November 10, 2023

To whom it may concern

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Notice of Differences Between Business Forecasts and Actual Results, Revision to Full-Year Business Forecasts, Dividends From Surplus (Interim Dividend), and Revision to Year-End Dividend Forecast for the Fiscal Year Ending March 31, 2024

Keikyu Corporation (the "Company") hereby announces that there are differences between the business forecasts for the first six months of the fiscal year ending March 31, 2024, announced on May 10, 2023, and the actual results announced today. In addition, the Company announces that it has revised the full-year consolidated business forecasts for the fiscal year ending March 31, 2024 that were also announced on May 10, 2023. The details are described below.

The Company also announces that it has resolved, at the meeting of its Board of Directors held today, to pay dividends from surplus (interim dividend) with a record date of September 30, 2023 as follows. Moreover, the Company has revised the year-end dividend forecast for the fiscal year ending March 31, 2024, announced on May 10, 2023. The details are described below.

1. Differences between consolidated business forecasts and actual results for the first six months

(1) Differences between consolidated business forecasts and actual results for the first six months of the fiscal year ending March 31, 2024 (From April 1, 2023 to September 30, 2023)

	Revenue from operations	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(yen)
Previous forecast (A)	126,100	8,800	7,000	4,600	16.71
Actual results (B)	128,026	13,811	13,628	9,206	33.45
Change (B-A)	1,926	5,011	6,628	4,606	
Rate of change (%)	1.5	57.0	94.7	100.2	
(Reference) Actual results for the second quarter of the fiscal year ended March 31, 2023	120,395	5,480	4,634	12,529	45.51

(2) Reasons for the differences

Operating profit for the first six months of the fiscal year ending March 31, 2024 has surpassed the figure of the previously announced forecast (announced on May 10, 2023), mainly due to a decrease in power costs in the Transportation business and a higher-than-anticipated increase in sales for Keikyu EX Hotel and Keikyu EX Inn in the Leisure Services business.

In addition, ordinary profit and profit attributable to owners of parent have surpassed the figures of the previously announced forecasts (announced on May 10, 2023), mainly due to an increase in gain on sale of investment securities in conjunction with the sale of cross-shareholdings.

2. Revision to full-year business forecasts

(1) Revision to full-year consolidated business forecast figures for the fiscal year ending March 31, 2024 (From April 1, 2023 to March 31, 2024)

	Revenue from operations	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(yen)
Previous forecast (A)	296,300	23,000	20,000	17,000	61.76
Revised forecast (B)	303,700	28,000	27,300	22,000	79.92
Change (B-A)	7,400	5,000	7,300	5,000	
Rate of change (%)	2.5	21.7	36.5	29.4	
(Reference) Actual results for the fiscal year ended March 31, 2023	253,005	10,819	12,233	15,817	57.46

(2) Reasons for the revision

In the full-year consolidated business forecasts for the fiscal year ending March 31, 2024, revenue from operations and operating profit have been revised upward, mainly due to expected increases in sales for railway operations, business hotels in the Leisure Services business, and the store business in the Retailing business.

Furthermore, ordinary profit and profit attributable to owners of parent have been revised upward, mainly due to an increase in gain on sale of investment securities in conjunction with the sale of cross-shareholdings.

For details of these business forecasts, please refer to “Supplementary Materials on Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2024 (FY2023),” which was released today.

The above business forecasts are prepared based on information available at the time of release of this document, and the actual results may differ from these forecasts due to various factors going forward.

3. Details of dividends from surplus (interim dividend) and revision to year-end dividend forecast

(1) Details of dividends from surplus (interim dividend)

	Amount determined	Latest dividends forecast (Announced May 10, 2023)	Actual results for the fiscal year ended March 31, 2023
Record date	September 30, 2023	Same as left	September 30, 2022
Dividends per share (yen)	7.00	6.00	5.00
Total dividend amount (Millions of yen)	1,927	–	1,377
Effective date	November 27, 2023	–	November 28, 2022
Source of dividends	Retained earnings	–	Retained earnings

(2) Details of revision to year-end dividend forecast

	Dividends per share (yen)		
	Second quarter-end	Fiscal-year end	Total
Previous forecast (Announced May 10, 2023)	6.00	6.00	12.00
Revised forecast		7.00	14.00
Actual results for the fiscal year ending March 31, 2024	7.00		
Actual results for the fiscal year ended March 31, 2023	5.00	6.00	11.00

(3) Reasons

The Company regards the appropriate return of profits to shareholders as one of the most important management priorities. In order to contribute to sustainable growth and increase in corporate value over the medium to long term, the Company's basic strategy is to balance investment for growth with shareholder returns, while striving to ensure financial soundness.

The Company makes a decision on the shareholder returns after giving consideration to the aforementioned policy and the business results. As the consolidated business results for the first six months of the fiscal year ending March 31, 2024, has surpassed the figure of the previously announced forecasts, the Company has decided to increase the interim dividend by ¥1 from the previously forecasted ¥6 to ¥7 per share. The Company also plans to increase the year-end dividend by ¥1 from the previously forecasted ¥6 to ¥7 per share, taking into consideration the full-year business forecasts and the financial position, etc.