transfers	9,775	1,285	3,983	763	13,872	29,681	(29,681)	-
Total operating revenues	249,244	51,069	67,317	45,019	19,810	432,462	(29,681)	402,780
Segment income	39,573	3,931	13,245	540	712	58,001	226	58,228

(Note) 1. The "Other Businesses" category is a business segment not included in reportable segments. It includes such operations as advertising.

2. The segment income adjustment of ¥226 million is the elimination of intersegment transactions.

3. Segment income is adjusted to the operating income figure on the Consolidated Statements of Income.

(Note in the Event of Major Change in Shareholders' Equity)

The Company implemented a share buyback of 9,174,200 shares through open stock market purchases until June 30, 2024 based on the resolution adopted at the meeting of the Board of Directors held on April 30, 2024.

As a result, the value of the Company treasury shares increased ¥28,503 million during the first quarter of the current fiscal year to ¥29,765 million at the end of the first quarter of the current fiscal year.

(Note on Assumptions for Going Concern)

Not applicable

(Notes on Consolidated Statements of Cash Flows)

The Company has not prepared a quarterly consolidated statement of cash flows for the first quarter of the current fiscal year. Depreciation (including amortization of intangible fixed assets) for the first quarter of the fiscal year is as follows.

	(Millions of yen)	
	First Quarter of the Previous Fiscal Year (from April 1, 2023 to June 30, 2023)	First Quarter of the Current Fiscal Year (from April 1, 2024 to June 30, 2024)
Depreciation and Amortization	39,508	39,946