



Supplementary Materials for Financial Results for the First Quarter of Fiscal Year Ending March 31, 2023 (FY2022)

August 1, 2022

Nankai Electric Railway Co., Ltd.

(Tokyo Stock Exchange, Prime Market, Securities Code: 9044 <https://www.nankai.co.jp/en/company.html>)

Summary of Financial Results for the First Quarter of FY2022



1. Performance highlights

(Millions of yen)

	FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Operating revenue	51,842	43,658	8,183	18.7%
Operating income	4,797	1,294	3,502	270.5%
Non-operating income	681	741	-60	-8.1%
Non-operating expenses	990	1,091	-100	-9.2%
Ordinary income	4,487	945	3,542	374.8%
Extraordinary income	84	22,808	-22,724	-99.6%
Extraordinary losses	157	23,628	-23,470	-99.3%
Profit attributable to owners of parent	3,147	68	3,079	—

<Main reasons for changes>

Both revenue and income grew for reasons such as an increase in the number of passengers transported in the transportation business and the reaction to the temporary closure of commercial facilities due to the declaration of a state of emergency in the same period of the previous fiscal year in the distribution business.

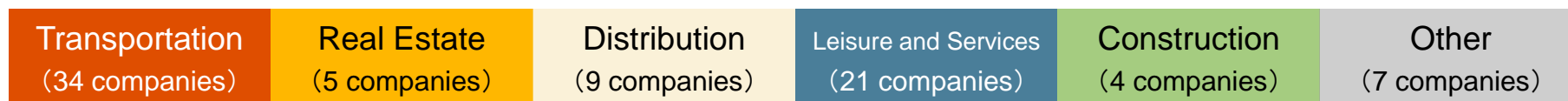
2. Status of segment composition (as of June 30, 2022)

[Consolidated subsidiaries: 52, non-consolidated subsidiaries: 17, non-equity method affiliates: 6]

Change (from March 31, 2022) Decrease in consolidated subsidiaries, 2 companies (intra-group merger):

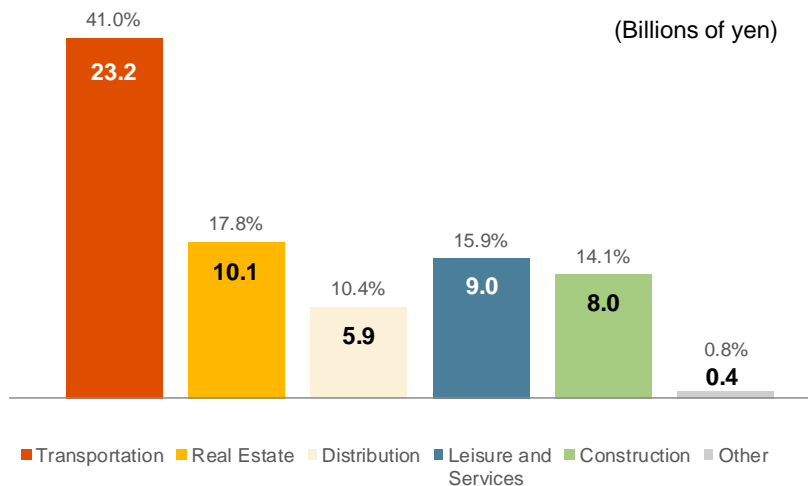
Nankai Wing Bus Kanaoka Co., Ltd., Life Community Co., Ltd.

Increase in non-consolidated subsidiaries, 1 company (newly established): eStadium Co., Ltd.

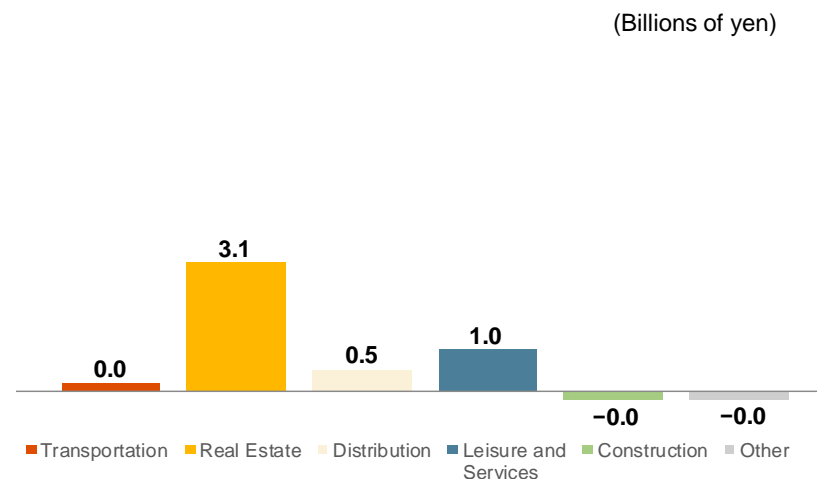


* Nankai Electric Railway Co., Ltd. (the Company) is included in duplicate in the Transportation, Real Estate, Distribution, and Leisure and Services segments. SEMBOKU RAPID RAILWAY CO., LTD. is included in duplicate in the Transportation and Real Estate segments.

[Operating revenue]



[Operating income]

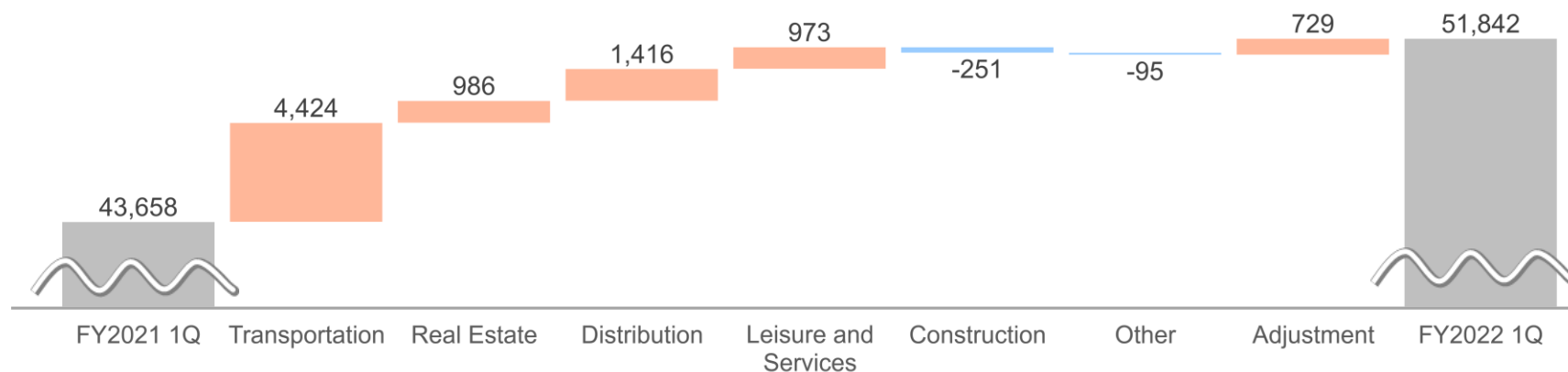


* Percentage share: Ratio to operating revenue, including that from intersegment transactions

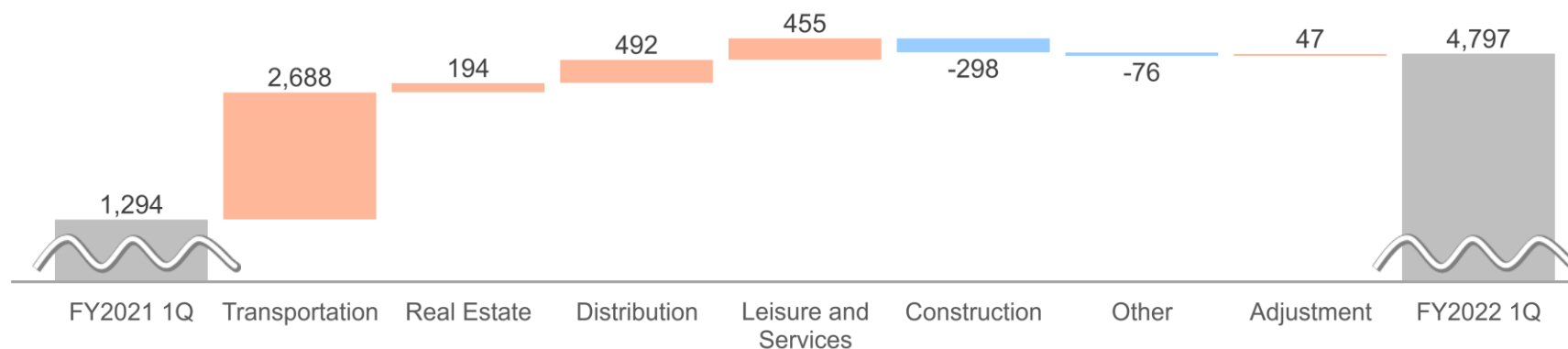
2. Segment operating revenue and operating income

(i) Change of operating revenue

(Millions of yen)



(ii) Change of operating income



2. Segment operating revenue and operating income

(Millions of yen)

	Operating revenue				Operating income			
	FY2022 1Q results	FY2021 1Q results	Change	Percentage change	FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Transportation	23,210	18,786	4,424	23.5%	47	-2,640	2,688	—
Real Estate	10,111	9,125	986	10.8%	3,179	2,984	194	6.5%
Distribution	5,921	4,504	1,416	31.4%	500	8	492	—
Leisure and Services	9,002	8,028	973	12.1%	1,035	580	455	78.4%
Construction	8,003	8,255	-251	-3.0%	-51	247	-298	—
Other	435	530	-95	-18.0%	-64	12	-76	—
Adjustment	-4,842	-5,572	—	—	149	101	—	—
Total	51,842	43,658	8,183	18.7%	4,797	1,294	3,502	270.5%

2. Segment information (Transportation)

(Millions of yen)

Transportation	FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Operating revenue	23,210	18,786	4,424	23.5%
Railway business	13,325	11,101	2,223	20.0%
Bus business	4,436	3,718	717	19.3%
Other transportation businesses	6,902	5,444	1,457	26.8%
Adjustment (intra-segment)	-1,453	-1,478	—	—
Operating income	47	-2,640	2,688	—
Main components				
Railway business	273	-1,577	1,850	—
Bus business	-355	-893	537	—

<Main reasons for changes>

- Revenue grew and profitability improved due to an increase in the number of passengers transported compared to the same period of the previous year in the railway and bus businesses, as well as due to an increase in revenue and other positive factors in the cargo transportation business.

2. Revenue from railway passengers and passengers carried (non-consolidated)

(Millions of yen, thousands of passengers)

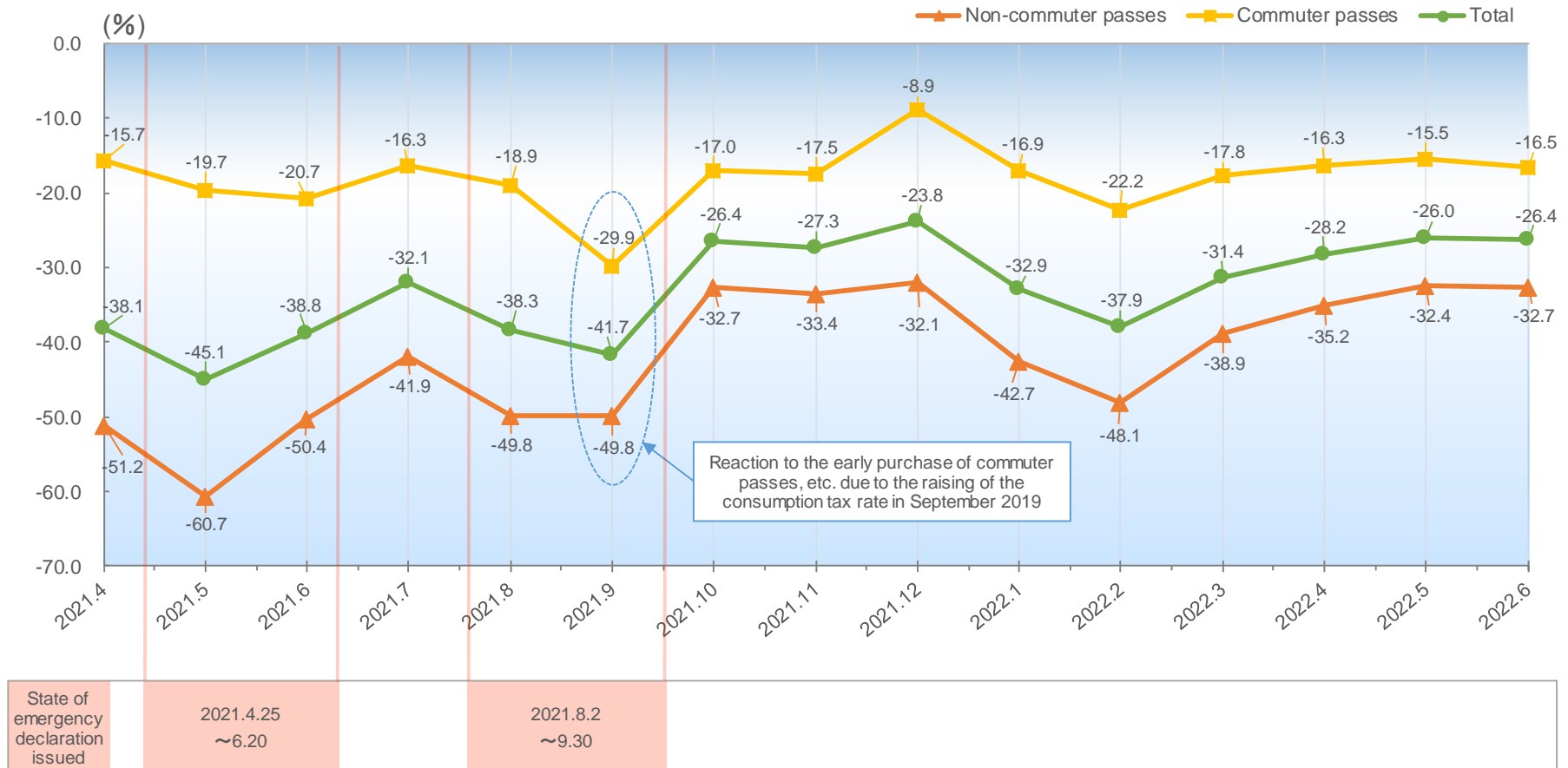
All lines		FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Passenger revenue	Non-commuter passes	6,200	4,271	1,928	45.1%
	Commuter passes	4,802	4,650	152	3.3%
	Total	11,002	8,922	2,080	23.3%
Passengers carried	Non-commuter passes	19,412	14,070	5,342	38.0%
	Commuter passes	31,191	29,505	1,686	5.7%
	Total	50,603	43,575	7,028	16.1%

(Millions of yen, thousands of passengers)

Airport line		FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Passenger revenue	Non-commuter passes	747	392	354	90.4%
	Commuter passes	207	188	18	9.8%
	Total	954	581	373	64.2%
Passengers carried	Non-commuter passes	1,047	591	456	77.2%
	Commuter passes	709	636	73	11.5%
	Total	1,756	1,227	529	43.1%

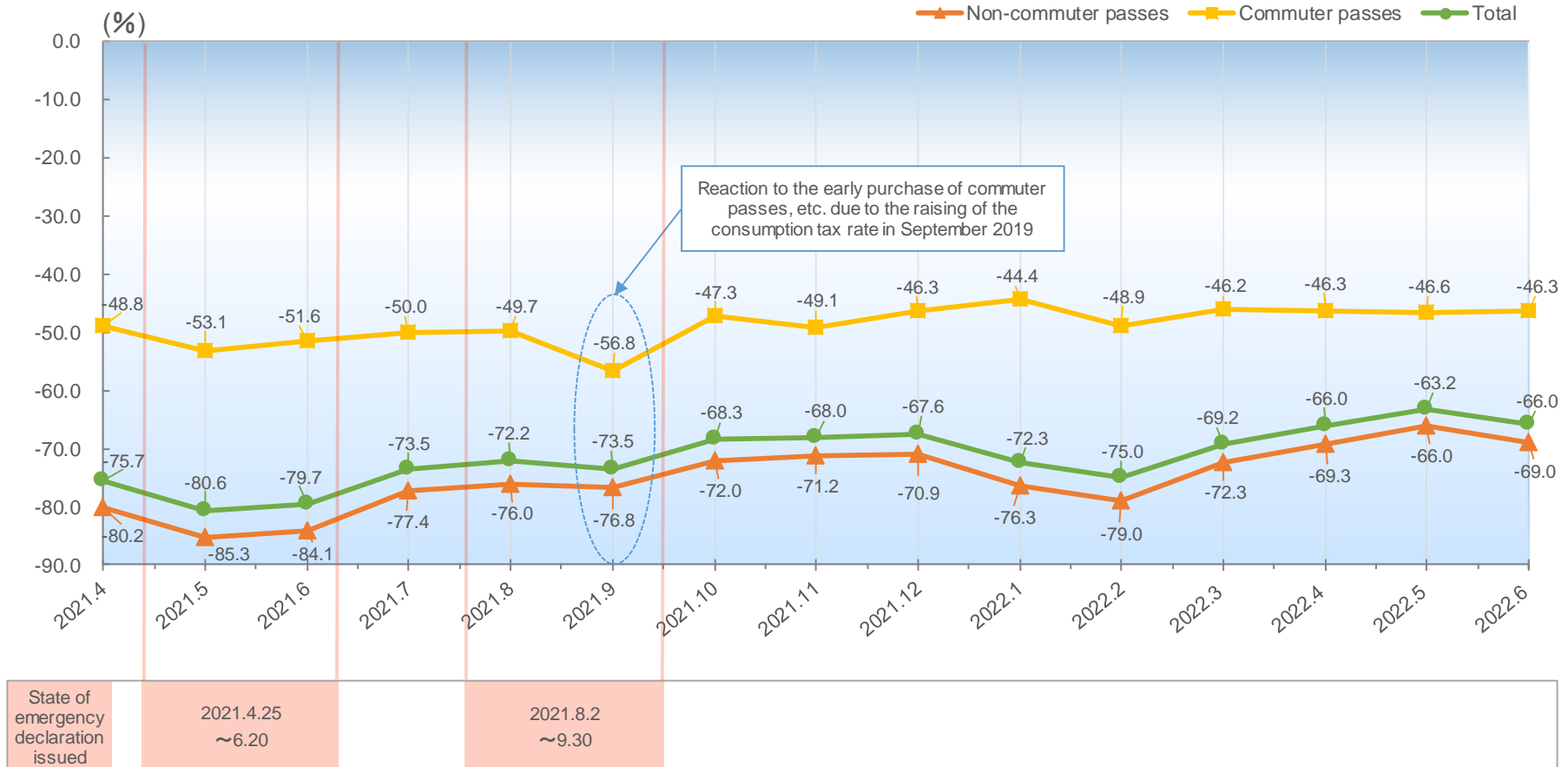
2. Segment information (Transportation)

[Reference 1] (Individual - all lines) Changes in the rate of increase/decrease in railway passenger revenue compared to the same month of 2019



2. Segment information (Transportation)

[Reference 2] (Individual - airport line) Changes in the rate of increase/decrease in railway passenger revenue compared to the same month of 2019



2. Segment information (Real Estate)

(Millions of yen)

Real Estate	FY2022 1Q results	FY2021 1Q results	Change	Percentage change	
Operating revenue	10,111	9,125	986	10.8%	
Real estate leasing business	8,249	7,993	256	3.2%	
Real estate sales business	1,906	1,277	629	49.2%	
Adjustment (intra-segment)	-44	-145	—	—	
Operating income	3,179	2,984	194	6.5%	
Main components	Real estate leasing business	3,151	3,032	119	3.9%
	Real estate sales business	69	10	58	575.2%

<Main reasons for changes>

- The real estate leasing business saw both revenue and income rise mainly due to the reaction to the declaration of a state of emergency in the same period of the previous fiscal year.
- The real estate sales business saw both revenue and income rise for reasons such as an increase in condominium sales.

2. Segment information (Distribution)

(Millions of yen)

Distribution	FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Operating revenue	5,921	4,504	1,416	31.4%
Management of Shopping Centers	3,366	2,209	1,157	52.4%
Station premises business	2,857	2,523	334	13.2%
Other distribution businesses	131	161	-30	-18.6%
Adjustment (intra-segment)	-434	-389	—	—
Operating income	500	8	492	—
Main components				
Management of Shopping Centers	260	-57	318	—
Station premises business	259	80	178	220.3%

<Main reasons for changes>

- In the management of shopping centers, both revenue and income grew for reasons such as the reaction to the temporary closure of commercial facilities due to the declaration of a state of emergency (such as Namba Parks and Namba City) in the same period of the previous year.

2. Segment information (Leisure and Services)

(Millions of yen)

Leisure and Services		FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Operating revenue		9,002	8,028	973	12.1%
Building management and maintenance business		4,912	5,070	-157	-3.1%
Other leisure and service businesses		4,555	3,407	1,147	33.7%
Adjustment (intra-segment)		-464	-449	—	—
Operating income		1,035	580	455	78.4%
Main components	Building management and maintenance business	147	195	-47	-24.4%

<Main reasons for changes>

- In the building management and maintenance business, both revenue and income fell mainly due to a decrease in building maintenance operations.
- In the other leisure and service businesses, both revenue and income grew mainly due to the reduced impact of COVID-19 in the leasing of facilities for motorboat racing and the travel agency compared to the same period of the previous fiscal year.

2. Segment information (Construction and Other)

(Millions of yen)

Construction	FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Operating revenue	8,003	8,255	-251	-3.0%
Construction	8,004	8,264	-260	-3.2%
Adjustment (intrasegment)	-0	-9	—	—
Operating income	-51	247	-298	—

<Main reasons for changes> Revenue fell mainly due to a decrease in the amount of completed construction contracts, and income also fell because of lower profit ratios and other factors.

(Millions of yen)

Other	FY2022 1Q results	FY2021 1Q results	Change	Percentage change
Operating revenue	435	530	-95	-18.0%
Other	437	532	-95	-17.9%
Adjustment (intrasegment)	-2	-1	—	—
Operating income	-64	12	-76	—

<Main reasons for changes> Both revenue and income fell mainly due to a decrease in construction supervision income.

3. Non-operating income and expenses and extraordinary income and losses

(Millions of yen)

	FY2022 1Q results	FY2021 1Q results	Change	Remarks
Non-operating income	681	741	-60	
Interest income	1	0	0	
Dividend income	497	372	125	
Miscellaneous income	182	368	-186	
Non-operating expenses	990	1,091	-100	
Interest expenses	902	984	-81	
Miscellaneous expenses	88	106	-18	
Extraordinary income	84	22,808	-22,724	
Contribution for construction	69	22,707	-22,638	Previous term: Continuous flyover roadway construction (up route) in Takaishi City, etc.
Other	14	100	-85	
Extraordinary losses	157	23,628	-23,470	
Loss on retirement of non-current assets	76	201	-124	
Tax purpose reduction entry of contribution for construction	55	22,704	-22,649	Previous term: Continuous flyover roadway construction (up route) in Takaishi City, etc.
Other	26	722	-696	Previous term: Fixed costs for temporary closure of commercial facilities, etc.

4. Status of assets, liabilities and net assets

(Millions of yen)

	As of June 30,2022	As of March 31,2022	Change	Main reasons for changes												
Current assets	82,981	85,147	-2,166	<ul style="list-style-type: none"> • Current assets <ul style="list-style-type: none"> ▪ Decrease in notes and accounts receivable-trade, and contract assets -¥2.0 billion 												
Non-current assets	834,963	835,829	-865	<ul style="list-style-type: none"> • Non-current assets <ul style="list-style-type: none"> ▪ Decrease in buildings and structures stemming from depreciation -¥4.0 billion ▪ Increase in construction in progress +¥3.8 billion 												
Total assets	917,944	920,976	-3,031	<ul style="list-style-type: none"> • Liabilities <ul style="list-style-type: none"> ▪ Decrease in notes and accounts payable-trade -¥4.1 billion 												
Total liabilities	657,627	660,260	-2,632	<p>【The balance of interest-bearing debt】 (Billions of yen)</p> <table border="1"> <thead> <tr> <th></th> <th>As of June 30,2022</th> <th>As of March 31,2022</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>Interest-bearing debt</td> <td>481.8</td> <td>482.4</td> <td>-0.6</td> </tr> <tr> <td>Net interest-bearing debt</td> <td>445.0</td> <td>446.0</td> <td>-0.9</td> </tr> </tbody> </table>		As of June 30,2022	As of March 31,2022	Change	Interest-bearing debt	481.8	482.4	-0.6	Net interest-bearing debt	445.0	446.0	-0.9
	As of June 30,2022	As of March 31,2022	Change													
Interest-bearing debt	481.8	482.4	-0.6													
Net interest-bearing debt	445.0	446.0	-0.9													
Net assets	260,317	260,716	-398	<ul style="list-style-type: none"> • Net assets <ul style="list-style-type: none"> ▪ Profit attributable to owners of parent +¥3.1 billion ▪ Dividend of surplus -¥2.8 billion ▪ Decrease in valuation difference on available-for-sale securities -¥0.4 billion 												
Total liabilities and net assets	917,944	920,976	-3,031													