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Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 12, 2025

Company name: Keio Corporation

Listing: Tokyo Stock Exchange

Securities code: 9008

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Scheduled date of annual general meeting of shareholders: June 26, 2025

Scheduled date to commence dividend payments: June 27, 2025

Scheduled date to file annual securities report: June 24, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

President, Representative Director and Executive Officer
Manager of Finance and Accounting Department

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	452,916	10.8	54,148	23.5	53,253	22.5	42,857	46.6
March 31, 2024	408,694	17.7	43,840	104.1	43,485	99.7	29,243	123.0

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 46,145 million [(1.6)%
Fiscal year ended March 31, 2024: ¥ 46,903 million [232.7%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to operating revenues ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	353.74	-	10.6	4.8	12.0
March 31, 2024	239.49	-	7.9	4.3	10.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ 551 million
Fiscal year ended March 31, 2024: ¥ 499 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	1,122,589	414,757	36.9	3,506.06
March 31, 2024	1,079,388	393,930	36.4	3,219.96

(Reference) Equity: As of March 31, 2025: ¥ 414,640 million
As of March 31, 2024: ¥ 393,183 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 the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	28,611	(38,110)	(15,362)	48,173
March 31, 2024	52,258	(42,485)	(7,758)	73,035

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	22.50	-	30.00	52.50	6,414	21.9	1.7
March 31, 2025	-	50.00	-	50.00	100.00	12,029	28.3	3.0
Fiscal year ending								
March 31, 2026 (Forecast)	-	52.50	-	52.50	105.00		30.3	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2025 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenues		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
Full year	502,000	10.8	50,000	(7.7)	48,400	(9.1)	41,000	(4.3)	346.68

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 (Company name: Keio SC Creation Co., Ltd.)

Excluded: 1 (Company name: Keio Chika Chushajou Co., Ltd.)

Note: See “(5) Notes to Consolidated Financial Statements (Segment Information, etc.)” in the [Supplementary Materials] on Page 17.

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

Note: See “(5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)” in the [Supplementary Materials] on Page 14.

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2025: 128,550,830 shares

March 31, 2024: 128,550,830 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 10,286,993 shares

March 31, 2024: 6,442,436 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 121,155,197 shares

Fiscal Year ended March 31, 2024: 122,109,371 shares

Note1: The number of the Company’s shares held by the Officer Compensation Trust Account included within the number of treasury shares is as follows:

FYE March 2025: 103,400 shares FYE March 2024: 109,300 shares

2: On March 28, 2025, the Company resolved at a meeting of the Board of Directors to cancel treasury shares effective April 30, 2025. After the cancellation, the total number of issued shares stands at 119,701,730. See “(5) Notes to Consolidated Financial Statements (Significant Subsequent Events)” in the [Supplementary Materials] on Page 20.

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	135,498	7.4	27,034	14.2	29,966	20.0	32,273	72.1
March 31, 2024	126,143	8.8	23,663	51.7	24,973	56.1	18,753	64.5

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Fiscal year ended March 31, 2025	266.38		-	
March 31, 2024	153.58		-	

(2) Non-consolidated Financial Position

	Total assets		Net assets		Capital adequacy ratio	Net assets per share
	Millions of yen		Millions of yen		%	Yen
As of March 31, 2025	907,153		268,113		29.6	2,267.08
March 31, 2024	889,133		256,143		28.8	2,097.67

(Reference) Equity: As of March 31, 2025: ¥ 268,113 million
As of March 31, 2024: ¥ 256,143 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	161,000	18.8	26,800	(0.9)	29,900	(0.2)	26,200	(18.8)	221.54

* 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

The earnings forecasts and outlines on future performance noted in these materials include projections based on certain forecasts/assumptions made at the time of publication.

Actual performance may differ from forecast figures due to various factors.

See “(4) Outlook” in the [Supplementary Materials] on Page 4 for information concerning earnings forecasts.

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1. Overview of operating results, etc.

(1) Overview of operating results

1) Overall business performance

In FY2024, the final year of the Keio Group's previous 3-Year Medium-Term Management Plan, which began in FY2022, we focused on completing business transformation initiatives aimed at the 2030s. These efforts were designed to improve operating margins and asset efficiency across all business lines while creating new profit sources by transforming our business structure.

Consolidated operating revenues increased year on year across all segments, reaching 452,916 million yen (up 10.8% year on year), driven by the expansion of Real Estate Sales operations, higher-priced bookings in Hotels, and the October 2023 revision of railway passenger fares. Operating profit increased, totaling 54,148 million yen (up 23.5%). Ordinary profit was 53,253 million yen (up 22.5%), and profit attributable to owners of parent was 42,857 million yen (up 46.6%).

Consolidated EBITDA totaled 86,958 million yen (up 16.4%), and consolidated depreciation and amortization were 32,644 million yen (up 6.5%).

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Change
				%
Consolidated operating revenues	408,694	452,916	44,222	10.8
Consolidated operating profit	43,840	54,148	10,307	23.5
Consolidated ordinary profit	43,485	53,253	9,767	22.5
Profit attributable to owners of parent	29,243	42,857	13,614	46.6
Consolidated EBITDA	74,692	86,958	12,265	16.4
Consolidated depreciation and amortization	30,643	32,644	2,001	6.5

* Consolidated EBITDA is Consolidated operating profit + depreciation and amortization + amortization of goodwill.

2) Segment performance

The classification of reportable segments was revised starting from this fiscal year. The comparisons and analysis below are based on the new classifications.

(Millions of yen)

	Operating revenues			Operating profit		
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change
			%			%
Transportation	124,121	132,390	6.7	13,197	15,822	19.9
Merchandise Sales	102,111	107,879	5.6	4,146	4,327	4.4
Real Estate	76,784	94,225	22.7	13,485	18,177	34.8
Leisure	72,731	80,697	11.0	8,345	11,210	34.3
Other Businesses	78,489	85,658	9.1	5,627	5,621	(0.1)
Total	454,238	500,851	10.3	44,802	55,159	23.1
Elimination	(45,544)	(47,935)	—	(961)	(1,011)	—
Consolidated	408,694	452,916	10.8	43,840	54,148	23.5

[Transportation]

In Railways, both commuter and non-commuter passenger numbers exceeded the previous year, due to increased commuter demand and more visitors to facilities along the lines. This, combined with the impact of the fare revision in October 2023, led to higher revenues and profits. Bus Services also saw higher revenues and profits across local and highway bus operations. As a result, operating revenues in the Transportation segment totaled 132,390 million yen (up 6.7% year on year), with segment profit of 15,822 million yen (up 19.9%).

[Railways Transportation Results]

			Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Change
Passengers Transported	Commuter- Pass	Thousands of people	322,689	328,046	1.7
	Non- Commuter- Pass	"	260,996	265,100	1.6
	Total	"	583,685	593,146	1.6
Passenger Revenues	Commuter- Pass	Millions of yen	28,546	31,325	9.7
	Non- Commuter- Pass	"	46,570	50,173	7.7
	Total	"	75,116	81,499	8.5

[Merchandise Sales]

In Retail Stores, revenue increased in supermarkets due to growth in customer traffic and new store openings, while Convenience Stores and Drugstores also performed strongly, resulting in higher revenues and profits. Operating revenues in the Merchandise Sales segment totaled 107,879 million yen (up 5.6% year on year), with segment profit of 4,327 million yen (up 4.4%).

[Real Estate]

Revenues and profits increased, driven by the consolidation of Sunwood as a subsidiary in December 2023 and Real Estate Sales, including the sale of properties to real estate funds. As a result, operating revenues in the Real Estate segment totaled 94,225 million yen (up 22.7% year on year), with segment profit of 18,177 million yen (up 34.8%).

[Leisure]

In Hotels, strong demand from inbound travelers and a robust lodging market led to significantly higher room unit prices at properties such as Keio Plaza Hotel in Shinjuku and Keio Presso Inn, resulting in increased revenues and profits. As a result, operating revenues in the Leisure segment totaled 80,697 million yen (up 11.0% year on year), with segment profit of 11,210 million yen (up 34.3%).

[Other Businesses]

Revenues increased in the Other Businesses segment due to higher construction completion volume in Construction and Civil Engineering. As a result, operating revenues in the Other Businesses segment totaled 85,658 million yen (up 9.1% year on year), with segment profit of 5,621 million yen (down 0.1%).

(2) Overview of financial position

Total assets increased by 43,200 million yen to 1,122,589 million yen, primarily due to an increase in inventories resulting from the acquisition of real estate for sale. Liabilities rose by 22,372 million yen to 707,831 million yen, mainly reflecting an increase in long-term borrowings. Net assets grew by 20,827 million yen to 414,757 million yen, primarily due to the recording of profit attributable to owners of parent. Interest-bearing debt (borrowings + bonds) stood at 446,935 million yen.

(3) Overview of cash flows

Cash flow from operating activities amounted to 28,611 million yen, a decrease of 23,646 million yen from the previous fiscal year due to an increase in inventory and other factors. Cash flows from investing activities totaled 38,110 million yen, down 4,375 million yen year on year due to a decrease in expenditures on acquiring subsidiary shares as a result of a change in the

scope of consolidation and other factors. Cash flows from financing activities came to 15,362 million yen due to expenditures on the acquisition of treasury shares and other factors. As a result, cash and cash equivalents at the end of the fiscal year stood at 48,173 million yen.

(4) Outlook

Beginning in FY2025, we are revising our reporting segment classifications. The comparisons and analysis below reflect the new segmentation.

(Billions of yen)

	Fiscal year ended March 31, 2025 (Results)	Fiscal year ending March 31, 2026 (Forecast)	Change	Change
Consolidated operating revenues	452.9	502.0	49.0	10.8%
Consolidated operating profit	54.1	50.0	(4.1)	(7.7)
Consolidated ordinary profit	53.2	48.4	(4.8)	(9.1)
Profit attributable to owners of parent	42.8	41.0	(1.8)	(4.3)
Consolidated EBITDA	86.9	85.0	(1.9)	(2.2)
Consolidated depreciation and amortization	32.6	34.7	2.1	6.6

* Consolidated EBITDA is Consolidated operating profit + depreciation and amortization + amortization of goodwill.

(Billions of yen)

	Operating revenues		Operating profit	
	Fiscal year ending March 31, 2026 (Forecast)	Change	Fiscal year ending March 31, 2026 (Forecast)	Change
Transportation	130.8	0.6%	13.7	(12.6)%
Real Estate	131.1	43.4	18.0	2.1
Hotels	58.2	3.1	8.9	(17.6)
Construction and Maintenance	83.1	7.2	6.0	7.6
Life Services	147.9	2.5	5.4	3.0
Total	551.3	10.3	52.2	(5.3)
Elimination	(49.3)	—	(2.2)	—
Consolidated	502.0	10.8	50.0	(7.7)

For FY2025, consolidated operating revenues are forecast at 502.0 billion yen (up 10.8% year on year), supported by strong performance in Real Estate Sales and Hotels. However, consolidated operating profit is expected to decline to 50.0 billion yen (down 7.7%) due to anticipated increases in repair and depreciation and amortization in Railways and higher personnel and guest room renovation expenses in Hotels. Consolidated ordinary profit is projected at 48.4 billion yen (down 9.1%), and profit attributable to owners of parent at 41.0 billion yen (down 4.3%). Consolidated EBITDA is forecast at 85.0 billion yen (down 2.2%), and consolidated depreciation and amortization at 34.7 billion yen (up 6.6%).

As part of the Keio Group's new Medium-Term Management Plan launched in FY2025, we have restructured our segment classifications starting from the beginning of FY2025 to align with business-specific strategies. For further details, please refer to the "FY2024 Financial Results Supplementary Materials" released today on TDnet.

Note: The earnings forecasts above are based on information available and assumptions deemed reasonable at the time of disclosure. Actual results may differ due to a variety of factors.

2. Basic policy on selecting accounting standards

As the Group primarily conducts its business and financial activities within Japan with a focus on railway operations, we apply Japanese GAAP. We will continue to assess the potential adoption of IFRS, taking into account domestic trends in its implementation.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	73,064	48,254
Notes and accounts receivable - trade, and contract assets	59,650	65,788
Merchandise and finished goods	23,144	38,908
Work in process	81,984	101,173
Raw materials and supplies	2,502	2,553
Other	7,956	9,680
Allowance for doubtful accounts	(18)	(18)
Total current assets	248,285	266,341
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	331,028	326,013
Machinery, equipment and vehicles, net	24,378	28,135
Land	243,286	241,129
Construction in progress	86,746	105,452
Other, net	16,059	17,196
Total property, plant and equipment	701,499	717,927
Intangible assets	21,886	22,464
Investments and other assets		
Investment securities	78,133	85,963
Retirement benefit asset	14,464	14,127
Deferred tax assets	2,794	2,491
Other	12,463	13,412
Allowance for doubtful accounts	(139)	(138)
Total investments and other assets	107,717	115,856
Total non-current assets	831,103	856,248
Total assets	1,079,388	1,122,589

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,413	25,831
Short-term borrowings	99,741	100,375
Current portion of bonds payable	-	15,100
Income taxes payable	8,850	9,573
Advances received	38,390	46,114
Contract liabilities	13,787	14,510
Provision for bonuses	4,155	4,901
Other provisions	3,089	2,785
Other	82,405	83,300
Total current liabilities	274,834	302,490
Non-current liabilities		
Bonds payable	170,100	155,000
Long-term borrowings	165,511	176,460
Deferred tax liabilities	5,582	3,724
Retirement benefit liability	18,212	18,425
Asset retirement obligations	15,414	15,455
Other provisions	491	777
Other	35,311	35,497
Total non-current liabilities	410,624	405,340
Total liabilities	685,458	707,831
Net assets		
Shareholders' equity		
Share capital	59,023	59,023
Capital surplus	42,288	42,324
Retained earnings	284,367	317,593
Treasury shares	(19,783)	(34,758)
Total shareholders' equity	365,896	384,184
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,636	27,168
Deferred gains or losses on hedges	75	130
Foreign currency translation adjustment	16	16
Remeasurements of defined benefit plans	4,558	3,141
Total accumulated other comprehensive income	27,287	30,456
Non-controlling interests	746	117
Total net assets	393,930	414,757
Total liabilities and net assets	1,079,388	1,122,589

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Operating revenue	408,694	452,916
Operating expenses		
Operating expenses and cost of sales of transportation	311,701	339,770
Selling, general and administrative expenses	53,152	58,998
Total operating expenses	364,853	398,768
Operating profit	43,840	54,148
Non-operating income		
Interest income	19	40
Dividend income	1,517	1,776
Share of profit of entities accounted for using equity method	499	551
Miscellaneous income	1,296	1,360
Total non-operating income	3,332	3,728
Non-operating expenses		
Interest expenses	3,259	3,915
Miscellaneous expenses	427	707
Total non-operating expenses	3,687	4,623
Ordinary profit	43,485	53,253
Extraordinary income		
Gain on sale of non-current assets	1,044	1,616
Contribution received for construction	889	1,208
Compensation income	15	957
Other	824	285
Total extraordinary income	2,774	4,068
Extraordinary losses		
Impairment losses	1,660	1,023
Loss on tax purpose reduction entry of non-current assets	836	960
Loss on retirement of non-current assets	927	883
Provision for loss on removal of non-current assets	923	629
Other	522	282
Total extraordinary losses	4,870	3,781
Profit before income taxes	41,388	53,540
Income taxes - current	11,743	14,299
Income taxes - deferred	291	(3,735)
Total income taxes	12,035	10,563
Profit	29,353	42,976
Profit attributable to non-controlling interests	109	118
Profit attributable to owners of parent	29,243	42,857

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	29,353	42,976
Other comprehensive income		
Valuation difference on available-for-sale securities	13,602	4,530
Deferred gains or losses on hedges	75	54
Remeasurements of defined benefit plans, net of tax	3,863	(1,416)
Share of other comprehensive income of entities accounted for using equity method	8	0
Total other comprehensive income	17,549	3,168
Comprehensive income	46,903	46,145
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	46,793	46,026
Comprehensive income attributable to non-controlling interests	109	118

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	59,023	42,187	260,315	(19,673)	341,853
Changes during period					
Dividends of surplus			(5,191)		(5,191)
Profit attributable to owners of parent			29,243		29,243
Purchase of treasury shares				(310)	(310)
Disposal of treasury shares		100		200	301
Changes in equity of parent from transaction of non controlling interest		0			0
Increase in retained earnings from decrease of entities accounted for by the equity method					-
Net changes in items other than shareholders' equity					
Total changes during period	-	100	24,052	(109)	24,043
Balance at end of period	59,023	42,288	284,367	(19,783)	365,896

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	9,031	-	11	694	9,738	(24)	351,566
Changes during period							
Dividends of surplus							(5,191)
Profit attributable to owners of parent							29,243
Purchase of treasury shares							(310)
Disposal of treasury shares							301
Changes in equity of parent from transaction of non controlling interest							0
Increase in retained earnings from decrease of entities accounted for by the equity method							-
Net changes in items other than shareholders' equity	13,604	75	5	3,863	17,549	770	18,320
Total changes during period	13,604	75	5	3,863	17,549	770	42,363
Balance at end of period	22,636	75	16	4,558	27,287	746	393,930

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	59,023	42,288	284,367	(19,783)	365,896
Changes during period					
Dividends of surplus			(9,777)		(9,777)
Profit attributable to owners of parent			42,857		42,857
Purchase of treasury shares				(15,004)	(15,004)
Disposal of treasury shares		0		30	30
Changes in equity of parent from transaction of non controlling interest		35			35
Increase in retained earnings from decrease of entities accounted for by the equity method			145		145
Net changes in items other than shareholders' equity					
Total changes during period	-	36	33,226	(14,974)	18,287
Balance at end of period	59,023	42,324	317,593	(34,758)	384,184

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	22,636	75	16	4,558	27,287	746	393,930
Changes during period							
Dividends of surplus							(9,777)
Profit attributable to owners of parent							42,857
Purchase of treasury shares							(15,004)
Disposal of treasury shares							30
Changes in equity of parent from transaction of non controlling interest							35
Increase in retained earnings from decrease of entities accounted for by the equity method							145
Net changes in items other than shareholders' equity	4,531	54	(0)	(1,416)	3,168	(628)	2,540
Total changes during period	4,531	54	(0)	(1,416)	3,168	(628)	20,827
Balance at end of period	27,168	130	16	3,141	30,456	117	414,757

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	41,388	53,540
Depreciation	30,643	32,644
Impairment losses	1,660	1,023
Amortization of goodwill	208	165
Increase (decrease) in retirement benefit liability	(633)	(511)
Decrease (increase) in retirement benefit asset	(330)	(875)
Loss on valuation of inventories	237	336
Loss on retirement of non-current assets	684	607
Loss on tax purpose reduction entry of non-current assets	836	960
Interest and dividend income	(1,536)	(1,816)
Interest expenses	3,259	3,915
Loss (gain) on sale of investment securities	(627)	(269)
Contribution received for construction	(889)	(1,208)
Gain on sale of non-current assets	(1,044)	(1,616)
Compensation expenses	388	181
Decrease (increase) in trade receivables	(5,619)	(5,838)
Decrease (increase) in inventories	(11,373)	(36,752)
Increase (decrease) in trade payables	930	1,171
Other, net	2,563	(1,289)
Subtotal	60,746	44,368
Interest and dividends received	1,582	1,826
Interest paid	(3,243)	(3,817)
Compensation expenses paid	(673)	(180)
Income taxes paid	(6,154)	(13,584)
Net cash provided by (used in) operating activities	52,258	28,611
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(44,296)	(48,877)
Proceeds from sale of property, plant and equipment and intangible assets	1,877	5,791
Proceeds from contribution received for construction	8,229	8,280
Purchase of investment securities	(3,340)	(1,300)
Proceeds from sale and redemption of securities	10	5
Proceeds from sale and redemption of investment securities	715	418
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(4,378)	-
Other, net	(1,302)	(2,429)
Net cash provided by (used in) investing activities	(42,485)	(38,110)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,673	1,648
Proceeds from long-term borrowings	14,958	38,941
Repayments of long-term borrowings	(17,834)	(29,006)
Redemption of bonds	(10)	-
Purchase of treasury shares	(310)	(15,004)
Dividends paid	(5,192)	(9,758)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(688)
Other, net	(1,041)	(1,493)
Net cash provided by (used in) financing activities	(7,758)	(15,362)

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net increase (decrease) in cash and cash equivalents	2,013	(24,861)
Cash and cash equivalents at beginning of period	71,021	73,035
Cash and cash equivalents at end of period	73,035	48,173

(5) Notes to Consolidated Financial Statements

(Premise of an Ongoing Concern)

Not applicable

(Changes in Accounting Policies)

Adoption of Accounting Standard for Current Income Taxes and related guidance

The Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, revised October 28, 2022; hereafter, “the 2022 revised accounting standard”) was adopted from the beginning in the consolidated fiscal year ending March 31, 2025.

The changes relating to account classification of income taxes (tax on other comprehensive income) were made in accordance with the transitional treatment specified in the proviso to Paragraph 20-3 in the 2022 revised accounting standard and the transitional treatment specified in the proviso to Paragraph 65-2 (2) in the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, revised October 28, 2022; hereafter, “the 2022 revised guidance”). These changes had no effect on consolidated financial statements.

The 2022 revised guidance was also applied to changes relating to revision of the treatment in consolidated financial statements when carrying forward gains on the sale of shares of subsidiaries between consolidated companies, from the beginning in the consolidated fiscal year ending March 31, 2025. These changes in accounting policies were applied retroactively and full-year financial statements for the previous consolidated fiscal year were restated to reflect these changes. These changes had no effect on consolidated financial statements for the previous fiscal year.

(Supplemental Information)

1. Transactions, etc. under common control

(1) Succession of business to consolidated subsidiary via company split

At the Board of Directors meeting held on December 26, 2023, the Company decided to establish Keio SC Creation Co., Ltd. as a wholly owned subsidiary. The decision was made to cede the commercial facility management business (the shopping center business and part of the real estate leasing business) we operate to Keio SC Creation Co., Ltd., and this was effected via a simple absorption-type split on July 1, 2024.

1) Transaction overview

(i) Name and description of business ceded

Name	Commercial facility management business
Business description	<ul style="list-style-type: none">• Management of large shopping centers at main stations• Development of commercial facilities near stations etc.

(ii) Date of business combination

July 1, 2024

(iii) Legal form of business combination

Simple absorption-type company split of the Company, with Keio SC Creation Co., Ltd. as the succeeding company.

(iv) Name after business combination

The name of Keio SC Creation Co., Ltd. did not change after the business combination.

(v) Overview of other transactions

We decided this split was necessary to consolidate the commercial facility management businesses dispersed among the Company and some consolidated subsidiaries, improve operating efficiency, secure and develop professional talent, and accumulate operating expertise, while also centralizing management of commercial facilities to achieve further growth in profit for the Group as a whole and develop attractive urban areas.

2) Overview of accounting treatment employed

We are treating this as a transaction under common control, based on the Accounting Standard for Business Combinations (ASBJ Statement No. 21, revised January 16, 2019) and the Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, revised January 16, 2019).

(2) Absorption-type merger of consolidated subsidiary

At the Board of Directors meeting held on December 26, 2023, the Company decided to transfer control over all of the businesses of Keio Chika Chushajou Co., Ltd., a wholly owned subsidiary of the Company, to Keio SC Creation Co., Ltd. via an absorption-type split, and then merge it into the Company through absorption. This was effected on July 1, 2024.

1) Transaction overview

(i) Name and business description of combined company

Name	Keio Chika Chushajou Co., Ltd.
Business description	<ul style="list-style-type: none">• Parking facility operation and management business• Real estate leasing and management etc.

(ii) Date of business combination

July 1, 2024

(iii) Legal form of business combination

Simple absorption-type merger with the Company as the surviving company and Keio Chika Chushajou Co., Ltd. as the defunct company.

(iv) Name after business combination

The name of the Company did not change after combination.

(v) Overview of other transactions

We decided this merger was necessary to consolidate the commercial facility management businesses dispersed among the Company and some consolidated subsidiaries, improve operating efficiency, secure and develop professional talent, and accumulate operating expertise, while also centralizing management of commercial facilities to achieve further growth in profit for the Group as a whole and develop attractive urban areas.

2) Overview of accounting treatment employed

We are treating this as a transaction under common control, based on the Accounting Standard for Business Combinations (ASBJ Statement No. 21, revised January 16, 2019) and the Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, revised January 16, 2019).

2. Revision of deferred tax assets and deferred tax liabilities due to changes in the income tax rate

The Act for Partial Amendment of the Income Tax Act etc. (Act No. 13 of 2025) was enacted by the Diet on March 31, 2025. A Special Defense Corporate Tax will be levied from fiscal years beginning on or after April 1, 2026. As a result, we have changed the statutory effective tax rate from 30.6% to 31.5% to calculate deferred tax assets and deferred tax liabilities relating to temporary differences that are expected to be resolved in or after fiscal years beginning on or after April 1, 2026.

This change has meant deferred tax liabilities (amount after deducting deferred tax assets) increased by 324 million yen while income taxes-deferred decreased by 73 million yen and the valuation difference on available-for-sale securities decreased by 357 million yen in the fiscal year under review.

The increase in equity earnings of affiliates, the increase in investment securities and the decrease in cumulative adjustments for retirement benefits are all minor.

(Segment Information, etc.)

1. Overview of reportable segments

The reportable segments of the Company are the constituent units of the Company for which separate financial information is obtainable. The Board of Directors regularly reviews the reportable segments to determine allocation of management resources and evaluate performance.

The Keio Group provides and operates various services that lead to development, primarily along rail lines.

Our reportable segments therefore consist of types of services the Group provides. These services are divided into five reportable segments: Transportation, Merchandise Sales, Real Estate, Leisure, and Other Businesses.

Transportation mainly provides passenger transport services via railway, bus, etc. Merchandise Sales operates various types of retail businesses, mainly related to lifestyles. Real Estate leases and sells real estate properties. Leisure provides hotels, travel services etc. Other Businesses operates businesses in total building maintenance, construction, public works etc.

2. Method of calculating the amount of operating revenues, profit or loss, assets, etc. for each segment

The profit or loss for each reportable segment is based on the operating profit or operating loss. Intersegment sales and transfers are based on current market prices.

3. Segment operating revenues, profit (loss), assets, etc.

Previous consolidated fiscal year (April 1, 2023 to March 31, 2024)

	Transportation	Merchandise Sales	Real Estate	Leisure	Other Businesses	Total	Adjustments Note 1	Amount recorded on consolidated financial statements Note 2
Operating revenues								
Sales to external customers	122,367	99,944	71,371	69,512	45,499	408,694	—	408,694
Intersegment sales and transfers	1,754	2,167	5,413	3,219	32,989	45,544	(45,544)	—
Total	124,121	102,111	76,784	72,731	78,489	454,238	(45,544)	408,694
Segment profit	13,197	4,146	13,485	8,345	5,627	44,802	(961)	43,840
Segment assets	455,145	70,522	347,914	120,585	56,269	1,050,436	28,951	1,079,388
Other items								
Depreciation and amortization	17,342	2,129	7,030	3,981	480	30,963	(320)	30,643
Amortization of goodwill	—	—	87	—	120	208	—	208
Impairment loss	33	151	623	886	0	1,694	(33)	1,660
Equity method investments	3,475	2,449	—	50	42	6,018	—	6,018
Increase in property, plant and equipment and intangible assets	27,078	1,131	8,892	4,990	3,792	45,884	(925)	44,959

Notes:1. Adjustments were as follows:

- 1) Intersegment eliminations included a downward adjustment in segment profit of 961 million yen; a downward adjustment in depreciation and amortization of 320 million yen; a downward adjustment in impairment loss of 33 million yen; and a downward adjustment of the increase in property, plant and equipment and intangible assets of 925 million yen.
 - 2) The upward adjustment in segment assets of 28,951 million yen consists of 129,207 million yen in corporate assets (financial assets not attributable to reportable segments) and a downward adjustment for intersegment eliminations of 100,255 million yen.
2. Segment profit is adjusted to match the operating profit on consolidated statements of income.

Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Transportation	Merchandise Sales	Real Estate	Leisure	Other Businesses	Total	Adjustments Note 1	Amount recorded on consolidated financial statements Note 2
Operating revenues								
Sales to external customers	130,672	105,667	88,162	77,504	50,910	452,916	—	452,916
Intersegment sales and transfers	1,717	2,212	6,063	3,193	34,748	47,935	(47,935)	—
Total	132,390	107,879	94,225	80,697	85,658	500,851	(47,935)	452,916
Segment profit	15,822	4,327	18,177	11,210	5,621	55,159	(1,011)	54,148
Segment assets	477,799	68,927	382,532	121,842	57,640	1,108,742	13,847	1,122,589
Other items								
Depreciation and amortization	18,847	2,344	7,381	3,970	474	33,018	(374)	32,644
Amortization of goodwill	—	—	—	4	161	165	—	165
Impairment loss	427	79	502	14	0	1,023	—	1,023
Equity method investments	2,866	2,827	—	52	67	5,813	—	5,813
Increase in property, plant and equipment and intangible assets	31,818	753	7,566	5,650	845	46,634	(790)	45,843

Notes: 1. Adjustments were as follows:

- 1) Intersegment eliminations included a downward adjustment in segment profit of 1,011 million yen; a downward adjustment in depreciation and amortization of 374 million yen; and a downward adjustment of the increase in property, plant and equipment and intangible assets of 790 million yen.
 - 2) The upward adjustment in segment assets of 13,847 million yen consists of 114,409 million yen in corporate assets (financial assets not attributable to reportable segments) and a downward adjustment for intersegment eliminations of 100,561 million yen.
2. Segment profit is adjusted to match the operating profit on consolidated statements of income.

4. Changes in reportable segments, etc.

Keio SC Creation Co., Ltd. was established as a consolidated subsidiary of the Keio Group on April 1, 2024, as part of the restructuring of our commercial facility management businesses. Along with this, “Shopping Centers,” which was previously included in Merchandise Sales, was reclassified into “Department Stores” in Merchandise Sales and “Real Estate Leasing” in Real Estate from the consolidated fiscal year ending March 31, 2025. The segment information for the previous consolidated fiscal year has been restated to reflect these changes.

(Per Share Information)

(Yen)

	Previous consolidated fiscal year (April 1, 2023 to March 31, 2024)	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Net assets per share	3,219.96	3,506.06
Basic earnings per share	239.49	353.74

Notes: 1. Diluted basic earnings per share are not shown because there are no potentially dilutive shares.

2. The basis for calculating basic earnings per share is shown below.

Item	Previous consolidated fiscal year (April 1, 2023 to March 31, 2024)	Consolidated fiscal year under review (April 1, 2024 to March 31, 2025)
Profit attributable to owners of parent (million yen)	29,243	42,857
Amount not attributable to common shareholders (million yen)	—	—
Profit attributable to owners of parent related to common shares (million yen)	29,243	42,857
Average number of common shares during the period (thousand shares)	122,109	121,155

3. The basis for calculating net assets per share is shown below.

Item	Previous consolidated fiscal year (As of March 31, 2024)	Consolidated fiscal year under review (As of March 31, 2025)
Total net assets (million yen)	393,930	414,757
Amount deducted from total net assets (million yen)	746	117
[Of which, amount attributable to non- controlling interests (million yen)]	[746]	[117]
Net assets at end of period related to common shares (million yen)	393,183	414,640
Number of common shares at end of period used to calculate net assets per share (thousand shares)	122,108	118,263

4. Residual Company shares in the investment trust, which are recorded as treasury shares in shareholders' equity, are included in treasury shares that are excluded in calculating the total number of shares issued at the end of the period when calculating net assets per share. They also included in treasury shares that are deducted from the average number of shares during the period when calculating basic earnings per share.

The number of such treasury shares at period end deducted when calculating net assets per share was 109 thousand shares for the previous consolidated fiscal year and 103 thousand shares for the consolidated fiscal year under review.

The average number of such treasury shares during the period deducted when calculating basic earnings per share was 70 thousand shares for the previous consolidated fiscal year and 105 thousand shares for the consolidated fiscal year under review.

(Significant Subsequent Events)

1. Retirement of treasury shares

At the Board of Directors meeting held on March 28, 2025, the Company resolved, pursuant to Article 178 of the Companies Act, to cancel treasury shares on April 30, 2025.

(1) Reason for retirement of treasury shares

To enhance shareholder returns and improve capital efficiency.

(2) Details of retirement of treasury shares

- 1) Type of shares retired: Common shares of Keio Corporation
- 2) Total number of shares retired: 8,849,100 shares (6.88% of issued shares before retirement)
- 3) Date of retirement: April 30, 2025
- 4) Total number of issued shares after retirement: 119,701,730 shares

2. Changes to reportable segments

Under the Keio Group Medium-Term Management Plan beginning in FY2025, the Company revised its management classifications to clarify policies for each business. As a result, reportable segments were changed at the start of FY2025.

With this change, the Group's reportable segments were changed from "Transportation," "Merchandise Sales," "Real Estate," "Leisure," and "Other Businesses" to "Transportation," "Real Estate," "Hotels," "Construction and Maintenance," and "Life Services."

The following shows operating revenues and segment profit or loss under the new classifications for the fiscal year under review:

(Millions of yen)

	Transportation	Real Estate	Hotels	Construction and Maintenance	Life Services	Total	Adjustments (Note 1)	Amount recorded on consolidated statements of income (Note 2)
Operating revenues	130,106	91,510	56,482	77,483	144,285	499,869	(46,952)	452,916
Segment profit	15,694	17,628	10,896	5,619	5,319	55,157	(1,009)	54,148

Note 1: The adjustment to segment profit is the intersegment elimination.

2: Segment profit is adjusted to match the operating profit on consolidated statements of income.