

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

May 12, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: Keihan Holdings Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9045
 URL: <https://www.keihan.co.jp/>
 Representative: Yoshihiro Hirakawa, Representative Director & President
 Inquiries: Norio Shirono, Executive Officer, General Manager of Accounting and Finance Division,
 Group Management Office
 Telephone: +81-6-6944-2527
 Scheduled date of annual general meeting of shareholders: June 19, 2026
 Scheduled date to commence dividend payments: June 22, 2026
 Scheduled date to file annual securities report: June 18, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		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, 2026	332,471	6.0	49,152	16.8	46,931	14.7	33,581	18.8
Fiscal year ended March 31, 2025	313,546	3.8	42,071	24.1	40,905	23.5	28,266	13.6

Note: Comprehensive income Fiscal year ended March 31, 2026 ¥41,489 million (33.7%)
 Fiscal year ended March 31, 2025 ¥31,034 million (-10.0%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to operating revenue
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	332.79	332.73	10.4	5.3	14.8
Fiscal year ended March 31, 2025	268.32	268.26	9.3	4.9	13.4

Reference: Share of profit (loss) of entities accounted for using equity method
 Fiscal year ended March 31, 2026 ¥48 million
 Fiscal year ended March 31, 2025 ¥165 million

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	909,545	349,563	37.5	3,380.83
As of March 31, 2025	859,860	314,508	35.7	3,023.66

Reference: Equity
 As of March 31, 2026 ¥341,128 million
 As of March 31, 2025 ¥307,232 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 end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2026	40,340	-42,986	3,568	14,700
Fiscal year ended March 31, 2025	44,007	-63,198	10,199	13,777

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	40.00	40.00	4,064	14.9	1.4
Fiscal year ended March 31, 2026	-	0.00	-	100.00	100.00	10,090	30.0	3.1
Fiscal year ending March 31, 2027 (forecast)	-	0.00	-	86.00	86.00		29.9	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026, to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Operating revenue		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
Six months ending September 30, 2026	154,800	7.2	20,000	-9.6	18,300	-13.4	13,800	-12.7	136.77
Full year	321,800	-3.2	42,400	-13.7	38,100	-18.8	29,000	-13.6	287.41

Note: The average number of shares outstanding during the period, which is used as the basis for calculating basic earnings per share, is based on the number of issued shares (excluding the number of treasury shares) as of March 31, 2026.

*** Notes**

(1) Significant changes in scope of consolidation during the period: None

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies other than (i): None
- (iii) Changes in accounting estimates: Yes
- (iv) Restatement: None

Note: Please refer to “(5) Notes to consolidated financial statements (Notes relating to changes in accounting estimates)” in “3. Consolidated financial statements and significant notes thereto” on page 13 (Attached Material).

(3) Number of issued shares (common shares)

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

As of March 31, 2026	106,816,403 shares
As of March 31, 2025	113,182,703 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026	5,915,556 shares
As of March 31, 2025	11,573,128 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	100,908,464 shares
Fiscal year ended March 31, 2025	105,346,290 shares

Reference: Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025, to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	41,505	10.5	19,080	11.8	19,676	-13.0	17,001	-9.7
Fiscal year ended March 31, 2025	37,560	12.7	17,065	9.1	22,610	26.4	18,823	22.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2026	168.48	168.45
Fiscal year ended March 31, 2025	178.69	178.64

(2) Non-consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	646,145	204,388	31.6	2,024.91
As of March 31, 2025	614,514	190,044	30.9	1,869.34

Reference: Equity

As of March 31, 2026 ¥204,315 million
As of March 31, 2025 ¥189,943 million

<Reasons for differences in non-consolidated financial results from the previous fiscal year>

The Company is a holding company, and while operating revenue increased due to an increase in dividends from subsidiaries during the fiscal year under review, profits decreased due to a reactionary decline following the reversal of the allowance for doubtful accounts recorded in the previous fiscal year.

* Reports on financial results are exempt from an audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements and others)

Forward-looking statements, including the earnings forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable, and are not intended as a guarantee that they will be achieved by the Company. Actual results may differ materially from the earnings forecasts due to various factors. For the assumptions used as the basis for the earnings forecasts and special remarks regarding the use of the earnings forecasts, please refer to “(1) Overview of operating results for the fiscal year under review (Future outlook)” in “1. Overview of operating results, etc.” on page 3 (Attached Material).

(How to obtain supplementary material on financial results)

“FY2026 (Fiscal year ended March 31, 2026) Supplementary Materials for Financial Results” has been posted on the Company’s website and disclosed on TDnet today.

(How to obtain the presentation materials on financial results)

The Company plans to hold a financial results briefing for institutional investors and analysts on May 15, 2026 (Friday). The presentation materials on financial results to be used at the briefing will be posted on the Company’s website on the same day.

○ Index - Attached Material

1. Overview of operating results, etc.....	2
(1) Overview of operating results for the fiscal year under review.....	2
(2) Overview of financial position for the fiscal year under review.....	4
(3) Basic policy on profit distribution and dividends for fiscal 2026 and fiscal 2027	4
2. Basic concept regarding selection of accounting standards.....	4
3. Consolidated financial statements and significant notes thereto	5
(1) Consolidated Balance Sheets.....	5
(2) Consolidated statement of income and consolidated statement of comprehensive income.....	7
Consolidated statements of income	7
Consolidated statement of comprehensive income.....	8
(3) Consolidated statement of changes in equity.....	9
(4) Consolidated statement of cash flows.....	11
(5) Notes to consolidated financial statements	13
(Notes on premise of going concern)	13
(Notes relating to changes in accounting estimates).....	13
(Notes to segment information, etc.)	14
(Notes on per share information).....	16
(Notes on significant events after reporting period).....	16

1. Overview of operating results, etc.
- (1) Overview of operating results for the fiscal year under review

- i) Operating results for the fiscal year under review

The Company Group strove to improve business performance through aggressive sales activities across its businesses. As a result, for the fiscal year ended March 31, 2026, operating revenue was 332,471 million yen (up 18,925 million yen, or 6.0%, year on year), operating profit was 49,152 million yen (up 7,081 million yen, or 16.8%, year on year), and ordinary profit, calculated by adding and subtracting non-operating income and expenses to and from operating profit, was 46,931 million yen (up 6,025 million yen, or 14.7%, year on year). Profit attributable to owners of parent, calculated by adding and subtracting extraordinary income and losses to and from ordinary profit and deducting income taxes and profit attributable to non-controlling interests, was 33,581 million yen (up 5,315 million yen, or 18.8%, year-on-year).

The business performance by segment is as follows.

- (i) Transportation

In the Railway business, Keihan Electric Railway Co., Ltd. installed and began using movable platform fences on platforms 1 and 2 at Gion-Shijo Station to further improve safety. In addition, we carried out a large-scale renovation of the underground concourse level of Yodoyabashi Station, including beautification inside and outside the ticket gates, the creation of a new retail area, and changes to pedestrian flow. In line with the opening of YODOYABASHI Station One, a new entrance/exit connecting the concourse level and the ground level was constructed. In an effort to further enhance convenience, on October 26, 2025, we revised the timetable of the Keihan Line and shifted the “Premium Car” of 3000 series trains to a two-car operation to expand and improve the reserved seat service. Subsequently, on March 18, 2026, we started offering an online commuter pass booking service to facilitate easier purchases of commuter passes. In order to continue to provide safe and reliable passenger transportation services, we revised the passenger fares on the Keihan and Otsu lines on October 1, 2025.

In the Bus business, Keihan Bus Co., Ltd. operated shuttle buses from Nakanoshima Station and Osaka Station and express buses from Kyoto Station to provide visitors access to the 2025 World Exposition in Japan (Expo 2025 Osaka, Kansai, Japan).

As a result, overall operating revenue for the Transportation segment was 97,522 million yen (up 6,140 million yen, or 6.7%, year-on-year), and operating profit was 13,977 million yen (up 1,653 million yen, or 13.4%, year-on-year).

- (ii) Real estate

Regarding the “Yodoyabashi Station East District Urban Revitalization Project,” in which our Company Group has participated for some time, the construction of “YODOYABASHI Station One,” a mixed-use facility, was completed on May 30, 2025, and stores in the commercial zone have been opened sequentially since June of the same year.

In the Real estate sales business, in addition to land and buildings such as “Keihan East Rose Town” and “Minami-Kusatsu Primetown,” we sold condominiums such as “Fine Residence Kyoto Gojo Dori” and “Fine Residence Karasuma Gojo.” As properties outside the Kansai region, we also sold “The FINE Tower NAGOYA IMAIKE” and “FINE Residence Musashi Shinjo,” as well as the hotel condominium “Rihga Royal Resort Okinawa Chatan.”

In the Real estate leasing business, we acquired two leasing buildings, “ICON Kannai” (Yokohama City, Kanagawa Prefecture) on December 17, 2025, and “Shoryuen” (Ukyo Ward, Kyoto City) on March 31, 2026. As a result, overall operating revenue for the Real estate segment was 146,237 million yen (up 7,142 million yen, or 5.1%, year-on-year), and operating profit was 26,062 million yen (up 3,719 million yen, or 16.6%, year-on-year).

- (iii) Retail distribution

In the Shopping mall management business, we were entrusted with property management for the commercial zone of “YODOYABASHI Station One” and opened restaurants and food retail stores in sequence from June 2025 under the concept of “hospitality with the utmost sophistication.”

In the Store business, we worked to boost its earning power through measures including the opening of four new food stores on the concourse floor of Yodoyabashi Station.

In the Department store business, to celebrate the 40th anniversary of the Moriguchi branch of Keihan Department Store, we renovated the store, including the opening of new stores in the Japanese and Western sweets zone, as well as the expansion and improvement of the event space and food sales floor, in an effort to enhance its competitiveness.

As a result, overall operating revenue for the Retail distribution segment was 57,985 million yen (up 925 million yen, or 1.6%, year-on-year), but operating profit was 2,818 million yen (down 28 million yen, or 1.0%, year-on-year).

(iv) Leisure & Service

In the Hotel business, we aggressively promoted various sales activities to further capture the effects of Expo 2025 Osaka, Kansai, Japan, and strong inbound and domestic travel demand. In parallel, we opened “TOWERLAND-ROOFTOP BAR & BBQ,” a venue combining entertainment and dining, on the roof of Kyoto Tower Building. Moreover, at Kyoto Century Hotel, which will soon mark 100 years since its founding in 1928, we renewed the public spaces and main dining restaurant, “All Day Dining La Jyho.” The space was transformed into a buffet restaurant where customers can enjoy watching cooking performances up close, and a new bistro lounge “La Jyho Terrace,” overlooking a lush garden, was opened. Through such actions, we strove to boost the competitiveness and enhance the appeal of the facility.

In the Leisure business, we pushed aggressive sales activities, which, for example, successfully led Osaka Aqua Bus Co., Ltd. to win the contract for operating hydrogen fuel-cell ships that connected “Universal City Port” with “Yumeshima,” which was the site of Expo 2025 Osaka, Kansai, Japan.

As a result, overall operating revenue for the Leisure & Service segment was 44,491 million yen (up 4,512 million yen, or 11.3%, year-on-year), and operating profit was 6,759 million yen (up 1,843 million yen, or 37.5%, year-on-year).

(v) Other businesses

In the Other businesses segment, Biostyle Co., Ltd. rolled out merchandise developed under the concept of “BIOSTYLE,” which promotes a healthy, beautiful and high-quality lifestyle and contributes to a recycling-oriented society, nationwide, including in the Tokyo metropolitan area. Furthermore, the Company carried out aggressive sales activities to enhance the attractiveness of “GOOD NATURE STATION,” a commercial complex it operates.

As a result, overall operating revenue for the Other businesses segment was 5,409 million yen (up 241 million yen, or 4.7%, year-on-year), and operating profit was 175 million yen (up 106 million yen, or 156.4%, year-on-year).

ii) Future outlook

To realize our Management vision “Beautiful Keihan Lines, and Global Keihan Group,” which looks ahead to 2050, we have revised upward the quantitative targets of our long-term management strategy, with FY2031 as the target year, and rebuilt our growth story to achieve these targets. We will steadily advance the medium-term management plan “Refining Our True Value 2028” covering FY2027 to FY2029, a three-year action plan under the above long-term plan, aiming at the Group’s sustainable growth and the enhancement of its corporate value.

Although we expect higher revenue from the fare revision implemented by Keihan Electric Railway Co., Ltd. in October 2025, we also expect a reactionary decline from factors such as the sale of lots for business use in Keihanna Science City under the Real estate business, and increased demand in each business due to Expo 2025 Osaka, Kansai, Japan. Accordingly, operating revenue is expected to be 321,800 million yen (down 3.2% year-on-year). In addition, due to an expected increase in depreciation, associated with capital investment such as the manufacture of new rolling stock by Keihan Electric Railway Co., Ltd., we expect operating profit of 42,400 million yen (down 13.7% year-on-year), ordinary profit of 38,100 million yen (down 18.8% year-on-year) and profit attributable to owners of parent of 29,000 million yen (down 13.6% year-on-year).

(2) Overview of financial position for the fiscal year under review

i) Assets, liabilities, and net assets

Total assets as of March 31, 2026, increased 49,685 million yen (5.8%) from the previous fiscal year-end to 909,545 million yen, mainly due to an increase in buildings and structures, and land.

Liabilities rose 14,630 million yen (2.7%) from the previous fiscal year-end to 559,982 million yen, mainly due to an increase in interest-bearing debt.

Net assets grew 35,055 million yen (11.1%) from the previous fiscal year-end to 349,563 million yen, mainly due to the recording of profit attributable to owners of parent, despite the payment of dividends of surplus and the purchase of treasury shares.

ii) Cash flows

In the fiscal year ended March 31, 2026, cash and cash equivalents increased 923 million yen from the previous fiscal year-end to 14,700 million yen at the fiscal year-end.

(Cash flows from operating activities)

Net cash provided by operating activities decreased 3,666 million yen from the previous fiscal year to 40,340 million yen, mainly due to increases in trade receivables and income taxes paid despite an increase in profit before taxes and a decrease in purchases of inventories.

(Cash flows from investing activities)

Net cash used in investing activities was 42,986 million yen, a decrease of 20,211 million yen from the previous fiscal year. This was mainly due to an increase in proceeds from the sale of non-current assets in addition to a decrease in purchases of non-current assets.

(Cash flows from financing activities)

Net cash provided by financing activities was 3,568 million yen, a decrease of 6,630 million yen from the previous fiscal year. This was mainly due to an increase in redemption of bonds despite a decrease in purchases of treasury shares.

(3) Basic policy on profit distribution and dividends for fiscal 2026 and fiscal 2027

To continuously enhance the Group's corporate value, the Company strives to secure a stable management base and actively pursue growth investments, while considering financial soundness maintenance and capital efficiency. Based on these, the Company's basic policy for shareholder returns is to pay dividends of profit in accordance with business performance and conduct flexible purchase of treasury shares.

Starting from the fiscal year under review (ended March 31, 2026), the Company aims to increase dividends through sustainable profit growth, with a consolidated payout ratio of approximately 30% based on business performance for each fiscal year.

Based on the above policy and full-year consolidated results, for the fiscal year under review (ended March 31, 2026), the Company will pay an annual dividend of 100 yen per share, an increase of 3 yen from the previously forecasted dividend of 97 yen per share.

For the next fiscal year (ending March 31, 2027), the Company plans to pay an annual dividend of 86 yen (year-end dividend of 86 yen).

2. Basic concept regarding selection of accounting standards

The Company Group applies Japanese accounting standards because most of its stakeholders are domestic shareholders, creditors, business partners, etc., and in order to ensure comparability with other Japanese companies in the same industries.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	13,836	14,759
Notes and accounts receivable - trade, and contract assets	35,233	39,752
Securities	1,964	504
Land and buildings for sale	161,201	165,892
Merchandise	1,898	1,962
Other	21,431	28,335
Allowance for doubtful accounts	-313	-164
Total current assets	235,252	251,042
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	237,700	252,259
Machinery, equipment and vehicles, net	21,093	24,464
Land	236,647	246,397
Leased assets, net	10,638	10,321
Construction in progress	27,590	25,616
Other, net	4,656	5,012
Total property, plant and equipment	538,325	564,072
Intangible assets	8,549	8,240
Investments and other assets		
Investment securities	56,000	63,711
Long-term loans receivable	106	69
Deferred tax assets	1,959	1,744
Retirement benefit asset	5,183	7,335
Other	14,589	13,344
Allowance for doubtful accounts	-105	-15
Total investments and other assets	77,732	86,190
Total non-current assets	624,607	658,503
Total assets	859,860	909,545

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,064	8,317
Short-term borrowings	62,434	74,459
Short-term bonds payable	9,996	-
Current portion of bonds payable	20,000	10,000
Accounts payable - other	34,115	35,109
Income taxes payable	8,439	8,240
Advances received	16,973	23,650
Provision for bonuses	3,097	3,165
Other	17,724	16,682
Total current liabilities	182,845	179,624
Non-current liabilities		
Bonds payable	90,000	90,000
Long-term borrowings	188,769	208,326
Long-term accounts payable - other	103	117
Lease liabilities	10,336	9,873
Deferred tax liabilities	4,463	6,329
Deferred tax liabilities for land revaluation	30,911	30,905
Provision for retirement benefits for directors (and other officers)	62	50
Retirement benefit liability	11,652	9,613
Other	26,205	25,141
Total non-current liabilities	362,506	380,357
Total liabilities	545,351	559,982
Net assets		
Shareholders' equity		
Share capital	51,466	51,466
Capital surplus	28,772	12,842
Retained earnings	213,924	237,901
Treasury shares	-39,038	-19,917
Total shareholders' equity	255,125	282,292
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,854	14,940
Revaluation reserve for land	35,516	35,559
Foreign currency translation adjustment	91	39
Remeasurements of defined benefit plans	5,642	8,296
Total accumulated other comprehensive income	52,106	58,836
Share acquisition rights	101	72
Non-controlling interests	7,174	8,362
Total net assets	314,508	349,563
Total liabilities and net assets	859,860	909,545

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Operating revenue	313,546	332,471
Operating expenses		
Operating expenses and cost of sales of transportation	221,741	230,068
Selling, general and administrative expenses	49,733	53,250
Total operating expenses	271,474	283,318
Operating profit	42,071	49,152
Non-operating income		
Interest income	30	36
Dividend income	567	1,018
Gain on redemption of securities	-	502
Amortization of negative goodwill	60	60
Share of profit of entities accounted for using equity method	165	48
Reversal of clerical costs on work performed on contract	59	70
Miscellaneous income	1,203	921
Total non-operating income	2,087	2,657
Non-operating expenses		
Interest expenses	2,253	3,576
Miscellaneous expenses	999	1,302
Total non-operating expenses	3,253	4,878
Ordinary profit	40,905	46,931
Extraordinary income		
Subsidies	2,096	2,020
Contribution received for construction	209	1,054
Gain on sale of non-current assets	22	695
Compensation income	271	2
Gain on sale of investment securities	-	2
Other	-	206
Total extraordinary income	2,600	3,982
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	840	1,500
Impairment losses	274	987
Loss on retirement of non-current assets	808	607
Loss on valuation of investment securities	222	330
Business restructuring expenses	636	-
Other	0	38
Total extraordinary losses	2,783	3,464
Profit before income taxes	40,722	47,449
Income taxes - current	12,133	13,824
Income taxes - deferred	-643	-1,122
Total income taxes	11,489	12,702
Profit	29,233	34,747
Profit attributable to non-controlling interests	966	1,165
Profit attributable to owners of parent	28,266	33,581

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	29,233	34,747
Other comprehensive income		
Valuation difference on available-for-sale securities	675	4,136
Revaluation reserve for land	-883	4
Remeasurements of defined benefit plans, net of tax	2,056	2,653
Share of other comprehensive income of entities accounted for using equity method	-47	-52
Total other comprehensive income	1,801	6,742
Comprehensive income	31,034	41,489
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	30,065	40,273
Comprehensive income attributable to non-controlling interests	969	1,216

(3) Consolidated statement of changes in equity

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	51,466	28,798	189,411	-21,496	248,180
Changes during period					
Dividends of surplus			-3,752		-3,752
Profit attributable to owners of parent			28,266		28,266
Reversal of revaluation reserve for land					-
Change in ownership interest of parent due to transactions with non-controlling interests		-9			-9
Purchase of treasury shares				-17,618	-17,618
Disposal of treasury shares		-16		76	59
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-25	24,513	-17,541	6,945
Balance at end of period	51,466	28,772	213,924	-39,038	255,125

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	10,182	36,400	139	3,586	50,307	101	6,231	304,820
Changes during period								
Dividends of surplus								-3,752
Profit attributable to owners of parent								28,266
Reversal of revaluation reserve for land								-
Change in ownership interest of parent due to transactions with non-controlling interests								-9
Purchase of treasury shares								-17,618
Disposal of treasury shares								59
Cancellation of treasury shares								-
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	672	-883	-47	2,056	1,798	-	943	2,741
Total changes during period	672	-883	-47	2,056	1,798	-	943	9,687
Balance at end of period	10,854	35,516	91	5,642	52,106	101	7,174	314,508

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	51,466	28,772	213,924	-39,038	255,125
Changes during period					
Dividends of surplus			-4,064		-4,064
Profit attributable to owners of parent			33,581		33,581
Reversal of revaluation reserve for land			-37		-37
Change in ownership interest of parent due to transactions with non-controlling interests		1			1
Purchase of treasury shares				-2,405	-2,405
Disposal of treasury shares		-0		91	90
Cancellation of treasury shares		-15,939	-5,495	21,435	-
Transfer from retained earnings to capital surplus		7	-7		-
Net changes in items other than shareholders' equity					
Total changes during period	-	-15,930	23,976	19,120	27,166
Balance at end of period	51,466	12,842	237,901	-19,917	282,292

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	10,854	35,516	91	5,642	52,106	101	7,174	314,508
Changes during period								
Dividends of surplus								-4,064
Profit attributable to owners of parent								33,581
Reversal of revaluation reserve for land								-37
Change in ownership interest of parent due to transactions with non-controlling interests								1
Purchase of treasury shares								-2,405
Disposal of treasury shares								90
Cancellation of treasury shares								-
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	4,085	42	-52	2,653	6,729	-28	1,187	7,888
Total changes during period	4,085	42	-52	2,653	6,729	-28	1,187	35,055
Balance at end of period	14,940	35,559	39	8,296	58,836	72	8,362	349,563

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	40,722	47,449
Depreciation	22,556	24,144
Amortization of intangible assets	182	186
Impairment losses	274	987
Loss (gain) on sale of non-current assets	-22	-693
Loss on retirement of non-current assets	453	584
Loss on tax purpose reduction entry of non-current assets	840	1,500
Contribution received for construction	-209	-1,054
Loss (gain) on sale of investment securities	-	-2
Loss (gain) on valuation of investment securities	222	330
Share of loss (profit) of entities accounted for using equity method	-165	-48
Interest and dividend income	-598	-1,054
Interest expenses	2,253	3,576
Increase (decrease) in allowance for doubtful accounts	10	-240
Increase (decrease) in provision for bonuses	102	68
Increase (decrease) in retirement benefit liability	-975	-167
Decrease (increase) in retirement benefit asset	-21	-91
Decrease (increase) in trade receivables	7,906	-1,543
Decrease (increase) in inventories	-9,074	-4,749
Increase (decrease) in trade payables	-899	-2,386
Increase (decrease) in accrued consumption taxes	1,855	-2,340
Increase (decrease) in leasehold and guarantee deposits received	2,050	1,331
Decrease (increase) in other current assets	-4,776	-6,949
Increase (decrease) in other current liabilities	-8,342	-1,469
Other	422	-701
Subtotal	54,766	56,665
Interest and dividends received	608	1,063
Interest paid	-2,195	-3,336
Income taxes paid	-9,171	-14,052
Net cash provided by (used in) operating activities	44,007	40,340
Cash flows from investing activities		
Purchase of non-current assets	-61,459	-52,760
Proceeds from sale of non-current assets	59	3,297
Proceeds from contribution received for construction	5,152	6,745
Proceeds from redemption of securities	3	2,306
Purchase of investment securities	-7,560	-3,286
Proceeds from sale of investment securities	0	2
Proceeds from redemption of investment securities	649	217
Proceeds from capital reduction with compensation of shares of subsidiaries and associates	499	172
Loan advances	-1,111	-668
Proceeds from collection of loans receivable	1,216	815
Other	-648	171
Net cash provided by (used in) investing activities	-63,198	-42,986

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-7,142	-1,908
Net increase (decrease) in short-term bonds payable	9,996	-9,996
Proceeds from long-term borrowings	58,715	69,182
Repayments of long-term borrowings	-48,694	-35,691
Proceeds from issuance of bonds	19,893	9,946
Redemption of bonds	-	-20,000
Dividends paid	-3,746	-4,057
Dividends paid to non-controlling interests	-25	-25
Purchase of treasury shares	-17,618	-2,405
Other	-1,178	-1,476
Net cash provided by (used in) financing activities	10,199	3,568
Effect of exchange rate change on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	-8,991	923
Cash and cash equivalents at beginning of period	22,768	13,777
Cash and cash equivalents at end of period	13,777	14,700

(5) Notes to consolidated financial statements

(Notes on premise of going concern)

No items to report.

(Notes relating to changes in accounting estimates)

In accounting for retirement benefits, actuarial gains and losses and prior service costs were previously amortized over a certain number of years (mainly 11 years) within the average remaining service period of employees. However, as the average remaining service period fell below this level, the amortization period has been changed to mainly 10 years from the fiscal year under review.

The effect of this change on profit and loss for the fiscal year under review was not material.

(Notes to segment information, etc.)

1. Overview of reportable segments

The reportable segments of the Company Group are constituent units of the Company Group for which separate financial information is available. The Board of Directors periodically examines these segments to decide on the allocation of management resources and evaluate business performance.

The Company Group is engaged in diverse businesses, including transportation, and has five reportable segments: Transportation; Real estate; Retail distribution; Leisure & Service; and Other businesses.

The Transportation segment includes the Railway and Bus businesses. The Real estate segment includes the Real estate sales and leasing businesses, wholesale of construction materials, and surveying and design services. The Retail distribution segment includes the Department store business, the Store business, and the Shopping mall management business. The Leisure & Service segment includes the Hotel business and sightseeing boat service. The Other businesses segment includes the operation of “GOOD NATURE STATION,” a commercial complex offering sustainable experiences.

2. Method of calculating operating revenue, profit or loss, assets, and other items by reportable segment

The accounting method for the reported business segments is the same as that described in the “Important Items that Form the Basis for Preparing Consolidated Financial Statements” in the recent Annual Securities Report submitted on June 17, 2025.

Values for profit shown in reportable segments are based on operating profit.

Intersegment revenues and transfers are based on market prices.

3. Disclosure of operating revenue, profit or loss, assets, and other items by reportable segment

Fiscal year ended March 31, 2025

(Millions of yen)

	Transportation	Real estate	Retail distribution	Leisure & Service	Other businesses	Total	Adjustments (Note) 1	Amount in consolidated financial statements (Note) 2
Operating revenue								
Operating revenue from external customers	89,288	124,053	56,168	39,419	4,611	313,541	4	313,546
Intersegment operating revenue and transfers	2,092	15,040	891	559	555	19,140	-19,140	-
Total	91,381	139,094	57,059	39,978	5,167	332,681	-19,135	313,546
Segment profit	12,323	22,342	2,846	4,916	68	42,497	-426	42,071
Segment assets	259,263	512,488	32,441	41,921	8,298	854,413	5,446	859,860
Other items								
Depreciation	11,393	8,320	1,223	1,282	137	22,358	198	22,556
Increase in property, plant and equipment and intangible assets	24,354	31,802	2,117	1,475	239	59,988	878	60,867

Notes: 1. (1) Adjustments of segment profit represent eliminations for intersegment transactions and the Company’s profit (loss) not allocated to each reportable segment.

(2) Adjustments of segment assets represent eliminations for intersegment transactions and the Company’s assets not allocated to each reportable segment. The Company’s assets amount to 32,481 million yen and consist mainly of surplus funds managed by the Company (cash and deposits) and long-term investment funds (investment securities).

(3) Adjustments of increase in property, plant and equipment and intangible assets consist of -196 million yen in intersegment adjustments and 1,075 million yen in assets of the Company not allocated to each reportable segment.

2. Segment profit is adjusted with operating profit in the consolidated statement of income.

Fiscal year ended March 31, 2026

(Millions of yen)

	Transportation	Real estate	Retail distribution	Leisure & Service	Other businesses	Total	Adjustments (Note) 1	Amount in consolidated financial statements (Note) 2
Operating revenue								
Operating revenue from external customers	95,173	131,121	57,048	43,922	5,090	332,357	114	332,471
Intersegment operating revenue and transfers	2,348	15,115	936	568	318	19,288	-19,288	-
Total	97,522	146,237	57,985	44,491	5,409	351,645	-19,173	332,471
Segment profit	13,977	26,062	2,818	6,759	175	49,792	-640	49,152
Segment assets	280,030	540,945	32,132	44,185	2,303	899,597	9,948	909,545
Other items								
Depreciation	12,214	8,882	1,277	1,400	77	23,852	291	24,144
Increase in property, plant and equipment and intangible assets	20,562	23,258	1,456	2,880	54	48,211	409	48,620

- Notes: 1. (1) Adjustments of segment profit represent eliminations for intersegment transactions and the Company's profit (loss) not allocated to each reportable segment.
- (2) Adjustments of segment assets represent eliminations for intersegment transactions and the Company's assets not allocated to each reportable segment. The Company's assets amount to 37,942 million yen and consist mainly of surplus funds under management (cash and deposits) at the Company and long-term investment funds (investment securities).
- (3) Adjustments of increase in property, plant and equipment and intangible assets consist of -118 million yen in intersegment adjustments and 527 million yen in assets of the Company not allocated to each reportable segment.
2. Segment profit is adjusted with operating profit in the consolidated statement of income.

(Notes on per share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	3,023.66 yen	3,380.83 yen
Basic earnings per share	268.32 yen	332.79 yen
Diluted earnings per share	268.26 yen	332.73 yen

Note: Basis for calculation of basic earnings per share and diluted earnings per share is as follows.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	28,266	33,581
Amounts not attributable to common shareholders (millions of yen)	-	-
Profit attributable to owners of parent related to common shares (millions of yen)	28,266	33,581
Average number of outstanding common shares during period (thousand shares)	105,346	100,908
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (millions of yen)	-	-
Increase in number of common shares (thousand shares)	24	19
(Share acquisition rights (thousand shares))	(24)	(19)
Overview of dilutive shares not included in the calculation of diluted earnings per share due to the absence of dilutive effect	-	-

(Notes on significant events after reporting period)

No items to report.