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Consolidated Financial Results for the Six Months (Interim) Ended September 30, 2026 (Under Japanese GAAP)

November 6, 2026

Company Name: Nishi-Nippon Railroad Co., Ltd. Stock exchange listings: Tokyo and Fukuoka
Code Number: 9031 URL https://www.nishitetsu.co.jp/
Representative: Koichi Hayashida, President and CEO
Contact: Daisuke Murata, Manager, Public Relations Department (TEL) +81-92-734-1217
Scheduled filing date of semiannual securities report : November 12, 2026
Scheduled commencement date of dividend payments : December 1, 2026
Preparation of supplementary materials for financial results : Yes
Holding of financial results meeting : Yes (For institutional investors and analysts)

(Amounts rounded down to the nearest million yen.)

1. Consolidated Financial Results for the Six Months (Interim) Ended September 30, 2026 (from April 1, 2026, to September 30, 2026)

(1) Consolidated operating results (year to date) (Percentages represent changes in the interim period year on year.)

	Operating revenue		Operating income		Ordinary income		Interim profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2026	243,971	9.2	14,608	2.1	15,109	5.1	14,711	(11.0)
Six months ended September 30, 2025	223,516	7.2	14,313	9.7	14,378	8.8	16,526	78.6

(Notes) 1. Comprehensive income Six months ended September 30, 2026 18,420 million yen [45.6%]
Six months ended September 30, 2025 12,650 million yen [(4.0%)]

2. Information for the six months ended September 30, 2025 is prepared and presented based on the new classification. For details, please refer to "(4) Notes to interim consolidated financial statements (Notes to segment information, etc.), 2. Matters relating to change in reportable segments" in "2. Interim Consolidated Financial Statements and Key Notes" on page 15 of the attachments.

	Net income per share-basic in interim period	Net income per share-diluted in interim period
	Yen	Yen
Six months ended September 30, 2026	194.75	194.49
Six months ended September 30, 2025	216.25	215.92

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2026	826,075	308,112	36.2
As of March 31, 2026	820,851	293,044	34.6

(Reference) Shareholders' equity As of September 30, 2026 298,677 million yen
As of March 31, 2026 283,885 million yen

2. Dividends

	Annual dividends				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	25.00	-	45.00	70.00
Fiscal year ending March 31, 2027	-	45.00			
Fiscal year ending March 31, 2027 (forecast)			-	45.00	90.00

(Note) Revision of the dividend forecast most recently announced: None

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2027 (from April 1, 2026, to March 31, 2027)

(Percentages represent year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share-basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	510,000	7.2	26,500	(15.4)	26,000	(29.1)	22,500	(30.0)	297.86

(Note) Revision of the consolidated financial forecast most recently released: Yes

* Notes

(1) Significant changes in scope of consolidation during the period under review : None

(2) Adoption of special accounting treatment used in preparation of the interim consolidated financial statements : None

(3) Change in accounting policies or estimates and restatements

1) Change in accounting policies due to revisions of accounting standards and other regulations : None

2) Change in accounting policies other than item 1) above : None

3) Change in accounting estimates : None

4) Restatements : None

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)	As of September 30, 2026	79,360,186	As of March 31, 2026	79,360,186
2) Number of treasury stocks at the end of the period	As of September 30, 2026	3,788,438	As of March 31, 2026	3,846,572
3) Average number of shares outstanding during the period (interim fiscal period)	Six months ended September 30, 2026	75,539,681	Six months ended September 30, 2025	76,421,572

(Note) The number of treasury stocks includes shares of the Company remaining in the board benefit trust (as of September 30, 2026: 643,571 shares; as of March 31, 2026: 361,646 shares).

* Financial results of the first six months (interim period) are not subject to reviews by a certified public accountant or an audit firm.

* Explanation of appropriate use of financial forecasts and other special notes

(Caution regarding forward-looking statements, etc.)

Forward-looking statements, including financial forecasts, included in this material are based on information the Company presently has and certain assumptions the Company considers reasonable, and are not intended as a guarantee that the Company will achieve these forecasts.

In addition, actual financial results may differ significantly due to various factors. For assumptions for financial forecasts and points to consider in utilizing them, please see “(3) Explanation of future forecast information such as consolidated financial forecasts” in “1. Overview of Results of Operations, Etc.” on page 7 of the attachments.

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1. Overview of Results of Operations, Etc.

(1) Overview of interim operations under review

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change
Operating revenue	223,516	243,971	20,455	9.2%
Operating income	14,313	14,608	294	2.1%
Ordinary income	14,378	15,109	731	5.1%
Interim profit attributable to owners of parent	16,526	14,711	(1,814)	(11.0%)

Operating revenue for the six-month period under review was 243,971 million yen, up 9.2% year-on-year, mainly due to an increase in import/export volume of cargo handled in the Global Logistics business under Logistics, the contribution of the Hinomaru Group, which became a consolidated subsidiary in the previous fiscal year in the Agriculture-related business under Business support, and the effect of fare revisions in the Railway business under Mobility, as well as a rise in the average daily rate (ADR) in the Hotel business under Hotel and Leisure segment, in addition to progress in leasing office space at "ONE FUKUOKA BLDG.", which opened in the previous fiscal year, in the Real estate leasing business, despite a decrease in revenue as a result of a decrease in the number of condominiums sold in the Real estate sales business under Real estate and other factors. Operating income came to 14,608 million yen, up 2.1% year-on-year.

Ordinary income was 15,109 million yen, up 5.1% year-on-year mainly due to an increase in share of profit of entities accounted for using the equity method.

Interim profit attributable to owners of parent was 14,711 million yen, down 11.0% year-on-year, mainly due to a decrease in gain on sale of investment securities.

In the "17th Medium-Term Management Plan," the first year of which is FY2026 (April 2026–March 2027), the Group changed its reportable segments at the beginning of the six months ended September 30, 2026 due to changes in management classification in order to practice business management with the long-term vision called "CYD Vision 2035" in mind. As a result of this change, certain items reflect revisions to the calculation methods based on the new management classification. Operating revenue and operating income for the six months ended September 30, 2025 have each been increased by 1,257 million yen and are prepared and disclosed based on the new classification.

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

At the beginning of the six months ended September 30, 2026, the Group's reportable segments were changed from "Transportation," "Real Estate," "Retail," "Logistics," and "Leisure and Services" to "Mobility," "Real estate," "Hotel and Leisure," "Retail and Restaurants," "Logistics," and "Business support." As a result of this change, certain items reflect revisions to the calculation methods based on the new management classification, and operating revenue and operating income for the six months ended September 30, 2025 have each been increased by 1,257 million yen.

Information for the six months ended September 30, 2025 is prepared and disclosed based on the new classification.

(Millions of yen)

	Operating revenue				Operating income			
	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change
Mobility	48,880	51,420	2,539	5.2%	2,920	3,774	853	29.2%
Real estate	45,338	40,774	(4,564)	(10.1%)	5,804	4,046	(1,758)	(30.3%)
Hotel and Leisure	20,802	23,039	2,236	10.8%	2,517	3,066	548	21.8%
Retail and Restaurants	36,697	37,145	447	1.2%	42	78	36	86.0%
Logistics	71,935	83,897	11,961	16.6%	2,541	3,257	716	28.2%
Business support	10,276	18,137	7,861	76.5%	529	613	83	15.7%
Adjustments	(10,415)	(10,441)	(26)	-	(41)	(227)	(185)	-
Consolidated	223,516	243,971	20,455	9.2%	14,313	14,608	294	2.1%

1) Mobility

In the Railway business, revenues increased mainly due to the effect of fare revisions (implemented in April 2026) and a larger number of passengers. In the Bus business, passenger revenue increased mainly due to fare measures and a larger number of passengers despite a decline in transactions within the Group as a result of the restructuring of consolidated subsidiaries. As a result, operating revenue for Mobility was 51,420 million yen (5.2% increase year-on-year), and operating income was 3,774 million yen (29.2% increase year-on-year).

The number of passengers increased 3.8% year-on-year in the Railway business, and 0.4% in the Bus (public buses) business.

2) Real estate

In the Real estate leasing business, revenue increased mainly due to progress in leasing office space at "ONE FUKUOKA BLDG.", which opened in the previous fiscal year. On the other hand, revenue in the Real estate sales business declined mainly due to lower condominium sales volumes and a drop in business support fees in the Overseas real estate business following the recognition of such fees in the previous fiscal year. As a result, operating revenue for the Real estate business was 40,774 million yen (10.1% decrease year-on-year), and operating income was 4,046 million yen (30.3% decrease year-on-year).

The number of units sold was 279 (down 176 units year-on-year).

3) Hotel and Leisure

In the Hotel business, revenues increased due to the contribution of "ONE FUKUOKA HOTEL," which opened in the previous fiscal year, in addition to a rise in ADR. As a result, operating revenue for Hotel and Leisure was 23,039 million yen (10.8% increase year-on-year), and operating income was 3,066 million yen (21.8% increase year-on-year).

4) Retail and Restaurants

In the Supermarkets and Restaurants business, revenue increased mainly due to contributions from stores renovated in the previous fiscal year and "Reganet Kasugabaru," which opened in February 2026. In the Sales of miscellaneous everyday items, revenue increased mainly due to the contribution of new stores such as the "AEON MALL Omuta," which opened in October 2025, despite a decrease in revenue as a result of store closures and other factors. As a result, operating revenue for Retail and Restaurants was 37,145 million yen (1.2% increase year-on-year). Operating income was 78 million yen (86.0% increase year-on-year) mainly due to improved gross margins in the Supermarkets and Restaurants business.

5) Logistics

In the Global logistics business, revenues grew mainly due to higher import and export cargo volumes and an increase in yen-denominated revenue due to foreign exchange fluctuations. As a result, operating revenue for the Logistics business was 83,897 million yen (16.6% increase year-on-year), and operating income was 3,257 million yen (28.2% increase year-on-year).

International cargo volume was up 7.4% year-on-year in Air exports, up 3.5% year-on-year in Air imports, up 1.7% year-on-year in Ocean exports, and up 6.7% year-on-year in Ocean imports.

6) Business support

In the Agriculture-related business, revenue increased mainly due to the consolidation of the Hinomaru Group in the previous fiscal year. As a result, operating revenue for Business support was 18,137 million yen (76.5% increase year-on-year). Operating income came to 613 million yen (15.7% increase year-on-year) mainly due to the contribution of the Hinomaru Group in the Agriculture-related business and an increase in gross profit in the Resource energy-related business, despite a decrease in gross profit in the Construction-related business.

(Statement of Income by Segment)

(Millions of yen)

	Operating revenue				Operating income (loss)			
	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change (%)	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change (%)
Mobility	48,880	51,420	2,539	5.2	2,920	3,774	853	29.2
Railway	11,788	13,169	1,381	11.7	808	1,880	1,071	132.4
Bus	28,502	28,402	(99)	(0.3)	1,453	1,308	(144)	(10.0)
[Bus, net]*1	[26,697]	[27,274]	[577]	[2.2]	-	-	-	-
Vehicle maintenance-related	9,932	9,110	(821)	(8.3)	400	232	(167)	(41.9)
Other	6,734	7,279	545	8.1	511	439	(71)	(14.0)
Adjustments	(8,076)	(6,542)	1,533	-	(253)	(87)	166	-
Real estate	45,338	40,774	(4,564)	(10.1)	5,804	4,046	(1,758)	(30.3)
Real estate leasing	21,281	23,038	1,756	8.3	3,283	4,470	1,187	36.2
Real estate sales	19,022	13,365	(5,657)	(29.7)	1,577	(74)	(1,651)	-
Other	9,451	8,715	(735)	(7.8)	1,996	506	(1,489)	(74.6)
Adjustments	(4,417)	(4,346)	71	-	(1,052)	(856)	195	-
Hotel and Leisure	20,802	23,039	2,236	10.8	2,517	3,066	548	21.8
Hotel	17,005	19,057	2,052	12.1	1,397	1,974	577	41.3
[Hotel, net]*2	[16,558]	[18,499]	[1,940]	[11.7]	-	-	-	-
Leisure	3,046	3,198	152	5.0	849	836	(12)	(1.5)
Travel	1,681	1,847	165	9.9	370	354	(16)	(4.4)
Adjustments	(931)	(1,065)	(133)	-	(99)	(99)	0	-
Retail and Restaurants	36,697	37,145	447	1.2	42	78	36	86.0
Supermarkets and Restaurants	33,659	33,979	319	1.0	6	129	123	-
Sales of miscellaneous everyday items	3,038	3,165	127	4.2	123	67	(56)	(45.7)
Adjustments	(0)	-	0	-	(87)	(118)	(30)	-
Logistics	71,935	83,897	11,961	16.6	2,541	3,257	716	28.2
Global logistics	75,177	87,639	12,461	16.6	2,479	3,206	727	29.3
Domestic logistics	5,699	5,957	257	4.5	155	228	72	46.6
Adjustments	(8,941)	(9,699)	(757)	-	(93)	(176)	(83)	-
Business support	10,276	18,137	7,861	76.5	529	613	83	15.7
Construction-related	3,906	3,694	(211)	(5.4)	194	20	(173)	(89.3)
Agriculture-related	28	8,101	8,073	-	(18)	201	219	-
Resource energy-related	2,204	2,620	415	18.8	384	541	157	40.9
Other	4,430	4,611	180	4.1	(0)	81	83	-
Adjustments	(293)	(889)	(596)	-	(29)	(232)	(203)	-
Subtotal	233,931	254,413	20,481	8.8	14,355	14,835	480	3.3
Adjustments	(10,415)	(10,441)	(26)	-	(41)	(227)	(185)	-
Consolidated	223,516	243,971	20,455	9.2	14,313	14,608	294	2.1

Information for the six months ended September 30, 2025 is prepared and disclosed based on the new classification.

*1 Operating revenue for the Bus business, excluding intercompany transactions, increased 2.2%.

*2 Operating revenue for the Hotel business, excluding intercompany transactions, increased 11.7%.

(Transaction volume)

1) Number of railway passengers / passenger revenue (Mobility)

	Unit	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change (%)
Number of passengers	Thousand passengers	56,503	58,675	2,172	3.8
Non-commuter pass	Thousand passengers	24,256	24,679	423	1.7
Commuter pass	Thousand passengers	32,247	33,996	1,749	5.4
Passenger revenue	Millions of yen	11,239	12,636	1,397	12.4
Non-commuter pass	Millions of yen	6,878	7,711	833	12.1
Commuter pass	Millions of yen	4,361	4,924	563	12.9

2) Number of public bus passengers / passenger revenue (Mobility)

	Unit	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change (%)
Number of passengers	Thousand passengers	105,585	105,969	384	0.4
Non-commuter pass	Thousand passengers	60,394	59,884	(510)	(0.8)
Commuter pass	Thousand passengers	45,191	46,085	894	2.0
Passenger revenue	Millions of yen	23,532	23,909	376	1.6
Non-commuter pass	Millions of yen	17,630	17,835	204	1.2
Commuter pass	Millions of yen	5,901	6,073	172	2.9

3) Number of units sold (Real estate)

	Unit	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change (%)
Number of units sold	Unit	455	279	(176)	(38.7)
Condominium	Dwelling unit	359	207	(152)	(42.3)
Of which, rental condominium units sold as one building	Dwelling unit	[123]	-	[(123)]	[(100)]
Detached house	Unit	93	64	(29)	(31.2)
Renovation	Dwelling unit	3	8	5	166.7

4) Average daily rate (ADR) of hotels targeting mainly domestic customers, occupancy rate (OCC) and revenue per available room (RevPAR) (Hotel and Leisure)

	Unit	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change (%)
ADR	Yen	13,485	14,701	1,216	9.0
OCC	%	77.0	78.7	1.7P	-
RevPAR	Yen	10,387	11,564	1,177	11.3

5) Volume of international cargo (Logistics)

	Unit	Six months ended September 30, 2025	Six months ended September 30, 2026	Change	Percentage change (%)
Air Export	Thousand tons	53	57	3	7.4
Air Import	Thousand cases	173	179	6	3.5
Ocean Export	Thousand TEU	59	60	0	1.7
Ocean Import	Thousand TEU	74	79	4	6.7

(2) Overview of interim financial position under review

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026	Change
Total assets	820,851	826,075	5,224
Total liabilities	527,806	517,963	(9,842)
Total net assets	293,044	308,112	15,067
Interest-bearing debt	362,987	361,553	(1,433)

(Note) Interest-bearing debt is the sum of borrowings, commercial papers and bonds payable.

Assets increased 5,224 million yen from the end of the previous fiscal year to 826,075 million yen mainly due to increases in long-term investments in capital included in “Other” under investments and other assets as well as land and buildings for sale, despite a decrease in notes and accounts receivable - trade, and contract assets.

Liabilities decreased 9,842 million yen from the end of the previous fiscal year to 517,963 million yen mainly due to decreases in notes and accounts payable - trade as well as interest-bearing debt.

Net assets grew 15,067 million yen from the end of the previous fiscal year to 308,112 million yen mainly due to an increase in retained earnings, owing to the posting of interim profit attributable to owners of parent.

(3) Explanation of future forecast information such as consolidated financial forecasts

The consolidated financial forecasts for the full fiscal year ending March 31, 2027, have been changed from those announced on May 14, 2026, based on the business results of the interim fiscal period under review and the future outlook for each business segment.

The operating revenue forecast remains unchanged from the previous forecast, as expected decreases in revenue due to a decline in the number of units sold in the Real estate sales business under Real estate and cautious consumer spending caused by rising prices and competition in the Supermarkets and Restaurants business under Retail and Restaurants are expected to be offset by higher average daily rate (ADR) in the Hotel business under Hotel and Leisure, increased import/export volume of cargo handled in the Global logistics business under Logistics, and higher percentage rents in the Real estate leasing business under Real estate.

Operating income and ordinary income are expected to exceed the previous forecasts despite anticipated decreases in gross profit in the Real estate sales business, the Supermarkets and Restaurants business, and the Global logistics business, due to reductions in expenses in these businesses, as well as an increase in percentage rents in the Real estate leasing business and higher ADR in the Hotel business.

Profit attributable to owners of parent remains unchanged from the previous forecast, mainly due to an expected decrease in gain on sales of non-current assets resulting from the revision of the transfer plan for non-current assets.

(Millions of yen)

	Forecast for fiscal year ending March 31, 2027 (Previous forecast)	Forecast for fiscal year ending March 31, 2027	Change	Percentage change
Operating revenue	510,000	510,000	-	-
Operating income	24,500	26,500	2,000	8.2%
Ordinary income	24,500	26,000	1,500	6.1%
Profit attributable to owners of parent	22,500	22,500	-	-

(Millions of yen)

	Operating revenue				Operating income			
	Forecast for fiscal year ending March 31, 2027 (Previous forecast)	Forecast for fiscal year ending March 31, 2027	Change	Percentage change	Forecast for fiscal year ending March 31, 2027 (Previous forecast)	Forecast for fiscal year ending March 31, 2027	Change	Percentage change
Mobility	103,300	103,700	400	0.4%	5,800	5,900	100	1.7%
Real estate	100,000	97,500	(2,500)	(2.5%)	7,400	8,200	800	10.8%
Hotel and Leisure	46,000	47,600	1,600	3.5%	4,700	5,300	600	12.8%
Retail and Restaurants	76,500	74,500	(2,000)	(2.6%)	500	500	-	-
Logistics	168,000	169,300	1,300	0.8%	5,900	5,900	-	-
Business support	38,500	39,100	600	1.6%	1,000	1,500	500	50.0%
Adjustments	(22,300)	(21,700)	600	-	(800)	(800)	-	-
Consolidated	510,000	510,000	-	-	24,500	26,500	2,000	8.2%

*The forecasts have been prepared based on information currently available to the Company, and actual results may differ from the forecasts due to various factors in the future.

2. Interim Consolidated Financial Statements and Key Notes

(1) Interim consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	46,867	47,338
Notes and accounts receivable - trade, and contract assets	66,158	58,805
Land and buildings for sale	87,876	91,216
Merchandise and finished goods	6,339	6,441
Work in process	362	932
Raw materials and supplies	2,730	2,906
Other	10,021	10,943
Allowance for doubtful accounts	(171)	(190)
Total current assets	220,184	218,394
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	270,997	268,382
Machinery, equipment and vehicles, net	20,406	20,905
Land	153,976	156,915
Construction in progress	7,428	9,123
Other, net	14,827	14,348
Total property, plant and equipment	467,636	469,675
Intangible assets		
Goodwill	3,986	3,844
Other	6,221	5,939
Total intangible assets	10,207	9,784
Investments and other assets		
Investment securities	77,894	77,292
Retirement benefit assets	11,088	10,641
Deferred tax assets	2,781	2,694
Other	31,345	37,879
Allowance for doubtful accounts	(287)	(285)
Total investments and other assets	122,823	128,221
Total non-current assets	600,667	607,681
Total assets	820,851	826,075

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	44,677	37,975
Short-term borrowings	44,773	43,096
Commercial papers	-	3,000
Current portion of bonds payable	20,000	-
Consumption taxes payable	3,479	2,673
Income taxes payable	6,397	5,090
Advances received	1,253	1,353
Provision for bonuses	8,217	7,849
Other provisions	212	149
Other	34,452	33,886
Total current liabilities	163,463	135,074
Long-term liabilities		
Bonds payable	147,000	167,000
Long-term borrowings	151,213	148,457
Deferred tax liabilities	11,573	13,327
Other provisions	837	1,105
Retirement benefit liability	10,744	10,609
Long-term guarantee deposits	34,378	33,852
Other	8,595	8,536
Total long-term liabilities	364,342	382,888
Total liabilities	527,806	517,963
Net assets		
Shareholders' equity		
Share capital	26,157	26,157
Capital surplus	12,129	12,383
Retained earnings	211,091	222,388
Treasury stock	(8,436)	(8,545)
Total shareholders' equity	240,941	252,384
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,519	18,630
Deferred gains or losses on hedges	2,197	2,864
Foreign currency translation adjustment	12,220	13,499
Remeasurements of defined benefit plans	12,005	11,298
Total accumulated other comprehensive income	42,943	46,293
Subscription rights to shares	201	193
Non-controlling interests	8,958	9,240
Total net assets	293,044	308,112
Total liabilities and net assets	820,851	826,075

(2) Interim consolidated statement of income and interim consolidated statement of comprehensive income

Interim consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Operating revenue	223,516	243,971
Business expenses		
Operating expenses and cost of sales for transportation services, etc.	193,392	212,016
Selling, general and administrative expenses	15,810	17,346
Total operating expenses	209,202	229,363
Operating income	14,313	14,608
Non-operating income		
Interest income	272	226
Dividend income	589	640
Share of profit of entities accounted for using the equity method	253	1,088
Miscellaneous income	760	975
Total non-operating income	1,877	2,931
Non-operating expenses		
Interest expense	1,551	1,941
Miscellaneous expenses	260	488
Total non-operating expenses	1,812	2,429
Ordinary income	14,378	15,109
Extraordinary gains		
Gain on sale of non-current assets	4,503	6,182
Contributions received for construction	44	65
Gain on sale of investment securities	5,371	314
Total extraordinary gains	9,919	6,563
Extraordinary losses		
Loss on reduction of non-current assets for tax purposes	23	64
Loss on retirement of non-current assets	23	-
Impairment losses	-	59
Other	3	0
Total extraordinary losses	49	123
Income before income taxes	24,248	21,549
Income taxes - current	5,861	5,292
Income taxes - deferred	1,464	1,203
Total income taxes	7,326	6,496
Interim profit	16,921	15,052
Profit attributable to non-controlling interests	395	340
Interim profit attributable to owners of parent	16,526	14,711

Interim consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Interim profit	16,921	15,052
Other comprehensive income		
Valuation difference on available-for-sale securities	(74)	2,103
Deferred gains or losses on hedges	6	(2)
Foreign currency translation adjustment	(1,165)	737
Remeasurements of defined benefit plans, net of tax	(298)	(705)
Share of other comprehensive income of entities accounted for using the equity method	(2,739)	1,235
Total other comprehensive income	(4,271)	3,367
Interim comprehensive income	12,650	18,420
(Components)		
Interim comprehensive income attributable to owners of parent	12,319	18,061
Interim comprehensive income attributable to non-controlling interests	330	358

(3) Interim consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Income before income taxes	24,248	21,549
Depreciation	11,361	12,251
Amortization of goodwill	19	150
Impairment losses	-	59
Loss on retirement of non-current assets	237	215
Loss on reduction of non-current assets for tax purposes	23	64
Contributions received for construction	(44)	(65)
Share of loss (profit) of entities accounted for using equity method	(253)	(1,088)
Loss (gain) on sale of non-current assets	(4,500)	(6,182)
Increase (decrease) in provision for bonuses	(234)	(367)
Increase (decrease) in retirement benefit liability	190	(486)
Decrease (increase) in retirement benefit asset	(89)	10
Increase (decrease) in other provisions	(65)	204
Interest and dividend income	(862)	(867)
Interest expenses	1,551	1,941
Loss (gain) on sale of investment securities	(5,371)	(314)
Decrease (increase) in trade receivables	371	8,057
Decrease (increase) in inventories	(7,428)	(4,268)
Decrease (increase) in other assets	(2,520)	(630)
Increase (decrease) in trade payables	(8,307)	(2,725)
Increase (decrease) in accrued consumption taxes	9,883	(973)
Increase (decrease) in guarantee deposits received	(371)	(527)
Increase (decrease) in other liabilities	3,293	1,106
Other	(342)	(145)
Subtotal	20,786	26,966
Interest and dividends received	1,985	5,524
Interest paid	(1,491)	(1,654)
Income taxes paid	(5,312)	(6,253)
Cash flows from operating activities	15,969	24,582
Cash flows from investing activities		
Purchase of non-current assets	(18,148)	(18,868)
Proceeds from sale of non-current assets	7,059	5,109
Purchase of investment securities	(476)	(3,316)
Proceeds from sale of investment securities	7,292	4,896
Payments for investments in capital	(644)	(6,780)
Net decrease (increase) in time deposits	(248)	(143)
Proceeds from contribution received for construction	2,701	82
Others	(138)	727
Cash flows from investing activities	(2,600)	(18,292)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(4,010)	(3,503)
Net increase (decrease) in commercial papers	-	3,000
Proceeds from long-term borrowings	9,017	10,000
Repayments of long-term borrowings	(9,737)	(10,680)
Proceeds from issuance of bonds	-	20,000
Redemption of bonds	-	(20,000)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(29)	-
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	1,650	-
Proceeds from sale of treasury shares	62	1,121
Purchase of treasury shares	(4,061)	(983)
Repayments of lease liabilities	(944)	(1,562)
Dividends paid	(1,733)	(3,415)
Dividends paid to non-controlling interests	(302)	(314)
Cash flows from financing activities	(10,088)	(6,338)
Effect of exchange rate changes on cash and cash equivalents	(809)	394
Net increase (decrease) in cash and cash equivalents	2,470	346
Cash and cash equivalents at the beginning of period	50,441	45,770
Cash and cash equivalents at the end of interim period	52,911	46,117

(4) Notes to interim consolidated financial statements

(Notes to assumptions on going concern)

Not applicable.

(Notes if there is a significant change in the amount of shareholders' equity)

Not applicable.

(Notes to segment information, etc.)

Six months ended September 30, 2025

1. Information on operating revenue, income or loss by reportable segment

(Millions of yen)

	Reportable segment							Adjustments (Note) [1]	Amount posted to the interim consolidated statement of income
	Mobility	Real estate	Hotel and Leisure	Retail and Restaurants	Logistics	Business support	Total		
Operating revenue	48,880	45,338	20,802	36,697	71,935	10,276	233,931	(10,415)	223,516
Segment income	2,920	5,804	2,517	42	2,541	529	14,355	(41)	14,313

(Notes) 1. An adjustment of (41) million yen to segment income is the net of administrative expenses of the parent company not attributable to the reportable segments of (204) million yen and the elimination of intersegment transactions of 162 million yen.

2. The segment information above is prepared and disclosed based on the new classification.

Six months ended September 30, 2026

1. Information on operating revenue, income or loss by reportable segment

(Millions of yen)

	Reportable segment							Adjustments (Note) [1]	Amount posted to the interim consolidated statement of income
	Mobility	Real estate	Hotel and Leisure	Retail and Restaurants	Logistics	Business support	Total		
Operating revenue	51,420	40,774	23,039	37,145	83,897	18,137	254,413	(10,441)	243,971
Segment income	3,774	4,046	3,066	78	3,257	613	14,835	(227)	14,608

(Notes) 1. The adjustment of (227) million yen to segment income is the net of administrative expenses of the parent company not attributable to the reportable segments of (407) million yen and the elimination of intersegment transactions of 179 million yen.

2. Matters relating to change in reportable segments

In the “17th Medium-Term Management Plan,” the first year of which is FY2026 (April 2026-March 2027), the Group changed its reportable segments at the beginning of the six months ended September 30, 2026 after changing its management classification in order to practice business management with the long-term vision called “CYD Vision 2035” in mind.

The Group’s reportable segments were changed from “Transportation,” “Real Estate,” “Retail,” “Logistics,” and “Leisure and Services” to “Mobility,” “Real estate,” “Hotel and Leisure,” “Retail and Restaurants,” “Logistics,” and “Business support.” As a result of this change, certain items reflect revisions to the calculation methods based on the new management classification, and operating revenue and segment income for the six months ended September 30, 2025 have each been increased by 1,257 million yen.

Information for the six months ended September 30, 2025 is prepared and disclosed based on the new classification.