

# **Fiscal Year Ended March 31, 2023**

## **Notes to Financial Results**

**Sotetsu Holdings, Inc.**

April 27, 2023

<https://www.sotetsu.co.jp/ir/>  
TSE securities code: 9003

# Financial Highlights (Consolidated Statement of Income)

(Million yen)

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		Change compared with FY3/2019 (%)
			Amount	(%)		Amount	(%)	
Operating revenue	249,667	216,684	+32,983	+15.2	249,800	-132	-0.1	-4.2
Operating profit	14,348	3,998	+10,350	+258.9	12,200	+2,148	+17.6	-54.6
Non-operating income	1,355	2,089	-733	-35.1	700	+655	+93.7	+125.1
Non-operating expenses	2,968	2,793	+175	+6.3	3,000	-31	-1.0	+12.9
Ordinary profit	12,735	3,294	+9,441	+286.6	9,900	+2,835	+28.6	-57.0
Extraordinary income	3,107	13,955	-10,848	-77.7	100	+3,007	—	+206.8
Extraordinary losses	4,113	13,584	-9,471	-69.7	500	+3,613	+722.6	+96.2
Profit before income taxes	11,729	3,665	+8,064	+220.0	9,500	+2,229	+23.5	-58.9
Income taxes	4,779	1,815	+2,963	+163.2	3,700	+1,079	+29.2	-52.1
Profit	6,950	1,849	+5,100	+275.7	5,800	+1,150	+19.8	-62.5
Profit attributable to non-controlling interests	-29	-5	-24	—	—	-29	—	—
Profit attributable to owners of parent	6,980	1,855	+5,124	+276.2	5,800	+1,180	+20.4	-61.9
	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		FY3/2019
			Amount	(%)		Amount	(%)	
Net income per share (Yen)	71.25	18.94	+52.31	—	59.20	+12.05	—	187.19

# Segment Information

									(Million yen)
		FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		Change compared with FY3/2019 (%)
				Amount	(%)		Amount	(%)	
Transportation	Operating revenue	35,679	32,880	+2,799	+8.5	39,100	-3,420	-8.7	-9.9
	Operating profit	-892	-1,991	+1,098	—	1,500	-2,392	—	—
Merchandising	Operating revenue	93,951	94,866	-915	-1.0	99,400	-5,448	-5.5	-3.6
	Operating profit	586	1,728	-1,142	-66.1	1,100	-513	-46.7	-66.8
Real Estate	Operating revenue	70,383	56,411	+13,971	+24.8	63,800	+6,583	+10.3	+1.0
	Operating profit	16,275	15,376	+899	+5.8	14,200	+2,075	+14.6	-0.7
Sales	Operating revenue	34,751	22,915	+11,835	+51.6	27,900	+6,851	+24.6	+20.1
	Operating profit	4,078	2,554	+1,523	+59.6	2,000	+2,078	+103.9	+17.9
Leasing	Operating revenue	35,895	33,770	+2,125	+6.3	36,200	-304	-0.8	-12.4
	Operating profit	12,197	12,821	-624	-4.9	12,200	-2	-0.0	-5.2
Hotel	Operating revenue	35,965	19,166	+16,799	+87.7	33,200	+2,765	+8.3	-19.4
	Operating profit	-2,697	-12,203	+9,506	—	-5,400	+2,702	—	—
Other	Operating revenue	24,268	22,926	+1,342	+5.9	23,600	+668	+2.8	+5.7
	Operating profit	1,066	1,084	-18	-1.7	900	+166	+18.5	+17.2
Adjustments	Operating revenue	-10,580	-9,566	-1,014	—	-9,300	-1,280	—	—
	Operating profit	10	3	+6	+166.5	-100	+110	—	—
Consolidated totals	Operating revenue	249,667	216,684	+32,983	+15.2	249,800	-132	-0.1	-4.2
	Operating profit	14,348	3,998	+10,350	+258.9	12,200	+2,148	+17.6	-54.6

# Quarterly Segment Information

(Million yen)

		FY3/2023 Q1 (Apr-Jun)	FY3/2023 Q2 (Jul-Sep)	FY3/2023 Q3 (Oct-Dec)	FY3/2023 Q4 (Jan-Mar)	FY3/2023 (Apr-Mar)
Transportation	Operating revenue	8,904	8,619	9,133	9,022	35,679
	Operating profit	351	-133	74	-1,184	-892
Merchandising	Operating revenue	23,065	23,797	24,627	22,461	93,951
	Operating profit	115	-9	479	0	586
Real Estate	Operating revenue	12,091	18,177	15,019	25,094	70,383
	Operating profit	3,611	3,816	4,026	4,821	16,275
Sales	Operating revenue	3,725	8,006	6,476	16,542	34,751
	Operating profit	281	848	761	2,187	4,078
Leasing	Operating revenue	8,417	10,304	8,606	8,567	35,895
	Operating profit	3,330	2,967	3,265	2,633	12,197
Hotel	Operating revenue	6,740	7,327	10,616	11,281	35,965
	Operating profit	-1,841	-1,836	501	479	-2,697
Other	Operating revenue	5,460	5,746	5,849	7,210	24,268
	Operating profit	327	117	337	283	1,066
Adjustments	Operating revenue	-2,325	-2,507	-2,456	-3,290	-10,580
	Operating profit	11	0	2	-4	10
Consolidated totals	Operating revenue	53,936	61,161	62,789	71,779	249,667
	Operating profit	2,574	1,954	5,423	4,395	14,348

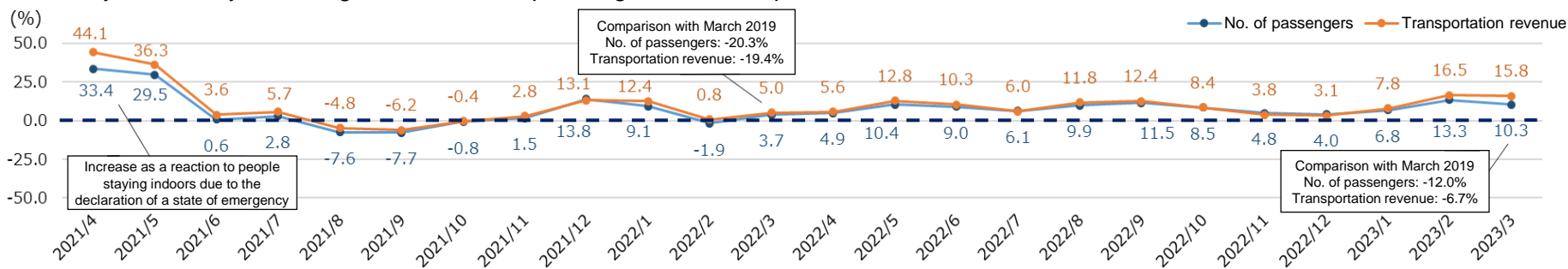
# Segment Information (Transportation)

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		Change compared with FY3/2019 (%)
			Amount	(%)		Amount	(%)	
Operating revenue	35,679	32,880	+2,799	+8.5	39,100	-3,420	-8.7	-9.9
Railway	29,828	27,402	+2,426	+8.9	33,200	-3,371	-10.2	-10.9
Bus	5,901	5,529	+371	+6.7	5,900	+1	+0.0	-4.1
Adjustments	-49	-51	+1	-	-	-49	-	-
Operating profit	-892	-1,991	+1,098	-	1,500	-2,392	-	-

<Railway: No. of passengers/Transportation revenue>

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		Change compared with FY3/2019 (%)
			Amount	(%)		Amount	(%)	
No. of passengers (1,000)								
Non-commuter	75,129	66,285	+8,843	+13.3	87,171	-12,042	-13.8	-7.2
Commuter	123,961	117,794	+6,167	+5.2	128,013	-4,052	-3.2	-18.6
Regular	98,189	95,168	+3,021	+3.2	102,103	-3,914	-3.8	-19.5
Student	25,772	22,625	+3,146	+13.9	25,910	-137	-0.5	-14.9
Total	199,091	184,079	+15,011	+8.2	215,185	-16,094	-7.5	-14.6
Passenger transportation revenue (Million yen)								
Non-commuter	14,686	12,836	+1,849	+14.4	17,116	-2,430	-14.2	-7.2
Commuter	12,669	12,179	+490	+4.0	13,571	-901	-6.6	-19.6
Regular	11,506	11,169	+336	+3.0	12,377	-870	-7.0	-19.8
Student	1,163	1,009	+153	+15.2	1,194	-31	-2.6	-16.7
Total	27,356	25,015	+2,340	+9.4	30,688	-3,332	-10.9	-13.4

## ➤ Railway: Year-on-year changes in number of passengers and transportation revenue

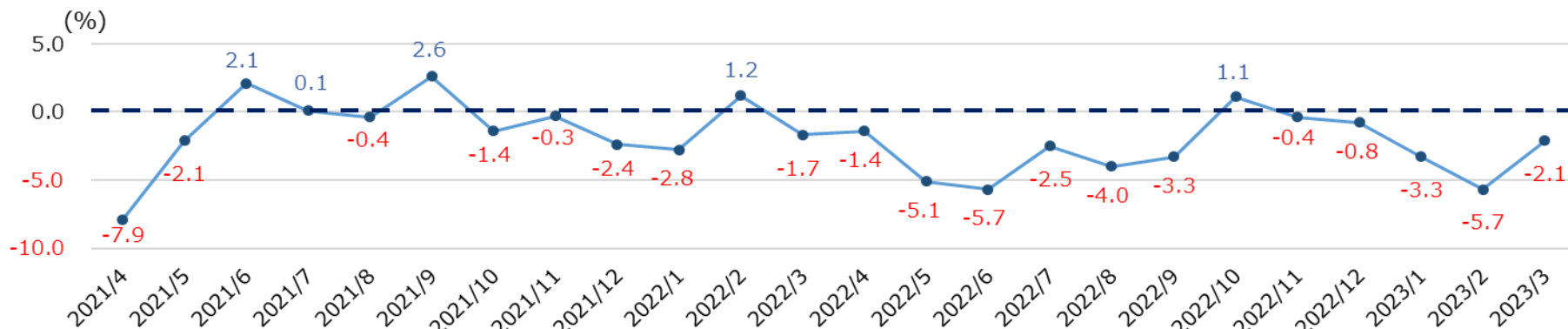


# Segment Information (Merchandising)

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		Change compared with FY3/2019 (%)
			Amount	(%)		Amount	(%)	
Operating revenue	93,951	94,866	-915	-1.0	99,400	-5,448	-5.5	-3.6
Supermarket business	86,259	88,152	-1,892	-2.1	91,200	-4,940	-5.4	-4.9
Other merchandising businesses	7,691	6,714	+977	+14.6	8,200	-508	-6.2	+12.4
Adjustments	—	—	—	—	—	—	—	—
Operating profit	586	1,728	-1,142	-66.1	1,100	-513	-46.7	-66.8

Revenue at existing stores in supermarket (Sotetsu Rosen)	Year-on-year change	Compared with the plan
	-2.7%	-4.5%

## ➤ Supermarket (Sotetsu Rosen): Existing stores (\*) Year-on-year changes in monthly revenue



\* Existing stores in the above monthly changes refer to stores operating in both the relevant month and the same month of the previous year. Stores that opened or closed before the end of a month are excluded.

New store: (FY3/2023) Hoshikawa-Ekimae store (opened on February 9, 2023)

Closed store: (FY3/2023) Hiratsuka Umeya store (closed on September 25, 2022), Minamigaoka store (closed on March 9, 2023), Hikarigaoka store (closed on March 28, 2023)

(FY3/2022) Sakuragaoka store (closed on September 21, 2021), Kokubunji store (closed on January 27, 2022)

# Segment Information (Real Estate)

(Million yen)

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		Change compared with FY3/2019 (%)
			Amount	(%)		Amount	(%)	
Operating revenue	70,383	56,411	+13,971	+24.8	63,800	+6,583	+10.3	+1.0
Sales	34,751	22,915	+11,835	+51.6	27,900	+6,851	+24.6	+20.1
Leasing	35,895	33,770	+2,125	+6.3	36,200	-304	-0.8	-12.4
Adjustments	-264	-274	+10	-	-300	+35	-	-
Operating profit	16,275	15,376	+899	+5.8	14,200	+2,075	+14.6	-0.7
Sales	4,078	2,554	+1,523	+59.6	2,000	+2,078	+103.9	+17.9
Leasing	12,197	12,821	-624	-4.9	12,200	-2	-0.0	-5.2

<Number of condominiums and houses sold>

	FY3/2023	FY3/2022	Change	FY3/2023 Plan	Change	FY3/2019
Houses	14	36	-21	14	-	23
Total	506	257	+248	422	+83	402

# Segment Information (Hotel)

(Million yen)

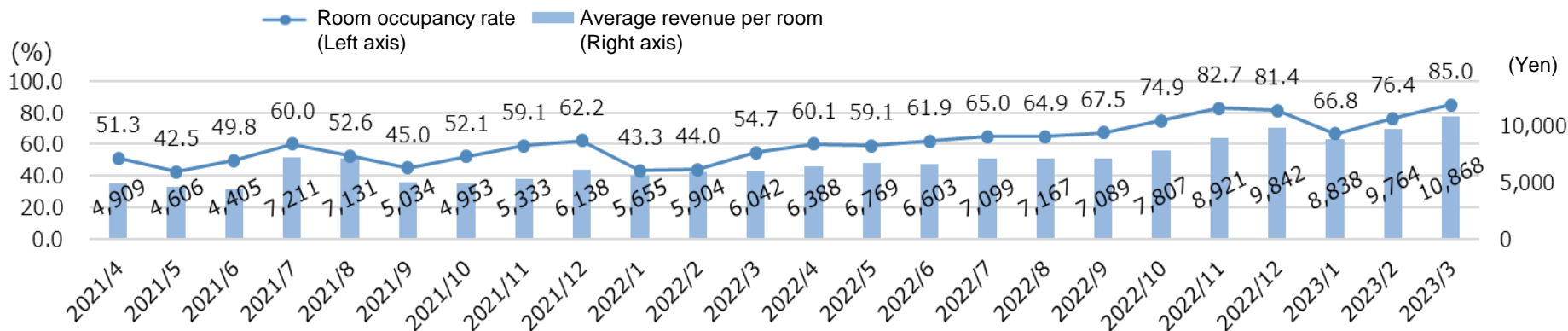
	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		Change compared with FY3/2019 (%)
			Amount	(%)		Amount	(%)	
Operating revenue	35,965	19,166	+16,799	+87.7	33,200	+2,765	+8.3	-19.4
Operating profit	-2,697	-12,203	+9,506	-	-5,400	+2,702	-	-

<Room occupancy rate/Average revenue per room>

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		FY3/2019
			Amount	(%)		Amount	(%)	
Room occupancy rate (%)								
Accommodation-specific hotels in Japan	70.6	51.5	+19.1 pts	-	74.8	-4.2 pts	-	88.0
Yokohama Bay Sheraton	77.7	48.7	+29.0 pts	-	64.1	+13.6 pts	-	88.7
Average revenue per room (Yen)								
Accommodation-specific hotels in Japan	8,287	5,667	+2,620	+46.2	7,219	+1,068	+14.8	10,069
Yokohama Bay Sheraton	21,149	18,237	+2,912	+16.0	20,184	+965	+4.8	20,302

\* The room occupancy rate and average revenue per room of accommodation-specific hotels in Japan are indicators for directly operated hotels and hotels managed for other companies in Japan, and do not include franchised or overseas hotels.

## ➤ Accommodation-specific hotels in Japan: Room occupancy rate and average revenue per room





# Segment Information (Other)

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change		Change compared with FY3/2019 (%)
			Amount	(%)		Amount	(%)	
Operating revenue	24,268	22,926	+1,342	+5.9	23,600	+668	+2.8	+5.7
Building maintenance business	17,498	16,992	+505	+3.0	17,000	+498	+2.9	+4.8
Other	7,513	6,663	+850	+12.8	7,300	+213	+2.9	+6.7
Adjustments	-744	-730	-13	—	-700	-44	—	—
Operating profit	1,066	1,084	-18	-1.7	900	+166	+18.5	+17.2

# Non-Operating Income/Expenses

(Million yen)

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change	
			Amount	(%)		Amount	(%)
Operating profit	14,348	3,998	+10,350	+258.9	12,200	+2,148	+17.6
Non-operating income	1,355	2,089	-733	-35.1	700	+655	+93.7
Interest income	199	56	+142	+250.4	—	+199	—
Dividend income	173	158	+14	+9.2	300	-126	-42.1
Foreign exchange gains	345	422	-77	-18.3	—	+345	—
Compensation income	87	87	—	—	100	-12	-13.0
Reversal of clerical costs on work performed on contract	82	150	-68	-45.4	100	-17	-17.9
Subsidies for employment adjustment	13	345	-332	-96.1	—	+13	—
Subsidy income	86	628	-541	-86.3	100	-13	-13.6
Other	369	240	+128	+53.6	100	+269	+269.0
Non-operating expenses	2,968	2,793	+175	+6.3	3,000	-31	-1.0
Interest expenses	2,842	2,657	+185	+7.0	2,900	-57	-2.0
Other	126	136	-9	-7.3	100	+26	+26.5
Ordinary profit	12,735	3,294	+9,441	+286.6	9,900	+2,835	+28.6

# Extraordinary Income/Losses

(Million yen)

	FY3/2023	FY3/2022	Change		FY3/2023 Plan	Change	
			Amount	(%)		Amount	(%)
Ordinary profit	12,735	3,294	+9,441	+286.6	9,900	+2,835	+28.6
Extraordinary income	3,107	13,955	-10,848	-77.7	100	+3,007	—
Gain on sale of non-current assets	22	575	-553	-96.1	—	+22	—
Gain on sale of investment securities	—	149	-149	—	—	—	—
Gain on bargain purchase	—	87	-87	—	—	—	—
Contribution for construction	2,135	12,687	-10,551	-83.2	100	+2,035	—
Subsidies	819	261	+558	+213.5	—	+819	—
Compensation income	114	—	+114	—	—	+114	—
Gain on receipt of donated non-current assets	0	10	-10	-96.7	—	+0	—
Gain on reversal of asset retirement obligations	—	184	-184	—	—	—	—
Other	14	0	+14	—	—	+14	—
Extraordinary losses	4,113	13,584	-9,471	-69.7	500	+3,613	+722.6
Loss on sale of non-current assets	—	14	-14	—	—	—	—
Loss on retirement of non-current assets	389	465	-75	-16.3	500	-110	-22.1
Loss on tax purpose reduction entry of non-current assets	2,812	13,066	-10,254	-78.5	—	+2,812	—
Impairment losses	438	13	+424	—	—	+438	—
Loss on withdrawal from business	461	—	+461	—	—	+461	—
Other	11	24	-13	-54.5	—	+11	—
Profit before income taxes	11,729	3,665	+8,064	+220.0	9,500	+2,229	+23.5

# Financial Highlights (Consolidated Balance Sheet)

(Million yen)

	As of March 31, 2023	As of March 31, 2022	Change		Note
			Amount	(%)	
Current assets	73,290	71,321	+1,968	+2.8	Inventories: +6,435, Accounts receivable - other: -2,917, Cash and deposits: -1,883
Non-current assets	573,661	552,090	+21,570	+3.9	Property, plant and equipment: +16,219, Investment securities: +6,425
Total assets	646,951	623,412	+23,539	+3.8	
Current liabilities	93,586	92,409	+1,177	+1.3	
Non-current liabilities	407,574	391,296	+16,278	+4.2	
Total liabilities	501,161	483,705	+17,456	+3.6	Accounts payable - facilities: +5,392, Lease liabilities: +4,364, Interest-bearing debt: +2,079
Total net assets	145,789	139,707	+6,082	+4.4	Profit attributable to owners of parent: +6,980, Dividends: -2,939, Valuation difference on available-for-sale securities: +1,514
Total liabilities and net assets	646,951	623,412	+23,539	+3.8	
Equity	145,696	139,627	+6,069	+4.3	
Equity ratio (%)	22.5	22.4	+0.1 pts	—	
Interest-bearing debt	355,230	353,150	+2,079	+0.6	

# Financial Highlights (Statement of Cash Flows)

(Million yen)

	FY3/2023	FY3/2022	Note
Cash flows from operating activities	36,346	23,745	
Profit before income taxes	11,729	3,665	
Depreciation	22,248	21,634	
Income taxes refund (paid)	-3,696	285	
Cash flows from investing activities	-33,572	-29,418	
Purchase of property, plant and equipment	-29,353	-45,658	
Purchase of intangible assets	-2,601	-1,412	
Purchase of investment securities	-4,164	-0	
Proceeds from contribution received for construction	2,135	12,687	
Cash flows from financing activities	-4,919	3,890	
Net increase (decrease) in short-term borrowings	1,830	2,130	
Proceeds from long-term borrowings	16,684	22,080	
Repayments of long-term borrowings	-21,442	-20,756	
Proceeds from issuance of bonds	14,927	14,905	
Redemption of bonds	-10,000	-10,000	
Dividends paid	-2,926	-981	
Effect of exchange rate change on cash and cash equivalents	261	147	
Net increase (decrease) in cash and cash equivalents	-1,883	-1,635	
Cash and cash equivalents at beginning of period	22,040	23,675	
Cash and cash equivalents at end of period	20,156	22,040	

# Financial Highlights (Capital Expenditure/Depreciation)

## ➤ Capital expenditure

(Million yen)

	FY3/2023	FY3/2022	Change		Details of expenditure for FY3/2023	FY3/2023 Plan	Change	
			Amount	(%)			Amount	(%)
Transportation	12,918	12,446	+471	+3.8	Replacement of railway vehicles (construction of new railway vehicles for the Meguro Line), the establishment of platform doors and ancillary work, construction of new railway vehicles for Sotetsu-Tokyu through tracks (additional vehicles for the Meguro Line)	17,196	-4,278	-24.9
Merchandising	1,500	989	+510	+51.6	Establishment of a new Sotetsu Rosen Hoshikawa-Ekimaie store	3,079	-1,578	-51.3
Real Estate	13,623	12,647	+975	+7.7	Acquisition of land for logistics, acquisition of reserved floor space and land in the Tsuruya redevelopment district	19,958	-6,335	-31.7
Hotel	10,226	3,059	+7,166	+234.2	Hotel opening and interior work in Taiwan, hotel development plan in Vietnam, and hotel construction in Thailand	7,808	+2,417	+31.0
Other	818	936	-117	-12.5	Renewal of heat source equipment in the heat supply business	1,307	-488	-37.4
Consolidated totals	39,083	29,983	+9,099	+30.3		49,350	-10,267	-20.8

## ➤ Depreciation

	FY3/2023	FY3/2022	Change		Note	FY3/2023 Plan	Change	
			Amount	(%)			Amount	(%)
Transportation	10,175	9,964	+211	+2.1		10,179	-3	-0.0
Merchandising	1,160	1,136	+23	+2.1		1,234	-74	-6.0
Real Estate	7,195	7,249	-53	-0.7		7,298	-103	-1.4
Hotel	3,389	2,950	+439	+14.9		3,502	-113	-3.2
Other	415	406	+9	+2.4		441	-25	-5.7
Consolidated totals	22,248	21,634	+613	+2.8		22,572	-324	-1.4

# Forecast for FY3/2024 (Consolidated Statement of Income)

(Million yen)

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Operating revenue	269,400	249,667	+19,732	+7.9	
Operating profit	19,300	14,348	+4,951	+34.5	
Non-operating income	700	1,355	-655	-48.4	
Non-operating expenses	3,100	2,968	+131	+4.4	
Ordinary profit	16,900	12,735	+4,164	+32.7	
Extraordinary income	–	3,107	-3,107	–	
Extraordinary losses	700	4,113	-3,413	-83.0	
Profit before income taxes	16,200	11,729	+4,470	+38.1	
Income taxes	5,700	4,779	+920	+19.3	
Profit	10,500	6,950	+3,549	+51.1	
Profit attributable to non-controlling interests	–	-29	+29	–	
Profit attributable to owners of parent	10,500	6,980	+3,519	+50.4	
	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Net income per share (Yen)	107.17	71.25	+35.92	–	

# Forecast for FY3/2024 (All Segments)

(Million yen)

		FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
				Amount	(%)	
Transportation	Operating revenue	44,300	35,679	+8,620	+24.2	
	Operating profit	3,300	-892	+4,192	—	
Merchandising	Operating revenue	97,800	93,951	+3,848	+4.1	
	Operating profit	400	586	-186	-31.8	
Real Estate	Operating revenue	64,100	70,383	-6,283	-8.9	
	Operating profit	13,800	16,275	-2,475	-15.2	
Sales	Operating revenue	30,000	34,751	-4,751	-13.7	
	Operating profit	2,800	4,078	-1,278	-31.3	
Leasing	Operating revenue	34,900	35,895	-995	-2.8	
	Operating profit	11,000	12,197	-1,197	-9.8	
Hotel	Operating revenue	47,200	35,965	+11,234	+31.2	
	Operating profit	1,000	-2,697	+3,697	—	
Other	Operating revenue	24,700	24,268	+431	+1.8	
	Operating profit	900	1,066	-166	-15.6	
Adjustments	Operating revenue	-8,700	-10,580	+1,880	—	
	Operating profit	-100	10	-110	—	
Consolidated totals	Operating revenue	269,400	249,667	+19,732	+7.9	
	Operating profit	19,300	14,348	+4,951	+34.5	



# Forecast for FY3/2024 (Transportation)

(Million yen)

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Operating revenue	44,300	35,679	+8,620	+24.2	Increase in revenue chiefly due to the opening of Sotetsu-Tokyu through tracks and the receipt of charges for the acceleration of the development of barrier-free facilities
Railway	38,100	29,828	+8,271	+27.7	
Bus	6,300	5,901	+398	+6.8	
Adjustments	-100	-49	-50	-	
Operating profit	3,300	-892	+4,192	-	

<Railway: No. of passengers/Transportation revenue>

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
No. of passengers (1,000)					
Non-commuter	81,586	75,129	+6,457	+8.6	
Commuter	132,763	123,961	+8,801	+7.1	
Regular	105,195	98,189	+7,005	+7.1	
Student	27,567	25,772	+1,795	+7.0	
Total	214,350	199,091	+15,258	+7.7	

Passenger transportation revenue (Million yen)

Non-commuter	17,417	14,686	+2,730	+18.6	
Commuter	15,977	12,669	+3,307	+26.1	
Regular	14,612	11,506	+3,105	+27.0	
Student	1,364	1,163	+201	+17.3	
Total	33,394	27,356	+6,038	+22.1	

# Forecast for FY3/2024 (Merchandising)

(Million yen)

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Operating revenue	97,800	93,951	+3,848	+4.1	
Supermarket business	88,800	86,259	+2,540	+2.9	Increase in revenue mainly due to the opening of new stores and renovation of sales floors of Sotetsu Rosen stores
Other merchandising businesses	9,000	7,691	+1,308	+17.0	Increase in revenue due to a recovery in demand and the opening of new convenient stores
Adjustments	—	—	—	—	
Operating profit	400	586	-186	-31.8	
Revenue at existing stores in supermarket (Sotetsu Rosen)	Year-on-year change	+2.2%			

(Million yen)

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Operating revenue	64,100	70,383	-6,283	-8.9	Decrease in revenue mainly due to a fall in the number of houses and condominium units sold
Sales	30,000	34,751	-4,751	-13.7	
Leasing	34,900	35,895	-995	-2.8	
Adjustments	-800	-264	-535	—	
Operating profit	13,800	16,275	-2,475	-15.2	
Sales	2,800	4,078	-1,278	-31.3	
Leasing	11,000	12,197	-1,197	-9.8	

<Number of condominiums and houses sold>

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual	Note
Houses	37	14	+22	Gracia Kawaguchi Midorinomori
Total	293	506	-213	

# Forecast for FY3/2024 (Hotel)

(Million yen)

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Operating revenue	47,200	35,965	+11,234	+31.2	Increase in revenue due to the expected recovery to a certain extent of accommodation demand
Operating profit	1,000	-2,697	+3,697	—	

## <Room occupancy rate/Average revenue per room>

(Million yen)

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Room occupancy rate (%)					
Accommodation-specific hotels in Japan	85.0	70.6	+14.4 pts	—	
Yokohama Bay Sheraton	82.4	77.7	+4.7 pts	—	
Average revenue per room (Yen)					
Accommodation-specific hotels in Japan	9,360	8,287	+1,073	+12.9	
Yokohama Bay Sheraton	21,500	21,149	+351	+1.7	

\* The room occupancy rate and average revenue per room of accommodation-specific hotels in Japan are indicators for directly operated hotels and hotels managed for other companies in Japan, and do not include franchised or overseas hotels.

# Forecast for FY3/2024 (Other)

(Million yen)

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Operating revenue	24,700	24,268	+431	+1.8	
Building maintenance business	18,000	17,498	+501	+2.9	
Other	7,500	7,513	-13	-0.2	
Adjustments	-800	-744	-55	—	
Operating profit	900	1,066	-166	-15.6	

# Forecast for FY3/2024 (Capital Expenditure/Depreciation)

## ➤ Capital expenditure

(Million yen)

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Details of expenditure for FY3/2024
			Amount	(%)	
Transportation	12,642	12,918	-275	-2.1	Establishment of platform doors, construction of new railway vehicles for Sotetsu-Tokyu through tracks (additional vehicles for the Meguro Line), modification of station equipment systems, elevated tracks project near Tsurugamine Station, purchase of bus vehicles
Merchandising	2,690	1,500	+1,190	+79.3	Establishment of new Sotetsu Rosen stores
Real Estate	45,700	13,623	+32,076	+235.5	Acquisition of new income-generating properties, the Yumegaoka Center area commercial district development project, Yokohama station Kita nishiguchi Tsuruya district redevelopment project, and the development project underneath the elevated railway tracks between Hoshikawa and Tenno-cho stations
Hotel	8,132	10,226	-2,093	-20.5	Hotel development plan in Thailand and hotel interior work in Taiwan
Other	1,438	818	+619	+75.6	Renewal of heat source equipment in the heat supply business
Consolidated totals	70,603	39,083	+31,520	+80.6	

## ➤ Depreciation

	FY3/2024 Plan	FY3/2023 Actual	Plan vs. Actual		Note
			Amount	(%)	
Transportation	11,054	10,175	+878	+8.6	
Merchandising	1,217	1,160	+57	+4.9	
Real Estate	7,224	7,195	+29	+0.4	
Hotel	3,761	3,389	+372	+11.0	
Other	451	415	+36	+8.7	
Consolidated totals	23,626	22,248	+1,378	+6.2	



**SOTETSU**

ときめきと やすらぎをつなぐ

Forecasts for results of operations are based on information that was available when this presentation was released. Actual performance may differ from these forecasts for a number of reasons.