

# Hankyu Hanshin Holdings Group Supplementary Materials of Financial Results for the Third Quarter of Fiscal 2023 (Ending March 2023) (Results for the Third Quarter and Revised Full-Year Forecasts)

February 1, 2023

Hankyu Hanshin Holdings, Inc.  
9042 <https://www.hankyu-hanshin.co.jp/en/>

Business forecasts and other projections herein are based on information available at present and logical assessments and do not represent any promise by the Company. The actual results may differ significantly from these projections due to various factors.

# **I . Performance Highlights for the Third Quarter of Fiscal 2023 (Ending March 2023)**

# Consolidated Statements of Income(Summary)

	Q3 FY2023 Results	FY2022 Results	Change	
Consolidated Subsidiaries	99 companies	98 companies	+1 (2 companies increase, 1 company decrease)	
Equity-Method Affiliates	10 companies	11 companies	- 1 (1 company decrease)	
Total	109 companies	109 companies	-	
(¥ million)	Q3 FY2023 Results	Q3 FY2022 Results	Change	Remarks
Revenue from operations	716,444	517,162	+199,282 ( +38.5% )	For details, please see next page
Operating income	74,510	27,278	+47,231 ( +173.1% )	
Non-operating income	10,379	8,712	+1,666	Equity in income of affiliates +1,210
Non-operating expenses	8,268	7,917	+351	
Ordinary income	76,621	28,074	+48,546 ( +172.9% )	
Extraordinary income	4,937	40,866	-35,929	Gain on contributions for construction -25,893 Employment adjustment subsidies -8,064 Gain on sale of investment securities -1,761
Extraordinary loss	3,184	36,533	-33,348	Loss on reduction of property and equipment -26,021 COVID-19-related losses -7,501
Net income attributable to owners of the parent	51,051	18,827	+32,224 ( +171.2% )	
(Reference)	Q3 FY2023 Results	Q3 FY2022 Results	Change	
Depreciation and amortization	46,034	43,456	+2,577	
Financial balance ① - ②	-5,241	-5,459	+217	
Interest and dividend income①	1,082	976	+105	
Interest expense②	6,324	6,435	-111	

# Consolidated Statements of Income (Breakdown for each business segment)

[Key results in current period]

Revenue and income increased. Although the COVID impact persisted, Urban Transportation and most other segments experienced recovery to some extent. Additionally, in the Travel segment, we saw a large upturn in orders related to COVID patients (e.g. services to support patients recuperating at home).

(¥ million)	Revenue from operations			Operating income		
	Q3 FY2023 Results	Q3 FY2022 Results	Change	Q3 FY2023 Results	Q3 FY2022 Results	Change
Urban Transportation	137,855	120,740	+17,114	18,453	4,949	+13,504
Real Estate	197,476	162,238	+35,238	19,490	13,229	+6,261
Entertainment	56,618	49,883	+6,735	13,279	10,285	+2,994
Information and Communication Technology	41,109	41,202	-93	2,958	3,025	-67
Travel	143,685	34,448	+109,237	16,191	-7,743	+23,934
International Transportation	129,414	98,568	+30,845	6,391	5,615	+776
Other	36,335	34,024	+2,310	1,270	1,097	+173
Adjustment	-26,050	-23,945	-2,105	-3,525	-3,180	-345
Total	716,444	517,162	+199,282	74,510	27,278	+47,231

(Note)

In Q1 FY2023, we consolidated the Hotels segment into the Real Estate segment, making Hotel a sub-segment of Real Estate. This change brings the number of reportable segments down from seven to six: Urban Transportation, Real Estate, Entertainment, Information and Communication Technology, Travel, and International Transportation. To enable year-on-year comparisons, we have applied this change retroactively to the comparative period (Q3 FY2022).

# Urban Transportation Results

Revenue and income increased. The segment continued feeling the pandemic impact, but the railway and automobile businesses experienced a recovery in ridership to some extent compared to same period last year, when people avoided travel amid a state of emergency.

(¥ million)	Q3 FY2023 Results	Q3 FY2022 Results	Change	%
Revenue from operations	137,855	120,740	+17,114	+14.2%
Operating income	18,453	4,949	+13,504	+272.8%

[Breakdown by type of business]

(¥ billion)	Revenue from operations			Operating income		
	Q3 FY2023 Results	Q3 FY2022 Results	Y on Y	Q3 FY2023 Results	Q3 FY2022 Results	Y on Y
Railway	100.3	88.5	+11.8	21.9	12.0	+9.9
Automobile	29.5	25.3	+4.2	0.3	-3.2	+3.4
Retailing	8.9	8.2	+0.8	0.8	0.7	+0.2
Others	4.4	4.9	-0.4	0.1	0.1	-0.0

\*Not including head office expenses /adjustments.

# [Urban Transportation] Railway Performance results

## Hankyu Corporation

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	Q3 FY2023 Results	Q3 FY2022 Results	Change	Q3 FY2023 Results	Q3 FY2022 Results	Change
Commuter pass	22,705	21,741	+964 (+4.4%)	230,351	216,572	+13,779 (+6.4%)
Workers	19,475	18,980	+494 (+2.6%)	158,240	154,242	+3,998 (+2.6%)
Students	3,230	2,760	+469 (+17.0%)	72,110	62,330	+9,780 (+15.7%)
Other tickets	40,649	33,899	+6,749 (+19.9%)	201,683	170,476	+31,207 (+18.3%)
Total	63,355	55,640	+7,714 (+13.9%)	432,035	387,048	+44,986 (+11.6%)

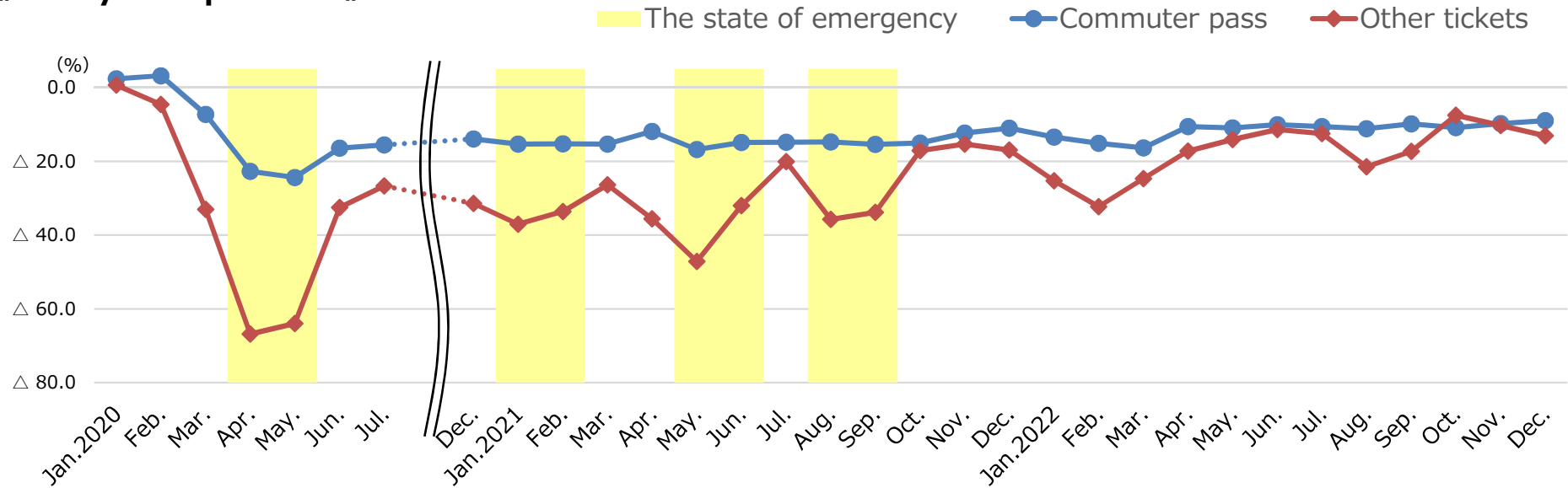
## Hanshin Electric Railway

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	Q3 FY2023 Results	Q3 FY2022 Results	Change	Q3 FY2023 Results	Q3 FY2022 Results	Change
Commuter pass	8,384	8,037	+347 (+4.3%)	87,542	83,846	+3,695 (+4.4%)
Workers	7,496	7,273	+223 (+3.1%)	69,028	67,350	+1,678 (+2.5%)
Students	887	763	+123 (+16.2%)	18,513	16,495	+2,017 (+12.2%)
Other tickets	14,373	11,480	+2,893 (+25.2%)	76,840	62,632	+14,207 (+22.7%)
Total	22,757	19,517	+3,240 (+16.6%)	164,382	146,478	+17,903 (+12.2%)

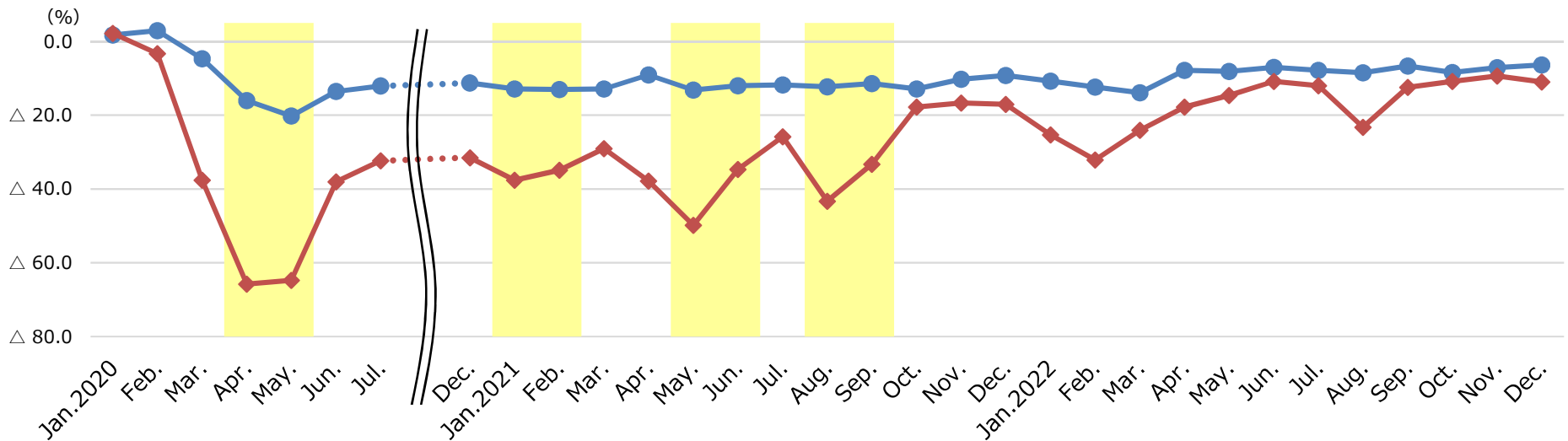
- \* 1) Revenue amounts less than one million yen, and numbers of passengers less than one thousand, are omitted.  
 2) For Hankyu Railway, "other ticket revenue/ridership" includes revenue/ridership associated with the PiTaPa usage sections.  
 3) Sum of tier 1 and tier 2 railway operators for both Hankyu Corporation and Hanshin Electric Railway

# [Urban Transportation] Fare Revenues (compared to same period of FY2019 )

## 《Hankyu Corporation》



## 《Hanshin Electric Railway》



# Real Estate Results

Revenue and income increased. The hotel business continued feeling the effects of the pandemic, but its accommodation and food/beverage businesses experienced a recovery, to some extent, in user numbers. Additionally, the leasing business saw a year-on-year increase in rental revenue from commercial facilities in line-side areas. These results mark an upturn relative to the same period last year, when some hotels and commercial facilities had to temporarily close due to a state of emergency and other circumstances.

(¥ million)	Q3 FY2023 Results	Q3 FY2022 Results	Change	%
Revenue from operations	197,476	162,238	+35,238	+21.7%
Operating income	19,490	13,229	+6,261	+47.3%

[Breakdown by type of business]

(¥ billion)	Revenue from operations			Operating income		
	Q3 FY2023 Results	Q3 FY2022 Results	Y on Y	Q3 FY2023 Results	Q3 FY2022 Results	Y on Y
Real estate leasing	95.3	84.3	+11.0	25.7	24.2	+1.5
Real estate sales and others	91.7	79.2	+12.5	4.9	4.9	+0.0
Hotel	31.1	18.6	+12.5	-3.7	-9.3	+5.6

\*Not including head office expenses /adjustments.



# Entertainment Results

Revenue and income increased. The stage business continued feeling the pandemic impact (with Takarazuka Revue having to cancel some productions), but the sports business saw an upturn in Hanshin Tigers' regular season games compared to the same period last year, when the business was affected by event restrictions.

(¥ million)	Q3 FY2023 Results	Q3 FY2022 Results	Change	%
Revenue from operations	56,618	49,883	+6,735	+13.5%
Operating income	13,279	10,285	+2,994	+29.1%

[Breakdown by type of business]

(¥ billion)	Revenue from operations			Operating income		
	Q3 FY2023 Results	Q3 FY2022 Results	Y on Y	Q3 FY2023 Results	Q3 FY2022 Results	Y on Y
Sports	32.4	23.8	+8.6	9.5	5.4	+4.1
Stage	24.2	26.1	-1.8	5.0	5.9	-0.9

\*Not including head office expenses /adjustments.

# Information and Communication Technology results

Despite efforts to grow orders, revenue and income remained largely unchanged from the same period last year, when the broadcasting and communications businesses won large orders.

(¥ million)	Q3 FY2023 Results	Q3 FY2022 Results	Change	%
Revenue from operations	41,109	41,202	-93	-0.2%
Operating income	2,958	3,025	-67	-2.2%

## Travel results

Revenue and income increased. The segment continued feeling the pandemic impact in international travel and other businesses. However, orders surged in non-travel businesses such as orders related to COVID patients (e.g. services to support patients recuperating at home). The main drivers of domestic travel sales were subsidized discounts for local residents and subsidized discounts for travel across Japan.

(¥ million)	Q3 FY2023 Results	Q3 FY2022 Results	Change	%
Revenue from operations	143,685	34,448	+109,237	+317.1%
Operating income	16,191	-7,743	+23,934	—

# International Transportation results

Revenue and income increased compared to same period last year even though the supply crunch, already easing in Japan, started easing overseas too.

(¥ million)	Q3 FY2023 Results	Q3 FY2022 Results	Change	%
Revenue from operations	129,414	98,568	+30,845	+31.3%
Operating income	6,391	5,615	+776	+13.8%

# Consolidated Balance Sheets

(¥ million)		Q3 FY2023 Results	FY2022 Results	Change	Remarks																								
Assets	Current assets	404,929	365,811	+39,118	Land and buildings for sale +17,511																								
	Noncurrent assets	2,425,483	2,357,030	+68,453	Property and equipment and intangible assets +45,686																								
	Total assets	2,830,413	2,722,841	+107,571																									
Liabilities	Current liabilities	419,138	426,659	-7,520	<table border="1"> <thead> <tr> <th></th> <th>Q3 FY2023 Results</th> <th>FY2022 Results</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>Dept</td> <td>857,868</td> <td>795,213</td> <td>+62,654</td> </tr> <tr> <td>Bonds</td> <td>260,000</td> <td>237,000</td> <td>+22,999</td> </tr> <tr> <td>Commercial paper</td> <td>—</td> <td>50,000</td> <td>-50,000</td> </tr> <tr> <td>Lease obligations</td> <td>13,430</td> <td>13,750</td> <td>-319</td> </tr> <tr> <td>Interest-bearing debt</td> <td>1,131,299</td> <td>1,095,965</td> <td>+35,334</td> </tr> </tbody> </table>		Q3 FY2023 Results	FY2022 Results	Change	Dept	857,868	795,213	+62,654	Bonds	260,000	237,000	+22,999	Commercial paper	—	50,000	-50,000	Lease obligations	13,430	13,750	-319	Interest-bearing debt	1,131,299	1,095,965	+35,334
		Q3 FY2023 Results	FY2022 Results	Change																									
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Commercial paper	—	50,000	-50,000																										
Lease obligations	13,430	13,750	-319																										
Interest-bearing debt	1,131,299	1,095,965	+35,334																										
Long-term liabilities	1,419,927	1,380,818	+39,109																										
Total liabilities	1,839,066	1,807,477	+31,588																										
Net assets	Shareholders' equity	882,215	843,332	+38,883	Net income attributable to owners of the parent +51,051 Payment dividend -12,125																								
	Accumulated other comprehensive income	31,952	27,016	+4,936																									
	Non-controlling interests	77,178	45,014	+32,163																									
	Total net assets	991,346	915,363	+75,982																									
Equity ratio		32.3%	32.0%	+0.3P																									

## **II. Forecasts for Fiscal 2023 (Ending March 2023)**

# Consolidated Statements of Income (Summary)

(¥ billion)	FY2023 Forecasts ①	FY2023 Forecasts (As of Oct.) ②	Change = ① - ②	Remarks	FY2022 Results ③	Change = ① - ③
Revenue from operations	975.0	925.0	+50.0 (+5.4%)	Revenue and income increases: Most segments performed better in the first three quarters than the October forecasts suggested. The Travel segment, for example, saw a surge in orders related to COVID patients (e.g. services to support patients recuperating at home).	746.2	+228.8
Operating income	85.0	70.0	+15.0 (+21.4%)		39.2	+45.8
Ordinary income	84.0	68.0	+16.0 (+23.5%)	This increase takes into account the increase in operating income.	38.5	+45.5
Net income attributable to owners of the parent	45.0	40.0	+5.0 (+12.5%)	This increase takes into account the increase in ordinary income, which will more than offset impairment loss in some assets.	21.4	+23.6
(Reference)						
Capital Expenditures	81.6	81.6	—		120.3	-38.7
Depreciation and amortization	62.7	62.7	—		59.1	+3.6
Financial balance (1) - (2)	-7.4	-7.4	—		-7.4	+0.0
Interest and dividend income(1)	1.2	1.2	—		1.1	+0.1
Interest expense(2)	8.6	8.6	—		8.5	+0.1

# Consolidated Statements of Income (Breakdown for each business segment)

(¥ billion)	FY2023 Forecasts	FY2023 Forecasts (As of Oct.)	Change	Remarks	FY2022 Results	Change
[Upper row] Revenue from operations						
[Lower row] Operating income	①	②	=①-②		③	=①-③
Total	975.0	925.0	+50.0		746.2	+228.8
	85.0	70.0	+15.0		39.2	+45.8
(Breakdown for each business segment)						
Urban Transportation	185.6	185.0	+0.6	Revenue and income increase: In the first three quarters, ridership on Hankyu and Hanshin railways exceeded the levels forecasted in October.	161.6	+24.0
	22.0	20.6	+1.4		5.6	+16.4
Real Estate	288.9	291.9	-3.0	Revenue decrease: The real estate sales business rescheduled the sale of some properties. Income increase: In the hotel business, user numbers have exceeded the level forecasted in October.	246.6	+42.3
	27.8	25.5	+2.3		19.4	+8.4
Entertainment	70.5	70.7	-0.2	Revenue decrease: The stage business had to cancel some Takarazuka Revue shows scheduled for January. Income increase: The sports business is expected to post a decrease in expenses.	62.9	+7.6
	11.4	11.0	+0.4		9.3	+2.1
Information and Communication Technology	63.9	63.9	-		59.2	+4.7
	5.9	5.9	-		5.9	+0.0
Travel	190.0	138.0	+52.0	Revenue and incomes increase: Orders surged in non-travel businesses such as orders related to COVID patients (e.g. services to support patients recuperating at home).	60.4	+129.6
	14.0	4.5	+9.5		-5.7	+19.7
International Transportation	168.9	166.0	+2.9	Revenue and income increase: Although the supply crunch is expected to ease further, on a full-year basis performance will exceed the level forecasted in October.	143.3	+25.6
	7.5	6.0	+1.5		8.0	-0.5

Note: The current segment structure has been applied to the FY2022 results.

# [Urban Transportation] Railway Performance Forecasts

## Hankyu Corporation

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	FY2023 Forecasts	FY2022 Results	Change	FY2023 Forecasts	FY2022 Results	Change
Commuter pass	29,928	28,654	+1,274 (+4.4%)	301,020	282,633	+18,387 (+6.5%)
Workers	25,872	25,223	+649 (+2.6%)	210,282	204,916	+5,366 (+2.6%)
Students	4,056	3,431	+624 (+18.2%)	90,738	77,717	+13,021 (+16.8%)
Other tickets	54,566	45,422	+9,144 (+20.1%)	270,598	228,028	+42,570 (+18.7%)
Total	84,495	74,077	+10,418 (+14.1%)	571,619	510,661	+60,957 (+11.9%)

## Hanshin Electric Railway

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	FY2023 Forecasts	FY2022 Results	Change	FY2023 Forecasts	FY2022 Results	Change
Commuter pass	11,095	10,628	+466 (+4.4%)	114,983	110,096	+4,886 (+4.4%)
Workers	9,964	9,668	+296 (+3.1%)	91,358	89,400	+1,958 (+2.2%)
Students	1,131	960	+170 (+17.7%)	23,624	20,695	+2,928 (+14.2%)
Other tickets	19,216	15,397	+3,819 (+24.8%)	103,295	84,103	+19,192 (+22.8%)
Total	30,312	26,026	+4,285 (+16.5%)	218,278	194,199	+24,079 (+12.4%)

- \* 1) Revenue amounts less than one million yen, and numbers of passengers less than one thousand, are omitted.  
 2) For Hankyu Railway, "other ticket revenue/ridership" includes revenue/ridership associated with the PiTaPa usage sections.  
 3) Sum of tier 1 and tier 2 railway operators for both Hankyu Corporation and Hanshin Electric Railway.



# Performance Indicators

	FY2022 Results	FY2023 Forecasts (As of Oct.)	FY2023 Forecasts (As of Feb.)
Operating income	¥39.2billion	¥70.0billion	¥85.0billion
EBITDA <sup>※1</sup>	¥100.7billion	¥135.0billion	¥150.0billion
Interest-bearing debt	¥1,096.0billion	¥1,170.0billion	¥1,140.0billion
Interest-bearing debt / EBITDA ratio	10.9times	8.7times	7.6times
D/E ratio <sup>※2</sup>	1.3times	1.3times	1.3times
Net income attributable to owners of the parent	¥21.4billion	¥40.0billion	¥45.0billion
ROE	2.5%	4.5%	5.1%
(Reference)			
Net interest-bearing debt <sup>※3</sup>	¥1,064.6billion	¥1,145.0billion	¥1,115.0billion
Net interest-bearing debt/EBITDA ratio	10.6times	8.5times	7.4times

※1 EBITDA=operating income + depreciation expenses + amortization of goodwill

※2 D/E ratio=interest-bearing debt / equity

※3 Net interest-bearing debt=interest-bearing debt - cash and deposits

# [Reference] Consolidated Statements of Income (Breakdown by type of business)

(¥ billion)	Revenue from operations					Operating income				
	FY2023 Forecasts	FY2023 Forecasts (As of Oct.)	Change	FY2022 Results	Change	FY2023 Forecasts	FY2023 Forecasts (As of Oct.)	Change	FY2022 Results	Change
	①	②	=①-②	③	=①-③	①	②	=①-②	③	=①-③
Urban Transportation	185.6	185.0	+0.6	161.6	+24.0	22.0	20.6	+1.4	5.6	+16.4
[Breakdown]										
Railway	134.1	133.4	+0.7	118.5	+15.6	26.0	24.8	+1.2	14.7	+11.3
Automobile	40.0	40.0	-	34.1	+5.9	0.4	0.0	+0.4	-4.2	+4.6
Retailing	12.5	12.5	-	10.9	+1.6	1.0	1.0	-	0.8	+0.2
Others	8.9	8.9	-	8.7	+0.2	0.7	0.7	-	0.7	+0.0
Real Estate	288.9	291.9	-3.0	246.6	+42.3	27.8	25.5	+2.3	19.4	+8.4
[Breakdown]										
Real estate leasing	125.1	123.8	+1.3	112.5	+12.6	30.9	29.4	+1.5	30.1	+0.8
Real estate sales and others	150.0	155.5	-5.5	135.5	+14.5	12.0	12.7	-0.7	11.4	+0.6
Hotel	42.0	40.1	+1.9	25.6	+16.4	-5.7	-7.0	+1.3	-13.2	+7.5
Entertainment	70.5	70.7	-0.2	62.9	+7.6	11.4	11.0	+0.4	9.3	+2.1
[Breakdown]										
Sports	37.2	37.1	+0.1	29.4	+7.8	6.7	6.2	+0.5	3.7	+3.0
Stage	33.1	33.5	-0.4	33.4	-0.3	6.3	6.4	-0.1	6.9	-0.6

Note: (1) Segment totals may not match the aggregate of the amounts for each type of business due to separate head office expenses / adjustments.

(2) The current segment structure has been applied to the FY2022 results.