

(Translation)

Consolidated Financial Results
for the Three-Month Period Ended June 30, 2025
(Japanese GAAP)

August 5, 2025

Company name: Kyushu Railway Company
Stock exchange listings: Tokyo and Fukuoka
Securities code: 9142
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Planned date of dividend payment commencement: —
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 Three-Month Period Ended June 30, 2025
(From April 1, 2025 to June 30, 2025)

(1) Consolidated operating results

(Percentages show year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income attributable to owners of the parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	117,517	12.8	19,960	35.8	20,436	35.0	16,396	43.6
June 30, 2024	104,141	6.4	14,703	9.0	15,141	10.4	11,420	(35.8)

(Note) Comprehensive income: Three months ended June 30, 2025: ¥18,966 million [91.4%]
Three months ended June 30, 2024: ¥9,909 million [(55.2%)]

	Net income per share – basic	Net income per share – diluted
Three months ended	Yen	Yen
June 30, 2025	106.13	—
June 30, 2024	72.68	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	1,133,013	459,683	40.4
As of March 31, 2025	1,140,509	458,620	40.0

(Reference) Shareholders' equity: As of June 30, 2025: ¥457,576 million
As of March 31, 2025: ¥456,507 million

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	—	46.50	—	51.50	98.00
Year ending March 31, 2026	—				
Year ending March 31, 2026 (Forecast)		57.50	—	57.50	115.00

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

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(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	483,300	6.4	67,600	14.6	65,900	10.6	51,100	17.0	330.76

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

Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2025: Yes

Newly added: Two companies, including Meijikensetsu Co., Ltd.; excluded: One company, JR Kyushu Linen Co., Ltd

Note: For details, see “Changes in the Scope of Consolidation or Application of the Equity Method” on page 7 of the Attachments

(2) Application of special accounting treatment in preparing the quarterly 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: No

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 June 30, 2025	157,301,600 Shares	As of March 31, 2025	157,301,600 Shares
ii	Number of shares of treasury stock at end of period	As of June 30, 2025	3,655,934 Shares	As of March 31, 2025	1,111,485 Shares
iii	Average number of shares during the period	As of June 30, 2025	154,494,144 Shares	As of June 30, 2024	157,124,890 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) (First quarter of FY2026/3: 176,600 shares; First quarter of FY2025/3: 176,600 shares) and the number of shares held by the Stock-based Benefit Trust (Employee Shareholders Association Purchase-type) (First quarter of FY2026/3: 887,000 shares; FY2025/3: 934,600 shares). In addition, in calculating the average number of shares during the period, the treasury stock includes shares held by the BBT (First quarter of FY2026/3: 176,600 shares; First quarter of FY2025/3: 176,600 shares) and shares held by the Stock-based Benefit Trust (Employee Shareholders Association Purchase-type) (First quarter of FY2026/3: 902,533 shares; First quarter of FY2025/3: — shares).

* Review of the attached quarterly consolidated financial statements by certified public accountants or accounting auditors: Yes(voluntary)

* 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 consolidated financial results.

A financial results briefing for institutional investors and securities analysts is scheduled to be held on August 5, 2025 (Tuesday).

The presentation materials used for this briefing will be posted on TDnet and the Company's website.

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1. Operating Results Overview

During the first quarter of the fiscal year, consolidated operating revenue increased for the fifth consecutive quarter, driven primarily by higher railway transportation revenues and revenue from the sale of real estate. As a result, consolidated operating income and consolidated ordinary income rose for the fifth consecutive quarter, while net income attributable to owners of the parent increased for the first time in two periods.

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

(Millions of Yen)

	Operating revenue			Operating income/loss			EBITDA (Note 2)		
	FY2026/3, consolidated cumulative first quarter (three months ended June 30, 2025)	YoY		FY2026/3, consolidated cumulative first quarter (three months ended June 30, 2025)	YoY		FY2026/3, consolidated cumulative first quarter (three months ended June 30, 2025)	YoY	
Transportation	45,272	4,796	11.8%	9,571	3,094	47.8%	13,148	3,494	36.2%
Real Estate and Hotels	39,908	6,861	20.8%	9,335	1,994	27.2%	13,881	2,049	17.3%
Real estate lease	19,447	1,104	6.0%	4,747	244	5.4%	8,370	229	2.8%
Real estate sale	12,358	5,231	73.4%	2,800	1,681	150.2%	2,803	1,679	149.6%
Hotel	8,102	525	6.9%	1,788	68	4.0%	2,708	140	5.5%
Retail and Restaurant	16,810	1,346	8.7%	892	109	14.0%	1,228	103	9.2%
Construction	17,707	1,721	10.8%	(668)	244	—	(348)	262	—
Business Services	19,308	879	4.8%	1,086	54	5.3%	1,715	(47)	(2.7%)
Total	139,007	15,605	12.6%	20,217	5,497	37.3%	29,626	5,861	24.7%
Adjustment (Note 1)	(21,489)	(2,229)	—	(256)	(239)	—	(356)	(242)	—
Amount on the consolidated financial statements	117,517	13,376	12.8%	19,960	5,257	35.8%	29,269	5,618	23.8%

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

- 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)

For further details, please refer to the “Financial Results Presentation Materials for the First Quarter, FY2026.3,” which is scheduled to be posted on TDnet and the Company's website on Tuesday, August 5, 2025.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Millions of Yen)

	FY 2025/3 (As of March 31, 2025)	FY 2026/3, First Quarter (As of June 30, 2025)
ASSETS		
Current assets		
Cash and time deposits	35,057	38,365
Notes and accounts receivable-trade, and contract assets	58,152	38,748
Fares receivable	3,235	3,187
Securities	11,027	18,421
Merchandise and finished goods	20,533	17,222
Work in process	47,995	66,336
Raw materials and supplies	10,871	13,170
Other	27,371	16,097
Allowance for doubtful accounts	(98)	(78)
Total current assets	214,146	211,471
Non-current assets		
Property, plant and equipment		
Buildings and fixtures (net)	410,184	404,390
Machinery, rolling stock and vehicles (net)	77,236	77,785
Land	218,266	215,953
Lease assets (net)	22,058	21,805
Construction in progress	27,182	30,658
Other (net)	11,677	11,187
Net property, plant and equipment	766,606	761,781
Intangible assets	5,427	5,973
Investments and other assets		
Investment securities	53,217	57,213
Deferred tax assets	41,039	37,075
Net defined benefit assets	1,277	1,271
Other	61,226	60,580
Allowance for doubtful accounts	(2,431)	(2,353)
Total investments and other assets	154,329	153,786
Total non-current assets	926,362	921,542
Total assets	1,140,509	1,133,013

(Millions of Yen)

	FY 2025/3 (As of March 31, 2025)	FY 2026/3, First Quarter (As of June 30, 2025)
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	32,336	19,300
Short-term loans	2,495	2,328
Commercial papers	25,000	20,000
Current portion of bonds	5,000	5,000
Current portion of long-term loans	32,065	31,652
Payables	48,268	32,942
Accrued income taxes	9,355	2,005
Fare deposits received with regard to railway connecting services	3,265	2,611
Railway fares received in advance	9,241	7,531
Accrued bonuses	11,276	8,169
Other	34,401	48,912
Total current liabilities	212,706	180,456
Non-current liabilities		
Corporate bonds	180,000	180,000
Long-term loans	178,760	209,304
Allowance for safety and environmental measures	595	595
Allowance for disaster-damage losses	2,629	2,626
Net defined benefit liabilities	44,324	44,816
Asset retirement obligations	2,875	2,871
Other	59,997	52,659
Total non-current liabilities	469,181	492,873
Total liabilities	681,888	673,329
NET ASSETS		
Shareholders' equity		
Common stock	16,000	16,000
Capital surplus	226,063	226,063
Retained earnings	211,021	219,324
Treasury stock	(4,311)	(14,120)
Total shareholders' equity	448,773	447,267
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	8,075	10,540
Foreign currency translation adjustments	(178)	(141)
Remeasurements of defined benefit plans	(163)	(89)
Total accumulated other comprehensive income	7,733	10,309
Non-controlling interests	2,113	2,107
Total net assets	458,620	459,683
TOTAL LIABILITIES AND NET ASSETS	1,140,509	1,133,013

(2) Quarterly Consolidated Income Statements and Quarterly Consolidated Comprehensive Income Statements

Quarterly Consolidated Income Statements
Consolidated Cumulative First Quarter

(Millions of Yen)

	FY 2025/3, First Quarter (Three months ended June 30,2024)	FY 2026/3, First Quarter (Three months ended June 30,2025)
OPERATING REVENUE	104,141	117,517
OPERATING EXPENSE		
Transportation, other services and cost of sales	59,496	65,190
Selling, general and administrative expense	29,941	32,366
Total operating expense	89,438	97,556
OPERATING INCOME	14,703	19,960
NON-OPERATING INCOME		
Interest income	28	33
Dividend income	514	622
Gain on assets held in trust	398	514
Other	297	348
Total non-operating income	1,238	1,519
NON-OPERATING EXPENSE		
Interest expense	683	946
Other	116	97
Total non-operating expense	799	1,043
ORDINARY INCOME	15,141	20,436
EXTRAORDINARY GAINS		
Construction grants received	416	307
Gain on sales of shares of fixed assets	4	975
Gain on sales of investment securities	138	-
Other	49	79
Total extraordinary gains	609	1,363
EXTRAORDINARY LOSSES		
Loss on reduction of noncurrent assets	398	303
Other	62	93
Total extraordinary losses	460	397
INCOME BEFORE INCOME TAXES	15,290	21,402
INCOME TAXES -Current	288	1,481
INCOME TAXES -Deferred	3,589	3,530
TOTAL INCOME TAXES	3,877	5,012
NET INCOME	11,412	16,390
NET INCOME (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(7)	(6)
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	11,420	16,396

Quarterly Consolidated Comprehensive Income Statements
Consolidated Cumulative First Quarter

(Millions of Yen)

	FY 2025/3, First Quarter (Three months ended June 30,2024)	FY 2026/3, First Quarter (Three months ended June 30,2025)
NET INCOME	11,412	16,390
OTHER COMPREHENSIVE INCOME		
Unrealized gain on available-for-sale securities	(1,638)	2,465
Foreign currency translation adjustments	(4)	37
Remeasurements of defined benefit plans	139	73
Share of other comprehensive income of affiliates accounted for by the equity method	0	(0)
other comprehensive income	(1,503)	2,576
COMPREHENSIVE INCOME	9,909	18,966
TOTAL COMPREHENSIVE INCOME		
ATTRIBUTABLE TO:		
Owners of the parent	9,920	18,972
Non-controlling interests	(10)	(6)

(3) Notes to Quarterly Consolidated Financial Statements

The quarterly consolidated financial statements have been prepared in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and the Fukuoka Stock Exchange, Inc. and generally accepted accounting standards in Japan regarding quarterly financial statements. (However, the omission of the description prescribed in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements is applied.)

(Notes on Going Concern Assumption)

None

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

(Significant changes in the scope of consolidation)

Meijikensetsu Co., Ltd. and Showa Tecs Co., Ltd. have been included in the scope of consolidation from the first quarter of FY2026.3 due to their increased materiality.

JR Kyushu Linen Co., Ltd. has been excluded from the scope of consolidation from the first quarter of FY2026.3 following its absorption-type merger into JR Kyushu Service Support Co., Ltd., the surviving company.

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

None

(Notes Related to the Quarterly Consolidated Statement of Cash Flows)

Quarterly consolidated statements of cash flows have not been prepared for the first quarter of the current fiscal year.

Depreciation and amortization expenses (including amortization expenses related to intangible fixed assets excluding goodwill) for the first quarter of the fiscal year under review are as follows.

	FY2025/3 First Quarter (Three months ended June 30, 2024)	FY2026/3 First Quarter (Three months ended June 30, 2025)
Depreciation costs	¥ 9,292million	¥ 9,683million

(Note) Amortization of goodwill is omitted because the amounts are immaterial.

(Notes on Segment Information, etc.)

(Segment information)

First Quarter of the Previous Fiscal Year (from April 1 to June 30, 2024)

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

(Millions of Yen)

	Reportable Segment					Total	Adjustment (Note 1)	Quarterly Consolidated Statements of Income (Note 2)
	Transportation	Real Estate and Hotels	Retail and Restaurant	Construction	Business Services			
Operating Revenue								
Outside Customers	39,241	31,905	15,363	7,734	9,896	104,141	—	104,141
Inside Group	1,234	1,141	100	8,251	8,531	19,260	(19,260)	—
Total	40,476	33,047	15,463	15,986	18,428	123,401	(19,260)	104,141
Segment income (loss)	6,476	7,340	782	(912)	1,032	14,720	(17)	14,703

(Notes) 1. The (¥17) 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 quarterly consolidated income statements.

First Quarter of the Current Fiscal Year (from April 1 to June 30, 2025)

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

(Millions of Yen)

	Reportable Segment					Total	Adjustment (Note 1)	Quarterly Consolidated Statements of Income (Note 2)
	Transportation	Real Estate and Hotels	Retail and Restaurant	Construction	Business Services			
Operating Revenue								
Outside Customers	43,997	38,737	16,699	8,176	9,906	117,517	—	117,517
Inside Group	1,274	1,171	110	9,531	9,401	21,489	(21,489)	—
Total	45,272	39,908	16,810	17,707	19,308	139,007	(21,489)	117,517
Segment income (loss)	9,571	9,335	892	(668)	1,086	20,217	(256)	19,960

(Notes) 1. The ¥256 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 quarterly consolidated income statements.