(Translation)

Consolidated Financial Results for the Three-Month Period Ended June 30, 2026 (Japanese GAAP)

August 4, 2026

Company name:	Kyushu Railway Company
Stock exchange listings:	Tokyo and Fukuoka
Securities code:	9142
URL:	https://www.jrkyushu.co.jp/
Representative:	Yoji Furumiya, President and CEO
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Scheduled date of dividend payment commencement:	—
Preparation of supplementary explanations for financial results:	Yes
Holding of a briefing on quarterly financial results:	Yes (for institutional investors and securities analysts)

(Amounts less than one million yen, except for per share amounts, are omitted.)

1. Consolidated Financial Results for the Three-Month Period Ended June 30, 2026 (From April 1, 2026 to June 30, 2026)

(1) Consolidated operating results

(Percentages show year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of the parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	125,819	7.1	20,846	4.4	20,945	2.5	15,700	(4.2)
June 30, 2025	117,517	12.8	19,960	35.8	20,436	35.0	16,396	43.6

(Note) Comprehensive income: Three months ended June 30, 2026: ¥13,966 million [(26.4%)]
Three months ended June 30, 2025: ¥18,966 million [91.4%]

	Net income per share — basic	Net income per share — diluted
Three months ended	Yen	Yen
June 30, 2026	102.04	—
June 30, 2025	106.13	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2026	1,238,416	500,179	40.3
As of March 31, 2026	1,222,430	494,870	40.4

(Reference) Shareholders' equity: As of June 30, 2026: ¥499,240 million
As of March 31, 2026: ¥493,928 million

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2026	－	57.50	－	57.50	115.00
Year ending March 31, 2027	－				
Year ending March 31, 2027 (Forecast)		60.50	－	60.50	121.00

(Note) Revisions to the most recently disclosed dividend forecasts: No

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2027
(April 1, 2026 to March 31, 2027)

(Percentages show year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	520,500	4.0	75,000	1.3	70,900	(4.2)	51,600	13.5	335.36

(Note) Revisions to the most recently disclosed financial forecasts: No

Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2026: Yes
Newly added: One company, Taniguchi Manufacturing Co., Ltd.
Note: For details, see "Changes in the Scope of Consolidation or Application of the Equity Method" on page 7 of the Attachments

(2) Application of special accounting treatment in preparing the quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and restatement of revisions
i Changes in accounting policies with revision of accounting standards: No
ii Changes in accounting policies other than the above: No
iii Changes in accounting estimates: No
iv Restatement of revisions: No

(4) Number of shares issued and outstanding (common stock)

i	Number of shares issued and outstanding at end of period (including treasury stock)	As of June 30, 2026	154,649,000 Shares	As of March 31, 2026	154,649,000 Shares
ii	Number of shares of treasury stock at end of period	As of June 30, 2026	765,734 Shares	As of March 31, 2026	815,134 Shares
iii	Average number of shares during the period	As of June 30, 2026	153,866,466 Shares	As of June 30, 2025	154,494,144 Shares

Note: The number of shares of treasury stock at the end of the period includes the number of shares of the Company's stock held by the Board Benefit Trust (BBT) (First quarter of FY2027/3: 172,800 shares; FY2026/3: 172,800 shares) and the number of shares held by the Stock-based Benefit Trust (Employee Shareholders Association Purchase-type) (First quarter of FY2027/3: 592,600 shares; FY2026/3: 642,000 shares). In addition, in calculating the average number of shares during the period, treasury stock includes shares held by the BBT (First quarter of FY2027/3: 172,800 shares; First quarter of FY2026/3: 176,600 shares) and shares held by the Stock-based Benefit Trust (Employee Shareholders Association Purchase-type) (First quarter of FY2027/3: 609,400 shares; First quarter of FY2026/3: 902,533 shares).

* Review of the attached quarterly consolidated financial statements by certified public accountants or accounting auditors: Yes (voluntary)

* Explanation of Appropriate Uses of Performance Forecasts and Other Important Items:
Performance forecasts and other forward-looking statements appearing in this document are based on currently available information and specific assumptions deemed rational and are not assurances that the Company will achieve these forecasts. Actual performance can vary greatly depending on various factors such as fluctuations in interest rates, fluctuations in share prices, changes in exchange rates, fluctuations in the value of assets, changes in the economic and financial environment, changes in the conditions of competition, occurrences of large-scale and other disasters, and changes in regulations.

Supplementary quarterly materials are attached to this summary of consolidated financial results.
A financial results briefing for institutional investors and securities analysts is scheduled to be held on August 4, 2026 (Tuesday).
The presentation materials used for this briefing will be posted on TDnet and the Company's website.

Contents of Accompanying Materials

1. Qualitative Information on Consolidated Financial Performance

During the first quarter of the fiscal year, consolidated operating revenue increased for the sixth consecutive period, driven primarily by higher railway passenger revenues and increased real estate leasing revenue. As a result, consolidated operating income and consolidated ordinary income rose for the sixth consecutive period, while net income attributable to owners of the parent declined for the first time in two periods.

The Group's business performance by segment is as follows.

(Millions of Yen)

	Operating revenue			Operating income/loss			EBITDA (Note 2)		
	FY2027/3, consolidated cumulative first quarter (three months ended June 30, 2026)	YoY		FY2027/3, consolidated cumulative first quarter (three months ended June 30, 2026)	YoY		FY2027/3, consolidated cumulative first quarter (three months ended June 30, 2026)	YoY	
Transportation	47,338	2,066	4.6%	9,597	26	0.3%	13,543	394	3.0%
Real Estate and Hotels	42,083	2,174	5.4%	9,959	624	6.7%	14,584	703	5.1%
Real estate lease	20,800	1,352	7.0%	5,219	472	10.0%	8,936	566	6.8%
Real estate sale	12,535	177	1.4%	2,648	(151)	(5.4%)	2,651	(151)	(5.4%)
Hotel	8,747	645	8.0%	2,091	303	17.0%	2,996	288	10.6%
Retail and Restaurant	18,179	1,369	8.1%	807	(85)	(9.6%)	1,195	(33)	(2.7%)
Construction	20,707	3,000	16.9%	(368)	299	—	(28)	320	—
Business Services	21,035	1,727	8.9%	1,166	79	7.3%	1,842	127	7.4%
Total	149,345	10,338	7.4%	21,161	944	4.7%	31,139	1,512	5.1%
Adjustment (Note 1)	(23,525)	(2,036)	—	(315)	(58)	—	(417)	(60)	—
Amount on the consolidated financial statements	125,819	8,302	7.1%	20,846	885	4.4%	30,721	1,452	5.0%

(Notes) 1. Adjustments reflect the elimination of intersegment transactions.

2. Consolidated EBITDA = operating income + depreciation (after elimination of intersegment transactions, excluding the cost of depreciation related to lease assets held for the purpose of subleasing), segment EBITDA = segment operating income + segment depreciation (before elimination of intersegment transactions, excluding the cost of depreciation related to lease assets held for the purpose of subleasing)

For further details, please refer to the "Financial Results Presentation Materials for the First Quarter, FY2027.3," which is scheduled to be posted on TDnet and the Company's website on Tuesday, August 4, 2026.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Millions of Yen)

	FY 2026/3 (As of March 31, 2026)	FY 2027/3, First Quarter (As of June 30, 2026)
ASSETS		
Current assets		
Cash and time deposits	36,775	39,206
Notes and accounts receivable–trade, and contract assets	59,968	32,969
Fares receivable	4,297	3,428
Securities	8,199	28,416
Merchandise and finished goods	20,005	11,955
Work in process	70,494	104,480
Raw materials and supplies	12,292	15,128
Other	35,785	24,868
Allowance for doubtful accounts	(90)	(71)
Total current assets	247,728	260,381
Non-current assets		
Property, plant and equipment		
Buildings and fixtures (net)	426,483	425,570
Machinery, rolling stock and vehicles (net)	80,948	80,496
Land	222,653	225,115
Leased assets (net)	23,158	23,179
Construction in progress	27,645	33,270
Other (net)	13,504	13,299
Total property, plant and equipment	794,394	800,931
Intangible assets	6,931	7,986
Investments and other assets		
Investment securities	73,047	74,610
Deferred tax assets	34,850	32,349
Net defined benefit assets	1,878	1,978
Other	66,485	63,038
Allowance for doubtful accounts	(2,886)	(2,860)
Total investments and other assets	173,375	169,117
Total non-current assets	974,701	978,034
Total assets	1,222,430	1,238,416

(Millions of Yen)

	FY 2026/3 (As of March 31, 2026)	FY 2027/3, First Quarter (As of June 30, 2026)
LIABILITIES		
Current liabilities		
Notes and accounts payable–trade	30,659	18,851
Short-term loans	152	320
Commercial papers	—	25,000
Current portion of long-term loans	45,318	52,043
Payables	48,846	35,564
Accrued income taxes	10,935	3,571
Fare deposits received with regard to railway connecting services	3,149	5,146
Railway fares received in advance	8,629	8,493
Accrued bonuses	13,045	8,892
Other	43,868	50,127
Total current liabilities	204,603	208,011
Non-current liabilities		
Corporate bonds	230,000	250,000
Long-term loans	192,451	178,794
Allowance for safety and environmental measures	592	592
Allowance for disaster-damage losses	3,819	3,771
Net defined benefit liabilities	39,137	39,491
Asset retirement obligations	2,884	2,964
Other	54,071	54,611
Total non-current liabilities	522,956	530,225
Total liabilities	727,560	738,237
NET ASSETS		
Shareholders' equity		
Common stock	16,000	16,000
Capital surplus	215,968	215,968
Retained earnings	239,504	246,349
Treasury stock	(3,127)	(2,930)
Total shareholders' equity	468,344	475,388
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	20,457	18,727
Foreign currency translation adjustments	(234)	(222)
Remeasurements of defined benefit plans	5,361	5,346
Total accumulated other comprehensive income	25,583	23,851
Non-controlling interests	941	938
Total net assets	494,870	500,179
TOTAL LIABILITIES AND NET ASSETS	1,222,430	1,238,416

(2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements

Quarterly Consolidated Income Statements

Consolidated Cumulative First Quarter

(Millions of Yen)

	FY 2026/3, First Quarter (Three months ended June 30,2025)	FY 2027/3, First Quarter (Three months ended June 30,2026)
OPERATING REVENUES	117,517	125,819
OPERATING EXPENSES		
Transportation, other services and cost of sales	65,190	70,595
Selling, general and administrative expense	32,366	34,377
Total operating expense	97,556	104,973
OPERATING INCOME	19,960	20,846
NON-OPERATING INCOME		
Interest income	33	84
Dividend income	622	779
Gain on assets held in trust	514	428
Other	348	287
Total non-operating income	1,519	1,580
NON-OPERATING EXPENSES		
Interest expense	946	1,368
Other	97	113
Total non-operating expense	1,043	1,481
ORDINARY INCOME	20,436	20,945
EXTRAORDINARY GAINS		
Construction grants received	307	170
Gain on sales of investment securities	-	173
Other	1,055	289
Total extraordinary gains	1,363	633
EXTRAORDINARY LOSSES		
Loss on reduction of noncurrent assets	303	168
Other	93	62
Total extraordinary losses	397	230
INCOME BEFORE INCOME TAXES	21,402	21,347
INCOME TAXES -Current	1,481	3,139
INCOME TAXES -Deferred	3,530	2,508
TOTAL INCOME TAXES	5,012	5,647
NET INCOME	16,390	15,699
NET INCOME (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(6)	(0)
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	16,396	15,700

Quarterly Consolidated Comprehensive Income Statements

Consolidated Cumulative First Quarter

(Millions of Yen)

	FY 2026/3, First Quarter (Three months ended June 30,2025)	FY 2027/3, First Quarter (Three months ended June 30,2026)
NET INCOME	16,390	15,699
OTHER COMPREHENSIVE INCOME		
Unrealized gain on available-for-sale securities	2,465	(1,732)
Foreign currency translation adjustments	37	12
Remeasurements of defined benefit plans	73	(15)
Share of other comprehensive income of affiliates accounted for by the equity method	(0)	1
Total other comprehensive income	2,576	(1,733)
COMPREHENSIVE INCOME	18,966	13,966
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Owners of the parent	18,972	13,968
Non-controlling interests	(6)	(2)

(3) Notes to Quarterly Consolidated Financial Statements

The quarterly consolidated financial statements have been prepared in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and the Fukuoka Stock Exchange, Inc. and generally accepted accounting standards in Japan regarding interim consolidated financial statements. (However, the omission of the description prescribed in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements is applied.)

(Notes on Going Concern Assumption)

None

(Changes in the Scope of Consolidation or Application of the Equity Method)

(Significant changes in the scope of consolidation)

Taniguchi Manufacturing Co., Ltd. has been included in the scope of consolidation from the first quarter of FY2027/3 due to its increased materiality.

(Notes on Significant Changes in the Value of Shareholders' Equity)

None

(Notes Related to the Quarterly Consolidated Statement of Cash Flows)

Quarterly consolidated statements of cash flows have not been prepared for the first quarter of the current fiscal year. Depreciation and amortization expenses (including amortization expenses related to intangible fixed assets excluding goodwill) for the first quarter of the fiscal year under review are as follows.

	FY2026/3 First Quarter (Three months ended June 30, 2025)	FY2027/3 First Quarter (Three months ended June 30, 2026)
Depreciation costs	¥ 9,683 million	¥ 10,287 million

(Note) Amortization of goodwill is omitted because the amounts are immaterial.

(Notes on Segment Information, etc.)

(Segment information)

First Quarter of the Previous Fiscal Year (from April 1 to June 30, 2025)

1. Information Related to Operating Revenue and Income (Loss) by Segment

(Millions of Yen)

	Reportable Segment					Total	Adjustment (Note 1)	Quarterly Consolidated Statements of Income (Note 2)
	Transportation	Real Estate and Hotels	Retail and Restaurant	Construction	Business Services			
Operating Revenue								
Outside Customers	43,997	38,737	16,699	8,176	9,906	117,517	―	117,517
Inside Group	1,274	1,171	110	9,531	9,401	21,489	(21,489)	―
Total	45,272	39,908	16,810	17,707	19,308	139,007	(21,489)	117,517
Segment income (loss)	9,571	9,335	892	(668)	1,086	20,217	(256)	19,960

(Notes) 1. The ¥(256) million deduction from segment income (loss) reflects the elimination of intersegment transactions.

2. Segment income (loss) has been adjusted for the operating income figure on the quarterly consolidated income statements.

First Quarter of the Current Fiscal Year (from April 1 to June 30, 2026)

1. Information Related to Operating Revenue and Income (Loss) by Segment

(Millions of Yen)

	Reportable Segment					Total	Adjustment (Note 1)	Quarterly Consolidated Statements of Income (Note 2)
	Transportation	Real Estate and Hotels	Retail and Restaurant	Construction	Business Services			
Operating Revenue								
Outside Customers	46,111	40,840	18,068	10,007	10,791	125,819	―	125,819
Inside Group	1,226	1,243	111	10,700	10,243	23,525	(23,525)	―
Total	47,338	42,083	18,179	20,707	21,035	149,345	(23,525)	125,819
Segment income (loss)	9,597	9,959	807	(368)	1,166	21,161	(315)	20,846

(Notes) 1. The ¥(315) million deduction from segment income (loss) reflects the elimination of intersegment transactions.

2. Segment income (loss) has been adjusted for the operating income figure on the quarterly consolidated income statements.

(Notes on Significant Subsequent Events)

Although expenditures such as restoration costs are anticipated due to the “2026 Kumamoto Earthquake” that occurred on July 28, 2026, the details are currently under investigation, and it is difficult to reasonably estimate the impact at this time.