

# Overview of financial results for the six months ended September 30, 2023

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November 9, 2023

Seibu Holdings Inc. (9024)

<https://www.seibuholdings.co.jp/en/>

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# Summary of financial results for 1H of FY2024/3

## ■ 1H <six months> results (page 4-)

- Despite the increase in personnel expenses and other costs, operating profit and ordinary profit increased due to steady uptake of increased demand following COVID infections being lowered to Class 5 and efforts to raise prices
- Profit attributable to owners of parent decreased due to a rebound from the recording of a gain on sales of non-current assets in the same period of the previous year

## ■ Progress of Medium-term Management Plan (page 8-)

- Promoted consideration of capital recycling business
  - We will consider the real estate portfolio and balance sheet management with cooperative partners, as well as strive to mutually share know-how and strengthen the Real Estate business
  - Will decide on and disclose properties to be included in private placement funds and REITs in May 2024, and plan to establish an asset management company in April 2025
  - Aim to expand AUM to over 300 billion yen in the medium term

## ■ FY2024/3 forecasts, current business trend (page 34-)

- No change from the revised forecast released on September 28, 2023  
Forecast for fixed expenses of approx. 9 billion yen reduction due to efforts to expand on initial reduction target of 3 billion yen (vs. FY2020/3)

### <Current business trend>

- The number of gate passage in railway operations in October was 82% of commuters and 103% of non-commuters compared with the same period in 2019  
(When excluding special factors such as the impact of typhoons  
Commuter passes: About 77%, Non-commuters passes: About 99%)
- Domestic hotel operations: Booking trends (as of Nov. 1)
  - RevPAR in Oct. 2023 is expected to be 108% of the same month in 2019  
(ADR for Oct. is expected to be 117% of the same month in 2019 and occupancy rate (actual number) to be 73% )
  - RevPAR in Nov. 2023 is expected to be around 107% of the same month in 2019  
(ADR for Nov. is expected to be around 118% of the same month in 2019 and occupancy rate (actual number) to be around 72%)

# Financial results for 1H of FY2024/3

- Sales grew year on year due to steady uptake of increased demand following COVID infections being lowered to Class 5 and efforts to raise prices (Operating revenue was 238.8 billion yen up 12.4%)
  - Sales from railway transportation +12.7%, RevPAR of Domestic hotel operations (Ownership / Lease) +100.0%
- Despite the increase in personnel expenses, both operating and ordinary profit increased due to increased revenue
- Profit attributable to owners of parent decreased due to a rebound from the recording of a gain on sales of non-current assets associated with the transfer of four properties, including The Prince Park Tower Tokyo, in the same period of the previous year
- Fixed expenses decreased by 11.5 billion yen compared to the same period in FY2019

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / % )		1H ended September 30, 2023 (Forecast)*2	Change from forecast (Amount)	billions of yen	
							March 31, 2024 2Q (July-Sept.)	YoY change (Amount)
Operating revenue	212.5	238.8	26.2	12.4%	237.0	1.8	122.6	13.5
Operating profit	13.4	31.8	18.4	137.2%	30.0	1.8	17.1	11.3
EBITDA*1	41.1	58.1	16.9	41.2%	56.0	2.1	30.3	10.6
Ordinary profit	12.7	29.1	16.4	128.8%	27.0	2.1	15.3	10.0
Profit attributable to owners of parent	64.6	27.4	(37.1)	(57.5%)	26.0	1.4	18.3	(42.6)

\*1 EBITDA is calculated by adding depreciation and amortization of goodwill to operating profit.

\*2 Forecast announced on Sept. 28, 2023

# Operating revenue by segment

	billions of yen						
	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / % )		Details (+)Increase factor, (-)Decrease factor	1H ended September 30, 2023 (Forecast)* <sup>1</sup>	Change from forecast (Amount)
Urban Transportation and Regional	68.5	73.4	4.9	7.2%	(+) Increase in railway and bus transportation revenue (Of this, 2.0 billion yen received from barrier-free fares in railway operations) (-) Decrease due to change in the operational model following internal reorganization of the Group * Minor impact on profit	73.3	0.1
Hotel and Leisure	95.9	111.0	15.1	15.8%	(+) Increase in users and rise in ADR of domestic hotels (+) Impact of foreign exchange in overseas hotel operations (+) Increase in users of domestic and overseas leisure facilities (-) Decrease in leased hotel buildings due to a request from administrative agencies for measures to prevent the spread of COVID-19 (-) Decrease due to the shift from ownership to MC followed by some asset transfer (net <sup>*2</sup> ): -6.9 billion yen (Ref.) Comparison of the revenue if ownership had continued: -14.4 billion yen	110.9	0.1
Real Estate	36.1	39.5	3.3	9.3%	(+) Increase in revenue of landscape work (+) Increase in Seibu SCCAT's revenue (+) Increase in rent revenue attributed to some move-ins of new office tenants and lease of land at former Toshimaen site	39.3	0.2
Other	23.7	27.3	3.6	15.3%	(+) Increase in users of bus and taxi, and expanding demand for tourism in the Izuhakone business and the Ohmi business (+) Increase in the number of spectators of professional baseball league official games, etc. (+) Increase due to rebound from the previous period's suspension of operations in relation to renovation work at Yokohama Arena	27.2	0.1
Adjustments	(11.7)	(12.6)	(0.8)	-		(13.7)	1.0 <sup>*3</sup>
Consolidated	212.5	238.8	26.2	12.4%		237.0	1.8

\*1 Forecast announced on Sept. 28, 2023

\*2 The net figure: difference between decreases in the Domestic hotel operations (Ownership / Lease) & Sports operations (Ownership / Lease) and increases in the Domestic hotel operations (MC / FC) and Sports operations (MC / FC) .  
(See page 22)

\*3 Expected differences in elimination of intersegment transactions

Note : Reportable segments were changed as of April 1, 2023. (See page 38)

The figures in the previous year were presented based on the reportable segments after the change.

# Operating profit and EBITDA by segment

## ■ Operating profit

billions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / % )		Details (YoY) (+)Increase factor, (-)Decrease factor	1H ended September 30, 2023 (Forecast)*	Change from forecast (Amount)	Details (YoY) (+)Increase factor, (-)Decrease factor
Urban Transportation and Regional	4.5	10.0	5.5	120.0%	(+) Increase in operating revenue (+) Decrease in general & administrative expenses (-) Increase in repair expenses	9.4	0.6	(+) Increase in operating revenue (+) Timing differences for expenses
Hotel and Leisure	(0.0)	10.1	10.1	-	(+) Increase in operating revenue (including the impact of the asset transfer (net): +2.1 billion yen) (Ref.) Comparison of the revenue if ownership had continued: -4.3 billion yen (+) Decrease in depreciation, various taxes, and utility costs (-) Increase in personnel expenses	9.8	0.3	(+) Increase in operating revenue (+) Timing differences for expenses
Real Estate	5.4	7.3	1.9	35.0%	(+) Increase in operating revenue (+) Decrease in selling, general and administrative expenses	7.1	0.2	
Other	2.5	3.7	1.2	46.7%	(+) Increase in operating revenue (-) Increase in personnel expenses	3.4	0.3	(+) Increase in operating revenue (+) Timing differences for expenses
Adjustments	0.8	0.4	(0.3)	(47.1%)		0.3	0.1	
Consolidated	13.4	31.8	18.4	137.2%		30.0	1.8	

## ■ EBITDA

billions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / % )		Details (YoY) (+)Increase factor, (-)Decrease factor	1H ended September 30, 2023 (Forecast)*	Change from forecast (Amount)	Details (YoY) (+)Increase factor, (-)Decrease factor
Urban Transportation and Regional	14.5	20.2	5.7	39.5%		19.6	0.6	
Hotel and Leisure	9.3	17.9	8.5	90.9%		17.6	0.3	
Real Estate	11.3	13.1	1.8	16.2%		12.8	0.3	
Other	4.4	5.8	1.3	30.9%		5.4	0.4	
Adjustments	1.4	0.9	(0.4)	(33.8%)		0.6	0.3	
Consolidated	41.1	58.1	16.9	41.2%		56.0	2.1	

\* Forecast announced on Sept. 28, 2023

Note : Reportable segments were changed as of April 1, 2023. (See page 38)

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# The progress of our initiatives in the mid-term management plan (Management reforms)

1H ended September 30, 2023

3Q onward

## ■ Asset-light business operation

- Promoted consideration of capital recycling business, including private placement funds and REITs (refer to page 16)

- Transfer Myoko Suginojara Ski Resort to PCG (November 2023)

The Group will continue to undertake operation of ski resorts upon having entered into a long-term partnership with Patience Capital Group (PCG), a real estate investment company that makes investment that facilitates Japanese tourism and regional revitalization. We will take steps to revitalize the Myoko area in conjunction with PCG.

- Consider target properties for securitization toward May 2024 in conjunction with the capital recycling business

## ■ Lowering the break-even point

- Fixed expenses decreased by 11.5 billion yen compared to the same period in FY2019

Reduction through partial asset transfers in the Hotel and Leisure business and the transfer of the shares of Seibu Construction Co., Ltd.

- Expected reduction of approx. 9 billion yen in fixed expenses for fiscal year ending March 31, 2024 (vs. FY2020/3)

- Efforts to further reduce fixed expenses
  - Making railway station operations smart
  - Bringing PM and BM operations in-house

## ■ Sharing of back office (Establish a shared services company)

- In June 2023, launched operations of shared services company (Seibu Process Innovation Inc.)

Realizing a system in which ANYONE can work flexibly to fit in not only with childcare or nursing but also with study, interests, etc. (optional 4-day working week, Telework-centered work options available, permission to take side job, etc.)

Enhancing profitability of the Group through shifting human resources to corporate planning operations and business companies





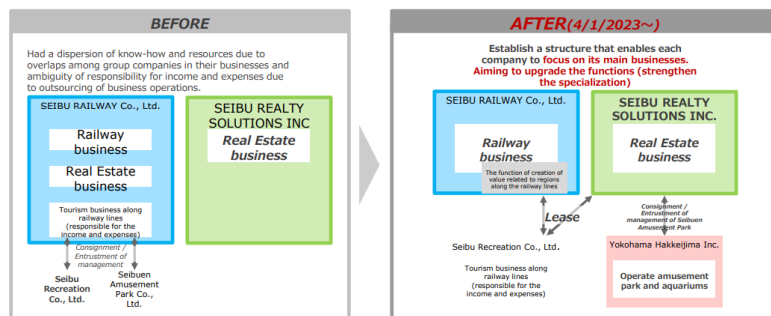
# The progress of our initiatives in the mid-term management plan (Management reforms)

1H ended September 30, 2023

3Q onward

## ■ Management Reforms for Urban Transportation and Regional business

- **Implemented transfer of real estate and review of the management structure in the Tourism business along railway lines** (April 1, 2023)  
Built the best management structure for improving profitability and enhancing group synergies



- **Implementation of measures to improve profitability**
  - ◆ Holding events to attract customers, increasing the number of extra-fare trains, etc.
  - ◆ Making railway station operations smart, reducing the number of the Group-owned railcars, improving the environment to enhance employee engagement, etc.
- ⇒ **While we will work to review the profit structure by reducing fixed expenses, etc., we will also consider various aspects of future fare revisions in light of the business environment, including future demand conditions and cost increases due to higher raw material prices.**
- **Promote installation of sustainable cars\***  
Reached agreement on partnership with Tokyu Railways Co., Ltd. and Odakyu Electric Railway Co., Ltd. Plans for successive installation through FY2029 (approx. 100 carriages)
  - \* "Sustainable cars" is a proprietary name assigned by Seibu Railway to VVVF inverter-controlled railway carriages transferred from other companies

## □ Promoting barrier-free environment by using a barrier-free fare system

Started collecting barrier-free fares at stations on March 18, 2023. Promoting newly building of platform doors (62 platforms of 23 stations), etc.

- Amount to be collected annually (at the time of filing in August 2022): Approx. 4.9 billion yen
- \* 4.2 billion yen is included in the forecast for FY2024/3 (Forecast announced on Sept. 28, 2023)
- 10 yen per ride in principle will be added to passenger fares as a railway station barrier-free charge for all lines

## □ Tokorozawa City and three Seibu Group companies concluded comprehensive partnership agreement on urban development (October 11, 2023)

# The progress of our initiatives in the mid-term management plan (Management reforms)

1H ended September 30, 2023

3Q onward

## ■ Service transformation to suit the new normal

### Collaboration inside and outside the Group

#### ■ Started “Projects Related to Perpetuating Traditional Culture” jointly with The Yomiuri Shimbun Holdings

Held an event, where participants could enjoy traditional crafts and gourmet food together with living national treasures, at the luxury Japanese restaurant Arisugawa Shimizu (July 2023)

### Expand business field related to outdoor activities

#### ■ Opened “Asamayama Campground REASON : KITAKARUIZAWA”, the first campground facility (June 2023)

Asamayama Campground REASON :  
KITAKARUIZAWA



### Strengthening sports business

- Held the SUP race tournament, “Blue MUSE Cup” second tournament at Oiso Prince Hotel (May 2023) \* Third tournament held in October
- Began “SEIBU FAST SPORTS” project  
Developed Sports Apps and opened “SEIBU FAST SPORTS FIELD Shinagawa Golf” (August 2023)
- Implemented **Naeba Digital & Nature Camp**, planned experience-based event combining experiences with digital activities, which use the Minecraft game, and nature (September 2023)

### Realize seamless movement and living

- Accelerate pace of development toward full-scale operation of the **BOPISTA logistics hub service using smart lockers** (to be extended to 40 facilities at 30 sites from early November)
- **Commencement of demonstration tests using electric kickboard sharing along the Seibu Railway Haijima Line.** (July 2023 to March 2024)  
Tests are being conducted to verify the extent to which kickboard sharing gives rise to greater transportation convenience of residents who live along railway lines and promotes use of railways, buses and other modes of public transportation.
- Launch of “**Kaiyu Karuizawa**” regional and **tourism-oriented MaaS service** in FY2023 (October 2023 to March 2024)

### Transform services for different ways of working

- The “Emi Base Kotesashi” rental garage house project number 2 is scheduled for completion in fall 2023



# The progress of our initiatives in the mid-term management plan (Digital management)

1H ended September 30, 2023

3Q onward

## ■ Digital management (offense-oriented DX and marketing strategy, and defense-oriented DX)

- Started “Repeat Plus” upgraded passenger points service (April 2023)



- PASMO can be reloaded with SEIBU Smile POINTs now service (April 2023)
- Promoted “PLAY! Railway Underpass” project  
Held events adopting ideas elicited from community members (July 2023)
- Seibu Bus is conducting self-driving demonstration trials (July 2023)

- Installation of translation-enabled transparent displays (November 2023)  
Installation of displays at Seibu-Shinjuku Station to facilitate seamless multilingual communication in face-to-face interaction
- Initiated universal customer ID service  
Promotion of mutual use of Seibu Group services using e-mail addresses as IDs
- Promoting overseas operation of “SEIBU PRINCE CLUB”  
Overseas business sites will start awarding and deducting SEIBU Smile POINTs from 2024.
- Building a hotel and leisure Group website, relaunching the SEIBU PRINCE HOTELS WORLDWIDE website and release of app specialized in hotel and leisure (2024)  
Provide customers with pre-travel, on-travel, and post-travel support. SEIBU PRINCE CLUB members can enjoy more enhanced services.

- Acquired all shares of Dot Homes Inc. (October 2023)  
Generated cross-Group business synergies by sharing expertise on enhancing customer experience and increasing profitability of management facilities based on digital marketing



Increase “Seibu Group Fans,” who are repeat users of our diverse services.



**Existing Customers**  
Satisfy our service users



**New Customers**  
Develop new service user categories



# The progress of our initiatives in the Medium-term Management Plan (Sustainability)

1H ended September 30, 2023

3Q onward

## Sustainability

- Three hotels that served as forums for the G7 Summit simultaneously **obtained the “Sakura Quality” tourism quality accreditation and the “Sakura Quality An ESG Practice” international accreditation for lodging facilities that practice SDGs (commonly known as “Sakura Quality Green”)**. (April 2023)
- Seibu Bus Niiza Office started operation of **“large fixed-route buses running on 100% electricity”** (April 2023)
- Hakone Yunohana Prince Hotel **introduces the first binary power generation facility in Kanagawa prefecture** (June 2023)
- **Arranged financing through sustainability-linked loan** (September 2023)  
5.9 billion yen from four financial institutions
- **JTOS cross-railway social implementation consortium launched** by four companies having the railway business  
Engaged in social implementation of startup companies’ advanced technologies and ideas for addressing challenges
- Promote enhancement of sustainability-related information disclosure, including expansion of companies subject to Scope 3 calculations and human capital disclosure
- **Take part in health management alliance** (October 2023)
- From January 2024, **all electricity consumed by all Seibu Railway lines will be derived from renewable energy**, with such lines consequently operating with virtually zero net CO<sub>2</sub> emissions, which have previously amounted to approximately 157,000 tons annually
- Seibu Railway will **install on-board security cameras on all of its railcars** (By end of FY2025)  
Promote crime deterrence and heightened security on trains
- **Promote plans to reduce CO<sub>2</sub> emissions by reducing energy consumption, introducing renewable energy, etc.**  
Short-term target: 5% reduction from the previous fiscal year

Hakone Yunohana Prince Hotel  
binary power generation facility



Seibu Bus Niiza Office  
Large electric bus

# Upcoming Development Projects

- The large-scale redevelopments in the central Tokyo area, including the Takanawa and Shinagawa area, the Shibakoen area and the Shinjuku area will be completed in stages. (In the central Tokyo area, we will continue to refine the facility planning, and construction is scheduled to begin from the late 2020s)
- In addition to promoting asset appreciation measures along the railway lines, we will work to enhance the value of our assets held while upholding a sustainability mindset for our high-profile resorts at Karuizawa, Hakone and Furano, etc.
- The Real Estate business is positioned as a key growth driver for the Seibu Group, and we will promote it as a measure to maximize the value of our assets together with the capital recycling business described on page 16.



2023

2030

- 【 Planned expansion of transport network around Shinagawa Station 】
- Opening of Chuo Shinkansen maglev line
  - Extension of Nanboku Line (Shinagawa to Shirokane-Takanawa)
  - Conversion of Keikyu Shinagawa Station to ground level
  - Opening of Ring Road No. 4
  - Construction of deck over National Road No. 15 and north-side deck

Takanawa area

1st period

2nd period

3rd period

Start of Shinagawa area urban renewal

Start of Shiba Koen area urban renewal

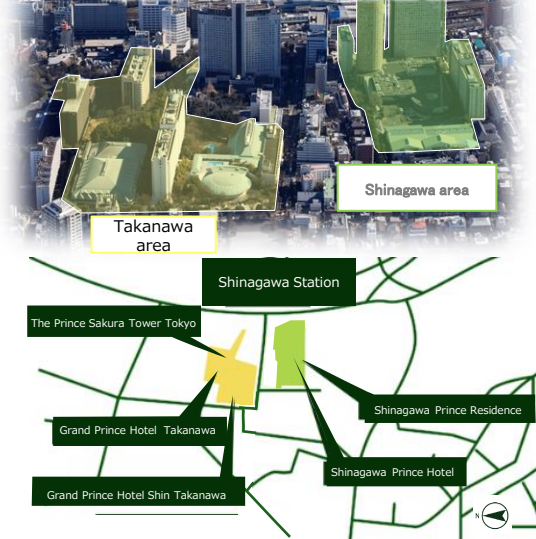
Start of Shinjuku area urban renewal

Execution of asset appreciation measures for resorts at Karuizawa, Hakone, Furano, etc.

# (Reference) Urban renewal in the Takanawa/Shinagawa area

- ✓ In a location close to Shinagawa Station, which has excellent access to wide-area transportation both domestically and internationally, we aim to create an urban complex that will serve as a new gateway to Japan by introducing new urban functions such as advanced office, commercial, and housing that are environmentally friendly while utilizing valuable trees and historical resources in the city center, while updating the hotel and MICE functions, which are among the largest concentrations in Japan.

While minimizing the loss of revenue from existing projects through phased community development, promote community development as one of the largest landowners in the area.



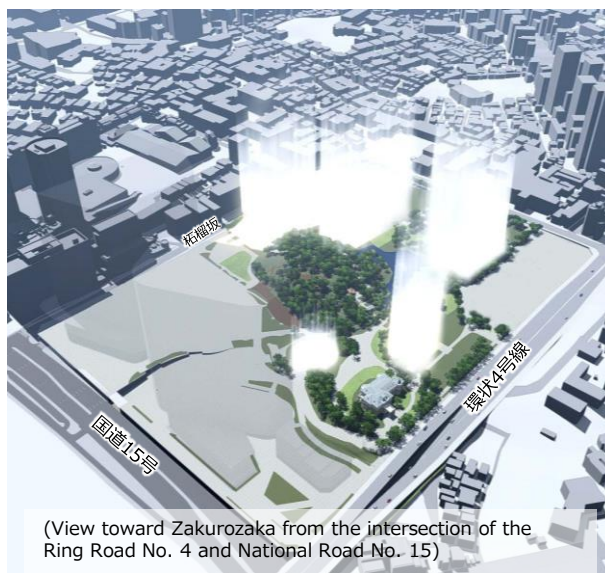
Takanawa area

From the Shinagawa Station West Exit Urban Renewal Guideline (Takanawa 3-Chome District) formulated in January 2022

**Transition to a city that has high-class amenities suitable for international visitors and that is "open" (well-connected and welcoming)**

Toward the realization of the Shinagawa Station West Exit Urban Renewal Guideline (Takanawa 3-Chome District)

Takanawa area [Takanawa 3-chome District] Image



(View toward Zakurozaka from the intersection of the Ring Road No. 4 and National Road No. 15)

■ Image of functions to be introduced

- HOTELS
- MICE
- Office
- Commercial Residential etc.



- ◆ The Prince Sakura Tower Tokyo
- ◆ Grand Prince Hotel Takanawa
- ◆ Grand Prince Hotel Shin Takanawa

Rooms (total of 3 hotels): Approx. 1,600  
Banquets (various sizes): Approx. 60

- ◆ Shinagawa Prince Hotel  
Rooms : Approx. 3,500  
Banquets (various sizes):  
Approx. 40

- ◆ Shinagawa Prince Residence  
(Rental apartment) : Approx. 260

Site area : Approx. 83,000㎡

Site area : Approx. 45,000㎡

※ The plan details will be determined in the future through discussions with the relevant agencies. After further examination of the plan, some aspects of it may change.

- ◆ Nov. 2022 Shinagawa Station West gate district plan Change in the urban redevelopment project

In the Shinagawa Station West Exit area, we aim to develop a barrier-free pedestrian network that will strengthen the link between Shinagawa Station and the city, and a complex exchange center that highly integrates urban functions such as MICE with the rich natural environment.

- ◆ June 2023: Approval for Shinagawa Station West Exit Land Readjustment Project  
Business approval was obtained on June 1, 2023 for "Shinagawa Station West Exit Land Readjustment Project", which is being carried out with the Urban Renaissance Agency as the executor.

# (Reference) Urban renewal in the Shibakoen area

- ✓ Currently, we are renewing the hotel functions in accordance with the concept of urban renewal centered upon Shibakoen and are examining urban renewal that bears in mind the use of historical and cultural resources, and establishes more green space to enhance the urban greenery.

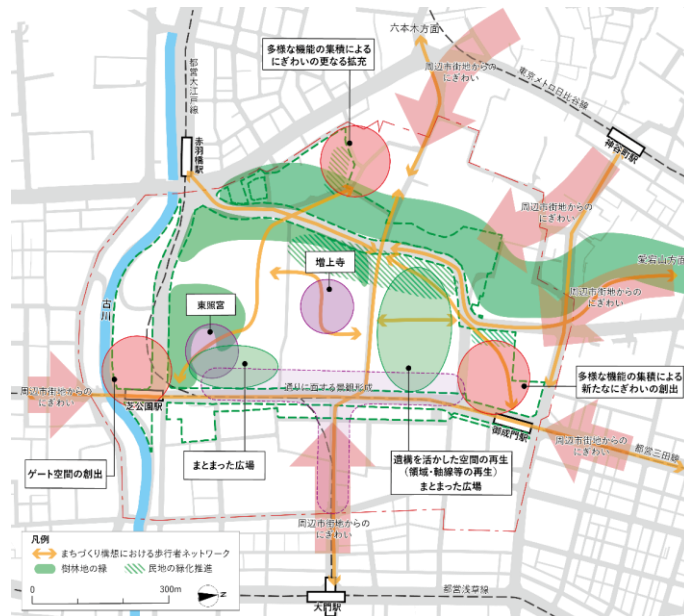
## Concept of urban renewal centered upon Shibakoen

Tokyo Metropolitan Government, in February 2020

### ◆ Future image of the Shibakoen area

## Gathering at Edo-no-Mori: Promotion of Edo-era Tokyo cultural experience and international exchange

While making the assets from the early Edo era at Shibakoen more prominent, the area will allow visitors to experience the living Edo-Tokyo legacy in the heart of the city, such as by promoting international exchange using historical resources

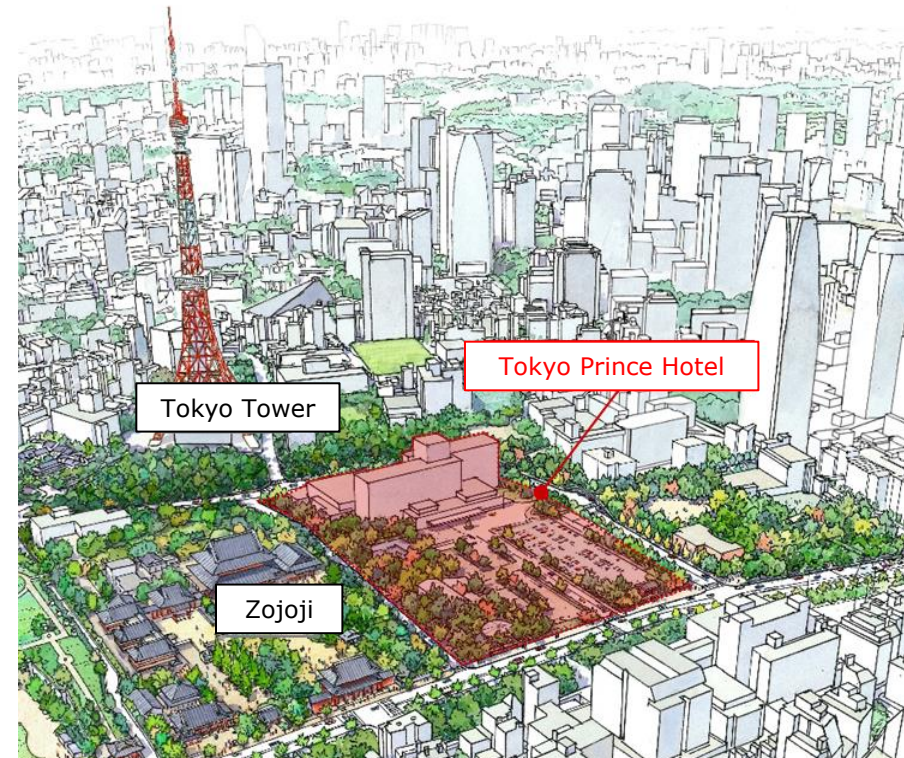


Urban Renewal Policy Illustration (Created based on "Concept of Urban Renewal Centered Upon Shibakoen" (Tokyo Metropolitan Government))

## Current state of Shibakoen



Land area : about 50,000m<sup>2</sup>  
 area ratio : Designated floor area ratio 200%,  
 utilized floor area ratio 111%  
 hotel (about 460 rooms) 、  
 banquet hall (24 halls, about 5,294m<sup>2</sup>)



# Progress in the capital recycling business

- Promote study of capital recycling business (disclosed on May 11, 2023) based on the roadmap.
- Going forward, we will consider the real estate portfolio and balance sheet management with cooperative partners, as well as strive to mutually share know-how and strengthen the Real Estate business.

Promote asset-light management

Reinvest acquired funds in new development, growth investment, etc.

Launch of asset management business to make a leap forward toward becoming a general real estate company

May 2024 (planned)  
Make decisions and disclose details regarding target properties

April 2025 (planned)  
Specifics of the structure to be established

Formulation of the Group's target portfolio

Establish asset management company (scheduled for April 2025)  
Form private placement funds and REITs

Expand to more than ¥300.0 billion AUM\*2 over the medium term

August 1, 2023

Selected Mizuho Financial Group\*1 as collaboration partner

Large-scale redevelopments in the central Tokyo area

Execute asset appreciation measures for resorts at Karuizawa, Hakone, Furano, etc.  
(Disclosure of specific plans slated for May 2024)

Consider and implement measures for effective utilization of the Group's asset holdings exceeding 100 million m2



SEIBU REALTY SOLUTIONS

- Seibu Realty Solutions (SRS) has drawn up a new "corporate message" and "corporate logo," which it will use and disseminate in various PR materials beginning on Tuesday, August 1st.
- Through its corporate message, SRS will convey its commitment to taking on challenges in new domains, domains yet to be developed, and leading-edge domains, serving as a general real estate company that inherits the DNA and abundant assets of the Seibu Group, which consistently breaks new ground throughout the ages.

\*The logo presented above illustrates use of the corporate logo.



## Build the industry's No. 1 quality hotel chain

Improve performance at each business site (hotels, golf, skiing)

- Strengthen accountability to all owners
- Draw out value-improving investments
- Sustain MC over the long term by exceeding return expectations

Expand network to build the industry's No. 1 quality hotel chain with 250 hotels

- Strengthen relationships with external owners
- Establish a global development structure (integration with StayWell)
- Consider strategic M&A, etc. in the future



## Steadily acquire new projects through sales account expansion and relationships with external owners

Hotels opened in FY2023

Grand Prince Hotel Osaka Bay (Osaka)



brand: Grand Prince Hotel  
number of rooms: 480

Hotels scheduled to open

PRINCE SMART INN Miyazaki



brand: PRINCE SMART INN  
number of rooms: 163

The Prince Kitano New York (USA)



brand: The Prince  
number of rooms: 150

Park Regis by Prince Dubai Island



brand: Park Regis by Prince  
number of rooms: 159

PRINCE SMART INN Nagoya Sakae



brand: PRINCE SMART INN  
number of rooms: 245

Park Proxi Gibraltar Bowral



brand: Park Proxi  
number of rooms: 77

## Priority targets for new openings

[Regional cities]

- Osaka
- Sendai
- Fukuoka
- Kanazawa

[Asia]

- Sydney
- Bangkok
- Singapore
- Taipei

- ❑ Sales with a focus on regional cities in Japan and APAC overseas
- ❑ Establish information network for development projects by strengthening relationships with existing customers
- ❑ Develop coverage and share know-how by leveraging the respective strengths of SEIBU PRINCE HOTELS WORLDWIDE INC. and StayWell

# Major projects

\*Update the red frame area

※Eliminated due to cancellation of projects : "The Prince Akatoki" (Guangzhou, China)

	FY2022/3	FY2023/3	FY2024/3 onward
Transportation and Regional	<ul style="list-style-type: none"> <li>Renewed on May 2021 Seibuen Amusement Park</li> </ul>	<ul style="list-style-type: none"> <li>Dec. 2022 Transferred the partial site of former Toshimaen (approx. 40,000m<sup>2</sup>) (To cooperate with the Tokyo City Planning, Park No. 5/5/10 Nerima-Joshi Park Project)</li> </ul>	<ul style="list-style-type: none"> <li>Opened in Jun 2023 Warner Bros. Studio Tour Tokyo —The Making of Harry Potter (Operator: Warner Bros. Studios Japan LLC)</li> <li>Oct. 2023 Transferred the partial site of former Toshimaen (approx. 30,000 m<sup>2</sup>)</li> </ul>
	<p><b>Continuous grade separation of SS Line</b></p>		
		<ul style="list-style-type: none"> <li>Spring 2023 Renewal of Ikebukuro and Toshimaen station on Seibu Line</li> </ul>	

## Domestic Hotels

<ul style="list-style-type: none"> <li>Opened a new guest room building and hot spring building with onsen in April 2021 Karuizawa Prince Hotel West</li> </ul>	<ul style="list-style-type: none"> <li>Opened in April 2022 "Okinawa Prince Hotel Ocean View Ginowan"</li> </ul>	<ul style="list-style-type: none"> <li>Opened in July 2023 "Grand Prince Hotel Osaka Bay"</li> </ul>	
<ul style="list-style-type: none"> <li>Opened in May 2021 "Prince Smart INN Kyoto Shijo Omiya"</li> </ul>		<ul style="list-style-type: none"> <li>Opened in Oct. 2022 "Prince Smart INN Hakata"</li> </ul>	
<ul style="list-style-type: none"> <li>Opened in April 2021 "Prince Smart INN Atami"</li> </ul>	<ul style="list-style-type: none"> <li>Opened in April 2022 "Prince Smart INN Kyoto Sanjo"</li> </ul>	<ul style="list-style-type: none"> <li>Scheduled to open in Feb. 2024 "Prince Smart INN Miyazaki"</li> </ul>	
		<ul style="list-style-type: none"> <li>Opened in Nov. 2022 "Prince Smart INN Naha"</li> <li>"Prince Smart INN Osaka Yodoyabashi"</li> </ul>	<ul style="list-style-type: none"> <li>Scheduled to open in early 2024 "Prince Smart INN Nagoya Sakae"</li> </ul>

## Overseas Hotels (Main facilities scheduled to open in FY2024/3 and beyond)

<ul style="list-style-type: none"> <li>Opened in Sep. 2023: Park Proxi Gibraltar Bowral (suburbs of Sydney, Australia)</li> </ul>	<ul style="list-style-type: none"> <li>"Park Regis by Prince Deira Islands" (Dubai, UAE)</li> </ul>
<ul style="list-style-type: none"> <li>Scheduled to open in Dec. 2023 The Prince Kitano New York (New York, USA)</li> </ul>	<ul style="list-style-type: none"> <li>"Park Proxi El Hayat Sharm" (Arab Republic of Egypt)</li> </ul>
<ul style="list-style-type: none"> <li>"The Prince Akatoki Riverside Bangkok" (Bangkok, Thailand)</li> </ul>	<ul style="list-style-type: none"> <li>Around spring of 2025 (renewal): Mauna Kea Beach Hotel (Hawaii, USA)</li> </ul>

## Real Estate

<ul style="list-style-type: none"> <li>July 2021 Emio Hibarigaoka reopened scaling up operations</li> </ul>	<ul style="list-style-type: none"> <li>Dec. 2021 "Emi Cube Sakuradai" started accepting rental applications</li> </ul>	<ul style="list-style-type: none"> <li>In fall 2024 Plan to open Tokorozawa Station West Exit Development Plan</li> </ul>
<ul style="list-style-type: none"> <li>July 2021 Launched "Karuizawa Prince The Workation Core"</li> </ul>	<ul style="list-style-type: none"> <li>March 2022 "Emi Base Iruma Kagiya" started accepting rental applications</li> </ul>	
	<ul style="list-style-type: none"> <li>April 2022 Emiffice Tokorozawa opened</li> </ul>	
	<ul style="list-style-type: none"> <li>April 2022 Moving-in started at Emi Cube SHAKUJII-KÖEN</li> </ul>	<ul style="list-style-type: none"> <li>Fall 2023 Emi Base Kotesashi scheduled for completion</li> </ul>

Promote large redevelopment projects such as Takanawa/Shinagawa area, Shibakoen area and Shinjuku area etc.

Promote redevelopment of resort areas such as Karuizawa, Hakone, Furano, etc. with consideration for sustainability

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# Urban Transportation and Regional Overview

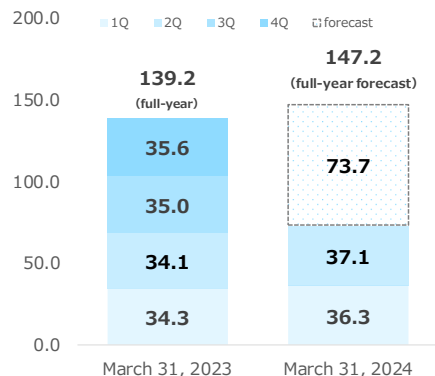
millions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / % )		Details (+)Increase factor, (-)Decrease factor
Operating revenue	68,509	73,474	4,964	7.2%	
Railway operations	44,420	49,912	5,491	12.4%	(+) Increase in railway transportation revenue (Of this, 2.0 billion yen received from barrier-free fares)
Bus operations	10,991	11,924	932	8.5%	(+) Increase in bus transportation revenue
Lifestyle service operations along railway lines	9,810	8,759	(1,050)	(10.7%)	(-) Decrease due to change in the operational model following internal reorganization of the Group * Minor impact on profit (-) Decrease in rent revenue from Boat Race Tamagawa
Sports operations	1,430	1,026	(404)	(28.3%)	(-) Decrease due to change in the operational model following internal reorganization of the Group * Minor impact on profit
Others	1,856	1,851	(5)	(0.3%)	
Operating profit	4,586	10,089	5,503	120.0%	(+) Increase in operating revenue (+) Decrease in general & administrative expenses
EBITDA	14,541	20,284	5,743	39.5%	(-) Increase in repair expenses

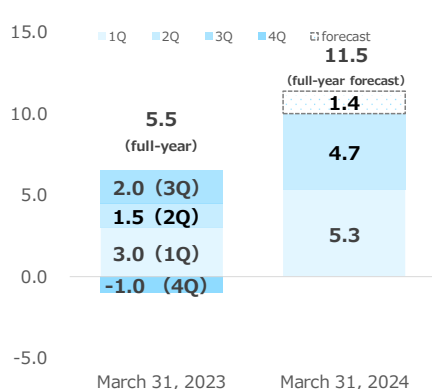
Note : Reportable segments and breakdown classification were changed as of April 1, 2023. (See page 38)  
The figures in the previous year were presented based on the reportable segments after the change.

## Changes by quarter billions of yen

### Operating revenue



### Operating profit



## Major expenses in Railway operations at Seibu Railway

	1H ended September 30, 2023	YoY change*	March 31, 2024 (forecast)	YoY change*
Personnel expenses	13.3	0.0	27.0	0.5
Repair expenses	2.9	0.4	8.4	0.8
Power costs	3.7	0.0	7.0	(1.3)
Depreciation	8.3	0.1	17.4	0.8
Non-current asset retirement costs	0.1	(0.0)	2.7	1.5
Other	5.1	0.2	11.3	0.9
general & administrative expenses	6.6	(1.0)	12.8	(1.6)
<b>Total</b>	<b>40.2</b>	<b>(0.1)</b>	<b>86.9</b>	<b>1.8</b>

\* Year on year comparison before the change in segments

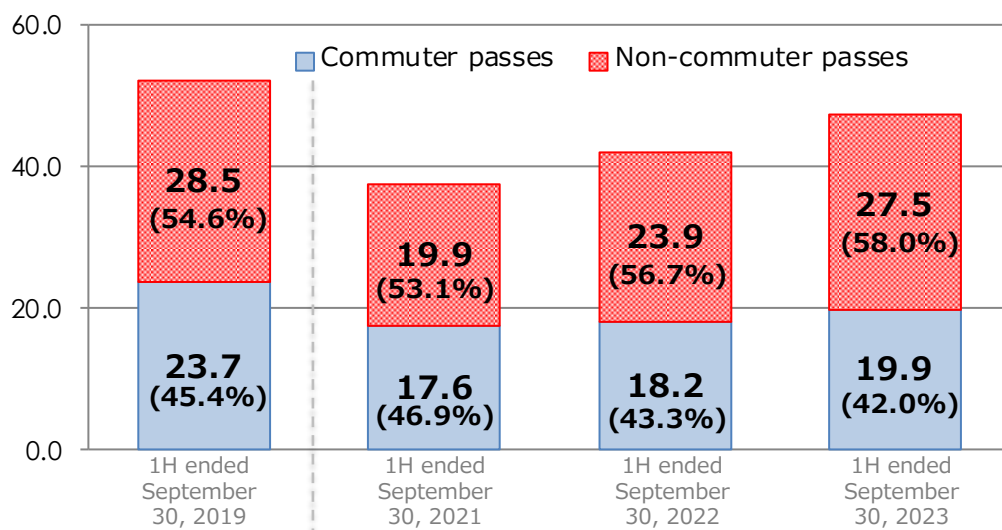
# Urban Transportation and Regional: Indicators of Railway operations

## Number of passengers and sales from railway transportation (Seibu Railway Co., Ltd.)

thousands of passengers, millions of yen

		1H ended September 30, 2019	1H ended September 30, 2021	YoY change	1H ended September 30, 2022	YoY change	1H ended September 30, 2023	YoY change
Number of passengers	Commuter passes	219,519	156,034	3.3%	171,434	9.9%	178,420	4.1%
	Non-commuter passes	127,987	92,801	24.7%	109,184	17.7%	118,682	8.7%
	<b>Total</b>	<b>347,506</b>	<b>248,835</b>	<b>10.4%</b>	<b>280,619</b>	<b>12.8%</b>	<b>297,103</b>	<b>5.9%</b>
Sales from railway transportation	Commuter passes	23,718	17,671	1.0%	18,258	3.3%	19,981	9.4%
	Non-commuter passes	28,502	19,969	26.2%	23,935	19.9%	27,567	15.2%
	<b>Total</b>	<b>52,220</b>	<b>37,641</b>	<b>12.9%</b>	<b>42,194</b>	<b>12.1%</b>	<b>47,548</b>	<b>12.7%</b>

billions of yen **Sales from railway transportation** \* ( ) percentage breakdown



# Hotel and Leisure Overview

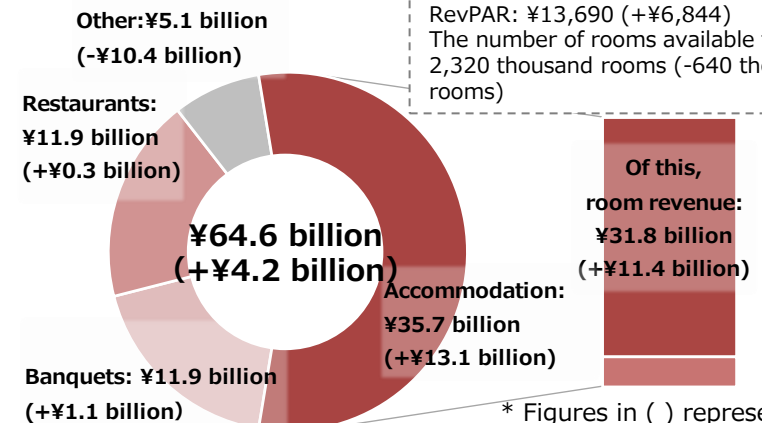
millions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / %)		Details (+) Increase factor, (-) Decrease factor
			Amount	%	
Operating revenue	95,900	111,074	15,173	15.8%	
Domestic hotel operations (Ownership / Lease)	60,463	64,696	4,233	7.0%	(+) Increase in users and rise in ADR of domestic hotels, (-) Decrease in leased hotel buildings due to a request from administrative agencies for measures to prevent the spread of COVID-19 (-) Decrease due to the shift from ownership to MC followed by some hotels transfer: -11.3 billion yen
Domestic hotel operations (MC / FC)	124	5,267	5,143	-	(+) Increase due to the shift from ownership to MC followed by some hotels transfer: +5.1 billion yen
Overseas hotel operations (Ownership / Lease)*	15,185	18,085	2,900	19.1%	(+) Impact of foreign exchange in overseas hotel operations
Overseas hotel operations (MC / FC)*	88	218	130	148.6%	
Sports operations (Ownership / Lease)	8,179	6,760	(1,419)	(17.3%)	(-) Decrease due to the shift from ownership to MC followed by some golf courses and ski resorts transfer : -1.6 billion yen
Sports operations (MC / FC)	-	950	950	-	(+) Increase due to the shift from ownership to MC followed by some golf courses and ski resorts transfer : +0.9 billion yen
Others	11,859	15,094	3,234	27.3%	(+) Increase in users of domestic and overseas leisure facilities
Operating profit	(20)	10,144	10,164	-	(+) Increase in operating revenue (including the impact of the asset transfer (net)): +2.1 billion yen (+) Decrease in depreciation, various taxes, and utility costs (-) Increase in personnel expenses
EBITDA	9,386	17,917	8,531	90.9%	

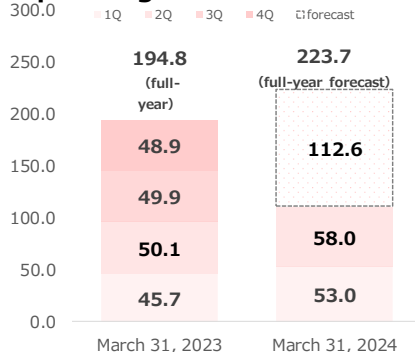
\* Second quarter accounting periods for entities in overseas hotel operations are mainly Jan. to June

Note : Reportable segments and breakdown classification were changed as of April 1, 2023. (See page 38) The figures in the previous year were presented based on the reportable segments after the change.

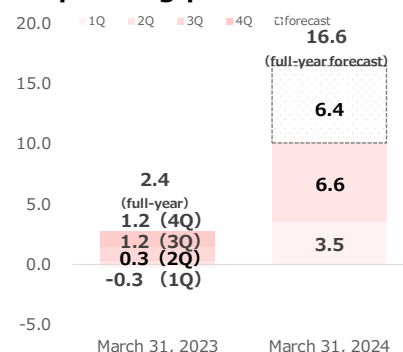
## Domestic hotel operations (Ownership / Lease) Breakdown of operating revenue (1H ended September 30, 2023)



## Changes by quarter Operating revenue



## Operating profit



\* Figures in ( ) represent year-on-year change

# Hotel and Leisure: Key indicators

## Indicators of Domestic hotel operations

		RevPAR, room rates in yen						
		1H ended September 30, 2019	1H ended September 30, 2021	YoY change	1H ended September 30, 2022	YoY change	1H ended September 30, 2023	YoY change
RevPAR	Ownership / Lease	13,106	4,880	116.1%	6,846	40.3%	13,690	100.0%
	MC / FC	–	5,564	133.6%	2,880	(48.2%)	11,023	282.8%
	All	13,106	4,907	117.2%	6,693	36.4%	12,922	93.1%
Average daily rate (ADR)	Ownership / Lease	16,302	18,564	3.8%	15,597	(16.0%)	19,989	28.2%
	MC / FC	–	18,214	(40.2%)	25,999	42.7%	18,298	(29.6%)
	All	16,302	18,548	3.3%	15,702	(15.3%)	19,545	24.5%
Occupancy rate	Ownership / Lease	80.4%	26.3%	13.7pt	43.9%	17.6pt	68.5%	24.6pt
	MC / FC	–	30.5%	22.7pt	11.1%	(19.5pt)	60.2%	49.2pt
	All	80.4%	26.5%	13.9pt	42.6%	16.2pt	66.1%	23.5pt

## Reference: By area (Overall Domestic hotel operations)

		1H ended September 30, 2019	1H ended September 30, 2021	YoY change	1H ended September 30, 2022	YoY change	1H ended September 30, 2023	YoY change
RevPAR	Greater Tokyo Area & Central Japan	14,396	4,985	171.4%	5,704	14.4%	14,112	147.4%
	Takanawa and Shinagawa area	13,962	3,900	252.5%	4,091	4.9%	12,779	212.4%
	East Japan	10,381	5,283	84.7%	9,283	75.7%	11,144	20.1%
	Karuizawa area	23,591	16,112	66.1%	23,755	47.4%	25,806	8.6%
	West Japan	11,900	3,634	6.1%	7,238	99.2%	10,922	50.9%
Average daily rate (ADR)	Greater Tokyo Area & Central Japan	16,610	18,912	6.0%	14,655	(22.5%)	20,449	39.5%
	Takanawa and Shinagawa area	15,505	19,134	35.3%	11,958	(37.5%)	18,690	56.3%
	East Japan	16,075	18,565	(6.7%)	17,285	(6.9%)	19,599	13.4%
	Karuizawa area	31,721	33,588	(12.5%)	34,948	4.0%	38,425	9.9%
	West Japan	14,689	15,894	4.0%	17,065	7.4%	16,289	(4.6%)
Occupancy rate	Greater Tokyo Area & Central Japan	86.7%	26.4%	16.1pt	38.9%	12.6pt	69.0%	30.1pt
	Takanawa and Shinagawa area	90.0%	20.4%	12.6pt	34.2%	13.8pt	68.4%	34.2pt
	East Japan	64.6%	28.5%	14.1pt	53.7%	25.3pt	56.9%	3.2pt
	Karuizawa area	74.4%	48.0%	22.7pt	68.0%	20.0pt	67.2%	(0.8pt)
	West Japan	81.0%	22.9%	0.4pt	42.4%	19.5pt	67.1%	24.6pt

Note1: The hotel names in each category are noted on page 40.

Note2: The total number of rooms (The number of rooms available for sale) used to calculate RevPAR and occupancy rate included the number of guest rooms at the hotels that have been temporarily closed but provided for the government as a COVID-19 measure. The indicators also factored in the rooms of the hotels that were temporarily suspended based on demand trends.

# Hotel and Leisure:Key indicators

## Indicators of Overseas hotel operations (Ownership/Lease) \* Jan. - June

### ■ Hawaii

	1H ended September 30, 2019	1H ended September 30, 2021	YoY change	1H ended September 30, 2022	YoY change	1H ended September 30, 2023	YoY change
RevPAR ( ¥ )	30,862	24,581	77.0%	39,861	62.2%	44,119	10.7%
RevPAR ( \$ )	268.36	227.60	73.7%	369.08	62.2%	339.38	(8.0%)
Average daily rate ( ¥ )	38,862	37,562	(0.4%)	47,773	27.2%	54,199	13.5%
Average daily rate ( \$ )	337.93	347.80	(2.3%)	442.34	27.2%	416.92	(5.7%)
Average occupancy rate	79.4%	65.4%	28.6pt	83.4%	18.0pt	81.4%	(2.0pt)

### ■ The Prince Akatoki London

	1H ended September 30, 2019	1H ended September 30, 2021	YoY change	1H ended September 30, 2022	YoY change	1H ended September 30, 2023	YoY change
RevPAR ( ¥ )	—	1,569	(82.5%)	19,704	1155.5%	38,079	93.3%
RevPAR ( £ )	—	10.77	(83.8%)	140.31	1202.9%	227.42	62.1%
Average daily rate ( ¥ )	—	37,032	23.8%	47,048	27.0%	55,344	17.6%
Average daily rate ( £ )	—	254.10	14.7%	335.01	31.8%	330.54	(1.3%)
Average occupancy rate	—	4.2%	(25.8pt)	41.9%	37.6pt	68.8%	26.9pt

Note: Operation started in September 2019.



# Hotel and Leisure: Inbound trends (Number of customers, Room revenue)

## Overall Domestic hotel operations

		in thousands of persons						
		1H ended September 30, 2019	1H ended September 30, 2021	YoY change	1H ended September 30, 2022	YoY change	1H ended September 30, 2023	YoY change
Number of customers	Japanese customers	1,954	909	67.5%	1,774	95.0%	1,759	(0.8%)
	Non-Japanese customers	657	26	1,451.9%	24	(7.3%)	610	2,382.5%
	Total	2,611	936	71.8%	1,798	92.1%	2,369	31.7%
	Ratio of Non-Japanese customers	25.2%	2.8%	2.5pt	1.4%	(1.5pt)	25.8%	24.4pt

## Reference: Domestic hotel operations (Ownership / Lease)

		in thousands of persons, millions of yen						
		1H ended September 30, 2019	1H ended September 30, 2021	YoY change	1H ended September 30, 2022	YoY change	1H ended September 30, 2023	YoY change
Number of customers	Japanese customers	1,954	877	62.8%	1,751	99.5%	1,217	(30.5%)
	Non-Japanese customers	657	21	1,140.1%	24	15.4%	464	1,798.2%
	Total	2,611	899	66.3%	1,775	97.5%	1,681	(5.3%)
	Ratio of Non-Japanese customers	25.2%	2.4%	2.0pt	1.4%	(1.0pt)	27.6%	26.2pt
Room revenue	Non-Japanese customers	13,278	3,141	3,246.6%	955	(69.6%)	12,751	1,234.4%
	Ratio of Non-Japanese customers	35.5%	22.4%	20.9pt	4.7%	(17.7pt)	40.0%	35.4pt

## Reference: Domestic hotel operations (Ownership / Lease)

### Breakdown of number and room revenue of Non-Japanese customers

		Number of Non-Japanese customers		Room revenue of Non-Japanese customers	
		1H ended September 30, 2022	1H ended September 30, 2023	1H ended September 30, 2022	1H ended September 30, 2023
Breakdown by country/area of guests	China	5.6%	15.6%	5.6%	15.1%
	Taiwan	2.4%	17.3%	2.0%	8.9%
	Korea	12.6%	10.6%	11.4%	8.2%
	Hong Kong	1.6%	5.1%	2.7%	5.1%
	Thailand	9.0%	4.9%	3.4%	3.3%
	Other Asia	18.6%	13.4%	15.3%	12.2%
	North America & Europe	40.3%	24.0%	47.2%	36.1%
	Other	10.0%	9.3%	12.4%	11.1%

# Real Estate Overview

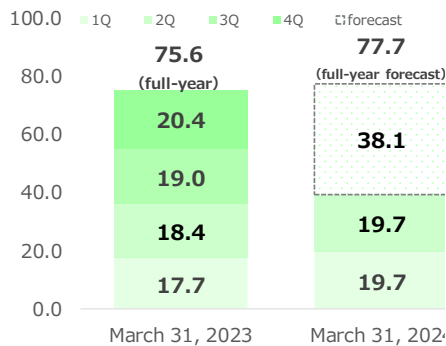
millions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / % )		Details (+)Increase factor, (-)Decrease factor
Operating revenue	36,177	39,549	3,371	9.3%	
Leasing operations	21,071	22,021	949	4.5%	(+) Increase in rent revenue attributed to some move-ins of new office tenants and lease of land at former Toshimaen site
Others	15,106	17,527	2,421	16.0%	(+) Increase in usage of commercial facilities (+) Increase in revenue of landscape work (+) Increase in Seibu SCCAT's revenue
Operating profit	5,470	7,386	1,916	35.0%	(+) Increase in operating revenue
EBITDA	11,317	13,147	1,829	16.2%	(+) Decrease in selling, general and administrative expenses

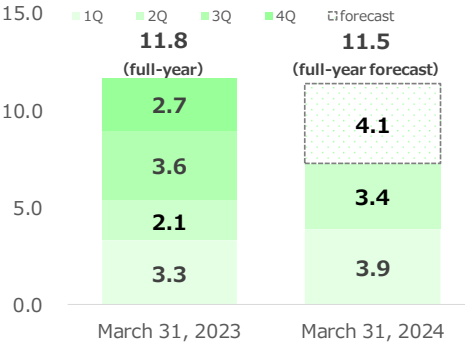
Note : Reportable segments and breakdown classification were changed as of April 1, 2023. (See page 38)  
The figures in the previous year were presented based on the reportable segments after the change.

## Changes by quarter billions of yen

### Operating revenue



### Operating profit



## Leasing space

in thousands of square meters

	As of September 30, 2020	As of September 30, 2021	As of September 30, 2022	As of September 30, 2023	YoY change
Commercial retail	248	248	244	254	9
Office/Residential	205	188	201	216	15

Note: The lease of land is not included.

## Vacancy rate for leasable space

	As of September 30, 2020	As of September 30, 2021	As of September 30, 2022	As of September 30, 2023	YoY change
Commercial retail	2.2%	2.2%	2.1%	2.5%	0.4pt
Office/Residential	3.3%	11.4%*	4.8%	2.5%	(2.4pt)

\* The rise is due to the withdrawal of an office tenant

# Other Overview, Operating revenue in sports-related businesses

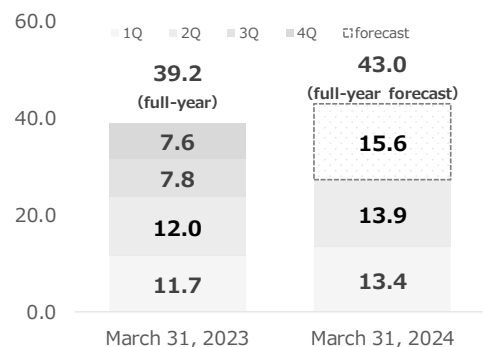
## ■ Other

millions of yen

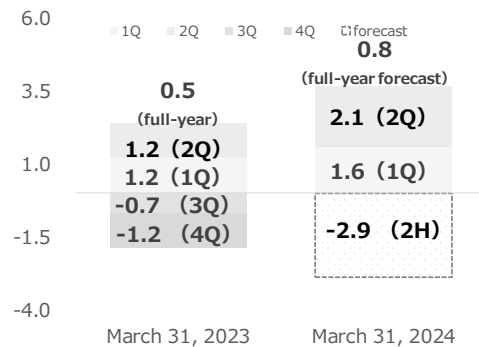
	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / % )		Details (+)Increase factor, (-)Decrease factor
Operating revenue	23,760	27,384	3,623	15.3%	(+) Increase in users of bus and taxi, and expanding demand for tourism in the Izuhakone business and the Ohmi business (+) Increase in the number of spectators of professional baseball league official games, etc. (+) Increase due to rebound from the previous period's suspension of operations in relation to renovation work at Yokohama Arena
Operating profit	2,570	3,770	1,200	46.7%	(+) Increase in operating revenue (-) Increase in personnel expenses
EBITDA	4,452	5,826	1,374	30.9%	

## Changes by quarter billions of yen

### Operating revenue



### Operating profit



## ■ Operating revenue of sports-related businesses \*

millions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change (Amount / % )		Details
Operating revenue	23,649	25,005	1,356	5.7%	Urban Transportation and Regional (Sports operations) YoY -0.4 billion Hotel and Leisure (Sports operations) YoY -0.4 billion yen Other (Sports business) YoY +2.2 billion yen

\* The total of operating revenue of Sports operations in "Urban Transportation and Regional" and "Hotel and Leisure" as well as Sports business in "Other" segment.

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# Summary of consolidated statement of income

millions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change	Details
Operating revenue	212,595	238,882	26,287	Urban Transportation and Regional: +4.9 billion yen, Hotel and Leisure: +15.1 billion yen, Real Estate: +3.3 billion yen, Other: +3.6 billion yen, Adjustments: -0.8 billion yen
Operating profit	13,415	31,818	18,402	Urban Transportation and Regional: +5.5 billion yen, Hotel and Leisure: +10.1 billion yen, Real Estate: +1.9 billion yen, Other: +1.2 billion yen, Adjustments: -0.3 billion yen
Non-operating income	4,212	2,114	(2,098)	(Current fiscal year) Foreign exchange gains: 0.5 billion yen (Previous fiscal year) Foreign exchange gains: 1.1 billion yen Subsidies for infection-prevention measures: 0.9 billion yen
Non-operating expenses	4,899	4,801	(97)	
Ordinary profit	12,729	29,130	16,401	
Extraordinary income	71,539	13,188	(58,351)	(Current fiscal year) Income related to transfer of leasehold interests in land: 10.8 billion yen (Previous fiscal year) Gain on sale of non-current assets: 71.4 billion yen
Extraordinary losses	22,386	3,374	(19,012)	(Previous fiscal year) Impairment losses: 21.3 billion yen
Profit before income taxes	61,882	38,943	(22,938)	
Income taxes	(3,387)	11,041	14,428	Income taxes - current: -8.6 billion yen Income taxes - deferred: +23.0 billion yen
Profit	65,269	27,902	(37,366)	
Profit attributable to non-controlling interests	627	444	(183)	
Profit attributable to owners of parent	64,641	27,458	(37,183)	

# Non-operating income and expenses and extraordinary income and losses

millions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change	Details
Operating profit	13,415	31,818	18,402	
Non-operating income	4,212	2,114	(2,098)	
Interest and dividend income	497	629	131	
Subsidy to keep a bus on a regular route	224	231	6	
Foreign exchange gains	1,137	583	(553)	
Subsidies for infection-prevention measures	939	—	(939)	
Other	1,413	670	(743)	
Non-operating expenses	4,899	4,801	(97)	
Interest expenses	4,031	3,794	(237)	
Share of loss of entities accounted for using equity method	5	51	46	
Other	862	955	93	
Ordinary profit	12,729	29,130	16,401	
Extraordinary income	71,539	13,188	(58,351)	
Gain on sales of non-current assets	71,407	4	(71,402)	(Previous fiscal year) Transfer of four assets of the Hotel and Leisure business including The Prince Park Tower Tokyo 69.0 billion yen
Contribution received for construction	50	1,788	1,737	
Subsidy income	16	55	38	
Income related to transfer of leasehold interests in land	—	10,800	10,800	(Current fiscal year) Income related to the transfer of leasehold interests in land arising from change of lessee of land owned by Seibu Railway
Other	64	539	474	
Extraordinary losses	22,386	3,374	(19,012)	
Impairment loss	21,379	973	(20,406)	(Previous fiscal year) Impairment losses regarding the part of the assets of the Hotel and Leisure business scheduled to be transferred 13.4 billion yen Shin Musashigaoka Golf Course, Kuni Country Club and Musashigaoka Golf Course 6.7 billion yen
Loss on sales of non-current assets	—	25	25	
Loss on retirement of non-current assets	736	413	(323)	
Tax purpose reduction entry of contribution for construction	50	1,780	1,730	
Loss on tax purpose reduction entry of non-current assets	15	50	35	
Loss on valuation of investment securities	143	0	(143)	
Other	61	132	70	
Profit before income taxes	61,882	38,943	(22,938)	

# Summary of consolidated balance sheet

millions of yen

	March 31, 2023	September 30, 2023	YoY change	Details
Total assets	1,587,834	1,582,134	(5,700)	
Current assets	94,373	84,763	(9,609)	Other: -10,501 (Decrease in income taxes receivable, etc.) Cash and deposits: +776
Non-current assets	1,493,460	1,497,370	3,909	Investment securities: +9,744 Property, plant and equipment and intangible assets: -6,616
Total liabilities	1,210,201	1,168,109	(42,091)	
Current liabilities	367,867	340,335	(27,532)	Notes and accounts payable - trade: -3,888 Income taxes payable: -3,240 Other: -45,007 (decrease in accounts payable for construction contracts) Advances received: +13,013 Short-term borrowings: +12,368
Non-current liabilities	842,333	827,773	(14,559)	Long-term borrowings: -19,924 Long-term accounts payable to Japan railway construction, transport and technology agency: -1,796 Deferred tax liabilities: -6,674
Total net assets	377,633	414,024	36,390	
Equity	372,451	408,423	35,972	Retained earnings: +21,434 Valuation difference on available-for-sale securities: +7,976 Foreign currency translation adjustment: +7,365
Non-controlling interests	4,988	5,415	427	
Interest-bearing debt	793,301	784,771	(8,529)	
Net interest-bearing debt	767,312	758,006	(9,305)	
Equity-to-asset ratio	23.5%	25.8%	2.4pt	
D/E ratio (times)	2.1	1.9	(0.2)	

# Consolidated statements of cash flows

millions of yen

	1H ended September 30, 2022	1H ended September 30, 2023	YoY change	Details
Cash flows from operating activities	30,572	50,272	19,699	Increase in EBITDA, etc.
Depreciation	27,531	26,106	(1,425)	
Cash flows from investing activities	86,208	(34,007)	(120,216)	
Purchase of property plant and equipment and intangible assets	(37,409)	(45,000)	(7,590)	
Proceeds from sales of property, plant and equipment and intangible assets	114,244	77	(114,167)	(Previous fiscal year) Transfer of four assets of the Hotel and Leisure business, etc.
Proceeds from contribution received for construction	12,783	12,505	(278)	
Cash flows from financing activities	(66,250)	(16,078)	50,171	(Previous fiscal year) Decrease in borrowings, etc.
Cash and cash equivalents at beginning of period	87,210	25,741	(61,469)	(Beginning of previous period) Temporary increase due to proceeds from the transfer price of shares of Seibu Construction Co., Ltd.
Cash and cash equivalents at end of period	138,678	26,501	(112,177)	(End of previous period) Temporary increase due to proceeds from the transfer price of the four assets of the Hotel and Leisure business
Free cash flow*	116,781	16,264	(100,517)	

\* Free cash flow = Cash flows from operating activities + Cash flows from investing activities



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No change from the revised forecast released on September 28, 2023

■ Fiscal year ending March 31, 2024 (forecast)

billions of yen

	Consolidated		Urban Transportation and Regional		Hotel and Leisure		Real Estate		Other		Adjustments	
	YoY	YoY	YoY	YoY	YoY	YoY	YoY	YoY	YoY	YoY	YoY	YoY
Operating revenue	463.0	8.1%	147.2	5.7%	223.7	14.8%	77.7	2.7%	43.0	9.7%	(28.6)	-
Operating profit	41.0	85.1%	11.5	107.9%	16.6	587.8%	11.5	(3.0%)	0.8	35.4%	0.6	(66.1%)
EBITDA	96.0	24.3%	33.0	26.8%	32.5	64.5%	23.0	(2.2%)	5.1	10.5%	2.4	(28.2%)
Ordinary profit	35.0	73.8%										
Profit attributable to owners of parent	34.0	(40.1%)										

• **Fixed expenses**

Forecast of 9 billion yen reduction due to efforts to expand on initial reduction target of 3 billion yen (vs. FY2020/3)

Expected reduction in power costs of railway operations in the Urban Transportation and Regional business of 1.4 billion yen from fiscal year ended March 31, 2023

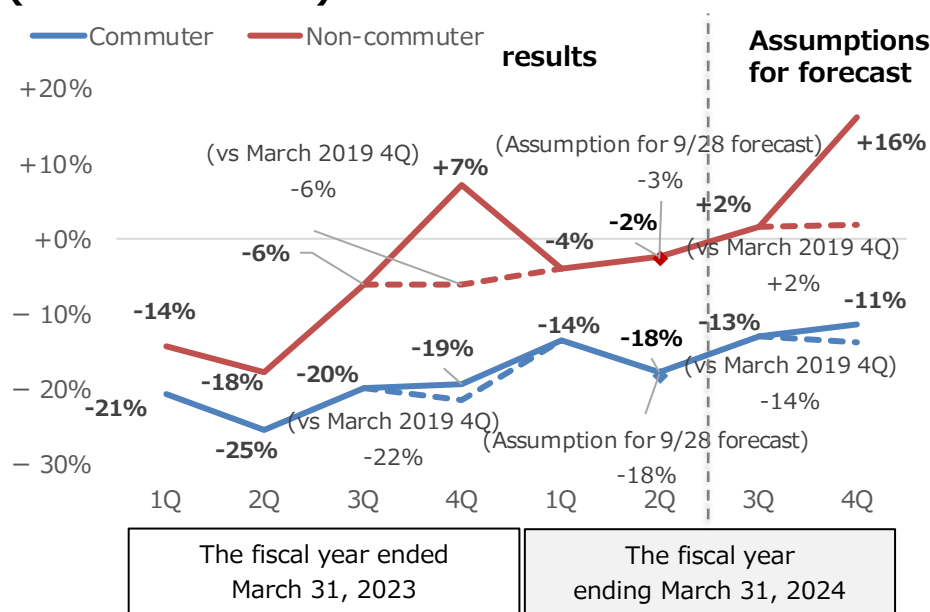
• **Extraordinary income**

Already factoring in the income related to transfer of leasehold interests in land (10.8 billion yen, recorded in 2Q), and gain on sales of non-current assets due to the transfer of the partial site of the former Toshimaen to the Tokyo Metropolitan Government\* (6.4 billion yen, an approximate amount as 31 October, to be recorded in 3Q)

Planned site area of transfer: approx. 110,000 m<sup>2</sup> (of which has been transferred: 40,839 m<sup>2</sup> in FY2022 and 30,334 m<sup>2</sup> in FY2023)

# Assumptions for earnings forecasts and Current business trend(Railway operations)

## ■ Sales from railway transportation trend (vs March 2020)



## ■ Estimates for the number of passengers and sales from railway transportation

		thousands of passengers, millions of yen			
		March 31, 2023	March 31, 2024(Forecast)	YoY	March 31, 2020
Number of passengers	Commuter	335,521	349,167	4.1%	419,719
	Non-commuter	223,539	235,845	5.5%	242,268
	Total	559,060	585,012	4.6%	661,988
Sales from railway transportation	Commuter	36,091	39,426	9.2%	45,912
	Non-commuter	49,121	54,832	11.6%	53,668
	Total	85,212	94,258	10.6%	99,580

## ■ Current number of gate passage in railway operations (YoY)

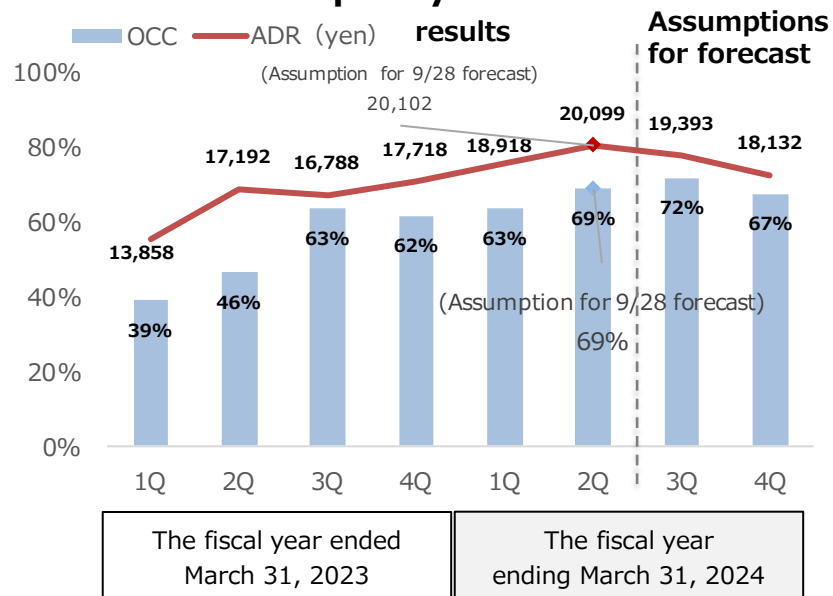
	2023	April	May	June	July	August	September	October
Commuter passes		6.5%	8.1%	3.8%	7.0%	7.4%	3.8%	6%
vs 2019		(19.3%)	(17.6%)	(15.4%)	(23.5%)	(19.3%)	(18.6%)	(18%)
Non-commuter passes		8.8%	6.4%	4.3%	11.9%	13.3%	8.1%	4%
vs 2019		(6.3%)	(5.2%)	(7.3%)	(6.1%)	(7.3%)	(4.4%)	3%
Total		7.6%	7.3%	4.0%	9.4%	10.4%	5.9%	5%
vs 2019		(13.3%)	(12.1%)	(11.9%)	(15.8%)	(13.4%)	(12.1%)	(9%)

\*When excluding special factors such as the impact of typhoons  
 \*Commuter passes: About (23%)  
 \*Non-commuters passes: About (1%)

# Current business trend(Domestic hotel operations\*)

\*The total of Domestic hotel operations (Ownership / Lease) and (MC / FC)

## ■ ADR and occupancy rate trend



## ■ Estimates for operations' indicators

	RevPAR, room rates in yen			March 31, 2020
	March 31, 2023	March 31, 2024(Forecast)	YoY	
RevPAR	8,788	12,985	47.8%	11,635
Average daily rate	16,643	19,142	15.0%	16,182
Occupancy rate	52.8%	67.8%	15.0pt	71.9%

## ■ Current operations' indicator (YoY)

	2023	April	May	June	July	August	September	October
RevPAR		153.3%	107.9%	112.9%	89.3%	64.6%	70.3%	63%
vs 2019		(10.6%)	(1.8%)	1.3%	2.3%	(0.8%)	2.1%	8%
Average daily rate (ADR)		44.3%	31.9%	34.1%	22.4%	8.1%	22.0%	26%
vs 2019		15.4%	23.8%	19.7%	25.1%	20.1%	16.8%	17%
occupancy rate		26.2pt	22.9pt	24.7pt	23.3pt	23.9pt	20.1pt	17pt
vs 2019		(17.7pt)	(16.3pt)	(12.1pt)	(14.7pt)	(14.6pt)	(10.2pt)	(6pt)
FY Results	60.9%	62.6%	66.7%	65.9%	69.6%	70.8%	73%	

## ■ Booking trends (as of Nov. 1)

- ✓ November 2023: RevPAR is expected to be around 107% of November in 2019 due to the growth of SEIBU PRINCE CLUB members and inbound usage mainly at resorts (ADR around 118% of November in 2019 and occupancy rate (actual number) around 72%)
- ✓ December 2023: With high unit-price occupancy mainly during the Christmas and end of year holiday period, mainly at resorts in Karuizawa, Hakone, etc., RevPAR is expected to be around 109% of the December in 2019 (ADR around 125% of December in 2019 and occupancy rate (actual number) around 66%)
- ✓ Inbound bookings in November and December are trending around 130% and 105% of the same period in 2018, respectively, on a room revenue basis

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# Changes in business segments (from the fiscal year ending March 31, 2024)

## Impact of changes in reportable segments

✓ Changes reportable segments due to the internal reorganization of the Group

billions of yen

	FY2022 1H (before)		FY2022 1H (after)
<b>Operating revenue</b>			
Urban Transportation and Regional	71.1	Seibuen Amusement Park, etc. 2.1bn	68.5
Hotel and Leisure	93.7	Operation management of some golf courses, etc. 0.0bn	95.9
Real Estate	35.7	Nicot, Toshimaen site lease, etc. 0.4bn	36.1
Other	23.7		23.7
<b>Operating profit</b>			
Urban Transportation and Regional	3.0	Seibuen Amusement Park, etc. -1.3bn	4.5
Hotel and Leisure	1.0	Operation management of some golf courses, etc. 0.3bn	- 0.0
Real Estate	5.9	Nicot, Toshimaen site lease, etc. -0.1bn	5.4
Other	2.5		2.5
<b>EBITDA</b>			
Urban Transportation and Regional	13.6	Seibuen Amusement Park, etc. -0.9bn	14.5
Hotel and Leisure	9.8	Operation management of some golf courses, etc. 0.4bn	9.3
Real Estate	11.8	Nicot, Toshimaen site lease, etc. -0.0bn	11.3
Other	4.4		4.4

# Hotel and Leisure: Overview of facilities

## ■ Domestic hotel operations

	Number of facilities		Number of rooms	
	September 30, 2022	September 30, 2023	September 30, 2022	September 30, 2023
Domestic hotel operations	54	58	18,884	20,029
Ownership / Lease	48	42	16,222	13,537
MC / FC	6	16	2,662	6,492

## Reference: By area (Overall Domestic hotel operations)

	Number of facilities		Number of rooms	
	September 30, 2022	September 30, 2023	September 30, 2022	September 30, 2023
Greater Tokyo Area & Central Japan	26	26	10,969	10,963
Takanawa and Shinagawa area	4	4	5,138	5,138
East Japan	19	19	5,615	5,614
Karuzawa area	3	3	687	687
West Japan	9	13	2,300	3,452

\* Due to changes in the organizational and operational structure within the Group on April 1, 2023, the classification was changed in some hotels. (See page 40)

The figures in the previous year were presented based on the reportable segments after the change.

## ■ Overseas hotel operations

	Number of facilities		Number of rooms	
	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023
Overseas hotel operations	32	28	5,395	4,853
Ownership / Lease	12	12	1,518	1,518
Hawaii	3	3	1,064	1,064
The Prince Akatoki	1	1	82	82
MC / FC	20	16	3,877	3,335

# A list of hotels categorized in Domestic hotel operations (As of Sep. 30, 2023)

Area	Ownership / Lease	MC / FC (Management Contract· Franchise Contract )
Greater Tokyo Area & Central Japan (the hotels in the Takanawa and Shinagawa area are underlined)	The Prince Gallery Tokyo Kioicho Tokyo Prince Hotel <u>The Prince Sakura Tower Tokyo</u> <u>Grand Prince Hotel Takanawa</u> <u>Grand Prince Hotel Shin Takanawa</u> <u>Shinagawa Prince Hotel</u> Shinjuku Prince Hotel Sunshine City Prince Hotel Kawagoe Prince Hotel Kikusuitei* Shin Yokohama Prince Hotel Kamakura Prince Hotel	Oiso Prince Hotel PRINCE SMART INN EBISU The Prince Hakone Ashinoko Ryuguden Hakone Yunohana Prince Hotel Hakone Sengokuhara Prince Hotel Hakone En Cottage Sanyo-So PRINCE VACATION CLUB Sanyo-So Kawana Hotel PRINCE SMART INN ATAMI  The Prince Park Tower Tokyo Tokyo Bay Shiomi Prince Hotel Shimoda Prince Hotel
East Japan (the hotels in the Karuizawa area are underlined)	Furano Prince Hotel Shin Furano Prince Hotel Towada Prince Hotel <u>The Prince Villa Karuizawa</u> <u>The Prince Karuizawa</u> <u>Karuizawa Prince Hotel</u> Karuizawa Asama Prince Hotel PRINCE VACATION CLUB Karuizawa Asama PRINCE VACATION CLUB Villa Karuizawa Asama	Tsumagoi Prince Hotel Shiga Kogen Prince Hotel  Sapporo Prince Hotel Kusscharo Prince Hotel Kushiro Prince Hotel Hakodate-Onuma Prince Hotel Shizukuishi Prince Hotel Naeba Prince Hotel Manza Prince Hotel Manza Kogen Hotel
West Japan	Nagoya Prince Hotel Sky Tower Lake Biwa Otsu Prince Hotel PRINCE SMART INN KYOTO SHIJO OMIYA PRINCE SMART INN KYOTO SANJO Nichinan Kaigan Nango Prince Hotel	Okinawa Prince Hotel Ocean View Ginowan PRINCE SMART INN HAKATA PRINCE SMART INN NAHA  The Prince Kyoto Takaragaike Grand Prince Hotel Hiroshima THE HOTEL SEIRYU KYOTO KIYOMIZU PRINCE SMART INN OSAKA YODOYABASHI Grand Prince Hotel Osaka Bay

\* Due to changes in the organizational and operational structure within the Group on April 1, 2023, the classification was changed to Domestic hotel operations (ownership/lease). Figures for FY2022 and earlier in this document are also calculated by adding the said business sites.



## Disclaimer

**The forward-looking statements, including earnings forecasts, contained in these materials are based on information available to the Company at the announcement of these materials and on certain assumptions pertaining to factors of uncertainty.**

**These statements may differ from the actual business results.**