

First Half of FY2024 (Ended September 30, 2023) Financial Results Presentation

November 17, 2023

Keihan Holdings Co., Ltd.

(Tokyo Stock Exchange Prime Market / 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 and Forecasts

(Millions of yen)

1H FY2024 results	1H FY2024 results	1H FY2023 results	Change	1H FY2024 forecasts (released in August)	Change
Operating revenue	133,867	123,143	10,723 (8.7%)	130,500	3,367 (2.6%)
Operating income	17,172	10,174	6,997 (68.8%)	15,000	2,172 (14.5%)
Ordinary income	16,845	10,539	6,306 (59.8%)	14,500	2,345 (16.2%)
Profit attributable to owners of parent	14,484	10,506	3,978 (37.9%)	12,000	2,484 (20.7%)

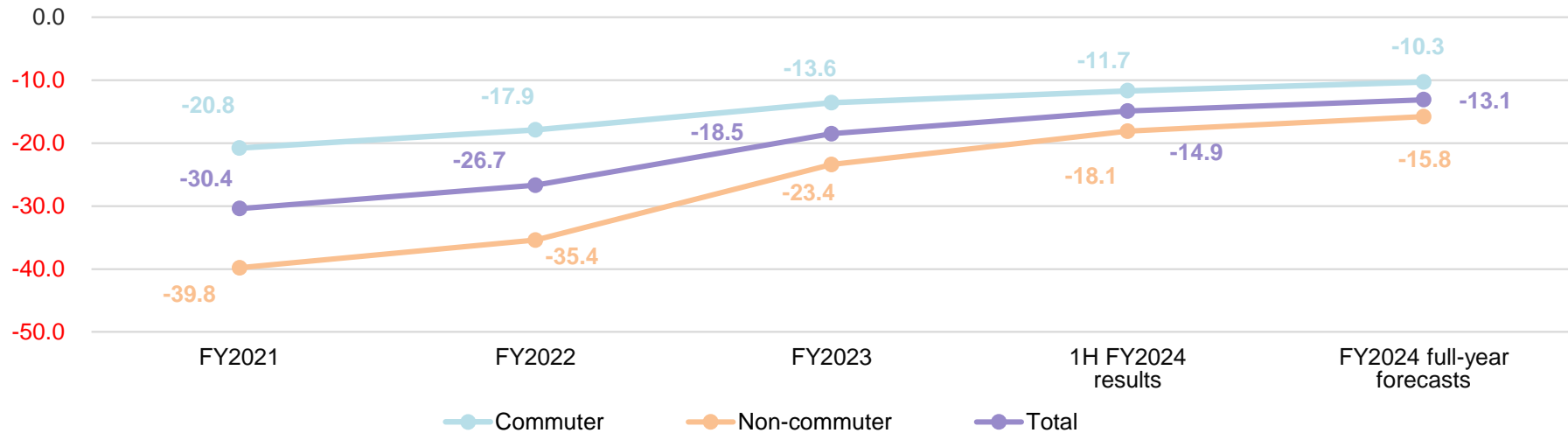
FY2024 full-year forecasts	FY2024 full-year forecasts	FY2023 results	Change	FY2024 full-year forecasts (released in May)	Change
Operating revenue	299,000	260,070	38,929 (15.0%)	292,000	7,000 (2.4%)
Operating income	31,500	20,491	11,008 (53.7%)	23,400	8,100 (34.6%)
Ordinary income	30,500	20,458	10,041 (49.1%)	22,300	8,200 (36.8%)
Profit attributable to owners of parent	24,500	17,621	6,878 (39.0%)	18,500	6,000 (32.4%)

	FY2024 full-year forecasts	FY2024 full-year forecasts (released in May)	
Annual dividend	35 yen per share	30 yen per share	The dividend forecast increased by 5 yen from the previous forecast of 30 yen per share after comprehensively reviewing the current performance, financial position, and other factors.

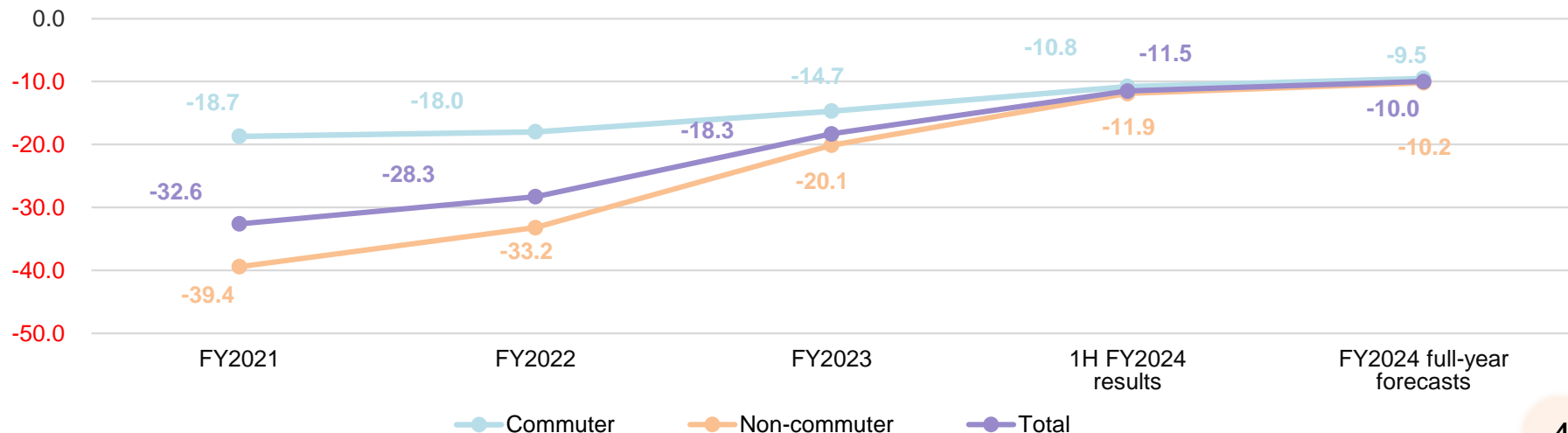
Situation of Main Segments (1)

Keihan Electric Railway

(%) Passenger figures compared to normal year



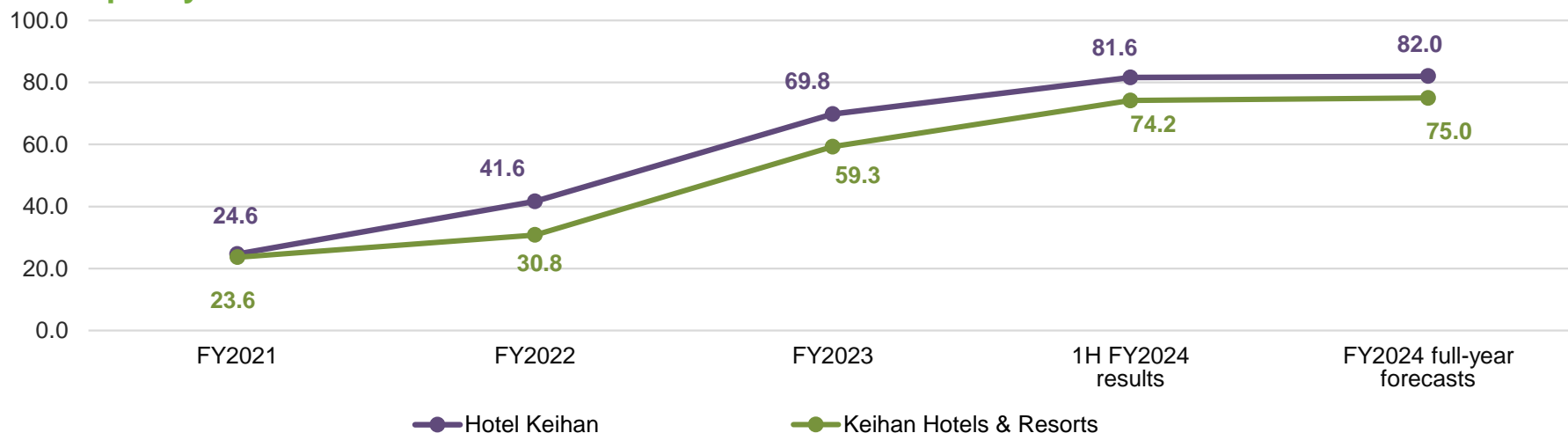
(%) Passenger transportation revenue compared to normal year



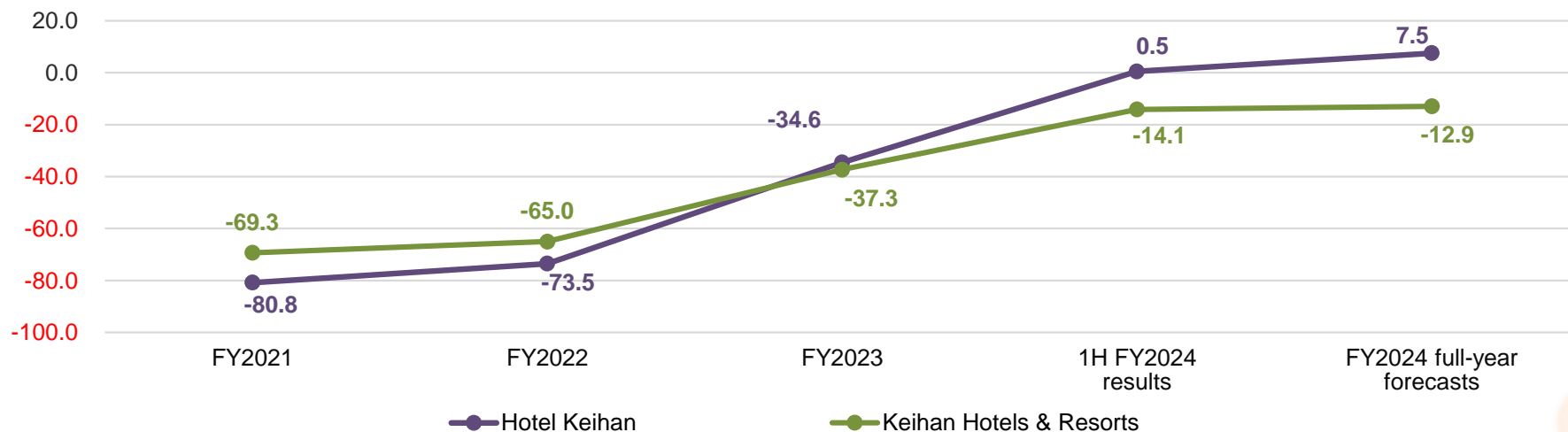
Situation of Main Segments (2)

Hotel

(%) Occupancy rates



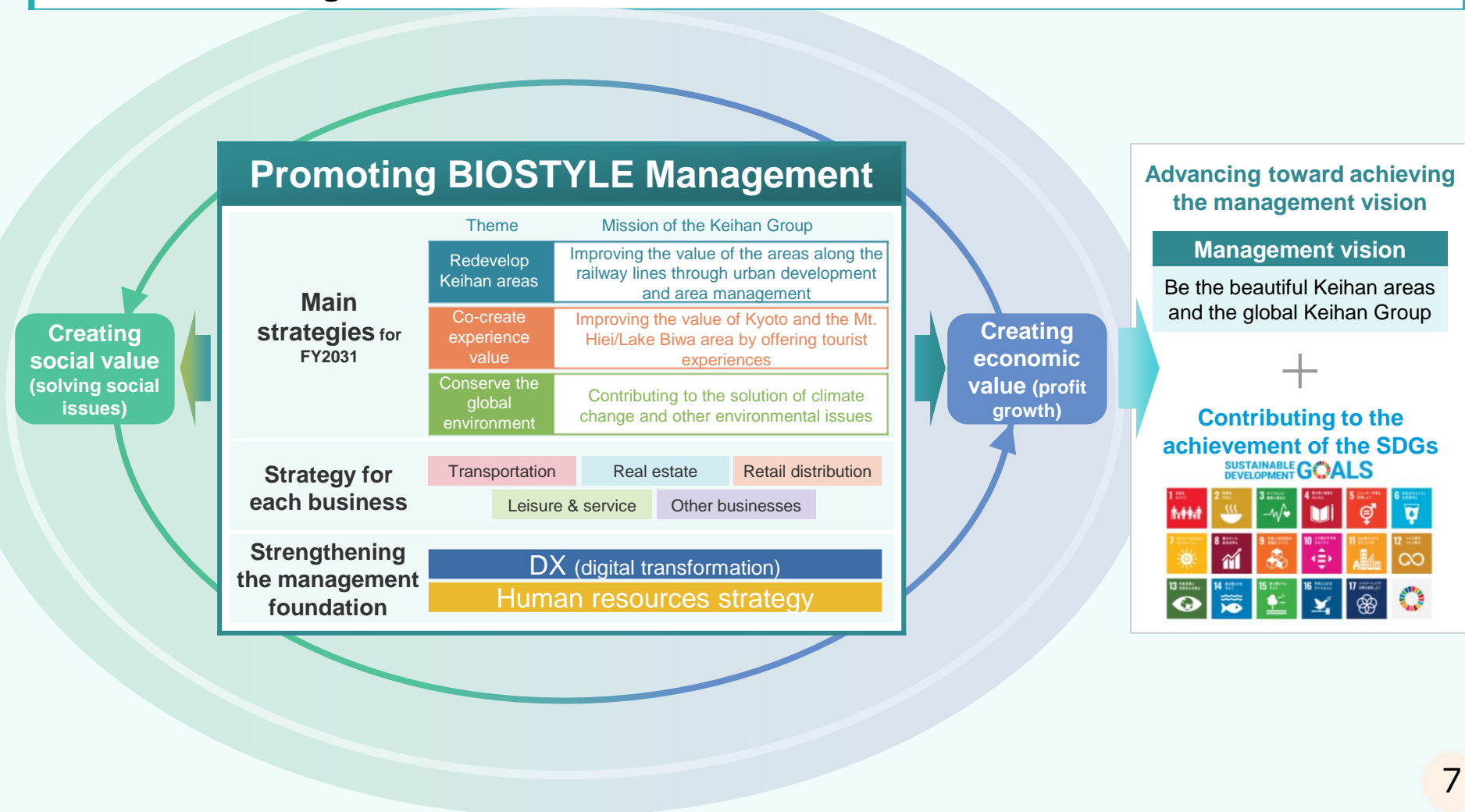
(%) Sales compared to normal year



Progress of the Medium-term Management Plan “BIOSTYLE: Deepening and Challenge”

Overview of the Long-term Management Strategy

Placing “**BIOSTYLE (Keihan version of the SDGs),**” which we have been working to establish as the Keihan Group’s new brand for the creation of a sustainable, recycling-oriented society, at the core of management and business activities, we will promote **BIOSTYLE Management** that creates both social and economic value.



Redevelop Keihan areas

Regaining the glory of Osaka's east-to-west axis

- Promoting urban development by taking advantage of regional characteristics along Osaka's east-to-west axis, from **Kyobashi**, the gateway to Kyoto and close to Osaka Castle, through **Nakanoshima**, which is planned to become a hub for regenerative medicine, to the bay area, where the IR project is under way

Yodoyabashi

Joint reconstruction of Keihan Midosuji Building and Nittochi Yodoyabashi Building



Exterior from Midosuji side



B1F Yodoyabashi Square

30F	Commercial area, observation terrace
12F–29F	Offices
10F–11F	Business lounge
4F–8F	Offices
B1F–2F	Commercial area

◆ Project outline

- Total floor area: Approx. 73,000 m²
- Size: 31 floors above ground, 3 floors below ground
- Completion: End of May 2025

Renovation of Yodoyabashi Station concourse

- In line with this project, the Yodoyabashi Station concourse will be renovated.
- The new building and concourse will be connected in an integrated manner to improve convenience by improving transfers and flow lines to the ground level.

Nakanoshima

4-chome International Hub for Healthcare Innovation Project



Concept

- The hub will industrialize cutting-edge medical innovation in line with future advances in medical technology, such as genome medicine, AI, and IoT, based on regenerative medicine.
- It will make an international contribution by ensuring that the latest medical services are available to patients in Japan and overseas.

◆ Project outline

- Total floor area: Approx. 57,000 m²
- Size: 17 floors above ground
- Completion: FY2024

B1F Yodoyabashi Square

Redevelop Keihan areas

Carrying out community building starting from railway stations

- **Concentrating urban functions around railway stations** and continuously implementing community building that takes advantage of regional characteristics, including history and culture, in cooperation with local businesses and communities
- Evolving railway stations from mere boarding and alighting spots to spaces where people gather and **new communication is inspired** by integrating the station and the community

Hirakatashi

Type-1 urban redevelopment project in Hirakatashi Station area

Aiming to open in FY2025, development of a large-scale complex with commercial, office, hotel, residential and administrative functions, which will be integrated with the station, is under way at Hirakatashi Station.

1. Commercial zone	<p>Being developed together with the Keihan Hirakata Station Mall is a large-scale commercial facility integrated with Hirakatashi Station, which is approximately twice the area with three times the number of stores compared to the previous facility.</p> <p>The plaza with beautiful sunset views and the terrace to be set up on the Amano River side will create a space where visitors can spend time only available in Hirakata.</p>
2. Office zone	<p>Offices with both the comfort of a rich natural environment and the convenience of an urban setting are being developed.</p>
3. Hotel zone	<p>Candeo Hotels, a unique, world-class four-star hotel chain, will move in, featuring an open-air Sky Spa on the top floor.</p>
4. Residential zone	<p>A high-rise condominium for rent, which is directly connected to the station, is being developed to facilitate living spaces for young people in their 20s and 30s.</p>



◆ Facility outline

- Total floor area: Approx. 94,000 m²
- Size:

Office/hotel building	26 floors above ground
Residence building	29 floors above ground
Commercial building	4 floors above ground
- Completion: Around summer 2024

Co-create experience value

Establishing the Kyoto Tourism Golden Route through themed tourism

- Co-creating story-based tourist experiences with local communities under such themes as traditional industry, art, food, and history in Kyoto and surrounding areas

Sake brewery tourism in the Fushimi area

Experience-based content co-created with the Fushimi Sake Brewers Association won the Silver Award at the Ministry of Agriculture, Forestry and Fisheries' "EAT! MEET! JAPAN Awards 2023," which recognizes ideas that combine food and other programs to attract foreign visitors to Japan.



Co-create experience value

Creating tourism content that connects Kyoto and Osaka

- Focusing on the "Flow of Water," which runs from Lake Biwa to Kyoto and Osaka Bay through the Yodogawa River, to create tourism and experience-based content centered on waterway transportation

Extension of the Lake Biwa Canal Cruise to Otsu Port

The Lake Biwa Canal Cruise, which connects Otsu City and Kyoto City, will be extended in Otsu City from the Miidera Temple area to Otsu Port by the end of FY2025 to connect Kyoto City to Lake Biwa with waterway transportation, thereby enhancing the attractiveness and deepening the tourism of the entire area.



Conserve the global environment

Promoting BIOSTYLE Environmental Action 2030

- Promoting BIOSTYLE Environmental Action 2030, the Keihan Group's medium- to long-term environmental plan released in May 2022

Promotion of energy creation

In April 2023, houses with photovoltaic power generation systems, which allow private generation of clean energy without emitting CO₂, went on sale in Keihan East Rose Town.



The photovoltaic power generation systems are to be installed in 2024, using the roofs of Fushimi-inari Station on the Keihan Main Line and the supermarket Frest Matsui-yamate Shop.



(Fushimi-inari Station)

Main Strategies (Schedule)

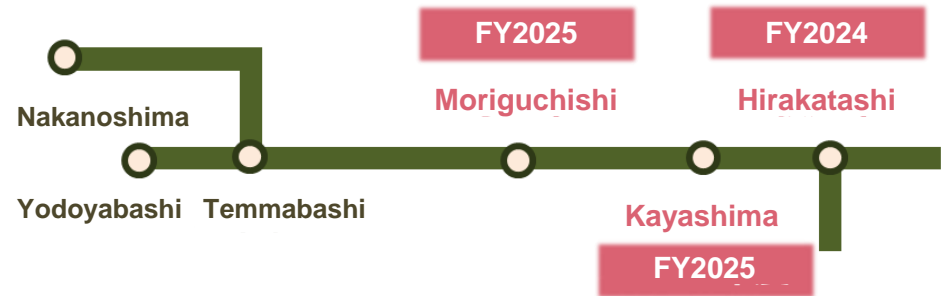
Period of the medium-term management plan

		2023	2024	2025	2026	2030
Redevelop Keihan areas	Nakanoshima 4-chome International Hub for Healthcare Innovation Project	Completion ●				
	Own site development in Nakanoshima 4-chome	Under consideration and deliberation				
	Joint reconstruction of Keihan Midosuji Bldg. and Nittochi Yodoyabashi Bldg.	Opening ●				
	Redevelopment of the Kyobashi Sta. area	Under consideration and deliberation				
	Redevelopment of the Temmabashi Sta. area	Deepening discussions with a view to 2030 and beyond				
	Extension of the Nakanoshima Line					
	Type-1 urban redevelopment project in Hirakatashi Sta. area	Opening of the area directly connected to the station ●		Completion of the urban redevelopment project ●		
	Station area development along with the consecutive grade separation project on the Keihan Main Line	Under consideration and deliberation				
	Development of the Hashimoto Sta. area	Under consideration and deliberation				
Redevelopment of the areas in front of Kadomashi Sta. and north of Furukawabashi Sta.	Completion of the Furukawabashi project ● The Kadomashi project under consideration and deliberation					
Co-create experience value	Kyoto Sta. Southeast Area Project	Opening ●				
	Redevelopment of the Sanjo Sta. area	Under consideration and deliberation				
	Redevelopment of Kyoto Tower	Deepening discussions with a view to 2030 and beyond				
	Renovating facilities at the top of Mt. Hiei	Under consideration and deliberation				
Conserve the global environment	Thorough energy saving and introduction of new technologies, promotion of energy creation, procurement of renewable energy	Under consideration to be implemented as needed				

Further efforts for safety and security

◆ Accelerating the installation of platform screen doors

- Keihan Electric Railway plans to install platform screen doors on eight tracks in four stations by the end of FY2026, utilizing the “barrier-free fare system.”
- Installation will be completed in Hirakatashi Station in FY2024, and in Moriguchishi and Kayashima Stations in FY2025.

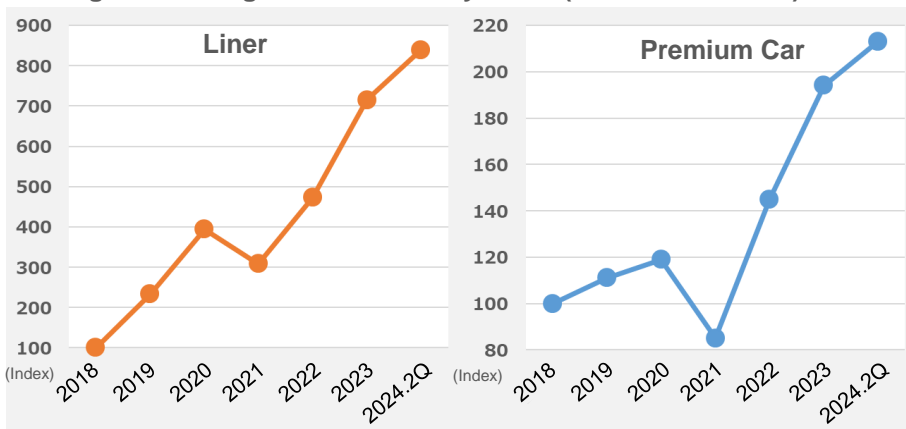


Expanding comfortable seating services

◆ Increased the number of all-reserved Liner trains

- As part of its efforts to provide comfortable seating services, Keihan Electric Railway updated the train schedules in August 2023, which included an increase in the number of Liner trains during peak periods and changes to the stations where they stop.
- Since their introduction, the number of users of paid train services has steadily increased.

*Changes in average number of daily users (FY2018 set at 100)



Promoting more eco-friendly transportation

◆ Introduced large electric buses in Osaka Pref.

- Toward the achievement of a decarbonized society, Keihan Bus began operating five large electric buses on some routes in Neyagawa, Shijonawate, and Kadoma from April 2023.
- They are expected to reduce annual CO₂ emissions by approximately 52 tons per vehicle compared to conventional vehicles.



Progress in the Real Estate Business

Main condominiums to be sold in FY2024 and thereafter

Name and location		No of housing units
Scheduled delivery in FY2024		
The FINE Tower OSAKA HIGOBASHI	Osaka City	197
VIVOVIVA Ishigakijima	Ishigaki City	98*
The FINE Tower HISAYA ODORI	Nagoya City	163*
Scheduled delivery in FY2025		
FINE City Omiyakoen	Saitama City	161*
Kawasaki Takatsu-ku Project	Kawasaki City	90
The Grand Cross Tama Center	Tama City	289*
Scheduled delivery in FY2026		
Naha Chatan Project	Naha City	218*
The FINE Tower NAGOYA IMAIKE	Nagoya City	186*
FINE Residence Takasaki Sayacho	Takasaki City	72*
MJR Kumamoto Gatetower	Kumamoto City	236*

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

Developing products and services that meet diversifying values and lifestyles

- The “100-year Housing by Zero Home” houses have further evolved their insulation, airtightness, and ventilation performance. In addition, model homes of the BASE3 series, offering energy-saving features, were opened by type.



BASE3 Machinaka
(Kyoto-minami IC Exhibition Hall)



BASE3 style N
(Itami Exhibition Hall)



BASE3 FAMILY
(Kusatsu Exhibition Hall)

Expanding domestic business areas in the real estate leasing business

- Promoting the acquisition of rental properties in highly advantageous core cities

Exterior (rendering)			
Name	East Court 2 Bangai	Keihan Naha Shin-Toshin Bldg.	Matsudo Toyo Bldg.
Acquired	Jun. 2023	Jul. 2023	Sep. 2023
Location	Kobe City, Hyogo	Naha City, Okinawa	Matsudo City, Chiba
Size	14 floors above ground, 1 floor below ground	6 floors above ground	5 floors above ground, 1 floor below ground
Total floor area	26,202.76 m ²	1,905.56 m ²	3,993.65 m ²
Property use	Apartment units, etc.	Offices	Offices, etc.

Evolving and developing commercial activities in the areas along the railway lines

◆ Renovation of KUZUHA MALL

- Phased renovation has been under way since March 2023, and in April 2023, the food court on the first floor of the main building was redesigned to resemble a market, along with the surrounding food and merchandise areas.
- The restaurant district Dining Street is scheduled to open after its renovation in December 2023.
- The food area featuring 16 stores (10 new and 6 renovated) will open as a “food market,” easy to use 365 days a year with expanded take-out functions.



Food court interior (rendering)



Food court, seen from the aisle (rendering)

Promoting community building along the railway lines

◆ Kuzuha Station Square

- Natural lawn area, covered benches, etc. will be developed in the Kuzuha Station Square (on the City Road Kuzuha Chuo Line) in cooperation with Hirakata City to form an attractive urban setting and improve the environment for public transportation users.
- Project outline
Lawn area (natural grass), covered benches, road surface improvement, wall greening, etc.
- Construction period
Oct. 2023 to Mar. 2024 (scheduled)



Establishing tourism commerce

◆ Renovation of KYOTO TOWER SANDO

- In April 2023, the facility underwent a major renovation for the first time since its opening, under the new concept of “The must-have ‘Kyo-Lounge’ for your Kyoto trip.”
- It included inviting stores to create a Kyoto-like atmosphere and installing artwork in collaboration with artists.



Adding high value to existing hotels

◆ Renovation of Hotel Keihan Universal Tower

- Renovation of 48 rooms, which was begun as the first phase of the guest room renovation plan, was completed in July 2023. Further renovation works are planned in the future.

Composition (%)

Concept	Cozy space where you can relax and recover from fatigue
Design image	Moonlight reflected on the sea at night as a luxury cruise ship drifts by
Renovation period	Jun. to Nov. 2023 (scheduled)



Enhancing competitiveness through SDG-oriented rebranding

◆ Biwako Hotel

- Received a three-star (the highest) evaluation under the “Shiga biodiversity action certification program” carried out by Shiga Prefecture.
- Began selling wedding plans featuring The Culinary Colours of SATOYAMA, an environmental conservation project that the hotel has been working on for more than 20 years.



◆ THE THOUSAND KYOTO

- Addressing the issue of discarding unbroken tableware by re-coloring and reusing the tableware used at Kyoto Century Hotel, in an effort to achieve a circular economy.
- Promoting urban beekeeping on the rooftop to contribute to biodiversity conservation and “local production for local consumption” in front of Kyoto Station.



Initiatives at GOOD NATURE STATION

Establishing own brands

◆ Opening of the first NEMOHAMO store in Tokyo

- A directly-managed store of the organic cosmetics brand NEMOHAMO opened in Shin-Marunouchi Building, Tokyo, in November 2023.
- As a store for a brand that embodies sustainability, the space is filled with attention to detail, including the use of marine plastic for the walls.



Store (rendering)

Initiatives for Expo 2025, Osaka, Kansai

◆ Improving access to Yumeshima

- Keihan Bus will operate a shuttle bus service connecting Nakanoshima Station and Osaka Station South (Osaka Maru Building Site Bus Terminal) to Yumeshima.
- Keihan Electric Railway plans to operate temporary limited express and other services, featuring Premium Cars, on the Nakanoshima Line.



Provided by Japan Association for the 2025 World Exposition

Making GOOD NATURE STATION more attractive

◆ A new salon opens at GOOD NATURE HOTEL KYOTO

- In November 2023, GOOD NATURE SALON with spa, lounge, gym, and studio will open on the third floor of the main building.
- The concept “Good for people, good for nature” is supported by customers and it is steadily growing as a sustainable hotel.



Spa (rendering)



Lounge (rendering)

◆ KANSAI MaaS app released

- In September 2023, the Kansai MaaS Council, in which Keihan participates, released the KANSAI MaaS app.
- The app will be expanded with more features and services for the Expo.



Overview of the First Half of FY2024 Financial Results

Consolidated Statements of Income

- Both revenue and profits increased due to a recovery in domestic and inbound tourism demand, especially in the transportation business and the leisure and service business.

(Millions of yen)

	1H FY2024 results	1H FY2023 results	Change	Main factors of change	1H FY2024 forecasts (released in August)	Change
Operating revenue	133,867	123,143	10,723 -8.7%		130,500	3,367 -2.6%
Operating income	17,172	10,174	6,997 -68.8%		15,000	2,172 -14.5%
Non-operating income	733	1,553	-819	Subsidies for employment adjustment: -323		
Non-operating expenses	1,059	1,188	-128			
Ordinary income	16,845	10,539	6,306 -59.8%		14,500	2,345 -16.2%
Extraordinary income	4,987	5,137	-149	Gain on sales of non-current assets: -137		
Extraordinary losses	774	728	46			
Profit attributable to owners of parent	14,484	10,506	3,978 -37.9%		12,000	2,484 -20.7%

(Reference)

Depreciation	9,816	9,966	-149		
E B I T D A	26,989	20,141	6,848	* EBITDA: Operating income + Depreciation	
Net interest expenses	-633	-666	32		
Interest and dividend income	276	295	-18		
Interest expenses	910	961	-51		

Segment Information

(Millions of yen)

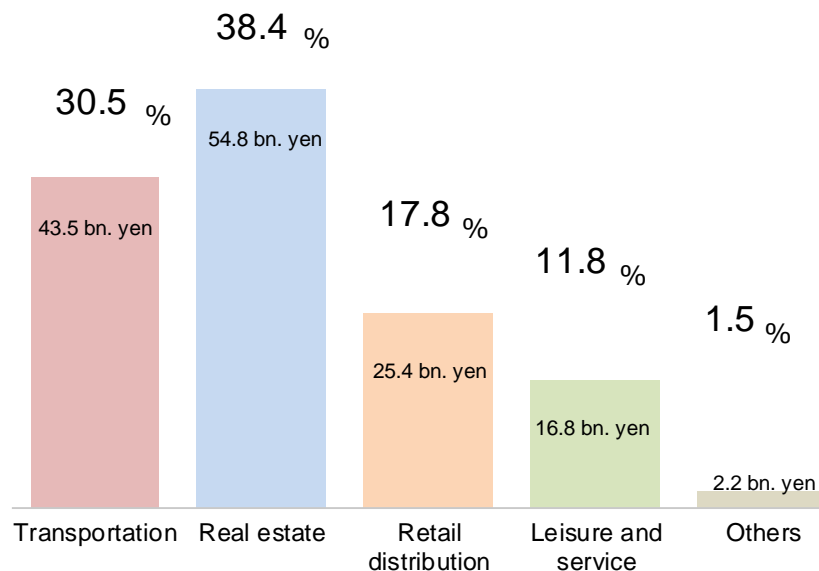
		1H FY2024 results	1H FY2023 results	Change	Change (%)
Transportation	Operating revenue	43,588	39,448	4,139	10.5%
	Operating income	6,184	3,452	2,732	79.1%
Real estate	Operating revenue	54,855	56,951	-2,095	-3.7%
	Operating income	9,024	9,641	-616	-6.4%
Retail distribution	Operating revenue	25,433	24,446	986	4.0%
	Operating income	1,079	647	431	66.7%
Leisure and service	Operating revenue	18,621	9,509	7,312	76.9%
	Operating income	1,549	-2,734	4,283	—
Others	Operating revenue	2,216	1,660	555	33.5%
	Operating income	-436	-638	202	—
Adjustments	Operating revenue	-9,047	-8,872	-175	—
	Operating income	-229	-193	-35	—

Segment Information (Breakdown)

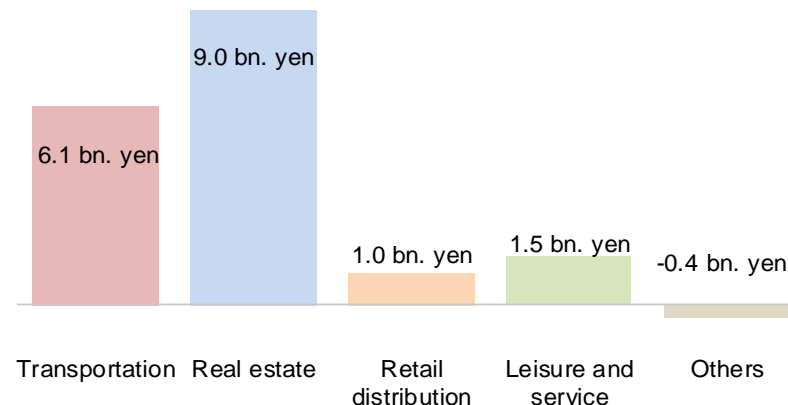
[Consolidated subsidiaries] 39 companies (No change year on year) [Equity-method affiliates] 2 companies (No change year on year)

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 Tatemono Co., Ltd., and 6 other companies
Retail distribution	Keihan Department Stores Co., Ltd., Keihan The Store Co., Ltd., Keihan Ryutsu Systems Co., Ltd., Biomarket Co., Ltd.
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>

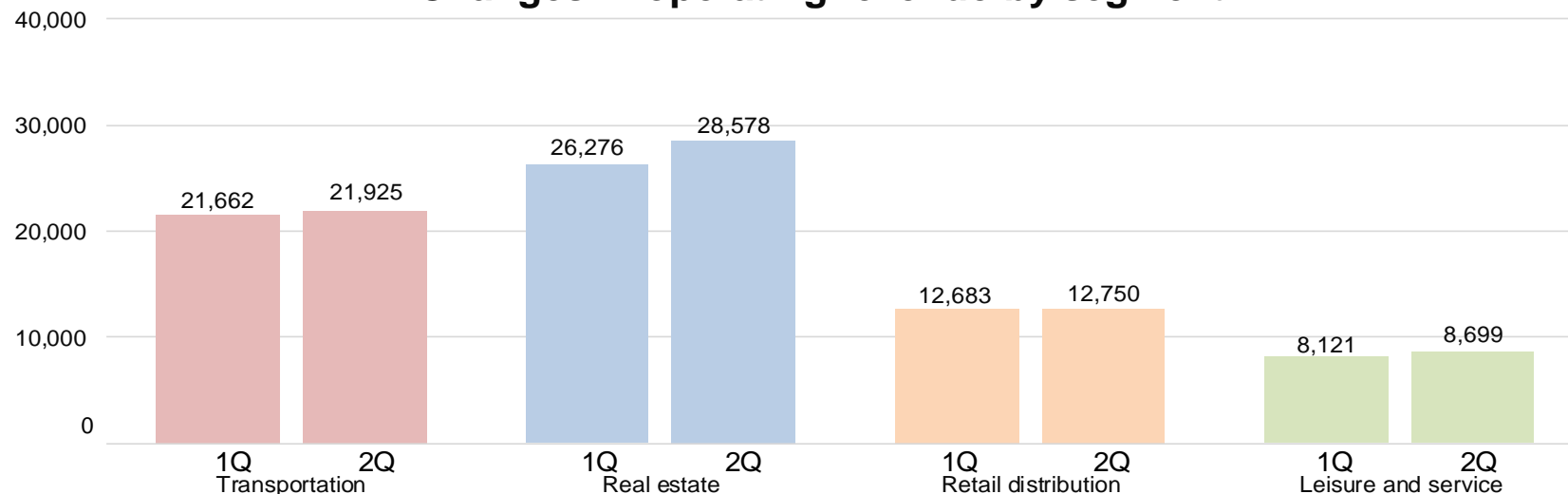


Note: The breakdown of operating revenue and operating income by segment includes intersegment transactions. The percentages represent the composition ratios in each segment.

Segment Information (Quarterly Changes)

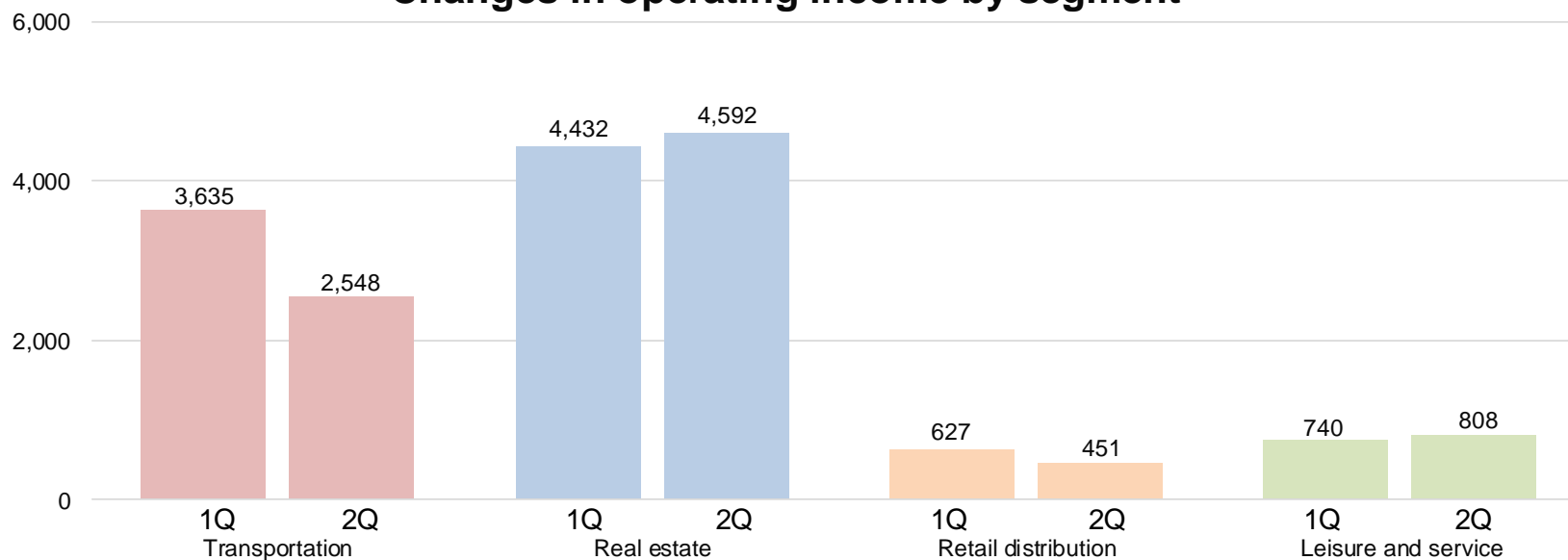
(Millions of yen)

Changes in operating revenue by segment



(Millions of yen)

Changes in operating income by segment



Segment Information (Transportation)

(Millions of yen)

	1H FY2024 results	1H FY2023 results	Change	Change (%)
Operating revenue	43,588	39,448	4,139	10.5%
Railway	35,489	32,024	3,464	10.8%
Bus	11,625	11,111	514	4.6%
Elimination	-3,526	-3,687	160	—
Operating income	6,184	3,452	2,732	79.1%
Railway	5,135	2,805	2,330	83.1%
Bus	1,040	643	397	61.8%
Elimination	8	3	4	—

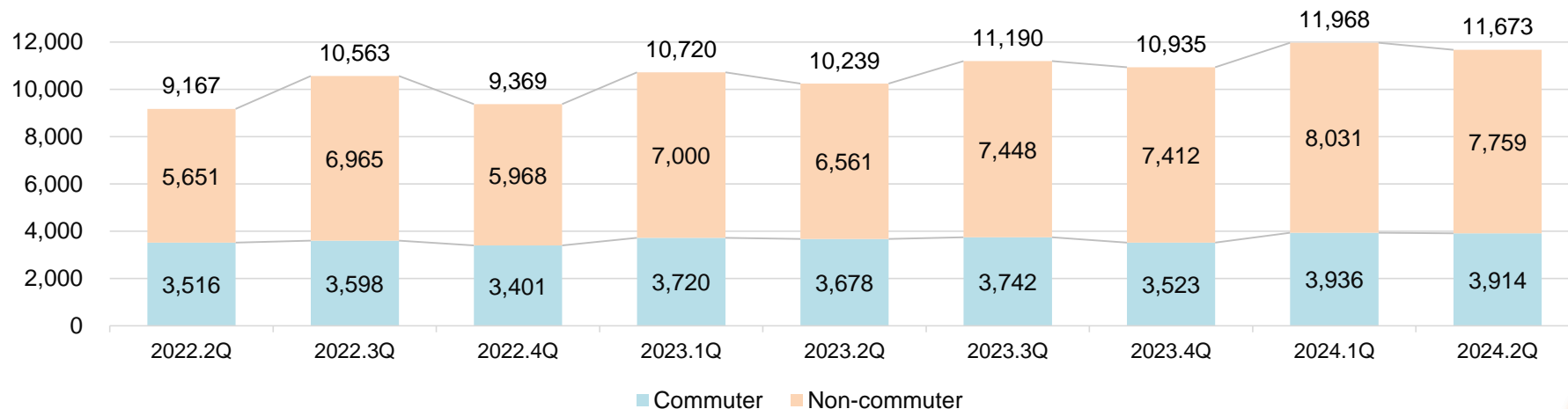
(Major factors affecting performance)

- The railway business saw increases in both revenue and profits due to factors such as an increase in the number of passengers transported in line with a recovery in passenger demand and the introduction of the “barrier-free fare system.”
- The bus business saw increases in both revenue and profits due to factors such as an increase in revenue from bus passengers in line with a recovery in passenger demand.

Operating Results for Transportation: Keihan Electric Railway

	1H FY2024 results	1H FY2023 results	Change	Change (%)
	millions of yen	millions of yen	millions of yen	%
Passenger transportation revenue	23,641	20,960	2,680	12.8
Non-commuter passes	15,790	13,561	2,228	16.4
Commuter passes	7,850	7,398	451	6.1
	thousands of people	thousands of people	thousands of people	%
Number of passengers	130,128	120,297	9,830	8.2
Non-commuter passes	62,346	55,108	7,238	13.1
Commuter passes	67,781	65,188	2,592	4.0

Changes in passenger transportation revenue (millions of yen)



Segment Information (Real Estate)

(Millions of yen)

	1H FY2024 results	1H FY2023 results	Change	Change (%)
Operating revenue	54,855	56,951	-2,095	-3.7%
Real estate	49,286	48,087	1,199	2.5%
Real estate sales	33,844	32,114	1,730	5.4%
Real estate leasing service	13,368	13,773	-404	-2.9%
Other businesses	2,073	2,199	-126	-5.7%
Construction	9,424	12,275	-2,851	-23.2%
Elimination	-3,855	-3,412	-443	—
Operating income	9,024	9,641	-616	-6.4%
Real estate	9,058	9,739	-681	-7.0%
Real estate sales	2,863	2,979	-115	-3.9%
Real estate leasing service	5,939	6,508	-568	-8.7%
Other businesses	255	252	3	1.3%
Construction	40	-3	43	—
Elimination	-74	-95	21	—

(Major factors affecting performance)

- The real estate sales business saw an increase in revenue due to factors such as the sales of newly developed properties, but a decrease in profits due to factors such as better than expected sales of condominiums, such as The Fine Tower Otemae and Fine Residence Shin-Yurigaoka in the same term of the previous year.
- The real estate sales saw decreases in both revenue and profits due to factors such as a decrease in real estate fund income.

Segment Information (Retail Distribution)

(Millions of yen)

	1H FY2024 results	1H FY2023 results	Change	Change (%)
Operating revenue	25,433	24,446	986	4.0%
Department store	9,706	9,300	406	4.4%
Store	7,622	7,388	233	3.2%
Shopping mall management	6,483	6,281	201	3.2%
Other businesses	2,276	2,139	137	6.4%
Elimination	-655	-663	7	—
Operating income	1,079	647	431	66.7%
Department store	-190	-296	106	—
Store	380	219	160	73.2%
Shopping mall management	839	637	202	31.8%
Other businesses	43	79	-36	-45.6%
Elimination	6	7	-1	—

(Major factors affecting performance)

- The department store business saw increases in both revenue and profits due to factors such as a recovery in inbound tourism demand and the renovation of the Kuzuha Mall Store.
- The store business saw increases in both revenue and profits due to factors such as the opening of Moyori-ichi stores.
- The shopping mall management business saw increases in both revenue and profits due to factors such as the renovation of KUZUHA MALL and KYOTO TOWER SANDO as well as a recovery in food service demand.

Segment Information (Leisure and Service)

(Millions of yen)

	1H FY2024 results	1H FY2023 results	Change	Change (%)
Operating revenue	16,821	9,509	7,312	76.9%
Hotel	14,955	8,068	6,886	85.4%
Leisure	1,879	1,454	424	29.2%
Elimination	-13	-13	0	—
Operating income	1,549	-2,734	4,283	—
Hotel	1,334	-2,747	4,082	—
Leisure	205	4	201	—
Elimination	9	9	0	—

Hotel occupancy rates

	1H FY2024 results	1H FY2023 results	Change
Hotel Keihan	81.6%	63.3%	18.3 pt
Keihan Hotels & Resorts	74.2%	54.6%	19.6 pt

(Major factors affecting performance)

- The hotel business saw increases in both revenue and profits due to factors such as a recovery in inbound and domestic tourism demand and the full-year contribution of Hotel Keihan Namba Grande, which opened in March 2023.
- The leisure business saw increases in both revenue and profits due to factors such as a recovery in demand for sightseeing boats.

Consolidated Balance Sheets

(Millions of yen)

	1H FY2024 results	1H FY2023 results	Change	Main factors of change
Current assets	213,892	217,002	-3,109	Notes and accounts receivable-trade and contract assets: -11,482 Land and buildings for sale: +6,494
Non-current assets	563,764	557,846	5,917	Investment securities: +4,223 Land: +2,257
Total assets	777,656	774,849	2,807	
Current liabilities	143,925	148,777	-4,852	Current portion of bonds: -20,000 Accounts payable: -12,910 Short-term loans payable: +23,498
Long-term liabilities	345,622	352,560	-6,937	Long-term loans payable: -6,632
Total liabilities	489,547	501,338	-11,790	
Net assets	288,108	273,510	14,597	Retained earnings: +12,016 * Equity capital ratio: 36.3% (+1.7 pts)
Total liabilities and net assets	777,656	774,849	2,807	
Interest-bearing debt	338,492	341,625	-3,133	Bonds payable: -20,000 Loans payable: +16,866

Consolidated Statements of Cash Flows

(Millions of yen)

	1H FY2024 results	1H FY2023 results	Change	Main factors of change
Cash flows from operating activities	16,990	903	16,087	Decrease in inventories: +8,983 Decrease in trade receivables: +6,683 Decrease in other current liabilities: -7,815
Cash flows from investing activities	-11,303	-4,792	-6,511	Purchase of non-current assets: -7,070
Cash flows from financing activities	-7,034	-2,886	-4,148	Redemption of bonds: -20,000 Short-term loans payable: -5,460 Proceeds from long-term loans payable: +19,740
Net increase (decrease) in cash and cash equivalents	-1,342	-6,548	5,206	
Cash and cash equivalents at beginning of period	16,727	20,322	-3,594	
Cash and cash equivalents at end of period	15,385	13,790	1,594	

FY2024 Forecasts

Consolidated Statement of Income (Performance Forecasts)

- Both revenue and profits are expected to increase due to increased revenue in the transportation business and the leisure and service business, reflecting the ongoing recovery in domestic and inbound tourism demand, as well as steady condominium sales in the real estate business.

(Millions of yen)

	FY2024 forecasts (latest)	FY2024 forecasts (released in May)	Change	Change (%)	FY2023 results	Change	Change (%)
Operating revenue	299,000	292,000	7,000	2.4%	260,070	38,929	15.0%
Operating income	31,500	23,400	8,100	34.6%	20,491	11,008	53.7%
Ordinary income	30,500	22,300	8,200	36.8%	20,458	10,041	49.1%
Profit attributable to owners of parent	24,500	18,500	6,000	32.4%	17,621	6,878	39.0%

(Reference)

Depreciation	20,200	20,500	-300	-1.5%	20,028	171	0.9%
E B I T D A	51,700	43,900	7,800	17.8%	40,520	11,179	27.6%
Interest-bearing debt	363,000	378,000	-15,000	-4.0%	341,625	21,374	6.3%
Net interest expenses	-1,300	-1,500	200	—	-1,341	41	—
Interest and dividend income	500	500	—	—	535	-35	-6.7%
Interest expenses	1,800	2,000	-200	-10.0%	1,877	-77	-4.1%

Segment Information (Performance Forecasts)

(Major factors affecting performance: after the previous forecasts in May)

- **Transportation:** Increases in both revenue and profits due to factors such as increased revenue reflecting a recovery in passenger demand and decreased power costs.
- **Real estate:** Increases in both revenue and profits due to factors such as steady condominium sales.
- **Retail distribution:** Increase in profits due to factors such as reduced utility costs and cost reviews, despite decreased revenue mainly due to difficult conditions in the store business.
- **Leisure and service:** Increases in both revenue and profits due to factors such as a recovery in inbound and domestic tourism demand.

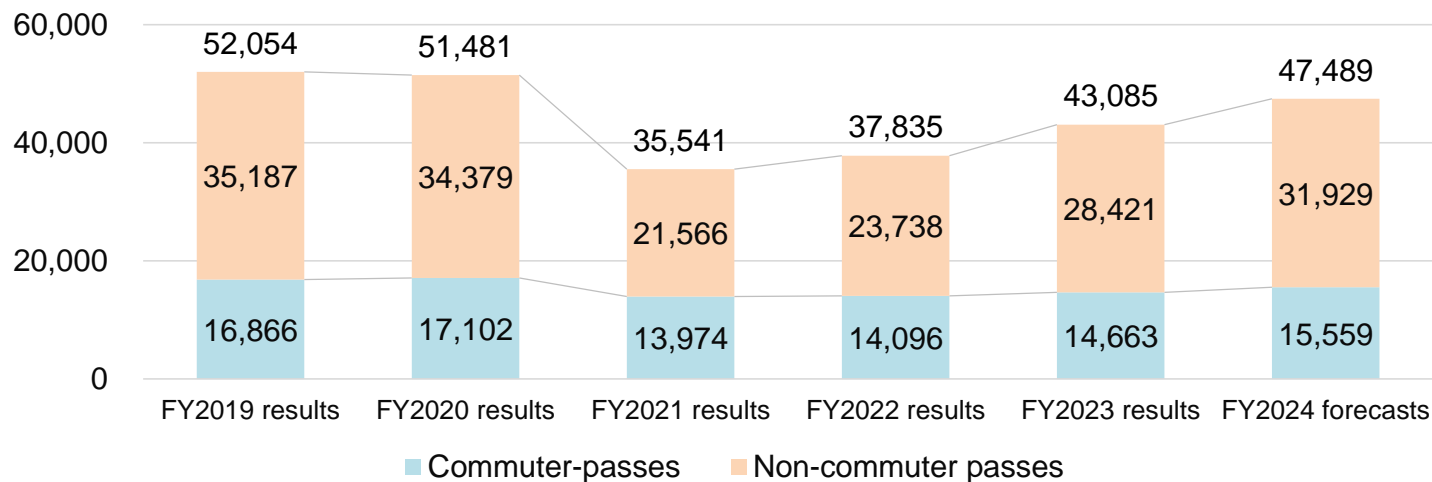
(Millions of yen)

		FY2024 forecasts (latest)	FY2024 forecasts (released in May)	Change	FY2023 results	Change
Transportation	Operating revenue	87,300	85,700	1,600	80,927	6,372
	Operating income	8,700	6,700	2,000	6,885	1,814
Real estate	Operating revenue	138,400	137,900	500	120,103	18,296
	Operating income	19,400	18,100	1,300	17,555	1,844
Retail distribution	Operating revenue	52,900	53,000	-100	50,676	2,223
	Operating income	2,500	2,100	400	1,878	621
Leisure and service	Operating revenue	34,200	29,200	5,000	22,869	11,330
	Operating income	2,500	-1,700	4,200	-3,836	6,336
Others	Operating revenue	4,700	4,300	400	3,660	1,039
	Operating income	-900	-1,100	200	-1,230	330
Adjustments	Operating revenue	-18,500	-18,100	-400	-18,167	-332
	Operating income	-700	-700	—	-761	61

Operating Results for Transportation (Performance Forecasts): Keihan Electric Railway

	FY2024 forecasts (latest)	FY2024 forecasts (released in May)	Change	Change (%)	FY2023 results	Change	Change (%)
	millions of yen	millions of yen	millions of yen	%	millions of yen	millions of yen	%
Passenger transportation revenue	47,489	45,818	1,671	3.6	43,085	4,404	10.2
Non-commuter passes	31,929	30,863	1,066	3.5	28,421	3,507	12.3
Commuter-passes	15,559	14,955	604	4.0	14,663	896	6.1
	thousands of people	thousands of people	thousands of people	%	thousands of people	thousands of people	%
Number of passengers	259,978	251,363	8,615	3.4	243,608	16,369	6.7
Non-commuter passes	126,880	123,690	3,190	2.6	115,377	11,502	10.0
Commuter-passes	133,098	127,673	5,425	4.2	128,230	4,867	3.8

Changes in passenger transportation revenue (millions of yen)



Capital Expenditure and EBITDA by Segment (Performance Forecasts)

(Millions of yen)

	Capital expenditure					E B I T D A				
	FY2024 forecasts (latest)	FY2024 forecasts (released in May)	Change	FY2023 results	Change	FY2024 forecasts (latest)	FY2024 forecasts (released in May)	Change	FY2023 results	Change
Total	41,600	44,800	-3,200	29,712	11,887	51,700	43,900	7,800	40,520	11,179
Transportation	14,200	18,200	-4,000	9,478	4,721	19,300	17,500	1,800	17,738	1,561
Real estate	18,100	11,600	6,500	13,262	4,837	26,300	24,900	1,400	24,196	2,103
Retail distribution	2,500	2,700	-200	1,496	1,003	3,600	3,200	400	2,932	667
Leisure and service	2,400	2,200	200	5,217	-2,817	3,800	-200	4,000	-2,646	6,446
Others	200	200	—	117	82	-800	-1,000	200	-1,071	271
Adjustments	4,200	9,900	-5,700	139	4,060	-500	-500	—	-628	128

Reference (Management Indicators)

	FY2022 results	FY2023 results	FY2024 forecasts (latest)		(Millions of yen) FY2026 Medium-term management plan
Operating income	13,408	20,491	31,500		34,000
Profit attributable to owners of parent	9,589	17,621	24,500		23,000
E B I T D A	34,331	40,520	51,700	...	58,000
Net interest-bearing debt/EBITDA ratio	9.47	8.02	6.67		6x level
R O E	3.9%	6.8%	8.8%		7% level

Changes in major management indicators (millions of yen)

