

FY2009 ended March 31, 2009 Financial Results Presentation

May 19, 2009

Keihan Electric Railway Co., Ltd.

(Tokyo Stock Exchange 1st/Osaka Securities Exchange 1st 9045 <http://www.keihan.co.jp/>)

[Notes on forecasts]

Descriptions of business forecasts and future prospects are based on current information and certain assumptions about factors that may affect future business. The actual results of operating performance may differ from these forecasts.

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Overview of FY2009

Financial Results

Consolidated Statements of Income



(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Operating revenue	260,766	261,952	(1,185)	(0.5)
Operating income	14,687	17,438	(2,750)	(15.8)
Ordinary income	10,967	13,467	(2,499)	(18.6)
Net income	7,401	8,336	(934)	(11.2)
ROA (%)	1.3	1.5	(0.2)	
ROE (%)	5.7	6.2	(0.5)	
EBITDA	31,870	34,544	(2,674)	(7.7)
Interest-bearing debt	292,808	272,272	20,535	7.5
Interest-bearing debt / EBITDA multiple (Times)	9.2	7.9	1.3	

* ROA : Net income to total assets

ROE : Net income to shareholders' equity

EBITDA : Operating income + depreciation

Interest-bearing debt: Loans + bonds + accounts payable for Japan Railway Construction, Transport and Technology Agency (JR TT)

Interest-bearing debt / EBITDA multiple: Interest-bearing debt / (operating income + depreciation)

Consolidated Balance Sheets



(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Total assets	572,098	571,303	794	0.1
Liabilities	440,769	437,016	3,753	0.9
Net assets	131,329	134,287	(2,958)	(2.2)
Liabilities and net assets	572,098	571,303	794	0.1

Main factor of changes in total assets :Increase in land due to the acquisition of real estate rental properties and decrease in fair value of investment securities

Main factor of changes in liabilities: Increase in short-term loans and decrease in advance received for Nakanoshima line construction

Main factor of changes in net assets: Decrease in unrealized gains on other securities

Movement of FY2009 (1)



Decrease in revenue and earnings

Operating revenue --- -1,185 million yen

The total revenue is decreased due to opening of Hotel Keihan Universal Tower, full contribution of Kyoto Tower consolidated revenue at mid-term end of previous fiscal year, increase in the income from facilities construction, and decrease in large sales of construction materials

Operating income ---- - 2,750 million yen

Decrease in income due to openings of Nakanoshima line and Hotel Keihan Universal Tower in addition to the decrease in revenue

Ordinary income ----- - 2,499 million yen

Decrease due to decrease in operating income, and improvement in non-operating income and losses

Net income ----- - 934 million yen

Decreased, although extraordinary income and losses have been improved and income and other taxes were reduced.

Movement of FY2009 (2)



Measures for improving financial transparency

Allowance for loss in liquidation of related company

--- Extraordinary losses 192 million yen

Application of “Accounting Standards for Lease Transaction”

Application of “Accounting Standards for Measurement of Inventories”

Increase in depreciation expense due to the revision of “Corporation Tax Law”

(Millions of yen)

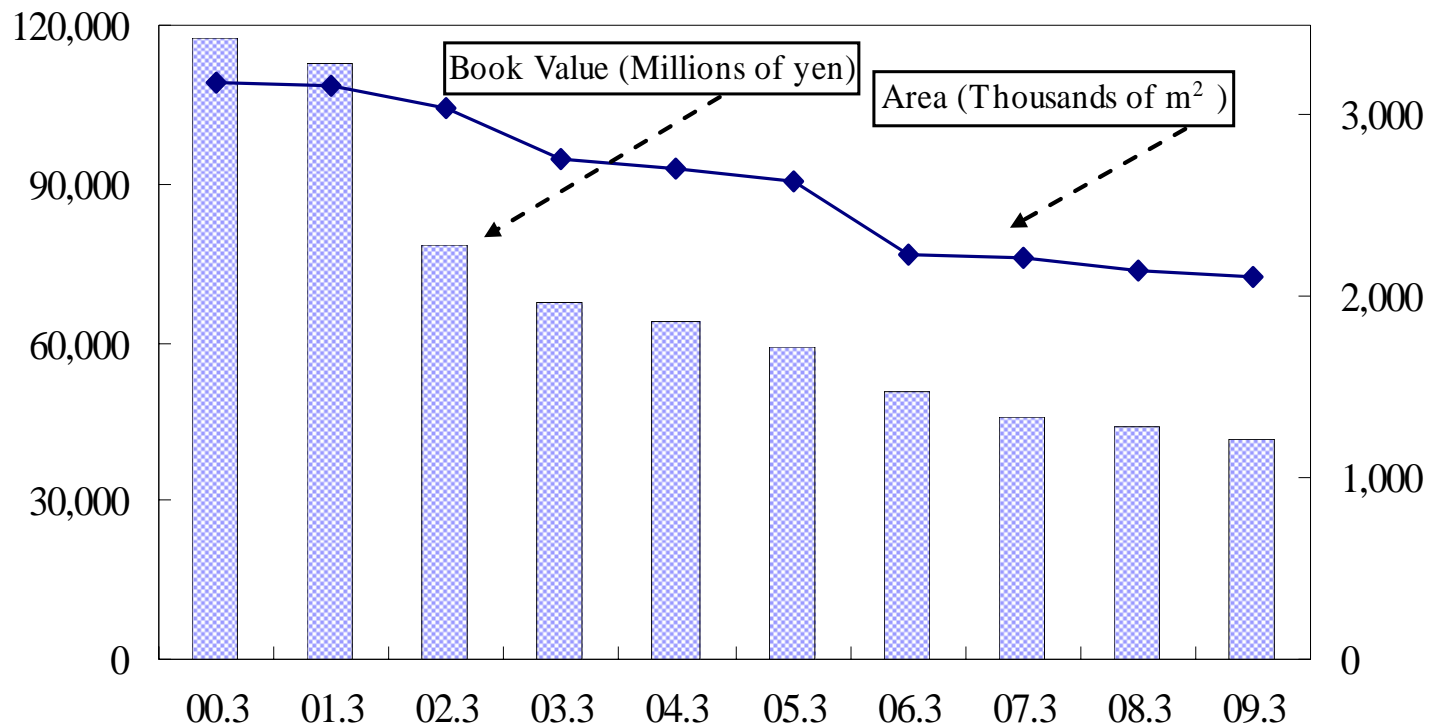
--- Operating expenses	209
{ Transportation	179
{ Real estate	24
{ Leisure and service	5

Trend of Land for Sale (Non-consolidated)



(Millions of yen)

(Thousands of m²)



	00.3	01.3	02.3	03.3	04.3	05.3	06.3	07.3	08.3	09.3
Book Value (Millions of yen)	117,755	112,987	78,333	67,260	63,915	59,259	50,660	45,934	43,761	41,745
Area (Thousands of m ²)	3,180	3,159	3,045	2,754	2,704	2,640	2,238	2,222	2,142	2,109

Consolidated Statements of Cash Flows



(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Operating cash flows	24,167	10,645	13,521	127.0
Investing cash flows	(31,926)	(15,538)	(16,387)	(105.5)
Financing cash flows	17,342	(2,287)	19,630	-
Cash and cash equivalents at end of fiscal year	29,018	19,434	9,584	49.3
Interest-bearing debt* at end of fiscal year	292,808	272,272	20,535	7.5

Operating cash flows: Increase in cash flow due to the decrease of accounts receivable (+5,924 million yen from the previous year)
 Increase in cash flow due to the decrease of income and other taxes paid (+7,324 million yen from the previous year)

Investing cash flows: Decrease in cash flow due to the acquisition of fixed assets (-23,767 million yen from the previous year)

Financing cash flows: Increase in cash flow due to the increase of short-term loans (+11,391 million yen from the previous year)
 Increase in cash flow due to the increase of short-term bonds (+4,000 million yen from the previous year)
 Increase in cash flow due to the increase of long-term loans (+4,289 million yen from the previous year)

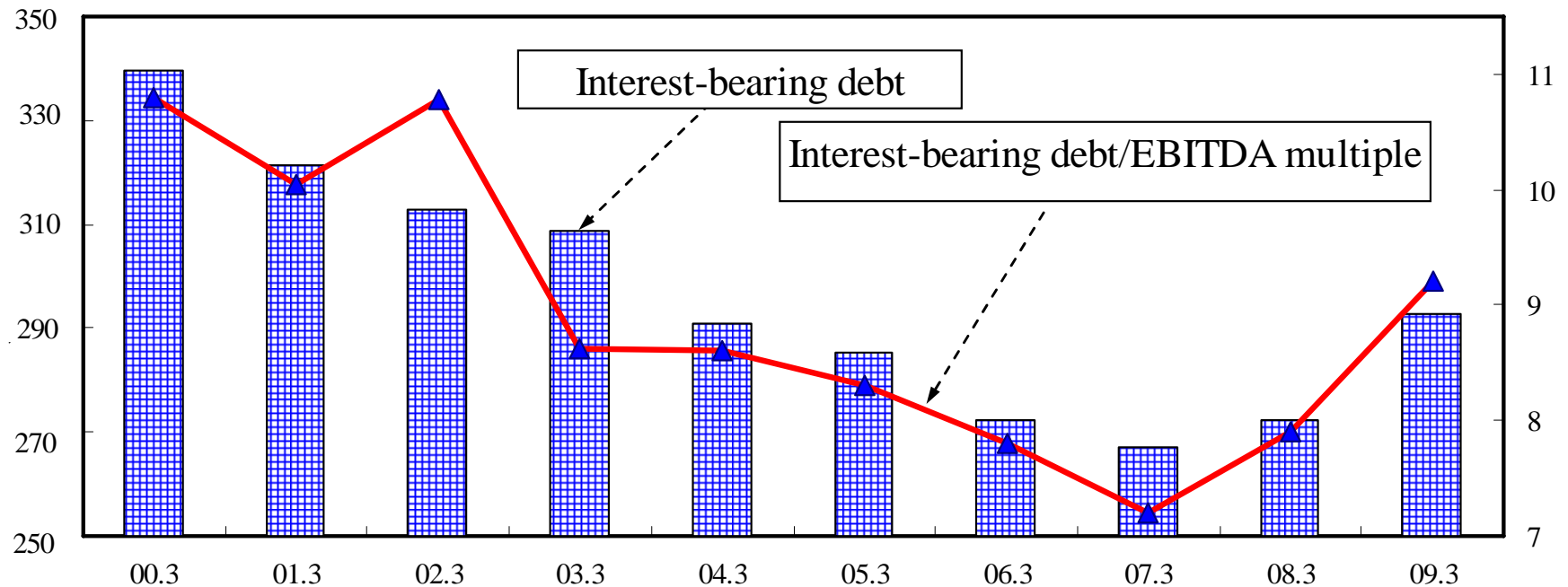
* Interest-bearing debt: Loans + bonds + accounts payable for JR TT

Trend of Consolidated Interest-bearing debt / EBITDA Multiple



(Billions of yen)

(Times)



	00.3	01.3	02.3	03.3	04.3	05.3	06.3	07.3	08.3	09.3
Interest-bearing debt (Millions of yen)	339,715	321,340	312,820	308,704	290,742	285,382	272,433	267,046	272,272	292,808
EBITDA (Millions of yen)	31,496	32,414	29,294	35,828	33,759	34,307	34,893	36,925	34,544	31,870
Interest-bearing debt/ EBITDA multiple (Times)	11	9.9	10.7	8.6	8.6	8.3	7.8	7.2	7.9	9.2

* EBITDA = Operating income + depreciation

Non-consolidated Statements of Income



(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Operating revenue	76,926	73,501	3,425	4.7
Railway operation	54,886	54,569	316	0.6
Subsidiary business	22,040	18,932	3,108	16.4
Real estate sales	7,826	5,092	2,733	53.7
Real estate leasing service	11,925	11,515	409	3.6
Leisure	2,288	2,323	(35)	(1.5)
Operating income	12,241	13,512	(1,270)	(9.4)
Railway operation	6,390	8,512	(2,121)	(24.9)
Subsidiary business	5,851	5,000	851	17.0
Real estate sales	738	257	480	186.4
Real estate leasing service	5,544	5,208	336	6.5
Leisure	(432)	(466)	34	-
Ordinary income	9,562	10,742	(1,180)	(11.0)
Net income	5,089	5,297	(207)	(3.9)

* For passenger transportation income, please refer to “Operating results for transportation (Keihan Electric Railway)” on page 20.

Overview of FY2009

Business Results by Segment

Consolidation-targeted Companies

Scope of Consolidated Accounting



76 companies [Our company, 71 subsidiary companies (including 45 consolidated subsidiaries), and 4 affiliates (including 2 equity method affiliates)]

(1) Transportation (25 companies)

Business contents	Company name
Railway	Our company, Eizan Electric Railway Co., Ltd. *1, Keifuku Electric Railroad Co., Ltd. *1, Mt. Hiei Cable Car Co., Ltd.*1, Nakanoshima Rapid Railway Co., Ltd.*2
Station service management	Keihan Station Management Co., Ltd. *1
Bus	Keihan Bus Systems Co., Ltd. *1, Keihan Bus Co., Ltd. *1, Kojak Bus Co., Ltd. *1, Keihan Uji Bus Co., Ltd. *1, Kyoto Bus Co., Ltd. *1, Keifuku Bus Co., Ltd. *1, Keihan Kyoto Kotsu Co., Ltd. *1
Taxi	Keihan Taxi Co., Ltd. *1, Tsuruga Keihan Taxi Co., Ltd. *1, Kisen Taxi Co., Ltd. *1, Uji Keihan Taxi Co., Ltd. *1, Osaka Keihan Taxi Co., Ltd. *1 Other 7 companies

(2) Real estate (10 companies)

Business contents	Company name
Real estate sales	Our company, Keifuku Electric Railroad Co., Ltd. *1, Keihan Dentetsu Real Estate Co., Ltd. *1
Real estate leasing service	Our company, Keifuku Electric Railroad Co., Ltd. *1, Keihan Building Co., Ltd. *1, Mikuni Kanko Sangyo Co., Ltd. *1, Osaka Merchandise Mart Corporation Co., Ltd. *2 Other 4 companies

(3) Retail (7 companies)

Business contents	Company name
Department store	Keihan Department Stores Co., Ltd. *1
Store	Keihan The Store Co.,Ltd. *1
Shopping mall management	Keihan Ryutsu Systems Co., Ltd. *1
Construction material sales	Keihan Sangyo Co., Ltd. *1 Other 3 companies

(4) Leisure and service (28 companies)

Business contents	Company name
Hotel	Biwako Hotel Co., Ltd.*1, Hotel Keihan Co., Ltd. *1, Kyoto Tower Co., Ltd. *1
Restaurant	Keifuku Electric Railroad Co., Ltd. *1, Keihan Restaurant Co., Ltd. *1, Biwako Kisen Restaurant Co., Ltd. *1, Keihan Bus Service Co., Ltd. *1, Juicer Bar Corporation Co., Ltd. *1
Sightseeing ship	Biwako Kisen Steamship Co., Ltd. *1, Osaka Aqua Bus Co., Ltd. *1
Amusement park	Our company
Automobile maintenance service	KT Motors Co., Ltd. *1
Advertising	Keihan Agency Co., Ltd. *1
Tourist	Keihan Travel Service Co., Ltd. *1
Welfare for elderly and nursing care	Keihan Life Support Co., Ltd. *1
Car road	Mt. Hiei Driveway Co., Ltd. *1
Golf course	Kuzuha Public Gold Course Co., Ltd. *1 Keihan Fukui International Country Co., Ltd. *1 Other 10 companies

(5) Others (10 companies)

Business contents	Company name
Utility work	Keihan Engineering Service Co.,Ltd. *1
Landscaping	Keihan Gardening Co., Ltd. *1
Survey and Design	Kanko Co., Ltd. *1, Soil Engineering Co., Ltd. *1
Specific-purpose financing	Keihan Financial Management Co., Ltd. *1
Credit card	Keihan Card Co., Ltd. *1 Other 4 companies

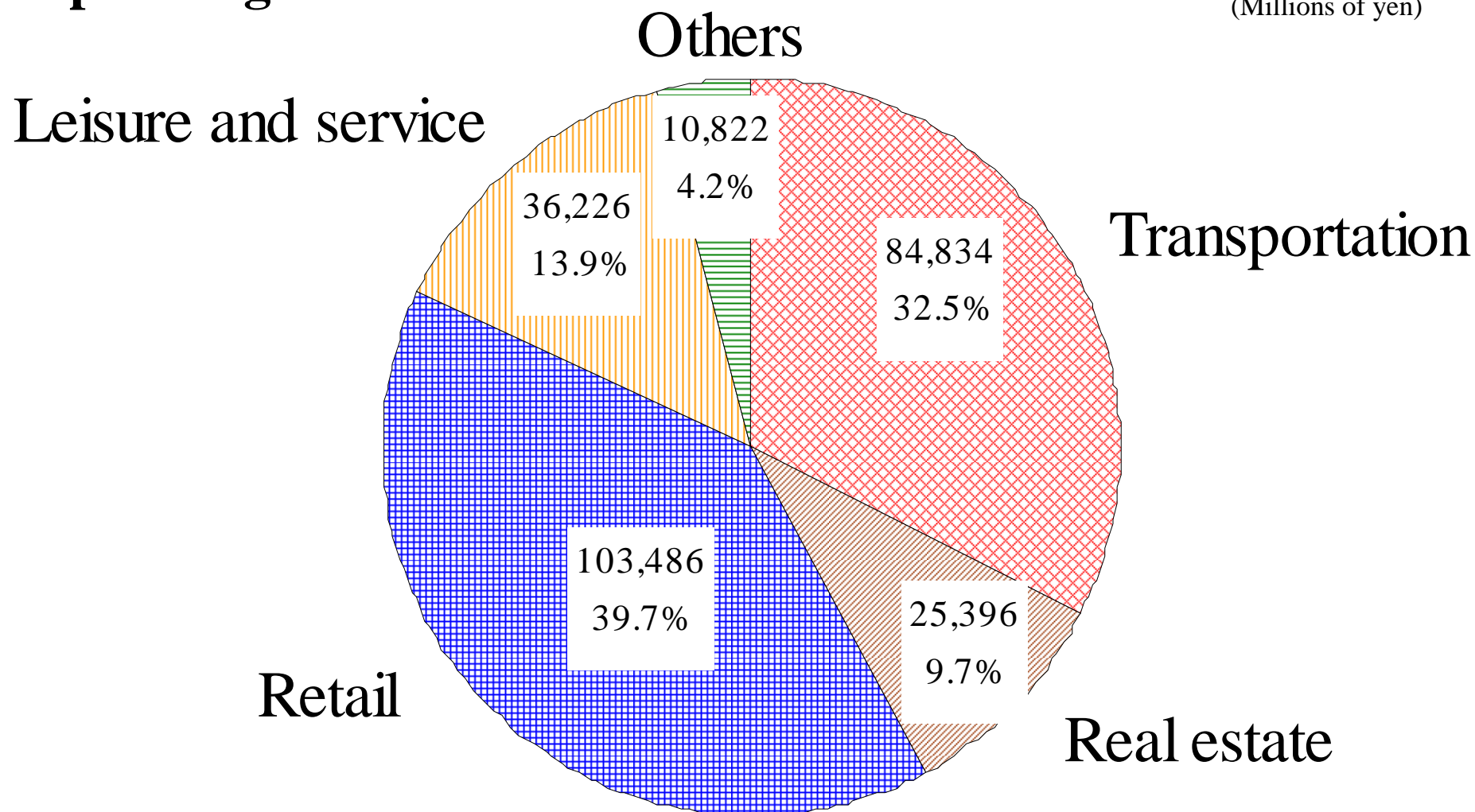
(As of March 31, 2009)

- *1 Consolidated subsidiaries *2 Equity method affiliates
- In the above numbers, our company and Keifuku Electric Railroad Co., Ltd. are redundantly included.
- Of the consolidated subsidiaries, Keifuku Electric Railroad Co., Ltd. is listed on the second section of the Osaka Securities Exchange.
- Keihan Taxi Systems Co., Ltd., which was one of our consolidated companies, merged with Keihan Electric Railway in FY2009, so this company was removed from our consolidated companies.

Segment Balance (1)

<Operating revenue>

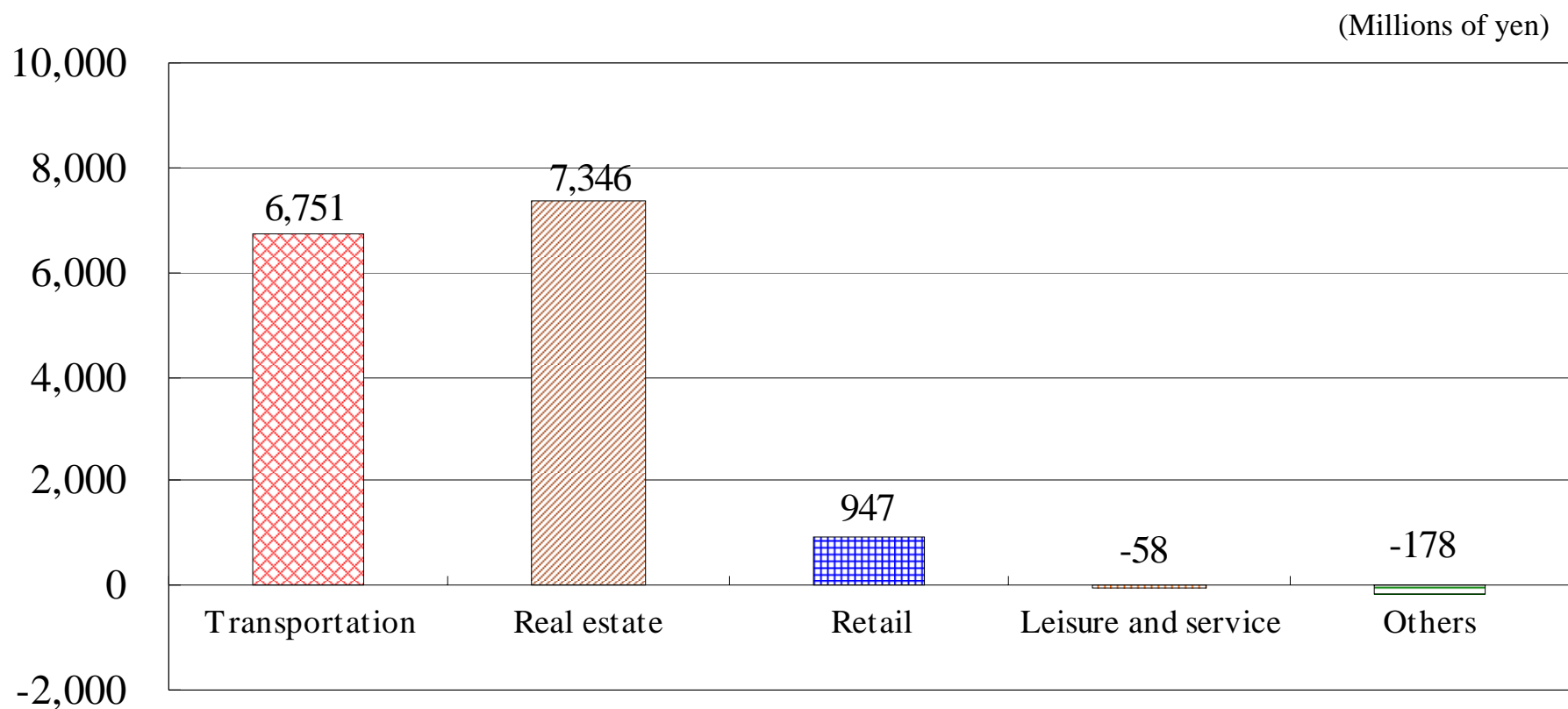
(Millions of yen)



* Operating revenue for external customers

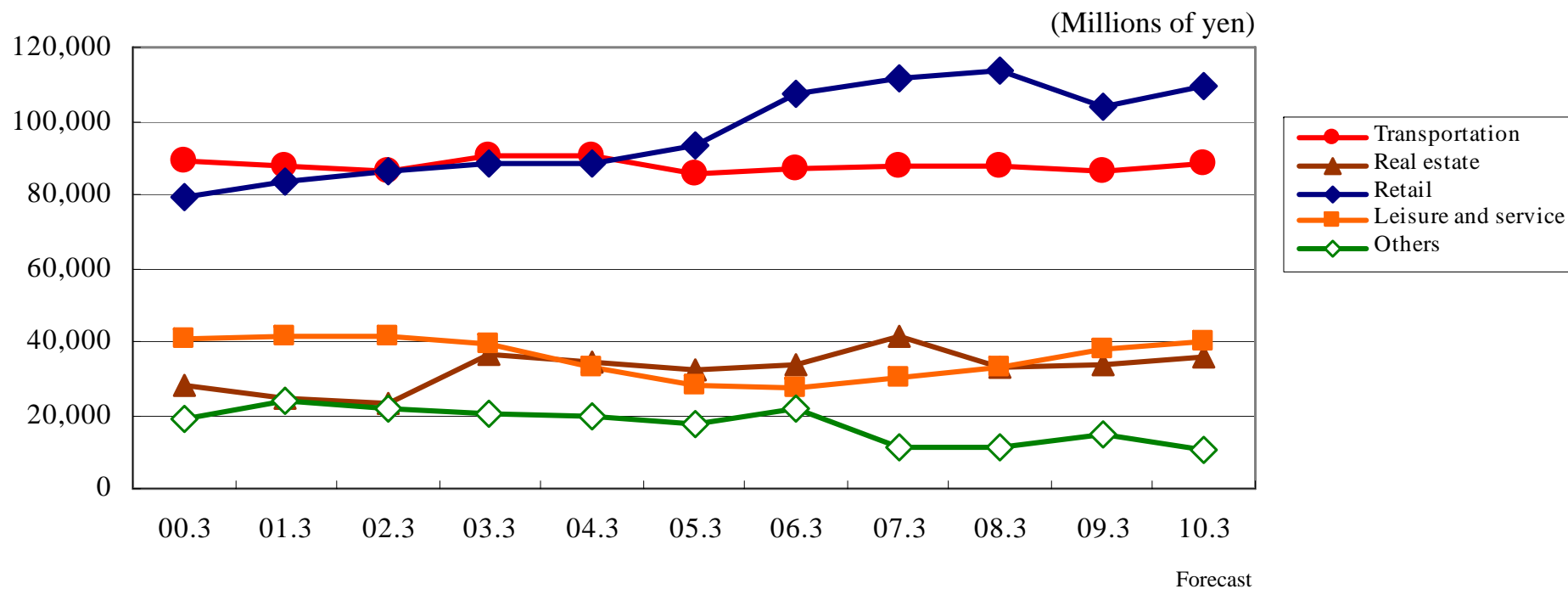
Segment Balance (2)

<Operating income>



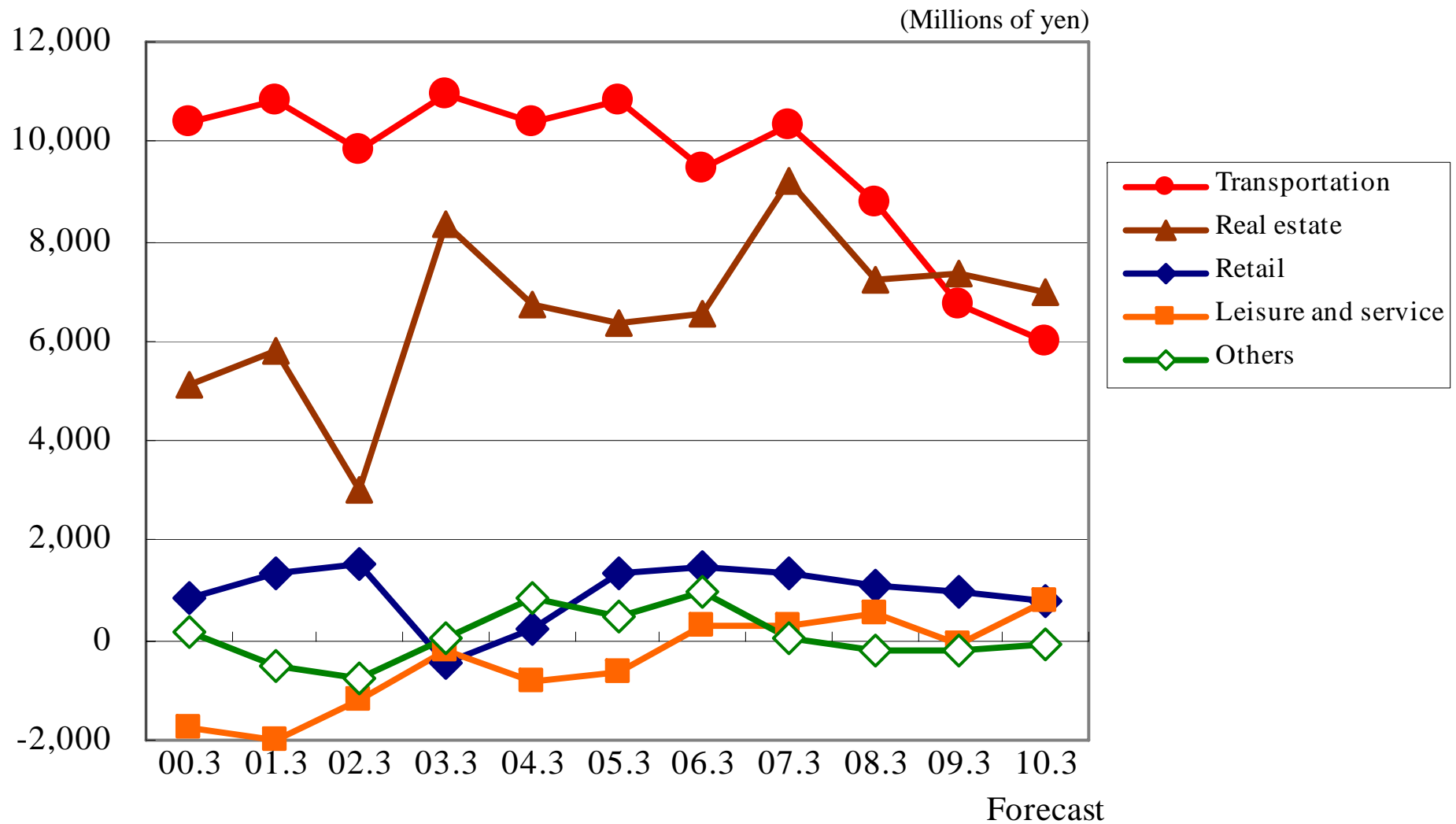
Changes in Segment Balance (1)

<Operating revenue>



Changes in Segment Balance (2)

<Operating income>



Segment Movement for FY2009



[Transportation] <Revenue decrease of 790 million yen, and income decrease of 2,034 million yen>

Railway operation --- Increase in the number of passengers, partial withdrawal of incidental business, and increase in the cost of opening Nakanoshima line
Taxi --- Decrease in the number of passengers

[Real estate] <Revenue increase of 744 million yen, and income increase of 84 million yen>

Real estate sales --- Increase in condominium sales (Fine Garden Square in Keihan East Rose Town)
Real estate leasing service--Acquisition of Keihan Dojima Building

[Retail] <Revenue decrease of 9,533 million yen, and income decrease of 138 million yen>

Department store --- Decrease due to worsening economic condition
Construction material sales--Decrease in large sales of construction materials

[Leisure and service] <Revenue increase of 4,701 million yen, and income decrease of 584 million yen>

Hotel---Opening of Hotel Keihan Universal Tower and full contribution of Kyoto Tower (Adopted as consolidated subsidiary since mid-term end of previous fiscal year)

[Others] <Revenue increase of 3,449 million yen, and income decrease of 13 million yen>

Utility works --- Increase in the number of orders received for electrical and air conditioning equipment work
Credit card --- Number of member increased.

Results of Transportation (1)



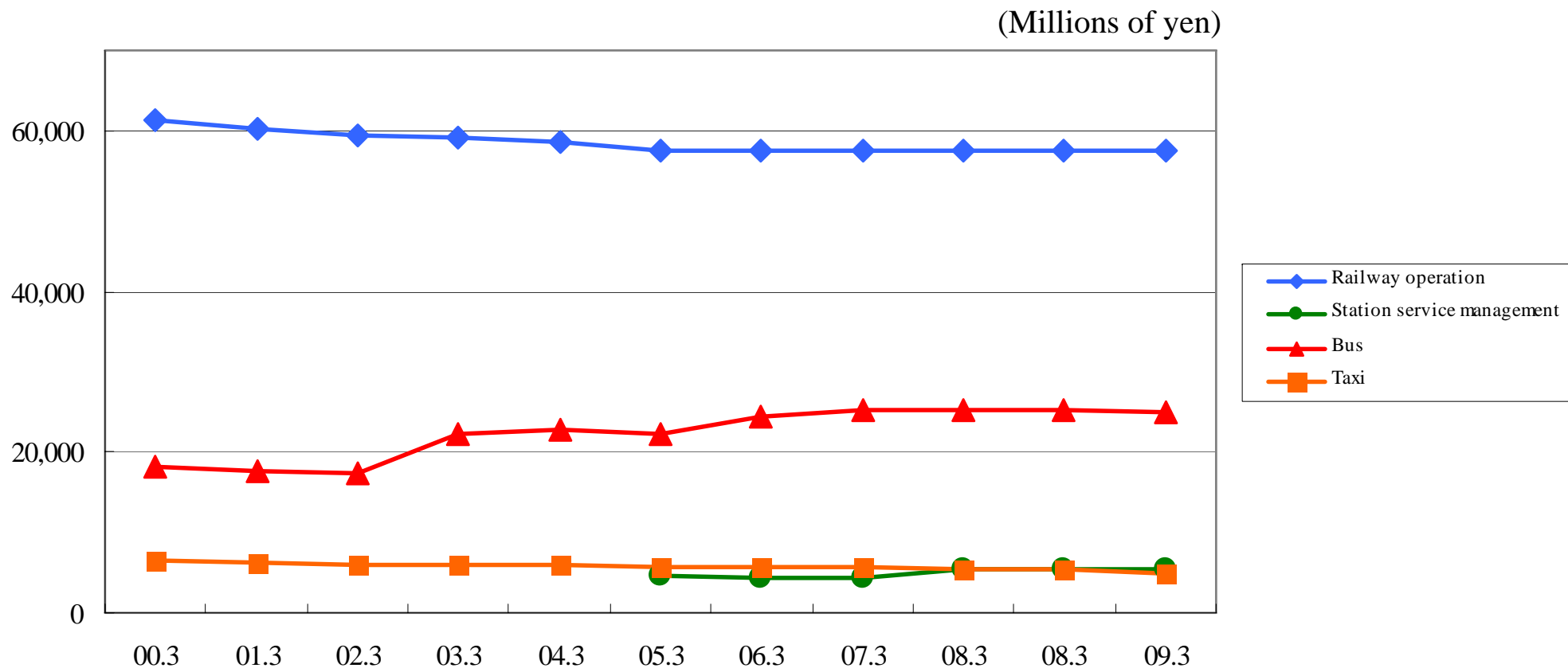
<Business results>

(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Operating revenue	86,665	87,455	(790)	(0.9)
Railway operation	57,523	57,614	(90)	(0.2)
Station service management	5,391	5,293	98	1.9
Bus	24,897	25,208	(311)	(1.2)
Taxi	4,989	5,484	(495)	(9.0)
Elimination	(6,136)	(6,144)	8	-
Operating income	6,751	8,786	(2,034)	(23.2)
Depreciation	11,126	11,227	(101)	(0.9)
Capital expenditures	15,286	11,987	3,299	27.5

Results of Transportation (2)

<Trend of operating revenue>



Results of Transportation (3)



<Operating results for transportation (Keihan Electric Railway)>

		FY2009	FY2008	Change	Change (%)
Number of passengers (Thousands of people)		289,893	289,817	76	0.0
Commuter passes (ditto)		145,709	147,243	(1,533)	(1.0)
Non-commuter passes (ditto)		144,183	142,573	1,609	1.1
Transportation revenue	Passenger transportation revenue (Millions of yen)	51,395	51,231	164	0.3
	Passenger fare (ditto)	51,394	51,230	164	0.3
	Commuter passes (ditto)	17,233	17,415	(181)	(1.0)
	Non-commuter passes (ditto)	34,161	33,814	346	1.0
	Carriage on parcels (ditto)	1	1	(0)	(1.2)
	Miscellaneous transportation revenue (ditto)	3,490	3,338	152	4.6
Total (ditto)		54,886	54,569	316	0.6

Results of Real Estate (1)



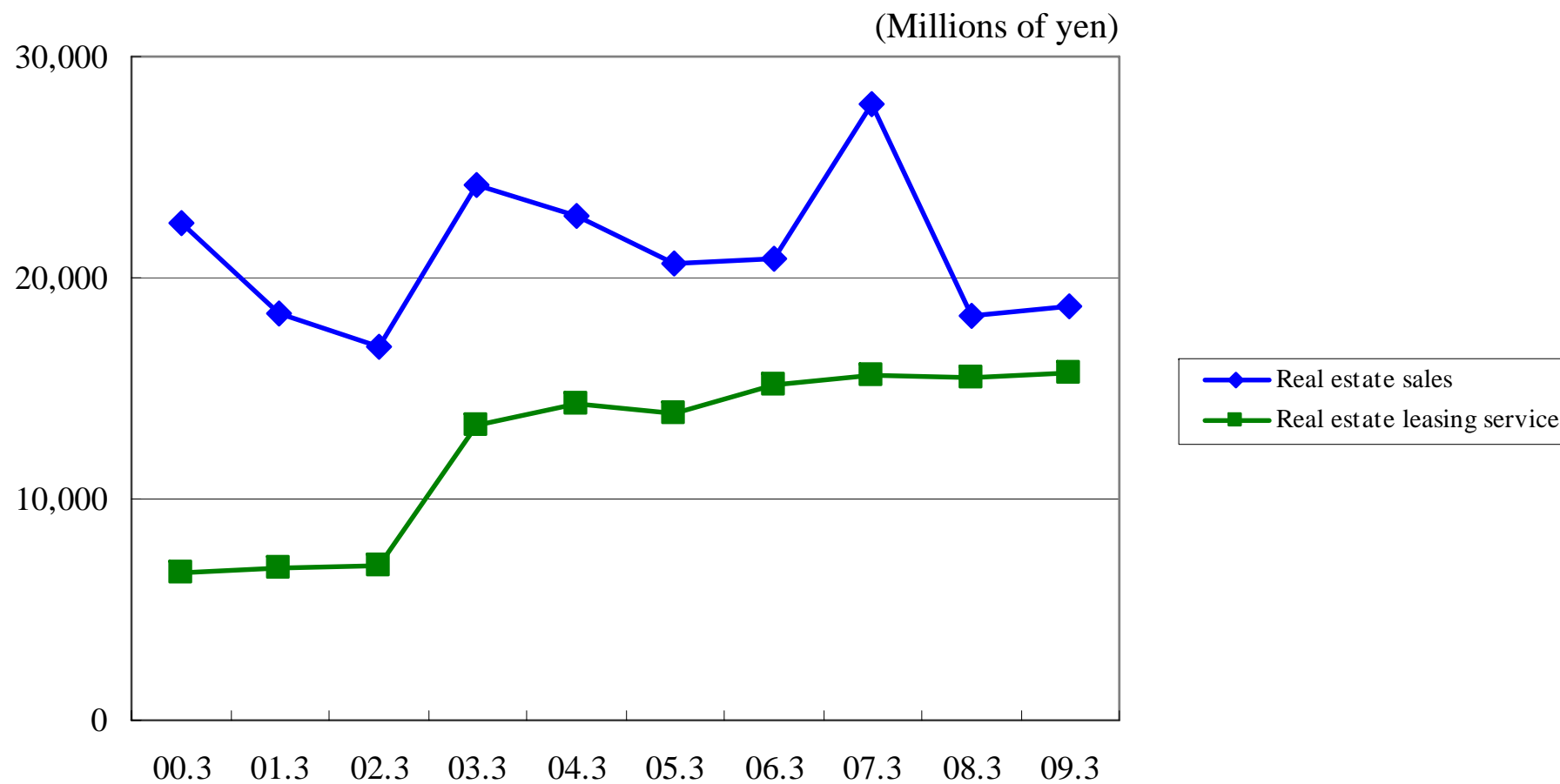
<Business results>

(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Operating revenue	33,416	32,671	744	2.3
Real estate sales	18,731	18,323	407	2.2
Real estate leasing service	15,747	15,441	306	2.0
Elimination	(1,062)	(1,092)	30	-
Operating income	7,346	7,261	84	1.2
Depreciation	3,560	3,430	129	3.8
Capital expenditures	21,332	2,633	18,699	710.2

Results of Real Estate (2)

<Trend of operating revenue>



Results of Retail (1)



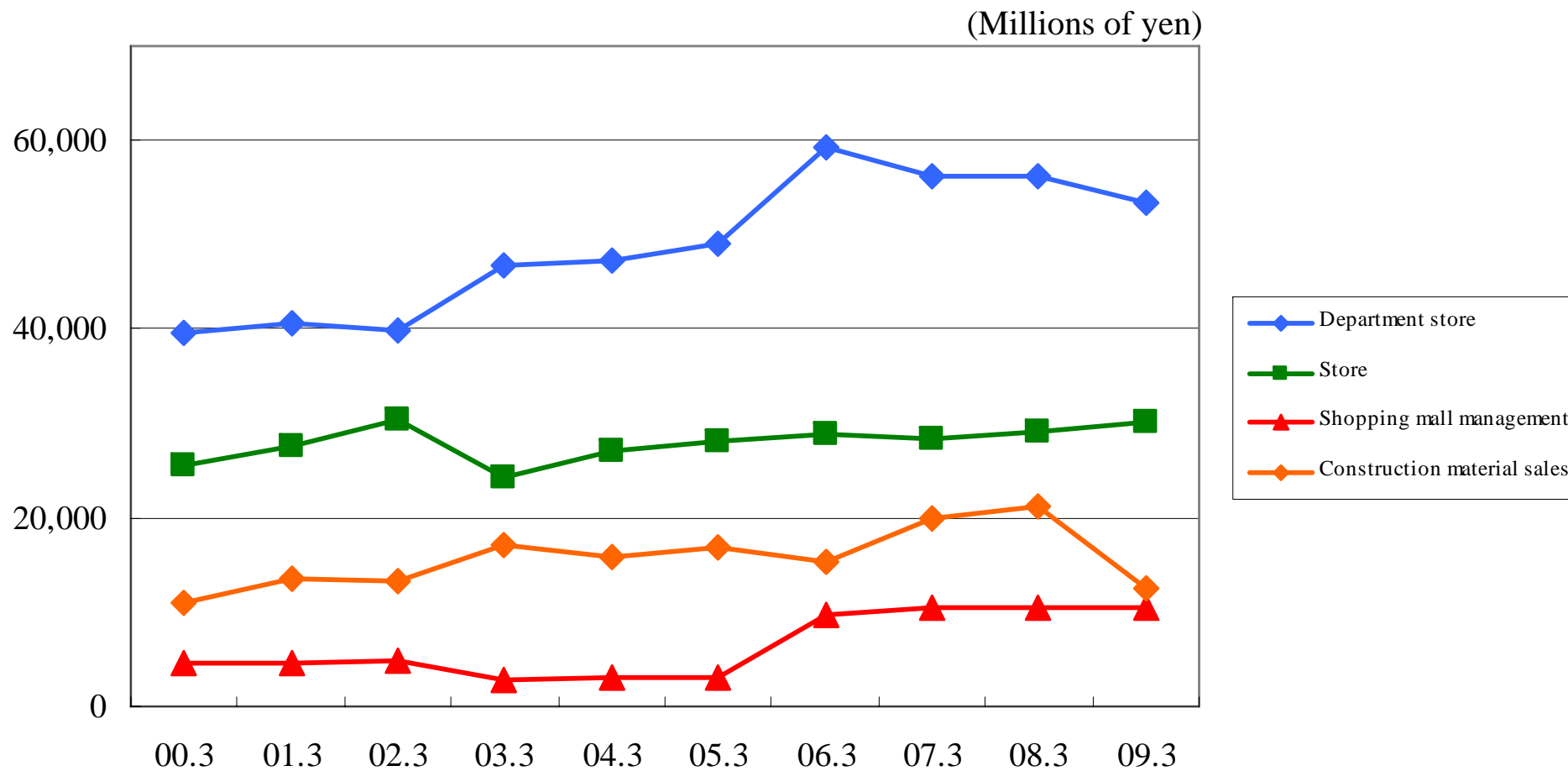
<Business results>

(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Operating revenue	103,921	113,454	(9,533)	(8.4)
Department store	53,393	56,212	(2,818)	(5.0)
Store	30,207	29,181	1,026	3.5
Shopping mall management	10,522	10,401	120	1.2
Construction material sales	12,620	21,309	(8,689)	(40.8)
Elimination	(2,821)	(3,650)	828	-
Operating income	947	1,085	(138)	(12.7)
Depreciation	1,048	1,041	6	0.6
Capital expenditures	683	1,019	(335)	(32.9)

Results of Retail (2)

<Trend of operating revenue>



Results of Leisure and Service (1)



<Business results>

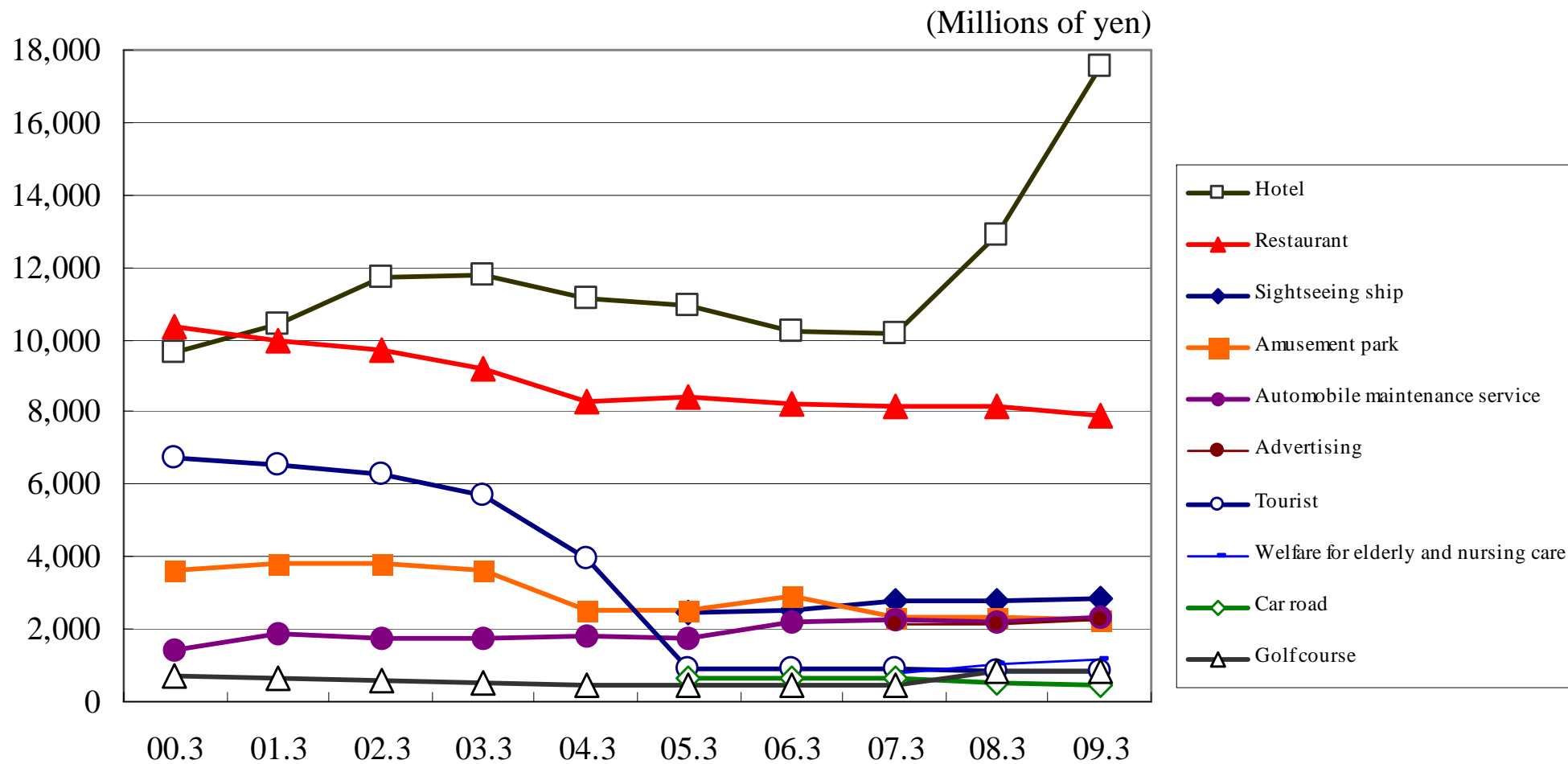
(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Operating revenue	37,673	32,971	4,701	14.3
Hotel	17,575	12,881	4,693	36.4
Restaurant	7,878	8,153	(274)	(3.4)
Sightseeing ship	2,853	2,760	93	3.4
Amusement park	2,288	2,323	(35)	(1.5)
Automobile maintenance service	2,363	2,206	157	7.1
Advertising	2,235	2,143	91	4.3
Welfare for elderly and nursing care	1,150	1,040	110	10.6
Tourist	826	859	(33)	(3.9)
Car road	467	487	(19)	(4.1)
Golf course	828	815	12	1.6
Elimination	(794)	(700)	(94)	-
Operating income	(58)	526	(584)	-
Depreciation	1,298	1,255	42	3.4
Capital expenditures	2,080	1,361	718	52.8

Results of Leisure and Service (2)



<Trend of operating revenue>



Results of Others (1)



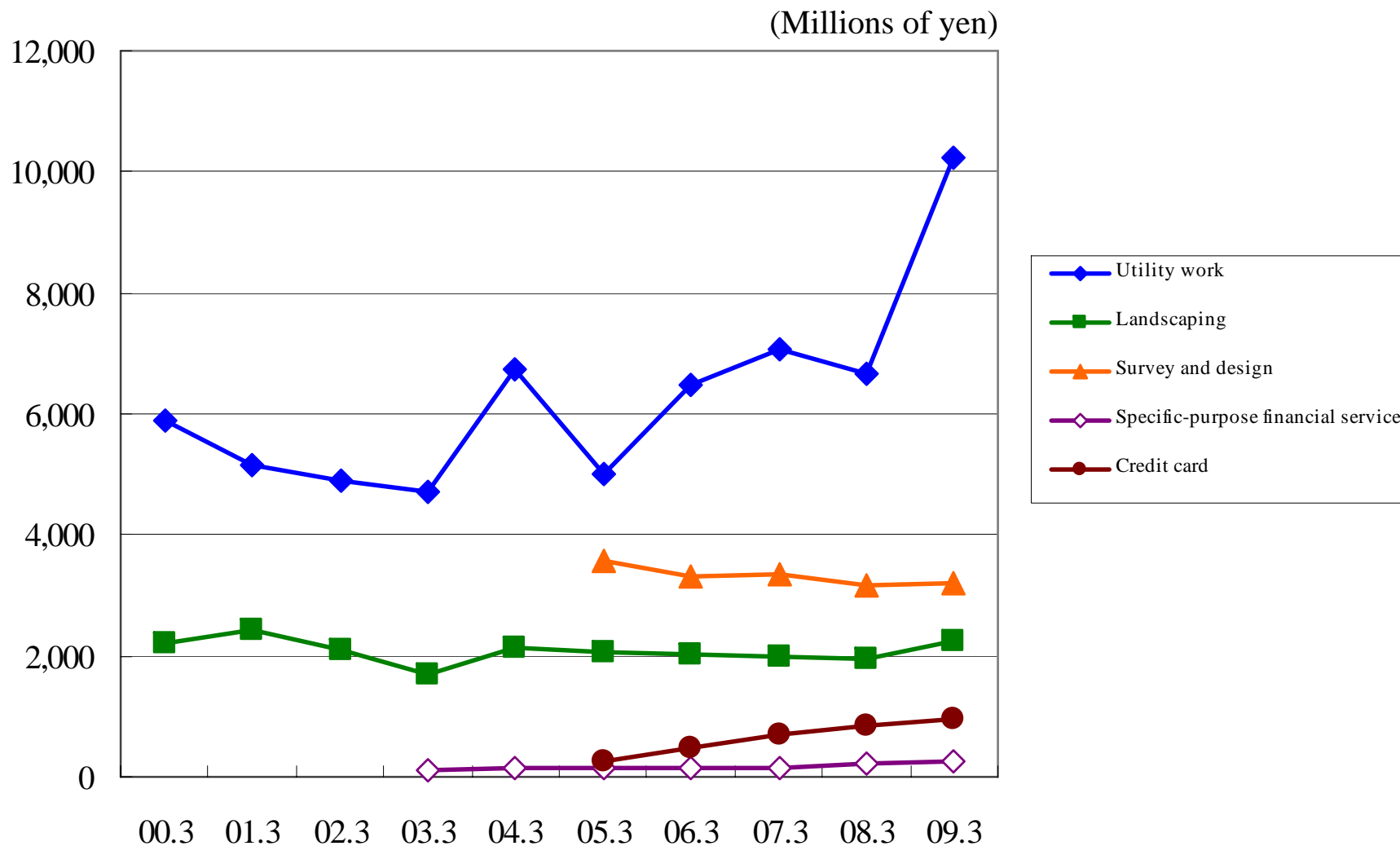
<Business results>

(Millions of yen)

	FY2009	FY2008	Change	Change (%)
Operating revenue	15,017	11,567	3,449	29.8
Utility work	10,237	6,654	3,583	53.8
Landscaping	2,260	1,969	291	14.8
Survey and design	3,220	3,180	40	1.3
Specific-purpose financial service	249	205	44	21.5
Credit card	964	846	117	13.9
Elimination	(1,916)	(1,288)	(627)	-
Operating income	(178)	(192)	13	-
Depreciation	149	150	(0)	(0.4)
Capital expenditures	76	112	(36)	(32.4)

Results of Others (2)

<Trend of operating revenue>



Business Results Forecast of FY2010

FY2010

Forecast of Consolidated Business Results (1)



(Millions of yen)

	FY2010 Forecast	FY2009 Results	Change	Change (%)
Operating revenue	260,000	260,766	(766)	(0.3)
Operating income	14,500	14,687	(187)	(1.3)
Ordinary income	8,900	10,967	(2,067)	(18.9)
Net income	5,300	7,401	(2,101)	(28.4)
EBITDA	32,100	31,870	229	0.7
Capital expenditures	43,000	39,419	3,580	9.1
Interest-bearing debt	314,000	292,808	21,191	7.2
Interest-bearing debt / EBITDA multiple (Times)*	9.8	9.2	0.6	

EBITDA : Operating income + depreciation

Interest-bearing debt: Loans + bonds + accounts payable for JR TT

Interest-bearing debt / EBITDA multiple: Interest-bearing debt / (operating income + depreciation)

<By segment>

(Millions of yen)

	FY2010 Forecast	FY2009 Results	Change	Change (%)
Operating revenue	260,000	260,766	(766)	(0.3)
Transportation	86,200	86,665	(465)	(0.5)
Real estate	37,000	33,416	3,583	10.7
Retail	102,500	103,921	(1,421)	(1.4)
Leisure and service	40,500	37,673	2,826	7.5
Others	10,100	15,017	(4,917)	(32.7)
Elimination	(16,300)	(15,927)	(372)	-
Operating income	14,500	14,687	(187)	(1.3)
Transportation	6,000	6,751	(751)	(11.1)
Real estate	7,000	7,346	(346)	(4.7)
Retail	800	947	(147)	(15.6)
Leisure and service	800	(58)	858	-
Others	(100)	(178)	78	-
Elimination	0	(120)	120	-
Ordinary income	8,900	10,967	(2,067)	(18.9)
Net income	5,300	7,401	(2,101)	(28.4)

FY2010

Forecast of Non-consolidated Business Results (1)



(Millions of yen)

	FY2010 Forecast	FY2009 Results	Change	Change(%)
Operating revenue	76,000	76,926	(926)	(1.2)
Railway operation	54,980	54,886	93	0.2
Subsidiary business	21,020	22,040	(1,020)	(4.6)
Real estate sales	5,310	7,826	(2,516)	(32.2)
Real estate leasing service	13,280	11,925	1,354	11.4
Leisure	2,430	2,288	141	6.2
Operating income	11,240	12,241	(1,001)	(8.2)
Railway operation	5,760	6,390	(630)	(9.9)
Subsidiary business	5,480	5,851	(371)	(6.3)
Real estate sales	(250)	738	(988)	-
Real estate leasing service	6,080	5,544	535	9.7
Leisure	(350)	(432)	82	-
Ordinary income	6,800	9,562	(2,762)	(28.9)
Net income	4,090	5,089	(999)	(19.6)

Operating results for transportation (Keihan Electric Railway)

		FY2010 Forecast	FY2009 Results	Change	Change (%)
Number of passengers (Thousands of people)		290,732	289,893	838	0.3
Commuter passes (ditto)		144,595	145,709	(1,114)	(0.8)
Non-commuter passes (ditto)		146,137	144,183	1,953	1.4
Transportation revenue	Passenger transportation revenue (Millions of yen)	51,575	51,395	179	0.3
	Passenger fare (ditto)	51,574	51,394	179	0.3
	Commuter passes (ditto)	16,990	17,233	(243)	(1.4)
	Non-commuter passes (ditto)	34,584	34,161	422	1.2
	Carriage on parcels (ditto)	1	1	(0)	(0.9)
	Miscellaneous transportation revenue (ditto)	3,405	3,490	(85)	(2.4)
	Total (ditto)	54,980	54,886	93	0.2