



Information for Investors Results for the FY2021

Management Vision UPDATE Odakyu
—Becoming a Community-Based Value Creation Company

May 12, 2022

I	Actual Performance Overview for FY2021
II	Basic Policy for the Current Group Medium-Term Management Plan
III	Three Management Issues Aimed at Reform
IV	Three Concepts to Reform Business and Creation of Foundation for Period of Rapid Growth
V	Sustainability Initiatives
VI	Overview of Planned Figures for the Current Medium-Term Management Plan

Actual Performance Overview for FY2021

Millions of yen	FY2020	FY2021	Change
Revenue from operations	385,978	358,753	△27,224 (△7.1%)
Transportation	116,230	131,207	+14,977
Merchandising	157,685	100,853	△56,831
Real Estate	72,872	80,946	+8,074
Other Businesses	68,131	74,143	+6,011
Adjustments	△28,941	△28,397	+543
Operating income	△24,190	6,152	+30,343 (-)
Transportation	△25,937	△5,491	+20,446
Merchandising	△1,741	1,695	+3,437
Real Estate	16,459	18,570	+2,110
Other Businesses	△13,020	△8,668	+4,352
Adjustments	49	46	△3
Ordinary income	△31,223	4,699	+35,923 (-)
Net income attributable to owners of parent	△39,804	12,116	+51,921 (-)
Capital investments	62,943	64,693	+1,749
Depreciation	51,258	49,363	△1,895
Interest-bearing debt	782,822	756,537	△26,284

<Reference> Recovery in revenue from operations compared with FY2019

Transportation	<ul style="list-style-type: none"> ■ Results of Railway Business of Odakyu Electric Railway Recovery to approximately 75% for both commuters and non-commuters ■ Busses Recovery to approximately 80% ■ Hakone (Transportation Companies)* Recovery to approximately 55% <p>* Compared to FY2018, when service was not impacted by typhoon damage</p>
Merchandising	<ul style="list-style-type: none"> ■ Department Stores Recovery to approximately 75% ■ Stores and Retail Revenue from operations at same level as FY2019
Real Estate	<ul style="list-style-type: none"> ■ Leasing Revenue from operations at same level as FY2019
Other Businesses	<ul style="list-style-type: none"> ■ Hotels Recovery to approximately 45% ■ Restaurants Recovery to approximately 60%

* The Company has adopted standards, such as "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29), from FY2021, and comparisons to FY2019 have been made after deducting the impact of accounting standard revision.

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Background of the Formulation

- There have been significant changes to the business environment surrounding the Odakyu Group due to the prolonged impact of COVID-19, decrease in population, and shift in people's values

Changes of Particular Importance

Changes in Flow of People

Widespread adoption of teleworking
Decreased opportunities for going out

Rapid Development of Digitization

Shift online for lifestyle services

Decrease in Population, Falling Birthrate, and Aging Population

Decrease in railway users
Shortage of workers

Sustainability

Decarbonization and resource recycling
Changes in social structure and values

Impact on the Odakyu Group

Transportation Department Stores Hotels	<ul style="list-style-type: none">➤ Gradually bringing COVID-19 under control will lead to a phased recovery in sales over the second half of FY2023.➤ However, sales will not return to pre-COVID-19 levels due to changing lifestyles <p>* Odakyu Electric Railway passengers expected to recover to 85% of pre-COVID levels</p>
Real Estate	<ul style="list-style-type: none">➤ Impact of the decreasing flow of people and changing lifestyles is limited and performance remains stable➤ Relative increase in the value of the suburbs due to factors including the widespread adoption of teleworking
Groupwide	<ul style="list-style-type: none">➤ Prompt response to the rapid progress of digitalization in each business will lead to the creation of new services➤ Odakyu must address environmental and social issues through our businesses

Basic Policy for the Current Group Medium-Term Management Plan

Management
Vision

UPDATE Odakyu —Becoming a Community-Based Value Creation Company

In order to grow together with communities along the Odakyu Line and in areas where we operate businesses, we will evolve into a company that creates new value in communities, such as customer experience and lowering of the environmental load, by constantly striving to think outside the box.

Period of Structural
Reform

2021

2022-2023
Current
plan

Period of Rapid
Growth
2024-2026

Three Management Issues Aimed at Reform

“Recover profitability”
“Control interest-bearing debt”
“Rebuild our business portfolio”

**Expenditure structural reform and
review of investments**

Three Concepts to Reform Business

“DX concept”
“Co-creation concept”
“Localization concept”

Increase in profitability of each business

<Basic policy for the current plan>

**Promote the recovery of financial soundness
and creation of a foundation for future rapid growth**

**Promote business creation and expansion related to the sustainable future growth of Odakyu and
create new value in order to progress over the next 100 years
as a community value creation company**

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Three Management Issues Aimed at Reform

- We expect to achieve the criteria for recovering financial soundness in FY2023 by recovering profitability and controlling interest-bearing debt
- At the same time, we will promote initiatives aimed at rebuilding our business portfolio

Recover profitability

Railways

Constantly pursue low-cost operation

Buses

Lower break-even point due to timetables revisions and other factors

Department Stores

Review expenditure structure based on decrease in Shinjuku stores

Hotels

Lower break-even point due to more efficient operations

Control interest-bearing debt

■ Sale of Odakyu-owned real estate

Sale amount *FY2021-FY2023
Approximately ¥50.0 billion

■ Sale of Cross-Shareholdings

Sale amount * Actual results for FY2021
Approximately ¥20.0 billion

Rebuild our business portfolio

■ Selection-and-concentration efforts in our existing businesses

Reorganization of Group businesses

Strategic investments in real estate

■ Creation of new revenue opportunities

Digital transformation (DX) of existing businesses

Launch of new businesses aimed at creating community-based value

Criteria for Recovery of Financial Soundness (FY2023)
Interest-bearing debt of ¥700 billion and interest-bearing debt/EBITDA ratio of 7.0 times

Reinforce financial soundness and profitability

Update the business model with the aim of achieving a period of rapid growth

Specific Initiatives for Achieving Recovery in Financial Soundness

Railway Business of Odakyu Electric Railway

Changes to Timetable Based on Usage Trends (Reduction in Number of Trains)

(Implemented March 12, 2022)

- Reduction in number of weekday trains during the day and evenings
- Change from ten cars to six cars for some trains

Kilometers traveled
8% decrease

Improvement of Management System Efficiency

- Review of staffing hours at certain stations and operating hours of stations counters
- Review of employees due to reduced number of trains following timetable changes
- Reduction in hire of new graduates
- Partial internalization of cleaning and other outsourced services

Review of Planned Capital Investme

- Reduction in number of Odakyu-owned rolling stock following changes to timetable
- Optimization of service life and life cycle of rolling stock
- Downsizing of automatic ticket machines and ticket gates in line with the reduction of magnetic tickets associated with factors, including the progress of ticketless technology

Total rolling stock
80 train decrease

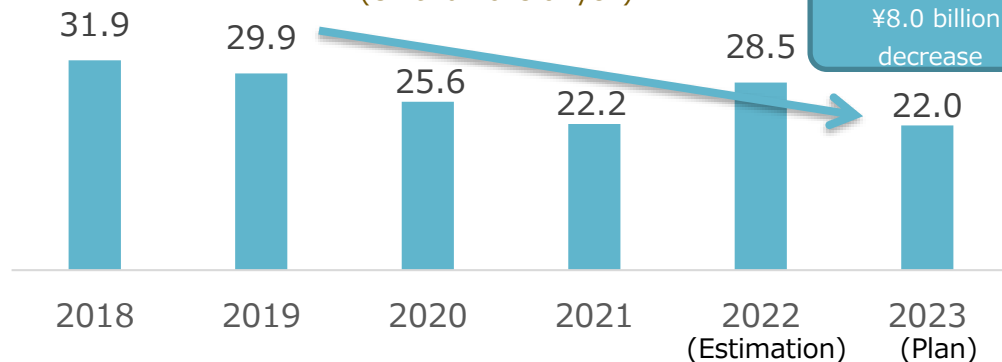
Creation of Sustainable Management System with a Focus on Future Employee Shortages

- Implementation of specific discussions regarding the early realization of conductor-less trains
- Promotion of increasing efficiency through integration of current organization, examination of next-generation operation management system, and other methods
- Introduction of track installation monitoring to improve maintenance operational efficiency

Capital investments

(Unit: billions of yen)

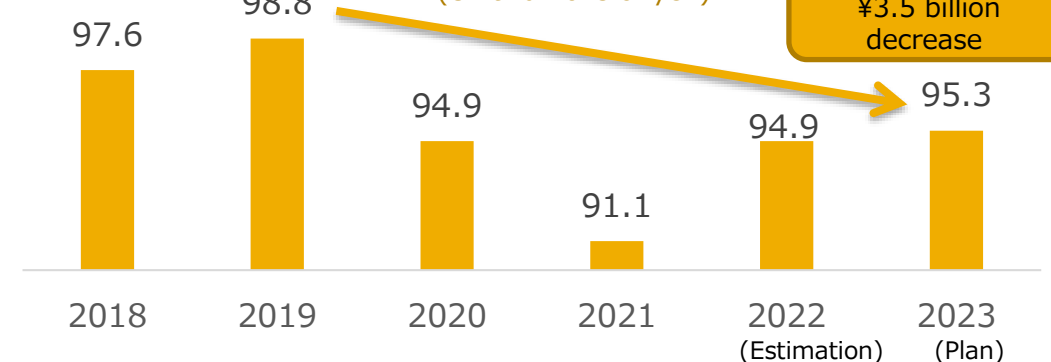
Approximately
¥8.0 billion
decrease



Operating expenses

(Unit: billions of yen)

Approximately
¥3.5 billion
decrease



Rebuild Our Business Portfolio

- We will promote selection-and-concentration efforts in our existing businesses and creation of new revenue opportunities
- We will deepen examinations aimed at rebuilding our business portfolio while engaging in initiatives including reorganization of the Group and digital transformation of existing businesses

Selection-and-Concentration Efforts in our Existing Businesses

■ Reorganization of Group Businesses

- Promotion of withdrawal from unprofitable stores while increasing management efficiency by integrating Group companies

<Completed Projects>

November 2021	Transfer of e-commerce contact lens business outside of Odakyu Group
January 2022	Integration of Odakyu Hakone Highway Bus Co., Ltd. and Odakyu City Bus Co., Ltd.
March 2022	Transfer of bakery business outside of Odakyu Group
April 2022	Integration of Hakone Tozan Railway Co., Ltd. and Hakone Ropeway Co., Ltd.
	Transformation of Odakyu Travel Co., Ltd. into a functional subsidiary

■ Strategic Investments in Real Estate

Redevelopment of the Shinjuku West Gate

Collaboration with external partners, etc.

Development

along the Odakyu Line

Customer attracting stations, etc.

Investment property

development

Development of logistics facilities, Investment in special purpose companies (SPC), etc.

Creation of New Revenue Opportunities

■ Digital Transformation (DX) of Existing Businesses

- Promotion of digital transformation (DX), such as railway and lifestyle services
- Creation of customer contact points in the real world, starting with stations, and digital platforms, starting with smartphones and other devices
- Promotion of acquisition of revenue streams through the digital world while enhancing each service by utilizing customer data



MaaS Japan



■ Launch of New Businesses Aimed At Creating Community-Based Value

- Launch of businesses that lead to the resolution of issues in local communities through co-creation with local governments along the Odakyu Line
- Expansion of revenue streams that are independent of the flow of people by developing them in local governments both along and away from the Odakyu Line
- Launch of WOOMS, which aims to address the issue of collection and transportation of resources and waste in local communities, as the first phase in September 2021



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Mobility x Security and Comfort Creating a new mobility life for communities

We will pursue safe operation while expanding revenue by enhancing customer points of contact, starting with the digital world and creating new demand for railways

■ Generation of New Revenue

- Invigoration of demand for mobility in households with children by launching a flat fare of ¥50 for children with IC cards and making child-rearing support cars a permanent feature
- Addition of three Romancecar express trains going toward the city center during the morning weekday rush hour

■ Maintenance and Improvement of Safety

- Acceleration of platform doors installation by utilizing a barrier-free fare system (scheduled for installation at Hon-Atsugi station in FY2022 and Machida station in FY2023)
- Application to revise fares and implementation of capital investment and infrastructure renewal in a timely and appropriate manner at the Hakone Tozan Railway (revision scheduled for October 1, 2022)

■ Development of MaaS and Collaboration with External Partners



MaaS Japan

Digital ticket management, payment functions, verification functions, multiple-route search functions, etc.



- Expansion of digital tickets along and away from the Odakyu Line
- Launch of QR code verification at ticket windows in all Odakyu stations

Apps and websites of other companies

- Development of Mass Japan functions
- Expansion of collaboration partners

Community Development x Attachment Creating a new narrative for communities

- Reinvestment of funds acquired through the sale of real estate in community development along the Odakyu Line, and the investment property development business
- Strengthening of investment in stations that attract daytime population inflow and are central to the Odakyu Line at the same time as expansion of revenue streams along and away from the Odakyu Line

■ Promotion of Shinjuku West Gate Redevelopment Plan

- Leading project of the Shinjuku Grand Terminal concept, which aims to improve the city's international competitiveness
- Discussion with Tokyo Metro and Tokyu Real Estate as joint operators



Image of redevelopment (scheduled for completion in 2029)

■ Investment Property Development Business

- Investment focused on projects, including medium-sized logistics facilities and residences
- Securing of revenue streams aside from existing holding-type businesses through the cycle of acquisition, development, leasing, sale, and reinvestment and investment in SPCs



Odakyu Real Estate Inzai Logistics Center

■ Strengthening of Strategies for Customer Attracting Stations

- Promotion of redevelopment and revitalization measures in the area around Shin-Yurigaoka station, Machida station, and Ebina station

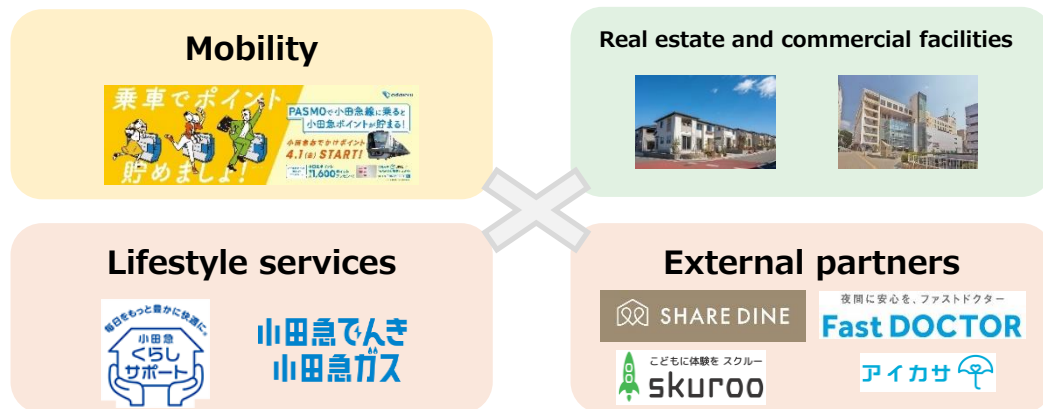
Living x Enjoyment

Producing emotionally moving moments
in uneventful everyday life

- We will create diverse content that aligns with the lifestyles and life stages of people who live along and use the Odakyu Line
- We will contribute to enhancing the lifetime value (LTV) of all the people connected to Odakyu

■ Provision of Services through the Shared ID One (o-ne)

- Development of unique Odakyu services focused around ID by combining Group businesses, such as mobility and real estate, and external services
- Promote the connection between commercial facilities and various lifestyle services, in addition to odekake points
- Improvement of each business, increase of Groupwide revenue, and increase of member numbers through data marketing



Tourism x Experiences

Providing special memories from experiences found nowhere else

- We will reinforce investment in digital in the tourism domain and increase the number of tourists with a focus on the Hakone area, which has a substantial revenue base
- We will unique content and appeal in each area through collaboration with local governments, local businesses, and other entities

■ Renewal of Hotel Hatsuhana

- Aim to increase spending per customer through measures, such as equipping all rooms with open air baths, and increase profit margins through multi-task operation



Image of all rooms post renewal (scheduled to be completed fall 2022)

■ Reinforcement of Investment in Digital

- Increase in number of tourists by increasing convenience through collaboration with MaaS

Excitement x Innovation

Providing excitement to customers at all times

- We will promote human resource development aimed at accepting diversity, utilizing and developing individual capability, and creating community-based value
- We aim to achieve the Group's management principle and management vision by becoming an organization that creates new value

■ Deployment, Development, and Enhancement of Productivity

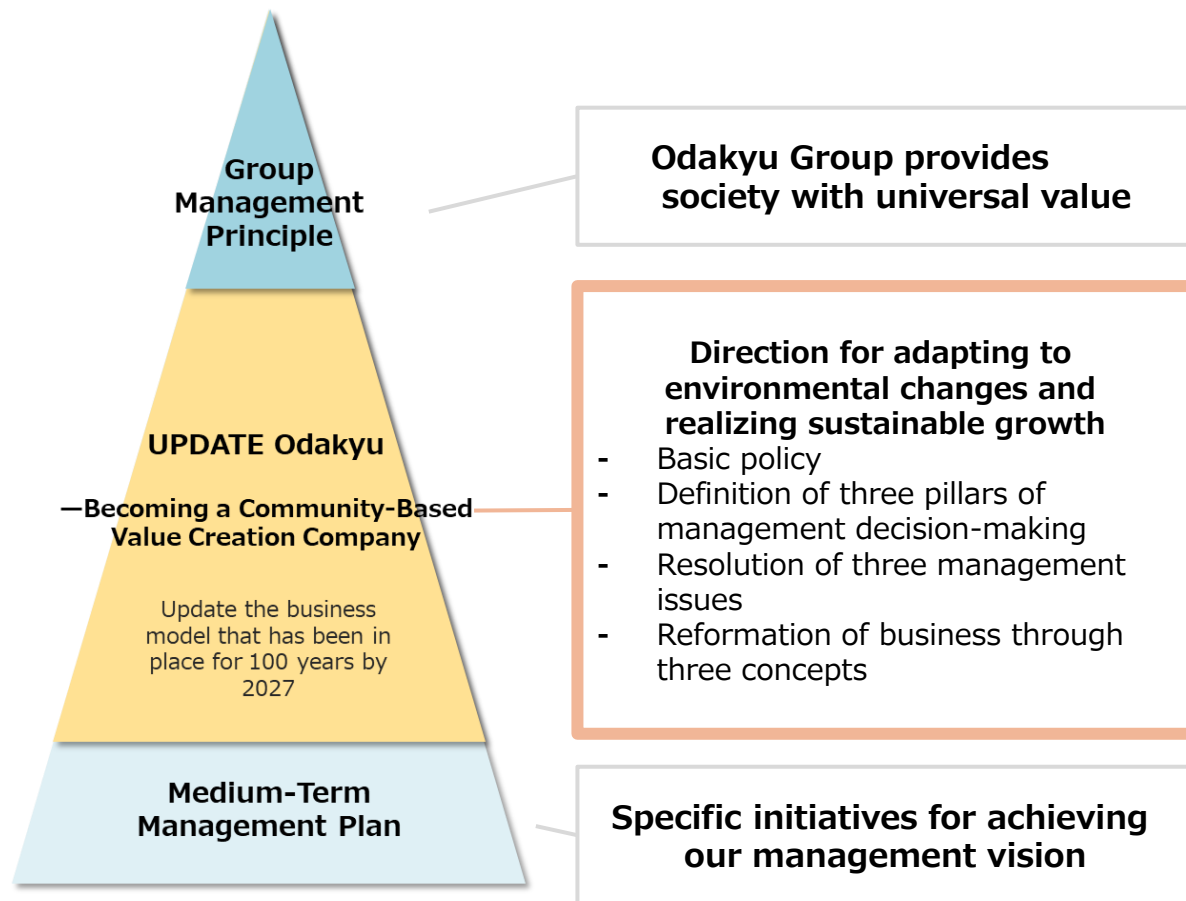
- Use of the head office relocation as an opportunity to enhance productivity through the reform of employee workstyle and awareness
- Promotion of career autonomy
- Development of human resources in all areas related to promotion of digital transformation (DX), such as data scientists

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Sustainability Initiatives

- Under the management vision UPDATE Odakyu, announced in April 2021, we adopted initiatives including growing together with local communities and reduction of our environmental impact, and clarified our commitment to sustainability
- We will realize sustainable growth by promoting each business to achieve our management vision

Our Business Planning Structure



Approach to Sustainability Set Out in the Management Vision

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The Three Pillars of Management Decision-making

<<Society and Community >>

When developing businesses, we will promote businesses that not only generate non-consolidated revenue but also create value in communities along the Odakyu Line and in areas where we operate businesses

<<Economy >>

We will conduct business by efficiently utilizing all of our resources, such as human resources, assets, and capital to maximize revenue

Updates for becoming a company that creates community-based value

<<Environment >>

We will contribute to resolving all environmental issues, including CO2 emission reduction and resource recycling, through our businesses



Specific Measures

Environment

-Promotion of Odakyu Group Carbon Neutrality 2050-

■ Decarbonization of the Odakyu Group

Long-Term
Environmental
Targets

Net zero CO₂ emissions by 2050
Reduce CO₂ emissions by 46% by 2050
(compared to 2013) *Excluding bus and taxi businesses

Initiatives Aimed at Achieving Targets

- Achievement of energy conservation
 - Introduction of energy-efficient trains
 - Introduction of cutting-edge technology to new properties
 - Further utilization of renewable electricity
- Switch to electric- and hydrogen-based energy
 - Introduction of electric vehicle (EC) and fuel cell vehicle (FCV) buses
- Utilization of renewable energy
 - Installation of solar panels at stations and commercial facilities



Trains that promote energy efficiency

Endorsement and Disclosure of TCFD Recommendations



■ Resolution of Environmental Issues in Local Communities and Realization of a Resource Recycling Society

Waste Management Business WOOMS

- Optimization of collection operations and utilization of the capacity created to provide and develop resource recycling solutions
- Expansion to local governments and businesses nationwide and promotion of expanding business scale



Society

■ Promotion of Female Participation and Career Advancement

- Creation of a corporate culture that contributes to female participation and career advancement
 - “Pre-Mama” counseling
 - Childcare leave gatherings and return to work seminars
 - Female participation and career advancement seminar
- Increase in number of women in administrative roles and increase percentage of female employees
- Amount of female employees taking maternity leave and returning to work (100%)



A “Pre-Mama” interview

■ Formulation and Promotion Child-Rearing Support Policy

- Launch of flat fare of ¥50 for children with IC cards
- Making child-rearing support card a permanent feature on commuter train car No. 3
- Promotion of creating ease of living along the Odakyu Line for households with children



■ Pursuit of Safety and Peace of Mind

- Continuous investment to ensure safety and implementation awareness-raising activities aimed at increasing safety awareness in order to continue to provide a safe and comfortable transportation service

Governance

■ Enhancement of Corporate Governance Effectiveness

- Reinforcement of supervisory functions for Board of Directors
- Promotion of separation of executive and supervisory sides and clarification of executive responsibility

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Business Performance Forecasts for FY2022 (overview)

Millions of yen	FY2021	FY2022	Change
Revenue from operations	358,753	401,100	+42,346 (+11.8%)
Transportation	131,207	154,600	+23,392
Merchandising	100,853	101,400	+546
Real Estate	80,946	82,600	+1,653
Other Businesses	74,143	91,300	+17,156
Adjustments	△28,397	△28,800	△402
Operating income	6,152	24,600	+18,447 (+299.8%)
Transportation	△5,491	11,400	+16,891
Merchandising	1,695	700	△995
Real Estate	18,570	15,900	△2,670
Other Businesses	△8,668	△3,400	+5,268
Adjustments	46	0	△46
Ordinary income	4,699	22,300	+17,600 (+374.5%)
Net income attributable to owners of parent	12,116	10,000	△2,116 (△17.5%)
Capital investments	64,693	78,100	+13,406
Depreciation	49,363	48,300	△1,063
Interest-bearing debt	756,537	759,100	+2,562

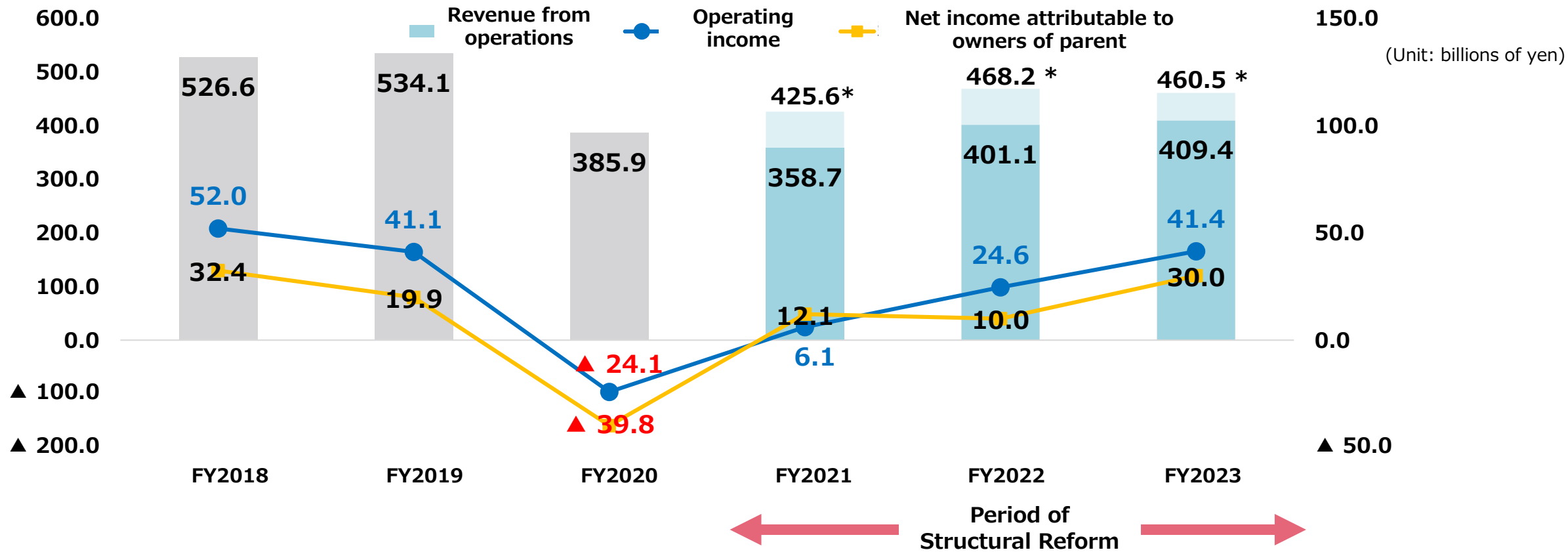
<Reference> Forecast for recovery in revenue from operations compared with FY2019

Transportation	<ul style="list-style-type: none"> ■ Results of Railway Business of Odakyu Electric Railway Recovery to approximately 80% for commuters and 90% for non-commuters ■ Busses Recovery to approximately 90% ■ Hakone (Transportation Companies)* Recovery to approximately 85% <p>* Compared to FY2018, when service was not impacted by typhoon damage</p>
Merchandising	<ul style="list-style-type: none"> ■ Department Stores Recovery to approximately 70% ■ Stores and Retail Revenue from operations at same level as FY2019
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Other Businesses	<ul style="list-style-type: none"> ■ Hotels Recovery to approximately 70% ■ Restaurants Recovery to approximately 80%

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Trends in Consolidated Operations

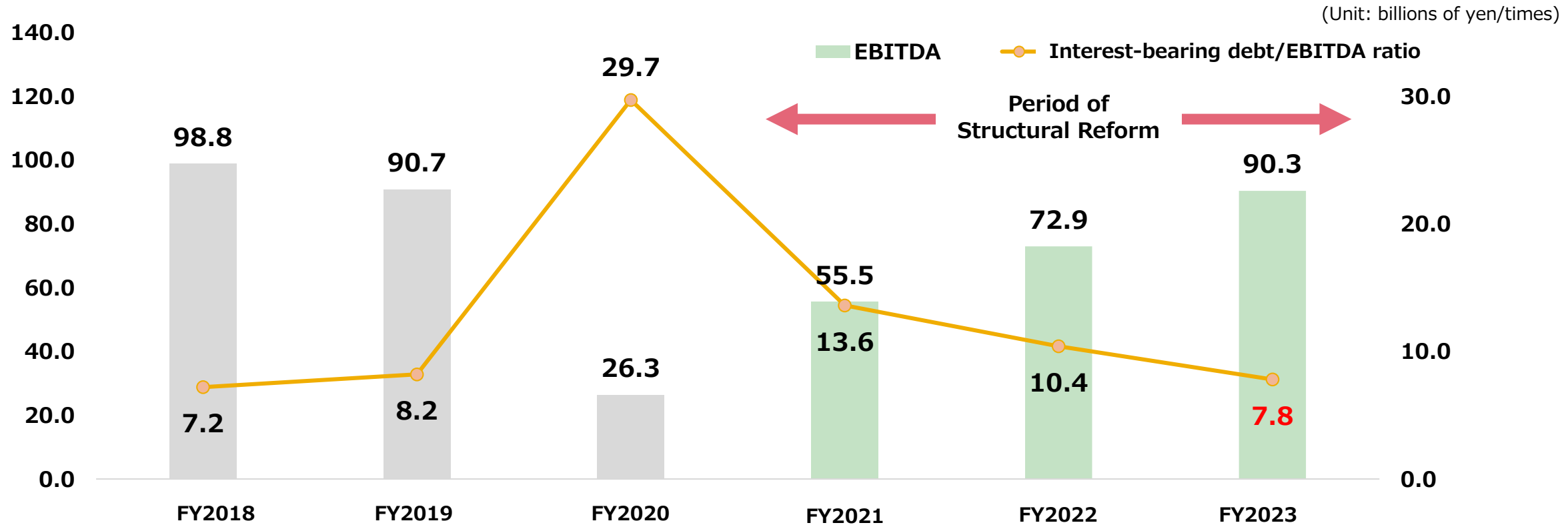
- In FY2022, operating income is expected to be ¥24.6 billion and net profit is expected to be ¥10.0 billion due to factors including a recover in passengers in the transportation business in FY2022
- In FY2023 operating income is expected to be ¥41.4 billion and net profit is expected to be ¥30.0 billion. These are due to factors, such as a recovery of profitability in each business and an expected increase in profitability in the railway business of Odakyu Electric Railway resulting from the adoption of a barrier-free fare system



*The Company has adopted standards, such as "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29), from FY2021. Some figures are show before changes in accounting policy in order to make a comparison.

Trends in EBITDA, Interest-Bearing Debt, and Interest-bearing Debt/EBITDA Ratio

- Continued reduction of interest-bearing debt due to sale of assets in addition to an expected recovery in EBITDA following a recovery in profitability in each business
- Expected to achieve the criteria for recovery of financial soundness of interest-bearing debt of ¥700 billion and Interest-bearing debt/EBITDA ratio of 7.0 times in FY2023



Interest-bearing debt	715.2	741.0	782.8	756.5	759.1	700.0
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<Criteria for Recovery of Financial Soundness>
 Expected to achieve interest-bearing debt of ¥700 billion and Interest-bearing debt/EBITDA ratio of 7.0 times in FY2023

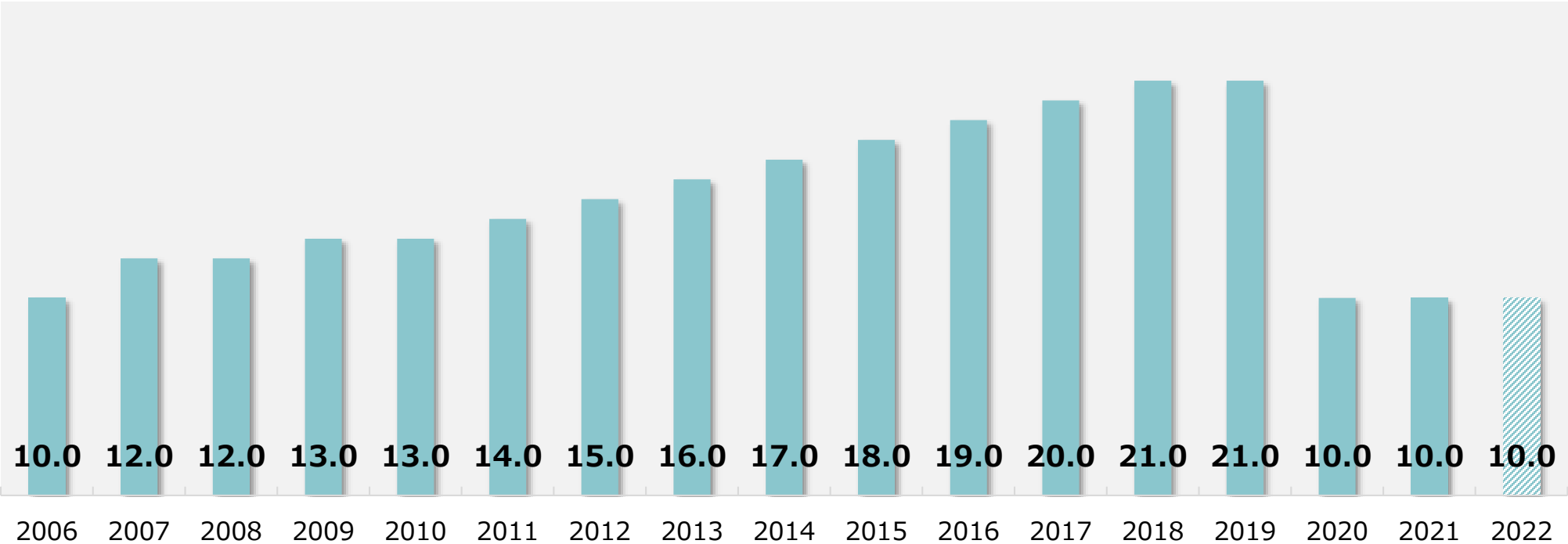
Dividend Policy

Basic policy The Company's basic policy for returning profits to shareholders is to maintain stable dividend payment as a result of improved performance with a dividend payout ratio of approx.30%.

FY2022 Dividend Despite the decision to forego payment of the interim dividend due to unclear external conditions, year-end dividends are planned to be set at ¥10.0 per share, the same amount as the previous year, from the perspective of providing stable dividends.

<Dividend per share (including forecast)>

Dividend per share figures for FY2016 and prior years reflect the impact of a reverse stock split. (Unit: yen)



(Reference) Consolidated Numerical Plan

Millions of yen	FY2018 (Results)	FY2019 (Results)	FY2020 (Results)	FY2021 (Results)	FY2022 (Forecast)	FY2023 (Plan)
Revenue from operations	526,675	534,132	385,978	358,753	401,100	409,400
Operating income	52,089	41,103	△24,190	6,152	24,600	41,400
Ordinary income	49,687	38,299	△31,223	4,699	22,300	39,600
Net income attributable to owners of parent	32,468	19,923	△39,804	12,116	10,000	30,000
Capital investments	82,215	91,599	62,943	64,693	78,100	56,100
Depreciation	46,727	49,628	51,258	49,363	48,300	48,900
EBITDA	98,817	90,731	26,355	55,515	72,900	90,300
Interest-bearing debt	715,293	741,027	782,822	756,537	759,100	700,000
Interestbearing debt/EBITDA ratio	7.2 times	8.2 times	29.7 times	13.6 times	10.4 times	7.8 times

Criteria for Recovery of Financial Soundness

(Reference) Consolidated Numerical Plan (By Segment)

Millions of yen		FY2018 (Results)	FY2019 (Results)	FY2020 (Results)	FY2021 (Results)	FY2022 (Forecast)	FY2023 (Plan)
Revenue from operations	Transportation	179,293	173,174	116,230	131,207	154,600	162,700
	Merchandising	210,681	206,563	157,685	100,853	101,400	99,100
	Real Estate	69,006	80,478	72,872	80,946	82,600	79,700
	Other Businesses	106,937	112,256	68,131	74,143	91,300	96,000
	Adjustments	△39,242	△38,340	△28,941	△28,397	△28,800	△28,100
	Total	526,675	534,132	385,978	358,753	401,100	409,400
Operating income	Transportation	29,265	21,641	△25,937	△5,491	11,400	19,500
	Merchandising	2,960	4,373	△1,741	1,695	700	3,700
	Real Estate	13,759	12,940	16,459	18,570	15,900	17,200
	Other Businesses	5,939	2,090	△13,020	△8,668	△3,400	1,000
	Adjustments	165	58	49	46	0	0
	Total	52,089	41,103	△24,190	6,152	24,600	41,400

小田急電鉄株式会社

Remarks

Figures about business plans, future forecasts and strategies other than historical facts are forward-looking statements reflecting management's view.

Since the forward-looking statements are based on information available at the time of disclosure, the actual results may differ from these forecasts.