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April 28, 2022

Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Based on Japanese GAAP)

Company name:	Odakyu Electric Railway Co., Ltd.	
Stock exchange listing:	Tokyo	
Stock code:	9007	
URL:	https://www.odakyu.jp/	
Representative:	President & CEO	Koji Hoshino
Inquiries:	Office Manager, IR Office	Satoshi Suzuki
TEL:	+81-3-3349-2526	
Scheduled date of the 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 meeting:	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.)

	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, 2022	358,753	–	6,152	–	4,699	–	12,116	–
March 31, 2021	385,978	(27.7)	(24,190)	–	(31,223)	–	(39,804)	–

Note: Comprehensive income For the fiscal year ended March 31, 2022 ¥809 million [–%]
For the fiscal year ended March 31, 2021 ¥(34,078) million [–%]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	33.36	–	3.5	0.4	1.7
March 31, 2021	(109.60)	–	(10.8)	(2.4)	(6.3)

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended March 31, 2022 ¥238 million
For the fiscal year ended March 31, 2021 ¥(3,398) million

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the fiscal year ended March 31, 2022, and each figure for the fiscal year ended March 31, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations. The percentage of year-on-year change is not shown.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2022	1,285,230	349,257	27.0	954.58
March 31, 2021	1,326,996	352,456	26.4	963.40

Reference: Equity

As of March 31, 2022 ¥346,862 million
As of March 31, 2021 ¥349,878 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	48,617	(45,515)	(30,573)	21,852
March 31, 2021	27,178	(43,582)	37,207	49,267

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2021	–	0.00	–	10.00	10.00	3,655	–	1.0
Fiscal year ended March 31, 2022	–	0.00	–	10.00	10.00	3,655	30.0	1.0
Fiscal year ending March 31, 2023 (Forecast)	–	0.00	–	10.00	10.00		36.3	

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

(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, 2022	195,500	11.9	14,800	426.9	14,000	449.6	7,600	(4.8)	20.92
Fiscal year ending March 31, 2023	401,100	11.8	24,600	299.8	22,300	374.5	10,000	(17.5)	27.52

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement of prior period financial statements: None
- (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	368,497,717 shares
As of March 31, 2021	368,497,717 shares

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

As of March 31, 2022	5,132,551 shares
As of March 31, 2021	5,327,705 shares

- (iii) Average number of shares during the period

Fiscal year ended March 31, 2022	363,208,463 shares
Fiscal year ended March 31, 2021	363,167,785 shares

Note: The Company's shares held by the Board Incentive Plan Trust Account, which have been included in the treasury shares, are as follows.

For the fiscal year ended March 31, 2022: 137,002 shares
For the fiscal year ended March 31, 2021: 153,660 shares

Reference: Summary of non-consolidated financial results

**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.)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2022	131,365	–	14,170	–	6,523	–	13,576	–
March 31, 2021	114,366	(33.5)	(3,224)	–	(14,664)	–	(19,702)	–

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2022	37.16	–
March 31, 2021	(53.92)	–

Note: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the fiscal year ended March 31, 2022, and each figure for the fiscal year ended March 31, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations. The percentage of year-on-year change is not shown.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2022	1,108,060	313,381	28.3	857.62
March 31, 2021	1,149,616	314,816	27.4	861.58

Reference: Equity

As of March 31, 2022

¥313,381 million

As of March 31, 2021

¥314,816 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of financial results forecasts and other special items

Caution regarding forward-looking statements and others

The financial results forecasts are calculated based on information obtained at the current time.

Accordingly, actual results may differ from the forecast figures due to changes in business conditions and other factors.

How to obtain supplementary material on financial results

Supplementary material on financial results is disclosed on the same day on TDnet. Please refer to the Company website to review the supplementary material on financial results, and also “Financial Results (with Additional Explanations)” and “FAQ,” which were disclosed on the same day.

How to access the contents of the financial results meeting

A financial results meeting will be held on May 12, 2022 for institutional investors and analysts.

The material used for this financial results meeting will be disclosed on TDnet and published on the Company website on the same day.

Consolidated Financial Statements

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	49,397	21,982
Notes and accounts receivable - trade	20,134	–
Notes and accounts receivable - trade, and contract assets	–	24,435
Lease receivables and investments in leases	1,001	690
Merchandise and finished goods	5,770	4,593
Land and buildings for sale in lots	29,817	36,831
Work in process	1,002	860
Raw materials and supplies	2,282	2,255
Other	37,646	34,501
Allowance for doubtful accounts	(358)	(607)
Total current assets	146,692	125,542
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	484,778	495,404
Machinery, equipment and vehicles, net	57,323	57,656
Land	472,084	474,668
Leased assets, net	1,083	836
Construction in progress	33,167	24,899
Other, net	10,659	8,664
Total property, plant and equipment	1,059,096	1,062,130
Intangible assets		
Goodwill	1,654	1,375
Leased assets	216	213
Other	21,673	20,360
Total intangible assets	23,544	21,949
Investments and other assets		
Investment securities	74,325	53,675
Long-term loans receivable	2,470	1,614
Deferred tax assets	5,955	5,986
Other	16,271	15,603
Allowance for doubtful accounts	(1,359)	(1,272)
Total investments and other assets	97,662	75,607
Total non-current assets	1,180,304	1,159,687
Total assets	1,326,996	1,285,230

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,664	21,239
Short-term borrowings	182,428	183,116
Current portion of bonds payable	20,010	30,010
Lease liabilities	1,061	791
Income taxes payable	6,311	9,440
Provision for bonuses	6,868	6,440
Allowance for unredeemed gift certificates and others	1,582	1,724
Provision for loss on disaster	89	-
Other	101,688	87,419
Total current liabilities	339,704	340,182
Non-current liabilities		
Bonds payable	247,015	217,005
Long-term borrowings	253,720	259,891
Long-term accounts payable to Japan railway construction, transport and technology agency	70,603	59,005
Lease liabilities	1,109	847
Deferred tax liabilities	7,835	4,434
Deferred tax liabilities for land revaluation	954	964
Retirement benefit liability	13,600	13,841
Asset retirement obligations	1,688	1,672
Other	38,308	38,126
Total non-current liabilities	634,835	595,789
Total liabilities	974,539	935,972
Net assets		
Shareholders' equity		
Share capital	60,359	60,359
Capital surplus	57,900	58,089
Retained earnings	207,852	215,575
Treasury shares	(6,503)	(6,297)
Total shareholders' equity	319,609	327,726
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26,479	16,097
Revaluation reserve for land	548	537
Remeasurements of defined benefit plans	3,241	2,501
Total accumulated other comprehensive income	30,269	19,136
Non-controlling interests	2,578	2,394
Total net assets	352,456	349,257
Total liabilities and net assets	1,326,996	1,285,230

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

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Operating revenue	385,978	358,753
Operating expenses		
Operating expenses and cost of sales of transportation	328,933	273,896
Selling, general and administrative expenses	81,235	78,704
Total operating expenses	410,168	352,601
Operating profit (loss)	(24,190)	6,152
Non-operating income		
Interest income	23	25
Dividend income	1,589	1,361
Share of profit of entities accounted for using equity method	-	238
Miscellaneous income	2,498	3,394
Total non-operating income	4,111	5,020
Non-operating expenses		
Interest expenses	5,396	4,839
Share of loss of entities accounted for using equity method	3,398	-
Miscellaneous expenses	2,349	1,633
Total non-operating expenses	11,144	6,473
Ordinary profit (loss)	(31,223)	4,699
Extraordinary income		
Gain on sale of non-current assets	1,132	3,464
Contribution for construction	2,866	1,349
Gain on sale of investment securities	6,304	14,559
Subsidy income	*	*
Other	240	528
Total extraordinary income	14,153	25,390
Extraordinary losses		
Loss on sale of non-current assets	127	35
Loss on tax purpose reduction entry of non-current assets	954	1,267
Loss on retirement of non-current assets	1,113	921
Impairment losses	15,751	2,360
Extra retirement payments	2,205	823
Non-recurring loss	2,587	-
Provision for loss on disaster	86	-
Other	1,364	1,455
Total extraordinary losses	24,191	6,863
Profit (loss) before income taxes	(41,261)	23,227
Income taxes - current	1,959	9,489
Income taxes - deferred	(2,948)	1,794
Total income taxes	(989)	11,284
Profit (loss)	(40,272)	11,943
Loss attributable to non-controlling interests	(468)	(173)
Profit (loss) attributable to owners of parent	(39,804)	12,116

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit (loss)	(40,272)	11,943
Other comprehensive income		
Valuation difference on available-for-sale securities	1,777	(10,390)
Revaluation reserve for land	–	(10)
Remeasurements of defined benefit plans, net of tax	4,128	(739)
Share of other comprehensive income of entities accounted for using equity method	288	6
Total other comprehensive income	6,194	(11,133)
Comprehensive income	(34,078)	809
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(33,615)	983
Comprehensive income attributable to non-controlling interests	(462)	(174)

(3) Consolidated statement of changes in equity

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	60,359	57,901	251,313	(6,520)	363,053
Cumulative effects of changes in accounting policies					
Restated balance	60,359	57,901	251,313	(6,520)	363,053
Changes during period					
Dividends of surplus			(3,655)		(3,655)
Profit (loss) attributable to owners of parent			(39,804)		(39,804)
Increase by merger					–
Purchase of treasury shares				(12)	(12)
Disposal of treasury shares		0		29	29
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	(0)	(43,460)	16	(43,444)
Balance at end of period	60,359	57,900	207,852	(6,503)	319,609

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	24,410	548	(878)	24,080	3,049	390,183
Cumulative effects of changes in accounting policies						
Restated balance	24,410	548	(878)	24,080	3,049	390,183
Changes during period						
Dividends of surplus						(3,655)
Profit (loss) attributable to owners of parent						(39,804)
Increase by merger						–
Purchase of treasury shares						(12)
Disposal of treasury shares						29
Change in ownership interest of parent due to transactions with non-controlling interests						(0)
Net changes in items other than shareholders' equity	2,069	–	4,119	6,188	(470)	5,717
Total changes during period	2,069	–	4,119	6,188	(470)	(37,726)
Balance at end of period	26,479	548	3,241	30,269	2,578	352,456

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	60,359	57,900	207,852	(6,503)	319,609
Cumulative effects of changes in accounting policies			(815)		(815)
Restated balance	60,359	57,900	207,037	(6,503)	318,793
Changes during period					
Dividends of surplus			(3,655)		(3,655)
Profit (loss) attributable to owners of parent			12,116		12,116
Increase by merger		50	76		126
Purchase of treasury shares				(8)	(8)
Disposal of treasury shares		139		214	353
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	188	8,537	205	8,932
Balance at end of period	60,359	58,089	215,575	(6,297)	327,726

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	26,479	548	3,241	30,269	2,578	352,456
Cumulative effects of changes in accounting policies						(815)
Restated balance	26,479	548	3,241	30,269	2,578	351,641
Changes during period						
Dividends of surplus						(3,655)
Profit (loss) attributable to owners of parent						12,116
Increase by merger						126
Purchase of treasury shares						(8)
Disposal of treasury shares						353
Change in ownership interest of parent due to transactions with non-controlling interests						(0)
Net changes in items other than shareholders' equity	(10,382)	(10)	(739)	(11,132)	(183)	(11,316)
Total changes during period	(10,382)	(10)	(739)	(11,132)	(183)	(2,383)
Balance at end of period	16,097	537	2,501	19,136	2,394	349,257

(4) Consolidated statement 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	(41,261)	23,227
Depreciation	51,258	49,363
Impairment losses	15,751	2,360
Amortization of goodwill	326	279
Increase (decrease) in provision for bonuses	(1,344)	(438)
Increase (decrease) in retirement benefit liability	(70)	(813)
Increase (decrease) in allowance for doubtful accounts	384	161
Increase (decrease) in allowance for unredeemed gift certificates and others	146	141
Increase (decrease) in provision for loss on disaster	(1,357)	(89)
Interest and dividend income	(1,612)	(1,387)
Interest expenses	5,396	4,839
Share of loss (profit) of entities accounted for using equity method	3,398	(238)
Proceeds from contribution for construction	(2,866)	(1,349)
Loss (gain) on sale of investment securities	(6,304)	(14,509)
Loss (gain) on sale of non-current assets	(1,004)	(3,429)
Loss on tax purpose reduction entry of non-current assets	954	1,267
Loss on retirement of non-current assets	926	679
Loss (gain) on valuation of securities	993	182
Loss on valuation of inventories	156	(3)
Extra retirement payments	2,205	823
Decrease (increase) in trade receivables	2,494	(4,296)
Decrease (increase) in inventories	1,745	4,442
Increase (decrease) in trade payables	(4,469)	1,290
Increase (decrease) in deposits received	5,634	(3,803)
Other, net	2,144	(1,902)
Subtotal	33,626	56,797
Interest and dividends received	1,727	1,599
Interest paid	(5,393)	(4,868)
Income taxes paid	(2,781)	(4,910)
Net cash provided by (used in) operating activities	27,178	48,617

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from investing activities		
Purchase of investment securities	(1,008)	(1,335)
Proceeds from sale of investment securities	8,465	21,914
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	–	(8)
Purchase of property, plant and equipment	(60,653)	(73,478)
Proceeds from sale of property, plant and equipment	8,518	4,643
Net decrease (increase) in short-term loans receivable	(290)	(229)
Long-term loan advances	(898)	(90)
Proceeds from collection of long-term loans receivable	6	55
Proceeds from advances received for contract consignment	2,047	2,962
Other, net	229	51
Net cash provided by (used in) investing activities	(43,582)	(45,515)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(26,530)	11,200
Net increase (decrease) in commercial papers	(10,000)	–
Proceeds from long-term borrowings	59,527	24,897
Repayments of long-term borrowings	(24,212)	(29,238)
Proceeds from issuance of bonds	82,000	–
Redemption of bonds	(30,025)	(20,010)
Repayments of accounts payable to Japan railway construction, transport and technology agency	(8,965)	(13,133)
Dividends paid	(3,656)	(3,645)
Purchase of treasury shares	(12)	(8)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(0)	(0)
Other, net	(918)	(633)
Net cash provided by (used in) financing activities	37,207	(30,573)
Effect of exchange rate change on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	20,803	(27,471)
Cash and cash equivalents at beginning of period	28,464	49,267
Increase in cash and cash equivalents resulting from merger	–	56
Cash and cash equivalents at end of period	49,267	21,852