

Translation

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**Summary of Consolidated Financial Results
for the Nine Months Ended December 31, 2023
(Based on Japanese GAAP)**

February 7, 2024

Company name: Hankyu Hanshin Holdings, Inc.
 Stock exchange listing: Tokyo
 Stock code: 9042 URL <https://www.hankyu-hanshin.co.jp/>
 Representative: President and Representative Director Yasuo Shimada
 Accounting Manager of the Group Planning Kazutoshi Funao
 Inquiries: Division TEL 06-6373-5013
 Scheduled date to file Quarterly Securities Report: February 9, 2024
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

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	%
Nine months ended December 31, 2023	736,387	2.8	90,533	21.5	94,812	23.7	62,810	23.0
Nine months ended December 31, 2022	716,444	38.5	74,510	173.1	76,621	172.9	51,051	171.2

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	261.05	260.92
Nine months ended December 31, 2022	211.89	211.83

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	2,987,987	1,059,904	32.4
As of March 31, 2023	2,865,410	980,940	31.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	—	25.00	—	25.00	50.00
Year ending March 31, 2024	—	25.00	—		
Year ending March 31, 2024 (Forecast)				30.00	55.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Operating revenue		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	995,000	2.8	102,700	14.9	104,000	17.6	64,000	36.3	266.01

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of December 31, 2023	254,281,385 shares	As of March 31, 2023	254,281,385 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	13,752,791 shares	As of March 31, 2023	13,377,821 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	240,608,766 shares	Nine months ended December 31, 2022	240,934,793 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	42,876	55,958
Notes and accounts receivable - trade	120,067	83,058
Land and buildings for sale	193,607	242,774
Merchandise and finished goods	2,897	3,668
Work in process	2,461	6,660
Raw materials and supplies	5,790	6,342
Other	61,237	65,925
Allowance for doubtful accounts	(856)	(952)
Total current assets	428,082	463,435
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	633,990	639,788
Machinery, equipment and vehicles, net	57,804	58,318
Land	1,010,609	1,014,145
Construction in progress	252,908	284,043
Other, net	25,678	25,119
Total property, plant and equipment	1,980,991	2,021,415
Intangible assets		
Goodwill	7,334	5,600
Other	28,155	27,118
Total intangible assets	35,489	32,718
Investments and other assets		
Investment securities	342,659	389,703
Deferred tax assets	7,272	6,663
Retirement benefit asset	18,590	18,736
Other	52,583	55,568
Allowance for doubtful accounts	(258)	(253)
Total investments and other assets	420,846	470,417
Total non-current assets	2,437,328	2,524,551
Total assets	2,865,410	2,987,987

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	42,024	34,996
Accrued expenses	23,182	15,580
Short-term borrowings	187,982	209,065
Commercial papers	10,000	50,000
Current portion of bonds payable	30,000	15,000
Lease liabilities	4,251	3,852
Income taxes payable	10,029	8,610
Provision for bonuses	4,337	2,524
Other	187,877	171,447
Total current liabilities	499,684	511,077
Non-current liabilities		
Long-term borrowings	634,613	634,507
Bonds payable	230,000	235,000
Lease liabilities	9,503	9,818
Deferred tax liabilities	181,831	195,836
Deferred tax liabilities for land revaluation	5,182	5,182
Retirement benefit liability	61,916	61,775
Long-term deferred contribution for construction	132,580	143,185
Other	129,156	131,698
Total non-current liabilities	1,384,785	1,417,005
Total liabilities	1,884,470	1,928,083
Net assets		
Shareholders' equity		
Share capital	99,474	99,474
Capital surplus	147,343	147,301
Retained earnings	680,040	729,872
Treasury shares	(48,748)	(50,483)
Total shareholders' equity	878,110	926,165
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,930	25,642
Deferred gains or losses on hedges	(78)	(137)
Revaluation reserve for land	5,499	5,510
Foreign currency translation adjustment	908	9,425
Remeasurements of defined benefit plans	1,433	1,085
Total accumulated other comprehensive income	28,692	41,526
Non-controlling interests	74,137	92,211
Total net assets	980,940	1,059,904
Total liabilities and net assets	2,865,410	2,987,987

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Operating revenue	716,444	736,387
Operating expenses		
Operating expenses and cost of sales of transportation	620,069	622,695
Selling, general and administrative expenses	21,864	23,159
Total operating expenses	641,934	645,854
Operating profit	74,510	90,533
Non-operating income		
Interest income	204	584
Dividend income	878	943
Share of profit of entities accounted for using equity method	7,555	10,732
Miscellaneous income	1,741	1,964
Total non-operating income	10,379	14,225
Non-operating expenses		
Interest expenses	6,324	7,866
Miscellaneous expenses	1,944	2,078
Total non-operating expenses	8,268	9,945
Ordinary profit	76,621	94,812
Extraordinary income		
Contribution received for construction	1,262	1,910
Other	3,674	207
Total extraordinary income	4,937	2,117
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	1,155	1,889
Other	2,029	707
Total extraordinary losses	3,184	2,596
Profit before income taxes	78,373	94,333
Income taxes - current	14,610	16,261
Income taxes - deferred	9,318	12,611
Total income taxes	23,929	28,872
Profit	54,443	65,460
Profit attributable to non-controlling interests	3,391	2,650
Profit attributable to owners of parent	51,051	62,810

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	54,443	65,460
Other comprehensive income		
Valuation difference on available-for-sale securities	2,404	3,605
Deferred gains or losses on hedges	(259)	(106)
Foreign currency translation adjustment	4,982	10,337
Remeasurements of defined benefit plans, net of tax	(439)	(452)
Share of other comprehensive income of entities accounted for using equity method	1,150	4,142
Total other comprehensive income	7,838	17,526
Comprehensive income	62,282	82,986
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	56,313	74,175
Comprehensive income attributable to non-controlling interests	5,968	8,811

Supplementary information

1. Consolidated financial results for the third quarter of the year ending March 31, 2024

Consolidated Statements of Income (Summary)

(Millions of yen)

	Q3 FY2024 Results ①	Q3 FY2023 Results ②	Change =①-②
Operating revenue	736,387	716,444	19,943
Operating profit [Business profit※]	90,533 [91,761]	74,510 [74,510]	16,023 [17,250]
Ordinary profit	94,812	76,621	18,191
Profit attributable to owners of parent	62,810	51,051	11,758

※ Business profit=Operating profit+Equity-method gains/losses associated with overseas investments

Note: Starting in the year ending March 2024, we included a new performance indicator: business profit.

Business profit shows more precisely the progress of our efforts to grow overseas businesses,
such as those in the Real Estate segment.

Consolidated Statements of Income (Breakdown for each business segment)

(Millions of yen)

	Operating revenue			Operating profit [Business profit※]		
	Q3 FY2024 Results ①	Q3 FY2023 Results ②	Change =①-②	Q3 FY2024 Results ①	Q3 FY2023 Results ②	Change =①-②
Urban Transportation	151,884	137,855	14,029	28,848	18,453	10,395
Real Estate	218,381	197,476	20,904	35,373 [36,600]	19,490 [19,490]	15,882 [17,110]
Entertainment	66,189	56,618	9,570	15,938	13,279	2,658
Information and Communication Technology	44,033	41,109	2,923	3,282	2,958	323
Travel	169,667	143,685	25,981	8,339	16,191	(7,851)
International Transportation	75,374	129,414	(54,039)	732	6,391	(5,659)
Other	37,727	36,335	1,392	1,651	1,270	381
Adjustment	(26,870)	(26,050)	(819)	(3,632)	(3,525)	(107)

※ Business profit=Operating profit+Equity-method gains/losses associated with overseas investments

Note: For Q3 FY2024, in segments other than Real Estate, business profit = operating profit.

2. Forecast of consolidated financial results for the year ending March 31, 2024

Consolidated Statements of Income (Summary)

(Billions of yen)

	FY2024 Forecasts ①	FY2024 Forecasts (As of Oct.) ②	Change =①-②	FY2023 Results ③	Change =①-③
Operating revenue	995.0	1,000.0	(5.0)	968.3	26.7
Operating profit [Business profit※]	102.7 [105.0]	99.7 [102.0]	3.0 [3.0]	89.4 [89.4]	13.3 [15.6]
Ordinary profit	104.0	100.0	4.0	88.4	15.6
Profit attributable to owners of parent	64.0	60.0	4.0	47.0	17.0

※ Business profit=Operating profit + Equity-method gains/losses associated with overseas investments

Consolidated Statements of Income (Breakdown for each business segment)

(Billions of yen)

Upper row : Operating revenue Lower row : Operating profit [Business profit※]	FY2024 Forecasts ①	FY2024 Forecasts (As of Oct.) ②	Change =①-②	FY2023 Results ③	Change =①-③
Urban Transportation	203.8	203.2	0.6	185.6	18.2
	34.8	33.5	1.3	22.4	12.4
Real Estate	319.3	323.0	(3.7)	282.0	37.3
	46.5	44.6	1.9	27.9	18.6
	[48.8]	[46.9]	[1.9]	[27.9]	[20.9]
Entertainment	80.3	79.8	0.5	72.3	8.0
	12.5	12.7	(0.2)	12.6	(0.1)
Information and Communication Technology	65.9	65.9	—	60.4	5.5
	6.2	6.2	—	5.9	0.3
Travel	210.0	210.0	—	191.4	18.6
	4.0	3.9	0.1	15.3	(11.3)
International Transportation	98.0	100.0	(2.0)	163.3	(65.3)
	0.5	1.0	(0.5)	8.4	(7.9)

※ Business profit=Operating profit + Equity-method gains/losses associated with overseas investments

Note: For FY2024, in segments other than Real Estate, business profit = operating profit.