

[Translation for reference only]

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

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February 8, 2024

Consolidated Financial Results for the Nine Months Ended December 31, 2023 <under Japanese GAAP>

Company name: **Seibu Holdings Inc.**
Listing: Tokyo Stock Exchange
Securities code: 9024
URL: <https://www.seibuholdings.co.jp/en/>
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Scheduled date to file quarterly securities report: February 9, 2024
Scheduled date to commence dividend payments: –
Preparation of supplementary results briefing material on quarterly financial results: Yes
Holding of quarterly financial results presentation meeting: Yes (teleconference for institutional investors and analysts)

(Note: Millions of yen with fractional amounts truncated, unless otherwise noted)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated Operating Results (cumulative) (Percentages indicate year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2023	360,476	12.5	47,601	136.5	43,791	139.2	43,185	(38.7)
December 31, 2022	320,523	6.7	20,127	–	18,308	–	70,504	–

Note: Comprehensive income

For the nine months ended December 31, 2023: ¥60,509 million [(27.7)%]

For the nine months ended December 31, 2022: ¥83,720 million [– %]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	143.45	143.40
December 31, 2022	234.47	234.38

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2023	1,588,186	428,464	26.6
March 31, 2023	1,587,834	377,633	23.5

Reference: Equity (Net assets – Share acquisition rights – Non-controlling interests)

As of December 31, 2023: ¥422,741 million

As of March 31, 2023: ¥372,451 million

2. Cash Dividends

	Cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	–	5.00	–	20.00	25.00
Fiscal year ending March 31, 2024	–	12.50	–		
Fiscal year ending March 31, 2024 (Forecast)				12.50	25.00

Note: Revisions to the forecast most recently announced: None

**3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2024
(from April 1, 2023 to March 31, 2024)**

(Percentages indicate year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending March 31, 2024	463,000	8.1	41,000	85.1	35,000	73.8

	Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Yen
Fiscal year ending March 31, 2024	34,000	(40.1)	112.94

Note: Revisions to the forecast most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of special accounting for preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatements of prior period financial statements
- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
- b. Changes in accounting policies due to other reasons: None
- c. Changes in accounting estimates: None
- d. Restatements of prior period financial statements: None

(4) Number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	323,462,920 shares
As of March 31, 2023	323,462,920 shares

b. Number of treasury shares at the end of the period

As of December 31, 2023	22,388,184 shares
As of March 31, 2023	22,482,684 shares

c. Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	301,052,541 shares
Nine months ended December 31, 2022	300,691,851 shares

Notes: 1. The Company's shares held by the share-based benefit trusts are included in the number of treasury shares at the end of the period (197,400 shares as of December 31, 2023 and 285,900 shares as of March 31, 2023). Also, the Company's shares held by the share-based benefit trusts are included in treasury shares that are deducted for calculation of the average number of outstanding shares during the period (cumulative from the beginning of the fiscal year) (217,610 shares for the nine months ended December 31, 2023 and 559,646 shares for the nine months ended December 31, 2022).

2. The portion attributable to the Company of the treasury shares (shares of the Company) held by equity-method associates is included in the number of treasury shares at the end of the period (21,998,594 shares as of December 31, 2023 and 21,998,594 shares as of March 31, 2023). Furthermore, the portion attributable to the Company of the treasury shares (shares of the Company) held by equity-method associates is included in treasury shares that are deducted in the calculation of the average number of outstanding shares during the period (cumulative from the beginning of the fiscal year) (21,998,594 shares for the nine months ended December 31, 2023 and 21,998,594 shares for the nine months ended December 31, 2022).

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

*** Proper use of earnings forecasts, and other special notes**

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.

For further details regarding earnings forecasts (consolidated earnings forecasts for the fiscal year ending March 31, 2024), please refer to page 6 of the Attached Materials, "(2) Explanation of consolidated earnings forecasts and other forward-looking statements" under "1. Qualitative Information Regarding Financial Results for the Nine Months Ended December 31, 2023."

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1. Qualitative Information Regarding Financial Results for the Nine Months Ended December 31, 2023

(1) Explanation of operating results

In the nine months ended December 31, 2023, the gradual recovery in the Japanese economy was expected to continue, due in part to the positive impacts of various policies as employment and income conditions improved. However, business conditions in Japan are currently at risk of being stymied by slowing economic activity particularly when it comes to effects associated with global monetary tightening and concerns regarding the future of the Chinese economy. In addition, the impacts of mainly rising prices and volatility in the financial and capital markets also warrant plenty of caution.

Under these conditions, in the nine months ended December 31, 2023, based on the “FY2021-FY2023 Seibu Group’s Medium-term Management Plan,” which is currently in its third year, we focused on the themes of “Looking ahead to our vision for the Group in a post-COVID-19 society, overcoming the impact of COVID-19 and creating a pathway for rapid growth” and advanced initiatives with a three-point framework comprising “management reforms,” “digital management,” and “sustainability.”

In “management reforms,” we carried out “Management Reforms for Urban Transportation and Regional Business” in addition to the themes of “asset-light business operation,” “lowering the breakeven point,” and “service transformation to suit the new normal.” With regard to “Management Reforms for Urban Transportation and Regional Business,” on April 1, 2023, Seibu Railway Co., Ltd. transferred its real estate other than railway operations, including Seibuen Amusement Park, to the Company’s consolidated subsidiary SEIBU REALTY SOLUTIONS INC. to specialize in its core business of railway operations and value creation functions along its rail lines. Moreover, we have decided to engage in a cooperative partnership with Mizuho Financial Group, Inc. in the context of leveraging the capital recycling business, remaining mindful of capital efficiency, addressing the need for redevelopment funds associated with our existing asset holdings and investing in new development opportunities.

In terms of “digital management,” we began using our “Group Marketing Foundation,” worked to build services to expand Group customers, and launched operations of the “SEIBU Smile ID,” common IDs for the Seibu Group, in January 2024. Moreover, we also shifted management-related operations to a common Group system in an effort to realize operation and workstyle reforms and reduce fixed expenses.

In “sustainability,” we continued to promote “Sustainability Actions” with 12 key objectives in the four categories of safety, environment, community engagement, and corporate culture, in order to realize a sustainable society. In the environment category, in April 2023 Seibu Bus started using large electric buses that run on 100% renewable energy, and Hakone Yunohana Prince Hotel introduced the first binary power generation facility in Kanagawa prefecture in June 2023. In addition, Seibu Railway Co., Ltd. has started operating with effectively zero-CO₂ emissions since January 2024 in that all electricity consumed by all Seibu Railway lines is derived from renewable energy.

To summarize our management results for the nine months ended December 31, 2023, the Group steadily captured increased demand with the reclassification of COVID-19 to Class 5 and worked to increase prices, leading to operating revenue of ¥360,476 million, up ¥39,952 million, or 12.5%, year on year. Operating profit was ¥47,601 million, an increase of ¥27,474 million, or 136.5%, year on year due to increased revenue. EBITDA was ¥87,664 million, an increase of ¥26,224 million, or 42.7%, year on year.

Ordinary profit was ¥43,791 million, an increase of ¥25,483 million, or 139.2%, year on year, and profit attributable to owners of parent was ¥43,185 million, a decrease of ¥27,319 million, or 38.7%, year on year, due to factors that include a reactionary decline associated with the transfer of properties including The Prince Park Tower Tokyo, recorded in the same period of the previous fiscal year.

Operating results for the nine months ended December 31, 2023, in each segment were as follows.

Reportable segments were changed from the first quarter ended June 30, 2023.

(Millions of yen)

Segment	Operating revenue			Operating profit			EBITDA		
	For the nine months ended December 31, 2023	Year-on-year change	Change (%)	For the nine months ended December 31, 2023	Year-on-year change	Change (%)	For the nine months ended December 31, 2023	Year-on-year change	Change (%)
Urban Transportation and Regional	111,182	7,646	7.4	15,230	8,602	129.8	30,878	9,173	42.3
Hotel and Leisure	171,768	25,905	17.8	18,114	16,918	–	29,720	15,103	103.3
Real Estate	59,470	4,201	7.6	10,842	1,704	18.7	19,475	1,584	8.9
Other	35,444	3,868	12.3	2,817	987	54.0	5,928	1,152	24.1
Total	377,865	41,622	12.4	47,004	28,212	150.1	86,003	27,014	45.8
Adjustments	(17,389)	(1,669)	–	597	(737)	(55.3)	1,661	(789)	(32.2)
Consolidated	360,476	39,952	12.5	47,601	27,474	136.5	87,664	26,224	42.7

Notes: 1. Adjustments mainly consist of elimination of inter-company transactions.

2. EBITDA is calculated by adding depreciation and amortization of goodwill to operating profit.

3. The following three changes were made to reportable segment structures from the first quarter ended June 30, 2023 for the purpose of enhancing expertise within the Group. To facilitate year-on-year comparisons, the figures for the same period of the previous fiscal year have been restated to conform with the changed segment structures.

- Seibuen Amusement Park operations that were part of the Urban Transportation and Regional business have been transferred to the Hotel and Leisure business.
- Toshimaen site leasing operations that were part of the Urban Transportation and Regional business have been transferred to the Real Estate business.
- The operation management of some golf courses that were part of the Real Estate business have been transferred to the Hotel and Leisure business.

Urban Transportation and Regional

The Urban Transportation and Regional business segment consists of railway operations that include key commuter lines for the greater Tokyo metropolitan area, bus operations that support the transportation needs of our railway passengers, lifestyle service operations along railway lines, sports operations, and others. Operating revenues for each of these operations were as follows.

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023	Change
Operating revenue	103,535	111,182	7,646
Railway operations	67,262	75,201	7,938
Bus operations	16,648	17,933	1,284
Lifestyle service operations along railway lines	14,526	13,636	(890)
Sports operations	2,278	1,611	(666)
Other	2,818	2,799	(19)

Note: Starting from the first quarter ended June 30, 2023, with “Management Reforms for Urban Transportation and Regional Business,” we changed the breakdown of the Urban Transportation and Regional business segment. To facilitate year-on-year comparison, the figures for the same period of the previous fiscal year have been restated to conform with the changed segment structure.

In railway operations, we sought to revitalize the neighborhood around Toshimaen Station by partnering with Warner Bros. Studio Tour Tokyo - The Making of Harry Potter, the attraction that opened at the former site of Toshimaen, to refurbish both Ikebukuro and Toshimaen stations and

operate a Studio Tour Tokyo Express train service featuring carriages fully wrapped in Harry Potter artwork.

In bus operations, despite a reduction in the number of some highway bus services, we made every effort to steadily capture recovering demand for bus travel by gradually switching back to the usual timetables.

Operating revenue in the Urban Transportation and Regional business was ¥111,182 million, an increase of ¥7,646 million, or 7.4%, year on year, as the business steadily captured increased demand with the reclassification of COVID-19 to Class 5 and promoted non-commuter-pass use and the use of leisure facilities, despite a limited recovery in commuter pass use due to the consolidation of remote working. Meanwhile, the number of passengers in railway operations increased by 5.4% year on year (of which commuters increased by 4.0% and non-commuters increased by 7.5%), and passenger transportation sales increased by 12.2% year on year (of which commuters increased by 9.7% and non-commuters increased by 14.1%). Segment operating profit was ¥15,230 million, an increase of ¥8,602 million, or 129.8%, year on year. EBITDA was a profit of ¥30,878 million, an increase of ¥9,173 million, or 42.3%, year on year.

Hotel and Leisure

The Hotel and Leisure business segment consists of domestic hotel operations (ownership/lease), domestic hotel operations (MC/FC), overseas hotel operations (ownership/lease), overseas hotel operations (MC/FC), sports operations (ownership/lease), sports operations (MC/FC) and others. Operating revenues for each of these operations were as follows.

	(Millions of yen)		
	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023	Change
Operating revenue	145,862	171,768	25,905
Domestic hotel operations (ownership/lease)	90,739	102,282	11,542
Domestic hotel operations (MC/FC)	2,339	8,666	6,326
Overseas hotel operations (ownership/lease)	22,396	27,253	4,856
Overseas hotel operations (MC/FC)	189	337	148
Sports operations (ownership/lease)	12,588	10,595	(1,993)
Sports operations (MC/FC)	128	1,480	1,352
Others	17,479	21,152	3,672

Note: Starting from the first quarter ended June 30, 2023, with “Management Reforms for Urban Transportation and Regional Business,” we changed the breakdown of the Hotel and Leisure business segment. To facilitate year-on-year comparison, the figures for the same period of the previous fiscal year have been restated to conform with the changed segment structure.

In domestic hotel operations, hotel operator SEIBU PRINCE HOTELS WORLDWIDE INC. endeavored to continually provide customers with services that prioritize safety and security by simultaneously obtaining 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”) for the following three hotels: Grand Prince Hotel Hiroshima (main venue for the G7 Hiroshima Summit); Karuizawa Prince Hotel (venue for the G7 Foreign Ministers’ Meeting); and Sapporo Prince Hotel (venue for the G7 Ministers’ Meeting on Climate, Energy and Environment). As services are improved, the Group is taking steps to strengthen revenue management by raising prices. We also continue to open new hotels. On July 1, 2023 we rebranded and opened the Grand Prince Hotel Osaka Bay.

In overseas hotel operations, SEIBU PRINCE HOTELS WORLDWIDE INC. rebranded and opened the New York hotel “THE PRINCE KITANO NEW YORK (formerly The Kitano Hotel New York)”

with Kitano Arms Corporation, the U.S. subsidiary of Kitano Godo Tatemono Inc. on December 1, 2023. Moreover, StayWell Holdings Pty Ltd rebranded and opened Park Proxi Gibraltar Bowral on September 6, 2023, thereby making it the first Park Proxi lifestyle brand establishment in Australia.

Also, on April 1, 2023, the administration of Seibuen Amusement Park was assigned to Yokohama Hakkeijima Inc. under a new management structure.

Operating revenue in the Hotel and Leisure business was ¥171,768 million, an increase of ¥25,905 million, or 17.8%, year on year, as the business steadily captured demand headed toward recovery in domestic hotels, Hawaii and leisure facilities, in addition to inbound demand as well as worked to increase prices. RevPAR* for the domestic hotel business was ¥13,558, an increase of ¥5,527 year on year. Segment operating profit was ¥18,114 million, an increase of ¥16,918 million year on year, due to increased revenue. EBITDA was a profit of ¥29,720 million, an increase of ¥15,103 million, or 103.3%, year on year.

- * RevPAR: Revenue Per Available Room. RevPAR is calculated by dividing total room sales for a given period by the aggregate number of days per room for which each room was available during such period.

Real Estate

The Real Estate business segment consists of leasing operations and others. Operating revenues for each of these operations were as follows.

(Millions of yen)			
	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023	Change
Operating revenue	55,269	59,470	4,201
Leasing operations	31,840	33,151	1,310
Others	23,428	26,319	2,890

Note: Starting from the first quarter ended June 30, 2023, with “Management Reforms for Urban Transportation and Regional Business,” we changed the breakdown of the Real Estate business segment. To facilitate year-on-year comparison, the figures for the same period of the previous fiscal year have been restated to conform with the changed segment structure.

In leasing operations, the construction of Emi Base Kotesashi, the second rental housing project featuring an adjoining garage space for tenants, which leverages unused land along the Seibu Railway lines, is scheduled for completion at the end of February 2024.

We also worked to reduce fixed expenses by bringing PM and BM operations in-house.

Operating revenue in the Real Estate business segment was ¥59,470 million, an increase of ¥4,201 million, or 7.6%, year on year, due to an increase in the volume of work completed by Seibu Landscape Co., Ltd. and the impact of tenancy at Tokyo Garden Terrace Kioicho. Segment operating profit was ¥10,842 million, an increase of ¥1,704 million, or 18.7%, year on year. EBITDA was ¥19,475 million, an increase of ¥1,584 million, or 8.9%, year on year.

Other

In the Sports business, we worked to provide an enjoyable sports entertainment experience by offering services, giving performances, and holding events that maximize the capabilities of the Belluna Dome. In the Izuhakone business, we worked to capture tourism demand headed toward recovery mainly in the bus business. In the Ohmi business, we prepared for the separation of infrastructure and operations under a scheme where the facilities are publicly-owned and the operations are privately managed in the railway business.

Operating revenue was ¥35,444 million, an increase of ¥3,868 million, or 12.3%, year on year, due to the increased number of spectators for the professional baseball team Saitama Seibu Lions and strong

sales of goods. Operating profit was ¥2,817 million, an increase of ¥987 million, or 54.0%, year on year, and EBITDA was ¥5,928 million, an increase of ¥1,152 million, or 24.1%, year on year.

For the sports operations in the Urban Transportation and Regional business and in the Hotel and Leisure business and for the Sports business within the Other businesses segment, the total operating revenue was ¥32,094 million, up ¥585 million, or 1.9%, year on year.

(2) Explanation of consolidated earnings forecasts and other forward-looking statements

The consolidated earnings forecasts for the fiscal year ending March 31, 2024 are unchanged from the forecasts announced on September 28, 2023.

The consolidated earnings forecasts were revised on September 28, 2023, from those announced on May 11, 2023. For more details, please refer to “Notice Regarding the Revision of the Consolidated Earnings Forecasts for the Six Months Ending September 30, 2023 and Full Year Ending March 31, 2024” announced on the same day.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	25,988	24,414
Notes and accounts receivable - trade, and contract assets	29,991	31,470
Land and buildings for sale in lots	5,322	5,028
Merchandise and finished goods	1,151	1,192
Costs on construction contracts in progress	102	430
Raw materials and supplies	3,169	4,009
Other	28,744	24,047
Allowance for doubtful accounts	(95)	(91)
Total current assets	94,373	90,501
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	497,252	486,016
Machinery, equipment and vehicles, net	62,947	63,744
Land	660,547	661,637
Leased assets, net	13,807	14,382
Construction in progress	127,105	130,364
Other, net	17,087	15,752
Total property, plant and equipment	1,378,748	1,371,898
Intangible assets		
Leased assets	24	19
Other	23,221	22,744
Total intangible assets	23,245	22,764
Investments and other assets		
Investment securities	61,617	73,631
Long-term loans receivable	269	270
Retirement benefit asset	15,893	14,837
Deferred tax assets	5,330	4,463
Other	8,654	10,104
Allowance for doubtful accounts	(299)	(285)
Total investments and other assets	91,466	103,021
Total non-current assets	1,493,460	1,497,684
Total assets	1,587,834	1,588,186

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,566	14,946
Short-term borrowings	131,537	131,110
Lease liabilities	1,136	976
Income taxes payable	9,603	5,752
Advances received	103,280	118,202
Provision for bonuses	5,871	2,968
Provision for loss on guarantees	809	–
Other provisions	1,977	1,933
Asset retirement obligations	66	64
Other	96,018	56,470
Total current liabilities	367,867	332,425
Non-current liabilities		
Bonds payable	50,000	50,000
Long-term borrowings	593,136	569,494
Long-term accounts payable to Japan railway construction, transport and technology agency	6,014	4,330
Lease liabilities	10,563	11,131
Deferred tax liabilities	104,326	114,669
Deferred tax liabilities for land revaluation	7,829	7,827
Provision for retirement benefits for directors (and other officers)	431	422
Provision for share awards for directors (and other officers)	279	308
Other provisions	69	86
Retirement benefit liability	19,809	20,046
Asset retirement obligations	1,556	1,112
Liabilities from application of equity method	15,449	14,899
Other	32,865	32,966
Total non-current liabilities	842,333	827,295
Total liabilities	1,210,201	1,159,721
Net assets		
Shareholders' equity		
Share capital	50,000	50,000
Capital surplus	96,519	96,519
Retained earnings	241,154	274,550
Treasury shares	(53,174)	(53,011)
Total shareholders' equity	334,499	368,058
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,227	17,762
Revaluation reserve for land	11,580	11,578
Foreign currency translation adjustment	15,431	24,165
Remeasurements of defined benefit plans	2,711	1,177
Total accumulated other comprehensive income	37,951	54,683
Share acquisition rights	193	184
Non-controlling interests	4,988	5,537
Total net assets	377,633	428,464
Total liabilities and net assets	1,587,834	1,588,186

(2) Quarterly consolidated statements of income and comprehensive income
Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Operating revenue	320,523	360,476
Operating expenses		
Operating expenses and cost of sales of transportation	270,411	283,329
Selling, general and administrative expenses	29,984	29,544
Total operating expenses	300,395	312,874
Operating profit	20,127	47,601
Non-operating income		
Interest income	5	11
Dividend income	886	1,084
Subsidy to keep a bus on a regular route	370	350
Other	3,804	1,607
Total non-operating income	5,067	3,054
Non-operating expenses		
Interest expenses	5,874	5,674
Share of loss of entities accounted for using equity method	12	87
Other	999	1,101
Total non-operating expenses	6,886	6,864
Ordinary profit	18,308	43,791
Extraordinary income		
Gain on sale of non-current assets	79,962	6,858
Contribution received for construction	50	1,797
Subsidy income	18	55
Gain on sale of investment securities	1,164	–
Income related to transfer of leasehold interests in land	–	* 10,800
Other	293	736
Total extraordinary income	81,489	20,247
Extraordinary losses		
Impairment losses	22,034	999
Loss on sale of non-current assets	0	25
Loss on retirement of non-current assets	1,183	1,012
Tax purpose reduction entry of contribution for construction	50	1,781
Loss on tax purpose reduction entry of non-current assets	17	50
Loss on valuation of investment securities	141	0
Other	158	218
Total extraordinary losses	23,586	4,089
Profit before income taxes	76,211	59,950
Income taxes - current	10,680	8,065
Income taxes - deferred	(6,095)	8,132
Total income taxes	4,585	16,197
Profit	71,625	43,752
Profit attributable to non-controlling interests	1,120	567
Profit attributable to owners of parent	70,504	43,185

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	71,625	43,752
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,451)	9,534
Foreign currency translation adjustment	15,176	8,756
Remeasurements of defined benefit plans, net of tax	(1,630)	(1,533)
Total other comprehensive income	12,094	16,756
Comprehensive income	83,720	60,509
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	82,573	59,918
Comprehensive income attributable to non-controlling interests	1,146	590

(3) Notes to quarterly consolidated financial statements

Notes on premise of going concern

Not applicable.

Notes on significant changes in the amount of shareholders' equity

Not applicable.

Quarterly consolidated statement of income

* Income related to transfer of leasehold interests in land

Income related to transfer of leasehold interests in land recorded in the nine months ended December 31, 2023 was income related to transfer of leasehold interests in land that arose when there was a change of lessee of land owned by Seibu Railway Co., Ltd., a consolidated subsidiary of the Company.

Segment information

I. For the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

1. Information about operating revenue and profit (loss) by reportable segment

(Millions of yen)

	Urban Transportation and Regional (Note 1)	Hotel and Leisure (Note 1)	Real Estate (Note 1)	Other (Note 2)	Total	Adjustments (Note 3)	Amount in the quarterly consolidated statement of income (Note 4)
Operating revenue	103,535	145,862	55,269	31,576	336,243	(15,719)	320,523
Segment profit	6,628	1,196	9,137	1,829	18,792	1,335	20,127

Notes: 1. The following three changes were made to reportable segments from the first quarter ended June 30, 2023 for the purpose of enhancing expertise within the Group. Accordingly, the figures for the nine months ended December 31, 2022 have been restated to conform with the changed segment structures.

- Seibuen Amusement Park operations that were part of the Urban Transportation and Regional business have been transferred to the Hotel and Leisure business.
- Toshimaen site leasing operations that were part of the Urban Transportation and Regional business have been transferred to the Real Estate business.
- The operation management of some golf courses that were part of the Real Estate business have been transferred to the Hotel and Leisure business.

2. "Other" consists of the Izuhakone business, Ohmi business, Sports business and New businesses.

3. Details of adjustments are as follows:

- (1) Adjustments for operating revenue of ¥(15,719) million mainly consist of elimination of inter-company transactions.
- (2) Adjustments for segment profit of ¥1,335 million mainly consist of elimination of inter-company transactions.

4. Segment profit has been reconciled with operating profit in the quarterly consolidated statement of income.

2. Impairment losses on non-current assets or goodwill, etc. by reportable segment

Significant impairment loss on non-current assets

The Hotel and Leisure business segment recorded impairment losses of ¥21,134 million.

As described in Note 1 of 1. above, the figure has been restated to conform with the changed segment structure.

Impairment losses amounted to ¥22,034 million in the nine months ended December 31, 2022.

II. For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

Information about operating revenue and profit (loss) by reportable segment

(Millions of yen)

	Urban Transportation and Regional	Hotel and Leisure	Real Estate	Other (Note 1)	Total	Adjustments (Note 2)	Amount in the quarterly consolidated statement of income (Note 3)
Operating revenue	111,182	171,768	59,470	35,444	377,865	(17,389)	360,476
Segment profit	15,230	18,114	10,842	2,817	47,004	597	47,601

Notes: 1. "Other" consists of the Izuhakone business, Ohmi business, Sports business and New businesses.

2. Details of adjustments are as follows:

(1) Adjustments for operating revenue of ¥(17,389) million mainly consist of elimination of inter-company transactions.

(2) Adjustments for segment profit of ¥597 million mainly consist of elimination of inter-company transactions.

3. Segment profit has been reconciled with operating profit in the quarterly consolidated statement of income.