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July 28, 2021

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Under Japanese GAAP)

Company name: Keio Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 9008
 URL: <https://www.keio.co.jp/>
 Representative: President, Representative Director and Executive Officer Yasushi Komura
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 Scheduled date to file quarterly securities report: August 16, 2021
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: No

(Amounts less than one million yen are rounded down.)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results (cumulative)

(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 | % |
| Three months ended | | | | | | | | |
| June 30, 2021 | 67,963 | 15.0 | (1,285) | — | 237 | — | (1,498) | — |
| June 30, 2020 | 59,111 | (44.8) | (12,538) | — | (12,849) | — | (10,725) | — |

Note: Comprehensive income For the three months ended June 30, 2021: ¥(2,814) million [—%]
 For the three months ended June 30, 2020: ¥(10,681) million [—%]

| | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Three months ended | Yen | Yen |
| June 30, 2021 | (12.27) | — |
| June 30, 2020 | (87.84) | — |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|----------------|-----------------|-----------------|-----------------------|
| As of | Millions of yen | Millions of yen | % |
| June 30, 2021 | 894,619 | 337,569 | 37.7 |
| March 31, 2021 | 912,624 | 344,395 | 37.7 |

Reference: Shareholders' equity
 As of June 30, 2021: ¥337,549 million
 As of March 31, 2021: ¥344,346 million

2. Cash dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2021 | — | 20.00 | — | 20.00 | 40.00 |
| Fiscal year ending March 31, 2022 | — | | | | |
| Fiscal year ending March 31, 2022 (Forecast) | | — | — | — | — |

Note: Revisions to the forecast of cash dividends most recently announced: No

The Company has made the decision to review dividends for the year ending March 31, 2022 in light of the COVID-19 pandemic and financial situation. As such, these remain to be determined.

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Percentages indicate year-on-year changes.)

| | Operating revenues | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Earnings per share |
|-----------|--------------------|-----|------------------|---|-----------------|---|---|---|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 343,500 | 8.9 | 15,700 | — | 14,400 | — | 7,100 | — | 58.15 |

Note: Revisions to the forecast of consolidated financial results most recently announced: No

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: No
 - (iii) Changes in accounting estimates: No
 - (iv) Restatement: No
- (4) Number of issued shares (common shares)

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

| | |
|----------------------|--------------------|
| As of June 30, 2021 | 128,550,830 shares |
| As of March 31, 2021 | 128,550,830 shares |

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

| | |
|----------------------|------------------|
| As of June 30, 2021 | 6,451,358 shares |
| As of March 31, 2021 | 6,451,097 shares |

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|----------------------------------|--------------------|
| Three months ended June 30, 2021 | 122,099,545 shares |
| Three months ended June 30, 2020 | 122,101,392 shares |

Note: The number of the Company's shares held by the Officer Compensation Trust Account included within the number of treasury shares is as follows:
1Q FYE March 2022: 57,900 shares FYE March 2021: 57,900 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* 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.

Quarterly consolidated financial statements

Consolidated balance sheets

| | (Millions of yen) | |
|---|----------------------|---------------------|
| | As of March 31, 2021 | As of June 30, 2021 |
| Assets | | |
| Current assets | | |
| Cash and deposits | 76,772 | 75,043 |
| Notes and accounts receivable-trade | 38,009 | — |
| Notes and accounts receivable-trade and contract assets | — | 24,712 |
| Merchandise and finished goods | 11,965 | 10,843 |
| Work in process | 21,387 | 23,028 |
| Raw materials and supplies | 2,289 | 2,245 |
| Other | 8,612 | 8,917 |
| Allowance for doubtful accounts | (13) | (14) |
| Total current assets | 159,022 | 144,776 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 332,049 | 328,660 |
| Land | 235,322 | 236,064 |
| Construction in progress | 46,673 | 50,551 |
| Other, net | 42,671 | 40,785 |
| Total property, plant and equipment | 656,717 | 656,061 |
| Intangible assets | 14,736 | 14,802 |
| Investments and other assets | | |
| Investment securities | 50,251 | 47,802 |
| Other | 32,028 | 31,308 |
| Allowance for doubtful accounts | (132) | (131) |
| Total investments and other assets | 82,147 | 78,978 |
| Total non-current assets | 753,601 | 749,842 |
| Total assets | 912,624 | 894,619 |

(Millions of yen)

| | As of March 31, 2021 | As of June 30, 2021 |
|---|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable-trade | 16,043 | 12,866 |
| Short-term borrowings | 66,193 | 66,379 |
| Current portion of bonds | 20,000 | 20,000 |
| Commercial papers | 30,004 | 30,001 |
| Income taxes payable | 2,493 | 2,106 |
| Provisions | 3,956 | 2,830 |
| Other | 83,098 | 79,591 |
| Total current liabilities | 221,791 | 213,776 |
| Non-current liabilities | | |
| Bonds payable | 150,000 | 150,000 |
| Long-term borrowings | 133,412 | 130,853 |
| Retirement benefit liability | 22,930 | 22,775 |
| Other | 40,095 | 39,645 |
| Total non-current liabilities | 346,438 | 343,273 |
| Total liabilities | 568,229 | 557,050 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 59,023 | 59,023 |
| Capital surplus | 42,187 | 42,187 |
| Retained earnings | 252,952 | 247,446 |
| Treasury shares | (19,740) | (19,742) |
| Total shareholders' equity | 334,422 | 328,915 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 7,681 | 6,614 |
| Foreign currency translation adjustment | 4 | 4 |
| Remeasurements of defined benefit plans | 2,237 | 2,014 |
| Total accumulated other comprehensive income | 9,923 | 8,634 |
| Non-controlling interests | 48 | 19 |
| Total net assets | 344,395 | 337,569 |
| Total liabilities and net assets | 912,624 | 894,619 |

Quarterly consolidated statements of income (cumulative) and Quarterly consolidated statements of comprehensive income (cumulative)

Quarterly consolidated statements of income (cumulative)

| | (Millions of yen) | |
|---|-------------------------------------|-------------------------------------|
| | Three months ended June 30, 2020 | Three months ended June 30, 2021 |
| Operating revenues | 59,111 | 67,963 |
| Operating expenses | | |
| Operating expenses and cost of sales of transportation | 60,089 | 57,769 |
| Selling, general and administrative expenses | 11,560 | 11,479 |
| Total operating expenses | 71,650 | 69,248 |
| Operating loss | (12,538) | (1,285) |
| Non-operating income | | |
| Interest income | 5 | 5 |
| Dividend income | 661 | 549 |
| Subsidy income etc | 50 | 1,683 |
| Other | 183 | 172 |
| Total non-operating income | 900 | 2,411 |
| Non-operating expenses | | |
| Interest expenses | 757 | 762 |
| Share of loss of entities accounted for using equity method | 141 | 48 |
| Other | 313 | 77 |
| Total non-operating expenses | 1,211 | 888 |
| Ordinary profit (loss) | (12,849) | 237 |
| Extraordinary income | | |
| Gain on sales of investment securities | — | 230 |
| Gain on sales of non-current assets | 85 | 102 |
| Contribution for construction | 59 | 44 |
| Other | 1,748 | 22 |
| Total extraordinary income | 1,893 | 399 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 172 | 63 |
| Loss on tax purpose reduction entry of non-current assets | 59 | 43 |
| Other | 458 | 12 |
| Total extraordinary losses | 691 | 119 |
| Profit (loss) before income taxes | (11,646) | 517 |
| Income taxes | (837) | 2,042 |
| Loss | (10,808) | (1,525) |
| Loss attributable to non-controlling interests | (83) | (26) |
| Loss attributable to owners of parent | (10,725) | (1,498) |

Quarterly consolidated statements of comprehensive income (cumulative)

(Millions of yen)

| | Three months ended June 30, 2020 | Three months ended June 30, 2021 |
|--|-------------------------------------|-------------------------------------|
| Loss | (10,808) | (1,525) |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 645 | (1,066) |
| Remeasurements of defined benefit plans, net of tax | (517) | (222) |
| Share of other comprehensive income of entities accounted for using equity method | (0) | (0) |
| Total other comprehensive income | 126 | (1,289) |
| Comprehensive income | (10,681) | (2,814) |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | (10,598) | (2,787) |
| Comprehensive income attributable to non-controlling interests | (83) | (26) |