

Financial Results Briefing Materials for the Nine Months Ended December 31, 2024

February 7, 2025

Kanagawa Chuo Kotsu Co., Ltd.

Summary of Financial Results for the Nine Months Ended December 31, 2024

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Financial Results for the Nine Months Ended December 31, 2024

[Compared to the previous fiscal year]

- ◆ Net sales increased in all segments compared to the previous fiscal year (+2.2%) driven by the passenger automobile business.
 - Fare revision for the bus and passenger taxi businesses implemented in the previous fiscal year made full-year contribution to the sales increase.
- ◆ Operating profit increased (+20.6%) due to the increase in revenue.
 - Compensation for drivers and other employees was improved, and capital investment and repair work, etc., which had been restrained under the COVID-19 pandemic, were implemented.
 - Operating profit in real estate business decreased due to large-scale repairs of rental facilities and other factors.
- ◆ Profits increased at each income level.
 - Ordinary profit (+20.1%)
 - Profit attributable to owners of parent (+54.8%)
 - ▶ A portion of deferred tax assets was reposted, taking into account the recovery of financial results after the COVID-19 pandemic

Consolidated Financial Results Forecast and Dividend Forecast for the Fiscal Year Ending March 31, 2025

- ◆ Dividend forecast has been revised based on dividend policy, in line with the upward revision of the consolidated financial results forecast from the previously announced figures (October 2024).

[Consolidated financial results forecast (comparison with the figures announced in October)]

- Increases are expected to be reported in both revenue and profits as passenger demand is expected to exceed the previous forecast mainly among passengers with commuting passes in the passenger automobile business.
- Profit attributable to owners of parent is expected to increase to 4,420 million yen (+110 million yen or +2.6%) although tax expenses related to restoration of the real estate business are expected to be reported.

[Dividend forecast]

- Year-end dividends forecast has been revised to 50.00 yen per share, an increase of 10.00 yen per share, in consideration of the performance trends and financial position.
- Annual dividends of 90.00 yen per share are planned.

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Increase/decrease
Net sales	89,094	87,213	1,881 [2.2%]
Passenger automobile business	43,927	41,462	2,464
Real estate business	4,714	4,482	232
Automobile sales business	27,724	26,664	1,059
Other businesses	22,973	21,699	1,273
Remeasurements	(10,245)	(7,095)	(3,149)
Operating profit	7,469	6,191	1,278 [20.6%]
Passenger automobile business	3,767	2,595	1,171
Real estate business	1,869	2,086	(216)
Automobile sales business	1,152	948	203
Other businesses	945	714	231
Remeasurements	(265)	(153)	(112)
Ordinary profit	7,767	6,469	1,297 [20.1%]
Profit attributable to owners of parent	6,090	3,934	2,155 [54.8%]
Basic earnings per share	496.35 yen	320.65 yen	175.70 yen

Depreciation	4,041	3,913	128
EBITDA (Operating profit + Depreciation)	11,511	10,105	1,406

(Million yen)

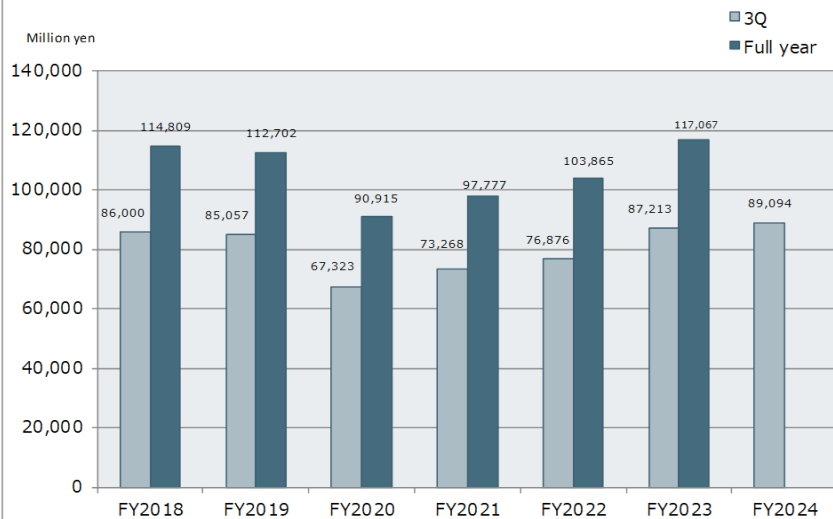
	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Increase/decrease, major factors	
Non-operating income	679	619	60 [9.8%]	Dividend income: +54
Non-operating expenses	382	341	41 [12.0%]	Interest expenses: +48
Extraordinary income	425	77	347 [446.1%]	Gain on sale of investment securities: +149 Subsidy income: +132 Gain on sale of non-current assets: +74
Extraordinary losses	700	667	32 [4.9%]	Loss on tax purpose reduction entry of non-current assets: +120 Impairment losses: (71)

(Million yen)

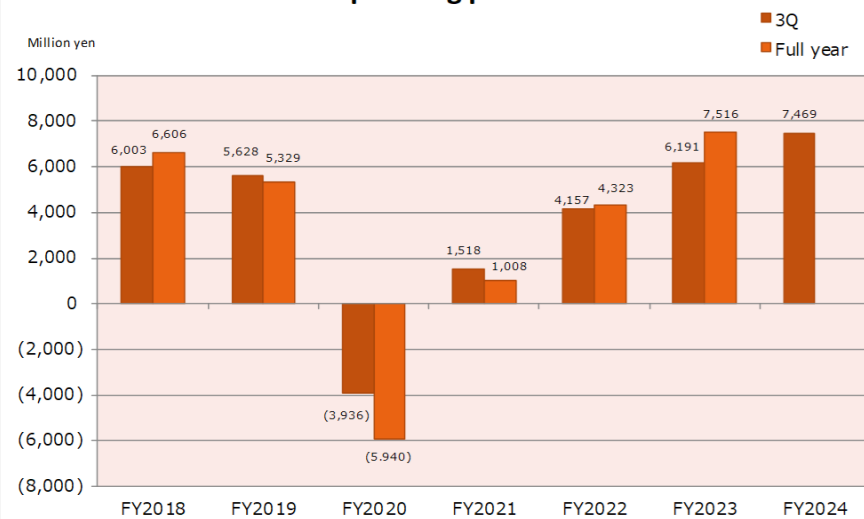
	As of December 31, 2024	As of March 31, 2024	Increase/decrease, major factors	
Current assets	30,032	30,075	(43) [[0.1%]]	Notes and accounts receivable- trade, and contract assets: (1,662) Merchandise and finished goods: +881
Non-current assets	130,206	129,115	1,090 [0.8%]	Property, plant and equipment: +3,407 (Vehicles, etc.) Investment securities: (1,950)
Total assets	160,238	159,191	1,047 [0.7%]	
Current liabilities	58,854	49,346	9,508 [19.3%]	Short-term borrowings: +8,761 Current portion of bonds payable: +5,000 Provision for bonuses: (1,379)
Non-current liabilities	37,527	50,138	(12,611) [[25.2%]]	Long-term borrowings: (8,209) Bonds payable: (3,000) Other non-current liabilities: (1,268) (deferred tax liabilities, etc.)
Total liabilities	96,381	99,484	(3,102) [(3.1%)]	
Total net assets	63,856	59,706	4,149 [7.0%]	Retained earnings: +5,109 Valuation difference on available-for-sale securities: (1,401)
Total liabilities and net assets	160,238	159,191	1,047 [0.7%]	
Net assets per share	4,751.32 yen	4,449.74 yen	301.58 yen	
Equity ratio	36.4%	34.3%	2.1P	
Balance of interest-bearing debt (Borrowings, bonds and lease liabilities)	57,828	56,338	1,490	Borrowings: +2,551 Lease liabilities: (1,061)

* Accounting Standard for Current Income Taxes (ASBJ Statement No. 27 (revised 2022), October 28, 2022) and other standards have been applied from the beginning of the three months ended June 30, 2024. Figures for the fiscal year ended March 31, 2024 are retrospectively restated to reflect these accounting standards.

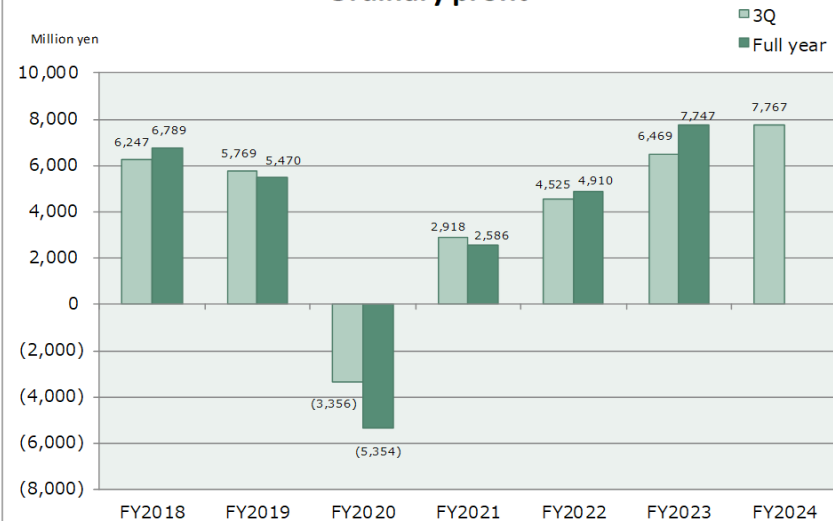
Net sales



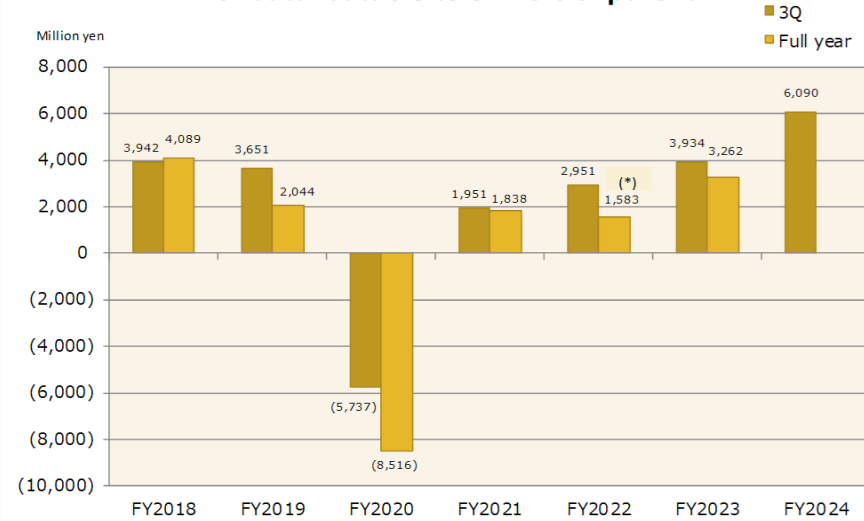
Operating profit



Ordinary profit



Profit attributable to owners of parent



* Accounting Standard for Current Income Taxes (ASBJ Statement No. 27 (revised 2022), October 28, 2022) and other standards have been applied from the beginning of the three months ended June 30, 2024. The full year figure for FY2022 is retrospectively restated to reflect these accounting standards.

Kanagawa Chuo Kotsu Group: 17 subsidiaries and 2 affiliates

Including 17 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, KANACHU INFORMATION SYSTEM Co., Ltd., and YOKOHAMA BUIL SYSTEM Co., Ltd.

* ADVEL Co., Ltd. merged with KANACHUSHOJI Co., Ltd. through an absorption-type merger, and changed its trade name to KANACHUSHOJI Co., Ltd. on July 1, 2024.

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Increase/decrease, major factors	
Net sales	43,927	41,462	2,464 [5.9%]	Passenger bus business: +1,537 Chartered bus business: +201 Passenger taxi business: +725
Operating profit	3,767	2,595	1,171 [45.1%]	Passenger bus business: +940 Chartered bus business: +198 Passenger taxi business: +33

[Compared to the previous fiscal year]

In the passenger bus business, increases were reported in both revenue and profits due to the full-year contribution by fare revision implemented in the previous fiscal year.

In the chartered bus business, both revenue and profits increased thanks to the increased revenue per vehicle as a result of fare revision implemented in the previous fiscal year.

In the passenger taxi business, both revenue and profits increased reflecting increased operation rate as a result of securing drivers through aggressive recruitment efforts, in addition to an increase in operation unit prices.

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

(Million persons)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Increase/decrease rate
Passengers without commuting passes	103	106	(2.6%)
Passengers with commuting passes	53	49	8.5%
Total	156	155	0.9%

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Increase/decrease, major factors	
Net sales	4,714	4,482	232 [5.2%]	Rental business: +12 Sales business: +219
Operating profit	1,869	2,086	(216) [(10.4%)]	Rental business: (267) Sales business: +50

[Compared to the previous fiscal year]

The rental business reported an increase in revenue due mainly to the opening of new rental facilities and a decrease in profits due mainly to increased repair expenses.

The sales business reported increases in both revenue and profits due to an increase in the number of houses sold as a result of promotion of sales of detached houses mainly in the Shonan area.

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Increase/decrease, major factors	
Net sales	27,724	26,664	1,059 [4.0%]	Commercial vehicle sales business: +475 Import car sales business: +584
Operating profit	1,152	948	203 [21.5%]	Commercial vehicle sales business: +203

[Compared to the previous fiscal year]

The commercial vehicle sales business reported increases in both revenue and profits due to an increase in revenue from vehicle maintenance.

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

* Reference: Number of new vehicles sold

(Number of vehicles sold)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Increase/decrease
Trucks	1,290	1,560	(270)
Buses	126	82	44
Import cars	378	398	(20)

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2023	Increase/decrease, major factors	
Net sales	22,973	21,699	1,273 [5.9%]	Distribution business: +2,384 Food service business: (709)
Operating profit	945	714	231 [32.4%]	Distribution business: +135 Service business (resource recycling, etc.): +128 Food service business: +63

[Compared to the previous fiscal year]

The distribution business reported increases in both revenue and profits due to an increase in components sold such as a bus fare box.

The resource recycling business reported increases in both revenue and profits due to higher sales unit prices of recycled products.

The food service business reported a decrease in revenue and an increase in profits due to the closure of unprofitable stores in the previous fiscal year.

Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (Announced on February 7, 2025)

(Million yen)

	FY ending March 31, 2025 Financial results forecast (Announced February)	FY ended March 31, 2024	Increase/decrease	FY ending March 31, 2025 Financial results forecast (Announced April 2024)	Increase/decrease
Net sales	117,300	117,067	232 [0.2%]	113,300	4,000 [3.5%]
Passenger automobile business	57,410	54,967	2,442	56,790	620
Real estate business	6,890	6,130	759	7,420	(530)
Automobile sales business	37,640	37,387	252	33,660	3,980
Other businesses	30,280	29,385	894	29,800	480
Remeasurements	(14,920)	(10,803)	(4,116)	(14,370)	(550)
Operating profit	6,820	7,516	(696) [(9.3%)]	4,520	2,300 [50.9%]
Passenger automobile business	2,760	3,027	(267)	1,790	970
Real estate business	2,090	2,570	(480)	1,800	290
Automobile sales business	1,160	1,176	(16)	410	750
Other businesses	1,200	954	245	970	230
Remeasurements	(390)	(211)	(178)	(450)	60
Ordinary profit	7,130	7,747	(617) [(8.0%)]	4,420	2,710 [61.3%]
Profit attributable to owners of parent	4,420	3,262	1,157 [35.5%]	3,600	820 [22.8%]
Basic earnings per share	360.19 yen	265.88 yen	94.31 yen	293.36 yen	66.83 yen
Depreciation	5,610	5,251	358		
Capital expenditures	14,600	7,431	7,168		
EBITDA (Operating profit + Depreciation)	12,430	12,767	(337)		

(Million yen)

	FY ending March 31, 2025 Financial results forecast (Announced February 2025)	FY ended March 31, 2024	Increase/decrease, major factors	
Net sales	57,410	54,967	2,442 [4.4%]	Passenger bus business: +1,443 Chartered bus business: +223 Passenger taxi business: +775
Operating profit	2,760	3,027	(267) [(8.8%)]	Passenger bus business: (367) Chartered bus business: +169 Passenger taxi business: (69)
Depreciation	3,610	3,046	563	
Capital expenditures	12,000	5,548	6,451	

	FY ending March 31, 2025 Financial results forecast (Announced April 2024)	Increase/decrease
	56,790	620 [1.1%]
	1,790	970 [54.2%]
	3,760	(150)
	13,190	(1,190)

[Compared to the previous fiscal year]

An increase in revenue is expected due to the full-year contribution by fare revision implemented in the previous fiscal year, but a decrease in profits is expected due to an increase in personnel expenses as a result of improving the compensation and the increased depreciation associated with an increase in capital investment.

[Compared to the Forecast (announced in April 2024)]

In the passenger bus business, increases are expected to be reported in both revenue and profits due to higher-than-expected passenger demand and a decrease in depreciation.

In the chartered bus business, revenue is expected to decrease due to a decline in operation rate affected by a shortfall in recruiting drivers, while profits are expected to increase due to a decrease in fuel and other costs associated with reduced operation.

In the passenger taxi business, both revenue and profits are expected to increase due to an increase in operation unit prices.

(Million yen)

	FY ending March 31, 2025 Financial results forecast (Announced February 2025)	FY ended March 31, 2024	Increase/decrease, major factors	
Net sales	6,890	6,130	759 [12.4%]	Rental business: (36) Sales business : +796
Operating profit	2,090	2,570	(480) [(18.7%)]	Rental business: (503) Sales business: +23
Depreciation	1,020	1,048	(28)	
Capital expenditures	1,260	1,434	(174)	

	FY ending March 31, 2025 Financial results forecast (Announced April 2024)	Increase/decrease
	7,420	(530) [(7.1%)]
	1,800	290 [16.1%]
	990	30
	1,720	(460)

[Compared to the previous fiscal year]

The rental business is expected to report decreases in both revenue and profits due mainly to the reduction in rent for some tenants and increased repair expenses, despite the opening of new rental facilities.

The sales business is expected to report increases in both revenue and profits due to an increase in the number of houses sold as a result of promotion of sales of detached houses mainly in the Shonan area.

[Compared to the Forecast (announced in April 2024)]

In the rental business, revenue is expected to decrease due mainly to the reduction in rent for some tenants, while profits are expected to increase due to decreased repair expenses for rental facilities.

The sales business is expected to report a decrease in revenue due to a decrease in the number of detached houses sold.

(Million yen)

	FY ending March 31, 2025 Financial results forecast (Announced February 2025)	FY ended March 31, 2024	Increase/decrease, major factors	
Net sales	37,640	37,387	252 [0.7%]	Commercial vehicle sales business: (164) Import car sales business: +417
Operating profit	1,160	1,176	(16) [(1.4%)]	Commercial vehicle sales business: +43 Import car sales business: (60)
Depreciation	470	470	(0)	
Capital expenditures	850	364	485	

	FY ending March 31, 2025 Financial results forecast (Announced April 2024)	Increase/decrease
	33,660	3,980 [11.8%]
	410	750 [182.9%]
	510	(40)
	960	(110)

[Compared to the previous fiscal year]

In the commercial vehicle sales business, revenue is expected to decrease due to a decrease in the number of new vehicles sold, while profits are expected to increase due to an increase in revenue from vehicle maintenance.

In the import car sales business, revenue is expected to increase due to an increase in the number of new vehicles sold, while profits are expected to decrease due to an increase in purchase costs.

[Compared to the Forecast (announced in April 2024)]

In the commercial vehicle sales business, both revenue and profits are expected to increase due to higher sales unit prices for heavy-duty trucks and buses.

In the import car sales business, both revenue and profits are expected to increase due to an increase in the number of new vehicles sold in the higher price range.

(Million yen)

	FY ending March 31, 2025 Financial results forecast (Announced February 2025)	FY ended March 31, 2024	Increase/decrease, major factors	
Net sales	30,280	29,385	894 [3.0%]	Distribution business: +2,048 Food service business: (785)
Operating profit	1,200	954	245 [25.7%]	Service business (resource recycling, etc.): +121 Food service business: +40
Depreciation	500	686	(186)	
Capital expenditures	770	316	453	

	FY ending March 31, 2025 Financial results forecast (Announced April 2024)	Increase/decrease
	29,800	480 [1.6%]
	970	230 [23.7%]
	580	(80)
	4,900	(4,130)

[Compared to the previous fiscal year]

The distribution business is expected to report an increase in revenue due to an increase in components sold such as a bus fare box.

The resource recycling business is expected to report increases in both revenue and profits due to higher sales unit prices of recycled products.

The food service business is expected to report a decrease in revenue and an increase in profits due to the closure of unprofitable stores in the previous fiscal year.

[Compared to the Forecast (announced in April 2024)]

The distribution business is expected to report increases in both revenue and profits due to an increase in components sold such as a bus fare box.

The resource recycling business is expected to report a decrease in revenue due to decreased sales of recycled products and an increase in profits due to decreased purchase costs and repair expenses.

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.

<Inquiries>

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