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May 2, 2022

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (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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 Telephone: +81-42-337-3135
 Scheduled date of annual general meeting of shareholders: June 29, 2022
 Scheduled date to commence dividend payments: June 30, 2022
 Scheduled date to file annual securities report: June 29, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	299,872	(4.9)	740	—	5,366	—	5,585	—
March 31, 2021	315,439	(27.3)	(20,866)	—	(17,980)	—	(27,519)	—

Note: Comprehensive income For the fiscal year ended March 31, 2022: ¥ 4,349 million [—%]
 For the fiscal year ended March 31, 2021: ¥(23,180) million [—%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
March 31, 2022	Yen 45.75	Yen —	% 1.6	% 0.6	% 0.2
March 31, 2021	(225.38)	—	(7.7)	(2.0)	(6.6)

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2022: ¥ 257 million
 For the fiscal year ended March 31, 2021: ¥ 88 million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
March 31, 2022	Millions of yen 906,212	Millions of yen 342,286	% 37.8	Yen 2,803.64
March 31, 2021	912,624	344,395	37.7	2,820.20

Reference: Shareholders' equity
 As of March 31, 2022: ¥ 342,321 million
 As of March 31, 2021: ¥ 344,346 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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2022	28,222	(14,318)	(23,264)	67,394
March 31, 2021	6,897	(30,822)	58,767	76,753

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, 2021	—	20.00	—	20.00	40.00	4,885	—	1.4
Fiscal year ended March 31, 2022	—	20.00	—	20.00	40.00	4,886	87.4	1.4
Fiscal year ending March 31, 2023 (Forecast)	—	20.00	—	20.00	40.00		76.3	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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	346,000	15.4	14,900	—	13,500	151.5	6,400	14.6	52.42

* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (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: Yes
- (ii) Changes in accounting policies due to other reasons: No
- (iii) Changes in accounting estimates: No
- (iv) Restatement: No

(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, 2022	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 March 31, 2022	6,451,615 shares
As of March 31, 2021	6,451,097 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2022	122,099,924 shares
Fiscal year ended March 31, 2021	122,100,841 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:

FYE March 2022: 56,300 shares FYE March 2021: 57,900 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenues		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2022	105,713	4.1	11,741	136.1	12,034	104.3	(4,393)	—
March 31, 2021	101,529	(21.2)	4,973	(79.3)	5,890	(77.1)	(2,141)	—

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	(35.99)	—
March 31, 2021	(17.54)	—

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2022	775,596	220,930	28.5	1,809.43
March 31, 2021	766,625	231,388	30.2	1,895.08

Reference: Shareholders' equity

As of March 31, 2022: ¥220,930million

As of March 31, 2021: ¥231,388 million

2. Forecast of non-consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

	Operating revenues		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	113,900	7.7	13,900	18.4	13,700	13.8	2,500	—	20.48

* Financial results reports are exempt from audit 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.

Consolidated financial statements**Consolidated balance sheets**

	(Millions of yen)	
	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	76,772	67,403
Notes and accounts receivable-trade	38,009	—
Notes and accounts receivable-trade and contract assets	—	40,892
Merchandise and finished goods	11,965	16,526
Work in process	21,387	22,687
Raw materials and supplies	2,289	2,293
Other	8,612	7,272
Allowance for doubtful accounts	(13)	(9)
Total current assets	159,022	157,066
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	332,049	323,188
Machinery, equipment and vehicles, net	33,106	22,388
Land	235,322	235,725
Construction in progress	46,673	61,334
Other, net	9,564	14,176
Total property, plant and equipment	656,717	656,813
Intangible assets	14,736	14,593
Investments and other assets		
Investment securities	50,251	49,056
Retirement benefit asset	12,508	12,799
Deferred tax assets	12,122	8,707
Other	7,396	7,303
Allowance for doubtful accounts	(132)	(128)
Total investments and other assets	82,147	77,738
Total non-current assets	753,601	749,145
Total assets	912,624	906,212

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable-trade	16,043	16,067
Short-term borrowings	66,193	68,627
Current portion of bonds	20,000	20,000
Commercial papers	30,004	20,006
Income taxes payable	2,493	4,127
Advances received	23,425	25,537
Contract liabilities	—	12,186
Provision for bonuses	2,437	3,570
Other provisions	1,519	1,166
Other	59,673	61,940
Total current liabilities	221,791	233,231
Non-current liabilities		
Bonds payable	150,000	130,000
Long-term borrowings	133,412	137,081
Deferred tax liabilities	2,335	1,226
Retirement benefit liability	22,930	22,827
Other	37,759	39,560
Total non-current liabilities	346,438	330,694
Total liabilities	568,229	563,925
Net assets		
Shareholders' equity		
Share capital	59,023	59,023
Capital surplus	42,187	42,187
Retained earnings	252,952	252,087
Treasury shares	(19,740)	(19,743)
Total shareholders' equity	334,422	333,555
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,681	7,181
Foreign currency translation adjustment	4	7
Remeasurements of defined benefit plans	2,237	1,576
Total accumulated other comprehensive income	9,923	8,766
Non-controlling interests	48	(35)
Total net assets	344,395	342,286
Total liabilities and net assets	912,624	906,212

Consolidated statements of income and Consolidated statements of comprehensive income

Consolidated statements of income

	(Millions of yen)	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Operating revenues	315,439	299,872
Operating expenses		
Operating expenses and cost of sales of transportation	288,756	252,085
Selling, general and administrative expenses	47,550	47,047
Total operating expenses	336,306	299,132
Operating profit (loss)	(20,866)	740
Non-operating income		
Interest income	20	20
Dividend income	1,312	1,242
Share of profit of entities accounted for using equity method	88	257
Subsidy income etc	4,174	5,234
Other	953	1,009
Total non-operating income	6,549	7,764
Non-operating expenses		
Interest expenses	3,091	2,844
Other	572	294
Total non-operating expenses	3,664	3,138
Ordinary profit (loss)	(17,980)	5,366
Extraordinary income		
Gain on sales of non-current assets	1,167	12,141
Gain on sales of investment securities	4,655	1,529
Contribution for construction	446	941
Other	2,286	186
Total extraordinary income	8,555	14,799
Extraordinary losses		
Impairment loss	9,224	1,902
Loss on retirement of non-current assets	815	1,812
Loss on tax purpose reduction entry of non-current assets	388	858
Compensation for tenants closing	707	688
Other	506	579
Total extraordinary losses	11,642	5,841

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit (loss) before income taxes	(21,067)	14,324
Income taxes-current	3,930	5,654
Income taxes-deferred	2,688	3,163
Total income taxes	6,618	8,818
Profit (loss)	(27,686)	5,506
Loss attributable to non-controlling interests	(167)	(78)
Profit (loss) attributable to owners of parent	(27,519)	5,585

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit (loss)	(27,686)	5,506
Other comprehensive income		
Valuation difference on available-for-sale securities	2,629	(499)
Remeasurements of defined benefit plans, net of tax	1,876	(660)
Share of other comprehensive income of entities accounted for using equity method	0	3
Total other comprehensive income	4,506	(1,157)
Comprehensive income	(23,180)	4,349
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(23,013)	4,428
Comprehensive income attributable to non-controlling interests	(167)	(78)

Consolidated statements of changes in net assets

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	59,023	42,012	286,271	(19,552)	367,755
Cumulative effects of changes in accounting policies					
Restated balance	59,023	42,012	286,271	(19,552)	367,755
Changes during period					
Dividends of surplus			(5,799)		(5,799)
Loss attributable to owners of parent			(27,519)		(27,519)
Change due to merger					
Purchase of treasury shares				(364)	(364)
Disposal of treasury shares		175		175	351
Net changes in items other than shareholders' equity					
Total changes during period	—	175	(33,319)	(188)	(33,332)
Balance at end of period	59,023	42,187	252,952	(19,740)	334,422

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,052	3	360	5,416	282	373,454
Cumulative effects of changes in accounting policies						—
Restated balance	5,052	3	360	5,416	282	373,454
Changes during period						
Dividends of surplus						(5,799)
Loss attributable to owners of parent						(27,519)
Change due to merger						—
Purchase of treasury shares						(364)
Disposal of treasury shares						351
Net changes in items other than shareholders' equity	2,628	0	1,876	4,506	(233)	4,272
Total changes during period	2,628	0	1,876	4,506	(233)	(29,059)
Balance at end of period	7,681	4	2,237	9,923	48	344,395

Fiscal year ended March 31, 2022

(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	252,952	(19,740)	334,422
Cumulative effects of changes in accounting policies			(1,496)		(1,496)
Restated balance	59,023	42,187	251,456	(19,740)	332,926
Changes during period					
Dividends of surplus			(4,886)		(4,886)
Profit attributable to owners of parent			5,585		5,585
Change due to merger			(68)		(68)
Purchase of treasury shares				(12)	(12)
Disposal of treasury shares		0		9	10
Net changes in items other than shareholders' equity					
Total changes during period	—	0	631	(2)	629
Balance at end of period	59,023	42,187	252,087	(19,743)	333,555

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,681	4	2,237	9,923	48	344,395
Cumulative effects of changes in accounting policies						(1,496)
Restated balance	7,681	4	2,237	9,923	48	342,898
Changes during period						
Dividends of surplus						(4,886)
Profit attributable to owners of parent						5,585
Change due to merger						(68)
Purchase of treasury shares						(12)
Disposal of treasury shares						10
Net changes in items other than shareholders' equity	(499)	3	(660)	(1,157)	(84)	(1,241)
Total changes during period	(499)	3	(660)	(1,157)	(84)	(612)
Balance at end of period	7,181	7	1,576	8,766	(35)	342,286

Consolidated Statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit (loss) before income taxes	(21,067)	14,324
Depreciation and amortization	34,663	31,164
Impairment loss	9,224	1,902
Amortization of goodwill	472	303
Increase (decrease) in retirement benefit liability	2,405	(353)
Increase (decrease) in retirement benefit asset	(4,066)	(986)
Loss on valuation of land for sale	30	10
Loss on retirement of non-current assets	395	363
Loss on tax purpose reduction entry of non-current assets	388	858
Interest and dividend income	(1,333)	(1,262)
Subsidy income etc	(4,174)	(5,234)
Interest expenses	3,091	2,844
Loss (gain) on sale of investment securities	(4,655)	(1,528)
Contribution for construction	(446)	(941)
Gain on sales of non-current assets	(1,167)	(12,141)
Compensation for tenants closing	707	688
Decrease (increase) in trade receivables	(5,601)	(2,979)
Decrease (increase) in inventories	3,248	(3,760)
Increase (decrease) in trade payables	245	(2,184)
Other, net	(561)	7,482
Subtotal	11,797	28,569
Interest and dividends received	1,333	1,371
Proceeds from Subsidy income etc	4,171	5,238
Interest expenses paid	(3,017)	(2,918)
Compensation paid for tenants closing	(559)	(388)
Income taxes paid	(6,828)	(3,649)
Net cash provided by (used in) operating activities	6,897	28,222

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(46,169)	(36,986)
Proceeds from sales of property, plant and equipment and intangible assets	2,955	17,108
Proceeds from contribution received for construction	6,398	3,760
Purchase of investment securities	(173)	(3,074)
Proceeds from sales and redemption of investment securities	6,309	5,616
Proceeds from withdrawal of time deposits	—	9
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(189)	—
Other, net	47	(753)
Net cash provided by (used in) investing activities	(30,822)	(14,318)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,491)	869
Proceeds from long-term borrowings	15,790	14,600
Repayment of long-term borrowings	(17,911)	(9,366)
Proceeds from issuance of bonds	39,783	—
Redemption of bonds	—	(20,000)
Purchase of treasury shares	(364)	(12)
Net increase (decrease) in commercial papers	30,004	(9,971)
Dividends paid	(5,803)	(4,886)
Proceeds from sale and leaseback transactions	—	6,626
Other, net	(239)	(1,123)
Net cash provided by (used in) financing activities	58,767	(23,264)
Effect of exchange rate change on cash and cash equivalents	(0)	(0)
Net increase (decrease) in cash and cash equivalents	34,841	(9,361)
Cash and cash equivalents at beginning of period	41,912	76,753
Increase in cash and cash equivalents resulting from merger of unconsolidated subsidiaries of subsidiaries	—	1
Cash and cash equivalents at end of period	76,753	67,394