



Financial Results Briefing Materials
For the Nine Months Ended December 31, 2023

February 7, 2024

Kanagawa Chuo Kotsu Co., Ltd.

Summary of Financial Results for the Nine Months Ended December 31, 2023

Disclaimer: This document is an English translation of the original document in Japanese and has been prepared solely for reference purposes. In the event of any discrepancy between this English translation and the original in Japanese, the original shall prevail in all respects.

Topics for the Nine Months Ended December 31, 2023

- ◆ Fares were revised in July 2023 for all routes (excluding Yokohama City flat fare zone, etc.) of the passenger bus business.
- ◆ Fares and charges were revised in November 2023 for the passenger taxi business.

Financial Results for the Nine Months Ended December 31, 2023

[Compared to the previous fiscal year]

- ◆ Net sales increased compared to the previous fiscal year (+13.4%) driven by the passenger automobile business and the automobile sales business.
 - Passenger demand improvement with the downgrading of COVID-19 to a Class 5 infectious disease, as well as fare revision, contributed to the sales increase.
 - Thanks to the alleviation of the semiconductor shortage and the ensuing recovery in production by the manufacturers, the number of new vehicles sold, mainly trucks, increased.
- ◆ Profits increased at each income level.
 - Operating profit increased (+48.9%) due to the increase in revenue. Profits increased in all segments.
 - Ordinary profit (+43.0%) and profit attributable to owners of parent (+33.3%)
- ◆ Extraordinary losses include dismantling costs associated with construction works for rebuilding bus offices and rental facilities.

Consolidated Financial Results Forecast and Dividend Forecast for the Fiscal Year Ending March 31, 2024

The consolidated financial results forecast and dividend forecast remain unchanged from the initial figures announced in April 2023.

- ◆ Consolidated financial results forecast: Being closely reviewed with an eye on future performance trends and other factors
- ◆ Dividend forecast: Annual dividends of 40 yen per share are planned

(Million yen)

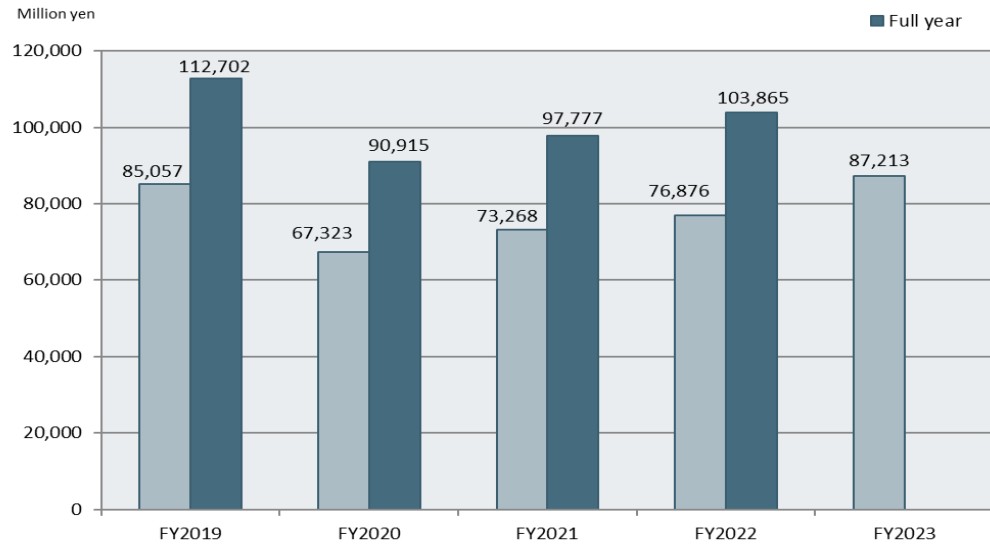
| | Nine months ended December 31, 2023 | Nine months ended December 31, 2022 | Increase/decrease |
|--|--|--|---------------------------------|
| Net sales | 87,213 | 76,876 | 10,337 [13.4%] |
| Passenger automobile business | 41,462 | 37,404 | 4,058 |
| Real estate business | 4,482 | 4,324 | 158 |
| Automobile sales business | 26,664 | 20,601 | 6,063 |
| Other businesses | 21,699 | 20,312 | 1,386 |
| Remeasurements | (7,095) | (5,766) | (1,329) |
| Operating profit | 6,191 | 4,157 | 2,034 [48.9%] |
| Passenger automobile business | 2,595 | 1,098 | 1,497 |
| Real estate business | 2,086 | 2,047 | 39 |
| Automobile sales business | 948 | 638 | 309 |
| Other businesses | 714 | 449 | 264 |
| Remeasurements | (153) | (76) | (76) |
| Ordinary profit | 6,469 | 4,525 | 1,943 [43.0%] |
| Profit attributable to owners of parent | 3,934 | 2,951 | 983 [33.3%] |
| Basic earnings per share | 320.65 yen | 240.52 yen | 80.13 yen |
| Depreciation | 3,913 | 4,455 | (542) |
| EBITDA (Operating profit + Depreciation) | 10,105 | 8,613 | 1,491 |

(Million yen)

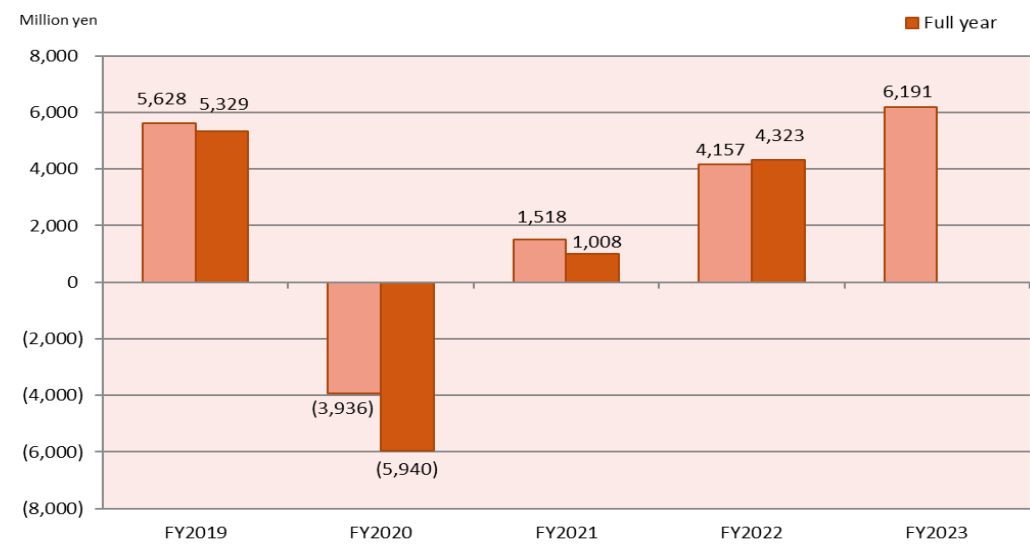
| | Nine months ended December 31, 2023 | Nine months ended December 31, 2022 | Increase/decrease | Comments |
|------------------------|--|--|-------------------|--|
| Non-operating income | 619 | 669 | (49) | Subsidy income: (179) Dividend income: +111 |
| Non-operating expenses | 341 | 301 | 40 | Other non-operating expenses: +53 (Expenses for closing stores, etc.) Interest expenses: (13) |
| Extraordinary income | 77 | 6 | 71 | Subsidy income: +35 Gain on sale of non-current assets: +20 |
| Extraordinary losses | 667 | 254 | 412 | Loss on retirement of non-current assets: +232 Impairment losses: +86 |

| | As of December 31, 2023 | As of March 31, 2023 | Increase/decrease | Comments |
|---|-------------------------|----------------------|---------------------------------|--|
| Current assets | 29,171 | 25,205 | 3,965 [15.7%] | Merchandise and finished goods: +3,466 |
| Non-current assets | 126,868 | 125,363 | 1,505 [1.2%] | Investment securities: +3,266 Property, plant and equipment: (1,594) (Accumulated depreciation, etc.) |
| Total assets | 156,040 | 150,568 | 5,471 [3.6%] | |
| Current liabilities | 49,327 | 43,452 | 5,875 [13.5%] | Current portion of bonds payable: +5,000 Other current liabilities: +1,874 (Unearned revenue, etc.) |
| Non-current liabilities | 47,696 | 54,236 | (6,540) [(12.1%)] | Bonds payable: (5,000) Long-term borrowings: (1,864) |
| Total liabilities | 97,023 | 97,689 | (665) [(0.7%)] | |
| Total net assets | 59,016 | 52,879 | 6,136 [11.6%] | Retained earnings: +3,444 Valuation difference on available-for-sale securities: +2,380 |
| Total liabilities and net assets | 156,040 | 150,568 | 5,471 [3.6%] | |
| Net assets per share | 4,404.48 yen | 3,930.67 yen | 473.81 yen | |
| Equity ratio | 34.6% | 32.0% | 2.6P | |
| Balance of interest-bearing debt (Borrowings, bonds and lease liabilities) | 55,915 | 59,143 | (3,228) | Borrowings: (2,172) Lease liabilities: (1,056) |

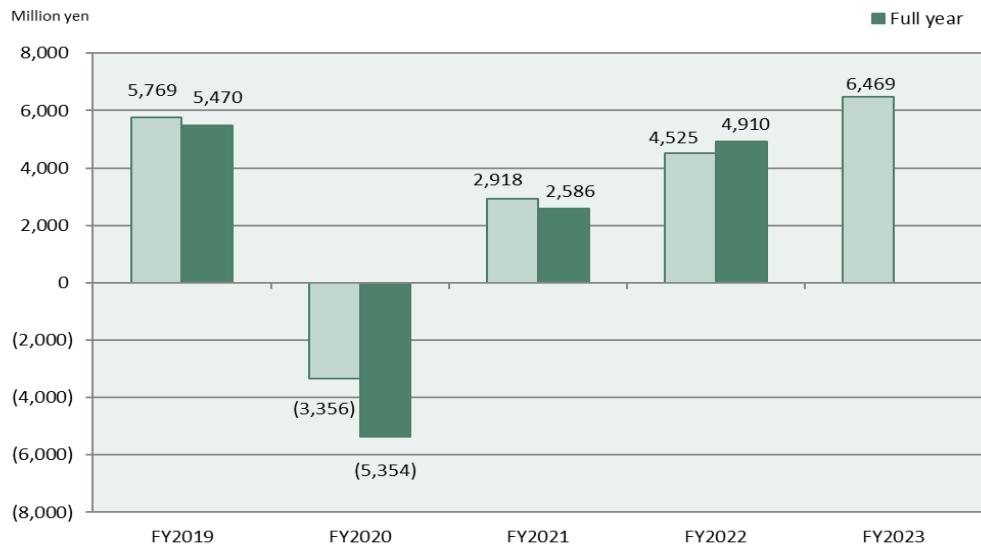
Net sales



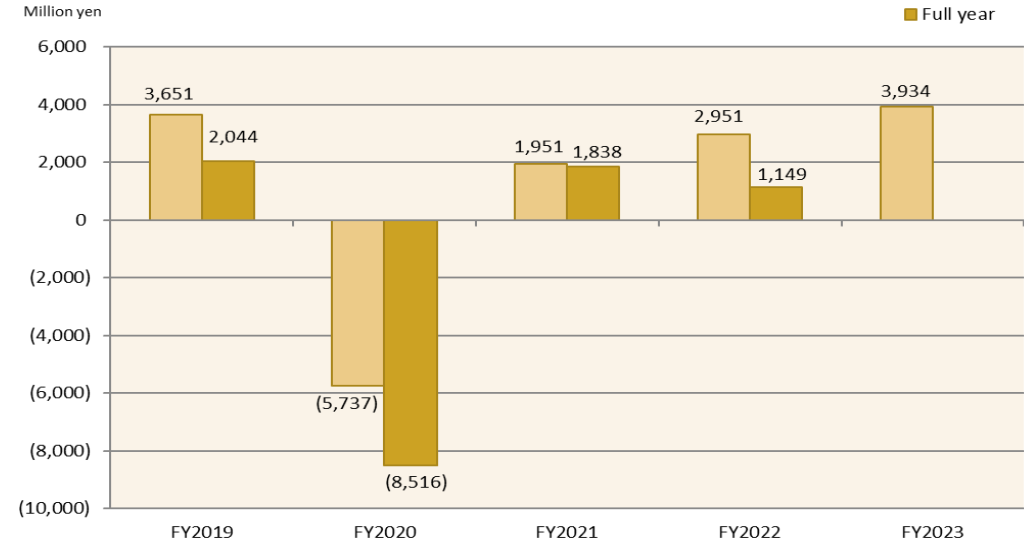
Operating profit



Ordinary profit



Profit attributable to owners of parent



Kanagawa Chuo Kotsu Group: 18 subsidiaries and 2 affiliates
Including 18 consolidated subsidiaries and
1 affiliate accounted for by the equity method (Oyama Kanko Dentetsu Co., Ltd.)

<Major consolidated subsidiaries>

- ◆ Passenger Automobile Business
Kanagawa Chuo Kotsu Co., Ltd., Kanachu Taxi Co., Ltd., and Kanachu Kanko Co., Ltd.

- ◆ Real Estate Business
Kanagawa Chuo Kotsu Co., Ltd., Kanachu Taxi Co., Ltd., and CAR T.E.C.H.JIN-CHU

- ◆ Automobile Sales Business
Kanagawa Mitsubishi Fuso Truck and Bus Sales and Kanachu Sagami Yanase Co., Ltd.

- ◆ Other businesses
Kanagawa Chuo Kotsu Co., Ltd., KANACHUSHOJI Co., Ltd., Kanachu Sports Design, ADVEL Co., Ltd., KANACHU INFORMATION SYSTEM Co., Ltd., and YOKOHAMA BUIL SYSTEM Co., Ltd.

(Million yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2022 | Increase/decrease | Comments |
|------------------|--|--|-------------------|---|
| Net sales | 41,462 | 37,404 | 4,058 [10.9%] | Passenger bus business: +3,468 Chartered bus business: +141 Passenger taxi business: +448 |
| Operating profit | 2,595 | 1,098 | 1,497 [136.3%] | Passenger bus business: +1,194 Chartered bus business: +20 Passenger taxi business: +282 |

[Compared to the previous fiscal year]

In the passenger bus business, increases were reported in both revenue and profits due to improved passenger demand and fare revision, despite an increase in personnel expenses as a result of improving the benefits of the bus drivers.

In the chartered bus business, both revenue and profits increased thanks to improved travel demand and the full-year contribution by the contracted transportation captured in the previous fiscal year.

In the passenger taxi business, both revenue and profits increased reflecting improved passenger demand, mainly among nighttime passengers, and fare revision.

*Reference: Number of passengers carried in the passenger bus business

(Million persons)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2022 | Increase/decrease |
|--|--|--|-------------------|
| Passengers without commuting passes | 106 | 104 | 1 [1.8%] |
| Passengers with commuting passes | 49 | 43 | 5 [13.3%] |
| Total | 155 | 147 | 7 [5.2%] |

(Million yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2022 | Increase/decrease | Comments |
|------------------|--|--|-------------------|---|
| Net sales | 4,482 | 4,324 | 158 [3.7%] | Rental business: +188 Sales business: (30) |
| Operating profit | 2,086 | 2,047 | 39 [1.9%] | Rental business: +85 Sales business: (46) |

[Compared to the previous fiscal year]

The rental business reported increases in both revenue and profits due to the full-year contribution by new rental properties which began operations in the previous fiscal year.

The sales business reported decreases in both revenue and profits due to the completed sales of condominiums in the previous fiscal year, despite increases in the numbers of detached houses and residential land units sold.

(Million yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2022 | Increase/decrease | Comments |
|------------------|--|--|-------------------|---|
| Net sales | 26,664 | 20,601 | 6,063 [29.4%] | Commercial vehicle sales business: +5,034 Import car sales business: +1,028 |
| Operating profit | 948 | 638 | 309 [48.5%] | Commercial vehicle sales business: +326 Import car sales business: (16) |

[Compared to the previous fiscal year]

In the commercial automobile sales business, both revenue and profits increased, as the number of new vehicles sold, mainly trucks, increased, thanks to the alleviation of the semiconductor shortage and the ensuing recovery in production by the manufacturers.

In the import car sales business, revenue increased due to the increase in the number of vehicles sold in the higher price range.

*Reference: Number of new vehicles sold

(Number of vehicles sold)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2022 | Increase/decrease |
|-------------|--|--|-------------------|
| Trucks | 1,560 | 1,150 | 410 [35.7%] |
| Buses | 82 | 54 | 28 [51.9%] |
| Import cars | 398 | 399 | (1) [(0.3%)] |

(Million yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2022 | Increase/decrease | Comments |
|------------------|--|--|-------------------|--|
| Net sales | 21,699 | 20,312 | 1,386 [6.8%] | Information services business: +609 Commercial vehicle customization business: +374 Food service and amusement business: +373 |
| Operating profit | 714 | 449 | 264 [58.8%] | Information services business: +185 Commercial vehicle customization business: +65 Food service and amusement business: +9 |

[Compared to the previous fiscal year]

The information services business reported increases in both revenue and profits thanks to an increase in sales of onboard equipment for buses and other factors.

In the commercial vehicle customization business, both revenue and profits increased due to the recovery in production by manufacturers, which resulted in an increase in orders received, and other factors.

The food service and amusement business reported increases in both revenue and profits due to the full-year contribution of the stores of Doutor Coffee Shop, which was acquired in the previous fiscal year, and other factors.

Financial Results Forecast for the Fiscal Year Ending March 31, 2024
(Announced on April 27, 2023)



Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024

(Million yen)

| | FY ending March 31, 2024 Financial results forecast | FY ended March 31, 2023 | Increase/decrease |
|--|--|----------------------------|---------------------------------|
| Net sales | 109,500 | 103,865 | 5,634 [5.4%] |
| Passenger automobile business | 53,860 | 49,236 | 4,623 |
| Real estate business | 7,090 | 5,907 | 1,182 |
| Automobile sales business | 29,140 | 29,022 | 117 |
| Other businesses | 29,890 | 27,871 | 2,018 |
| Remeasurements | (10,480) | (8,173) | (2,306) |
| Operating profit | 4,790 | 4,323 | 466 [10.8%] |
| Passenger automobile business | 1,370 | 633 | 736 |
| Real estate business | 2,420 | 2,499 | (79) |
| Automobile sales business | 380 | 723 | (343) |
| Other businesses | 1,040 | 684 | 355 |
| Remeasurements | (420) | (217) | (202) |
| Ordinary profit | 4,770 | 4,910 | (140) [(2.9%)] |
| Profit attributable to owners of parent | 3,040 | 1,149 | 1,890 [164.5%] |
| Basic earnings per share | 247.73 yen | 93.65 yen | 154.08 yen |
| Depreciation | 5,590 | 5,873 | (283) |
| Capital expenditures | 14,210 | 8,793 | 5,416 |
| EBITDA (Operating profit + Depreciation) | 10,380 | 10,197 | 182 |

*The financial results forecast remains unchanged as it is being closely reviewed with an eye on future performance trends and other factors.

The financial results forecasts and other forward-looking statements herein are based on information available to the Company at the time of preparation of this document and certain assumptions deemed reasonable, and actual results may differ significantly from these forecasts due to various factors.

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