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Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

April 30, 2024

Company name: TOBU RAILWAY CO.,LTD.

Stock exchange listing: Tokyo

Code number: 9001

URL: <https://www.tobu.co.jp/>

Representative: Yutaka Tsuzuki President Director

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Scheduled date of Annual General Meeting of Shareholders: June 21, 2024

Scheduled date of commencing dividend payments: June 24, 2024

Scheduled date of filing annual securities report: June 21, 2024

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Operating revenues		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, 2024	635,964	3.5	73,883	30.3	72,033	31.4	48,164	65.1
March 31, 2023	614,751	21.5	56,688	129.2	54,815	100.0	29,179	116.9

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 69,441 million [112.8%]

Fiscal year ended March 31, 2023: ¥ 32,636 million [171.0%]

	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, 2024	232.99	-	9.5	4.2	11.6
March 31, 2023	140.06	-	6.3	3.2	9.2

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ 181 million

Fiscal year ended March 31, 2023: ¥ 96 million

(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, 2024	1,704,063	541,713	31.4	2,591.47
March 31, 2023	1,738,195	480,575	27.3	2,296.65

(Reference) Equity: As of March 31, 2024: ¥ 535,693 million

As of March 31, 2023: ¥ 474,754 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 the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	91,690	(61,625)	(67,918)	31,258
March 31, 2023	101,115	(52,711)	(25,285)	69,074

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	-	15.00	-	15.00	30.00	6,233	21.4	1.3
March 31, 2024	-	25.00	-	30.00	55.00	11,392	23.6	2.3
Fiscal year ending March 31, 2025 (Forecast)	-	25.00	-	25.00	50.00		24.0	

(Note) Breakdown of the 2nd quarter-end dividend for the fiscal year ended March 31, 2024 :

Ordinary dividend 20.00 yen Commemorative dividend 5.00 yen

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2024 :

Ordinary dividend 30.00 yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Operating revenues		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
Full year	639,000	0.5	62,000	(16.1)	58,000	(19.5)	43,000	(10.7)	208.01

* Notes:

(1) Changes in significant subsidiaries during the period under review

(changes in specified subsidiaries resulting in changes inscope of consolidation):No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

March 31, 2024: 209,815,421 shares

March 31, 2023: 209,815,421 shares

2) Number of treasury shares at the end of the period:

March 31, 2024: 3,101,161 shares

March 31, 2023: 3,099,118 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 206,716,978 shares

Fiscal Year ended March 31, 2023: 208,334,168 shares

(Reference) Summary of Non-consolidated Financial Results**Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Operating revenues		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	227,462	11.2	42,867	49.6	39,571	61.1	29,036	77.0
March 31, 2023	204,585	8.3	28,653	22.7	24,562	24.7	16,407	2.3

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	140.47	-
March 31, 2023	78.76	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2024	1,587,714	422,565	26.6	2,044.20
March 31, 2023	1,601,122	383,645	24.0	1,855.90

(Reference) Equity: As of March 31, 2024: ¥ 422,565 million

As of March 31, 2023: ¥ 383,645 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	69,255	31,448
Notes and accounts receivable - trade	70,561	69,796
Contract assets	14,584	5,343
Short-term loans receivable	1,691	1,824
Land and buildings for sale in lots	19,235	24,238
Prepaid expenses	2,713	2,659
Other	28,507	33,808
Allowance for doubtful accounts	(459)	(165)
Total current assets	206,090	168,953
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	530,107	536,825
Machinery, equipment and vehicles, net	79,055	78,715
Land	636,409	636,462
Construction in progress	135,294	101,868
Other, net	12,981	13,396
Total property, plant and equipment	1,393,848	1,367,269
Intangible assets		
Contribution for utilities	1,446	1,635
Other	18,008	16,971
Total intangible assets	19,455	18,606
Investments and other assets		
Investment securities	73,614	101,459
Long-term loans receivable	83	361
Distressed receivables	975	358
Retirement benefit asset	5,969	9,400
Deferred tax assets	12,707	13,063
Other	26,583	25,422
Allowance for doubtful accounts	(1,132)	(832)
Total investments and other assets	118,801	149,234
Total non-current assets	1,532,105	1,535,110
Total assets	1,738,195	1,704,063

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	51,922	48,653
Short-term borrowings	36,362	40,282
Current portion of long-term borrowings	83,143	65,208
Current portion of bonds payable	19,920	20,060
Accrued expenses	7,633	7,262
Accrued consumption taxes	5,294	3,155
Income taxes payable	12,101	13,918
Advances received	87,130	59,404
Contract liabilities	48,674	40,733
Provision for bonuses	2,608	2,719
Provision for allowance for loss on collection of gift certificates outstanding	4,332	4,414
Asset retirement obligations	563	61
Other	99,753	80,447
Total current liabilities	459,439	386,322
Non-current liabilities		
Bonds payable	158,160	138,100
Long-term borrowings	494,592	484,091
Long-term accounts payable to Japan railway construction, transport and technology agency	2,584	1,540
Deferred tax liabilities	9,961	19,339
Deferred tax liabilities for land revaluation	49,640	49,588
Provision for retirement benefits for directors (and other officers)	975	1,043
Provision for share awards	-	2,157
Retirement benefit liability	43,997	42,720
Asset retirement obligations	3,664	3,519
Other	34,604	33,928
Total non-current liabilities	798,181	776,027
Total liabilities	1,257,620	1,162,350
Net assets		
Shareholders' equity		
Share capital	102,135	102,135
Capital surplus	51,958	52,214
Retained earnings	258,028	298,039
Treasury shares	(10,302)	(10,545)
Total shareholders' equity	401,820	441,843
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,624	45,372
Revaluation reserve for land	47,593	47,474
Foreign currency translation adjustment	144	180
Remeasurements of defined benefit plans	(428)	822
Total accumulated other comprehensive income	72,933	93,850
Non-controlling interests	5,820	6,019
Total net assets	480,575	541,713
Total liabilities and net assets	1,738,195	1,704,063

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Operating revenue	614,751	635,964
Operating expenses		
Operating expenses and cost of sales of transportation	440,959	441,499
Selling, general and administrative expenses	117,103	120,581
Total operating expenses	558,062	562,081
Operating profit	56,688	73,883
Non-operating income		
Interest income	35	22
Dividend income	1,845	2,161
Dividend income of insurance	443	412
Share of profit of entities accounted for using equity method	96	181
Other	2,902	2,453
Total non-operating income	5,323	5,231
Non-operating expenses		
Interest expenses	5,655	5,645
Other	1,541	1,436
Total non-operating expenses	7,196	7,081
Ordinary profit	54,815	72,033
Extraordinary income		
Gain on sale of non-current assets	224	249
Contribution received for construction	7,317	50,606
Other	1,192	1,155
Total extraordinary income	8,735	52,010
Extraordinary losses		
Loss on retirement of non-current assets	1,411	1,647
Loss on tax purpose reduction entry of non-current assets	7,302	50,584
Impairment losses	8,101	3,483
Loss on termination of retirement benefit plan	467	-
Extra retirement payments	409	-
Other	698	480
Total extraordinary losses	18,391	56,195
Profit before income taxes	45,159	67,848
Income taxes - current	15,175	19,804
Income taxes - deferred	835	(353)
Total income taxes	16,011	19,450
Profit	29,148	48,398
Profit (loss) attributable to non-controlling interests	(30)	234
Profit attributable to owners of parent	29,179	48,164

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Profit	29,148	48,398
Other comprehensive income		
Valuation difference on available-for-sale securities	5,860	19,755
Foreign currency translation adjustment	66	36
Remeasurements of defined benefit plans, net of tax	(2,438)	1,251
Share of other comprehensive income of entities accounted for using equity method	0	0
Total other comprehensive income	3,488	21,042
Comprehensive income	32,636	69,441
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	32,663	69,199
Comprehensive income attributable to non-controlling interests	(26)	241

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	102,135	51,364	234,853	(4,451)	383,902
Changes during period					
Dividends of surplus			(5,218)		(5,218)
Profit attributable to owners of parent			29,179		29,179
Purchase of treasury shares				(5,906)	(5,906)
Disposal of treasury shares			(0)	55	55
Reversal of revaluation reserve for land			(784)		(784)
Change in ownership interest of parent due to transactions with non-controlling interests		593			593
Net changes in items other than shareholders' equity					
Total changes during period	-	593	23,175	(5,851)	17,918
Balance at end of period	102,135	51,958	258,028	(10,302)	401,820

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	19,768	46,808	77	2,010	68,664	6,652	459,219
Changes during period							
Dividends of surplus							(5,218)
Profit attributable to owners of parent							29,179
Purchase of treasury shares							(5,906)
Disposal of treasury shares							55
Reversal of revaluation reserve for land							(784)
Change in ownership interest of parent due to transactions with non-controlling interests							593
Net changes in items other than shareholders' equity	5,856	784	66	(2,438)	4,268	(831)	3,437
Total changes during period	5,856	784	66	(2,438)	4,268	(831)	21,355
Balance at end of period	25,624	47,593	144	(428)	72,933	5,820	480,575

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	102,135	51,958	258,028	(10,302)	401,820
Changes during period					
Dividends of surplus			(8,272)		(8,272)
Profit attributable to owners of parent			48,164		48,164
Purchase of treasury shares				(2,261)	(2,261)
Disposal of treasury shares		224		2,018	2,242
Reversal of revaluation reserve for land			118		118
Change in ownership interest of parent due to transactions with non-controlling interests		31			31
Net changes in items other than shareholders' equity					
Total changes during period	-	255	40,010	(243)	40,022
Balance at end of period	102,135	52,214	298,039	(10,545)	441,843

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	25,624	47,593	144	(428)	72,933	5,820	480,575
Changes during period							
Dividends of surplus							(8,272)
Profit attributable to owners of parent							48,164
Purchase of treasury shares							(2,261)
Disposal of treasury shares							2,242
Reversal of revaluation reserve for land							118
Change in ownership interest of parent due to transactions with non-controlling interests							31
Net changes in items other than shareholders' equity	19,748	(118)	36	1,251	20,916	199	21,115
Total changes during period	19,748	(118)	36	1,251	20,916	199	61,138
Balance at end of period	45,372	47,474	180	822	93,850	6,019	541,713

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	45,159	67,848
Depreciation	53,354	52,916
Impairment losses	8,101	3,483
Loss on termination of retirement benefit system	467	-
Special extra retirement payments	409	-
Amortization of goodwill	385	386
Share of loss (profit) of entities accounted for using equity method	(96)	(181)
Increase (decrease) in allowance for doubtful accounts	(131)	(594)
Increase (decrease) in provision for bonuses	308	111
Increase (decrease) in provision for allowance for loss on collection of gift certificates outstanding	(30)	81
Increase (decrease) in provision for retirement benefits for directors (and other officers)	16	67
Increase (decrease) in provision for share awards	-	2,157
Increase (decrease) in retirement benefit liability	(2,110)	(1,765)
Interest and dividend income	(1,880)	(2,183)
Interest expenses	5,655	5,645
Contribution received for construction	(7,644)	(50,861)
Loss on retirement of non-current assets	1,854	1,853
Loss on tax purpose reduction entry of non-current assets	7,302	50,584
Decrease (increase) in notes and accounts receivable - trade, and contract assets	(12,088)	10,006
Decrease (increase) in inventories	(3,427)	(3,608)
Increase (decrease) in trade payables	9,153	(3,269)
Other, net	11,857	(19,266)
Subtotal	116,614	113,412
Interest and dividends received	1,892	2,183
Interest paid	(5,557)	(5,585)
Payments for special extra retirement payments	(409)	-
Income taxes paid	(11,423)	(18,320)
Net cash provided by (used in) operating activities	101,115	91,690
Cash flows from investing activities		
Net decrease (increase) in short-term loans receivable	277	67
Long-term loan advances	(20)	(301)
Proceeds from collection of long-term loans receivable	5	1
Purchase of short-term and long-term investment securities	(3,054)	(46)
Proceeds from sale and redemption of short-term and long-term investment securities	263	1,293
Purchase of property, plant and equipment and intangible assets	(57,262)	(82,934)
Proceeds from sale of property, plant and equipment and intangible assets	335	377
Proceeds from contribution received for construction	8,163	19,194
Payments of guarantee deposits	(862)	(559)
Proceeds from refund of guarantee deposits	1,233	1,220
Other, net	(1,788)	61
Net cash provided by (used in) investing activities	(52,711)	(61,625)

(Millions of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(27,580)	3,920
Proceeds from issuance of commercial papers	88,000	60,000
Redemption of commercial papers	(88,000)	(60,000)
Proceeds from long-term borrowings	61,424	55,109
Repayments of long-term borrowings	(54,717)	(83,545)
Proceeds from issuance of bonds	23,000	-
Redemption of bonds	(13,120)	(19,920)
Net decrease (increase) in treasury shares	(5,851)	(18)
Dividends paid	(5,223)	(8,256)
Redemption cash collateral from share lending agreements	-	(13,058)
Repayments of accounts payable to Japan railway construction, transport and technology agency	(2,098)	(1,430)
Dividends paid to non-controlling interests	(3)	(4)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(207)	(10)
Other, net	(907)	(703)
Net cash provided by (used in) financing activities	(25,285)	(67,918)
Effect of exchange rate change on cash and cash equivalents	69	37
Net increase (decrease) in cash and cash equivalents	23,188	(37,816)
Cash and cash equivalents at beginning of period	45,885	69,074
Cash and cash equivalents at end of period	69,074	31,258