


Our Business

Hankyu Hanshin Holdings

The Group comprises six core businesses: Urban Transportation, Real Estate, Entertainment and Communications, Travel, International Transportation and Hotels. The businesses are operated by five core companies: Hankyu Corporation, Hanshin Electric Railway Co., Ltd., Hankyu Travel International Co., Ltd., Hankyu Hanshin Express Co., Ltd., and Hankyu Hanshin Hotels Co., Ltd., with the aim of the organic growth of the entire Group.

P.38 >> Forming a mega network in the Kansai area that provides various urban transportation services linking Group railways, buses and taxis



P.48 >> Expand businesses of high brand value such as Hanshin Tigers professional baseball team, Hanshin Koshien Stadium and Takarazuka Revue



P.54 >> Offer high-quality global logistics services mainly through Hankyu Hanshin Express



Urban Transportation	Real Estate	Entertainment and Communications	Travel	International Transportation	Hotels
	Hankyu Corporation		Hankyu Travel International	Hankyu Hanshin Express	Hankyu Hanshin Hotels
	Hanshin Electric Railway				

P.42 >> Develop and manage high-quality housing, commercial facilities and offices in the areas served by our lines



P.51 >> Expanding sales, focusing on our mainstay Traptics brand with its extensive travel packages, through various media including newspaper advertising, member magazines, and the Web.



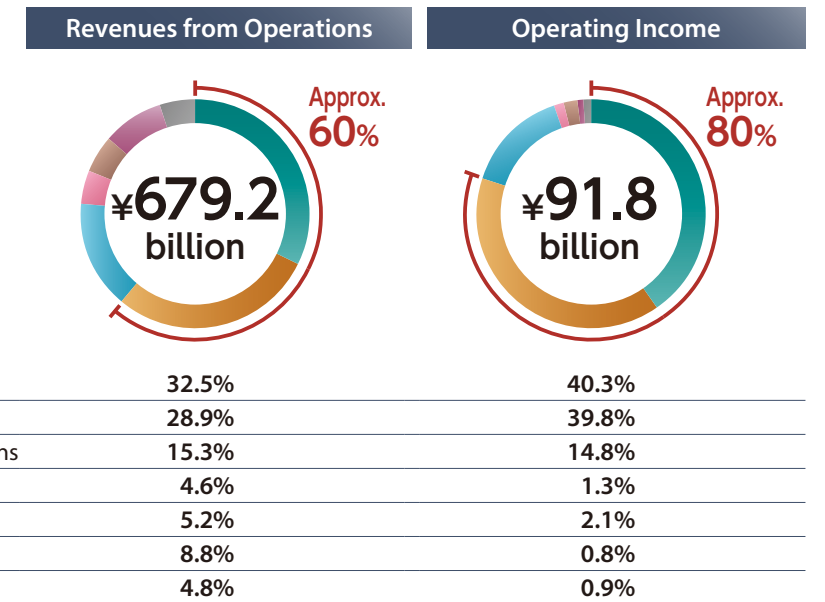
P.57 >> Operate Japan's major hotel groups under the Hankyu-Hanshin-Daiichi Hotel Group, and manage The Ritz-Carlton, Osaka



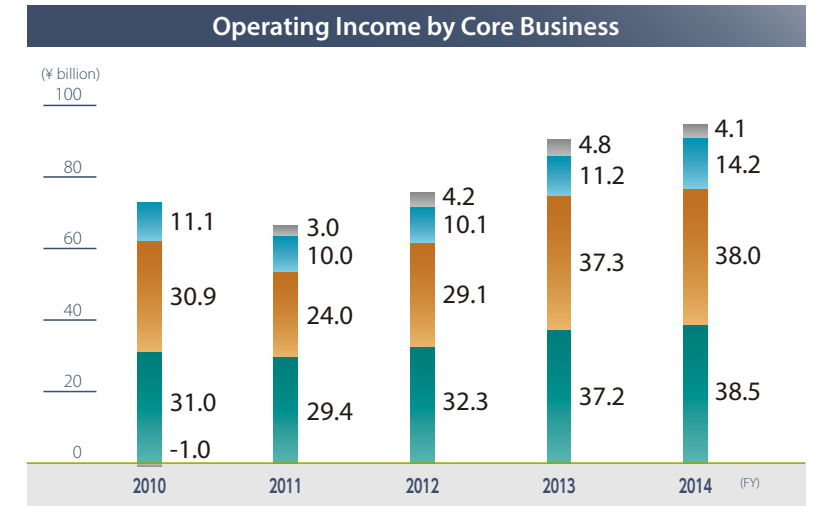
Fiscal 2014 Core Business Operating Results

The Urban Transportation and Real Estate Businesses drive income and contribute to generating a stable cash flow.

The major revenue pillars for the Group are the Urban Transportation Business and Real Estate Business, with both holding about 60% of revenues from operations and roughly 80% of operating income. Among these, the Urban Transportation Business' railway business and the Real Estate Business' leasing business account for more than half of Group profits, and generate a stable cash flow. A major characteristic of the Group is also that the Entertainment and Communications Business stably records about 10% of the Group's total operating income.



* Figures for % of revenues from operations are calculated based on the simple aggregate amount (including intersegment transactions) of each segment.



Business Portfolio

Developing a Balanced Business Portfolio Capable of Sustainable Growth

Focusing on its Railway Business, the Group is working to enhance the value of the areas served by its stations by expanding organic links primarily between the Real Estate Business and the Entertainment and Communications Business. In addition, we will realise a stable and balanced business portfolio by building on the unique strengths of each business. Looking ahead, the comprehensive strength of the entire Group will be redoubled in such areas as bolstering competitiveness in each core business, aiming to be a No.1 and only one company, and generating Groupwide synergies that transcend barriers between businesses.

Urban Transportation

Core Companies: Hankyu Corporation, Hanshin Electric Railway



Annual number of passengers carried (FY2014)

Hankyu Railway

630 million

Hanshin Electric Railway

230 million

Total length of lines operated

143.6km

Total length of lines operated

48.9km

Travel

Core Company: Hankyu Travel International



Total travel billings:

No. 5 in the industry

Overseas travel billings:

No. 3 in the industry

Total travel billings* (FY2014)

¥408.7 billion

* The total of both Hankyu Travel International and Hankyu Hanshin Business Travel

Leasable area (As of the end of March 2014)

Approx. **1.7 million m²**

Number of condominiums sold for FY2014

1,356

Of this total, approximately 800,000m² are concentrated in the Umeda area

Real Estate

Core Companies: Hankyu Corporation, Hanshin Electric Railway



Japan outbound export handling volume:

No. 4 in the industry

Japan inbound import handling volume:

No. 4 in the industry

Sales* (FY2014)

¥78.5 billion

* Includes the equivalent amount of initial export freight charges

International Transportation

Core Company: Hankyu Hanshin Express



Entertainment and Communications

Core Companies: Hankyu Corporation, Hanshin Electric Railway



Total attendances (FY2014*)

Hanshin Tigers (Home games)

Approx. **2.77 million**

* Total attendance at Hanshin Tigers home games during the 2013 season

Takarazuka Revue (Including nationwide stage productions)

Approx. **2.50 million**

Hotels

Core Company: Hankyu Hanshin Hotels



Number of rooms*

10,326

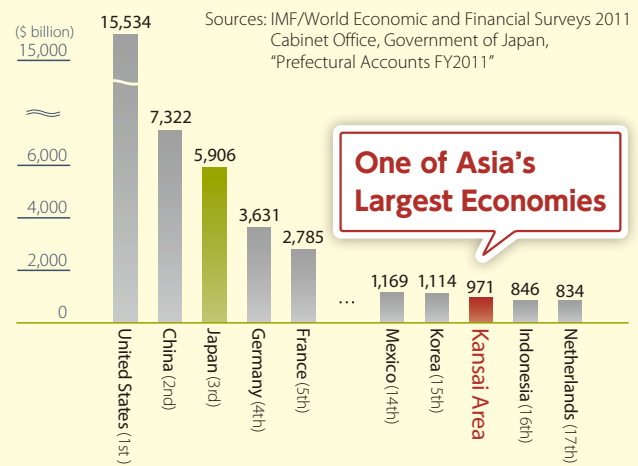
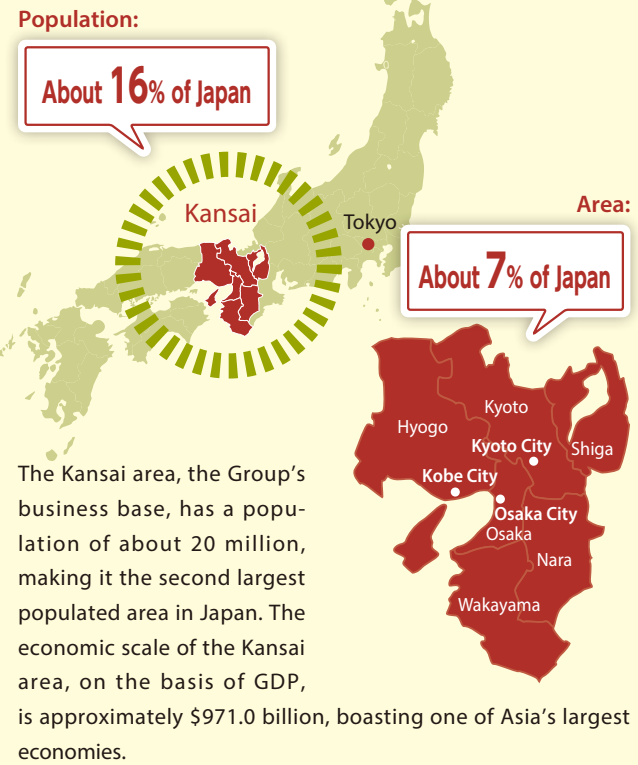
Group hotels*

48

* As of 31st March 2014

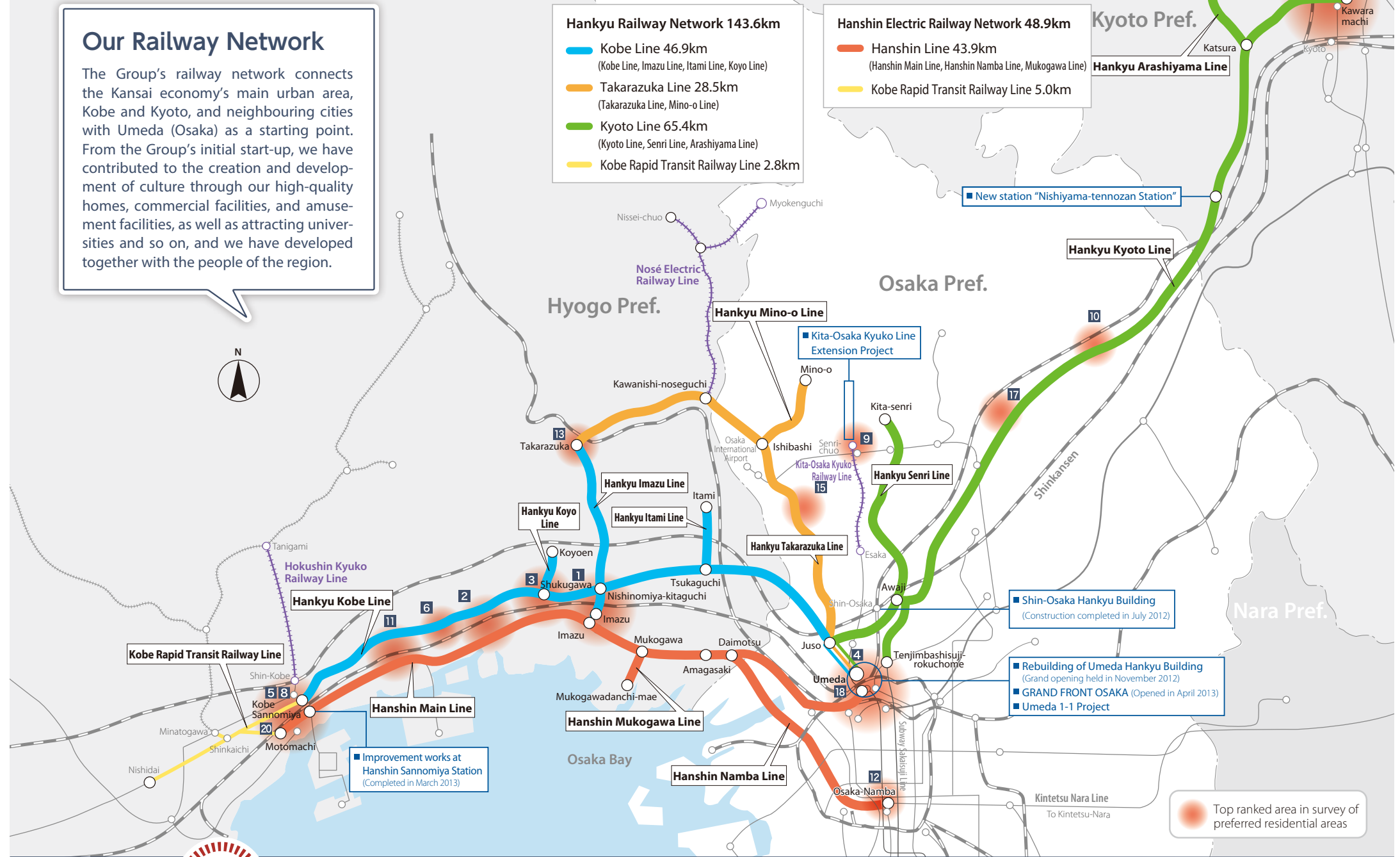
Our Strength

The Potential of the Kansai Area



Our Railway Network

The Group's railway network connects the Kansai economy's main urban area, Kobe and Kyoto, and neighbouring cities with Umeda (Osaka) as a starting point. From the Group's initial start-up, we have contributed to the creation and development of culture through our high-quality homes, commercial facilities, and amusement facilities, as well as attracting universities and so on, and we have developed together with the people of the region.



Strength 1

Ability to create value in areas served by our stations

As a result of valuing the relationships of trust with residents living along the railway line, our long-term efforts to enhance the value of the areas served by our stations have been well received. At present, the area along the Group's rail lines has, on the whole, become highly popular within the Kansai area. This creative ability for enhancing the area along our rail lines is one of the strengths of our Group.

Survey of Preferred Residential Areas (Kansai Area)

Rank	Place	Location
1	Nishinomiya	Nishinomiya, Hyogo
2	Ashiya	Ashiya, Hyogo
3	Shukugawa	Nishinomiya, Hyogo
4	Umeda	Osaka (Kita-ku)
5	Kobe	Kobe, Hyogo (Chuo-ku)
6	Okamoto	Kobe, Hyogo (Higashi-nada-ku)
7	Kyoto	Kyoto
8	Sannomiya	Kobe, Hyogo (Chuo-ku)
9	Senri-chuo	Toyonaka, Osaka
10	Takatsuki	Takatsuki, Osaka
11	Mikage	Kobe, Hyogo (Higashi-nada-ku)
12	Namba	Osaka (Chuo-ku)
13	Takarazuka	Takarazuka, Hyogo
14	Tennoji	Osaka (Tennoji-ku)
15	Toyonaka	Toyonaka, Osaka
16	Downtown Kobe	Kobe
17	Ibaraki	Ibaraki, Osaka
18	Fukushima	Osaka (Fukushima-ku)
19	Abeno	Osaka (Abeno-ku)
20	Motomachi	Kobe, Hyogo (Chuo-ku)

Source: Survey by Sumitomo Realty & Development and six other major real estate firms (26th September 2013)

Strength

2

Leveraging our strong presence in Umeda, Kansai's economic centre

The Umeda area of Osaka, the Group's most important base, is one of the most famous shopping and entertainment districts of Japan, served by the Umeda stations of the Hankyu and Hanshin lines and the Osaka Municipal Subway as well as JR Osaka Station. It is Kansai's economic centre. In the Umeda area, the Group operates railway network terminuses serving both the Hankyu and Hanshin networks, and also runs key commercial facility, office building, hotel, theatre and other businesses, demonstrating its significant presence in the area.



- Owned solely by the Group
- Joint ownership
- Owned by Hankyu REIT Inc.

- | | | |
|---|-------------------------|-----------------------------------|
| 1 HERBIS OSAKA | 8 HEP NAVIO | 15 Hankyu Corporation Head Office |
| 2 HERBIS ENT | 9 HEP FIVE | 16 Kitano Hankyu Bldg. |
| 3 Dai Hanshin Bldg./Hanshin Umeda Sta. | 10 Higashi Hankyu Bldg. | 17 Kita Hankyu Bldg. |
| 4 Shin Hankyu Bldg. | 11 Umeda Centre Bldg. | 18 Nishi Hankyu Bldg. |
| 5 Umeda Hankyu Bldg. | 12 NU chayamachi | 19 Hotel new Hankyu Osaka |
| 6 Hankyu Grand Bldg. | 13 NU chayamachi Plus | 20 GRAND FRONT OSAKA |
| 7 Hankyu Umeda Sta./Hankyu Sanban Gai Shopping Centre/Hankyu Terminal Bldg. | 14 Applause Tower | |

* HEP FIVE is jointly owned with Hankyu REIT Inc.

Strength

3

Ownership of content with strong brand value

The Group delivers inspiration and dreams through the Hanshin Tigers professional baseball team/Hanshin Koshien Stadium and the Takarazuka Revue, both of which are unique assets that are popular and enthusiastically supported not only in Kansai area but throughout Japan. These two powerful attractions are assets that none of our rivals have.

They help increase passenger numbers in the areas served by our stations when there is a show or a game on. They also contribute greatly to increased brand recognition for the Group.



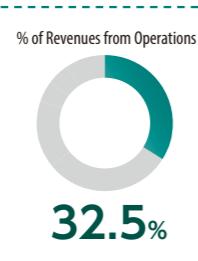
©Takarazuka Revue Company



©Hanshin Tigers



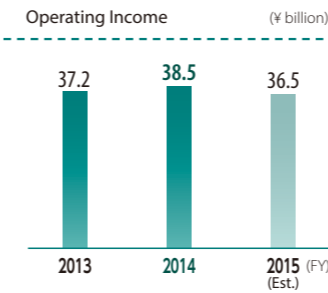
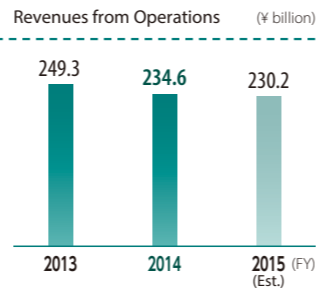
Core Business Highlights



Revenues from Operations **¥234.6 billion** (YoY -5.9%)

Operating Income Margin **16.4%**

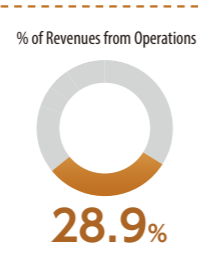
Segment Assets **¥764.1 billion** (YoY +0.5%)



Nature of Business

This segment comprises railway operations (with Hankyu Corporation operating the Kobe, Takarazuka and Kyoto lines out of Umeda (Osaka) and Hanshin Electric Railway lines directly linking Kobe with Osaka's major northern and southern terminals, Umeda and Namba). Together, the Hankyu and Hanshin network, combined with other lines, and bus, taxi and other urban transportation services, form a single large-scale network in the Kansai area, centred on the cities of Kyoto, Osaka and Kobe.

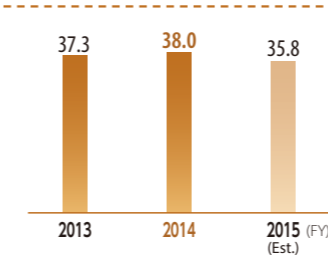
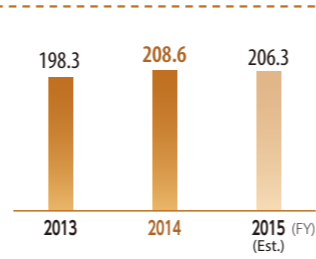
Total length of lines operated:
Hankyu Corporation: 143.6km Hanshin Electric Railway: 48.9km
(Including tier 2 railway operator)



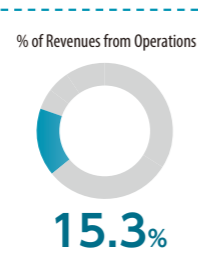
Revenues from Operations **¥208.6 billion** (YoY +5.2%)

Operating Income Margin **18.2%**

Segment Assets **¥1,009.4 billion** (YoY -0.7%)



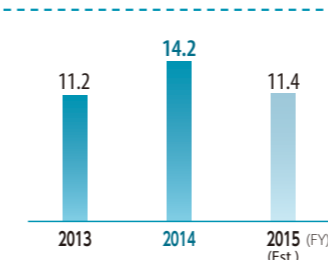
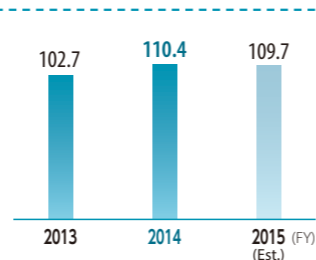
The Real Estate segment derives its core revenue from leasing and management of commercial facilities and office buildings and its condominium business. Its attractive business portfolio includes rental properties located mainly in the Umeda area and along the Group's rail lines, such as Umeda Hankyu Building, Hankyu Sanban Gai Shopping Centre, HERBIS OSAKA, HERBIS ENT, GRAND FRONT OSAKA, Hankyu Nishinomiya Gardens and the highly regarded Geo condominium brand in the Kansai area and Tokyo metropolitan area.



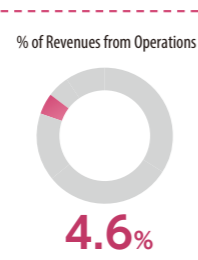
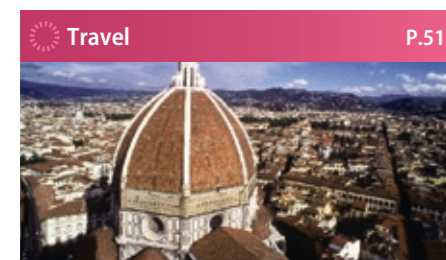
Revenues from Operations **¥110.4 billion** (YoY +7.5%)

Operating Income Margin **12.8%**

Segment Assets **¥142.8 billion** (YoY +0.9%)



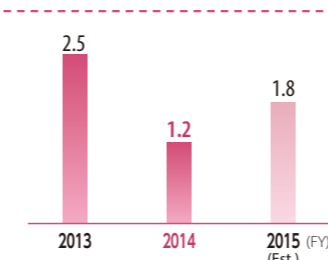
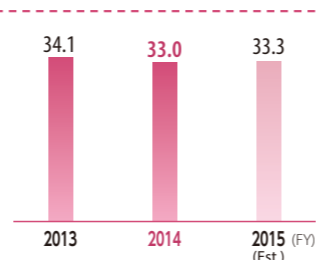
This segment offers a wide variety of live entertainment, centred on the sports business — the nationally popular and famous Hanshin Tigers professional baseball team and their home ground and high-school baseball mecca, Hanshin Koshien Stadium — and the stage revue business, based on the hugely popular Takarazuka Revue, which celebrated its 100th anniversary in 2014. In addition, this segment runs wide range of businesses such as broadcast and communications business and the information services business.



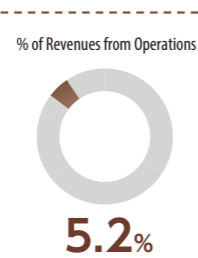
Revenues from Operations **¥33.0 billion** (YoY -3.2%)

Operating Income Margin **3.7%**

Segment Assets **¥74.5 billion** (YoY +3.7%)



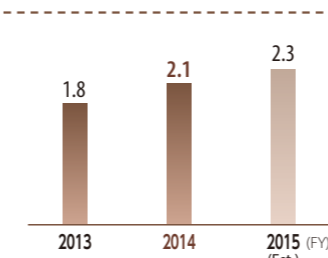
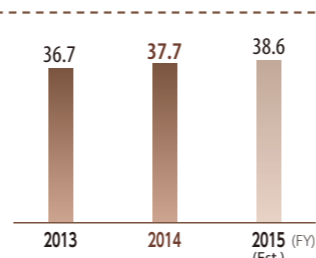
Since its establishment in 1948, while meeting the diversified needs of customers through always taking their perspective, Hankyu Travel International has sold its products via various media through its five brands. They are the Tropics brand that provide enhanced content at a reasonable price, the "Crystal Heart" brand, the "Hanshin Aviation Friends' Tour" brand for relaxed travel, the "e-very" brand for self-planning travel, and the "Royal Collection" brand for luxurious travel. It provides safe, comfortable travel for customers' inspiration and dreams, ranging from package tours through to original plans for individual customers, travel to Japan, and business travel services.



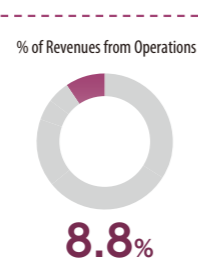
Revenues from Operations **¥37.7 billion** (YoY +2.6%)

Operating Income Margin **5.4%**

Segment Assets **¥39.8 billion** (YoY +21.8%)



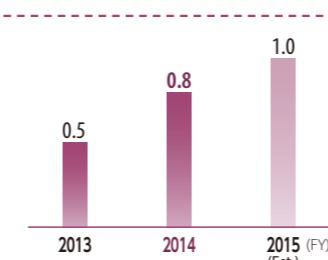
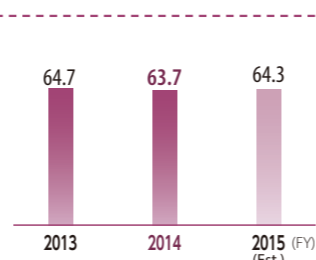
In 1948, as Japan's first International Air Transport Association (IATA) certified freight agency, Hankyu Hanshin Express (Hankyu Corporation at that time) began international airline freight transportation operations. Since then, regardless of whether for imports or exports, it has been providing fast and safe door-to-door international transportation services. As a pioneer in international logistics, it utilises the track record and experience it has cultivated in developing its overseas business over many years and provides high-quality customised logistic services and support for its customers with optimised supply chain management.



Revenues from Operations **¥63.7 billion** (YoY -1.5%)

Operating Income Margin **1.3%**

Segment Assets **¥85.7 billion** (YoY -1.7%)



The Hankyu-Hanshin-Daiichi Hotel Group operates 48 hotels, consisting of 17 that are directly managed and 31 belonging to chains operated by franchises. It is one of Japan's leading hotel chains with 10,326 guest rooms (as of 31st March 2014). As a hotel operator with many directly managed hotels in the Tokyo and Kansai areas, Japan's two largest markets, it offers a wide range of hotel formats, from general-purpose "city hotels" to new style hotels (with very limited function facilities). In addition to chain operations, it also manages The Ritz-Carlton, Osaka, a venerable international luxury brand with which it has formed an alliance.

Notes: 1. Figures for % of revenues from operations are calculated based on the simple aggregate amount (including intersegment transactions) of each segment (fiscal 2014 results).
2. Revenues from operations in other businesses accounted for 4.8%.

Major Group Companies (As of 31st March 2014)

Consolidated Subsidiaries

Urban Transportation

	Name of Company
Railway Operations	Hankyu Corporation
	Hanshin Electric Railway Co., Ltd.
	Nosé Electric Railway Co., Ltd.
	Kita-Osaka Kyuko Railway Co., Ltd.
	Hokushin Kyuko Railway Co., Ltd.
	Kobe Rapid Transit Railway Co., Ltd.
	Hankyu Hanshin Railway Technology Co., Ltd.
	Hankyu Hanshin Electric System
Automobile	Hankyu Bus Co., Ltd.
	Hanshin Bus Co., Ltd.
	Hankyu Kanko Bus Co., Ltd.
	Osaka Airport Transport Co., Ltd.
	Hankyu Denen Bus Co., Ltd.
	Hankyu Taxi Inc.
	Hanshin Taxi Co., Ltd.
	Hankyu Hanshin Motor Technology Co., Ltd.
Retailing	Nippon Rent-A-Car Hankyu Inc.
	Hankyu Corporation
	Hankyu Retails Corporation
Advertising	lina Dining Co., Ltd.
	Hankyu Corporation
Other	Hankyu Advertising Agency Inc.
	Alna Sharyo Co., Ltd.

Real Estate

	Name of Company
Real estate leasing	Hankyu Corporation
	Hanshin Electric Railway Co., Ltd.
	Hankyu Realty Co., Ltd.
	Osaka Diamond Chikagai Co., Ltd.
	Hanshin Real Estate Co., Ltd.
Real estate sales and other business	Hankyu Corporation
	Hanshin Electric Railway Co., Ltd.
	Hankyu Realty Co., Ltd.
	Hankyu Hanshin Building Management Co., Ltd.
	Hankyu Hanshin High Security Service Co., Ltd.
	Hankyu Hanshin Clean Service Co., Ltd.
	Hankyu REIT Asset Management, Inc.

Entertainment and Communications

	Name of Company
Sports	Hanshin Electric Railway Co., Ltd.
	Hanshin Tigers Baseball Club, Ltd.
	Hanshin Contents Link Corporation
	Wellness Hanshin Inc.
Stage	Hankyu Corporation
	Takarazuka Creative Arts Co., Ltd.
	Takarazuka Stage Co., Ltd.
	Umeda Arts Theater Co., Ltd.
	Hankyu Communications Co., Ltd.
Communication and Media	Itec Hankyu Hanshin Co., Ltd.
	Bay Communications Inc.
	Himeji Cable Television Co., Ltd.
Leisure, etc.	Mt. Rokko Cable Car & Tourism Company

Travel

	Name of Company
Travel Agency	Hankyu Travel International Co., Ltd.
	Hankyu Hanshin Business Travel Co., Ltd.
	Hankyu Travel Support Co., Ltd.

International Transportation

	Name of Company
International Transportation	Hankyu Hanshin Express Co., Ltd.
	Hankyu Hanshin Logipartners Co., Ltd.
	HHE (USA) INC.
	HHE (DEUTSCHLAND) GMBH
	HHE (HK) LTD.
	HHE (SINGAPORE) PTE. LTD.

HHE: HANKYU HANSHIN EXPRESS

Hotels

	Name of Company
Hotel Management	Hankyu Hanshin Hotels Co., Ltd.
	Hanshin Hotel Systems Co., Ltd.
	Amanohashidate Hotel Co., Ltd.
	Arima View Hotel Co., Ltd.
	Hankyu Hanshin Restaurants Co., Ltd.

Other

	Name of Company
Construction	Hanshin Construction Co., Ltd.
	Chuo-Densetsu Co., Ltd.
Group Finance	Hankyu Hanshin Financial Support Co., Ltd.
Outsourcing Services for Personnel and Accounting Services	Hankyu Hanshin Business Associate Co., Ltd.

Equity-method Affiliates

Main Business	Name of Company
Department Store	H2O Retailing Corporation [Securities code: 8242]
	Nishi-Osaka Railway Co., Ltd.
Railway Operations	Kobe Electric Railway Co., Ltd. [Securities code: 9046]
Real Estate Leasing	Tokyo Rakutenchi Co., Ltd. [Securities code: 8842]
Motion Picture Business	Toho Co., Ltd. [Securities code: 9602]
Commercial Broadcasting	Kansai Telecasting Corporation

Investor Information (As of 31st March 2014)

Hankyu Hanshin Holdings, Inc.

Head Office:

1-16-1, Shibata, Kita-ku, Osaka 530-0012, Japan
 Phone: +81-6-6373-5001
 (Group Planning Div., IR Office)
 Fax: +81-6-6373-5042

Tokyo Office (Personnel and General Affairs Div.):

Toho Twin Tower Bldg.,
 1-5-2, Yurakucho, Chiyoda-ku, Tokyo 100-0006, Japan
 Phone: +81-3-3503-1568
 Fax: +81-3-3508-0249

Paid-in Capital:

¥99,474 million

Fiscal Year-End:

31st March

Number of Employees:

20,913 (consolidated basis)

Authorised Shares:

3,200,000,000

Issued Shares:

1,271,406,928

Number of Shareholders:

87,811

Unit of Trading:

1,000 shares

Stock Exchange Listing:

Tokyo

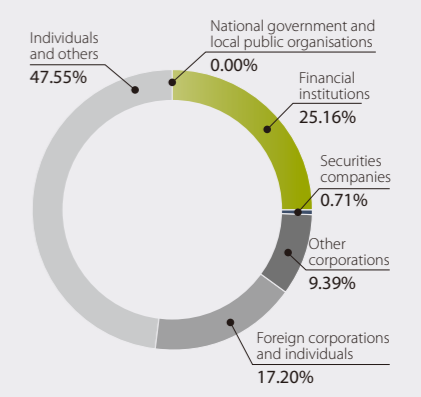
Transfer Agent:

Mitsubishi UFJ Trust and Banking Corporation

Principal Shareholders:

Name	Number of shares (thousands)	Percentage (%)
Japan Trustee Services Bank, Ltd. (Trust account)	52,780	4.15
The Master Trust Bank of Japan, Ltd. (Trust account)	35,853	2.82
Nippon Life Insurance Company	31,583	2.48
Sumitomo Mitsui Banking Corporation	21,909	1.72
H2O Retailing Corporation	21,037	1.65
Japan Trustee Services Bank, Ltd. (The Sumitomo Mitsui Trust & Banking Co., Ltd. Retirement Benefit Trust Account)	13,665	1.07
State Street Bank West Client Treaty (Standing Proxy: Mizuho Bank, Ltd. Settlement & Clearing Services Division)	13,578	1.07
Japan Trustee Services Bank, Ltd. (Trust account 2)	13,244	1.04
Japan Trustee Services Bank, Ltd. (Trust account 3)	13,217	1.04
Japan Trustee Services Bank, Ltd. (Trust account 5)	12,925	1.02

Ownership Breakdown:



Stock Price Range and Trading Volume (Tokyo Stock Exchange):

