

(Translation)

**Consolidated Financial Results for the Six-Month (Interim) Period Ended September 30, 2024
(Japanese GAAP)**

November 6, 2024

Company name: Kyushu Railway Company
Stock exchange listings: Tokyo and Fukuoka
Securities code: 9142
URL: <https://www.jrkyushu.co.jp/>
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Scheduled date for filing of interim report: November 8, 2024
Planned date of dividend payment commencement: December 4, 2024
Preparation of supplementary explanations for financial results: Yes
Holding of a briefing on quarterly financial results: Yes (for institutional investors and securities analysts)

(Amounts less than one million yen, except for per share amounts, are omitted.)

**1. Consolidated Financial Results for the Six-Month (Interim) Period Ended September 30, 2024
(From April 1, 2024 to September 30, 2024)**

(1) Consolidated operating results

(Percentages show year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	208,412	9.3	29,535	10.1	29,577	5.4	22,649	△19.1
September 30, 2023	190,732	12.1	26,816	139.8	28,050	136.8	27,989	133.2

(Note) Comprehensive income: Six months ended September 30, 2024: ¥20,912 million [(39.9%)]
Six months ended September 30, 2023: ¥34,772 million (123.5%)

	Net income per share — basic	Net income per share — diluted
	Yen	Yen
Six months ended September 30, 2024	144.38	—
September 30, 2023	178.14	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	1,077,258	445,615	41.3
As of March 31, 2024	1,089,170	442,287	40.5

(Reference) Shareholders' equity: As of September 30, 2024: ¥444,728 million
As of March 31, 2024: ¥441,427 million

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Year ended March 31, 2024	Yen —	Yen 0.00	Yen —	Yen 93.00	Yen 93.00
Year ending March 31, 2025	—	46.50			
Year ending March 31, 2025 (Forecast)			—	46.50	93.00

(Note) Revisions to the most recently disclosed dividend forecasts: No

**3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2025
(April 1, 2024 to March 31, 2025)**

(Percentages show year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	441,100	4.9	57,300	21.7	56,700	15.9	42,200	9.8	269.01

(Note) Revisions to the most recently disclosed financial forecasts: No

Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30,2024: Yes

Newly added: Eight companies, including Kyutetsu Built Co, Ltd ; excluded: None

Note: For details, see “Changes in the Scope of Consolidation or Application of the Equity Method” on page 10 of the Attachments

(2) Application of special accounting treatment in preparing the interim consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and restatement of revisions

i Changes in accounting policies with revision of accounting standards: Yes

ii Changes in accounting policies other than the above: No

iii Changes in accounting estimates: No

iv Restatement of revisions: No

(4) Number of shares outstanding (common stock)

i	Number of shares issued and outstanding at end of period (including treasury stock)	As of September 30, 2024	157,301,600 shares	As of March 31, 2024	157,301,600 shares
ii	Number of shares of treasury stock at end of period	As of September 30, 2024	1,252,975 shares	As of March 31, 2024	176,687 shares
iii	Average number of shares during the period	As of September 30, 2024	156,872,699 shares	As of September 30, 2023	157,121,063 shares

Note: The number of shares of treasury stock at the end of the period includes the number of shares of the Company’s stock held by the Board Benefit Trust (BBT) (1H FY2025/3, 176,600 shares; FY2024/3, 176,600 shares) and shares of the Company’s stock held by the Stock-based Benefit Trust (Employee Shareholders Association Purchase-type) (1H FY2025/3, 1,076,100 shares, FY2024/3, - shares). In addition, the number of shares of the Company’s stock held by the Board Benefit Trust (BBT) is included in the treasury stock that is subtracted in the calculation of the average number of shares during the period (1H FY2025/3, 176,600 shares; 1H FY2024/3, 180,450 shares) and shares of the Company’s stock held by the Stock-based Benefit Trust (Employee Shareholders Association Purchase-type) (1H FY2025/3, 252,133 shares; 1H FY2024/3, - shares).

* This summary of interim financial results is not subject to audits by certified public accountants or accounting auditors.

* Explanation of Appropriate Uses of Performance Forecasts and Other Important Items:

Performance forecasts and other forward-looking statements appearing in this document are based on currently available information and specific assumptions deemed rational, and are not assurances that the Company will achieve these forecasts. Actual performance can vary greatly depending on various factors such as fluctuations in interest rates, fluctuations in share prices, changes in exchange rates, fluctuations in the value of assets, changes in the economic and financial environment, changes in the conditions of competition, occurrences of large-scale and other disasters, and changes in regulations.

Supplementary quarterly materials are attached to this summary of interim consolidated financial results.

A financial results briefing for institutional investors and securities analysts is scheduled to be held on November 7, 2024 (Thursday). The presentation materials used for this briefing will be posted on TDnet and the Company’s website.

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1. Qualitative Information on Interim Consolidated Financial Performance

Forward-looking statements in this document are based on assessments as of the end of the current interim consolidated accounting period.

(1) Qualitative Information on Consolidated Operating Results

In the consolidated interim period of the fiscal year ending March 31, 2025, the Japanese economy showed signs of a modest rebound, as the market showed signs of recovery and employment and income environment improved, although the recovery in personal consumption continued to mark time to some degree.

However, such factors as rising prices and volatility in the financial capital markets prompted the need for vigilance toward the economic outlook.

Against this backdrop, the JR Kyushu Group advanced under the three key strategies of JR Kyushu Group Medium-Term Business Plan 2022–2024, with a view to the plan’s completion. The strategies are “completing business structural reforms,” “creating a model for building cities that promote well-being,” and “developing businesses in new areas in which we can contribute.” In addition, we focused on developing human resources for the implementation and realization of strategies, and on building foundations for advancing strategies on a Groupwide basis.

As a result, operating revenue was up 9.3% year on year, to ¥208,412 million; operating income was up 10.1%, to ¥29,535 million; EBITDA increased 12.3%, to ¥47,603 million; ordinary income was up 5.4%, to ¥29,577million; and net income attributable to owners of the parent was down 19.1%, to ¥22,649 million.

(Note) EBITDA for the interim consolidated period under review is the numerical value of operating income plus the cost of depreciation (excluding the cost of depreciation related to lease assets held for the purpose of subleasing).

The Group's business performance by segment is as follows.

(Millions of Yen)

	Operating revenue			Operating income/loss			EBITDA (Note 2)		
	1H FY2025/3	YoY		1H FY2025/3	YoY		1H FY2025/3	YoY	
Transportation	82,171	2,826	3.6%	12,288	163	1.3%	18,752	823	4.6%
Real Estate and Hotels	61,167	5,921	10.7%	13,158	1,260	10.6%	22,081	2,747	14.2%
Real estate lease	37,666	4,122	12.3%	9,238	630	7.3%	16,457	1,637	11.1%
Real estate sale	8,473	(2,161)	(20.3%)	893	(613)	(40.7%)	901	(615)	(40.6%)
Hotel	15,027	3,959	35.8%	3,026	1,243	69.8%	4,722	1,725	57.6%
Retail and Restaurant	32,427	2,485	8.3%	1,874	195	11.7%	2,575	291	12.8%
Construction	36,573	2,658	7.8%	239	610	—	848	735	648.5%
Business Services	36,681	2,196	6.4%	1,992	372	23.0%	3,559	497	16.2%
Total	249,021	16,086	6.9%	29,554	2,603	9.7%	47,817	5,094	11.9%
Adjustment (Note 1)	(40,609)	1,593	—	(18)	115	—	(213)	102	—
Amount on the consolidated financial statements	208,412	17,680	9.3%	29,535	2,718	10.1%	47,603	5,197	12.3%

(Notes) 1. Adjustments reflect the elimination of intersegment transactions.

2. Consolidated EBITDA = operating income + depreciation (after elimination of intersegment transactions, excluding the cost of depreciation related to lease assets held for the purpose of subleasing), segment EBITDA = segment operating income + segment depreciation (before elimination of intersegment transactions, excluding the cost of depreciation related to lease assets held for the purpose of subleasing)

(2) Qualitative Information on Consolidated Financial Position

Assets amounted to ¥1,077,258 million on September 30, 2024. This was due primarily to a decrease in notes and accounts receivable-trade, and contract assets.

Meanwhile, liabilities totaled ¥631,643 million. This was the result of a decline in commercial paper.

Net assets came to ¥445,615 million. This was because of an increase in retained earnings.

(3) Qualitative Information on Consolidated Performance Outlook

The Company has not revised its full-year forecast for the fiscal year ended March 31, 2025, from that disclosed on May 9, 2024.

Moreover, the performance outlook was prepared based on information available as of the release date of these materials, and there are cases where actual performance differs from outlook figures due to various factors that arise going forward.

2. Interim Consolidated Financial Statements and Major Notes

(1) Interim Consolidated Balance Sheets

(Millions of Yen)

	FY 2024/3 (As of March 31, 2024)	1H FY2025/3 (As of September 30, 2024)
ASSETS		
Current assets		
Cash and time deposits	33,939	33,759
Notes and accounts receivable—trade, and contract assets	59,221	43,930
Fares receivable	4,150	3,315
Securities	28,324	15,221
Merchandise and finished goods	19,980	14,866
Work in process	39,164	50,885
Raw materials and supplies	9,335	12,016
Other	27,498	20,288
Allowance for doubtful accounts	(91)	(68)
Total current assets	221,523	194,214
Non-current assets		
Property, plant and equipment		
Buildings and fixtures (net)	387,728	385,423
Machinery, rolling stock and vehicles (net)	71,924	71,684
Land	183,025	200,214
Lease assets (net)	20,028	20,308
Construction in progress	30,797	37,675
Other (net)	11,346	11,941
Net property, plant and equipment	704,851	727,248
Intangible assets	6,143	6,102
Investments and other assets		
Investment securities	55,518	52,658
Deferred tax assets	43,520	37,535
Net defined benefit assets	1,259	1,196
Other	58,436	60,581
Allowance for doubtful accounts	(2,083)	(2,278)
Total investments and other assets	156,651	149,693
Total non-current assets	867,646	883,044
Total assets	1,089,170	1,077,258

(Millions of Yen)

	FY 2024/3 (As of March 31, 2024)	1H FY2025/3 (As of September 30, 2024)
LIABILITIES		
Current liabilities		
Notes and accounts payable–trade	28,940	21,672
Short-term loans	4,403	4,668
Commercial papers	40,000	10,000
Current portion of bonds	10,225	10,000
Current portion of long-term loans	28,198	28,495
Payables	53,615	30,767
Accrued income taxes	1,919	1,980
Fare deposits received with regard to railway connecting services	2,785	2,816
Railway fares received in advance	6,103	7,048
Accrued bonuses	9,428	9,481
Other	38,645	44,269
Total current liabilities	224,266	171,200
Non-current liabilities		
Corporate bonds	145,000	165,000
Long-term loans	172,473	187,951
Allowance for safety and environmental measures	646	646
Allowance for disaster-damage losses	3,302	2,987
Net defined benefit liabilities	40,945	41,851
Asset retirement obligations	2,622	2,829
Other	57,626	59,176
Total non-current liabilities	422,616	460,442
Total liabilities	646,882	631,643
NET ASSETS		
Shareholders' equity		
Common stock	16,000	16,000
Capital surplus	225,797	226,063
Retained earnings	188,295	197,151
Treasury stock	(568)	(4,877)
Total shareholders' equity	429,524	434,337
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	11,651	9,914
Foreign currency translation adjustments	(97)	(133)
Remeasurements of defined benefit plans	348	611
Total accumulated other comprehensive income	11,903	10,391
Non-controlling interests	859	886
Total net assets	442,287	445,615
TOTAL LIABILITIES AND NET ASSETS	1,089,170	1,077,258

**(2) Interim Consolidated Income Statements and Interim Consolidated Comprehensive Income Statements
(Interim Consolidated Income Statements)**

(Millions of Yen)

	1H FY2024/3 (Six months ended September 30, 2023)	1H FY2025/3 (Six months ended September 30, 2024)
OPERATING REVENUE	190,732	208,412
OPERATING EXPENSE		
Transportation, other services and cost of sales	110,144	117,960
Selling, general and administrative expense	53,771	60,916
Total operating expense	163,915	178,876
OPERATING INCOME	26,816	29,535
NON-OPERATING INCOME		
Interest income	52	56
Dividend income	443	523
Gain on assets held in trust	633	643
Other	1,657	668
Total non-operating income	2,788	1,891
NON-OPERATING EXPENSE		
Interest expense	1,013	1,452
Loss on valuation of derivatives	324	—
Other	216	398
Total non-operating expense	1,554	1,850
ORDINARY INCOME	28,050	29,577
EXTRAORDINARY GAINS		
Construction grants received	478	487
Gain on sales of shares of fixed assets	976	240
Gain on sales of shares of subsidiaries and associates	7,425	—
Other	315	208
Total extraordinary gains	9,195	936
EXTRAORDINARY LOSSES		
Loss on reduction of noncurrent assets	472	467
Provision for loss on disaster	1,313	—
Disaster-damage losses	195	—
Other	667	216
Total extraordinary losses	2,648	683
INCOME BEFORE INCOME TAXES	34,598	29,830
INCOME TAXES -Current	418	1,083
INCOME TAXES -Deferred	6,184	6,104
TOTAL INCOME TAXES	6,603	7,187
NET INCOME	27,994	22,642
NET INCOME (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	4	(7)
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	27,989	22,649

(Interim Consolidated Comprehensive Income Statements)

(Millions of Yen)

	1H FY2024/3 (Six months ended September 30, 2023)	1H FY2025/3 (Six months ended September 30, 2024)
INTERIM NET INCOME	27,994	22,642
OTHER COMPREHENSIVE INCOME		
Unrealized gain on available-for-sale securities	6,289	(1,955)
Foreign currency translation adjustments	64	(36)
Remeasurements of defined benefit plans	424	262
Share of other comprehensive income of affiliates accounted for by the equity method	—	(0)
Total other comprehensive income	6,778	(1,730)
COMPREHENSIVE INCOME	34,772	20,912
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Owners of the parent	34,771	20,921
Non-controlling interests	0	(9)

(3) Interim Consolidated Statements of Cash Flows

(Millions of Yen)

	1H FY2024/3 (Six months ended September 30, 2023)	1H FY2025/3 (Six months ended September 30, 2024)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income taxes	34,598	29,830
Depreciation	16,623	18,765
Losses from provision for cost reduction of fixed assets	472	467
Provision for loss on disaster	1,313	—
Disaster-damage losses	195	—
Net change in allowance for doubtful accounts	50	122
Net change in net defined benefit liabilities	319	1,097
Interest and dividend income	(496)	(579)
Interest expense	1,013	1,452
Losses (gains) on valuation of derivatives	324	—
Construction grants received	(478)	(487)
Net change in trade receivables	8,292	18,529
Net change in inventories	1,690	(4,361)
Net change in trade payables	(6,838)	(7,203)
Gain on sales of shares of subsidiaries and affiliates	(7,425)	—
Losses (gains) on sales of fixed assets	(976)	(240)
Gain on assets held in trust	(633)	(643)
Other	5,312	(1,742)
Sub-total	53,357	55,005
Proceeds from interest and dividends	466	551
Payments of interest	(861)	(1,291)
Proceeds from gain on assets held in trust	626	639
Payments of disaster-damage losses	(533)	(629)
Income taxes refunded (paid)	(2,936)	539
Net cash provided by operating activities	50,118	54,814
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchases of fixed assets	(52,755)	(54,888)
Proceeds from sales of property, plant and equipment	2,456	287
Purchases of investment securities	(2,215)	(2,100)
Proceeds from construction grants	4,312	3,304
Payments for purchases of investments in subsidiaries resulting in change in scope of consolidation	(941)	—
Payments for acquisition of shares of subsidiaries and affiliates	(676)	—
Proceeds from sale of shares of subsidiaries and affiliates	11,768	—
Other	1,172	(310)
Net cash used in investing activities	(36,879)	(53,707)

(Millions of Yen)

	1H FY2024/3 (Six months ended September 30, 2023)	1H FY2025/3 (Six months ended September 30, 2024)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net change in short-term loans	(2)	35
Net change in commercial papers	10,000	(30,000)
Proceeds from long-term loans payable	17,500	21,869
Repayments of long-term loans	(7,366)	(7,167)
Repayments of long-term liabilities	(132)	(128)
Proceeds from issuance of bonds	10,225	20,000
Payments for redemption of bonds	(20,000)	(255)
Proceeds from deposits and guarantees	2,005	1,276
Redemption of deposits and guarantees	(341)	(223)
Cash dividends paid	(14,629)	(14,629)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(16)	—
Purchase of treasury stocks	—	(4,367)
Proceeds from sales of treasury stocks	—	58
Other	(1,422)	(2,461)
Net cash used in financing activities	(4,180)	(15,993)
TRANSLATION DIFFERENCES FOR CASH AND CASH EQUIVALENTS	87	75
NET CHANGE IN CASH AND CASH EQUIVALENTS	9,146	(14,810)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	52,283	61,907
INCREASE IN CASH AND CASH EQUIVALENTS FROM NEWLY CONSOLIDATED SUBSIDIARIES	—	1,416
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	61,429	48,512

(4) Notes to Interim Consolidated Financial Statements

(Notes on Going Concern Assumption)

None

(Changes in the Scope of Consolidation or Application of the Equity Method)

Owing to the increased significance of Kyutetsu Built Co, Ltd., Metalstar Kyushu, Ltd., Arima Electric Facilities Co.,Ltd, Nishinohon electrical equipment Manufacturer Co. Ltd., CK Rental Ltd., Premium Logix Ltd., BSS Co, Ltd. and With-Unity Co.,Ltd., these companies have been included in the scope of consolidation from the first quarter under review.

(Notes on Changes in Accounting Policies)

(Application of the “Accounting Standard for Current Income Taxes”)

We have applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022, hereinafter, the “2022 Revised Standard”) from the start of the first quarter under review.

Accordingly, amounts calculated in accordance with laws and regulations (including amounts of corporation tax and local corporation tax claimed for refund due to the carryback of tax losses), except for corporation tax, inhabitants tax, and enterprise tax amounts charged against income for the consolidated interim period under review that correspond to valuation differences arising from revaluation of assets or liabilities (valuation and translation adjustments as defined in Paragraph 8 of ASBJ Statement No. 5, “Accounting Standard for Presentation of Net Assets in the Balance Sheet,” hereinafter “Valuation Adjustments, etc.”) are recorded in profit or loss. However, calculating amounts to be charged to shareholders' equity or other comprehensive income are difficult because they relate to more than one category, the amount is charged to profit or loss in accordance with Article 5-3 (2) of the 2022 Revised Standard.

Revisions to the classifications of corporation tax, etc. (taxes on other comprehensive income) are handled in accordance with the transitional treatment set forth in the proviso of Article 20-3 of the 2022 Revised Standard. The cumulative effect of applying new accounting policies prior to the beginning of the first quarter under review is added to or subtracted from retained earnings at the beginning of the first quarter under review, and the corresponding amount is added to or subtracted from the appropriate category in accumulated other comprehensive income.

The adoption of this standard has no material impact on the interim consolidated financial statements.

(Notes on Significant Changes in the Value of Shareholders' Equity)

None

(Additional Information)

(Introduction of a “Stock-based Benefit Trust (Employee Shareholders Association Purchase-type)”)

At a meeting held on February 6, 2024, the Company's Board of Directors resolved to introduce a “Stock-based Benefit Trust (Employee Shareholders Association Purchase-type)” (the “Plan”) for the purpose of contributing to the investment in human capital by enhancing the welfare and benefits of employees and providing an incentive for the improvement of the Company's corporate value.

(1) Purpose of introducing the Plan

The purpose of introducing the Plan is to enhance the welfare and benefits of employees and to encourage awareness among employees of the share price and improve work motivation as part of the investment in human capital and contribute to improving the corporate value of the Company through the stable provision of the Company's shares to the Employee Shareholders Association and the distribution of profits obtained through management and disposal of trust assets to employees.

This Plan is a welfare and benefits system for employees that was constructed by referencing the ESOP (Employee Stock Ownership Plan) for employees that is common in the United States as part of employee incentive plans, and the “Report on a New Scheme for Holding Own Shares”

announced by Ministry of Economy, Trade and Industry on November 17, 2008.

(2) Details of the Plan

The Plan is an incentive plan that returns the benefits of increases in the Company's share price to all employees who have joined "JR Kyushu Employee Shareholders Association" (the "Shareholders Association").

With the introduction of the Plan, the Company, as the Trustor, enters into a Stock-based Benefit Trust (Employee Shareholders Association Purchase-type) Agreement (the "Trust Agreement"; the trust established pursuant to the Trust Agreement is referred to as the "Trust") with Mizuho Trust & Banking Co., Ltd. (the "Trustee"). Additionally, the Trustee enters into a re-trust agreement with Custody Bank of Japan, Ltd. regarding the management of securities and other trust assets by Custody Bank of Japan, Ltd. as the sub-trustee.

Custody Bank of Japan, Ltd. was be entitled to, in advance, collectively acquire to the Trust E Account established at the Custody Bank of Japan, Ltd. (the "Trust E Account"), the number of the Company's shares equivalent to the number of shares anticipated to be purchased by the Shareholders Association over the next four years, and then sell the Company's shares periodically when the shares are purchased by the Shareholders Association. If proceeds from the sale of shares are accumulated in the trust assets of the Trust up through the time of the ending of the trust through the sale of the Company's shares, through the sale of the Company's shares to the Shareholders Association using Trust E Account, this cash shall be distributed as residual assets to the members of the Shareholders Association (employees) who satisfy the beneficiary eligibility requirements.

In addition, since the Company provides a guarantee when the Trustee takes out a loan in order for the Trust E Account to acquire the Company's shares, in a case in which the Trustee has an outstanding loan balance equal to the loss on the sale of shares as of the time of the ending of the trust due to a drop in the Company's share price or the like, the Company will pay off the outstanding loan balance pursuant to the guarantee agreements.

(3) Company shares remaining in the Trust

Company shares remaining in the Trust are recorded as treasury stock under net assets at the Trust's book value (excluding incidental expenses). The book value and number of shares of said such treasury stock amounted to ¥4,308 million and 1,076,100 shares, respectively, at September 30, 2024.

(4) Book value of loans recorded under the gross amount method

The amount was ¥4,369 million as of September 30, 2024.

(Notes on segment information, etc.)

(Segment information)

I 1H FY2024/3 (from April 1 to September 30, 2023)

1. Information Related to Operating Revenue and Income (Loss) by Segment

(Millions of Yen)

	Reportable Segment					Total	Adjustment (Note 1)	Interim Consolidated Statements of Income (Note 2)
	Transportation	Real Estate and Hotels	Retail and Restaurant	Construction	Business Services			
Operating Revenue								
Outside Customers	76,954	52,998	29,773	12,985	18,020	190,732	—	190,732
Inside Group	2,390	2,248	169	20,929	16,465	42,202	(42,202)	—
Total	79,345	55,246	29,942	33,915	34,485	232,934	(42,202)	190,732
Segment income (loss)	12,125	11,897	1,678	(370)	1,619	26,951	(134)	26,816

(Notes) 1. The ¥134 million deduction from segment income (loss) reflects the elimination of intersegment transactions.

2. Segment income (loss) has been adjusted for the operating income figure on the interim consolidated income statements.

II 1H FY2025/3 (from April 1 to September 30, 2024)

1. Information Related to Operating Revenue and Income (Loss) by Segment

(Millions of Yen)

	Reportable Segment					Total	Adjustment (Note 1)	Interim Consolidated Statements of Income (Note 2)
	Transportation	Real Estate and Hotels	Retail and Restaurant	Construction	Business Services			
Operating Revenue								
Outside Customers	79,710	58,772	32,237	17,316	20,375	208,412	—	208,412
Inside Group	2,460	2,395	189	19,256	16,306	40,609	(40,609)	—
Total	82,171	61,167	32,427	36,573	36,681	249,021	(40,609)	208,412
Segment income (loss)	12,288	13,158	1,874	239	1,992	29,554	(18)	29,535

(Notes) 1. The ¥18 million deduction from segment income (loss) reflects the elimination of intersegment transactions.

2. Segment income (loss) has been adjusted for the operating income figure on the interim consolidated income statements.