

**First Half of FY2022  
(Ended September 30, 2021)  
Financial Results Presentation**

November 16, 2021

Keihan Holdings Co., Ltd.

(Tokyo Stock Exchange 1st / Securities Code: 9045 <https://www.keihan-holdings.co.jp/>)

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◆ 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.

Actual results may differ due to various factors that may arise in the future.

# Summary of Consolidated Financial Results and Forecasts

# Summary of Consolidated Financial Results

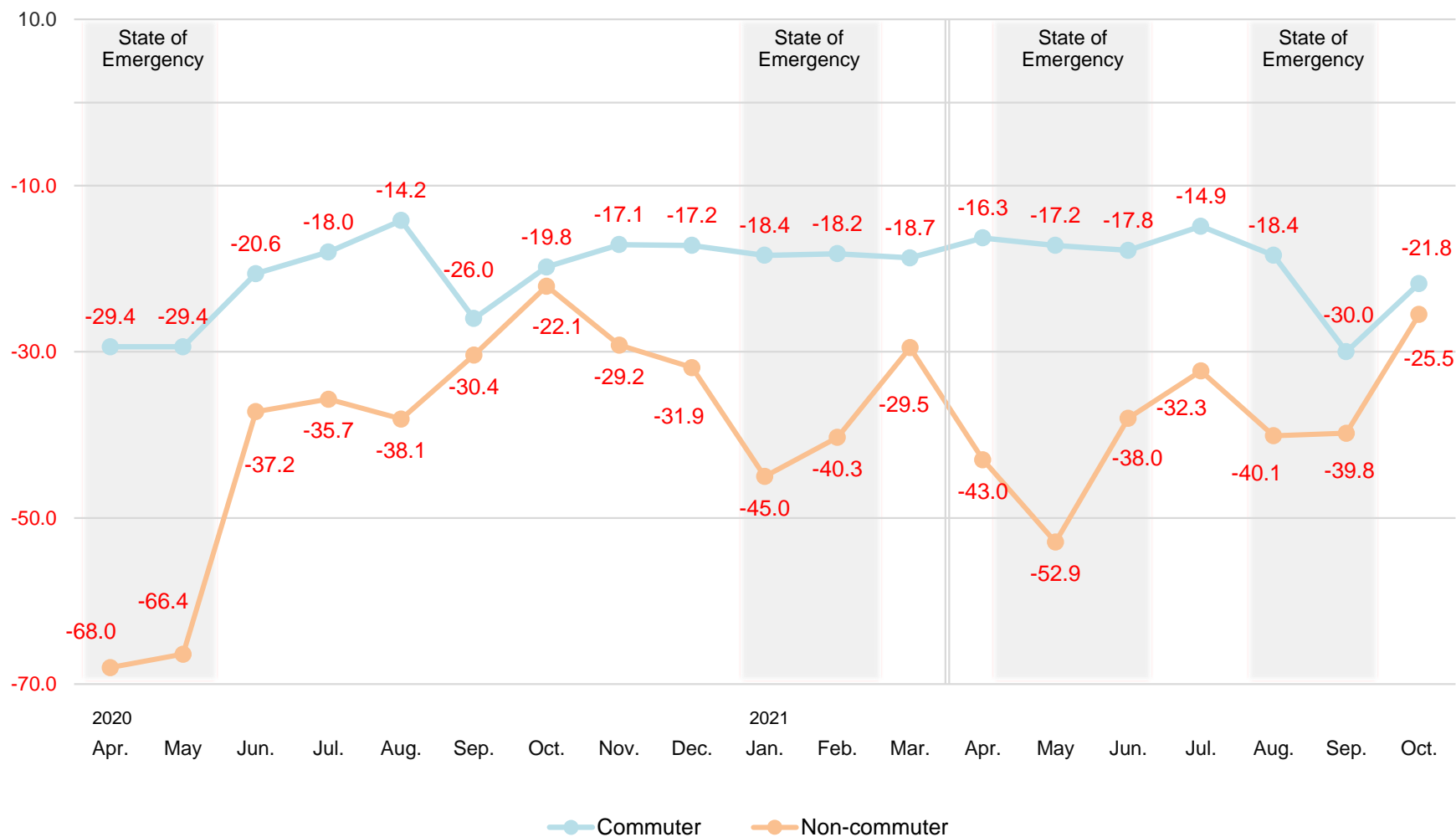
(Millions of yen)

	1H FY2022 results	1H FY2021 results	Change	Change (%)
Operating revenue	118,564	108,232	10,332	9.5%
Operating income	2,793	-5,854	8,648	—
Ordinary income	3,727	-5,975	9,703	—
Profit attributable to owners of parent	1,950	-6,320	8,270	—

	1H FY2022 results	FY2022 target	Progress (%)
Cost reduction	10.5 bn. yen	15.0 bn. yen	69.7%

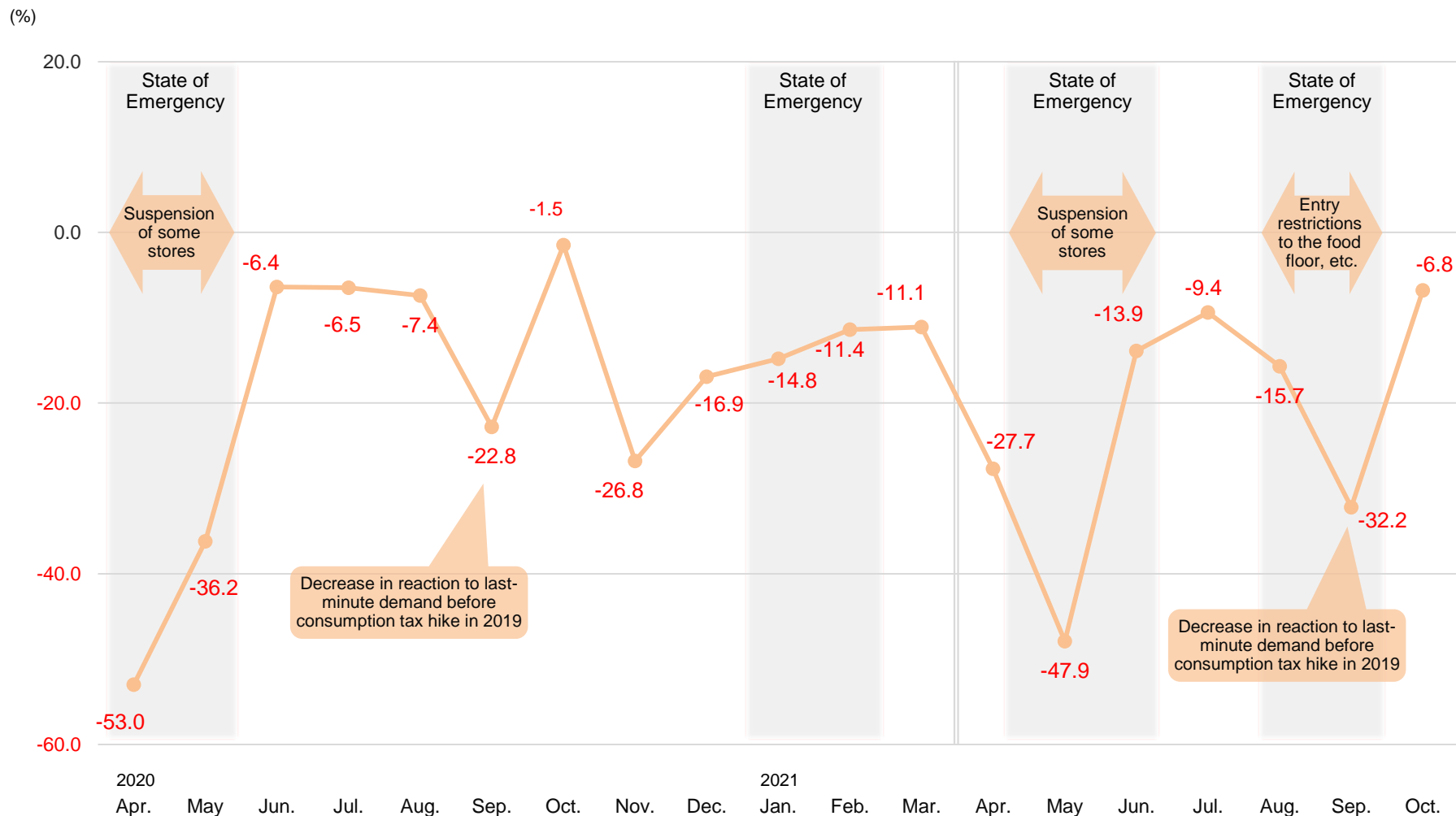
## Railway (Keihan Electric Railway): Passenger figures compared to 2019

(%)



# Situation of Main Segments (2)

## Department Store (Keihan Department Stores): Operating revenue compared to 2019

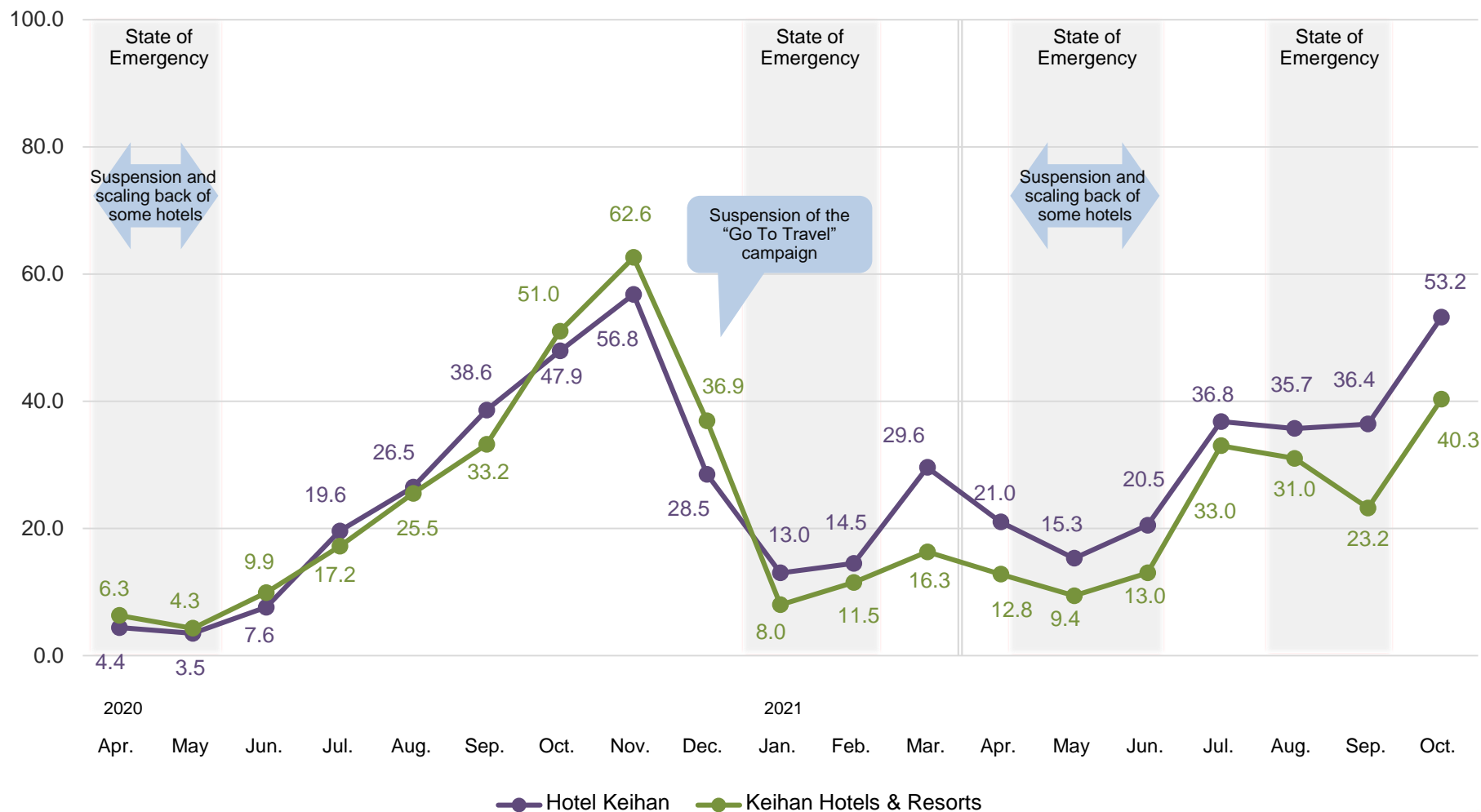


\* Comparison by the operating revenue before applying the Accounting Standard for Revenue Recognition

# Situation of Main Segments (3)

## Hotel: Occupancy rates

(%)



# Summary of Forecasts

(Millions of yen)

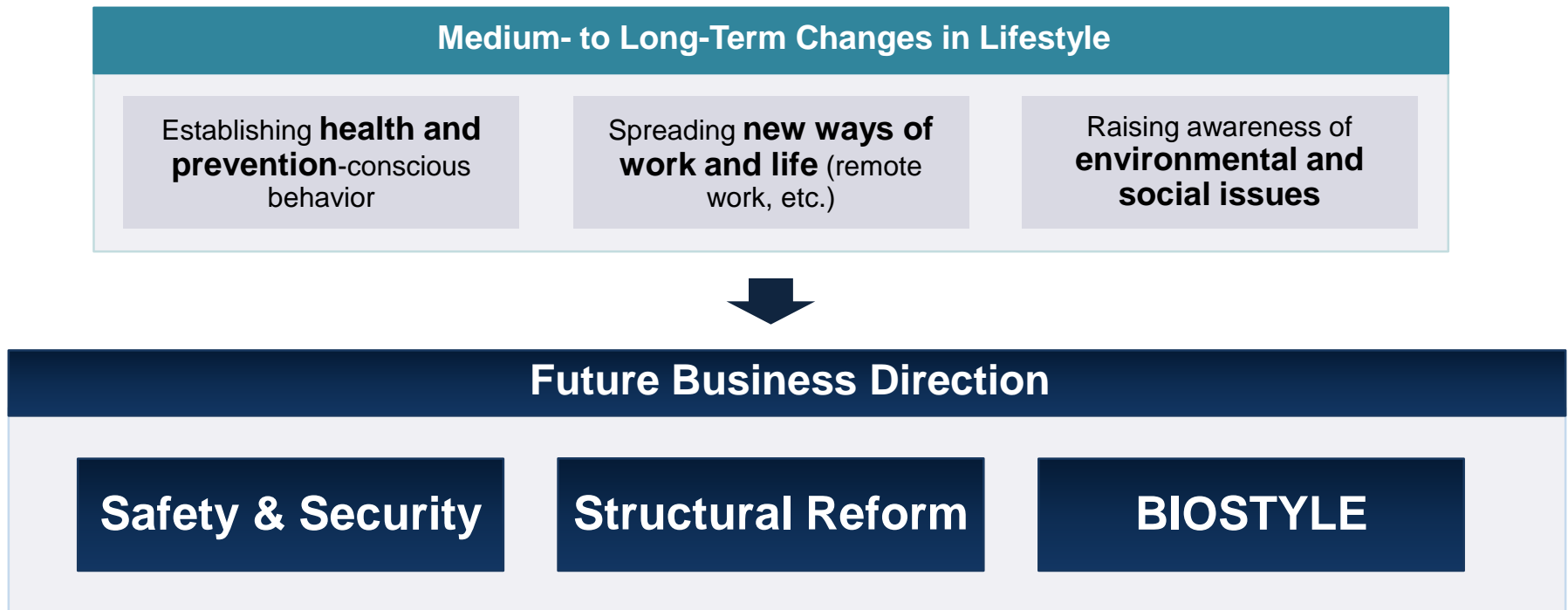
	FY2022 full-year forecasts	FY2021 results	Change	Change (%)
Operating revenue	263,000	253,419	9,580	3.8%
Operating income	12,500	-1,265	13,765	—
Ordinary income	11,000	238	10,761	—
Profit attributable to owners of parent	5,300	-4,574	9,874	—

	FY2022 full-year forecasts	FY2021 results
Annual dividend	25 yen	25 yen



# Progress of Measures Based on the Future Business Direction

- Given drastically changing lifestyles, the Keihan Group will **steer its business toward Safety & Security, Structural Reform, and BIOSTYLE**.
- Along with the main strategies advocated in the long-term management strategy, the Keihan Group will implement measures based on this business direction to **restore its management foundation**.



\* BIOSTYLE: Initiative proposed by the Keihan Group as the Keihan version of the SDGs, which “can be introduced to daily life with pleasure and without burden, leading to the realization of a recycling-oriented society.”

# Measures by Segment (Safety & Security)

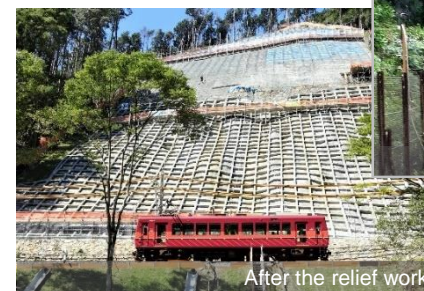
## Safety & Security

Providing **products and services that can reassure customers** even under a pandemic, natural disaster, or other insecure conditions

### Fully resuming operation of Eizan Railway Kurama Line

- Relief work in response to the sediment disaster caused by the heavy rain in July 2020 was completed. **Operations between Ichihara and Kurama Stations on the Kurama Line were resumed on September 18, 2021.**

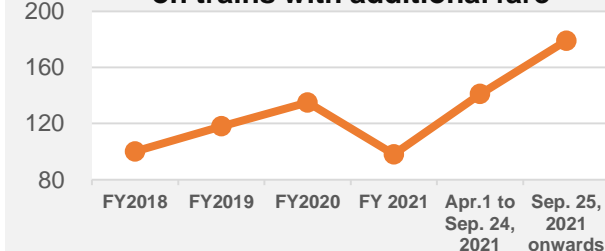
- Measures against natural disasters have been enhanced** by reinforcing retaining walls and installing reinforced protective fences and rockfall detection wires.



### Expanding the Premium Car service

- Keihan Electric Railway expanded the service for passengers to avoid congestion and ensure safe mobility starting September 25, 2021.
- The Premium Car service is now available on Rapid Express trains. The number of the Liner services (reserved seats only) is increased during the morning and evening rush hours.

Average no. of passengers per day on trains with additional fare

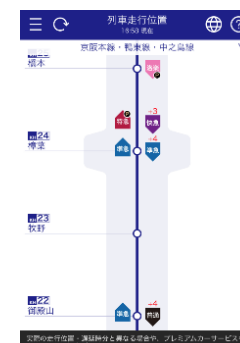


\* FY2018 is taken as 100



### Starting the “current train location” information service

- Current location of trains on the Keihan Line is shown on a real-time basis.
- Latest information is offered to customers in cases of train delays and suspensions.



Current train information service (rendering)

# Measures by Segment (Safety & Security)

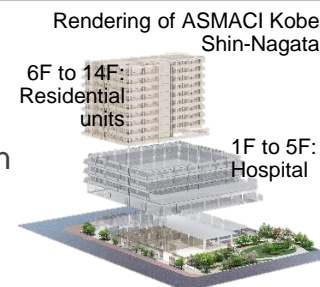
## Developing condominiums in cooperation with medical institutions



### Fine Residence Kobe Shin-Nagata

Location	Kobe City
No. of housing units	80*
Scheduled delivery	FY2023

- **Joint development of a condominium and a hospital**
- Offers comprehensive support to bring enriched and healthy lives to all generations in cooperation with a hospital and through **wellness support** by the integrated complex ASMACI Kobe Shin-Nagata.



### Fine Residence Hirakata Korienco

Location	Hirakata City
No. of housing units	130*
Scheduled delivery	FY2023

- **Wellness Concierges**, who have received training at a medical institution, provide health consultation and referral to hospitals.
- The health data of residents are managed through a system to help them improve their health.



\* This is a joint project. The number of housing units is the total number of housing units. The number of housing units and when the sales are recorded are subject to change.

## Promoting contactless and non-face-to-face services at hotels

- The **QR code-assisted contactless check-in system** has been introduced at Hotel Keihan (with exceptions).
- **Serving and cleaning robots have been introduced.**
- **Non-face-to-face service is available** at restaurants, allowing customers to place orders using a smartphone.



## Structural Reform

Establishing a system that can cover changes in demand in existing segments and promoting products and services that can flexibly respond to new lifestyles

### Updating the train schedules and revising fares according to the service utilization situation

#### Railway business

- **Keihan Electric Railway updated the train schedules** for the Keihan and Otsu Lines on September 25, 2021, **adjusting the number of train services and moving forward the last train times** according to the service utilization situation.
- Keihan Line: **Reduced** the number of services **by approximately 15%** on weekdays and **by approximately 20%** on holidays. Otsu Line: Reviewed the operation area of some trains during the daytime and **introduced a “school holiday schedule”** on the Ishiyama-Sakamoto Line.

#### Bus business

- **Keihan Bus and other bus companies in the group reduced the number of services and reorganized bus routes** according to the service utilization situation.
- **Fares have been revised** in some areas in order to develop an environment that reassures passengers and to maintain the bus routes.

### Increasing operational efficiency

- **With a remote surveillance control system at stations on the Keihan Line, operations at 21 stations** out of 60 stations **have been automated all day, reducing the staff assigned at stations by approximately 25%.**



Remote control



Station staff

- **Improved operational efficiency by reviewing maintenance staff deployment** through the reduction of train vehicles and equipment at stations and the utilization of drones.

### Further improving convenience at stations

- **Strengthened cooperation with secondary traffic services** by collaborating with micromobility sharing services (bicycles, e-scooters).
- Installed **“Telecube” private working booths** at Yodoyabashi and Kyobashi Stations.



LUUP port at Temmabashi Station



Telecube at Yodoyabashi Station

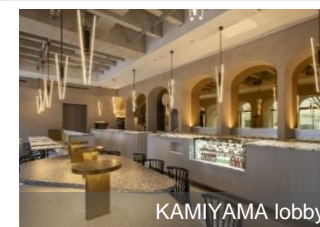


# Measures by Segment (Structural Reform)

## Reorganizing the food service business

- **Keihan Restaurant closed unprofitable stores** (reduced from 38 stores to 17 stores) and **reviewed the organization of staff**.
- **Two companies in the food service business will be reorganized** to achieve more efficient operation and a new business launch with an eye on the post-COVID-19 era (cafe co. succeeds the food service business of Keihan Restaurant as of January 1, 2022 via a company split).
- **The aim is to create new value** by multiplying the know-how of the two companies.

	Succeeding company	Split company
Company name	cafe co.	Keihan Restaurant Co., Ltd.
Business activities	<ul style="list-style-type: none"> <li>■ Food service</li> <li>■ Design</li> <li>■ Food sales</li> </ul>	<ul style="list-style-type: none"> <li>■ Food service (Juicer Bar, etc.)</li> <li>■ Franchise business</li> </ul>
No. of stores	18	17



KAMIYAMA lobby



Juicer Bar

## Developing an “in-station” business in a new style

- Opened **“Moyori-ichi,” a new-style food market** in Temmabashi Station in November in consideration of the changing roles of “in-station” areas.
- We will **further enhance the “in-station” business** by enhancing the lineup of food items experiencing increasing demand as the number of passengers using stations declines.



Moyori-ichi Temmabashi Store

## Initiatives toward structural reform at hotels

- Promoted **multitasking** and the introduction of IoT to **thoroughly pursue low-cost operation**. **The break-even point has been lowered** through continuous cost reduction efforts.
- **Outsourced the restaurant operation**.
- Started leasing the banquet rooms of Kyoto Tower Hotel to TKP Corporation as part of efforts to **promote the use of hotels by utilizing their geographical advantages**.



## BIOSTYLE

Promoting **products and services that can** increase people's life value and **solve social issues** at the same time

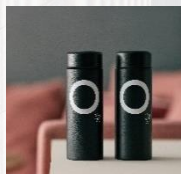
### Initiatives at GOOD NATURE STATION

The facility was opened in December 2019 in Shijo-Kawaramachi, Kyoto as a **flagship facility embodying the concept of BIOSTYLE**. It proposes a “GOOD NATURE” lifestyle through carefully selected items and experiences.

#### De-plasticizing efforts



- **Paper containers** and knives and forks made of **biodegradable plastics** are used for takeaway items.
- Water servers and tumblers are installed at the hotel.



#### Completely natural cosmetics



- The original cosmetic brand **NEMOHAMO** series, made only from natural ingredients without water and oil-derived ingredients, is available.



#### Healthy and eco-friendly building



- The hotel was awarded **WELL Certification** at the Gold level.
- The entire facility was awarded **LEED Certification**.

WELL Certification: International building and indoor environmental assessment system that focuses on the health and comfort of residents living and working in buildings

LEED Certification: International environmental assessment system for architecture and the city environment

#### Product development featuring fair trade cacao



- Chocolates from the sweets brand **RAU** feature fair-trade, pesticide-free, and high-quality cacao.
- Cacao shells, which are usually discarded, are used as an ingredient in processed foods to be sold.



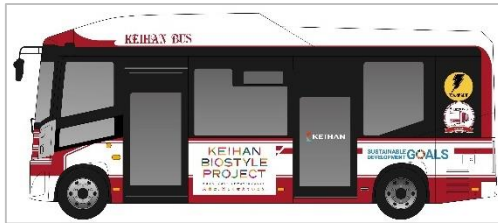


# Measures by Segment (BIOSTYLE)

## Initiatives toward a decarbonized society



- Energy-saving train cars have been progressively introduced. With the 13000-series trains, **electricity consumption** during travel is **reduced by approximately 40%** compared with conventional trains.
- Starting December 2021, **electric vehicles will be used** for the route bus service “Station Loop Bus” connecting JR Kyoto Station, Keihan Railway Shichijo Station, and Umekoji.



Electric bus (image)

## Initiatives to reduce food loss



- The supermarket FREST started a **food drive (food donation) project**.
- We will **help reduce food loss** by increasing the number of stores involved in the food drive project.



The FREST Matsui Yamate Shop involved in the project



Food drive

## Producing a total living environment



- “**Gift delivery service coloring your mind, body and lifestyle**” began. Customers who ordered a custom-built home from Zero Home will regularly receive Bio Market (Bio Marche) or BIOSTYLE (GOOD NATURE STATION) products for a year.
- We aim to **produce a total living environment** for customers, not only by building homes but also by helping them enrich their lives after completion to ensure everlasting peace of mind.



## Living in harmony with local communities



- Made a partnership agreement with the volleyball team “Panasonic Panthers” based in Hirakata City along the Keihan railway lines, **aiming to achieve regional revitalization through sports**.





# Progress of Major Projects

Major projects		FY2021			FY2022				FY2023 onwards
		2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Safety & Security	Introducing the 3000 series premium cars	Completed ●							
	Fully resuming operation of Eizan Railway Kurama Line	Completed ●							
	Installing screen doors on the platform for Demachiyanagi at Kyobashi Station	To be completed in FY2022 ●							
	Developing condominiums in cooperation with medical institutions	To be delivered in FY2023 ●							
Structural Reform	Updating train schedules (Keihan Railway)	Completed ●							
	Updating bus schedules and revising fares (Keihan Bus)	Completed ●				To be continuously reviewed considering customer needs.			
	Reorganizing the food service business	To be completed on January 1, 2022 ●							
	Launching the food market "Moyori-ichi" in Temmabashi Station	Completed ●				The "in-station" business to be further enhanced.			
	Utilizing hotels (Leasing banquet rooms of Kyoto Tower Hotel)	Completed ●				Other projects to be continuously considered.			
BIOSTYLE	Promoting low-cost operation in each business	To be continuously promoted (multitasking, insourcing, etc.)							
	Launching Zero Home Moriguchi Housing Exhibition Ground	Completed ●			Sales of long-lasting high-quality housing and ZEHs (net zero energy houses) to be promoted at the exhibition ground.				
	Launching Everglades Biwako	Completed ●				Business operation focused on "coexistence with nature" to be continued (conserving rare species, etc.)			
	Introducing six sets of energy-saving "13000-series" trains	Completed ●				Electricity consumption reduced by approximately 40% compared with conventional cars.			
	Introducing electric buses for the Station Loop Bus service (Keihan Bus)	To be completed in December 2021 ●							

# Initiatives toward Increase in Profits

## Main condominiums to be sold in FY2022 and thereafter

Name of property, location		No. of housing units
Scheduled delivery in FY2022		
The FINE Tower OTEMAE	Osaka City	241
Classy House Amagasaki GRAND PLACE	Amagasaki City	456*
Fine Residence Fujimino	Fujimino City	76
Scheduled delivery in FY2023		
Fine Residence Osaka Hommachi	Osaka City	99
Fine Residence Kobe Shin-Nagata	Kobe City	80*
The FINE Tower WEST COAST	Osaka City	199*
Branz Tower Sapporo Odori Koen	Sapporo City	179*
Scheduled delivery in FY2024		
Osaka Nishi-ku Project	Osaka City	197
NAGOYA the TOWER	Nagoya City	435*
The FINE Tower HISAYA ODORI	Nagoya City	163*

\* This is a joint project. The number of housing units is the total number of housing units. The number of housing units and when the sales are recorded are subject to change.

## Promoting detached housing in urban districts

- Keihan Real Estate is involved in the **“Machinaka Home” business** to regenerate urban-type residence in high-density urban districts that are due for renewal/redevelopment.
- Enhances the sales of detached housing **in cooperation with Zero Corporation** with abundant experience in building houses in high-density urban districts.



Construction	Zero Corporation
Sales area	Urban areas along the Keihan railway lines (Kyobashi, Moriguchi, Kadoma)

## Launching the Keihan Investment Team <KIT> Project

- Keihan Real Estate launched the **Keihan Investment Team <KIT> Project** featuring voluntary partnership (financial investment) products for small-lot, profit-earning properties.
- The first product was released on November 12.

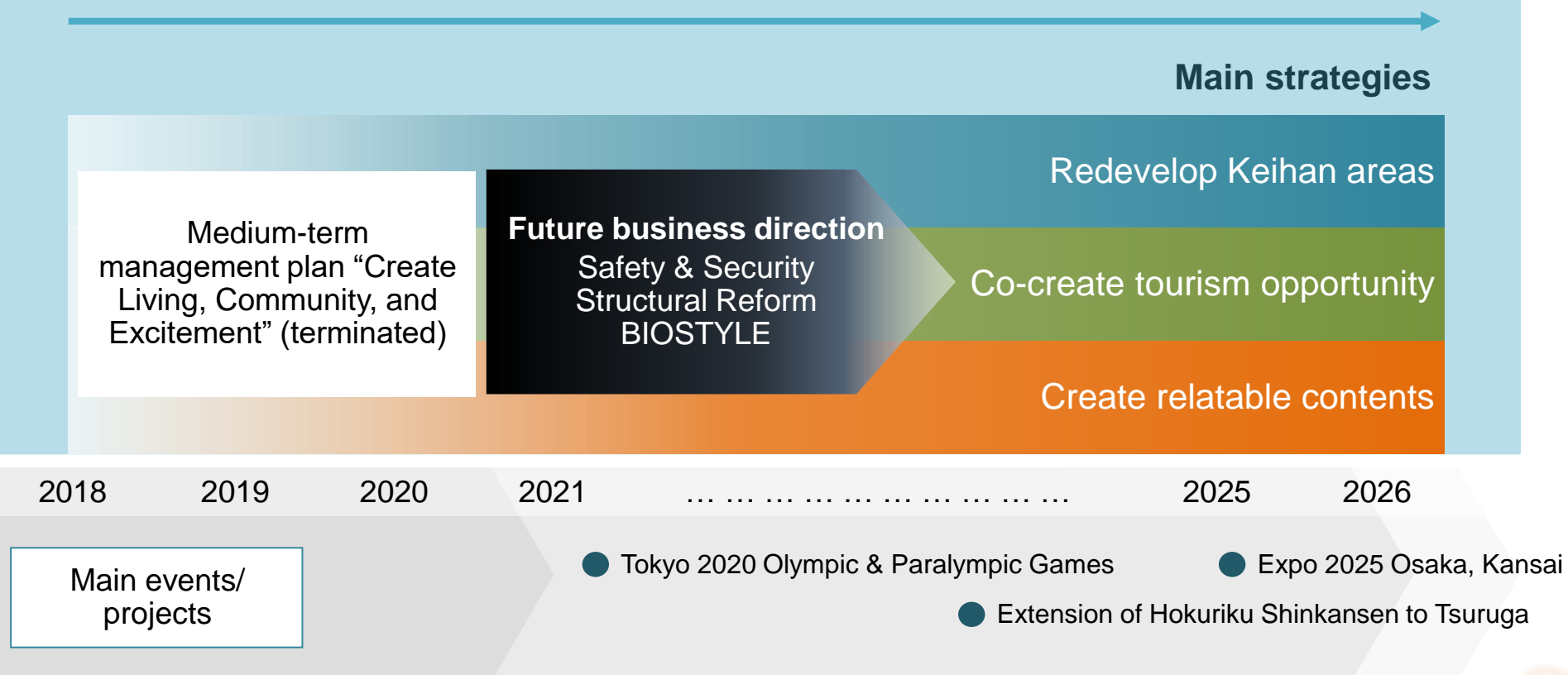


Product name	Keihan Investment Team <KIT> Nishinomiya-kitaguchi
Location of the property	Nishinomiya City, Hyogo
Amount raised	690 million yen (690 units)
Dividend yield	Approx. 4.1%

# Progress of the Long-term Management Strategy

- To achieve sustainable growth in society during and after the COVID-19 pandemic, the Keihan Group will promote the **main strategies** advocated in the long-term management strategy (FY2019 to FY2027) while reviewing them according to the changing business environment.

## Long-term Management Strategy (FY2019 to FY2027)



# Progress of the Main Strategies

## Redevelop Keihan areas

Increasing the value of the areas along the Keihan Railway lines is the basis for the Keihan Group's business. So, we will continue developing the **Yodoyabashi, Nakanoshima and Hirakatashi** station areas in line with changing lifestyles.

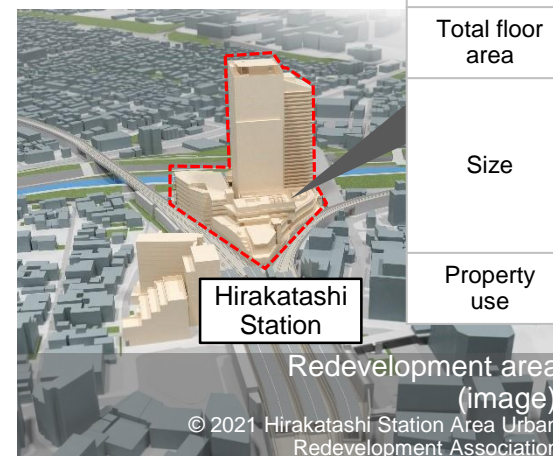
### Hirakatashi

#### Type-1 urban redevelopment project in Hirakatashi Station area

- Mar. 2020 Establishment of the redevelopment association was approved.
- Feb. 2021 The right conversion plan was approved.
- 2024 Construction on land partially owned by Keihan Group (section 3) to be completed.

#### Hirakata HUB Council

The Hirakata HUB Council, of which Keihan Holdings and Keihan Electric Railway are members, has been selected as a business operator of the "public-private partnership project to promote revitalization of urban areas" promoted by the Ministry of Land, Infrastructure, Transport and Tourism. It aims to establish a suburban base to realize an ideal fusion of workplace, residence, and recreation areas.

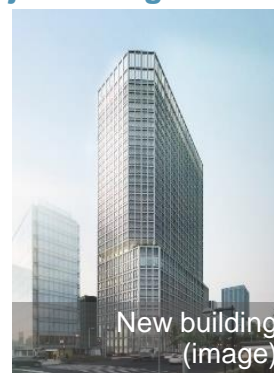


Section 3	
Site area	Approx. 15,000 m <sup>2</sup>
Total floor area	Approx. 94,000 m <sup>2</sup>
Size	26 floors above ground (high-rise building) 10 floors above ground (low-rise building) 29 floors above ground (residential building)
Property use	Commercial facilities, office, hotel, residence

### Yodoyabashi

#### Joint reconstruction of Keihan Midosuji Building and Nittochi Yodoyabashi Building

- 2022 Construction of new building starts.



Total floor area	Approx. 73,600 m <sup>2</sup>
Size	28 floors above ground, 4 floors below ground
Scheduled completion	FY2026

### Nakanoshima

#### Participation in the Nakanoshima 4-chome International Hub for Medical Innovation Project

- Nov. 2021 Construction of new building starts.



Total floor area	Approx. 58,000 m <sup>2</sup>
Size	17 floors above ground
Scheduled completion	FY2024



# Progress of the Main Strategies

## Co-create tourism opportunity

While assessing the tourism situation during and after the COVID-19 pandemic, we will surely capture the local demand and start preparations toward the recovery period.

### Digital-assisted tourist attraction via a wide-area network

- In anticipation of **creating new tourism demand** by using MaaS in society after the COVID-19 pandemic, a “digital stamp rally” (stamp collection) program was implemented in the **Oku-Kyoto area**. It utilized JR West’s **MaaS app “WESTER”** to attract tourists via a wide-area network and suggest tour courses that match users’ preferences, which were created by Al.

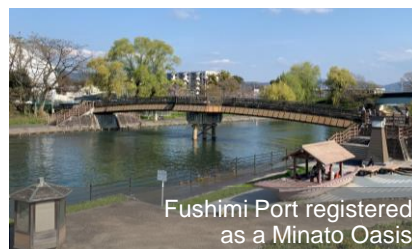
- Joint project with JR West and GiXo Ltd.
- Period: Oct. 15 to Nov. 30, 2021



WESTER app

### Co-creating new tourism content through regional cooperation

- Co-created **Sake Brewery Tourism** themed on “the relationship between Japanese sake from Fushimi and the traditions and lifestyle culture of Kyoto” in **cooperation with the local Fushimi Sake Brewers Association** as an effort to establish the **golden route for tourism of Kyoto**. This will be shared as new tourism content to attract more tourists to the Fushimi area.



### Reviving tourist bases through a public-private partnership

- Cooperated with Otsu City** to revitalize the Lake Biwa area and **promote transportation-based tourist attractions**. Free tour bus services featuring **electric buses and self-driving buses** will be provided when events for tourists are held in Otsu City.

- Period:  
Nov. 1, 2021 to  
Jan. 23, 2022



## Create relatable contents

The COVID-19 pandemic has brought BIOSTYLE to the attention of customers. Given that, the Keihan Group will promote and establish the **BIOSTYLE PROJECT**.

## BIOSTYLE PROJECT

- The BIOSTYLE PROJECT is an activity to introduce things that are good for humans and the earth to daily life with pleasure and without burden, leading to the realization of a recycling-oriented society.
- The BIOSTYLE PROJECT Guidelines have been established. An **in-house certification system**, under which a specialized department assesses each project, **has also been introduced**.



**The BIOSTYLE PROJECT is registered as a “Team Expo 2025 Program/Co-creation Challenge,” a participative program of Expo 2025 Osaka, Kansai**

- A special page introducing the BIOSTYLE PROJECT has been created on the website of the Japan Association for the 2025 World Exposition.
- We aim to embody BIOSTYLE (the Keihan-version of the SDGs) by promoting many new activities toward the future through co-creation efforts with those who hope to be involved in business collaboration or create and utilize ideas with the Keihan Group.



## Issuing a sustainability bond

- **Keihan Holdings issued its first sustainability bond** to promote the BIOSTYLE PROJECT.
- The aim is to **make our sustainability management widely known** in order to achieve sustainable growth and further improve our corporate value.
- **Received investment proposals from 41 investors** for our initiatives.

- |                   |                 |   |  |
|-------------------|-----------------|---|--|
| ■ Issuance volume | 10 billion yen  | ■ Use of funds  |  |
| ■ Interest rate   | 0.290% per year | [1] Construction of new trains “Keihan 13000-series”    |  |
| ■ Payment date    | Jul. 15, 2021   | [2] GOOD NATURE STATION                                 |  |
| ■ Maturity date   | Jul. 15, 2031   | [3] De-plasticizing efforts                             |  |
| (10-year bond)    |                 | [4] Expenses related to products using fair trade cacao |  |



# Overview of the First Half of FY2022 Financial Results



# Consolidated Statements of Income

- Despite the impact of application of the Accounting Standard for Revenue Recognition, both revenue and profits increased due to an increase in revenue from real estate sales and a reactionary rise in the transportation business, among other businesses, after the COVID-19 pandemic in the same term of the previous year.

(Millions of yen)

	1H FY2022 results	1H FY2021 results	Change	Main factors of changes	1H FY2022 forecasts released in September	Change
Operating revenue	118,564	108,232	10,332 (9.5%)	* Impact of application of the Accounting Standard for Revenue Recognition: -12,557	117,300	1,264 (1.1%)
Operating income	2,793	-5,854	8,648 (-)		1,800	993 (55.2%)
Non-operating income	2,426	1,735	691	Subsidies for COVID-19 countermeasures: +505 Subsidies for employment adjustment: +482		
Non-operating expenses	1,492	1,856	-364			
Ordinary income	3,727	-5,975	9,703 (-)		2,500	1,227 (49.1%)
Extraordinary income	1,748	2,524	-775	Gain on sales of investment securities: -1,127		
Extraordinary losses	466	1,085	-618	Loss related to COVID-19: -765		
Profit attributable to owners of parent	1,950	-6,320	8,270 (-)		1,000	950 (95.1%)
Depreciation	10,297	10,252	45			
EBITDA	13,090	4,397	8,693	* EBITDA: Operating income + Depreciation		
Interest and dividend income	241	350	-108			
Interest expenses	1,030	1,036	-5			
Net interest expenses	-789	-686	-103			

# Segment Information

(Millions of yen)

		1H FY2022 results	1H FY2021 results	Change	Change (%)
Transportation	Operating revenue	33,157	30,497	2,660	8.7%
	Operating income	-1,991	-7,010	5,018	—
Real estate	Operating revenue	62,652	43,880	18,771	42.8%
	Operating income	10,400	8,190	2,209	27.0%
Retail distribution	Operating revenue	25,893	38,360	-12,467	-32.5%
	Operating income	414	-24	439	—
Leisure and service	Operating revenue	4,194	3,290	903	27.4%
	Operating income	-5,437	-6,222	784	—
Others	Operating revenue	1,416	1,319	96	7.3%
	Operating income	-757	-763	6	—
Adjustments	Operating revenue	-8,750	-9,117	367	—
	Operating income	164	-25	189	—

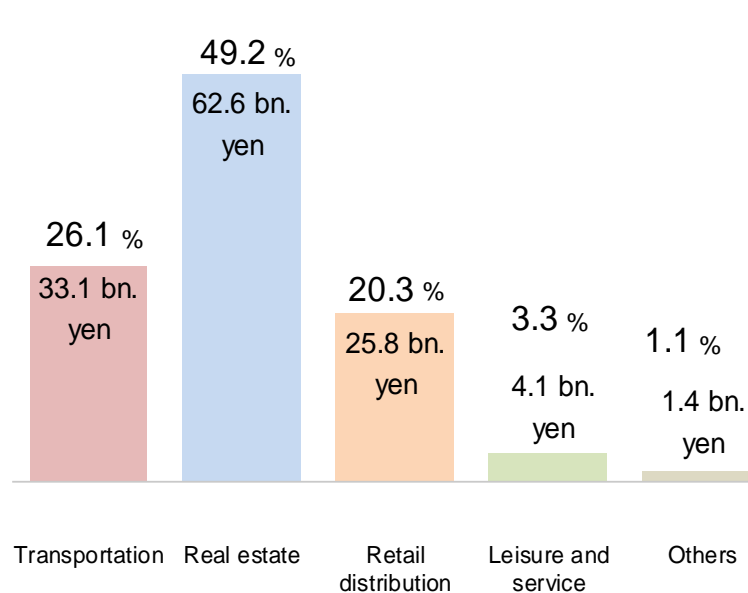
# Segment Information (Breakdown)

[Consolidated subsidiaries] 41 companies (1 company reduced year on year)

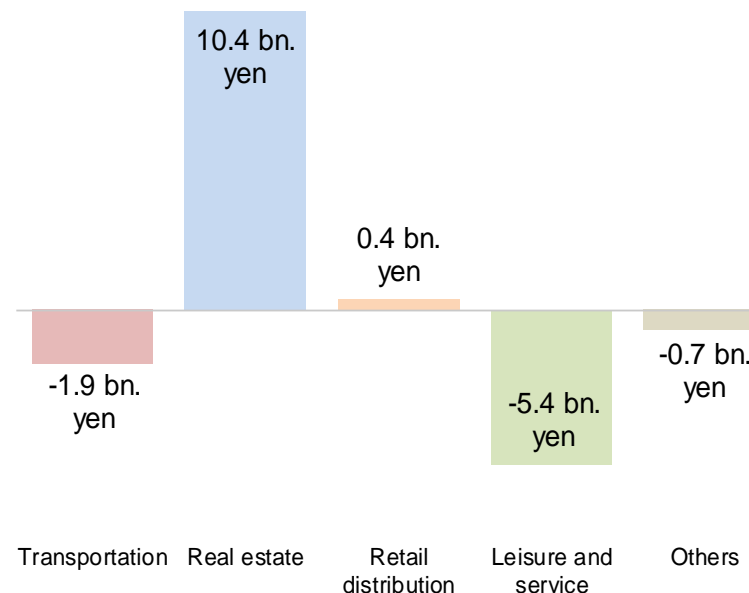
[Equity-method affiliates] 2 companies (No change year on year)

Transportation	Keihan Electric Railway Co., Ltd., Keifuku Electric Railroad Co., Ltd., Keihan Bus Co., Ltd., and 12 other companies
Real estate	Keihan Holdings Co., Ltd., Keihan Real Estate Co., Ltd., Zero Corporation Co., Ltd., Keihan Building Co., Ltd., and 7 other companies
Retail distribution	Keihan Department Stores Co., Ltd., Keihan The Store Co., Ltd., Keihan Ryutsu Systems Co., Ltd., Biomarket Co., Ltd., and 1 other company
Leisure and service	Hotel Keihan Co., Ltd., Keihan Hotels & Resorts Co., Ltd., Biwako Kisen Steamship Co., Ltd., and 5 other companies
Others	BIOSTYLE Co., Ltd., Keihan Card Co., Ltd.

## <Operating revenue by segment>



## <Operating income by segment>

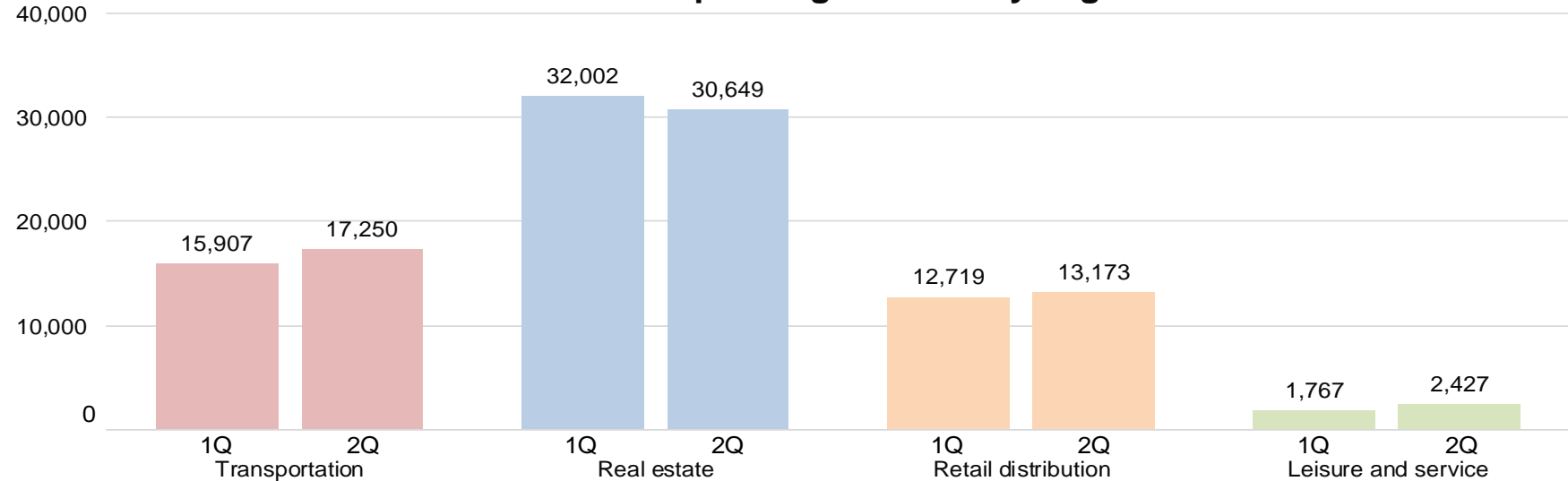


Note: The breakdown of operating revenue and operating income by segment includes intersegment transactions.  
The percentages represent the composition ratios in each segment.

# Segment Information (Quarterly Changes)

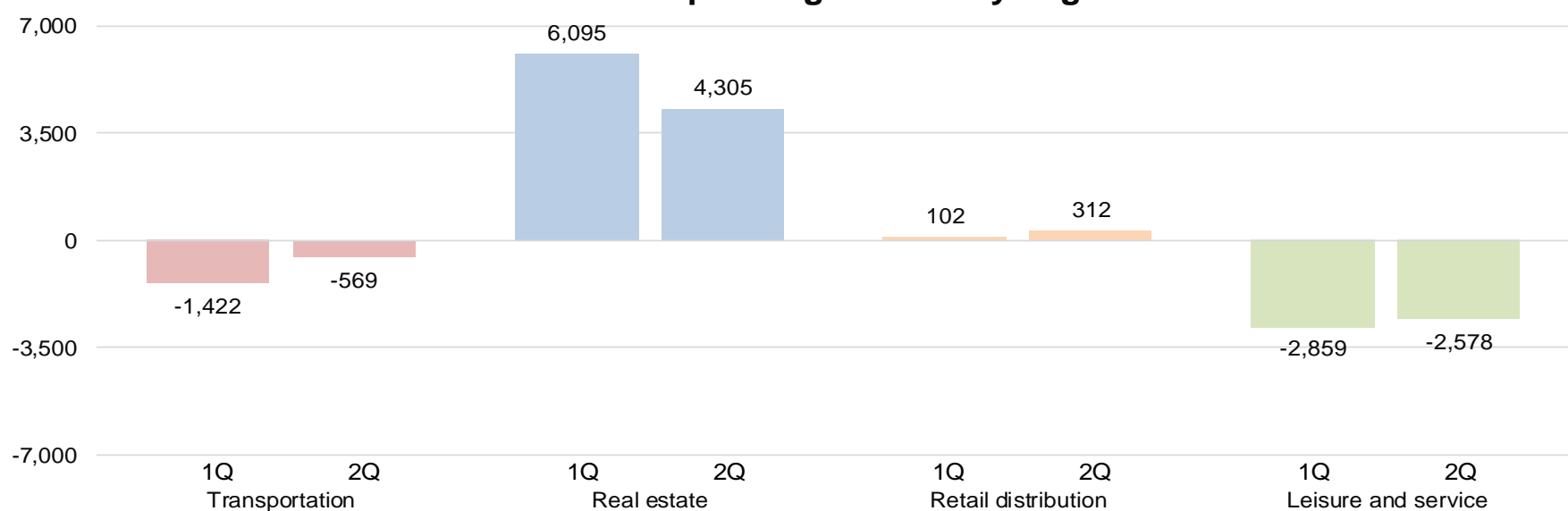
(Millions of yen)

## Transition of operating revenue by segment



(Millions of yen)

## Transition of operating income by segment



# Segment Information (Transportation)

(Millions of yen)

	1H FY2022 results	1H FY2021 results	Change	Change (%)
Operating revenue	33,157	30,497	2,660	8.7%
Railway	27,319	25,996	1,322	5.1%
Bus	9,429	8,608	821	9.5%
Elimination	-3,591	-4,107	516	—
Operating income	-1,991	-7,010	5,018	—
Railway	-1,358	-4,770	3,411	—
Bus	-634	-2,243	1,608	—
Elimination	1	3	-2	—

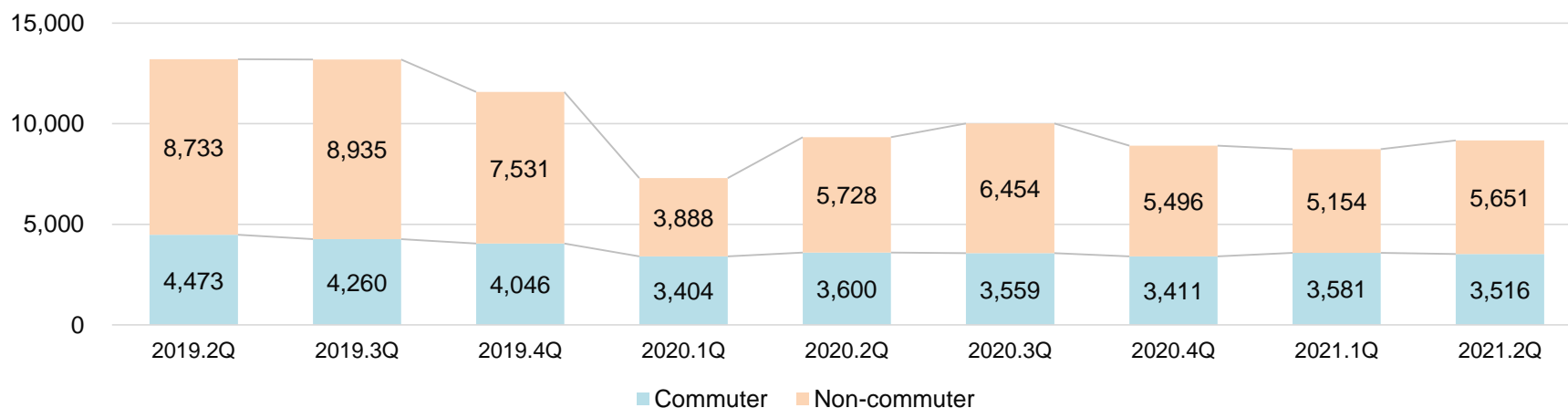
## (Main factors affecting performance)

- The railway business saw increases in both revenue and profits due to a reactional rise in the number of passengers after the worst of the COVID-19 pandemic in the same term of the previous year, as well as efforts for cost reduction.
- The bus business saw increases in both revenue and profits due to a reactional rise in revenue from bus passengers, etc. after the worst of the COVID-19 pandemic in the same term of the previous year, as well as efforts for cost reduction.

# Operating Results for Transportation Keihan Electric Railway

	1H FY2022 results	1H FY2021 results	Change	Change (%)
	millions of yen	millions of yen	millions of yen	%
Passenger transportation revenue	17,903	16,620	1,282	7.7
Non-commuter passes	10,805	9,616	1,189	12.4
Commuter passes	7,097	7,004	93	1.3
	thousands of people	thousands of people	thousands of people	%
Number of passengers	106,689	99,732	6,957	7.0
Non-commuter passes	44,788	40,649	4,139	10.2
Commuter passes	61,900	59,082	2,818	4.8

## Transition of passenger transportation revenue (millions of yen)



# Segment Information (Real Estate)

(Millions of yen)

	1H FY2022 results	1H FY2021 results	Change	Change (%)
Operating revenue	62,652	43,880	18,771	42.8%
Real estate	55,391	36,336	19,054	52.4%
Real estate sales	40,704	22,429	18,274	81.5%
Real estate leasing service	12,817	12,061	756	6.3%
Other businesses	1,869	1,845	23	1.3%
Construction	10,978	10,150	828	8.2%
Elimination	-3,717	-2,606	-1,111	—
Operating income	10,400	8,190	2,209	27.0%
Real estate	11,344	8,135	3,209	39.5%
Real estate sales	5,263	2,277	2,986	131.1%
Real estate leasing service	5,873	5,632	240	4.3%
Other businesses	207	224	-17	-7.7%
Construction	-52	-60	8	—
Elimination	-891	116	-1,007	—

(Main factors affecting performance)

- Real estate sales saw increases in both revenue and profits due to the sales of newly developed properties such as hotels and office buildings.
- The real estate leasing business saw increases in both revenue and profits due to factors such as the contribution of Toranomon Hills Business Tower, Keihan Nishisanso Square and other properties as well as an increase in real estate fund revenue.

# Segment Information (Retail Distribution)

(Millions of yen)

	1H FY2022 results	1H FY2021 results	Change	Change (%)
Operating revenue	25,893	38,360	-12,467	-32.5%
Department store	9,200	18,858	-9,657	-51.2%
Store	8,724	12,447	-3,722	-29.9%
Shopping mall management	5,820	5,664	156	2.8%
Other businesses	2,849	3,179	-330	-10.4%
Elimination	-702	-1,789	1,086	—
Operating income	414	-24	439	—
Department store	-363	-326	-36	—
Store	339	139	200	144.1%
Shopping mall management	436	345	91	26.5%
Other businesses	-19	-189	169	—
Elimination	21	7	14	—

## (Major factors affecting performance)

- The department store business saw decreases in both revenue and profits due to factors such as the impact of application of the Accounting Standard for Revenue Recognition and scaling back amid the COVID-19 pandemic.
- The store business saw a decrease in revenue due to factors such as the impact of application of the Accounting Standard for Revenue Recognition, but saw an increase in profits due to a reactional rise after the worst of the COVID-19 pandemic in the same term of the previous year.
- The shopping mall management business saw increases in both revenue and profits due to factors such as a reactional rise after the worst of the COVID-19 pandemic in the same term of the previous year and the contribution of the Takagi Building, a master lease property.

## Impact of application of the Accounting Standard for Revenue Recognition (Net amount)

(Millions of yen)

	Impact (Operating revenue)
Department store	-9,092
Store	-3,601
Shopping mall management	-510



# Segment Information (Leisure and Service)

(Millions of yen)

	1H FY2022 results	1H FY2021 results	Change	Change (%)
Operating revenue	4,194	3,290	903	27.4%
Hotel	3,254	2,423	830	34.3%
Leisure	951	880	71	8.1%
Elimination	-11	-12	1	—
Operating income	-5,437	-6,222	784	—
Hotel	-5,173	-5,848	675	—
Leisure	-273	-381	107	—
Elimination	9	8	0	—

## Hotel Occupancy Rates

	1H FY2022 results	1H FY2021 results	Change
Hotel Keihan	27.9%	17.4%	10.5 pts
Keihan Hotels & Resorts	20.5%	16.1%	4.4 pts

(Main factors affecting performance)

- The hotel business saw increases in both revenue and profits due to factors such as a reactional rise after the worst of the COVID-19 pandemic in the same term of the previous year and the full-year contribution of Hotel Keihan Sendai and Hotel Keihan Kyoto Ekiminami, which opened the previous year.
- The leisure business saw increases in both revenue and profits due to factors such as a reactional rise after the worst of the COVID-19 pandemic in the same term of the previous year.

# Consolidated Balance Sheets

(Millions of yen)

	1H FY2022 results	FY2021 results	Change	Main factors of changes
Current assets	183,970	197,185	-13,215	Cash and deposits: -5,790 Notes and accounts receivable-trade, and contract assets: -5,698
Non-current assets	560,560	567,062	-6,501	Buildings and structures: -5,055
Total assets	744,531	764,247	-19,716	
Current liabilities	127,114	165,893	-38,778	Accounts payable: -13,485 Current portion of bonds: -10,000
Long-term liabilities	370,100	349,758	20,342	Long-term loan payable: +11,546 Bonds: +10,000
Total liabilities	497,215	515,652	-18,436	
Net assets	247,315	248,595	-1,280	Retained earnings: -1,059 * Equity capital ratio: 32.6% (+0.6 pts)
Total liabilities and net assets	744,531	764,247	-19,716	
Interest-bearing debt	357,249	351,600	5,649	Loans payable: +10,649 Short-term bonds payable: -5,000

# Consolidated Statements of Cash Flows

(Millions of yen)

	1H FY2022 results	1H FY2021 results	Change	Main factors of changes
Cash flows from operating activities	339	-8,487	8,826	Profit before income taxes: +9,546
Cash flows from investing activities	-8,456	-12,110	3,653	Purchase of non-current assets: +3,807
Cash flows from financing activities	2,329	40,938	-38,608	Proceeds from issuance of bonds: -19,905 Short-term loans payable: -11,207
Net increase (decrease) in cash and cash equivalents	-5,788	20,340	-26,128	
Cash and cash equivalents at beginning of period	26,554	14,911	11,643	
Cash and cash equivalents at end of period	20,766	35,251	-14,485	