

**Hankyu Hanshin Holdings Group
Results Briefing Materials for
Financial Results for Fiscal 2023
(Ended March 2023)**

Reference Data

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Main briefing materials

- (1) Executive Summary
- (2) Performance Highlights for Fiscal 2023
(Ending March 2023)
- (3) Summary of the Medium-Term
Management Plan
- (4) Forecasts for Fiscal 2024
(Ending March 2024)



See our integrated report
for more on our
sustainability initiatives:

<https://www.hankyu-hanshin.co.jp/en/ir/library/integratedreports/>

(1) Progress in Each Project

(2) Sustainable Management

(3) Other

List of Key Projects in Japan

(FY)			2022	2023	2024	2025	2026	...	2031	...
Umeda	p.4	Osaka Umeda Twin Towers South	● Completion of construction (Feb 2022)							
	p.5	Umekita Phase II Development Project (Grand Green Osaka)				● Advance openings (Around summer 2024)			● Full openings (FY2028)	
	p.7	<div>Schedule to be determined</div> Shibata 1 Project					● Close Hotel new Hankyu Osaka (Around the end of FY2025)			
Line-side Area	p.8	Kita-Osaka Kyuko Railway Line Extension Project			● Intended start of service (The end of FY2024)					
	p.9	Development on west side of Hankyu Nishinomiya Gardens			● Completion of construction (Aug 2023)					
		Logista Osaka Matsubara			● Completion of construction (Jan 2024)					
	p.10	Logista Toyonaka			● Completion of construction (Feb 2024)					
		Project to Redevelop Site of Takarazuka Hotel				● Completion of construction of northern wing (FY2025)			● Completion of construction of southern wing (FY2026)	
	p.11	Project to Redevelop Site of Yodogawa Ward Office						● Completion of construction (FY2027)		
		Project to Redevelop Building 2 of Kobe City Hall							● Building to open (2029)	
Tokyo metropolitan area	p.12	<div>Schedule to be determined</div> Senri-Chuo Redevelopment						● Close Senri Hankyu Hotel (Around the end of FY2026)		
	p.13	<div>Schedule to be determined</div> Naniwasuji Connection Line/ Shin-Osaka Connection Line								
	p.14	H-CUBE MINAMIAOYAMA II (Completed in FY2022)	● Completion of construction	● Sell-off						
		H-CUBE KITAAOYAMA (Completed in FY2021)		● Sell-off						
		Hankyu Hanshin Ueno Okachimachi Building (Completed in FY2022)	● Completion of construction	● Sell-off						
		Yaesu 2 Naka Redevelopment							● Completion of construction (FY2029)	
		<div>Schedule to be determined</div> Project to Redevelop Site of Hotel Grand Palace								

Osaka Umeda Twin Towers South (Umeda 1-1 Project)

Strategy
1

- Begun in October 2014, this large project symbolizes the merger between Hankyu and Hanshin in 2006.
- The construction was completed in February 2022. The office area entered service in March. The Hanshin Umeda Main Store fully opened in April.
- With Umeda Hankyu Building being renamed Osaka Umeda Twin Towers North on April 1, the two buildings were reborn as Osaka Umeda Twin Towers. The buildings will serve as a symbol of Umeda.

【Project summary】

Location	1-1 Umeda, Kita-ku, Osaka
Site area	Approx. 12,200 m ² *1
Total floor space	Approx. 260,000 m ²
Scale	38 floors above ground and 3 below ground
Purpose	Department store, offices, halls, etc.

*1 Including the road between Dai Hanshin Building and Shin Hankyu Building



DBJ Green Building
Certification 5 stars
(highest rating)

【Schedule】

October 2014	Phase I start demolition work
July 2015	Phase I construction begins
April 2018	Completion of phase I construction (Shin Hankyu Building and Dai Hanshin Building East Wing)
June 2018	Partial opening of new department store Phase II (west wing of Dai Hanshin Building): Start demolition work
June 2019	Phase II construction begins
September 2021	Completion of phase II construction, the department store part
October 2021	Opening of the new department store in the phase II department store part*2
February 2022	Completion of all construction
March 2022	Opening of office Floors
April 2022	Full opening of the department store

*2 Some construction work continued ahead of the full opening

【Building exterior】

Osaka Umeda Twin Towers South



Umekita Phase II Development Project (Grand Green Osaka)

Strategy
1

- Extending from Grand Front Osaka (Umekita Phase I), Umekita Phase II is an urban development project that embodies the idea of integrating greenery with innovation and will lead the way in community development for Kansai and Asia.
- The project has been named Grand Green Osaka.



【Schedule】

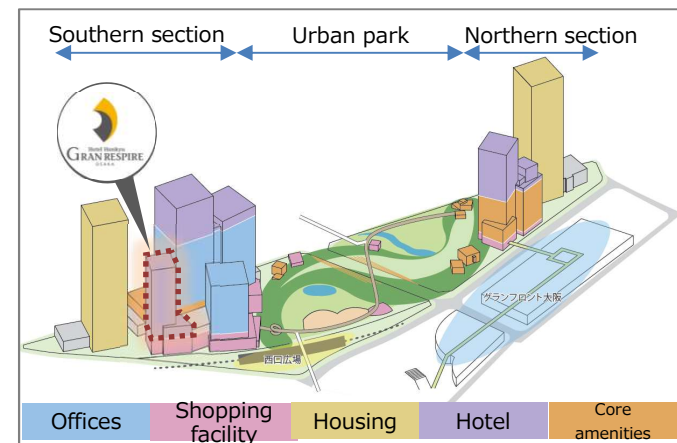
March 2023	Opening of Umekita area in JR Osaka Station
Around Summer 2024	Partial opening*1
Spring 2025	Full opening of rental section*2
FY2028	Full opening

*1. Northern rental section and part of the urban park

*2. Southern section

【Details】

	Southern section	Urban park	Northern section
Approx. Site area	30,430 m ²	45,000 m ²	15,720 m ²
Approx. total floor area	407,250 m ²	11,000 m ²	136,800 m ²
Key amenities	Offices, hotels, shopping facility, MICE facilities, housing	Museum, experiential learning center, covered plaza, eateries, stalls	Innovation center, hotel, shopping facility, housing



Plan for New Hotel in Umekita Phase II (Hotel Hankyu Gran Respire Osaka)

Strategy
1

- We will open Hotel Hankyu Gran Respire Osaka, an upscale hotel (superior to a standard business hotel), in floors 5 to 28 of the eastern tower block in the rental section (southern section) of Grand Green Osaka.
- A stone's throw away from the JR Osaka's new underground station, which will offer direct access to KIX Airport, the hotel will primarily target adult inbound tourists who are used to recreational travel.
- The hotels top floors (floors 26 and 27) will be club floors with relatively spacious guestrooms. Floor 27 will house a club lounge exclusive to club guests.

Details

Approx. total floor area	21,740 m ²
Guestrooms	482
Main amenities	Restaurant, bar, lounge, fitness facility
Opening date	H2 FY2025



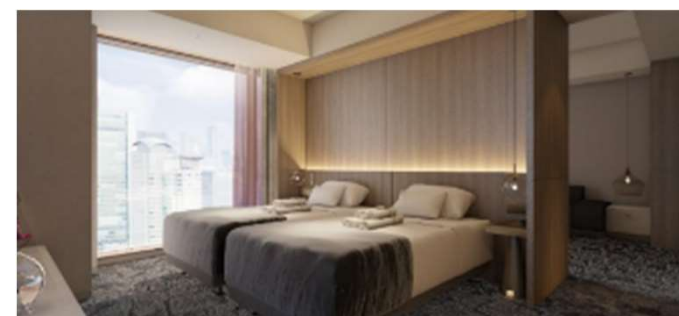
Club lounge (floor 27)



Entrance



Exclusive lounge (floor 6)



Guestroom

Shibata 1 Project

Strategy
1

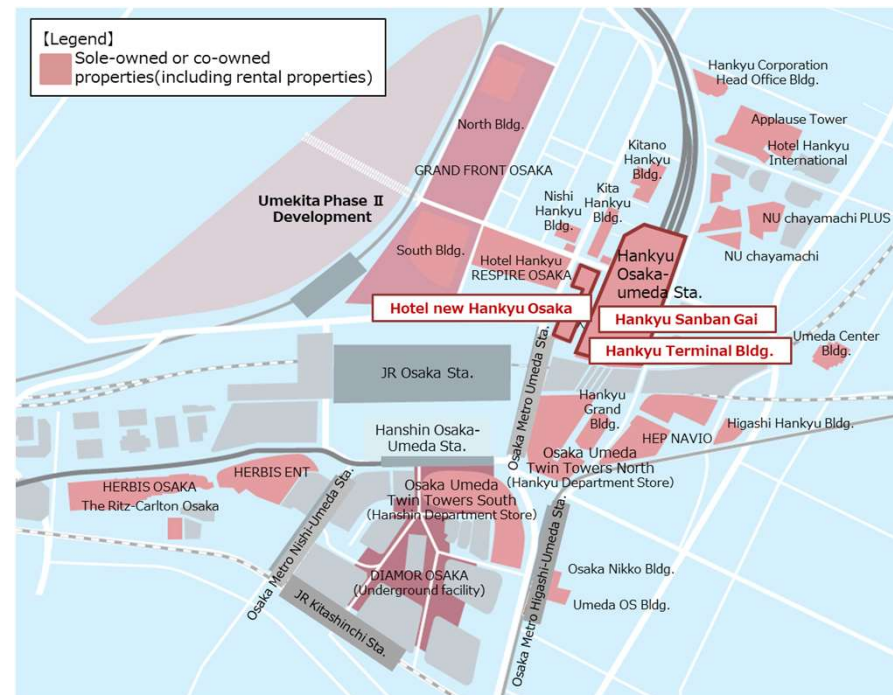
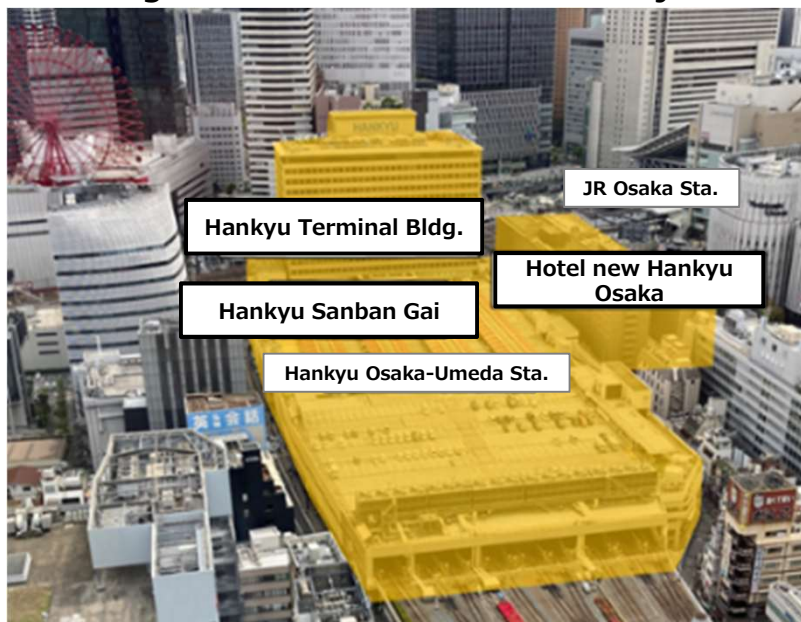
- Forming part of Umeda Vision, Shibata 1 Project is the third major project for the Osaka Umeda area (following Umeda 1-1 Project and Umekita Phase II Development Project). It involves **replacing Osaka New Hankyu Hotel and Hankyu Terminal Building and redeveloping the whole of Hankyu Sanbangai.** The project will raise the value of the area.



- The project looks ahead **to the next generation and will leverage the distinctive characteristics of the terminal station to create a multifunctional hub befitting its role as the entrance to Umeda.**

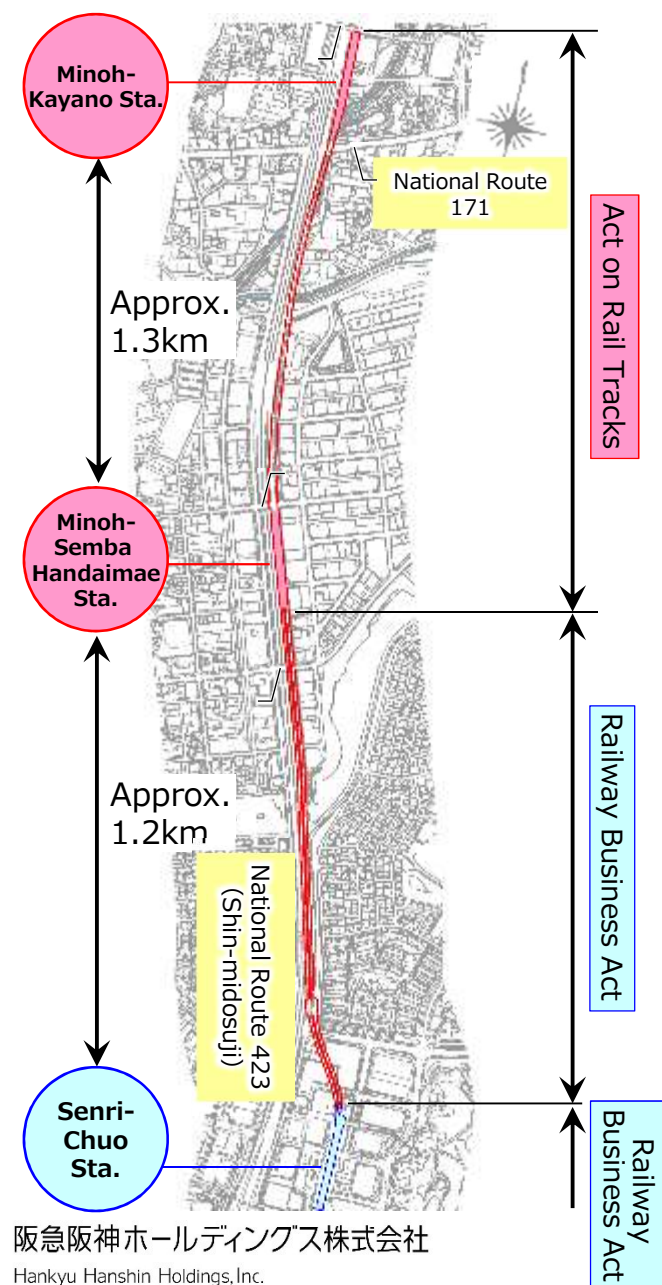
We have decided to close the Hotel New Hankyu Osaka at the end of FY2025 because it is seriously dilapidated and because Hotel Hankyu Respire Osaka, which is of a similar scale, opened in an adjacent zone.

Targeted area for Shibata 1 Project



Kita-Osaka Kyuko Railway Line Extension Project

Strategy
1



【Development plan summary】

Extension distance	from <i>Senri-Chuo Sta.</i> to <i>Minoh-Kayano Sta.</i> 2.5km
New stations	<i>Minoh-Semba Handaimae Sta.</i> , <i>Minoh-Kayano Sta.</i>
Estimated project cost	¥87.4 billion yen
Demand	45,000 people per day

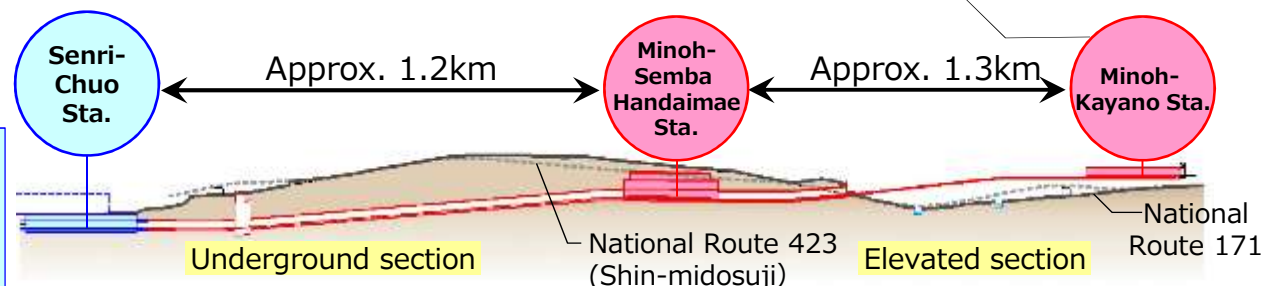
【Business scheme】

Developer	Kita-Osaka Kyuko Railway Co., Ltd. and Minoh City (development of infrastructural components between <i>Minoh-Semba Handaimae Sta.</i> and <i>Minoh-Kayano Sta.</i>)
Operator	Kita-Osaka Kyuko Railway Co., Ltd.
Funding program	Social capital development grant
Portion to be borne by Kita-Osaka Kyuko Railway Co., Ltd	¥11.0 billion yen; Amount commensurate with profits

【Schedule】

December, 2015	Obtained a license for railway business and a charter for railway track operations
December, 2016	Commencement of construction
The end of FY2024	Intended start of service



Progress so far (Minoh-Kayano Station)



Project Progress Along Other Line-side Areas ①

In order of opening date	Development on west side of Hankyu Nishinomiya Gardens	Logista Osaka Matsubara
		
Location	544 Takamatsu-cho, Nishinomiya, Hyogo (Direct access to Hankyu Nishinomiya-kitaguchi Station)	1 Oka, Matsubara, Osaka
Site area	Approx. 3,000 m ²	Approx. 10,800 m ²
Total floor space	Approx. 18,300 m ²	Approx. 14,000 m ²
Number of floors	14 floors above ground	3 floors above ground
Purpose	Commercial facilities, offices, rental housing	Multi-tenant logistics center
Scheduled opening	September 2023	Completion of construction: January 2024

Project Progress Along Other Line-side Areas ②

In order of opening date	Logista Toyonaka	Redevelopment of Site of Takarazuka Hotel
		
Location	3 Katsube, Toyonaka, Osaka	65-1 Umenochi, Takarazuka, Hyogo (south bldg is 1 min walk, and north bldg 2 min walk, from Hankyu Takarazuka Minamiguchi)
Site area	Approx. 5,000 m ²	Approx. 9,800 m ²
Total floor space	Approx. 8,300 m ²	North building: Approx. 41,000 m ² South building: Approx. 37,800 m ²
Number of floors	3 floors above ground	North building: 32 floors above ground (316 units) South building: 32 floors above ground (322 units)
Purpose	Multi-tenant logistics center	Residences, grocery supermarket, clinic, childcare facility
Scheduled opening	Completion of construction: February 2024	North building: Sales to begin in FY2025 South building: Sales to begin in FY2026

Project Progress Along Other Line-side Areas ③

In order of opening date	Development of Site of Yodogawa-ku Ward Office	Project to Redevelop Building 2 of Kobe City Hall
		
Location	1-21-3, Juso-higashi, Yodogawa-ku, Osaka (3 min walk from Hankyu Juso Station)	6-5-1 Kanocho, Chuo-ku, Kobe
Site area	Approx. 7,300 m ²	Approx. 4,900 m ² *
Total floor space	Approx. 84,400 m ²	Approx. 7,300 m ² *
Number of floors	39 floors above ground (Total condominium units: 712 units)	24 floors above ground, 2 underground floors
Purpose	Residences, supermarket, preschool facility, public library, etc.	Public-sector amenities: Municipal office, public space Private-sector amenities: Hotel, office space, shopping facility
Scheduled opening	Sales to begin in FY2027	2029

* Gross floor space (includes shared sections)

Plan for Senri-Chuo Redevelopment

Strategy
1

- Since Senri-Chuo is a key strategic area for us, we have been monitoring a local redevelopment plan being advanced by a council formed of Toyonaka City, local landowners, and other stakeholders.
- In 2019, the council unveiled an official plan to revitalize the area. In 2022, Toyonaka City announced its intention to partition and redevelop the vicinity of Senri-Chuo Station (outlined in red in the figure).
- The council will now confer with H2O Retailing and other local landowners over how to redevelop the Senri-Chuo area.
- Having decided to close Senri Hankyu Hotel by the end of FY2026 (as the building was dilapidated), we are now exploring ideas for how to use the site of the hotel. We will keep an eye on the plans to redevelop the area and decide about the land use accordingly.

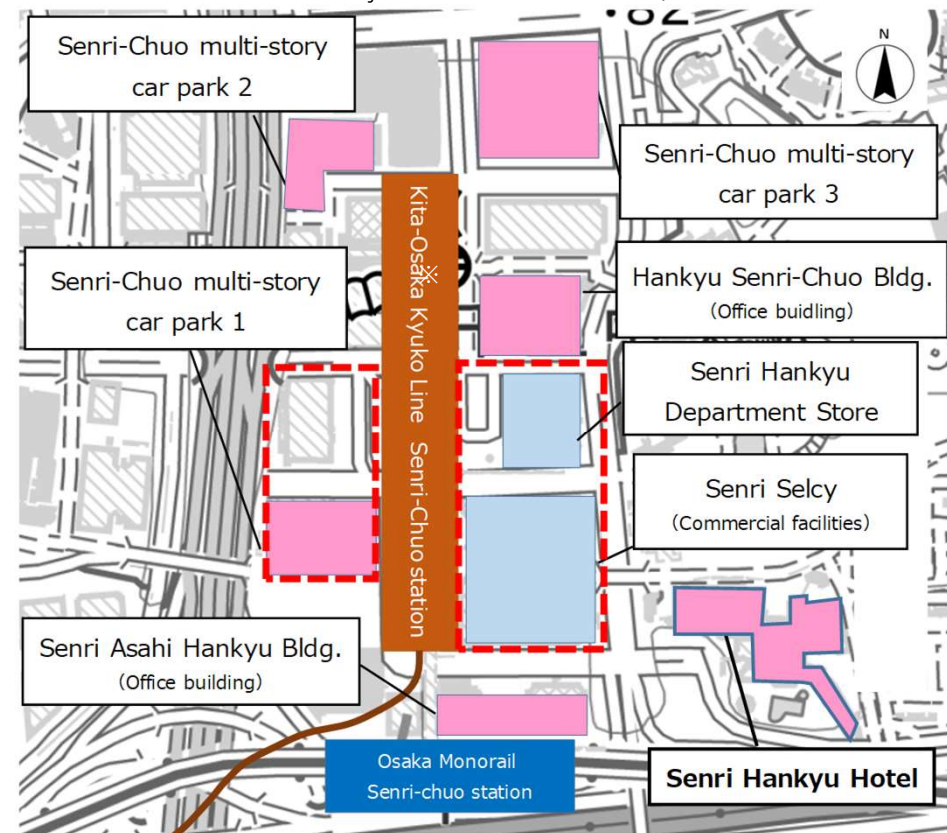
Area around
Senri-Chuo Station



- Time from Senri-Chuo Station to Osaka's main terminals
(The train runs direct to below stations as the Kita-Osaka Kyuko Line is connected with the Midosuji Line of the Osaka Metro)
 - To Shin-Osaka station approx. 14 minutes
 - To Umeda station approx. 20 minutes

Overview of the Senri-Chuo area

Map based on GSI geospatial data
(https://maps.gsi.go.jp/#17/34.809594/135.495665/&base=pale&base_grayscale=1&ls=pale&disp=1&vs=c0j0h0k0l0u0t0z0r0s0m0f1&d=m)



To Umeda

[Legend]

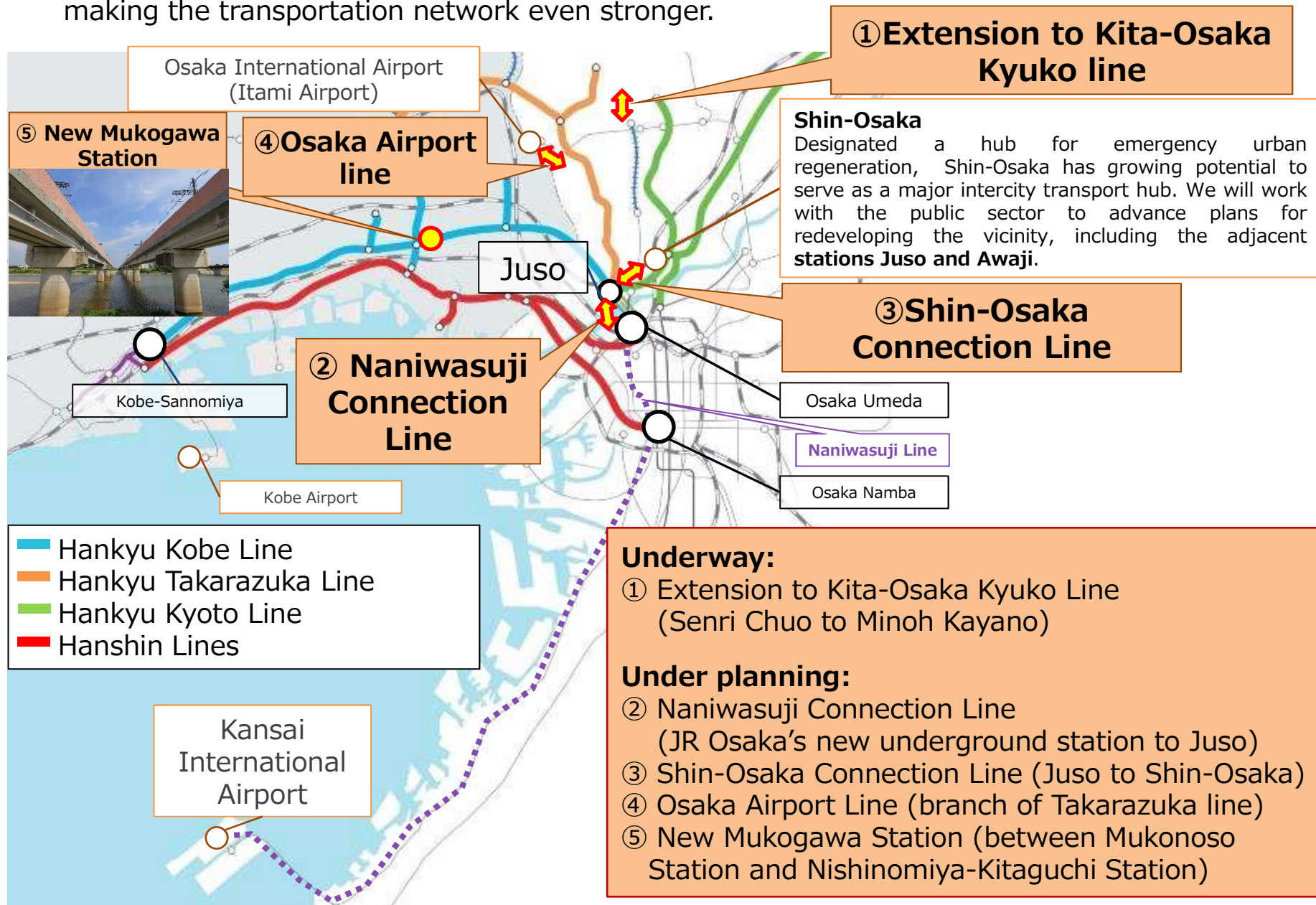
- Sole-owned or co-owned properties
- H2O Retailing assets
- Area flagged for redevelopment (Commercial facilities etc.)

※ Kita-Osaka Kyuko Railway is extending its line 2.5 km northward from its current northern terminus, Senri-Chuo Station. The extension will begin service at the end of FY2024.

Aiming for a Robust Transport Network

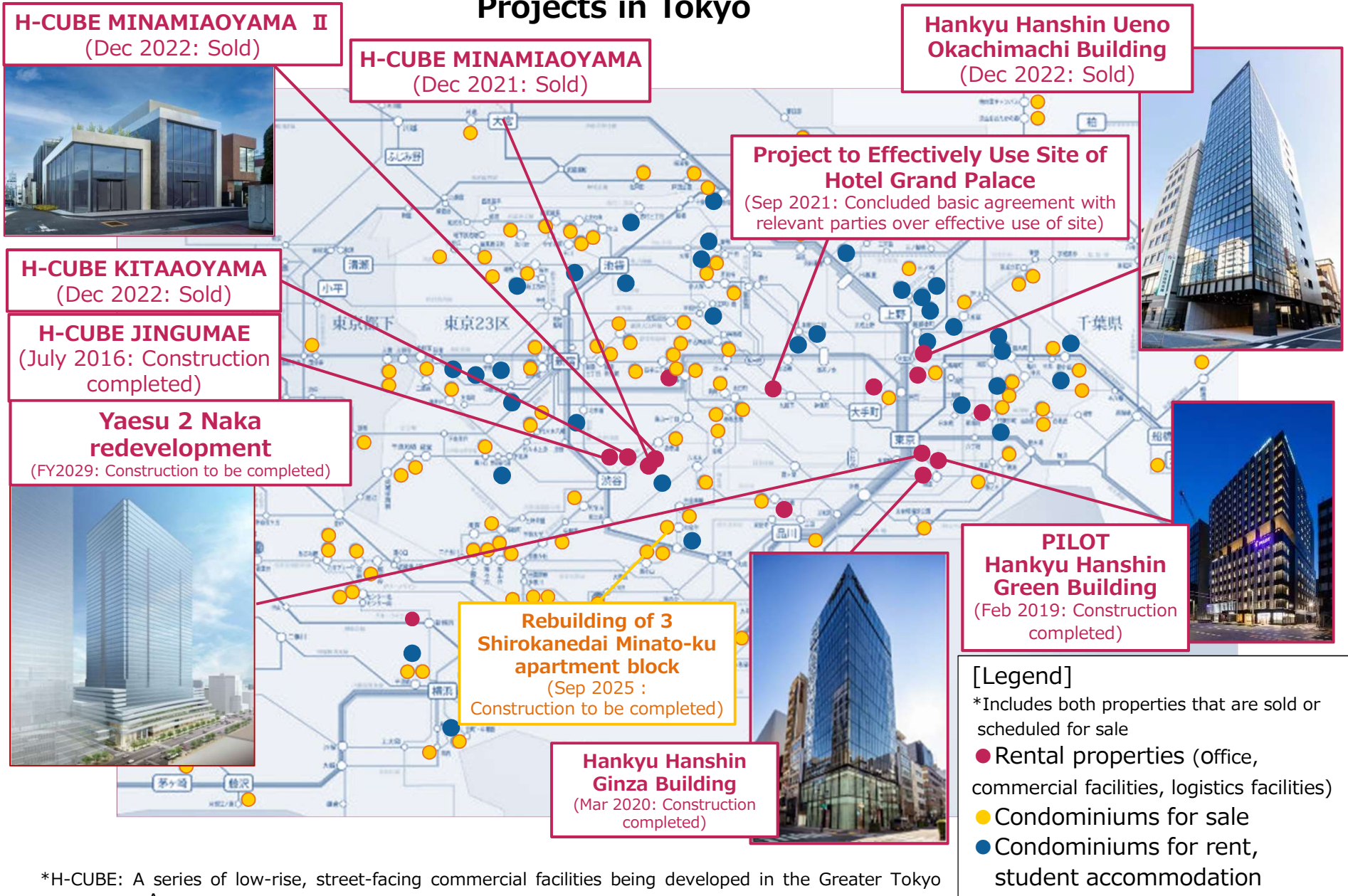
Strategy
1

- We are participating in discussions to the following new rail lines and stations with a view to making the transportation network even stronger.



Real Estate Development in Tokyo Metropolitan area

Projects in Tokyo



*H-CUBE: A series of low-rise, street-facing commercial facilities being developed in the Greater Tokyo Area

Real Estate Sales Business in Japan (Residential)

Condominiums sales in Japan (for general public)

- We will increase our market share in both Kinki and Tokyo. In Kinki, we will focus on flagship properties. In Tokyo, we will focus on redevelopment/remodelling projects.
- We will also enhance the Geo brand, making it the absolute best in Kinki.

Properties to be sold in future

- Geo Saito Irodori-no-Oka (Minoh, Osaka): 372 units, on sale from FY2024
- Geo Tower Shimmachi (Nishi-ku, Osaka): 190 units, on sale from FY2025
- Geo Shinagawa Tennozu (Shinagawa-ku, Tokyo): 135 units, on sale from FY2025
- Vacated site of Takarazuka Hotel (Takarazuka, Hyogo): 638 units, on sale from FY2025
- Vacated site of Yodogawa Ward Office (Yodogawa-ku, Osaka): 712 units, on sale from FY2027

(Reference) Condominium sales in Japan (units held by Group)

(FY)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Unit	1,374	1,302	1,087	1,159	1,114	1,516	867	1,137	1,107	1,300units

Short-term-revenue properties business (selling to investors)

- Primarily in the Greater Tokyo Area, we will develop condominiums for real-estate investing and develop properties for use as student accommodation with a view to selling around 10 blocks a year in Tokyo.



Geo is our brand of condominiums for sales

2022 & 2023 1st place

Geo was awarded the top spot in Kinki in the 2022 and 2023 Oricon Customer Satisfaction Survey® in the new condominiums category.



[Geo Tower Shimmachi]



Our Geo Ent is our brand of condominiums for rent

Expanding the Real Estate Business Overseas

- In ASEAN countries, we have focused on condominium sales. We will now additionally focus on real-estate leasing and fix-and-flip development in order to increase the segment's revenue opportunities and profit growth in overseas real-estate markets.

Actions in ASEAN

Cumulative units Approx. 51,120
(as of Apr 30, 2023,
includes units held by partners)

	Projects	Total units
Thailand	34	Approx.28,040
Vietnam	6	Approx.13,990
Philippines	5	Approx.4,220
Indonesia	4	Approx.4,020
Malaysia	1	Approx.850

Thailand: Condominiums, houses, townhouses*

Philippines: Houses, townhouses*

Vietnam: Condominiums, houses, townhouses*, logistics facilities

Malaysia: Condominiums

Singapore: Logistics facilities

Indonesia:
Condominiums, houses, townhouses*, shopping facilities, office space, logistics facilities

• Plaza Indonesia Complex



Among others

*Terraced housing

Actions in USA

Seattle, WA: Rental housing



Phoenix, AZ: Rental housing



Acquisition of a Rental Property in Indonesia: Central Park Mall

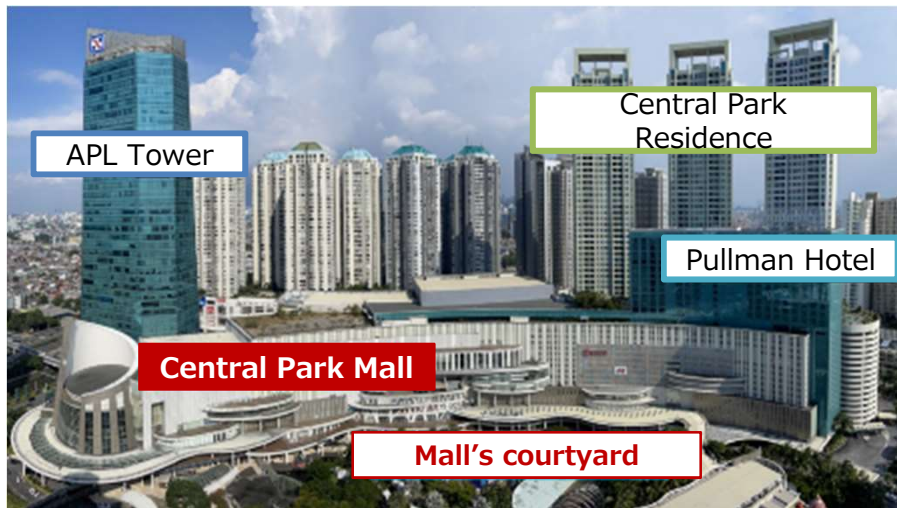
- In September 2022, Hankyu Hanshin Properties acquired Central Park Mall, a leading megamall in West Jakarta, Indonesia.
- The complex targets middle and upper-class earners, and it is likely to receive increasing numbers of shoppers given that this demographic is expected to swell rapidly over the medium and long term as Indonesia's economy grows.

Overview

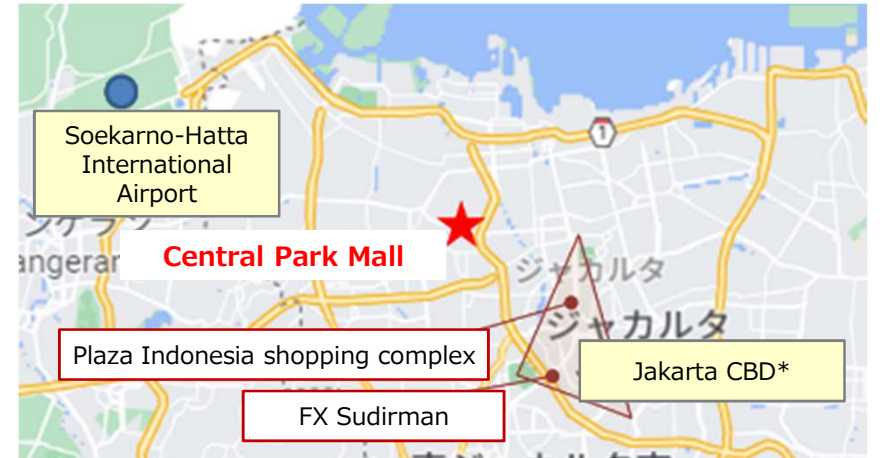
Floor space	Approx. 188,000 m ² *
Size	10 above-ground floors, 2 underground floors
Use	Commercial (approx. 300 tenants)

*This represents the total floor space, including shared sections.

Exterior view of complex



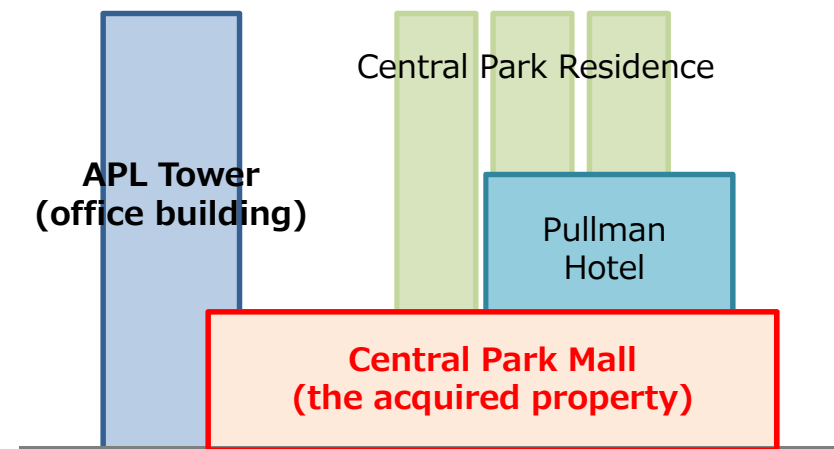
Central Park Mall on the map



©Google

*CBD: Central business district (the administrative, business, and commercial center of a city)

Cross-section



Acquisition of a Rental Property in Indonesia: Office Tower Blocks

- Hankyu Hanshin Properties founded an investment vehicle with the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (JOIN) to invest in DCP (a subsidiary of major Indonesian real-estate developer Sinar Mas Land), which owns three office tower blocks (one of which is under construction) located in the Jakarta's CBD, in full or in part.
- By engaging in property management too, we will lay build our leasing business in ASEAN.

*CBD: Central business district (the administrative, business, and commercial center of a city)

【Exteriors of the tower blocks】



【Details】

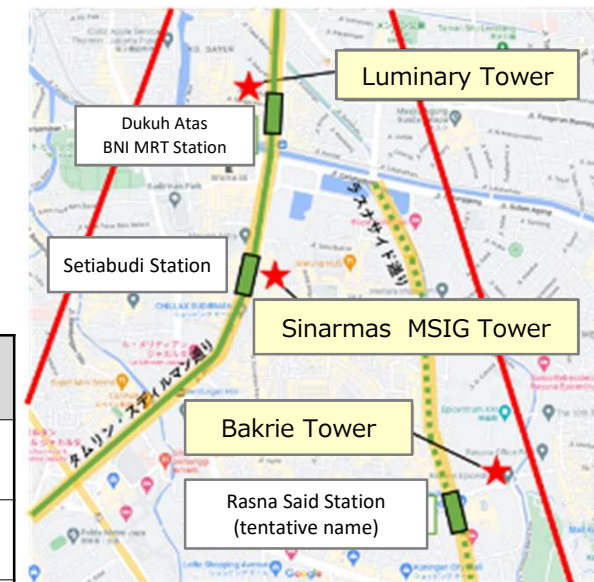
Name	Sinarmas MSIG Tower	Bakrie Tower	Luminary Tower
Completion date	2016	2008	2023 (under construction)
Size	47 above-ground, 1 underground	47 above-ground, 4 underground	66 above-ground, 6 underground
Total floor space	82,610 m ²	76,202 m ²	132,467 m ²
Other (ownership)	Full ownership	Part ownership (13 floors)	Part ownership (23 floors)

【Locations】



©Google

【Jakarta CBD】



©Google

(1) Progress in Each Project

(2) Sustainable Management

(3) Other



See our integrated report
for more on our
sustainability initiatives:

<https://www.hankyu-hanshin.co.jp/en/ir/library/integratedreports/>

[Reference] Sustainability Declaration

General principles (sustainability vision)

A future vision that we hope to achieve through our sustainable business practices

~ Create a future grounded in "Safety and Comfort",
and a future colored by "Dreams and Excitement". ~

For over a hundred years, we have sought to cultivate communities and enrich lives. Leveraging this experience, we commit ourselves to addressing social and environmental challenges and working toward a sustainable future, one that offers a fulfilling, joyful life to all and inspires the next generation to dream with hope.

Priority issues (materiality matrix)

Six priority issues to address as part of our sustainable business practices

Issues

Policies



Safe, reliable infrastructure



Provide railways and other infrastructure that are safe and disaster-resilient. Ensure that anyone can safely access our facilities and services.



Thriving communities



Help build sustainable communities with rich natural and cultural heritage, making great places to live in, work in, and visit.



Life designs for tomorrow



Promote refined and inspired lifestyle solutions for a better tomorrow.



Empowering individuals



Provide an inclusive workplace that values diversity and taps into individual talent. Cultivate tomorrow's leaders for society.



Environmental protection



Conduct eco activities that contribute to a carbon-neutral world and a circular economy.



Robust governance



Act honestly and in good faith, as stakeholders expect us to do.

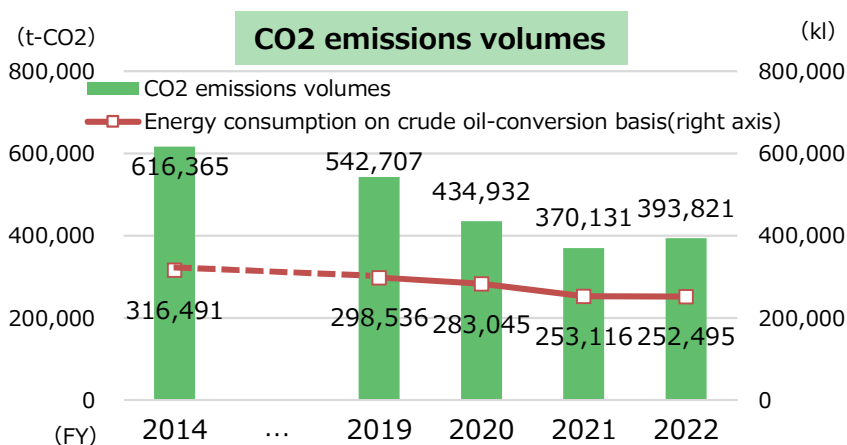
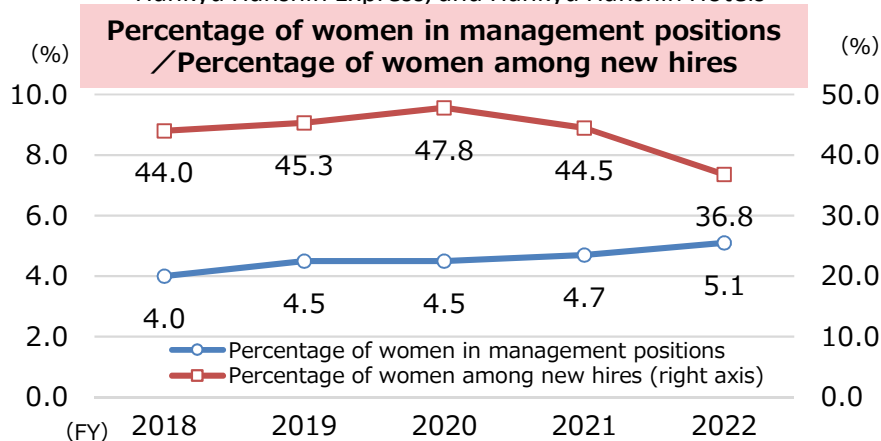
Non-Financial KPIs (Targets and Results)

Targets Outlined below are our non-financial KPIs. The KPIs in the red outline had their applicable range expanded in FY2024. Core segments also have other KPIs (additional to the ones shown here).

Priority issues	Non-financial KPIs			
Safe, reliable infrastructure	Zero culpable incidents in our railway business			
	*Applies to Hankyu Corporation/Hanshin Electric Railway/Kita-Osaka Kyuko Railway/Nose Electric Railway			
	Employee satisfaction	Percentage of women in management positions	Percentage of women among new hires	Percentage of specific health guidance provision
	Always better than in previous survey *A survey is conducted every two years among the HHHD and the six major companies	Around 10% (FY2031) *HHHD and six major companies	Always more than 30% *HHHD and six major companies	More than 60% (FY2026) *HHHD and six major companies
	Smoking prevalence	Paternity leave uptake	Hiring rate for people with disability	Human rights training attendance rate
Empowering individuals	Less than 15% (FY2026) *HHHD and six major companies	100% (FY2026) *HHHD and six major companies	Keep exceeding mandatory rate * 19 special subsidiaries	Keep 100% rate *HHHD and six major companies
Environmental protection	Rate of CO2 emissions cuts *Applies to: HHHD and subsidiaries' Japanese worksites			
	-46% compared to FY2014 (FY2031) , CO2 emissions: Net zero (FY2051)			

Note: six major companies: Hankyu Corporation, Hanshin Electric Railway, Hankyu Hanshin Properties, Hankyu Travel International, Hankyu Hanshin Express, and Hankyu Hanshin Hotels

Results





Basic policy for achieving carbon neutrality

Use energy more efficiently and examine potential of energy generation and renewable energy in light of technological advances

- Invest further in emissions reduction and identify financial risks associated with the carbon transition (including possibility of future carbon taxes)
⇒ Introduce international carbon pricing (ICP),*¹ setting a price of ¥5,000 / t-CO₂
- Fulfill duty to make effort in renewable energy transition ⇒ Examine areas where we can go further in renewable transition
- Respond to demand for cutting emissions, including supply-chain emissions ⇒ Try to estimate and disclose Scope 3 emissions*²

*¹ ICP involves a company setting its own carbon price in order to determine the financial/economic implications of future emissions reduction efforts and a future carbon tax, guide investment decisions, and incentivize energy saving.

*² Scope 3 covers emissions from supply-chain assets that are not controlled by the reporting company but are related to the company's business activities.

Basic policy for achieving carbon neutrality

① Use energy efficiently

To reduce the base level of energy we consume, we will invest in energy-efficient technology while keeping an eye on financial soundness and investment efficiency.

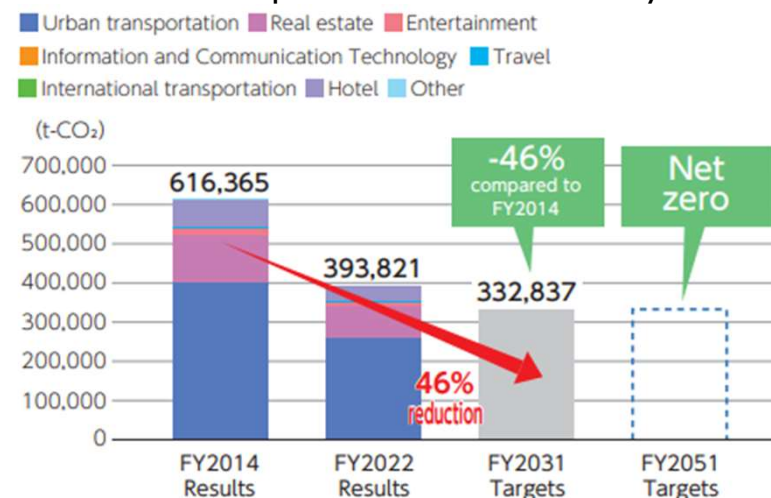
② Examine options for energy generation

Keeping an eye on technological advances, we will introduce systems for generating and storing renewable energy if they are financially viable.

③ Purchase renewable energy (energy with added environmental value)

If the first two strategies prove insufficient to achieve the goal, we will cover the shortfall with purchasing renewable energy (carbon credits).

Roadmap to carbon neutrality



Following TCFD recommendations



- In accordance with TCFD recommendations, we identified climate-related risks and opportunities in our businesses that will be most affected by climate change: our railway business and Real Estate segment. We then ran a scenario analysis to estimate the financial impacts and disclosed our findings in Integrated Report 2022.

Impact on operating profit from railway and Real Estate segment

	Climate-related risks/opportunities	Impact on operating profit *1	
		4°C	2°C – 1.5°C
Railway	Introduction of carbon tax	-	-¥2,400 mn *2
	Change in cost burden following change in energy prices	+¥100 mn	-¥400 mn
	Decreased ridership revenue following damage to rail assets in Muko River flooding	Rolling stock not evacuated	-¥3,800 mn
		Saving from evacuation of rolling stock	(+3,400 mn)
		Rolling stock evacuated	-¥400 mn
	Increased closed-days because of torrential rain (*3)	-¥400 mn	-¥200 mn
Real Estate	Increased prices for construction materials following introduction of carbon tax	-	-¥1,900 mn *2
	Introduction of carbon tax	-	-¥1,000 mn *2
	Increased cost (equivalent to depreciation and amortization) from transition to ZEB compliance	-	-¥800 mn
	Change in cost burden following change in energy prices *4	+¥100 mn	-¥500 mn

*1 The amounts of cost increase do not factor in the possibility of transferring some of the increase to the customer in price hikes.

*2 This scenario is based on the IEA's 1.5°C scenario (\$130 / t-CO₂), with 122 yen to the dollar (the exchange rate as end of March 2022).

*3 Based on average torrential rain rate for 2076–2095

*4 Energy cost burden for entirety of each building, including areas used by tenants

Corporate Sustainability Initiatives

E:
Environmental

ZEH*¹ & ZEB*² rollout

- Condominiums*³
⇒ Condominiums sold or rented from FY2025 onward to get designation of ZEH-M Oriented or better
- Detached homes
⇒ >50% of the homes to be ZEH by FY2026. Aim for 100% by FY2031.
- Logistics centers
⇒ Aim to certify future logistics centers as ZEB Ready or better.

*1: Net-zero energy home

*2: Net-zero energy building

*3: With some exceptions
(such as properties held jointly with peer)

Accelerate renewable energy transition

- We are rolling out net renewable energy across most rental properties (offices, shopping facilities) in Umeda and line-side areas (and we plan to do so in some hotels) by FY2026.

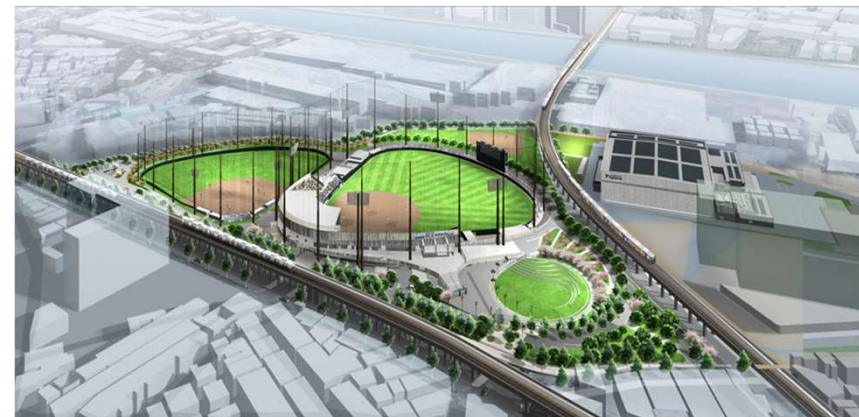
EV buses

- Hankyu Bus invested in EV Motors Japan to strengthen efforts to ensure steady procurement of domestic EV buses.
- Hankyu Bus and Hanshin Bus will continue introducing EV buses into their fleets.

Eco-stadium

- We are making Hanshin Koshien Stadium greener through a project called the Koshien Eco Challenge.
- We plan to install a solar power system in Hanshin Tigers' farm facility, which will be relocated under a plan to create a zero-carbon baseball park, as well as in the adjacent park and neighboring station on the Hanshin line.
⇒ Plan was selected by the Ministry of the Environment for inclusion on its list of Decarbonization Leading Areas (First Round).^{*4}

^{*4} The Ministry of the Environment selects for inclusion in this list localities that demonstrate pioneering efforts to contribute to the 2050 carbon neutrality goal. Such efforts include net zero emissions from energy consumption in local homes and in private-sector shops and buildings.



Solar panels on station roof

FY2023: Hankyu Nishinoymiya-Kitaguchi Station
FY2024: Hanshin Daimotsu Station,
Hanshin Kuise Station, Hankyu Shojaku Plant

Corporate Sustainability Initiatives

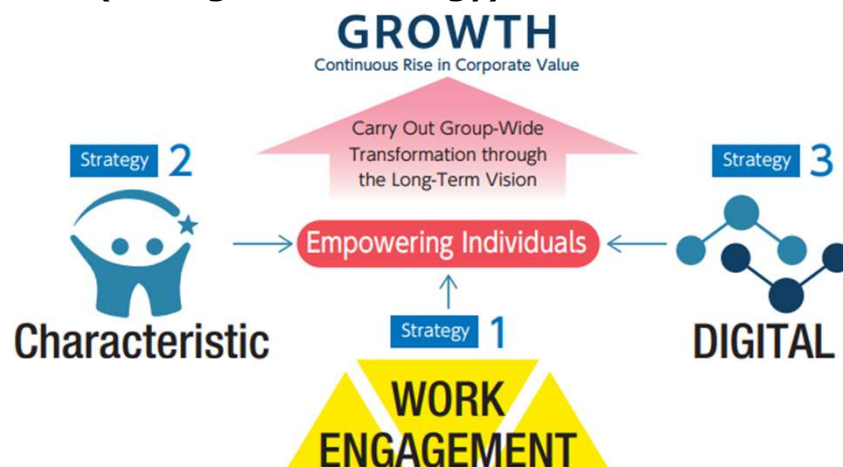
S: Social



Efforts to enhance human capital

- To achieve our long-term vision, we need to further enhance our human capital. To that end, we developed a talent strategy aligned with the vision and disclosed it in Integrated Report 2022.
- We will make a more engaging and employee-friendly workplace, where **diverse employees can be themselves, fulfill their potential and feel valued, to create a workforce that brims with passion** and where diverse values resonate.

Human resources strategies linked to the Long-Term Vision (management strategy)



- Strategy1 Develop Highly Engaged Personnel
- Strategy2 Assemble Diverse Talent to Help Create New Value
- Strategy3 Secure Personnel to Promote and Implement DX in the Group

阪急阪神ホールディングス株式会社
Hankyu Hanshin Holdings, Inc.



Employee wellbeing

We will promote employee wellbeing in a group-wide effort, believing that the wellbeing of employees and their families is key to future prosperity for society.

- HHD established the Employee Wellbeing Committee.
- 25 group companies were listed in the “Health and Productivity Management” Organizations of 2023. Of these, Hankyu Corporation and Itec Hankyu Hanshin were included among the 500 “white” companies, while Hankyu Hanshin REIT Asset Management among the 500 “bright” companies.*

⇒ Employee wellbeing awareness is spreading throughout the Group.

Listings in Health and Productivity Management Organization

Indicating that employee wellbeing awareness is spreading throughout the Group

Category	2020	2021	2022	2023
Large enterprises	5	8	10	11
SMEs	6	7	9	14
Total	11	15	19	25

* In the large enterprise category, the top 500 companies are dubbed the “white” 500. In the SME category, the top 500 companies are dubbed the “bright” 500.





Efforts to deliver safe and trustworthy rail services

Rolling out accessibility improvements and platform doors

- Our rail companies are rolling out accessibility improvements and platform doors to ensure that passengers feel safe, secure, and comfortable when using the stations and trains.
- Hankyu Corporation had excluded Kasuganomichi Station and Nakatsu Station from accessibility improvements because of feasibility issues. However, of the two stations, accessibility improvements were completed in Kasuganomichi Station by the end of FY2023. Hankyu Corporation now plans to install elevators at Nakatsu too so that all its stations will have improved accessibility.
- Hankyu Corporation and Hanshin Electric Railway will use proceeds from the barrier-free charge to install platform doors (mobile or fixed) on all stations to enhance platform safety.

	March 31, 2023	
	Hankyu Corporation	Hanshin Electric Railway
% of stations that have received accessibility improvements (step-free access rate)*	99%	100%

*Step-free access rate: Percentage of major stations (those serving at least 3,000 passengers a day on average) with step-free access (elevators or ramps)

Adapting to increasingly severe natural threats

- Hankyu Corporation and Hanshin Electric Railway are taking hard (physical) measures to prevent or mitigate risks of flooding and earthquakes. They are also taking soft (non-physical) safety measures such as suspending services strategically and communicating risk information to passengers.

Stations with mobile platform doors

Hankyu Corporation

● Juso

FY2019 end: Installed on Takarazuka Lines 3 and 4, Kyoto Line 5

● Kobe-Sannomiya

FY2022 end: Installed on all platforms

● Kasuganomichi

FY2023 end: Installed on all platforms



Hanshin Electric Railway

● Kobe-Sannomiya

FY2022 end: Installed on all platforms

● Osaka-Umeda

Oct 2021: Installed on new platform 1

Jan 2023: Installed on new platform 2

FY2024: To be installed on all platforms

● Amagasaki

Spring 2024: To be installed on platforms 1 and 2



Corporate Sustainability Initiatives

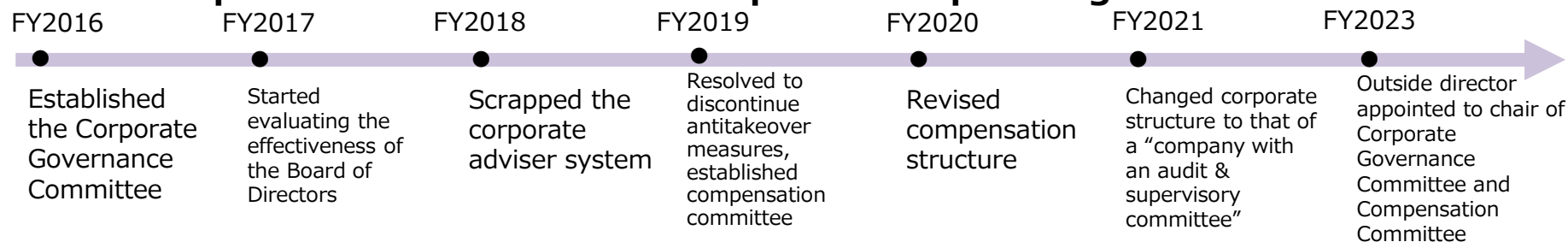
G:
Governance



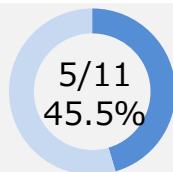
Robust governance

Note: You can access the Corporate Governance Report on our website.

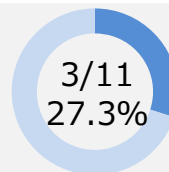
Actions to promote effective and transparent corporate governance



Percentage of members of Board of Directors who are independent outsiders*



Percentage of members of Board of Directors who are women*



*Following the end of the AGM held in June 2023

Participating in the UN Global Compact

- The UN Global Compact calls on companies to commit to ten principles related to human rights (protection of human rights), labor (e.g. elimination of forced and compulsory labor), environment, and anti-corruption.
- We signed the compact in May 2021, and commit to upholding the ten principles.

WE SUPPORT



Updating our basic principles and basic policy on respecting human rights

- In April 2023, we updated our basic principles and basic policy on respecting human rights in line with the UN Guiding Principles on Business and Human Rights.
- We are examining measures for human rights due diligence.

Anti-Corruption Policy

- We have declared our commitment to combat corruption (including bribery, unfair trade practices, and insider trading) and have published a basic policy on how we work against corruption and how we respond if an incident arises.

(1) Progress in Each Project

(2) Sustainable Management

(3) Other

Consolidated Subsidiaries

(As of March 31, 2023)

Urban Transportation	
Railway operations	Hankyu Corporation Hanshin Electric Railway Nose Electric Railway Kita-Osaka Kyuko Railway Kobe Rapid Transit Railway Hankyu Hanshin Electric System Railway Operation Hankyu Hankyu Railway Service
Automobile	Hankyu Bus Hanshin Bus Hankyu Kanko Bus Hankyu Taxi Hanshin Taxi Osaka Hanshin Taxi Hankyu Hanshin Motor Technology Hankyu Driving School Hattori Ryokuchi Haks Hanshin Hankyu Commuterbus Management Osaka Motor Technology (OMTEC)
Retailing	Eki Retail Service Hankyu Hanshin Hankyu Style Labels
Other	Alna Sharyo Hankyu Sekkei Consultant Hanshin Station Net Hanshin Sharyo Maintenance

[Legend]

Name of segment	
Name of sub-segment	Name of consolidated subsidiary (Only listed companies that are managed as segment)

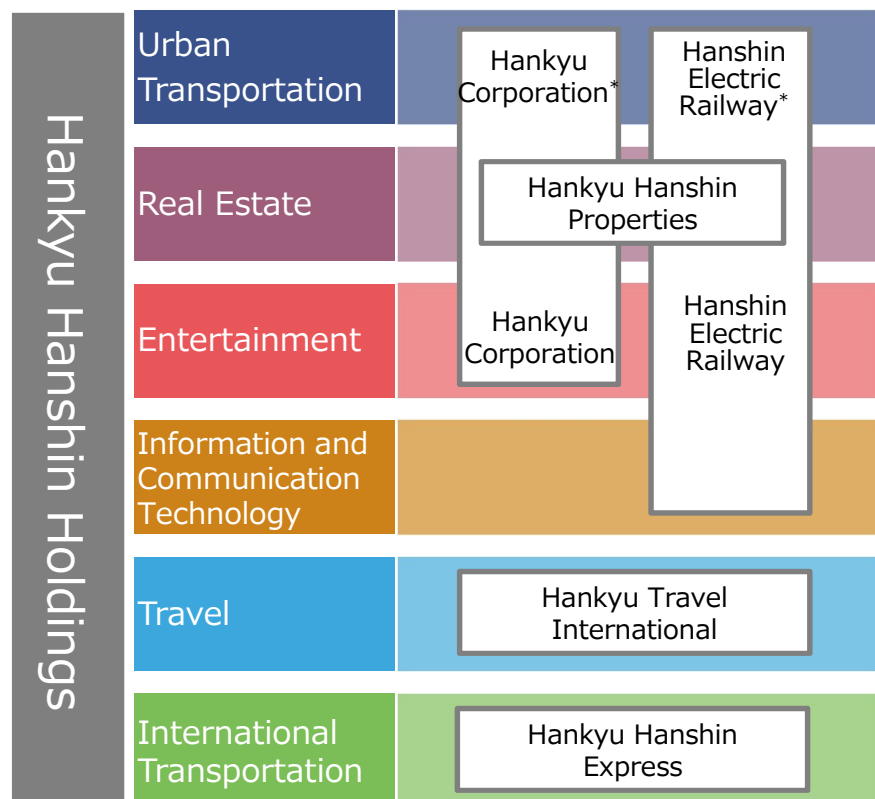
Real Estate	
Real estate leasing, sales and others	Hankyu Hanshin Properties Hankyu Corporation Hanshin Electric Railway Hankyu Hanshin Estate Service Osaka Diamond Chikagai Kyokuto Advanced Development Hankyu Hanshin Building Management Hankyu Hanshin High Security Service Hankyu Hanshin Clean Service Hankyu Hanshin REIT Asset Management Hankyu Hanshin Real Estate Investment Advisors Hankyu Hanshin Housing Support Hankyu Hanshin Properties Join HANKYU HANSHIN LOGISTICS INDONESIA HANKYU HANSHIN PROPERTIES SINGAPORE CPM Assets Japan PT CPM ASSETS INDONESIA
Hotel	Hankyu Hanshin Hotels Hanshin Hotel Systems Arima View Hotel Amanohashidate Hotel Kure Hankyu Hotel
Entertainment	
Sports	Hanshin Electric Railway Hanshin Tigers Baseball Club Hanshin Contents Link Corporation P & P Hamamatsu Wellness Hanshin Mt.Rokko Cable Car & Tourism
Stage	Hankyu Corporation Takarazuka Creative Arts Takarazuka Stage Umeda Arts Theater

Information and Communication Technology	
Information and Communication Technology	Hanshin Electric Railway Itec Hankyu Hanshin System Giken YMIRLINK Rworks Nihon Protec Mimamorume Himeji Cable Television Bay Communications BAN-BAN Networks Hanshin Cable Engineering
Travel	
Travel agency	Hankyu Travel International Hankyu Hanshin Business Travel Hankyu Travel Support Hanshin Travel International
International Transportation	
International transportation	Hankyu Hanshin Express Hankyu Hanshin Logipartners HANKYU HANSHIN EXPRESS (USA,DEUTSCHLAND,UK,NETHERLANDS, BEIJING,SHANGHAI,GUANGZHOU,HK, TAIWAN,KOREA,Southeast Asia, SINGAPORE,THAILAND,MALAYSIA, PHILIPPINES,INDONESIA,VIETNAM, INDIA : 18 companies) HANKYU HANSHIN INTERNATIONAL LOGISTICS SHANGHAI HANKYU HANSHIN LOGISTICS INDONESIA

Revenue from Operations and operating income as a FY2023

Management composition

(As of March 31, 2023)

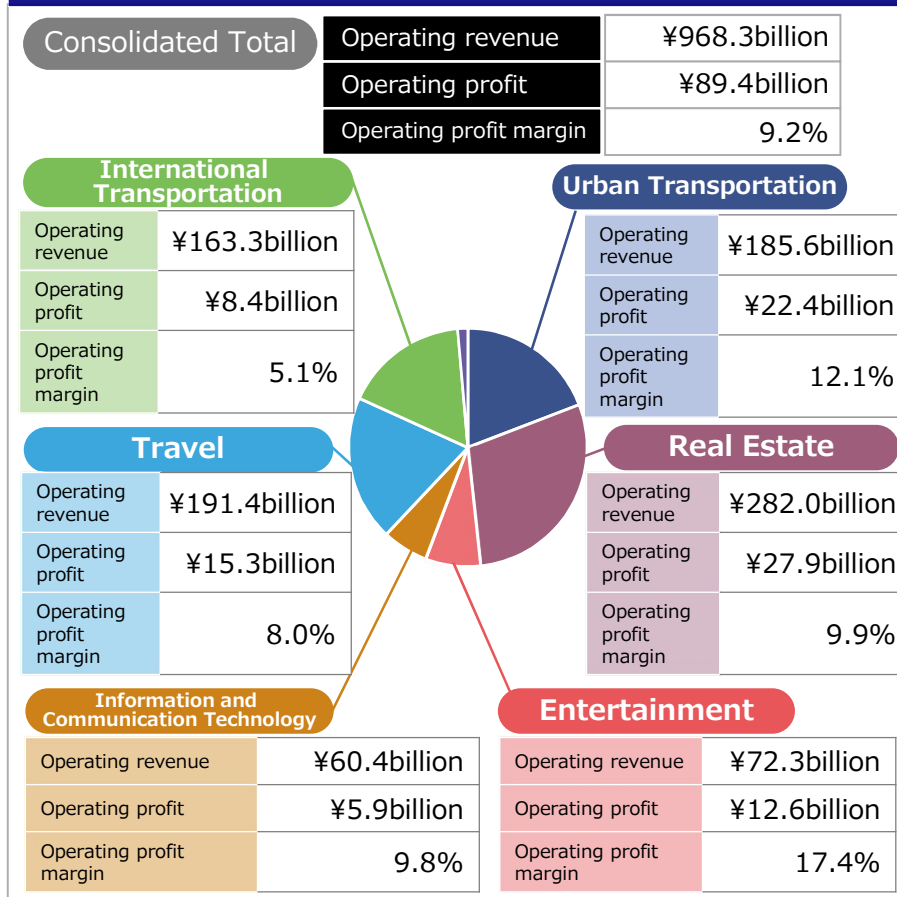


* In the Umeda and line-side areas, Hankyu Corporation and Hanshin Electric Railway will retain their real estate for leasing and developing and work with Hankyu Hanshin Properties to promote community building efforts in connection with public transport networks and local governments.

Earnings structure

- The Urban Transportation and Real Estate businesses generate stable cash flows and account for approximately 50% of operating revenue. (In FY2019 results, approximately 60% of operating revenue and 80% of operating profit)

Operating revenue breakdown(FY2023)



Areas served by the Hankyu and Hanshin lines①

Definition of the areas served by the Hankyu and Hanshin lines

Osaka Prefecture:

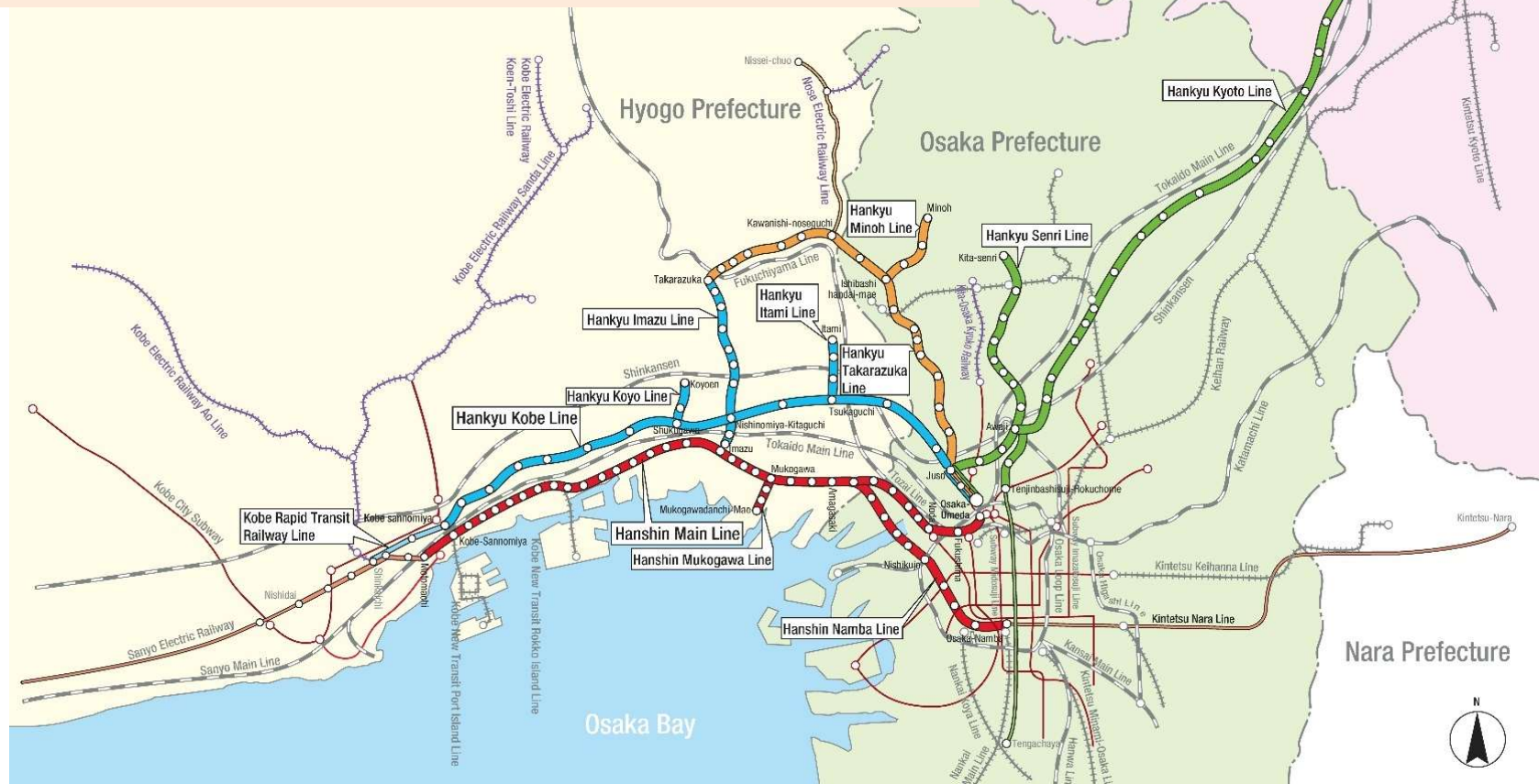
Osaka City (Fukushima, Konohana, Nishi, Naniwa, Nishi-Yodogawa, Higashi-Yodogawa, Yodogawa, Kita and Chuo, out of a total of 24 wards); and Toyonaka, Ikeda, Suita, Takatsuki, Ibaraki, Minoh, Settsu cities and Shimamoto town

Hyogo Prefecture:

Kobe City (Higashi-Nada, Nada, Hyogo, Nagata and Chuo, out of a total of 9 wards); and Amagasaki, Nishinomiya, Ashiya, Itami, Takarazuka and Kawanishi cities

Kyoto Prefecture:

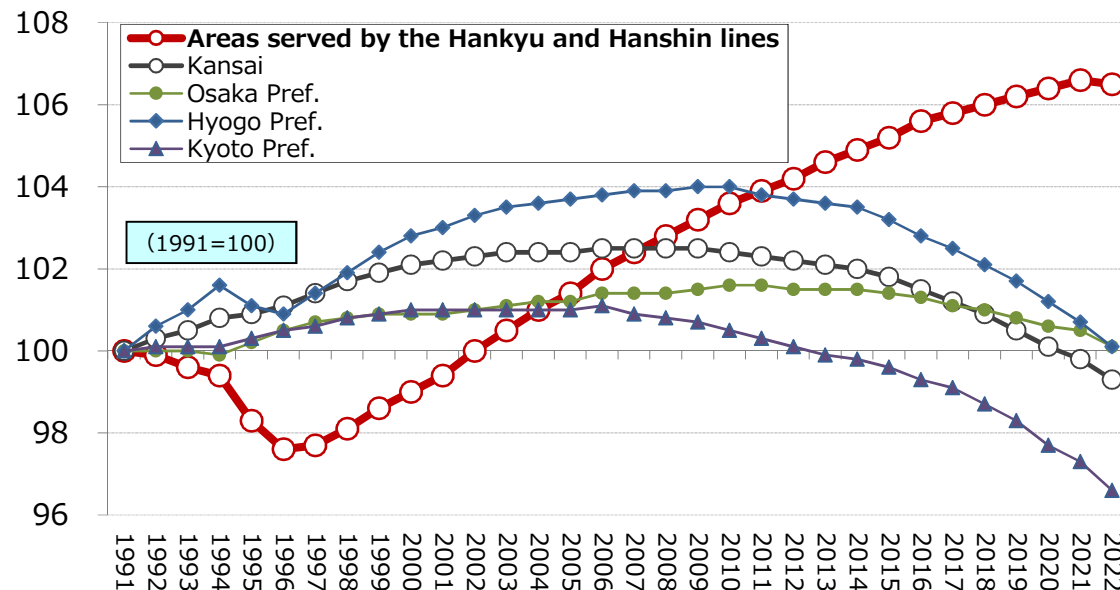
Kyoto City (Nakagyo, Shimogyo, Ukyo, Nishikyo, out of a total of 11 wards); and Muko and Nagaokakyo cities and Oyamazaki town



Areas served by the Hankyu and Hanshin lines②

Population Trends

Sources: Prepared by the Company based on data from "Local Economy Directory," published by Toyo Keizai, Inc., and "Basic Resident Register," published by the Ministry of Internal Affairs and Communications. (as of January 1, 2021)



	(km ²)	(thousand)
Area	Population	
Areas served by the Hankyu/Hanshin line	1,318	5,635
Osaka Pref. (service areas)	449	2,718
Hyogo Pref. (service areas)	471	2,255
Kyoto Pref. (service areas)	398	661
Non-Hankyu/Hanshin Service Areas	26,033	14,387
Osaka Pref. (non-service areas)	1,456	5,839
Hyogo Pref. (non-service areas)	7,930	3,123
Kyoto Pref. (non-service areas)	4,214	1,793
Shiga Pref.	4,017	1,383
Nara Pref.	3,691	1,322
Wakayama Pref.	4,725	928
Total	27,351	20,022

Survey of prospective condominium purchasers regarding their preferred Kansai residential area

Ranking	Station	(Area)
1	Osaka-Umeda, Osaka	(Osaka, Osaka Pref.)
2	Nishinomiya-Kitaguchi	(Nishinomiya, Hyogo Pref.)
3	Shukugawa	(Nishinomiya, Hyogo Pref.)
4	Okamoto	(Kobe, Hyogo Pref.)
5	Takarazuka	(Takarazuka, Hyogo Pref.)
6	Senri-Chuo	(Toyonaka, Osaka Pref.)
7	Mikage(Hankyu)	(Kobe, Hyogo Pref.)
8	Takatsuki, Takatsuki-shi	(Takatsuki, Osaka Pref.)
9	Ashiya	(Ashiya, Hyogo Pref.)
10	Karasuma Oike	(Kyoto, Kyoto Pref.)

Ranking	Station	(Area)
11	Hommachi	(Osaka, Osaka Pref.)
12	Kobe-Sannomiya, Sannomiya	(Kobe, Hyogo Pref.)
13	Tennoji	(Osaka, Osaka Pref.)
14	Ashiyagawa	(Ashiya, Hyogo Pref.)
15	Yodoyabashi	(Osaka, Osaka Pref.)
16	Kitahama	(Osaka, Osaka Pref.)
17	Toyonaka	(Toyonaka, Osaka Pref.)
18	Kyoto	(Kyoto, Kyoto Pref.)
19	Tanimachi 6-chome	(Osaka, Osaka Pref.)
20	Fukushima	(Osaka, Osaka Pref.)

13 of the top-20 spots are areas served by our lines

Source: A survey of prospective condominium purchasers regarding their preferred residential area, conducted by seven major real estate developers (Sumitomo Realty & Development Co., Ltd., Daikyo Incorporated, Tokyu Land Corporation, Tokyo Tatemono Co., Ltd., Nomura Real Estate Development Co., Ltd., Mitsui Fudosan Residential Co., Ltd., and Mitsubishi Jisho Residence Co., Ltd.) and included in a press release dated October 6, 2022.

Overview of Osaka-Umeda area ①

Major rental properties

(As of March 31, 2023)

Property name	Leasable area (1,000m) ² *1	Number of floors	Completed
Osaka Umeda Twin Towers North (Hankyu Department Store, office)	213	41 floors above ground and 2 below ground	Nov 2012
Osaka Umeda Twin Towers South (Hanshin Department Store, office)	193	38 floors above the ground and 3 below ground	Feb 2022
Umeda Hanshin Daiichi Bldg. (HERBIS OSAKA)	82	40 floors above ground and 5 below ground	Mar 1997
Umeda Hanshin Daini Bldg. (HERBIS ENT)	54	28 floors above ground and 4 below ground	Nov 2004
Hankyu Chayamachi Bldg. (Applause Tower)	52	34 floors above ground and 3 below ground	Nov 1992
Hankyu Sanban Gai Shopping Center	38	5 floors above ground and 2 below ground (partially 4 below ground)	Nov 1969
Hankyu Grand Bldg.	36	32 floors above ground and 3 below ground	Aug 1977
Hankyu Terminal Bldg.	27	18 floors above ground and 4 below ground	Mar 1972
Hankyu Five Bldg.*2 (HEP FIVE)	19	10 floors above ground and 3 below ground	Nov 1998
NAVIO Hankyu (HEP NAVIO)	16	10 floors above ground and 2 below ground	Oct 1980
GRAND FRONT OSAKA*3	14	38 floors above ground and 3 below ground	Mar 2013
NU chayamachi	12	9 floors above ground and 2 below ground	Oct 2005

*1 : Leasable area is the portion owned by our group.

*2 : Jointly owned property with Hankyu Hanshin REIT Asset Management

*3 : Jointly owned property with others (including Hankyu Hanshin REIT Asset Management)

Developments in Umeda district

(red = Hankyu Hanshin Holdings group related Projects)

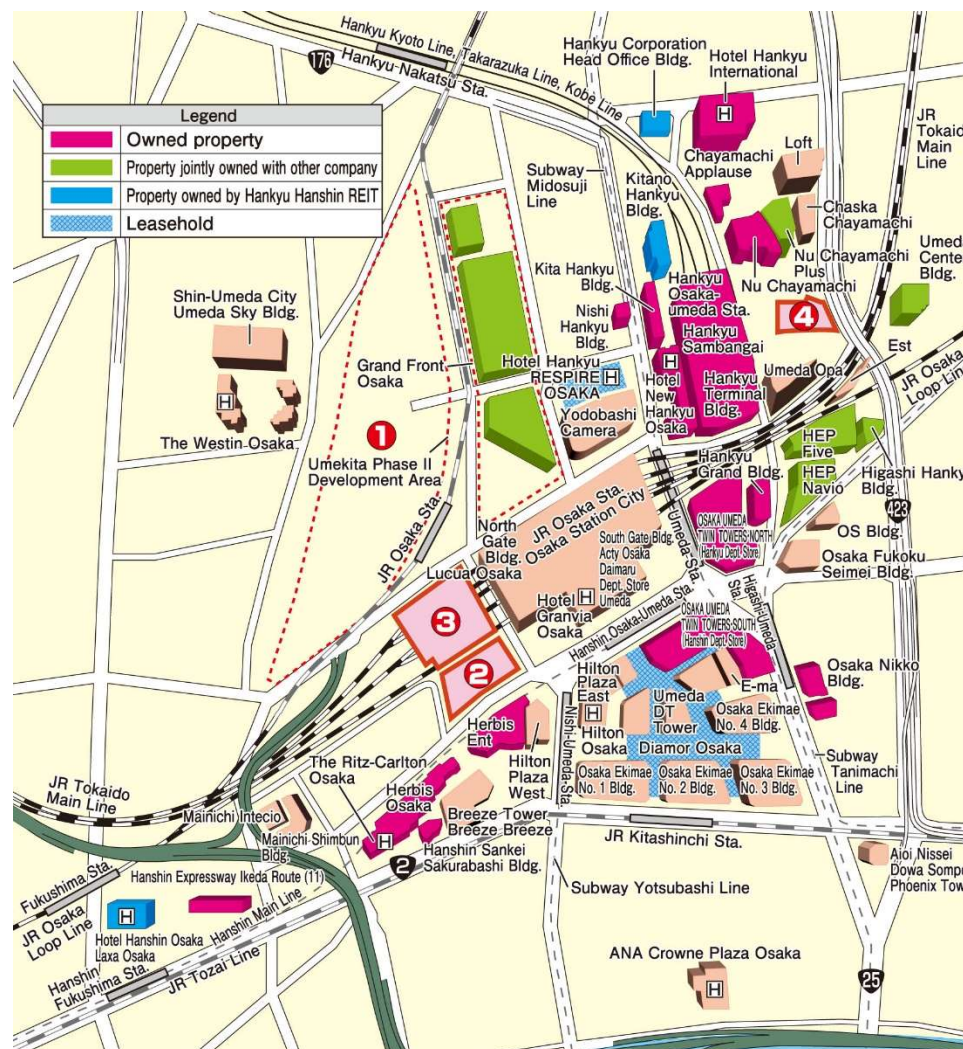
①Umekita Phase II Development Project (Grand Green Osaka)

②JP Tower Osaka: Japan Post Holdings, Osaka Terminal Building Co., Ltd., among others

③Project to Develop Osaka Station Northwest Building (tentative name): West Japan Railway among others

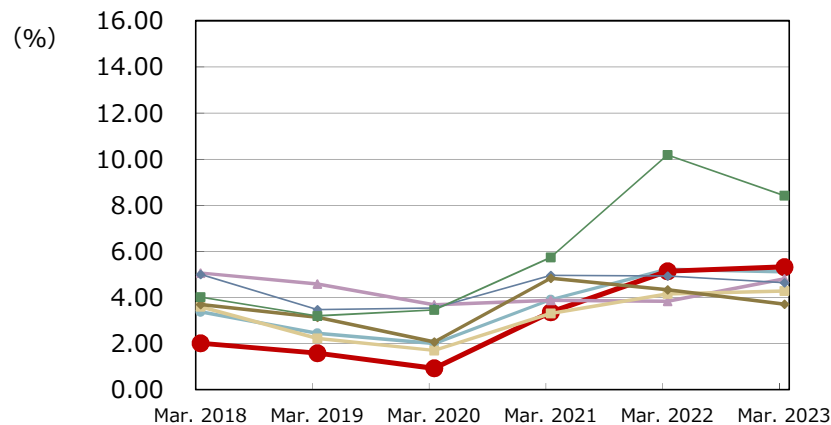
④Chayamachi B-2 and B-3 District Redevelopment Project: Tokyu Fudosan Holdings

(As of March 31, 2023)



Overview of Osaka-Umeda area ②

Trends in average vacancy rates among six main business districts in Osaka

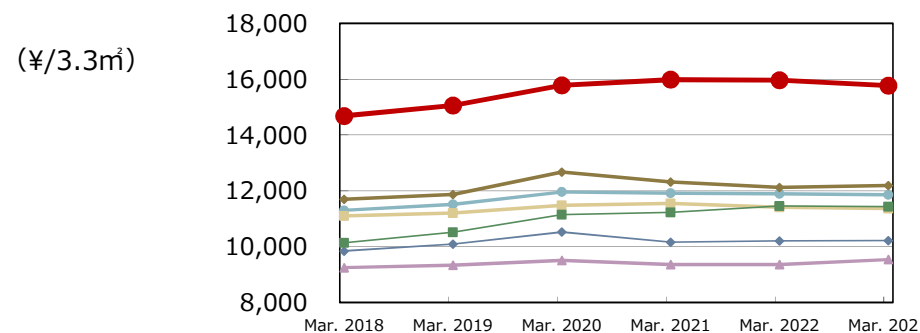


	Mar. 2018	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023
Osaka business areas (all)	3.38	2.45	2.00	3.91	5.22	5.11
Umeda area	2.02	1.59	0.93	3.36	5.14	5.32
Minamimorimachi area	5.06	4.58	3.68	3.88	3.84	4.81
Yodoyabashi-Honmachi area	3.60	2.22	1.70	3.30	4.16	4.28
Semba area	5.00	3.47	3.54	4.96	4.93	4.64
Shinsaibashi-Namba area	3.70	3.14	2.07	4.83	4.33	3.71
Shinosaka area	4.01	3.20	3.46	5.74	10.18	8.41

(Reference)

Tokyo business areas (all)	2.80	1.78	1.50	5.42	6.37	6.41
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Trends in rent among six main business districts in Osaka



	Mar. 2018	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023
Osaka business areas (all)	11,302	11,510	11,957	11,917	11,893	11,862
Umeda area	14,684	15,056	15,780	15,984	15,969	15,767
Minamimorimachi area	9,249	9,331	9,508	9,364	9,365	9,539
Yodoyabashi-Honmachi area	11,105	11,200	11,485	11,548	11,407	11,371
Semba area	9,845	10,093	10,524	10,157	10,205	10,218
Shinsaibashi-Namba area	11,696	11,875	12,671	12,317	12,125	12,190
Shinosaka area	10,142	10,523	11,147	11,232	11,456	11,437

(Reference)

Tokyo business areas (all)	19,699	21,134	22,594	21,541	20,366	19,991
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Source: Miki Shoji, "Office Data."

Hotel network of the Hankyu-Hanshin-Daiichi Hotel Group

ホテル一覧

(As of April 1, 2023)

Directly managed hotels (Hankyu Hanshin Hotels)	17 Hotels	5,941 rooms	} 41 Hotels 11,201 rooms
Other (franchises, etc.)	24 Hotels	5,260 rooms	

*The number of hotels and guest rooms above does not include The Ritz-Carlton Osaka (291 rooms, Kita-ku, Osaka)



Hankyu-Hanshin-Daiichi
Hotel Group

Directly managed hotels	Other(franchises, etc.)
Dai-ichi Hotel Tokyo	Tokyo Dai-ichi Hotel Tsuruoka
remm plus Ginza	Tokyo Dai-ichi Hotel Shin-Shirakawa
remm Tokyo Kyobashi	Ginza Creston
remm Hibiya	Hotel Yaenomidori Tokyo
remm Akihabara	Ours Inn Hankyu
remm Roppongi	Dai-ichi Hotel Ryogoku
Hotel new Hankyu Kyoto	Dai-ichi Inn Ikebukuro
remm Shin-Osaka	Dai-ichi Inn Shonan
Hotel Hankyu International	Dai-ichi Inn Shinminato
Hotel new Hankyu Osaka	Tokyo Dai-ichi Hotel Nishiki
Hotel new Hankyu Annex	Hotel Boston Plaza Kusatsu
Hotel Hankyu RESPIRE OSAKA	Hotel Royal Hill Fukuchiyama& Spa
Hotel Hanshin Osaka	Amano Hashidate Hotel
Hotel Hanshin Annex Osaka	Arima Kirari Hotel
Senri Hankyu Hotel	Royal Park Hotel Kurashiki
Takarazuka Hotel	Hotel Ichibata
remm plus Kobe Sannomiya	Kure Hankyu Hotel
	Takamatsu Kokusai Hotel
	JR Hotel Clement Takamatsu
	JR Hotel Clement Tokushima
	The Crown Palais New Hankyu Kochi
	Tokyo Dai-ichi Hotel Matsuyama
	Imabari Kokusai Hotel
	Remm Kagoshima

