

# Hankyu Hanshin Holdings Group Results Briefing Materials for Second Quarter of Fiscal 2019 (Ended September 30, 2018)

November 8th, 2018

Hankyu Hanshin Holdings, Inc.

9042 <http://www.hankyu-hanshin.co.jp/en/>

# Contents

<b>I . Performance Highlights for the Second Quarter of Fiscal 2019 (fiscal year ending 31st March 2019)</b>	...	2
<b>II . Forecasts for Fiscal 2019 (fiscal year ending 31st March 2019)[Change from May forecasts]</b>	...	20
<b>III . Key Topics for the Second Quarter of Fiscal 2019</b>	...	28
<b>IV.Others</b>		
<b>①Medium-Term Management Plan</b> (Reproduced from the results briefing materials released in May 2018)	...	32
<b>②Key Strategies</b>	...	46
<b>V.Referential Materials</b>	...	60

This document contains forward-looking statements such as business performance forecasts. These statements are based on currently available information and what we believe to be reasonable assumptions; they do not, however, represent guarantees of future performance. Actual results or developments may differ materially from those in the forward-looking statements as a result of various factors.

# **I . Performance Highlights for the Second Quarter of Fiscal 2019 (fiscal year ending 31st March 2019)**



# Consolidated Statements of Income(Summary)

	1H FY2019 Results	FY2018 Results	Change
Consolidated Subsidiaries	94 companies	92 companies	+2 (3 companies increase, 1 company decrease)
Equity-Method Affiliates	11 companies	11 companies	
Total	105 companies	103 companies	+2

(¥ million)	(※) The impact of natural disasters -2.8billion yen	1H FY2019 Results	1H FY2018 Results	Change	Remarks
Revenues from operations		374,792	361,906	+12,885(+3.6%)	For details, please see next page
Operating income	-2.4billion yen	56,635	62,661	-6,026(-9.6%)	
Non-operating income		4,329	6,524	-2,194	Equity in income of affiliates -2,783
Non-operating expenses		6,094	6,334	-239	
Ordinary income	-2.4billion yen	54,870	62,852	-7,981(-12.7%)	
Extraordinary income		1,116	9,294	-8,178	Gain on contributions for construction -7,973
Extraordinary loss	Losses associated with natural disasters 0.5billion yen	3,065	9,569	-6,503	Loss on reduction of noncurrent assets -7,801, Loss on retirement of noncurrent assets +1,321
Net income attributable to owners of the parent	-2.0billion yen	33,853	41,649	-7,796(-18.7%)	

(Reference)	1H FY2019 Results	1H FY2018 Results	Change
Depreciation and amortisation	26,258	25,940	+317
Financial balance ① - ②	-3,930	-4,323	+392
Interest and dividend income①	914	792	+122
Interest expense②	4,845	5,115	-269

※Affected by the 2018 Osaka earthquake, 2018 Japan floods, Typhoon Jebi, 2018 Hokkaido Eastern Iburi earthquake (travel business only), and Typhoon Trami.

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

## [Key results in current period]

• Across the segments, operating revenue increased as condominium sales increased YOY, but operating income decreased. Many businesses were affected by natural disasters. Other factors included the relatively low number of Hanshin Tigers' regular season games and the sell-off of commercial land last year.

(¥ million)	Revenues from operations			Segment income		
	1H FY2019 Results	1H FY2018 Results	Change	1H FY2019 Results	1H FY2018 Results	Change
Urban Transportation	118,372	118,127	+244	23,724	24,134	-410
Real Estate	99,635	89,448	+10,187	17,902	19,245	-1,343
Entertainment and Communications	64,919	64,960	-40	14,132	15,781	-1,649
Travel	18,083	18,377	-293	1,118	2,463	-1,345
International Transportation	44,163	40,163	+4,000	828	1,609	-780
Hotels	31,394	32,338	-943	-11	492	-504
Other	16,822	17,500	-677	725	522	+202
Adjustment	-18,600	-19,009	+408	-1,783	-1,587	-195
Total	374,792	361,906	+12,885	56,635	62,661	-6,026

The impact of natural disasters -1.2billion yen

-1.1billion yen

-0.9billion yen

-0.8billion yen

-0.6billion yen

-0.4billion yen

-2.8billion yen

-2.4billion yen

# Urban Transportation Results

The impact of natural disasters  
Revenues from operations : -1.2billion yen  
Operating income : -1.1billion yen

## [Railway]

• Operating revenue was on par with last year's level due the impact of natural disasters. Operating income declined due to an increase in depreciation and amortisation.

## [Automobile]

• The addition of a consolidated subsidiary resulted in higher operating revenue. However, operating income declined due to the impact of natural disasters and higher fuel costs.

(¥ million)	1H FY2019 Results	1H FY2018 Results	Change	%
Revenues from operations	118,372	118,127	+244	+0.2%
Operating income	23,724	24,134	-410	-1.7%

## [Breakdown by type of business]

(¥ billion)		1H FY2019 Results	Y on Y
Revenues from operations			
Railway	The impact of natural disasters -0.7billion yen	76.3	-0
Automobile	-0.2billion yen	24.8	+0.7
Retailing	-0.3billion yen	15.1	-0.3
Advertising		4.3	+0.3
Others		2.5	-0.7

\*Not including head office expenses /adjustments.

# [Urban Transportation] Railway Performance Results

## Hankyu Corporation

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	1H FY2019 Results	1H FY2018 Results	Change	1H FY2019 Results	1H FY2018 Results	Change
Commuter pass	16,987	16,902	+85(+0.5%)	173,385	172,347	+1,038(+0.6%)
Workers	14,580	14,481	+98(+0.7%)	119,759	118,620	+1,138(+1.0%)
Students	2,407	2,420	-13(-0.5%)	53,626	53,726	-100(-0.2%)
Other tickets	31,215	31,532	-316(-1.0%)	158,429	159,933	-1,503(-0.9%)
Total	48,203	48,434	-231(-0.5%)	331,815	332,280	-465(-0.1%)

The impact of natural disasters -0.6billion yen

## Hanshin Electric Railway

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	1H FY2019 Results	1H FY2018 Results	Change	1H FY2019 Results	1H FY2018 Results	Change
Commuter pass	6,053	5,975	+77(+1.3%)	62,927	62,036	+891(+1.4%)
Workers	5,410	5,338	+71(+1.3%)	49,364	48,645	+718(+1.5%)
Students	643	637	+6(+1.0%)	13,562	13,390	+172(+1.3%)
Other tickets	11,350	11,186	+164(+1.5%)	62,200	61,411	+788(+1.3%)
Total	17,404	17,161	+242(+1.4%)	125,127	123,448	+1,679(+1.4%)

The impact of natural disasters -0.1billion yen

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



# [Urban Transportation] Transportation Revenue (Factors of YoY Change)

## 《Hankyu Corporation》

### Transportation revenue (tier 1 + tier 2)

(¥ million)

Totals for commuter passes and other tickets	1Q	2Q	First half total
FY2019 Results	24,389	23,814	48,203
FY2018 Results	24,533	23,902	48,434
Change	-144	-88	-231
(%)	-0.6%	-0.4%	-0.5%

#### Factors of YoY Change (estimated)

- Natural disasters (e.g., earthquakes and typhoons) during period  
-¥560million
- Other factors (e.g. increase in line-side areas populations and others)  
+¥329million

## 《Hanshin Electric Railway》

### Transportation revenue (tier 1 + tier 2)

(¥ million)

Totals for commuter passes and other tickets	1Q	2Q	First half total
FY2019 Results	8,640	8,764	17,404
FY2018 Results	8,474	8,687	17,161
Change	+165	+76	+242
(%)	+2.0%	+0.9%	+1.4%

#### Factors of YoY Change (estimated)

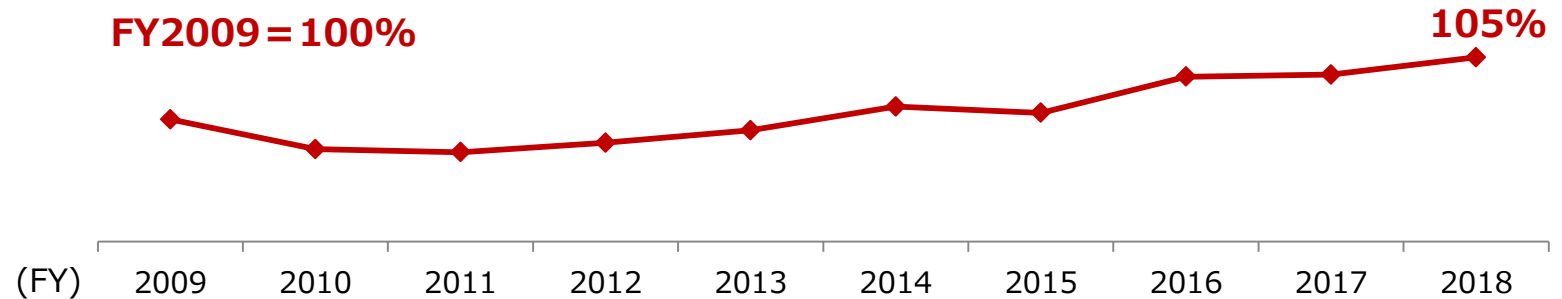
- Natural disasters (e.g., earthquakes and typhoons) during period  
-¥70million
- Other factors (e.g. increase in line-side areas populations, and the strong performance of the Hanshin Namba Line and others)  
+¥312million

# [Urban Transportation] Referential Information

## Hankyu Line: Transportation revenue (tier 1 + tier 2)

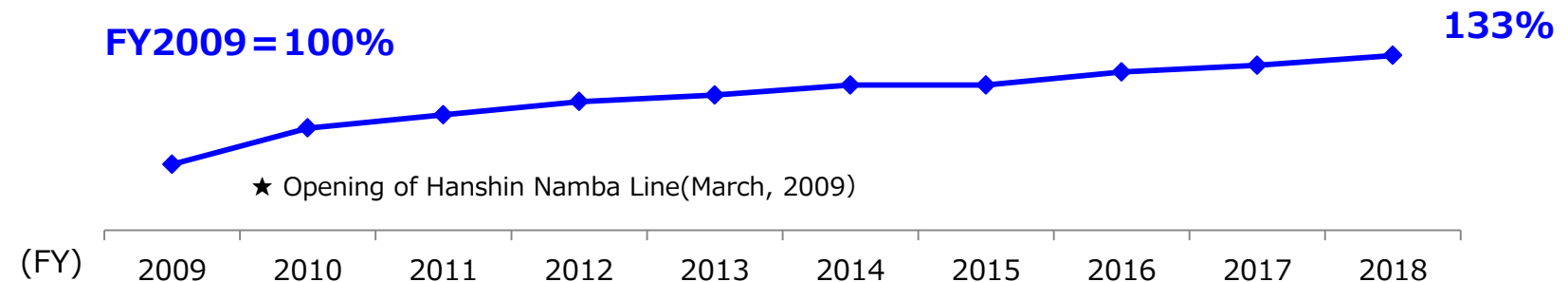
(¥ million)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	1H FY2019
Commuter passes	31,880	31,126	29,484	29,922	30,391	31,299	31,549	32,272	32,628	33,198	16,987
Other tickets	60,087	58,582	60,000	60,268	60,749	61,630	60,910	62,920	62,720	63,137	31,215
Total	91,967	89,708	89,485	90,191	91,141	92,929	92,459	95,192	95,348	96,335	48,203



## Hanshin Line: Transportation revenue (tier 1 + tier 2)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	1H FY2019
Commuter passes	8,913	9,642	10,126	10,623	10,740	11,008	11,107	11,372	11,563	11,797	6,053
Other tickets	16,316	18,396	18,899	19,422	19,669	20,260	20,286	21,035	21,136	21,638	11,350
Total	25,230	28,038	29,025	30,045	30,410	31,269	31,394	32,407	32,699	33,436	17,404



# Real Estate Results

## [Real estate leasing]

•Operating income and revenue both increased. Rental buildings in the Umeda area and elsewhere performed well. Another factor was the collection of tenant-borne construction fees following completion of phase 1 of the Umeda 1-1 Project.

## [Real estate sales and Others]

•Operating revenue increased due to a YOY increase in total number of condominium units sold. However, operating income decreased due to the sell-off of commercial land last year.

(¥ million)	1H FY2019 Results	1H FY2018 Results	Change	%
Revenues from operations	99,635	89,448	+10,187	+11.4%
Operating income	17,902	19,245	-1,343	-7.0%

## [Breakdown by type of business]

(¥ billion)	1H FY2019 Results	Y on Y
Revenues from operations		
Real estate leasing	53.8	+1.1
Real estate sales and Others	54.5	+9.7

\*Not including head office expenses /adjustments.

Condominium sales: up 149 (332 units; previous year = 183 units)

# Entertainment and Communications Results

## [Sports]

•Operating income and revenue both declined because there were 5 fewer Hanshin Tigers' regular season games this year (65 games were held, compared to 70 last year).

## [Stage]

•Operating revenue and income both declined. There was a reactionary decline in sales of show-related merchandise (last year, sales were boosted by the departure of a popular actor). Another factor was that relatively few shows were staged this year.

## [Communication, media and Others]

•Operating revenue and income both increased due to the addition of a consolidated subsidiary and a higher number of orders in the information services business.

(¥ million)	1H FY2019 Results	1H FY2018 Results	Change	%
Revenues from operations	64,919	64,960	-40	-0.1%
Operating income	14,132	15,781	-1,649	-10.5%

## [Breakdown by type of business]

(¥ billion)	1H FY2019 Results	Y on Y
Revenues from operations		
Sports	26.2	-0.3
Stage	16.4	-0.7
Communication, media and Others	22.8	+0.9

\*Not including head office expenses /adjustments.

# Travel Results

The impact of natural disasters  
Revenues from operations : -0.9billion yen  
Operating income : -0.8billion yen

• Although the overseas travel segment achieved strong results for China and Hong Kong destinations, operating revenue and income both declined due the impact of natural disasters and higher costs for advertising and other items.

(¥ million)	1H FY2019 Results	1H FY2018 Results	Change	%
Revenues from operations	18,083	18,377	-293	-1.6%
Operating income	1,118	2,463	-1,345	-54.6%

## [Performance Highlights for the Second Quarter of Fiscal 2019]

- ◆ **Overseas travel billings : Ranking 3(※)**  
Billings : ¥ 113.3billion (Y on Y +7.0%)
- ◆ **Domestic travel billings : Ranking 6(※)**  
Billings : ¥ 69.7billion (Y on Y -1.0%)
- ◆ **Total travel billings : Ranking 5(※)**  
Billings : ¥ 184.8billion (Y on Y +4.0%)

Source: Sales volume indicates the aggregated volume for April to September.  
The values for industry ranking are based on aggregated results from April to August.

Source: Japan Tourism Agency, 'Bulletin on Sales Volumes among the Major Travel Agents' (Shuyō ryokō-sha no ryokō toriatsukai jōkyō sokuhō)

※ The above figures indicate the aggregated results for Hankyu Travel International, Hankyu Hanshin Business Travel, and Hanshin Travel International (intercompany transactions offset)

### 【Overseas travel】

Despite the impact of natural disasters, volume was on par with last year's level thanks to strong numbers of visitors to China, Hong Kong, and other Asian destinations.

### 【Domestic travel】

Travel to Hokkaido was sluggish due to the impact of natural disasters. Consequently, volume was slightly lower than last year.

# International Transportation Results

•Operating revenue increased thanks to strong air export volume in Japan. However, operating income declined due to increases in air freight charges and other costs.

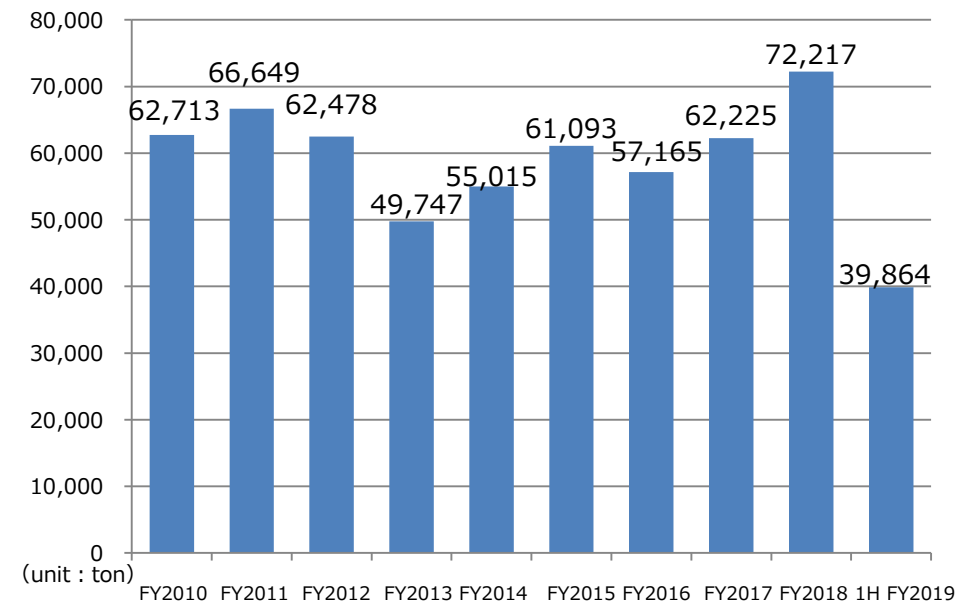
(¥ million)	1H FY2019 Results	1H FY2018 Results	Change	%
Revenues from operations	44,163	40,163	+4,000	+10.0%
Operating income	828	1,609	-780	-48.5%

## [Performance Highlights for the Second Quarter of Fiscal 2019]

- In Japan, air transport volume increased, and the ocean transport and logistics businesses performed well.
  - In the United States, the logistics business performed well.
  - In EMEA※ and East Asia, air transport volume declined.
- In ASEAN, performance was strong, particularly in Thailand and Indonesia.

※EMEA = Europe, the Middle East, and Africa.

## Air export consolidated freight weight (from Japan)



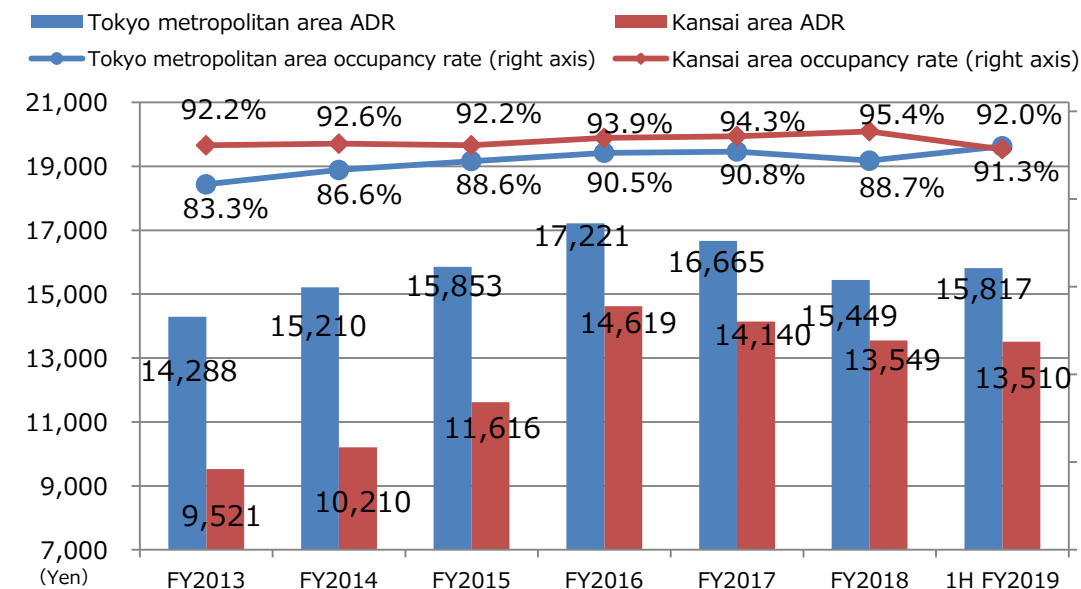
# Hotels Results

The impact of natural disasters  
Revenues from operations : -0.6billion yen  
Operating income : -0.4billion yen

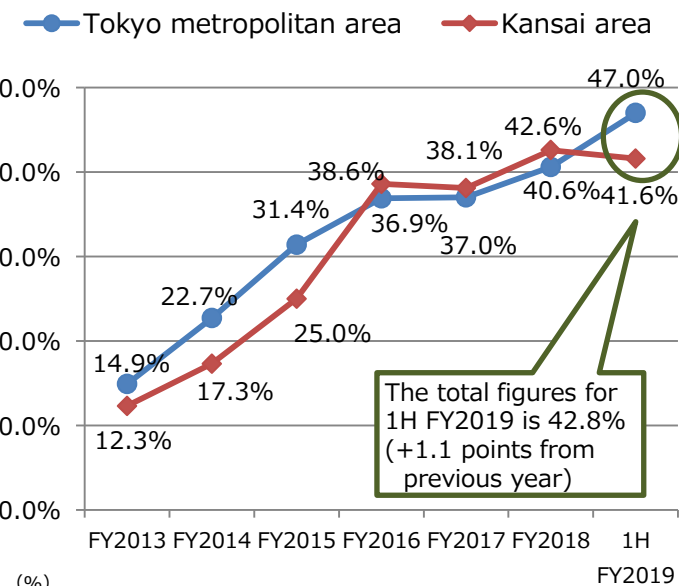
Operating revenue and income both declined. One factor was the impact of natural disasters. Other factors include the termination of Rokkusan Hotel's management contract in December 2017 and an increase in repair costs associated with renovation work.

(¥ million)	1H FY2019 Results	1H FY2018 Results	Change	%
Revenues from operations	31,394	32,338	-943	-2.9%
Operating income	-11	492	-504	—

**Average daily rates (ADR) and occupancy rates of Hankyu Hanshin Hotels in the Tokyo metropolitan area<sup>1</sup> and Kansai area<sup>2</sup>**



**Non-Japanese guests as a percentage of overnight-stay guests**



1. Directly managed Hanshin Hankyu hotels, hotels in the Tokyo metropolitan area (including remm ROPPONGI, which opened in March 2017)
2. Directly managed Hanshin Hankyu hotels, hotels in the Kinki area (including remm SHIN-OSAKA, which opened in September 2012, not including hotels managed under contract)

# Consolidated Statements of Income

## (Non-operating profit and loss)

(¥ million)	1H FY2019 Results	1H FY2018 Results	Change
Operating income	56,635	62,661	-6,026
Non-operating income	4,329	6,524	-2,194
Equity in income of affiliates	2,299	5,082	-2,783
Non-operating expenses	6,094	6,334	-239
Interest expenses	4,845	5,115	-269
Ordinary income	54,870	62,852	-7,981



# Consolidated Statements of Income

## (Extraordinary profit and loss)

(¥ million)	1H FY2019 Results	1H FY2018 Results	Change
Extraordinary profit and loss	-1,949	-274	-1,675
Extraordinary income	1,116	9,294	-8,178
Gain on contributions for construction	593	8,567	-7,973
Settlement received	242	—	+242
Other	280	727	-447
Extraordinary loss:	3,065	9,569	-6,503
Loss on reduction of noncurrent assets	649	8,451	-7,801
Loss on valuation of investment securities	1,551	230	+1,321
Other	864	887	-22

# Consolidated Statements of Income

## (Net income attributable to owners of the parent)

(¥ million)	1H FY2019 Results	1H FY2018 Results	Change
Income before income taxes	52,921	62,577	-9,656
Total income taxes	17,971	20,100	-2,129
Income taxes—current	19,150	17,958	+1,192
Income taxes—deferred	-1,179	2,142	-3,322
Net income	34,950	42,476	-7,526
Net income attributable to non-controlling interests	1,096	827	+269
Net income attributable to owners of the parent	33,853	41,649	-7,796

# Consolidated Balance Sheets

(¥ million)		1H FY2019 Results	FY2018 Results	Change	Remarks
Assets	Current assets	289,971	290,448	-476	Trade receivables:-17,842 Land and buildings for sale:+18,157
	Noncurrent assets	2,145,343	2,114,477	+30,865	Property and equipment and intangible assets: +24,506 Investment securities:+4,151
	Total assets	2,435,315	2,404,926	+30,389	
Liabilities	Current liabilities	398,572	406,909	-8,337	
	Long-term liabilities	1,146,328	1,131,503	+14,824	
	Total liabilities	1,544,900	1,538,413	+6,487	
Net assets	Shareholders' equity	826,914	804,764	+22,150	Net income attributable to owners of the parent:+33,853 Less treasury stock, at cost:-10,125 Payment dividend:-4,970
	Accumulated other comprehensive income	34,390	32,961	+1,429	
	Non-controlling interests	29,108	28,786	+322	
	Total net assets	890,414	866,512	+23,901	
Equity ratio		35.4%	34.8%	+0.6p	

	1H FY2019 Results	FY2018 Results	Change
Debt	765,299	767,431	-2,132
Bonds	112,000	92,000	+20,000
Commercial paper	35,000	-	+35,000
Lease obligations	6,960	7,326	-366
Interest-bearing debt	919,260	866,758	+52,501

Accounts payable:-38,116  
Long-term deferred contribution for construction:-8,110

# Consolidated Statements of Cash Flows

(¥ million)

	1H FY2019 Results	1H FY2018 Results
Cash flows from operating activities	27,745	39,168
Income before income taxes	52,921	62,577
Depreciation and amortisation	26,258	25,940
Decrease (increase) in inventories	-22,765	-23,145
Income taxes (paid) refunded	-21,165	-18,332
Cash flows from investing activities	-67,145	-39,930
Purchases of noncurrent assets	-79,728	-53,682
Receipt of contributions for construction	15,198	16,267
Cash flows from financing activities	36,470	510
Purchase of treasury stock	-10,171	-10,651
Dividends paid	-4,970	-4,389
[Reference] Decrease (increase) in interest-bearing debt	52,501	16,037
Effect of exchange rate changes on cash and cash equivalents	-501	-69
Increase (decrease) in cash and cash equivalents	-3,431	-320
Cash and cash equivalents at beginning of year	27,501	22,530
Increase in cash and cash equivalents from newly consolidated subsidiary	1,935	383
Cash and cash equivalents at end of year	26,006	22,592

## **II. Forecasts for Fiscal 2019 (fiscal year ending 31st March 2019) [Change from May forecasts]**

# Consolidated Statements of Income (Summary)

(¥ billion)	FY2019 Forecasts (As of Nov.) ①	FY2019 Forecasts (As of May) ②	Change ①-②	Remarks	FY2018 Results ③	Change ①-③
Revenues from operations	790.0	790.0	-	There was no change because, although the International Transportation Business and Real Estate Business achieved higher operating revenue, this was offset by the impact of natural disasters.	760.3	+29.7
Operating income	107.0	110.0	-3.0 (-2.7%)	This decline reflects the impact of natural disasters.	105.2	+1.8
Ordinary income	103.0	107.0	-4.0 (-3.7%)	This decline reflects the decrease in operating income (see above) as well as a decrease in equity in income of affiliates.	103.8	-0.8
Net income attributable owners of the parent	65.0	70.0	-5.0 (-7.1%)	This decline reflects the decrease in ordinary income (see above) as well as the losses associated with natural disasters.	66.4	-1.4
(Reference)						
Depreciation and amortisation	54.5	55.8	-1.3		53.3	+1.2
Financial balance ①-②	-8.4	-8.7	+0.3		-8.7	+0.3
Interest and dividend income①	1.4	1.3	+0.1		1.3	+0.1
Interest expense②	9.8	10.0	-0.2		10.1	-0.3
Capital expenditure	127.0	108.7	+18.3		86.4	+40.6

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

(¥ billion) [Upper table] Revenues from operations [Lower table] Operating income		FY2019 Forecasts (As of Nov.) ①	FY2019 Forecasts (As of May) ②	Change ①-②	Remarks	FY2018 Results ③	Change ①-③
Total	The impact of natural disasters -3.6billion yen	790.0	790.0	-		760.3	+29.7
	-2.9billion yen	107.0	110.0	-3.0		105.2	+1.8
(Breakdown for each business segment)							
Urban Transportation	-1.3billion yen	239.8	241.7	-1.9	Operating revenues and income both decreased due the impact of natural disasters.	236.0	+3.8
	-1.2billion yen	42.2	42.9	-0.7		41.6	+0.6
Real Estate		239.9	236.2	+3.7	Operating revenue increased due to the sale of leasehold interest in the land for condominiums. Operating income was as initially forecasted.	222.6	+17.3
		47.9	48.0	-0.1		41.0	+6.9
Entertainment and Communications		125.4	124.5	+0.9	Operating revenue increased thanks to the communications media business achieving higher orders for its information services. However, operating income declined because the sports business recorded lower attendance for baseball matches.	121.1	+4.3
		16.2	16.7	-0.5		17.8	-1.6
Travel	-1.0billion yen	34.8	34.8	-	Operating revenue was as initially forecasted, as the impact of natural disasters offset an increase in travel to Asian destinations. Operating income declined due to higher costs for advertising and other items.	34.0	+0.8
	-0.8billion yen	0.7	1.3	-0.6		2.1	-1.4
International Transportation		87.9	83.6	+4.3	Operating revenue increased due to strong air transport volume in Japan. However, operating income declined due to higher air freight charges.	83.7	+4.2
		1.9	2.2	-0.3		2.8	-0.9
Hotels	-0.9billion yen	65.1	66.4	-1.3	Operating revenues and income both decreased due the impact of natural disasters.	67.2	-2.1
	-0.6billion yen	1.3	2.1	-0.8		2.2	-0.9

# [Urban Transportation] Railway Performance Forecasts

## Hankyu Corporation

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	FY2019 Forecasts (As of Nov.)	FY2018 Results	Change	FY2019 Forecasts (As of Nov.)	FY2018 Results	Change
Commuter pass	33,556	33,198	+358(+1.1%)	338,428	335,005	+3,422(+1.0%)
Workers	29,041	28,690	+350(+1.2%)	237,899	234,816	+3,082(+1.3%)
Students	4,515	4,507	+7(+0.2%)	100,528	100,189	+339(+0.3%)
Other tickets	63,143	63,137	+5(+0.0%)	320,016	319,939	+76(+0.0%)
Total	96,700	96,335	+364(+0.4%)	658,444	654,945	+3,498(+0.5%)

The impact of natural disasters -0.6billion yen

## Hanshin Electric Railway

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	FY2019 Forecasts (As of Nov.)	FY2018 Results	Change	FY2019 Forecasts (As of Nov.)	FY2018 Results	Change
Commuter pass	11,960	11,797	+162(+1.4%)	123,785	122,073	+1,711(+1.4%)
Workers	10,726	10,576	+149(+1.4%)	97,778	96,401	+1,376(+1.4%)
Students	1,233	1,221	+12(+1.1%)	26,007	25,672	+334(+1.3%)
Other tickets	21,918	21,638	+280(+1.3%)	121,052	119,567	+1,484(+1.2%)
Total	33,879	33,436	+443(+1.3%)	244,837	241,641	+3,195(+1.3%)

The impact of natural disasters -0.1billion yen

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



# Fiscal 2019 Management Indicators Outlook

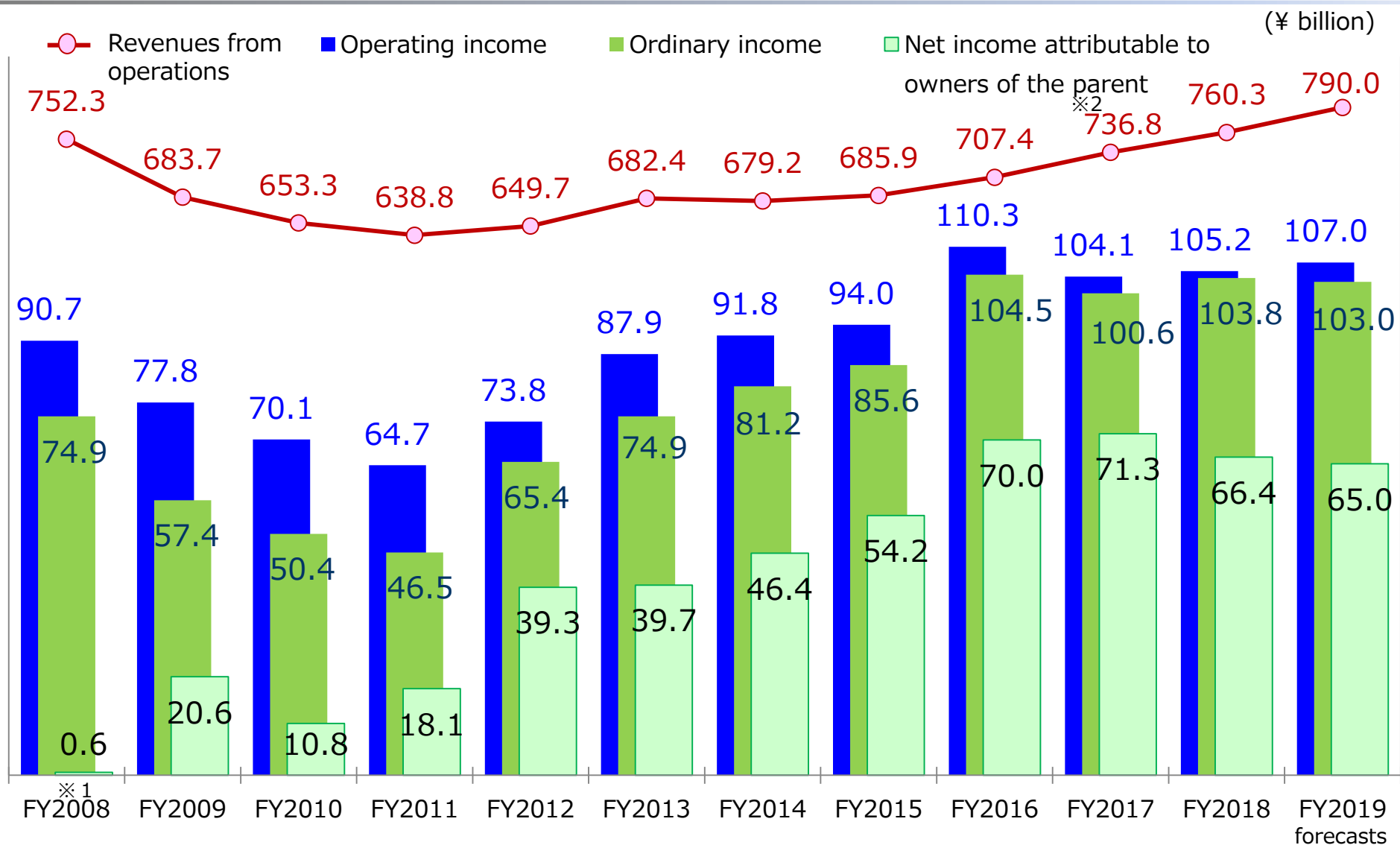
	FY2018 Results	FY2019 Forecasts (As of May)	FY2019 Forecasts (As of Nov.)
Operating income	¥105.2billion	¥110.0billion	¥107.0billion
EBITDA※1	¥160.8billion	¥168.0billion	¥164.0billion
Interest-bearing debt	¥866.8billion	¥900.0billion	¥900.0billion
Interest-bearing debt / EBITDA ratio	5.4times	5.4times	5.5times
D/E ratio※2	1.0times	1.0times	1.0times
Net income attributable to owners of the parent	¥66.4billion	¥70.0billion	¥65.0billion
ROE	8.2%	8.1%	7.5%
(Reference)			
Net interest-bearing debt※3	¥837.9billion	¥875.0billion	¥875.0billion
Net interest-bearing debt/EBITDA ratio	5.2times	5.2times	5.3times

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

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

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

# 《Reference》 Trends in operating revenues and operating income



※1 Includes Department Store Business (consolidated up to the first half of fiscal 2008).

※2 As of fiscal 2017, the presentation of revenues from operations of the International Transportation Business has changed from net to gross amounts.

# 《Reference》 Consolidated Statements of Capital Expenditure

(¥ billion)	FY2019 Forecasts (As of Nov.) ①	FY2019 Forecasts (As of May) ②	Change ①-②	FY2018 Results ③	Change ①-③
Total capital expenditure	127.0	108.7	+18.3	86.4	+40.6

(Breakdown for each business segment)

Urban Transportation	39.0	39.3	-0.3	35.0	+4.0
Real Estate	66.1	47.3	+18.8	39.9	+26.2
Entertainment and Communications	10.8	9.9	+0.9	7.6	+3.2
Travel	1.3	1.2	+0.1	0.5	+0.8
International Transportation	0.9	1.5	-0.6	0.7	+0.2
Hotels	2.5	2.5	-	2.3	+0.2

# 《Reference》 Consolidated Statements of Depreciation and Amortisation, EBITDA

(¥ billion)	FY2019 Forecasts (As of Nov.) ①	FY2019 Forecasts (As of May) ②	Change ①-②	FY2018 Results ③	Change ①-③
Total Depreciation and amortisation	54.5	55.8	-1.3	53.3	+1.2
(Breakdown for each business segment)					
Urban Transportation	27.8	28.5	-0.7	26.7	+1.1
Real Estate	16.6	17.1	-0.5	16.5	+0.1
Entertainment and Communications	7.2	7.3	-0.1	6.8	+0.4
Travel	0.7	0.7	-	0.7	+0.0
International Transportation	0.7	0.6	+0.1	0.7	+0.0
Hotels	2.2	2.2	-	2.1	+0.1
Total EBITDA	164.0	168.0	-4.0	160.8	+3.2
(Breakdown for each business segment)					
Urban Transportation	70.0	71.4	-1.4	68.2	+1.8
Real Estate	64.4	65.1	-0.7	57.5	+6.9
Entertainment and Communications	23.4	24.0	-0.6	24.6	-1.2
Travel	1.4	2.0	-0.6	2.7	-1.3
International Transportation	2.6	2.8	-0.2	3.4	-0.8
Hotels	3.5	4.3	-0.8	4.3	-0.8

## **III. Key Topics for the Second Quarter of Fiscal 2019**

# Umekita Phase II Development Project

## 【Background】

JV9, which includes Hankyu Corporation, and Hankyu Hanshin Properties Corporation entered a consortium with four other firms. The consortium submitted a bid for the Umekita Phase II Development Project in a public tendering process organized by the Urban Renaissance Agency (a semipublic Independent Administrative Institution). The consortium won the bidding.

The core theme of the project is to integrate green space with innovation. Building on the first phase of the project (which culminated in the opening of Grand Front Osaka), the consortium is working to achieve this theme and set a new standard in urban design for Kansai and even the whole of Asia.

## 【Outline of plan】(based on the bid made in May 2018; subject to change)

### <Private-sector zone specifications>

Zone	North zone	South zone
Site area	15,726㎡	30,429㎡
Total floor space	146,900㎡	374,660㎡
Facilities	Innovation facilities, hotel, residence, others	MICE facilities, offices, hotels, commercial facilities, residence, others

### <Urban open space specifications>

Site area	45,000㎡
Total facility floor area	12,500㎡
Facilities	Museum, experiential learning facilities, roofed open spaces, restaurants, shops, others

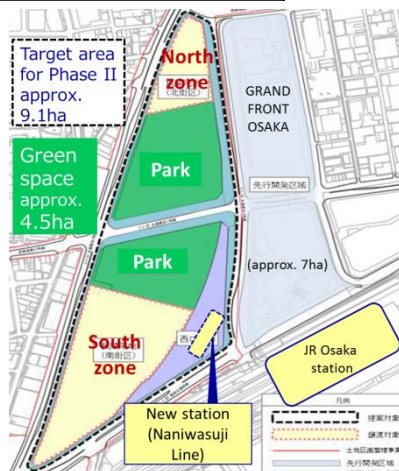
### <Schedule>

Phased land transfer	From September 2020
Construction in private-sector zones	From October 2020
Advance openings※	Around summer 2024

※For some private-sector zone facilities and part of the urban open space

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Hankyu Hanshin Holdings, Inc.



How the area as a whole will look once completed

# New hotel location in Yodobashi Umeda Tower (tentative name)

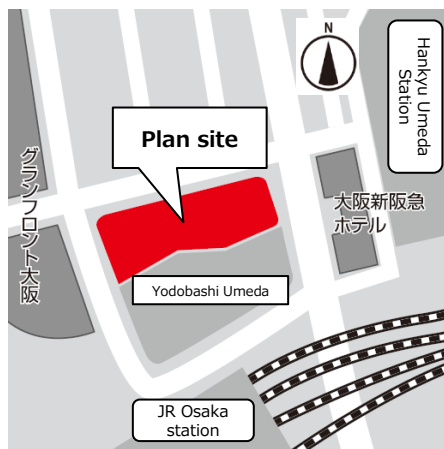
## 【Purpose/concept of project】

- ・ Hankyu Hanshin Hotels will open a new location in Yodobashi Umeda Tower (tentative name), which is a project of Yodobashi Holdings in the north of Umeda. The opening will allow the group to expand its presence in the Umeda area and gain a greater share of the hotel market.

## 【Hotel outline】

Site	1-1,Ofukacho,Kita-ku, Osaka
Number of rooms	Approx. 1,000
Scheduled opening date	Early spring, 2020

## 【Location】



## 【Exterior view】





# Sale of real-estate to Hankyu Hanshin REIT

## Hankyu Hanshin Holdings Group

### Hankyu Corporation



GRAND FRONT OSAKA(4.9%)※1

### Hankyu Hanshin Properties



Site of Valor Takatsuki (tentative name)※2

Transaction scheduled for second half of fiscal 2019



GRAND FRONT OSAKA(4.9%)  
Site of Valor Takatsuki  
(tentative name)



LaLaport Koshien  
(site)

## Hankyu Hanshin REIT



LaLaport Koshien (site)※3

※1 Hankyu Corporation will retain the residual equity

※2 Location : Wakamatsucho, Takatsuki, Osaka  
Surface area : 7,366㎡

※3 Address: Hachibancho, Koshien, Nishinomiya (LaLaport Koshien)  
Surface area:126,052㎡

■ We will work closer with Hankyu Hanshin REIT in developing a mutually beneficial relationship  
【Purpose of sale】

- Proceeds from the sale of the assets will help fund the long-term investments (particularly in real-estate) necessary for achieving our long-term vision.
- In the case of Valor Takatsuki, this short-term real-estate project, in which we develop (e.g., attract tenants to) the site and then sell it to Hankyu Hanshin REIT, helps us expand our real-estate sales repertoire.
- Hanshin Electric Railway will acquire large assets in the Koshien area, a key location served by our lines.



## **IV.Others**

- ① Medium-Term Management Plan  
(Reproduced from the results briefing materials  
released in May 2018)**

# Long-Term Vision (Overall vision)

The slogan for the Hankyu Hanshin Holdings Group's Long-Term Vision for 2025 (fiscal 2026) is:

## 'Enhancing line-side areas and expanding fields'

### Sustainably enhance corporate value

#### Enhance daily life (customer) value

Regarding these sociocultural changes as business opportunities, we will provide innovative products and services through our business operations.

#### Enhance social value

Build relationships of trust with various stakeholders, meet their expectations, and contribute to society.

#### Enhance economic value

We will strive to maintain and improve our profitability and financial soundness as a top-class private railways operator.

Umeda and line-side areas x stock businesses  
Make our railway the absolute best among the Kansai networks.

**Strategy①**

Tokyo metropolitan area and overseas markets x stock businesses  
Construct a stable revenue base in the Tokyo metropolitan area and overseas markets.  
(diversify the portfolio, which is currently concentrated in Umeda and line-side areas).

**Strategy②**

flow businesses  
Strengthen competitiveness by thoroughly pursuing brand optimisation and differentiation.

**Strategy③**

Groupwide initiatives, new business fields, etc.

Make greater use of the Group's collective strength and develop new business fields.

**Strategy④**

The coming age of full-scale population decline

Declining birth rate and aging population

Crumbling infrastructure

Further technological advances (AI, IoT, etc.)

Economic growth in Asia

Growing numbers of overseas visitors

Improvements to public transport infrastructure (airports, rail and motorway networks)

Tightening of labour market

Concentration of population into urban areas

Opportunity for Kansai to develop its position as gateway for Asia and the wider world

# Long-Term Vision (Four strategies)

Umeda・Line-side  
areas

## **Umeda and line-side areas x stock businesses**

**Make our railway the absolute best among the Kansai networks.**

### **Strategy①**

We aim to increase the resident and non-resident population of line-side areas. To this end, we will channel into these areas the dynamism of the Tokyo-Nagoya-Osaka axis and the power of Asia and other regions of the world, attract new industries and cutting-edge technologies ahead of other companies, and support efforts to develop thriving local communities.

## **Tokyo metropolitan area and overseas markets x stock businesses**

**Construct a stable revenue base in the Tokyo metropolitan area and overseas markets**

**(diversify the portfolio, which is currently concentrated in Umeda and line-side areas).**

### **Strategy②**

Our property portfolio is currently concentrated in Umeda and line-side areas. To compensate for downsizing in the Kansai area, we will diversify our property profile by acquiring additional assets including rental property in Tokyo's large market and in overseas markets that are set to grow.

Stock (Use assets)

## **Group-wide initiatives, new business fields, etc.**

**Make greater use of the Group's collective strength and develop new business fields.**

### **Strategy④**

In addition to pursuing Group-wide initiatives, we will introduce cutting-edge technologies into existing businesses, venture into new business fields, and thereby provide culturally enriched and innovative lifestyle options.

## **Flow business**

**Strengthen competitiveness by thoroughly pursuing brand optimisation and differentiation.**

### **Strategy③**

Thoroughly optimise the Hankyu Hanshin brand value and differentiate the products and services from the competition so as to strengthen competitive edge and achieve further business expansion.

Flow (non-assets)

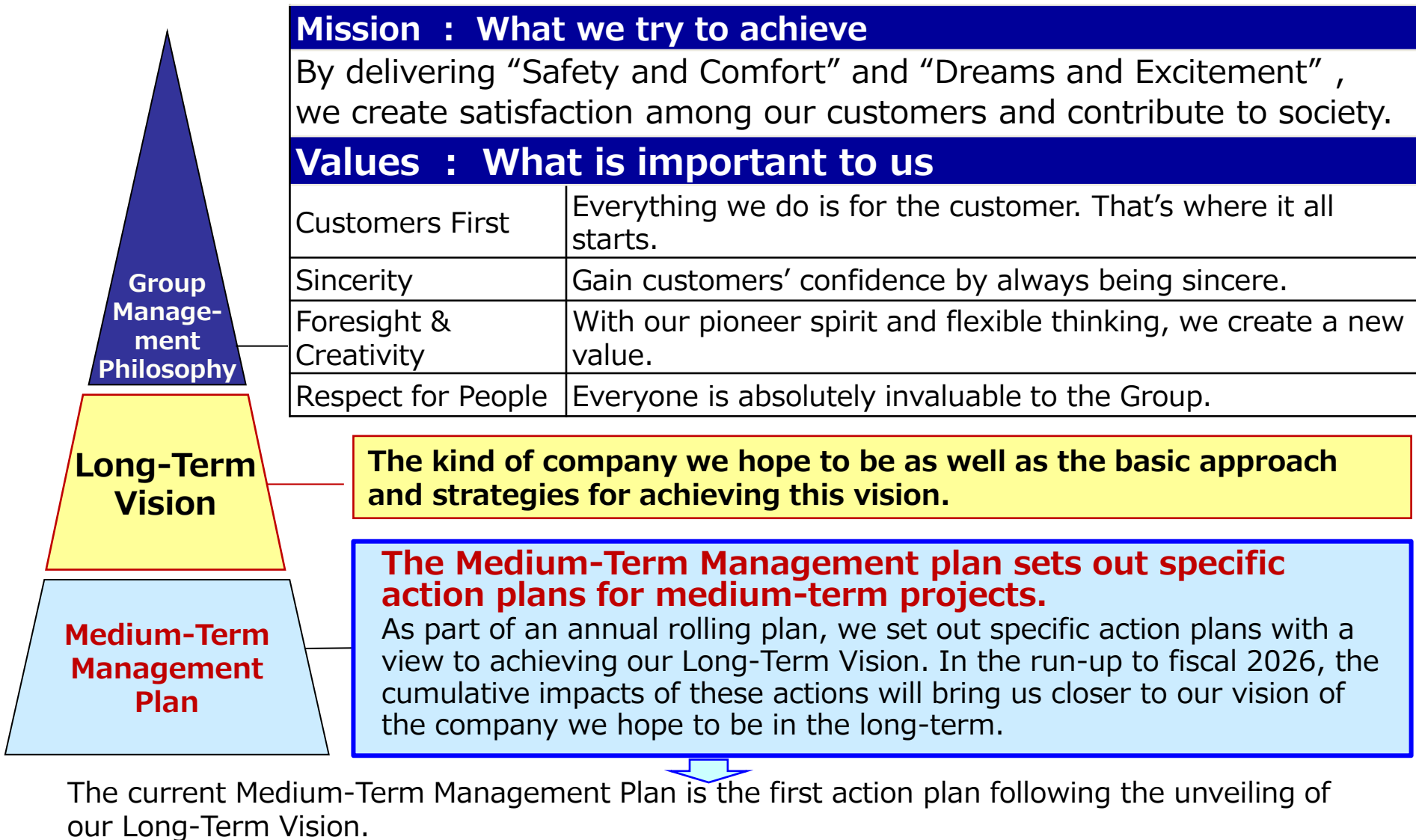
# Long-Term Vision (Management Indicators)

We will pursue the four strategies with a view to achieving the following targets as of 2025 (fiscal 2026). Achieving these targets will keep us on course for maintaining at least the current levels of operating income in the 2040s, when demographic changes will have had a major impact on business.

	Management Indicators	Targeted figure for 2025 (FY2026)
Profitability	operating income	<u>¥120 billion</u>
	EBITDA	<u>¥200 billion</u>
Financial soundness	Interest-bearing debt /EBITDA ratio	<u>Between 5 and 6 times</u>

- Ensure that we will be one of the most profitable private railway operators in 2025 (fiscal 2026).
- While accelerating growth investment, ensure that we remain one of the most financially sound private railways operators.

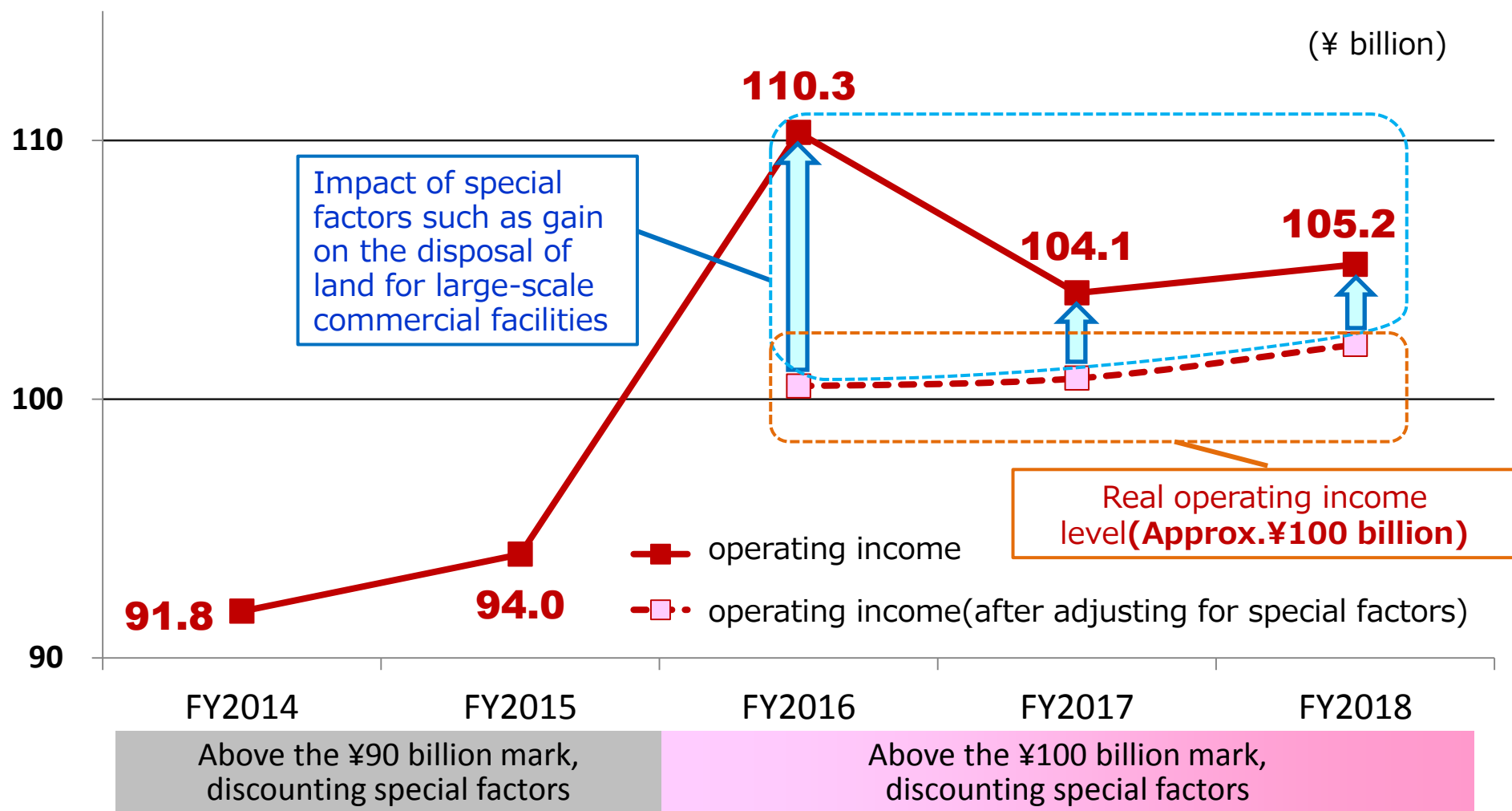
# Placement of Medium-Term Management Plan



**The plan defines fiscal 2022 as an interim target year or ‘milestone’ on the path to our Long-Term Vision, and the period from fiscal 2019 to fiscal 2022 will be an action plan period during which we will draw up a detailed roadmap and start putting policies into action.**

# Current operating income levels

- From fiscal 2016 through fiscal 2018, operating income trended **a little above the ¥100 billion mark in real terms**, discounting special factors such as gain on the disposal of land for large-scale commercial facilities.



# Framework of the Medium-Term Management Plan ①

- Under the current plan, we aim to raise the current operating income level from ¥100 billion to ¥120 billion by fiscal 2026. To this end, we will pursue actions in line with our four strategies, and in allocating our capital resources, **we will focus on growth investments** linked to the four strategies.
- Additionally, **we will aim to raise operating income to ¥110 billion (the midway point of the ¥100–120 billion region)** by the interim/milestone year of fiscal 2022.

**Four strategies**      ~Business strategies related to the Long-Term Vision~

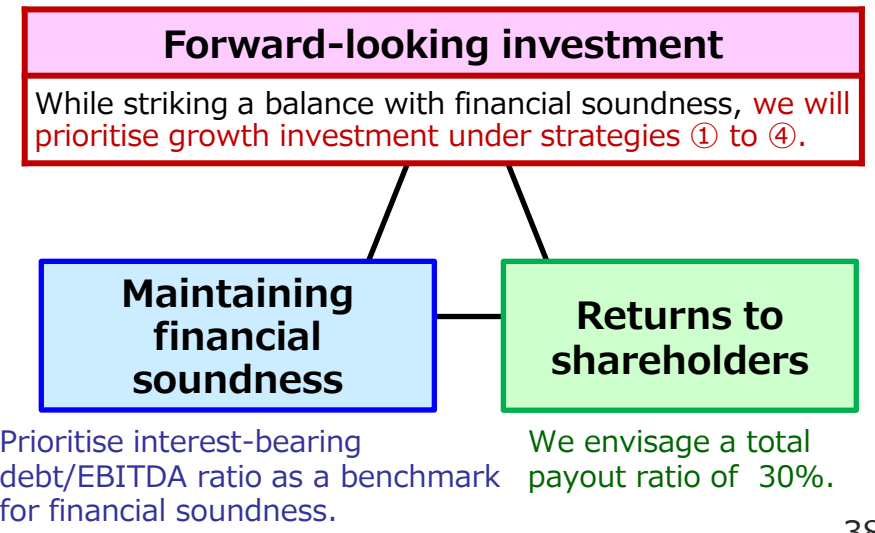
①Further strengthen the stock businesses in the Umeda and line-side areas (e.g. railways, real estate leasing, media and communications, hotels)

②Accumulate stock in the Tokyo metropolitan area and overseas markets

③Increase competitiveness of flow businesses (real estate sales, sports, stage, information services, travel, and international transportation)

④Make greater use of the Group’s collective energies and venture into new business fields

- Financial policy**
- As part of our efforts to achieve our Long-Term Vision, **we will focus on growth investments linked to the four strategies** while aiming to further increase operating income and EBITDA.
  - We will continue to maintain our financial soundness. (Interest-bearing debt/EBITDA ratio will be prioritised over interest-bearing debt as a benchmark for financial soundness.)
  - As for returns to shareholders, we envisage an annual dividend per share of ¥40 and a total payout ratio of 30%.



# Framework of the Medium-Term Management Plan ②

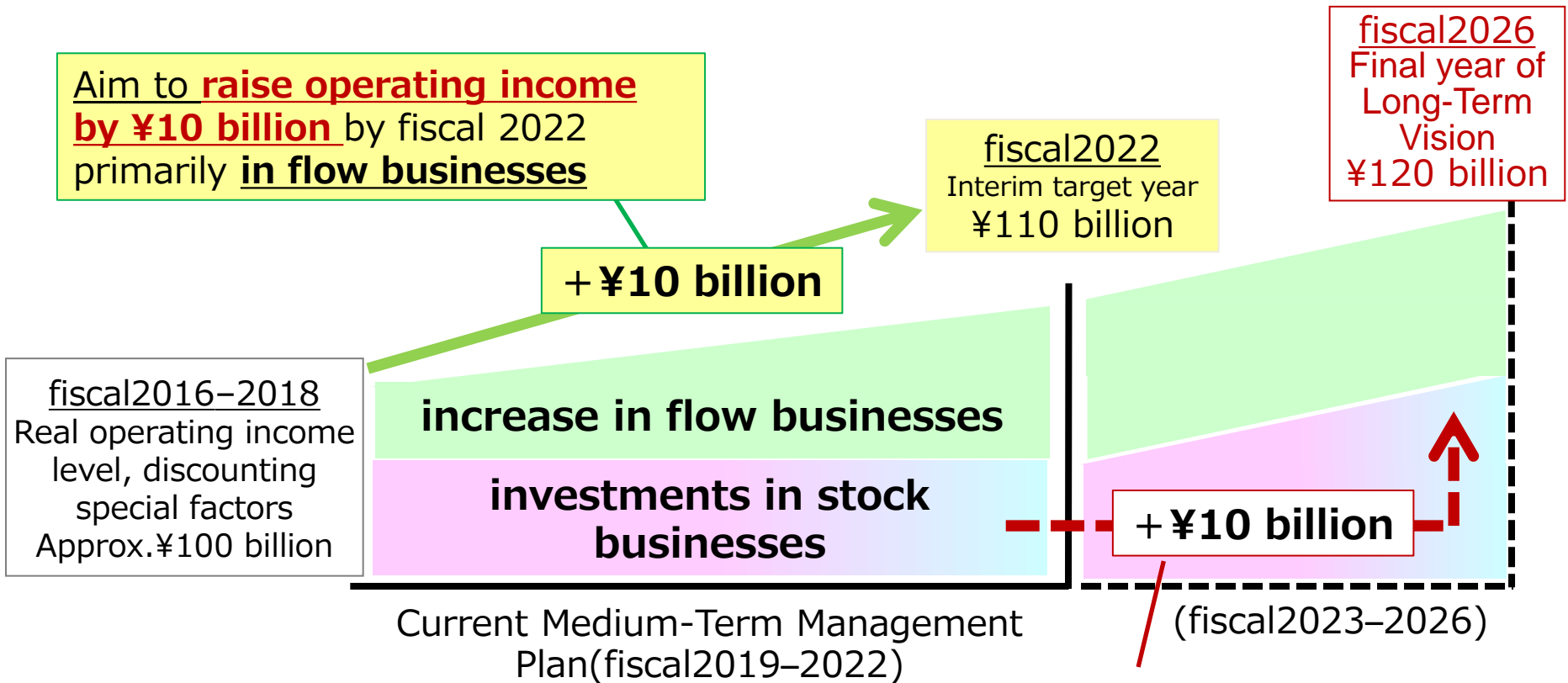
- Investments under the Strategies ① and ② (which involve stock businesses), excluding those for acquiring functioning property, will take some time to yield returns. Likewise, when it comes to investments under the fourth strategy (for developing new business fields), it will take considerable time to establish new businesses.  
⇒We expect that investments under Strategies ①, ②, and ④ will start contributing to operating income mainly in the second half of the Long-Term Vision (fiscal 2023–2026).
- Therefore, **for the current Medium-Term Management Plan (the first half of the Long-Term Vision—fiscal 2019–2022), we will aim to raise operating income by ¥10 billion primarily through investments under Strategy ③ (which involves flow businesses).**

## 〈Four strategies〉

<b>Strategy①</b>	<b>Further strengthen the stock business in the Umeda and line-side areas</b>
Capture inbound demand/ Increase the value of our assets in the Umeda area/ Invigorate key line-side bases/ Construct new rail links to improve the transport network	
<b>Strategy②</b>	<b>Accumulate stock in the Tokyo metropolitan area and overseas markets</b>
Acquire more stock in the Tokyo metropolitan area / Open more hotels in the Tokyo metropolitan area/ Develop plans for acquiring stock (real-estate) overseas	
<b>Strategy③</b>	<b>Increase competitiveness of flow business (real estate sales, sports, travel, and international transportation)</b>
<b>Expand the condominium business in Japan and overseas / Develop the information services business/ Raise the profitability of the Travel Business segment / Increase handling volume in the International Transportation Business segment</b>	
<b>Strategy④</b>	<b>Make greater use of Group's collective energies and venture into new business fields</b>



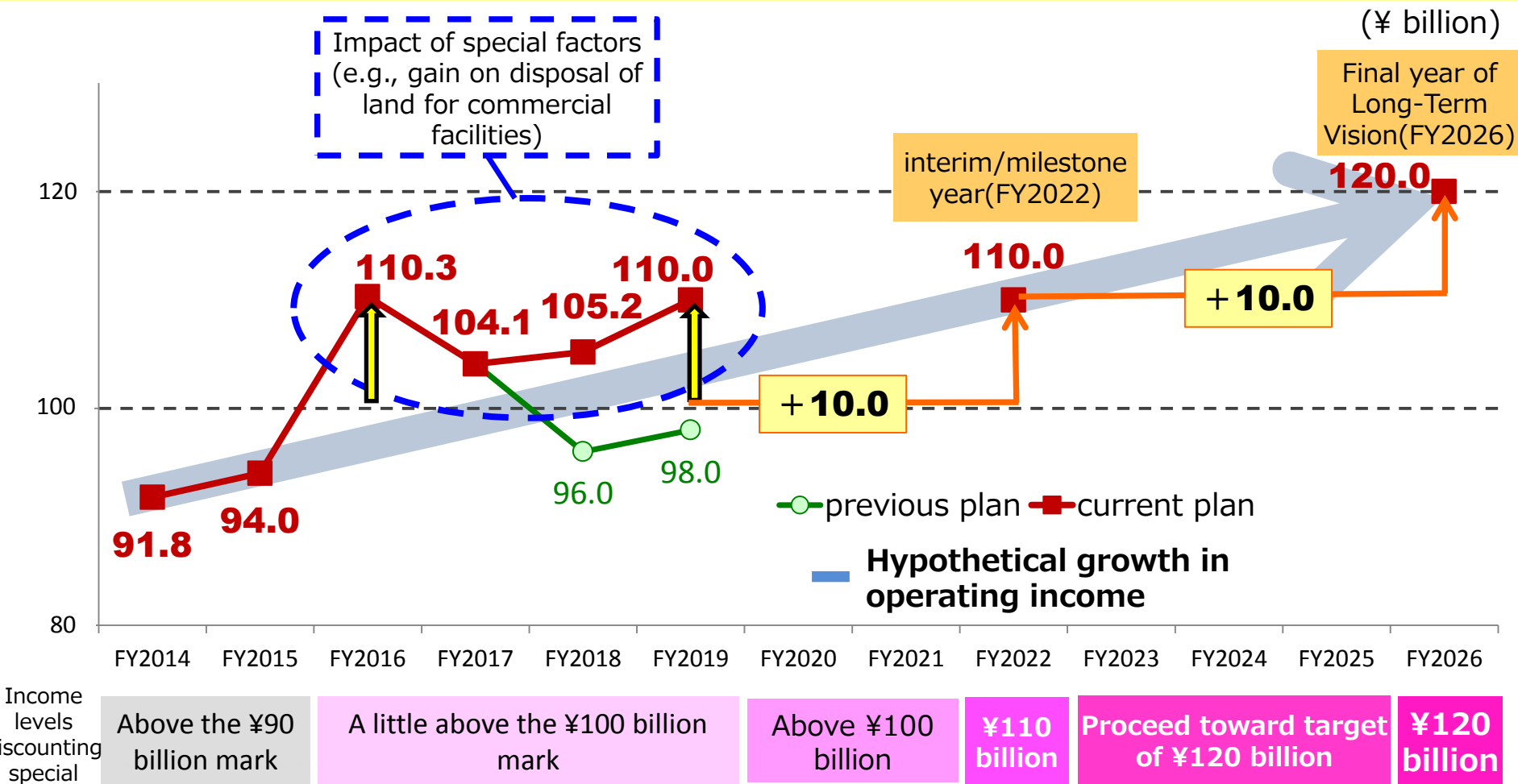
# Growth process in run-up to fiscal 2026 (hypothetical)



Over the second half of the Long-Term Vision (fiscal 2023-2026), **we expect to see a further rise of ¥10 billion in operating income.** This increase will be driven **primarily by the returns on investments in stock businesses** (e.g., Umeda 1-1 Project). Other factors will include a further operating income increase in flow businesses and contributions from the new business fields we will develop.

# Operating income trends in current plan

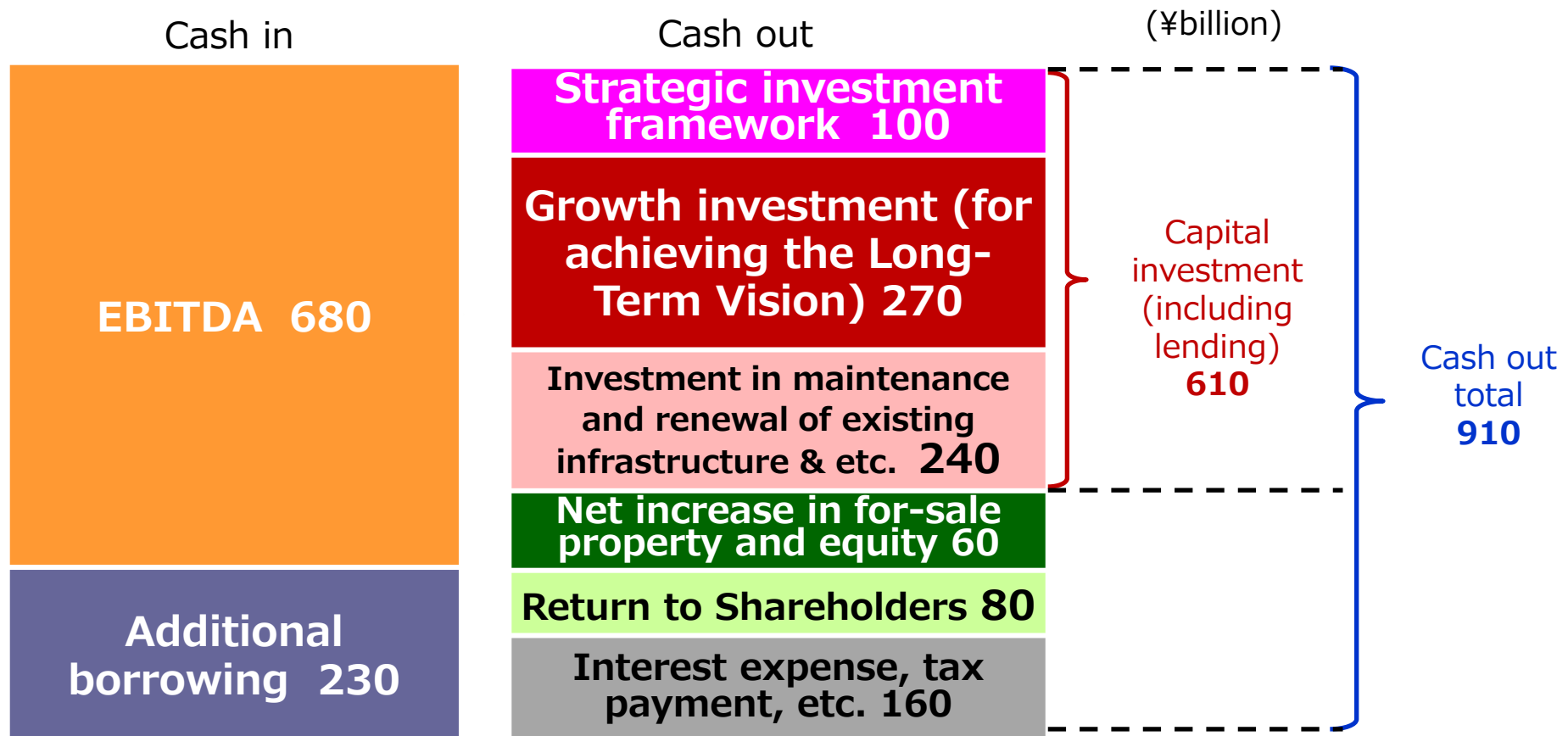
- As part of our effort to achieve the operating income target of ¥120 billion by fiscal 2026, we will aim to make the Group capable of steadily reaching **an operating income level of ¥110 billion by fiscal 2022**.
- Operating income is expected to reach ¥110 billion** in fiscal 2019 because of gain on disposal of land for large-scale commercial facilities and other special factors.



# Cash flows during current plan (estimates)

During the current plan, we expect EBITDA-measured cash flows of **¥680 billion**. On the other hand, we expect outgoing cash flows of **¥910 billion** as a result of actively investing toward future growth. This will leave a shortfall of **¥230 billion**; we will cover this shortfall with additional borrowing.

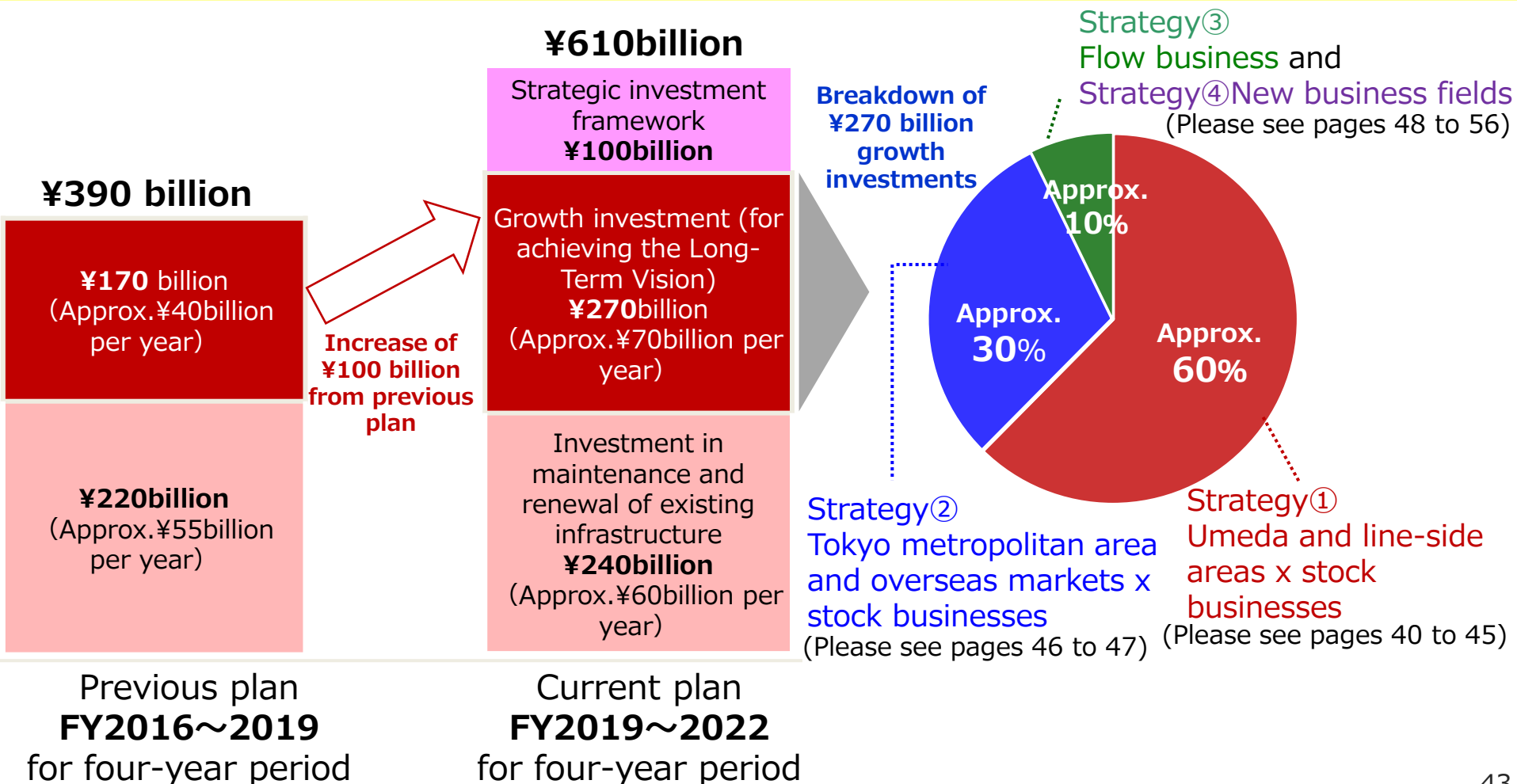
【FY2019~2022 Hypothetical cumulative cash flow for four-year period】



# Capital investment (including lending) in fiscal 2019-2022

Capital investment (including lending) in fiscal 2019-2022 is expected to total approx. ¥610 billion (up ¥220 billion compared to the previous plan)

- Growth investment (for achieving the Long-Term Vision) will be ¥100 billion up from the previous plan.
- We will devote ¥100 billion for a new strategic investment framework (large-scale projects, M&A activities, etc.)
- We will maintain the same level of investment in maintaining or renewing existing infrastructure while ensuring that we invest the resources necessary to maintain safety.



# Returns to Shareholders

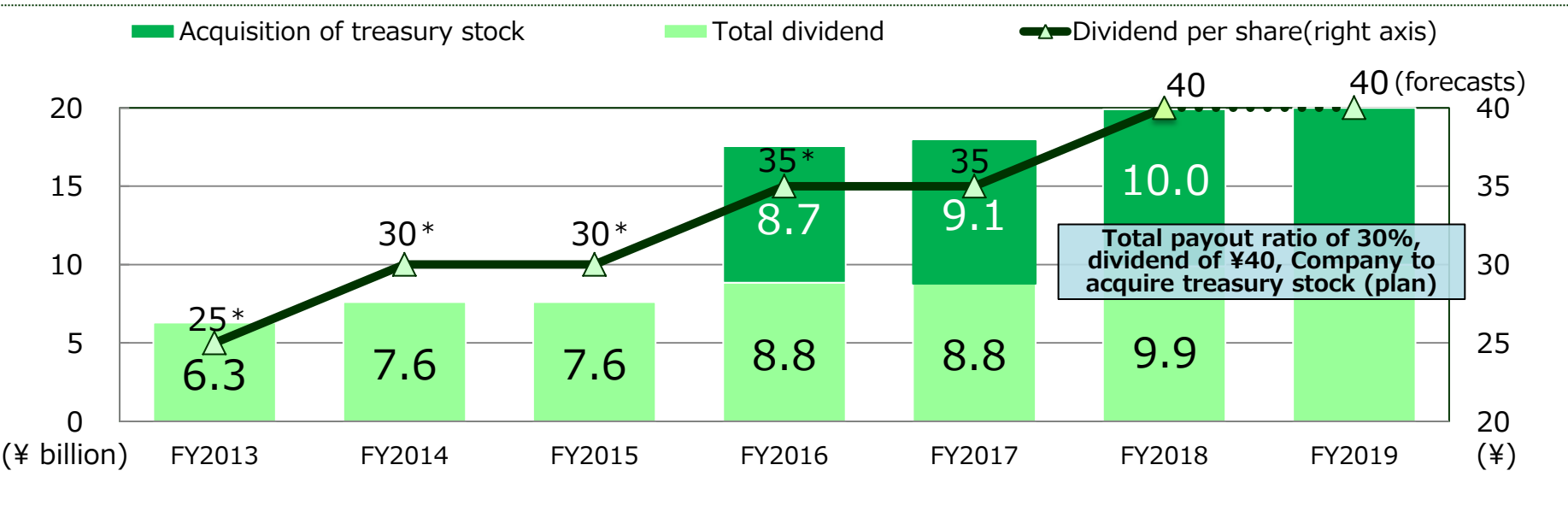
## ■ Shareholder Return Policy

### Pay stable annual dividends and acquire treasury stock

- **Regarding dividends of surplus for fiscal 2018, we plan to increase the annual dividend per share from ¥35 to ¥40 (the total annual dividend will be ¥9.9 billion) and increase the total payout ratio from 25% to 30%. Accordingly, we will acquire treasury stock (the total acquisition will be ¥10 billion).**
- **For fiscal 2019, the total payout ratio will be 30%, the annual dividend per share will be ¥40, and we will acquire treasury stock.**

<Reference> Formula for calculating total payout ratio

$$\text{Total payout ratio of FY[N]}(\%) = \frac{(\text{Total dividend of FY[N]}) + (\text{Acquisition of treasury stock in FY[N+1]})}{(\text{Net income attributable to owners of parent in FY[N]})} \times 100$$



\* The Company conducted a 1-for-5 reverse stock split with an effective date of 1st August 2016. The per-share annual dividends for fiscal years up to and including fiscal 2016 reflect the stock split.

# Fiscal 2026 management indicators outlook

	FY2018 Results	FY2019 Forecasts	FY2022 Forecasts	FY2026 (The company we hope to be)
Operating income	¥105.2billion	¥110.0billion	¥110.0billion	¥120.0billion
EBITDA※1	¥160.8billion	¥168.0billion	¥180.0billion	¥200.0billion
Interest-bearing debt	¥866.8billion	¥900.0billion	¥1,070.0billion	—
Interest-bearing debt /EBITDA ratio	5.4times	5.4times	5.9times	between 5 and 6times
D/E ratio※2	1.0times	1.0times	1.0times	—
Net income attributable to owners of the parent	¥66.4billion	¥70.0billion	¥70.0billion	—
ROE	8.2%	8.1%	7%	—
(Reference)				
Net interest-bearing debt※3	¥837.9billion	¥875.0billion	¥1,045.0billion	—
Net interest-bearing debt/EBITDA ratio	5.2times	5.2times	5.8times	—

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

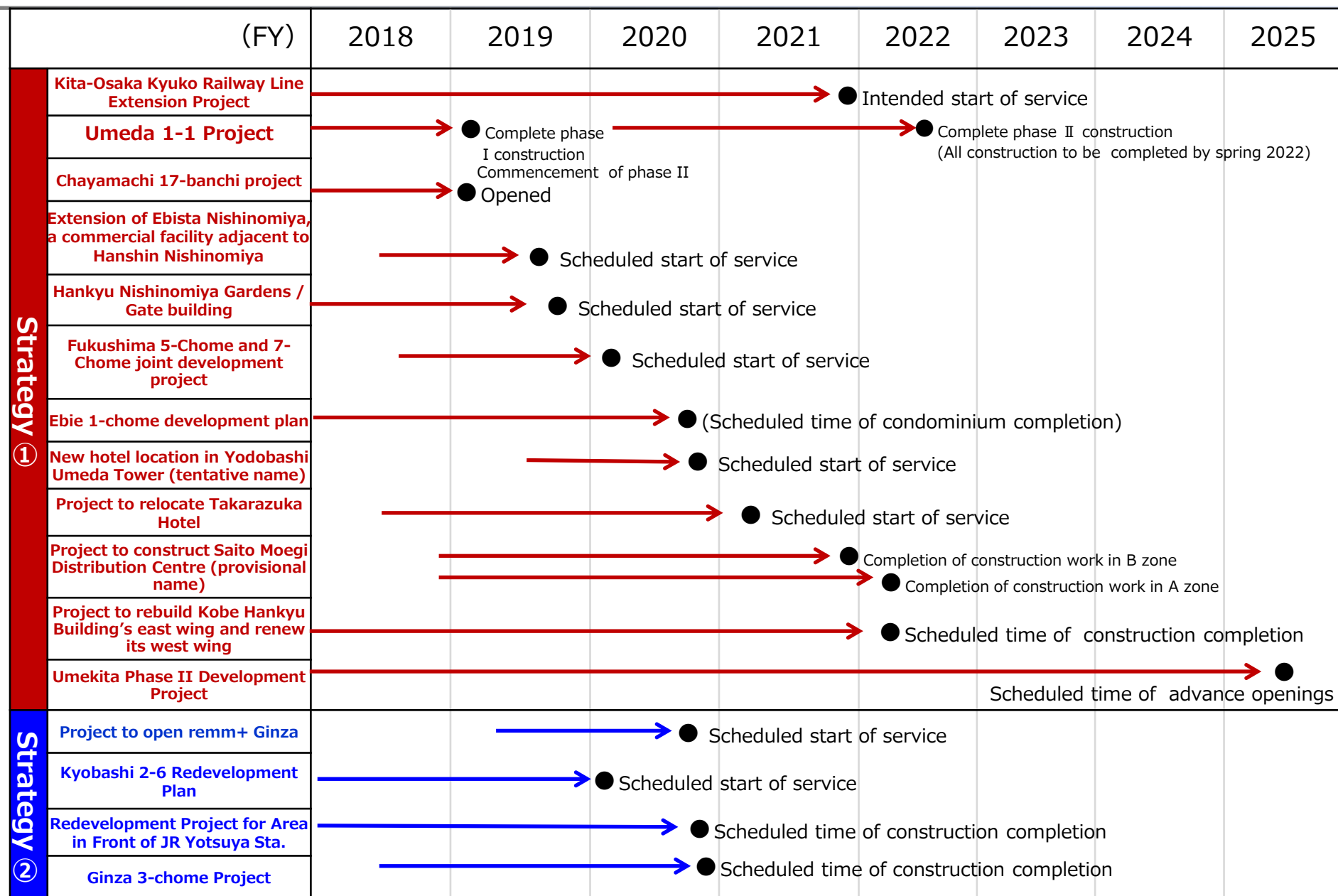
※2 D/E ratio=interest-bearing debt / equity

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

# **IV.Others**

## **②Key Strategies**

# Schedule for the Main Projects of the Business Strategies① and ②





# Kita-Osaka Kyuko Railway Line Extension Project

## 【Development plan summary】

- Extension distance:  
2.5 km, from *Senri-Chuo Sta.* to *Shin-Minoh Sta.* (provisional name)
- New stations:  
*Minoh-Semba Sta.* (provisional name), *Shin-Minoh Sta.* (provisional name)
- Estimated project cost: ¥65.0 billion
- Demand: 45,000 people per day

## 【Business scheme】

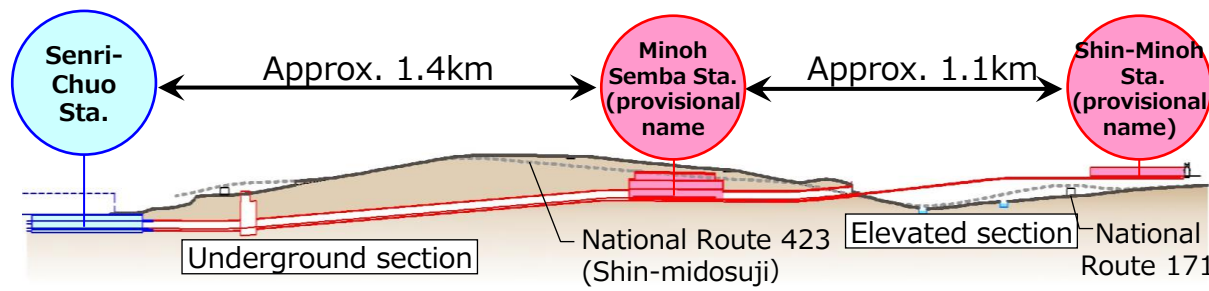
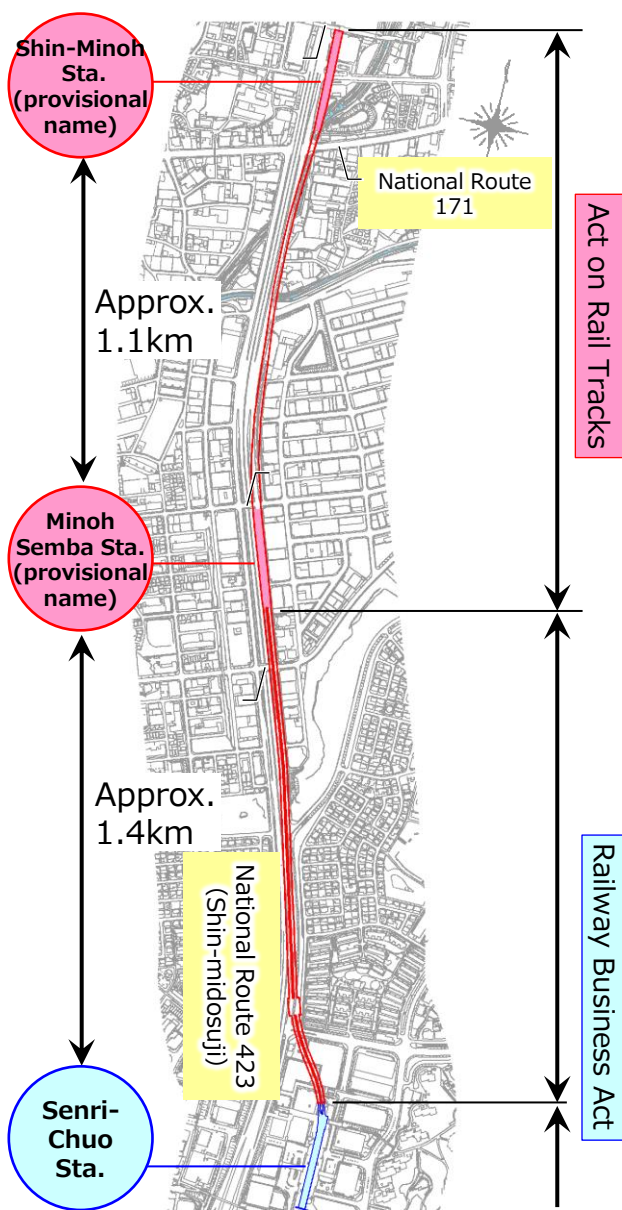
- Developer:  
Kita-Osaka Kyuko Railway Co., Ltd. and Minoh City (development of infrastructural components between *Minoh-Semba Sta.* and *Shin-Minoh Sta.*)
- Operator: Kita-Osaka Kyuko Railway Co., Ltd.
- Funding programme: Social capital development grant
- Portion to be borne by Kita-Osaka Kyuko Railway Co., Ltd:  
¥11.0 billion; Amount commensurate with profits  
(including the increase in demand associated with related community development)

## 【Schedule】

December, 2015: We have obtained a license for railway business and a charter for railway track operations

December, 2016: Commencement of construction

End of FY2021: Intended start of service



# Umeda 1-1 Project (Name of the building : Osaka Umeda Twin Towers South)

## 【Project summary】

Location	1-1 Umeda, Kita-ku, Osaka
Site area	Approx. 12,200 m <sup>2</sup> *
Total floor space	Approx. 260,000 m <sup>2</sup>
Number of floors	38 floors above ground and 3 below ground
Purpose	Department store, offices, halls, etc.
Planned total investment	¥89.7 billion
Construction completion	Spring 2022

\* Including 750m<sup>2</sup> of road between Dai Hanshin Building and Shin Hankyu Building

## 【Schedule】

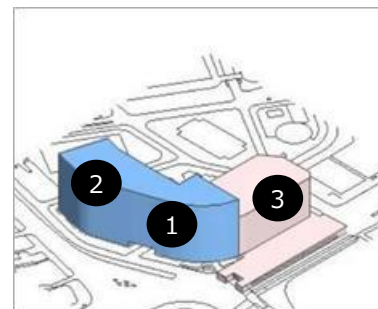
July 2015	Begin phase I construction
April 2018	Complete phase I construction* (Shin Hankyu Building and Dai Hanshin Building East Wing)
June 2018	Partial opening of new department store. Phase II (west wing of Dai Hanshin Building): Start demolition work
Spring 2019	Phase II (begin phase II construction)
Autumn 2021	Complete phase II construction (new department store part) and fully open new department store
Spring 2022	Complete all construction and open offices

\* The project is scheduled to be completed in spring 2022. In that year, Umeda Hankyu Building, which houses Hankyu Department Store (Hankyu Umeda Main Store), will be renamed 'Osaka Umeda Twin Towers North', and the two adjacent buildings will be christened the 'Osaka Umeda Twin Towers'.

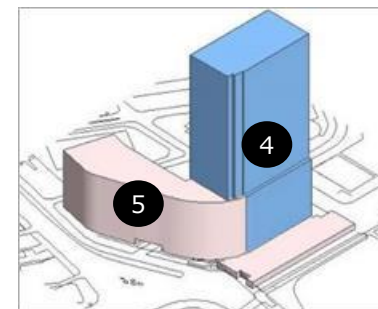
## 【Conceptual illustration of the building exterior】



## 【Phase I】



## 【Phase II】



- ①Dai Hanshin Building East Wing(under construction)
- ②Shin Hankyu Building(under construction)
- ③Dai Hanshin Building West Wing(businesses operating)
- ④Dai Hanshin Building West Wing(under construction)
- ⑤Phase I (businesses operating)

After Phase I is over, the rentable area will be smaller than the present area (west wing of Dai Hanshin Building).

# Strategy①: Further strengthen the stock businesses in the Umeda and line-side areas③

In order of opening date	<b>Chayamachi 17-banchi project</b> 	<b>Extension of Ebista Nishinomiya, a commercial facility adjacent to Hanshin Nishinomiya</b> 	<b>Nishinomiya Kitaguchi Hankyu Building (Provisional Name) Construction Project</b> 
Location	Chayamachi, Kita-ku, Osaka	Wajocho, Tanakacho, Nishinomiya, Hyogo	Takamatsucho, Nishinomiya, Hyogo
Site area	Approx. 440㎡	Approx. 5,700㎡ (Extended area)	Approx. 3,000 ㎡
Total floor space	Approx. 2,800㎡	Approx. 10,000㎡ (Extended area)	Approx. 11,600 ㎡
Number of floors	8 floors above ground and 1 below ground	3 floors above ground	10 floors above ground and 1 below ground
Purpose	Commercial facilities (global flagship store 「MIZUNO OSAKA CHAYAMACHI」)	Commercial facilities	Commercial facilities, service facilities for education and childcare
Scheduled opening	April 2018	October 2018	November 2018



# Strategy①: Further strengthen the stock businesses in the Umeda and line-side areas④

In order of opening date	<b>Fukushima 5-Chome and 7-Chome joint development project</b>	<b>Ebie 1-Chome Development Plan</b>	<b>Project to relocate Takarazuka Hotel</b>
			
Location	5-chome Fukushima, Fukushima-ku, Osaka	1-chome Ebie, Fukushima-ku, Osaka	1-chome Sakaemachi, Takarazuka, Hyogo
Site area	Approx. 2,600m <sup>2</sup> (※)	Approx. 27,900m <sup>2</sup> (※)	Approx. 12,300m <sup>2</sup>
Total floor space	Approx. 11,000m <sup>2</sup> (※)	Approx. 52,200m <sup>2</sup> (※) (condominium)	Approx. 23,000m <sup>2</sup>
Number of floors	12 floors above ground and 1 below ground	20 floors above ground (condominium) Number of units: 566 units(※)	5 floors above ground and 1 below ground
Purpose	hotel(expected to be Hotel Hanshin Annex Osaka), supermarket(expected to be Hankyu Oasis)	condominium(Geo Fukushima Noda The Marks), commercial facilities (land to let)	rooms (Approx. 200 rooms) party hall (4 halls) restaurant (4 facilities)
Scheduled opening	May 2019 (time of hotel opening)	Around autumn 2019 (Scheduled time of condominium completion)	Around spring 2020


# Strategy①: Further strengthen the stock businesses in the Umeda and line-side areas⑤

In order of opening date	Project to construct Saito Moegi Distribution Centre (provisional name)	Project to rebuild Kobe Hankyu Building's east wing and renew its west wing
Location	In the Sanroku Line area of the eastern section of Ibaraki City's International Culture Park 'Saito'	4-chome Kanocho, Chuo-ku, Kobe
Site area	A zone : Approx. 51,000m <sup>2</sup> (※) B zone : Approx. 16,000m <sup>2</sup> (※)	Approx. 7,100m <sup>2</sup>
Total floor space	A zone : Approx. 125,000m <sup>2</sup> (※) B zone : Approx. 32,000m <sup>2</sup> (※)	Approx. 33,300m <sup>2</sup>
Number of floors	A zone : 6 floors above ground B zone : 4 floors above ground	East wing : 29 floors above ground and 3 below ground West wing : 1 floor under railway station (some sections with 2 floors above ground / basement level)
Purpose	logistics facilities (A zone : multitenant logistics facility [High-tech facilities designed to be used by multiple tenants] , B zone : BTS logistics facility [Facilities built to suit a particular tenant's specifications] )	hotel(expected to be Hankyu Hanshin Hotels-operated hotel), offices, commercial facilities, railway station
Scheduled opening	A zone : FY2022(scheduled completion) B zone : FY2021(scheduled completion)	Around spring 2021 (scheduled completion)

# Project to open remm+ Ginza

## 【Project Outline】

· In winter 2019, remm will open the first of its new brand of hotels, 'remm+', in Ginza, Tokyo.

 **(remm+)**

Building on remm’s existing brand concept, remm+ offers an extra level of comfort and class.

- ◆Room size: 18 m<sup>2</sup> double room (standard remm: 15 m<sup>2</sup> single room)
- ◆Bed width: 1,600 mm (standard remm: 1,400 mm) ◆Furnishings: Upgraded



Conceptual illustration of the building exterior

## 【Outline of facility】

Location	8-5-4 Ginza, Chuo-ku, Tokyo
Site area	Hotel portion:Approx. 8,200㎡
Floor composition	Hotel portion 2nd floor: lobby, 3rd ~16th floor: guest rooms
Number of rooms	238rooms (double : 154rooms , twin : 84 rooms)


## 【Location】



## 【Plan for opening new-style business hotel location】

- April, 2019 : Kyobashi, Tokyo [Please see page 54]
- May, 2019 : Fukushima, Osaka [Please see page 51]
- Around spring, 2021 : Kobe, Sannomiya [Please see page 52]

# Strategy②:Accumulate stock in the Tokyo metropolitan area and overseas markets②

In order of opening date	<b>Kyobashi 2-6 Redevelopment Plan</b>	<b>Yotsuya Station District Redevelopment Project</b>	<b>Ginza 3-chome Project</b>
		 ※1	
Location	2-chome Kyobashi, Chuo-ku, Tokyo	1-chome Yotsuya, Shinjuku-ku, Tokyo	3-chome Ginza, Chuo-ku, Tokyo
Site area	Approx. 1,450m <sup>2</sup> (※2)	Approx. 17,900m <sup>2</sup> (※2)	Approx. 310m <sup>2</sup>
Total floor space	Approx. 17,000m <sup>2</sup> (※2)	Approx. 139,600m <sup>2</sup> (※2)	Approx. 2,900m <sup>2</sup>
Number of floors	14 floors above ground and 1 below ground	31 floors above ground and 3 below ground	11 floors above ground and 1 below ground
Purpose	hotel(remm Tokyo Kyobashi), office, commercial facilities	office, commercial facilities, residence, educational services, publicgood, parking	commercial facilities
Scheduled opening	April 2019 (time of hotel opening)	Around early 2020 (scheduled completion)	Around spring 2020 (scheduled completion)



# Strategy③: Increase competitiveness of flow businesses①

## Real estate sales business in domestic markets

### 【Real estate sales[lands and housing]】

- Continue to develop and strengthen the urban detached house business as a pillar of the residential real estate sales business.
- In addition to sales performance, make efforts to enable steady business expansion in the Tokyo metropolitan area.
- Focus long-term residential development efforts on *Takarazuka Yamatedai* district and International Culture Park '*Saito*'.



**【Hapia Garden  
Kobe Takamaru】**

(Houses on sale from October 2018)



**【Hapia Garden  
Tamagawa Gakuenmae】**

(Scheduled to be sold in January, 2019)

### 【Real estate sales[condominium]】

- Continue to use strict criteria for selecting properties to acquire. Advance business steadily while carefully monitoring the impacts of the consumption tax hike and the high level of construction expenses.
- In the Tokyo metropolitan area, strengthen the system for acquiring land and gradually expand business, bringing the number detached house sales to the level of those in the Kinki area (approximately 800 units a year).
- Leveraging existing planning and proposal capacities, engage additionally in medium-to-long term large-scale projects (such as urban redevelopment projects).

### Total number of units

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 forecast
Number of Units>	916	1,064	680	1,210	1,548	1,356	1,374	1,302	1,087	1,159	approx. 1,150

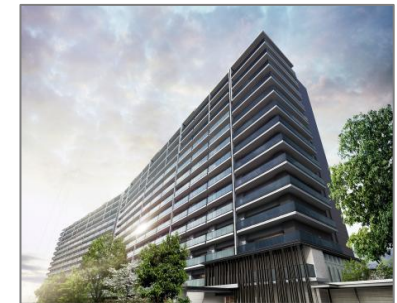
### Major properties to be sold in fiscal 2019※2

- Geo Hankyu Minase Heart Square (Mishima-gun, Osaka) 315units
- Geo Kyoto Katsuragawa (Minami-ku, Kyoto) 98units
- Geo Takarazuka Minamiguchi (Takarazuka, Hyogo) 64units
- Geo Shinjuku Wakamatsu-cho (Shinjuku-ku, Tokyo) 123units
- Geo Chiyoda Otemachi (Chiyoda-ku, Tokyo) 57units
- Geo Motoakasaka (Minato-ku, Tokyo) 22 units



**【Geo Shinjuku Wakamatsu-cho】**

(Condominiums on sale from May 2018)



**【Geo Hankyu Minase  
Heart Square】**

(Scheduled to be sold in November 2018)

※1 : Figures include units in shared buildings that the Group partly owns.

※2 : Figures indicate total number of units.



# Strategy③: Increase competitiveness of flow businesses②

## Real estate sales business in overseas markets

- To help our real estate sales business achieve a certain level of profitability in overseas markets as early as possible, we will accelerate efforts to promote our residential real estate sales business in ASEAN states.

### [Thailand]

- Joint project by SENA Development Public Co.
  - Niche Mono Sukhumvit-Bearing (condominium:Total 1,275 units)
  - Niche Pride Taopoon Interchange (condominium:Total 742 units)
  - PITI Ekkamai (condominium:Total 879 units)
  - Niche Mono Mega Space Bangna (condominium : Total approx. 790 units)
  - Niche Mono Charoen Nakorn (condominium : Total 537units)
  - PITI Bangchak (condominium : Total approx. 170units)
  - Niche Mono Ramkhamhaeng (condominium : Total approx. 1,710units)

### [Indonesia]

- Joint project by Sinarmas Land Ltd. and others
  - The Zola (house : total 543 units) (Residential complex with shops : Total 158units)
- Joint project by Sumitomo Corporation Co. and PT Sentul City Tbk.
  - Opus Park (condominium:Total 1,095units)

### [Vietnam]

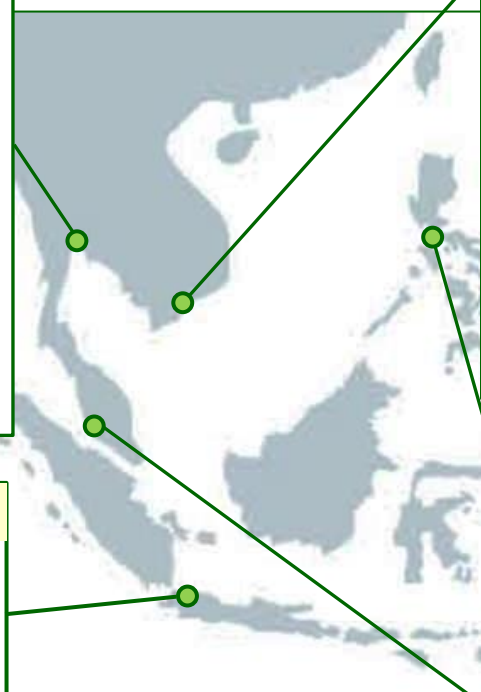
- Joint project by NAM LONG INVESTMENT Co. and Nishi-Nippon Railroad Co.
  - FLORA-ANH DAO-(condominium:Total 500 units)
  - FUJI RESIDENCE (condominium:Total 789units) (house:Total 84 units)
  - FLORA -KIKYO- (condominium: Total 234 units)
  - MIZUKI PARK (condominium:Total approx. 4,670 units) (house:Total approx. 100 units) (townhouse:Total approx. 60 units)
  - AKARI CITY (condominium:Total approx. 4,600 units)

### [Philippines]

- Joint project by P.A. ALVAREZ PROPERTIES AND DEVELOPMENT Co.
  - Ideshia Dasmariñas (house:Total 456 units) (townhouse:Total 463 units)

### [Malaysia]

- Joint project by Ireka Co.
  - RIMBUN KASIA (condominium:Total approx. 850 units)



# Strategy③: Increase competitiveness of flow businesses③

## Information services business

· The market for the information services business is expected to expand significantly. Accordingly, to help the business grow, we will make maximal use of our expertise and unique model to expand our market share and develop new business fields.

### ① Focus on promising fields

- Fully leveraging our well-honed multi-vendor solutions※1 and one-stop services※2, we will accelerate efforts to develop business in promising fields, such as building maintenance, transport systems, and Internet solutions, and thus increase our market share.

※1: This refers to our ability to combine products from different companies to create efficient systems.

※2: This refers to our spectrum of services from system development to operation/monitoring/maintenance.

### ② Extend business operations in Kanto and Chubu area

- Building on our track record of providing solutions in the Kansai area, we will step up efforts to expand business in the Kanto area (a larger market) while also making inroads in the Chubu area.

### ③ Use cutting-edge technology to promote new businesses

- Regarding pioneering technologies like AI and IoT as opportunities, we will actively incorporate technologies from outside (such as by partnering with venture businesses) where we lack the necessary technologies ourselves, and use the technologies to develop new solutions services.

# Strategy③: Increase competitiveness of flow businesses④

## Travel business

- In the Travel Business segment, we have until now achieved steady earnings with a lineup centred on core brand travel packages. However, recent changes in the environment (e.g. global instability, natural disasters, and the deterioration in the travel product procurement environment associated with the rising numbers of overseas visitors to Japan) are having a significant impact on business, and we expect that competition will intensify in the years ahead.
- Accordingly, starting in fiscal 2018, we are reforming the business structure with the intention of further strengthening our core brand travel packages and establishing alongside this a second pillar—future-oriented business—as early as possible.

**Principle** Never resting on our laurels, we will continue to embrace change and improve our products even further to create travel products that reflect customer feedback and ensure we are a company society needs.

### Strengthen competitiveness of core brand travel packages

- **Strengthen areas outside Europe**
  - Taiwan, America, Canada, Latin America, Domestic bus tours
- **Strengthen Specialised products**
  - Tours specialise in specific purpose (cruise, overseas and domestic hiking tour, etc.)
- **Expand customer base among new demographics**
  - Strengthen individual-oriented products
- **Revise cost structure for advertising expenses, etc.**
  - Overhaul advertising expenditure rates

### Establish a second pillar

- **Strengthen approach to non-Japanese tourists**
- **Expand group and business travel services and create stable source of revenue**
  - Group travel services
    - : Strengthen services in the Tokyo metropolitan area and increase the number of sales representatives
  - Business travel services
    - : Invest in human resources (train global workforce) and Strengthen digitization

## International transportation business

【 Basic strategy for achieving growth 】

- Shift toward a more balanced business portfolio (strengthen ocean transportation and logistics operations)
- Promote Asia-centred business development (shift away from the focus on Japan as origin/destination for shipments)
- Expand investments in growing markets (e.g. Africa)

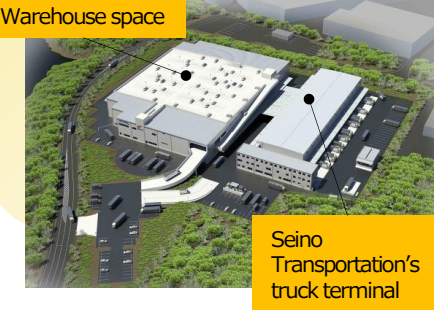
**Capital tie-up / joint venture with Seino Holdings (April 2018)**

Under the joint venture, the two companies will augment each other's operations in and out of Japan and thus provide new distribution services to customers.

- ① Under the joint venture, Seino Holdings' domestic distribution network and logistics capacity will be combined with Hankyu Hanshin Express (HEX)'s global distribution network digital, and the two companies will work together in digital information initiatives. In this way, the venture will help deliver supply chain management solutions tailored to each customer's needs.
- ② It will also help develop and deliver new logistics services (customer agency services related to ordering and trade settlement, temperature-controlled transport, etc.)

【Specific Initiative】

HEX will take out a lease on a warehouse space within Seino Transportation's new logistics centre nearby Narita International Airport, and move there from its present location in Hankyu Hanshin's Narita Cargo Terminal (Shibayama, Sanbu District, Chiba Prefecture) in the early summer of 2019. Because the new logistics centre adjoins Seino Transportation's truck terminal, it will help HEX provide logistics services with reduced lead times for cargo shipments and greater convenience. HEX will use the first floor of the warehouse space to strengthen its logistics services.



Location	Sanrizuka Narita Chiba
Warehouse space specifications (Total floor space)	Ground floor : Cargo handling area, Refrigerator, Freezer (approx. 14,200㎡) First floor : Logistics warehouse (approx. 12,400㎡)

※ The ground floor will serve as a cross-docking area (i.e., for unloading materials from incoming vehicles and loading them onto outbound vehicles). The first floor will be used in part as a logistics centre.

**Investment in freight forwarder, Intraspeed South Africa (Proprietary) Limited, and its acquisition as a subsidiary (April 2018)**

To capitalize on the long-term growth expected in Africa, we intend to accelerate business in the continent and secure a strong operating base there.

- The acquisition will serve as a bridgehead in the African market from which we will aim to:
  - ① Expand our African networks
  - ② Offer solutions to Japanese companies with African logistics needs while simultaneously expanding sales channels among Intraspeed's main clients (non-Japanese companies); this will produce a synergistic effect

【Outline of investee】

Company name	Intraspeed South Africa (Proprietary) Limited
Location	Johannesburg, South Africa
Establishment	February 1999

※ Following the investment, we acquired two other African companies (one in Kenya and one in Uganda) owned by Intraspeed.

# **V . Referential Materials**

# Consolidated Subsidiaries

(As of September 30, 2018)

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

Real Estate	
Real estate leasing and sales	Hankyu Hanshin Properties Hankyu Corporation Hanshin Electric Railway Hankyu Hanshin Estate Service Osaka Diamond Chikagai
Other	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 Kyokuto
Entertainment and Communications	
Sports	Hanshin Electric Railway Hanshin Tigers Baseball Club Hanshin Contents Link Corporation Wellness Hanshin P & P Hamamatsu
Stage	Hankyu Corporation Takarazuka Creative Arts Takarazuka Stage Umeda Arts Theater
Communication and media Leisure, etc.	Bay Communications Hanshin Cable Engineering Itec Hankyu Hanshin System Giken Mt. Rokko Cable Car & Tourism YMIRLINK Himeji Cable Television Rworks Mimamorume

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, UK, NETHERLANDS, SINGAPORE DEUTSCHLAND, HONG KONG, THAILAND, PHILIPPINES, MALAYSIA, VIETNAM, SHANGHAI, GUANGZHOU, BEIJING, TAIWAN, KOREA, INDIA, INDONESIA, Southeast Asia, HANKYU INTERNATIONAL LOGISTICS SHANGHAI, :19Companies)
Hotels	
Hotel management	Hankyu Hanshin Hotels Hanshin Hotel Systems Hankyu Hanshin Restaurants Arima View Hotel Amanohashidate Hotel Kure Hankyu Hotel

【Legend】

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

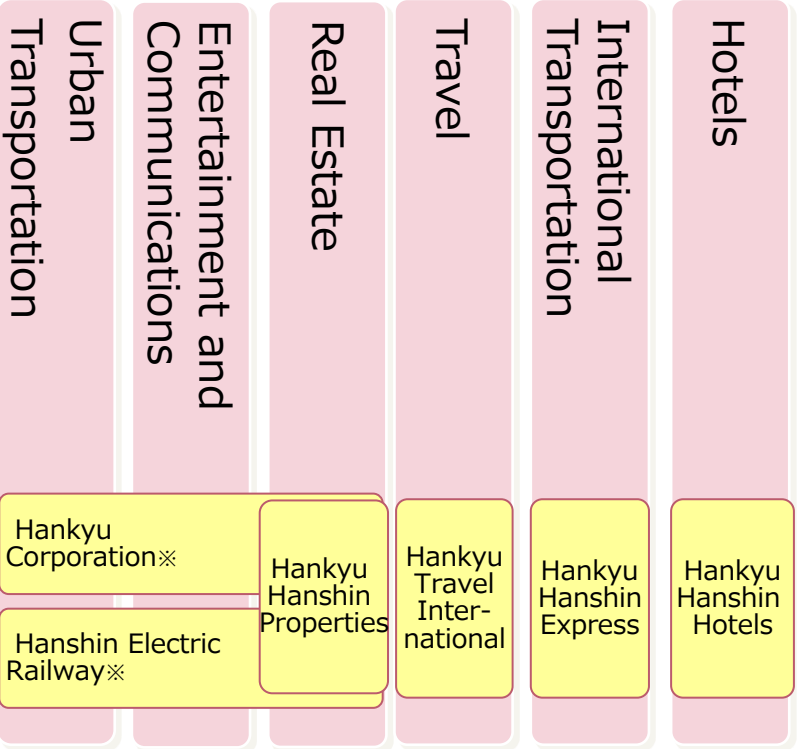


# Revenues from Operations and operating income as a FY2018

## management composition

(As of April 1, 2018)

### Hankyu Hanshin Holdings

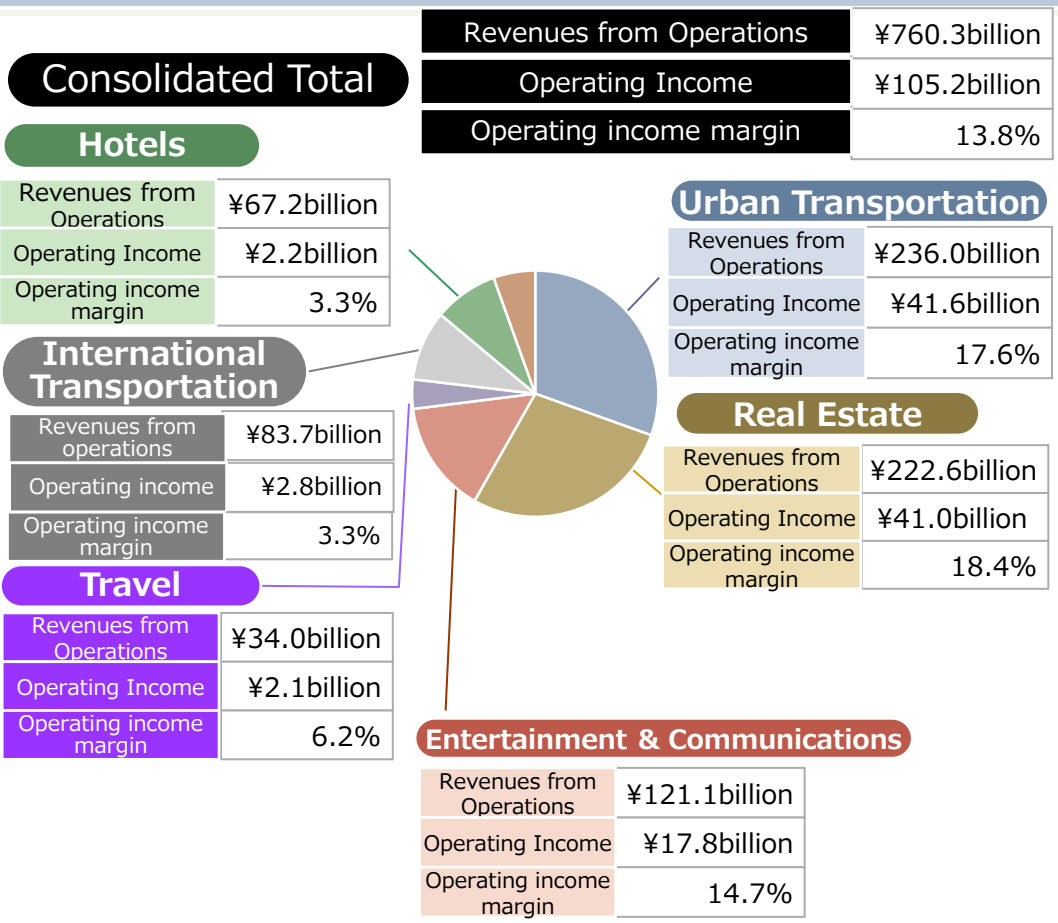


※ In the Umeda and line-side areas, Hankyu Corporation and Hanshin Electric Railway will retain their real estate for leasing and developing and work with Hankyu Hanshin Properties to promote community building efforts in connection with public transport networks and local governments.

## earnings structure

■ The Urban Transportation and Real Estate businesses generate stable cash flows and account for approximately 60% of revenues from operations and 80% of operating income.

### Revenues from operations breakdown(FY2018)



# Areas served by the Hankyu and Hanshin lines①

## Definition of the areas served by the Hankyu and Hanshin lines

## Osaka Prefecture:

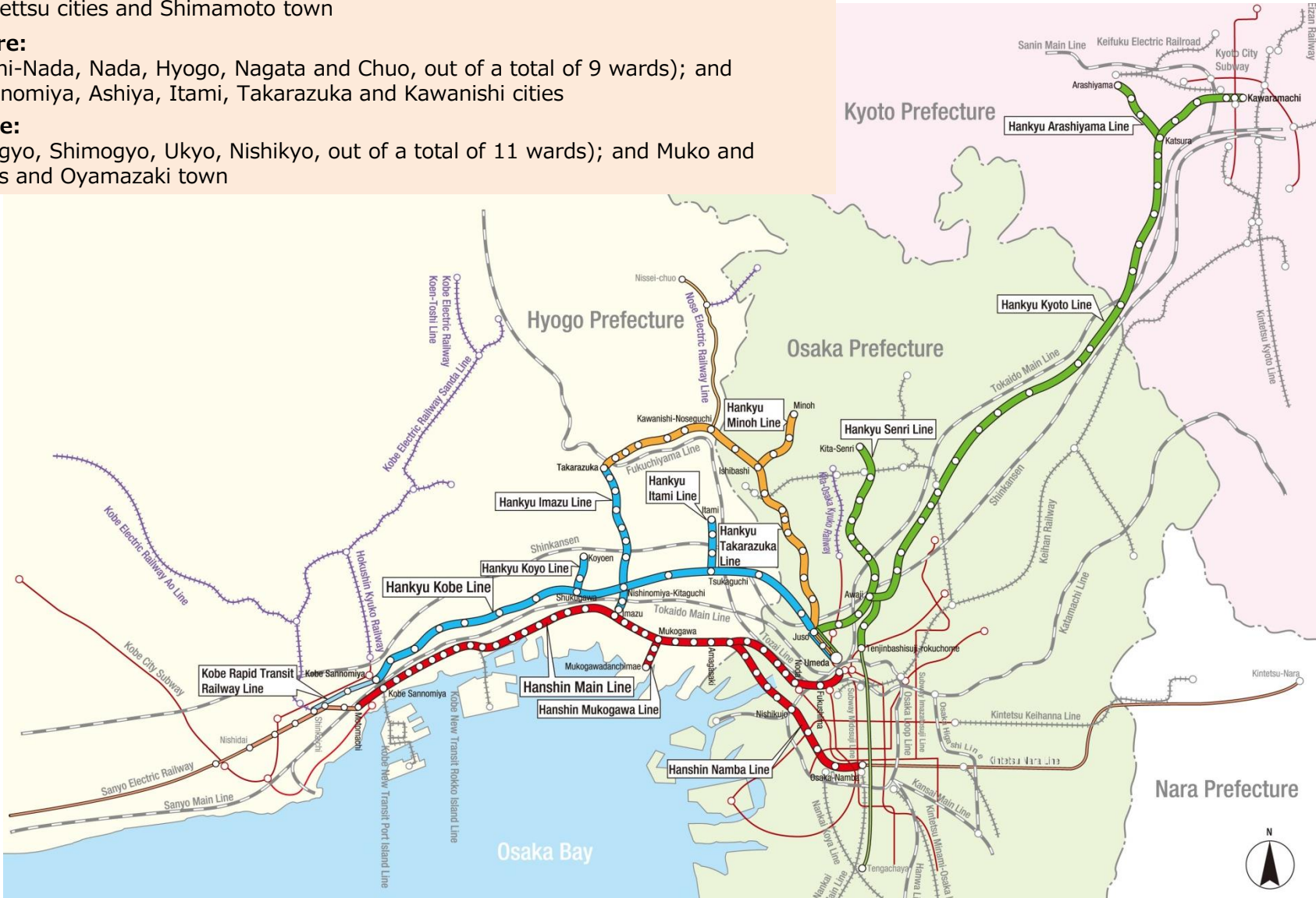
Osaka City (Fukushima, Konohana, Nishi, Naniwa, Nishi-Yodogawa, Higashi-Yodogawa, Yodogawa, Kita and Chuo, out of a total of 24 wards); and Toyonaka, Ikeda, Suita, Takatsuki, Ibaraki, Minoh, Settsu cities and Shimamoto town

## 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



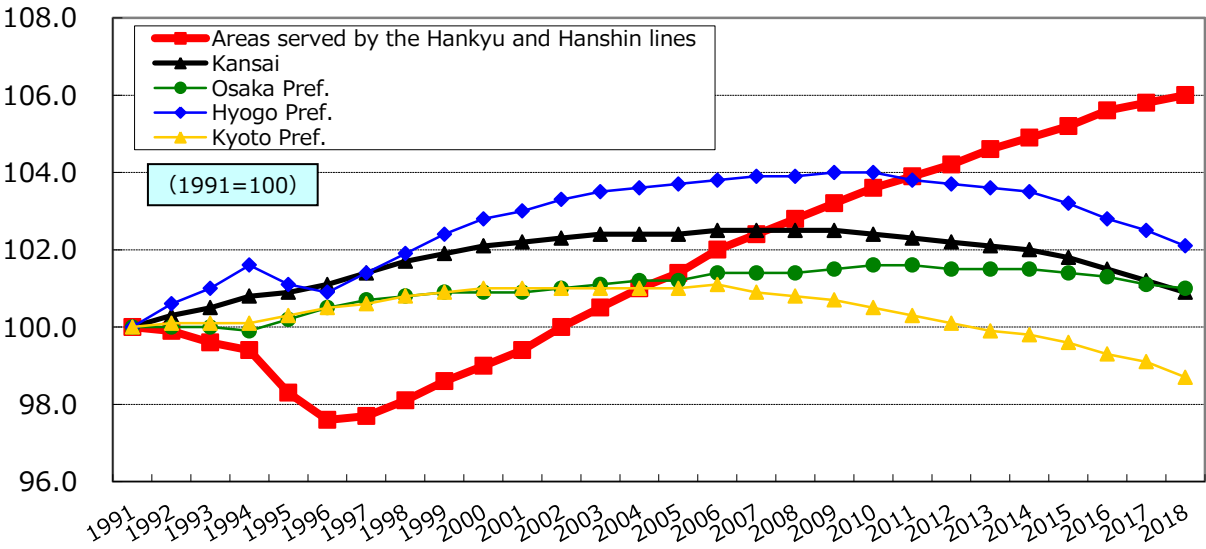


# Areas served by the Hankyu and Hanshin lines②

## 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.

	(km <sup>2</sup> ) (thousand)	
	Area	Population
Areas served by the Hankyu/Hanshin line	1,318	5,609
Osaka Pref. (service areas)	449	2,672
Hyogo Pref. (service areas)	471	2,269
Kyoto Pref. (service areas)	398	668
Non-Hankyu/Hanshin Service Areas	26,033	14,737
Osaka Pref. (non-service areas)	1,456	5,960
Hyogo Pref. (non-service areas)	7,930	3,217
Kyoto Pref. (non-service areas)	4,214	1,838
Shiga Pref.	4,017	1,393
Nara Pref.	3,691	1,360
Wakayama Pref.	4,725	969
Total	27,351	20,346



## Survey of prospective condominium purchasers regarding their preferred Kansai residential area

Ranking	Station	(Area)	Ranking	Station	(Area)
1	Nishinomiya-kitaguchi	(Nishinomiya, Hyogo Pref.)	11	Ashiya	(Ashiya, Hyogo Pref.)
2	Shukugawa	(Nishinomiya, Hyogo Pref.)	12	Tennoji	(Osaka, Osaka Pref.)
3	Umeda	(Osaka, Osaka Pref.)	13	Kobe	(Kobe, Hyogo Pref.)
4	Okamoto	(Kobe, Hyogo Pref.)	14	Fukushima	(Osaka, Osaka Pref.)
5	Takarazuka	(Takarazuka, Hyogo Pref.)	15	Hommachi	(Osaka, Osaka Pref.)
6	Esaka	(Suita, Osaka Pref.)	16	Kobe-sannomiya	(Kobe, Hyogo Pref.)
7	Senri-Chuo	(Toyonaka, Osaka Pref.)	17	Toyonaka	(Toyonaka, Osaka Pref.)
8	Ashiyagawa	(Ashiya, Hyogo Pref.)	17	Karasumaoike	(Kyoto, Kyoto Pref.)
9	Osaka	(Osaka, Osaka Pref.)	19	Kurakuenguchi	(Nishinomiya, Hyogo Pref.)
10	Mikage	(Kobe, Hyogo Pref.)	20	Yodoyabashi	(Osaka, Osaka Pref.)

Except for Tennoji (12), Hommachi (15), and Yodoyabashi (20), all of the top 20 stations are on Hankyu Hanshin Holdings group 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 September 27, 2018.

# Overview of Umeda area①

Major rental properties (as of September, 2018)

Property name	Leasable area (1,000m) ※1	Number of floors	Completed
Umeda Hankyu Bldg. (Hankyu Dept.Store-office tower)	213	41 floors above ground and 2 below ground	2012
Umeda Hanshin Daichi Bldg. (HERBIS OSAKA)	82	40 floors above ground and 5 below ground	1997
Osaka Umeda Twin Towers South	58	13 flooes above ground and 3 floors below ground	2018
Umeda Hanshin Daini Bldg. (HERBIS ENT)	55	28 floors above ground and 4 below ground	2004
Hankyu Chayamachi Bldg. (Applause Tower)	52	34 floors above ground and 3 below ground	1992
Hankyu Sanban Gai Shopping Centre	39	5 floors above ground and 2 below ground	1969
Hankyu Grand Bldg.	36	32 floors above ground and 3 below ground	1977
GRAND FRONT OSAKA	28	38 floors above ground and 3 below ground	2013
Hankyu Terminal Bldg.	27	18 floors above ground and 4 below ground	1972
Hankyu Five Bldg.※2 (HEP FIVE)	20	10 floors above ground and 3 below ground	1998
NAVIO Hankyu (HEP NAVIO)	16	10 floors above ground and 2 below ground	1980
NU chayamachi	12	9 floors above ground and 2 below ground	2005

※1 : Leasable area does not include areas for public use  
※2 : Jointly owned property with Hankyu Hanshin REIT Asset Management

## Developments in Umeda district

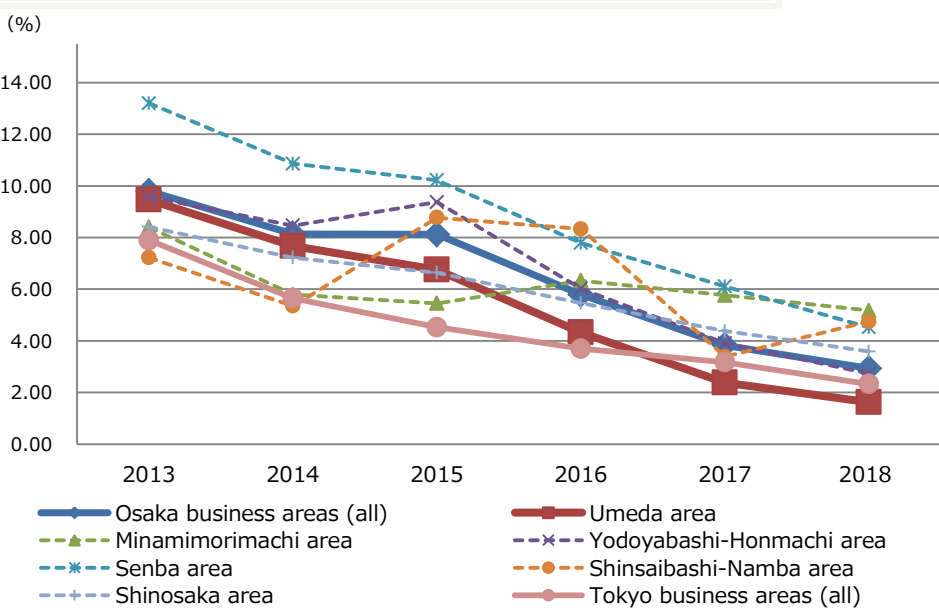
(red = Hankyu Hanshin Holdings group related Projects)

- ① Umeda 1-1 Project (Osaka Umeda Twin Towers South)
- ② Umekita Phase II Development Project
- ③(Provisional Name) Yodobashi Umeda Tower  
-Yodobashi Camera Co., Ltd.
- ④ (Provisional Name) Umeda 3-chome Project  
- Japan Post Holdings Co. Ltd./Osaka Terminal Building Co., Ltd.
- ⑤ (Provisional Name) Umeda Sonezaki Project  
-Sumitomo Realty & development Co., Ltd.
- ⑥ Chayamachi B-2 District Redevelopment Project  
-TOKYU LAND CORPORATION Co., Ltd.



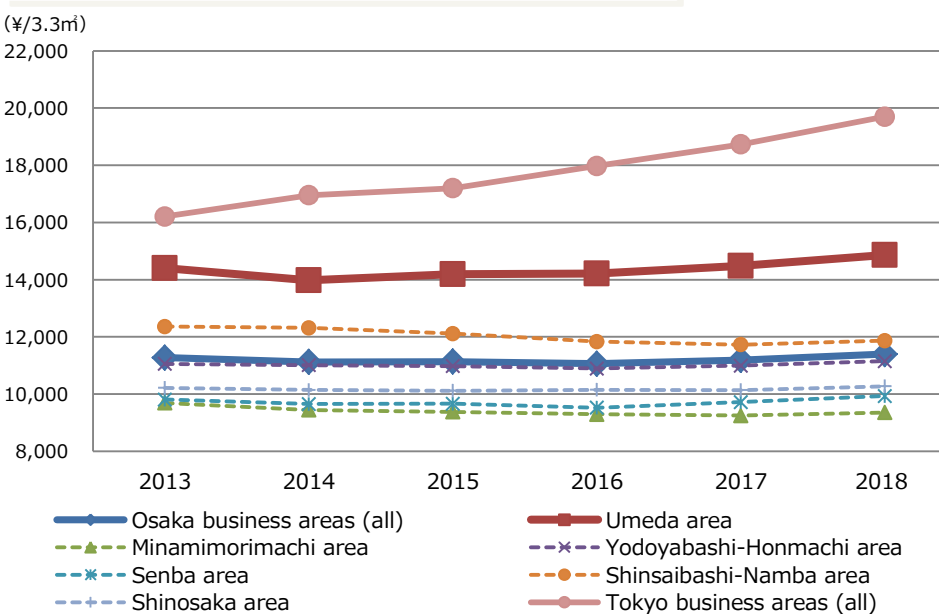
# Overview of Umeda area②

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



(%)	2013	2014	2015	2016	2017	2018
Osaka business areas (all)	9.79	8.14	8.12	5.79	3.83	2.93
Umeda area	9.47	7.67	6.76	4.33	2.38	1.63
Minamimorimachi area	8.40	5.79	5.45	6.33	5.77	5.17
Yodoyabashi-Honmachi area	9.58	8.46	9.37	6.02	3.91	2.73
Senba area	13.20	10.86	10.22	7.79	6.11	4.52
Shinsaibashi-Namba area	7.22	5.35	8.77	8.33	3.39	4.75
Shinosaka area	8.41	7.22	6.64	5.46	4.38	3.59
Tokyo business areas (all)	7.90	5.65	4.53	3.70	3.17	2.33

Trends in rent among six main business districts in Osaka

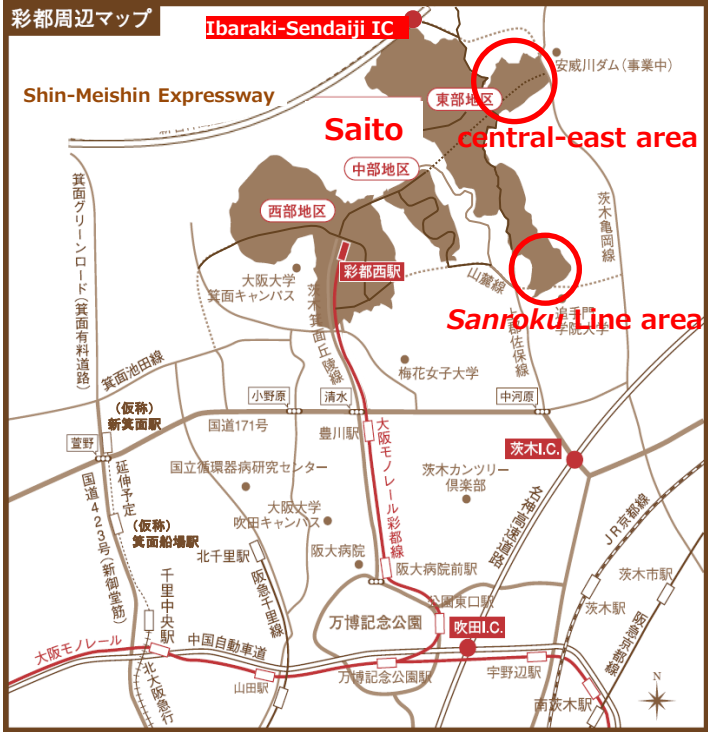
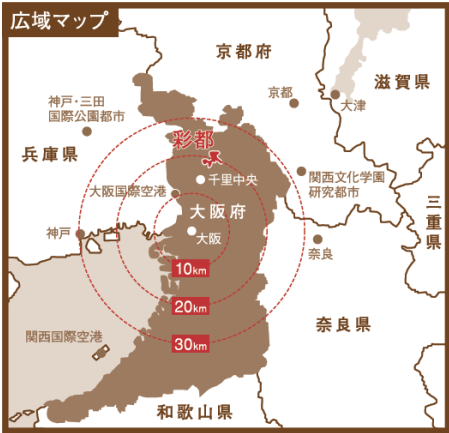


(¥/3.3m²)	2013	2014	2015	2016	2017	2018
Osaka business areas (all)	11,271	11,120	11,135	11,061	11,187	11,398
Umeda area	14,402	13,977	14,189	14,210	14,487	14,863
Minamimorimachi area	9,690	9,446	9,376	9,291	9,249	9,357
Yodoyabashi-Honmachi area	11,054	11,009	10,976	10,891	10,994	11,149
Senba area	9,810	9,651	9,663	9,521	9,717	9,932
Shinsaibashi-Namba area	12,361	12,312	12,110	11,833	11,725	11,865
Shinosaka area	10,219	10,143	10,113	10,152	10,140	10,273
Tokyo business areas (all)	16,230	16,805	17,594	18,336	18,995	20,438

(Comparison of average rents in September of respective years)  
Source: Miki Shoji, "Office Data."

# Progress on the Development of International Culture Park 'Saito' (a new town)

- Since the opening of the western area of Saito in Spring 2004, progress has been made in developing residential facilities and attracting commercial tenants in the western area. *Saito* has developed into a new town, with a residential population of 15,000 and a facility population of 3,500.
- In Spring 2016, the central area was opened up for common use. Since then, the area has become home to an increasing number of facilities, including large distribution centres, and the facility population has risen to around 2,500.
- As for the eastern area, in February 2015, Ibaraki City altered the plan for prior areas (Sanroku Line area and central-east area). In May of the same year, the Group received permission to conduct development operations in the Sanroku Line area, and it commenced operations in November. Location-wise, the area is ideal for facilities such as distribution centres and production/processing centres. Accordingly, the area was designated as land for large-scale commercial use. Land forming work is underway with a view to opening up part of the area in fiscal 2019.



Residential population in western area (as of September, 2018)

	Minoh City	Ibaraki city	Total
Number of households	2,124	2,982	5,106
Current population	6,566	8,906	15,472
population/ Number of households	3.09	2.99	3.03



Size of each area

	Western area	Central area	Eastern area
Size	312.6ha	62.5ha	367.5ha



# Global network (International Transportation)

## 【Initiatives of International Transportation Business】

- **Expanding global network**
  - Expanded group's network in growth sectors
  - Invested in Africa-based agency
- **Strengthening the logistics business**
  - Expanded group-operated logistics centres
  - Expanded existing logistics centres

Number of bases: Japan=49, Overseas=128  
(as of August 1, 2018)



### ◆ Business expansion in North America

In December 2017, we opened a sales office in Monterrey. Situated in the north of Mexico, Monterrey is a gateway for the Mexico-US auto trade. We developed our US network in pursuit of further growth, opening sales offices in Boston, Miami, and New Jersey, and logistics centres in Chicago, Atlanta, and Dallas.

### ◆ New logistics centres in the ASEAN region

Having built a logistics centre in Indonesia in 2016, in May 2017, we opened a large logistics centre in Singapore. This logistics centre is the Group's largest such facility, and it exploits the significant advantages that Singapore affords as an international logistics hub. With this centre, we provide high value-added logistics services focusing on goods related to Singapore's key industries, including electrical components, medical equipment, and pharmaceutical products. Similarly, in Ho Chi Minh City, Vietnam, we established a Group-managed logistics centre.

## ◆ Strengthening business development in Africa

In April 2018, we invested in Intraspeed in South Africa and acquired the freight forwarder a subsidiary. We also acquired as subsidiaries two companies owned by Intraspeed (one company is in Kenya and the other is in Uganda). Looking ahead, we will step up our efforts to develop business in Africa.

# Hotel network of the Hankyu-Hanshin-Daiichi Hotel Group

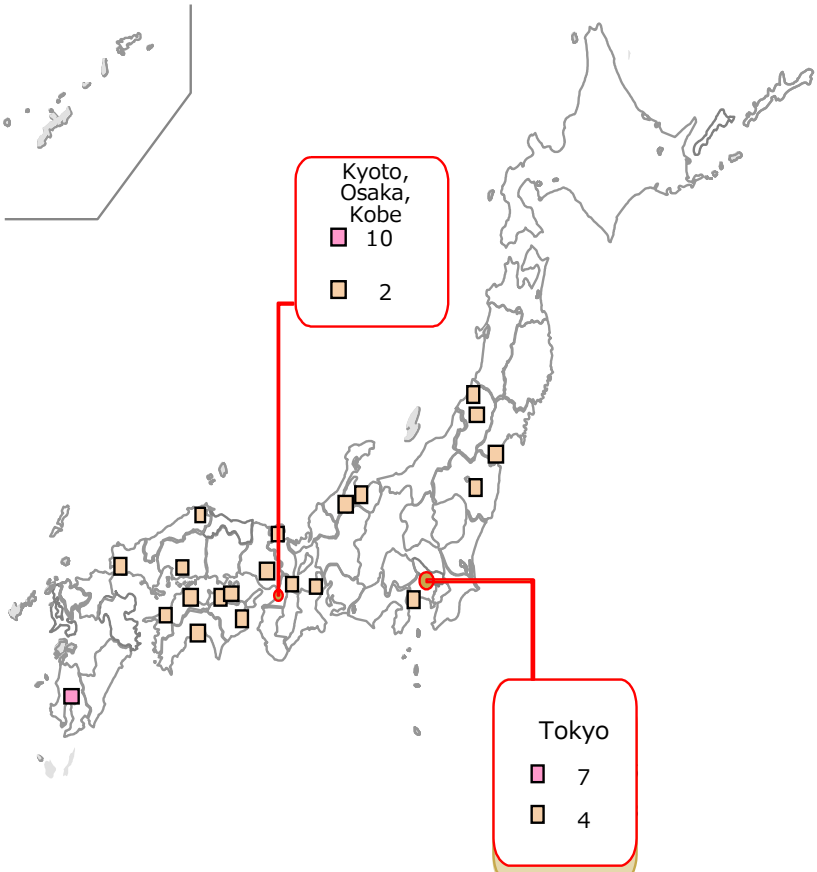
<div>Directly managed hotels (Hankyu Hanshin Hotels)</div>	18Hotels	4,891 rooms	44Hotels 10,244rooms
<div>Other (franchises, etc.)</div>	26Hotels	5,353 rooms	

(as of October 1, 2018)



阪急阪神第一ホテルグループ

## Hotel location



Directly managed hotels	
Dai-ichi Hotel Tokyo	Ours Inn Hankyu
Dai-ichi Hotel Annex	Ginza Creston
Daiichi Hotel Tokyo Seafort	Dai-ichi Hotel Ryogoku
Kichijoji Dai-ichi Hotel	Dai-ichi Inn Ikebukuro
remm HIBIYA	Dai-ichi Inn Shonan
remm AKIHABARA	Toyama Dai-ichi Hotel
remm ROPPONGI	Dai-ichi Inn Shinminato
Hotel Hankyu International	Tokyo Dai-ichi Hotel Nishiki
Hotel new Hankyu Osaka	Hotel Boston Plaza Kusatsu
Hotel new Hankyu Annex	Hotel Royal Hill Fukuchiyama
Hotel Hanshin	Amano Hashidate Hotel
Umeda OS hotel ※	Osaka Dai-ichi Hotel
remm SHIN-OSAKA	Arima View Hotel urara
Senri Hankyu Hotel	Kure Hankyu Hotel
Hotel Hankyu Expo Park	Hotel Ichibata
Takarazuka Hotel	Tokyo Dai-ichi Hotel Shimonoseki
Hotel new Hankyu Kyoto	Takamatsu Kokusai Hotel
remm KAGOSHIMA	JR Hotel Clement Takamatsu
Other(franchises, etc.)	JR Hotel Clement Tokushima
Tokyo Dai-ichi Hotel Iwanuma Resort	The Crown Palais New Hankyu Kochi
Tokyo Dai-ichi Hotel Tsuruoka	Tokyo Dai-ichi Hotel Matsuyama
Tokyo Dai-ichi Hotel Yonezawa	Imabari Kokusai Hotel
Tokyo Dai-ichi Hotel Shin-Shirakawa	

※Hankyu-Hanshin Hotels are entrusted operation