

Hankyu Hanshin Holdings Group  
Supplementary Materials of  
Financial Results for the Third Quarter  
of Fiscal 2020  
(Ended December 31, 2019)

February 4th, 2020

Hankyu Hanshin Holdings, Inc.

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

# Consolidated Statements of Income(Summary)

	3Q FY2020 Results	FY2019 Results	Change		
Consolidated Subsidiaries	93 companies	94 companies	-1 (2 companies increase, 3 companies decrease)		
Equity-Method Affiliates	11 companies	11 companies			
Total	104 companies	105 companies	-1		
			<div style="border: 1px solid black; padding: 2px;">(※) The impact of natural disasters</div>		
(¥ million)	3Q FY2020 Results	3Q FY2019 Results	Change		Remarks
Revenue from operations	583,678	576,457	+7,220 (+1.3%)		For details, please see next page
Operating income	91,015	92,206	-1,191 (-1.3%)		
Non-operating income	8,597	7,956	+640	-2.4billion yen	Equity in income of affiliates: +968
Non-operating expenses	9,577	9,415	+162	-2.4billion yen	
Ordinary income	90,034	90,748	-713(-0.8%)		
Extraordinary income	1,153	3,774	-2,621	Losses associated with natural disasters -1.1billion yen	Gain on sale of noncurrent assets :-2,379
Extraordinary loss	1,302	4,193	-2,891	-2.4billion yen	Loss on retirement of noncurrent assets:-1,457
Net income attributable to owners of the parent	58,968	58,782	+186 (+0.3%)		
(Reference)	3Q FY2020 Results	3Q FY2019 Results	Change		
Depreciation and amortisation	41,580	39,902	+1,678		<div style="border: 1px solid black; padding: 5px;">                     ※Affected by the 2018 Osaka earthquake, 2018 Japan floods, Typhoon Jebi, 2018 Hokkaido Eastern Iburiearthquake (travel business only), and Typhoon Trami.                 </div>
Financial balance ① - ②	-5,623	-5,930	+307		
Interest and dividend income①	1,369	1,341	+28		
Interest expense②	6,992	7,272	-279		

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

## [Key results in current period]

Revenue increased. The Real Estate Business posted significant YoY increase in condominium unit sales, and the Information and Communication Technology Business grew orders for information services. Income was down relative to the high level last year, when the Real Estate Business sold off commercial-use land in the eastern area of Saito (Ibaraki, Osaka).

(¥ million)	Revenue from operations			Operating income		
	3Q FY2020 Results	3Q FY2019 Results	Change	3Q FY2020 Results	3Q FY2019 Results	Change
Urban Transportation	174,813	177,768	-2,955	36,197	35,302	+895
Real Estate	175,498	162,426	+13,072	32,713	36,189	-3,476
Entertainment	62,028	59,524	+2,504	15,171	13,765	+1,405
Information and Communication Technology	39,935	33,721	+6,213	3,292	2,416	+876
Travel	30,700	27,441	+3,259	4,536	2,223	+2,312
International Transportation	57,426	68,278	-10,851	-255	2,146	-2,402
Hotels	48,711	49,281	-569	417	1,362	-945
Other	25,046	27,477	-2,431	1,125	1,424	-298
Adjustment	-30,482	-29,462	-1,020	-2,183	-2,624	+441
Total	583,678	576,457	+7,220	91,015	92,206	-1,191

※ The "Information and Communication Technology" was newly created in the quarter under review (Q1 FY2020). Previously, the business was called 'Communication, Media and Others' and existed within the "Entertainment and Communications", which itself has been renamed to the "Entertainment". The purpose of the change was to boost competitiveness. Following this change, there are now seven reportable core businesses: Urban Transportation, Real Estate, Entertainment (formerly named Entertainment and Communications), Information and Communication Technology, Travel, International Transportation, and Hotels. The Q3 FY2019 data used for year-on-year comparisons has been adjusted according to the new business segment structure.

# Urban Transportation results

Outsourcing impact(as of August 2019)  
Revenues from operations -5.6billion yen

Revenue decreased after convenience store and station-based store operations were outsourced. However, income increased thanks to the strong performance of Hankyu and Hanshin lines as well as a recovery from the impact of last year's natural disasters. These factors more than offset an increase in railway-related costs (e.g. depreciation and amortisation).

(¥ million)	3Q FY2020 Results	3Q FY2019 Results	Change	%
Revenue from operations	174,813	177,768	-2,955	-1.7%
Operating income	36,197	35,302	+895	+2.5%

## Real Estate results

Revenue rose thanks to significant YoY increase in condominium unit sales. However, income was down relative to the high level last year, when the Real Estate Business sold off commercial-use land in the eastern area of Saito (Ibaraki, Osaka).

【Reference】 Condominium sales : +793 (1,308 units; previous year 515 units)

(¥ million)	3Q FY2020 Results	3Q FY2019 Results	Change	%
Revenue from operations	175,498	162,426	+13,072	+8.0%
Operating income	32,713	36,189	-3,476	-9.6%

# [Urban Transportation] Railway Performance results

## Hankyu Corporation

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	3Q FY2020 Results	3Q FY2019 Results	Change	3Q FY2020 Results	3Q FY2019 Results	Change
Commuter pass	26,037	25,327	+710(+2.8%)	266,420	258,505	+7,914(+3.1%)
Workers	22,355	21,729	+625(+2.9%)	184,073	178,416	+5,657(+3.2%)
Students	3,682	3,598	+84(+2.4%)	82,347	80,089	+2,257(+2.8%)
Other tickets	48,173	47,225	+947(+2.0%)	241,722	239,023	+2,699(+1.1%)
Total	74,211	72,553	+1,658(+2.3%)	508,142	497,528	+10,614(+2.1%)

Boost ahead of tax hike +0.3 billion yen

The impact of natural disasters -0.6 billion yen

## Hanshin Electric Railway

	Fare revenues (¥ million)*			Passenger volumes (Thousands)*		
	3Q FY2020 Results	3Q FY2019 Results	Change	3Q FY2020 Results	3Q FY2019 Results	Change
Commuter pass	9,372	9,067	+304(+3.4%)	97,736	94,399	+3,336(+3.5%)
Workers	8,367	8,093	+274(+3.4%)	76,491	73,844	+2,646(+3.6%)
Students	1,004	974	+29(+3.1%)	21,245	20,555	+689(+3.4%)
Other tickets	17,073	16,672	+400(+2.4%)	92,971	91,490	+1,480(+1.6%)
Total	26,445	25,740	+704(+2.7%)	190,707	185,890	+4,817(+2.6%)

Boost ahead of tax hike +0.1 billion yen

The impact of natural disasters -0.1 billion 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.

# Entertainment results

Revenue and income increased. In the stage business, shows were well received and merchandise sold well. The sports business performed well too.

(¥ million)	3Q FY2020 Results	3Q FY2019 Results	Change	%
Revenue from operations	62,028	59,524	+2,504	+4.2%
Operating income	15,171	13,765	+1,405	+10.2%

# Information and Communication Technology results

Revenue and income increased. The information services business won large transport system orders, while the broadcast and communications business gained more subscribers for internet services.

(¥ million)	3Q FY2020 Results	3Q FY2019 Results	Change	%
Revenue from operations	39,935	33,721	+6,213	+18.4%
Operating income	3,292	2,416	+876	+36.3%

# Travel results

Revenue and income increased. Factors included the extended Golden Week holiday, the popularity of overseas destinations such as those in Europe, and higher numbers of domestic tourists.

(¥ million)	3Q FY2020 Results	3Q FY2019 Results	Change	%
Revenue from operations	30,700	27,441	+3,259	+11.9%
Operating income	4,536	2,223	+2,312	+104.0%

# International Transportation results

Revenue and income declined. Factors included US-China trade war and decline in air transport volume, especially in Japan and East Asia.

(¥ million)	3Q FY2020 Results	3Q FY2019 Results	Change	%
Revenue from operations	57,426	68,278	-10,851	-15.9%
Operating income	-255	2,146	-2,402	—

# Hotels results

The impact of outsourcing the restaurant business  
Revenues from operations : -2.7billion yen

remm Tokyo Kyobashi : Opened on April 3, 2019  
Hotel Hanshin Annex Osaka : Opened on May 15, 2019  
Hotel Hankyu RESPIRE OSAKA : Opened on November 27, 2019  
remm plus Ginza : Opened on December 24, 2019

Revenue and income declined. Factors behind the revenue decline included the outsourcing of the restaurant business, which more than offset a revenue boost from hotel openings and a recovery from the impact of last year's disasters. Factors behind the income decline included cost increases associated with hotel openings, rising competition in the Kansai area's hotel market, and a lull in demand for accommodation.

(¥ million)	3Q FY2020 Results	3Q FY2019 Results	Change	%
Revenue from operations	48,711	49,281	-569	-1.2%
Operating income	417	1,362	-945	-69.3%



# Consolidated Balance Sheets

(¥ million)		3Q FY2020 Results	FY2019 Results	Change	Remarks																							
Assets	Current assets	277,064	302,963	-25,899	Trade receivables: -24,786																							
	Noncurrent assets	2,210,331	2,163,259	+47,072	Long-term loan receivables: +22,526 Investment securities: +20,839																							
	<b>Total assets</b>	<b>2,487,396</b>	<b>2,466,223</b>	<b>+21,172</b>																								
Liabilities	Current liabilities	383,867	404,286	-20,418																								
	Long-term liabilities	1,149,294	1,146,555	+2,738																								
	<b>Total liabilities</b>	<b>1,533,162</b>	<b>1,550,842</b>	<b>-17,680</b>																								
					<table border="1"> <thead> <tr> <th></th> <th>3Q FY2020 Results</th> <th>FY2019 Results</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>Debt</td> <td>740,268</td> <td>758,411</td> <td>-18,143</td> </tr> <tr> <td>Bonds</td> <td>122,000</td> <td>112,000</td> <td>+10,000</td> </tr> <tr> <td>Commercial paper</td> <td>15,000</td> <td>-</td> <td>+15,000</td> </tr> <tr> <td>Lease obligations</td> <td>8,306</td> <td>6,644</td> <td>+1,662</td> </tr> <tr> <td>Interest-bearing debt</td> <td>885,575</td> <td>877,055</td> <td>+8,519</td> </tr> </tbody> </table>		3Q FY2020 Results	FY2019 Results	Change	Debt	740,268	758,411	-18,143	Bonds	122,000	112,000	+10,000	Commercial paper	15,000	-	+15,000	Lease obligations	8,306	6,644	+1,662	Interest-bearing debt	885,575	877,055
	3Q FY2020 Results	FY2019 Results	Change																									
Debt	740,268	758,411	-18,143																									
Bonds	122,000	112,000	+10,000																									
Commercial paper	15,000	-	+15,000																									
Lease obligations	8,306	6,644	+1,662																									
Interest-bearing debt	885,575	877,055	+8,519																									
Net assets	Shareholders' equity	891,063	853,397	+37,666	Net income attributable to owners of the parent: +58,968 Payment dividend: -11,020 Less treasury stock, at cost: -9,810																							
	Accumulated other comprehensive income	31,771	31,465	+305																								
	Non-controlling interests	31,398	30,517	+881																								
	<b>Total net assets</b>	<b>954,234</b>	<b>915,381</b>	<b>+38,853</b>																								
Equity ratio		37.1%	35.9%	+1.2p																								