

# Keihan Group's Medium-term Management Plan ATTACK 2011 (FY 2010–12)

We have adopted a three-year plan as the first phase in achieving Keihan Group's Management Vision. This plan calls for the adoption of a continuous and all-out "Aggressive attitude" targeting the priority challenges we have identified.

## Basic Concept

"Build up a Robust Management Base" capable of conquering the difficulties and "Realize the Growth for Our Vision" as early as possible.

### Corporate Strategy

#### Strengthening Our Core Businesses

- We shall maximize the profitability and efficiency of our assets and businesses.

#### Reviewing Our Businesses and Assets

- We shall undertake reviews and restructure by differentiating and concentrating our businesses and assets.

#### Realization of Growth

- We shall strengthen our competitiveness with autonomous management in each of our business groups while maximizing cash flow.
- We shall focus our management resources on our real estate leasing, retail, and hotel business segments.
- We shall establish a revenue base by means of affiliations and through M&A activity.
- We shall promptly respond to changing customer preferences and lifestyles. Moreover, we shall strengthen our sales abilities by adopting the customers' viewpoint.

#### Management System and CSR

- We shall promptly shift to a genuine holding company system while monitoring the radical changes occurring in the economic environment.
- We shall implement more agile management, compliance management, brand management, and environmental management while upgrading the overall quality of our management.

## Area Strategy

Well aware of the Keihan area's potential for improvement and value creation, we are promoting an optimal strategy that combines our four business segments. Having established a foundation in the Keihan area, we shall expand the area in which we have decided to launch businesses.

### Improve the Keihan Area's Attractiveness – Remaining the first choice in the minds of customers

#### Nakanoshima

To promote significant recognition of opportunities resulting from the opening of Nakanoshima Line and to improve the value of the area by promoting urban development in cooperation with other companies and governments

#### Kyoto

To improve the Keihan brand in Kyoto area by creating a synergistic effect through enhanced linkage of the group management resources scattered throughout Kyoto area

#### Kuzuha

To ensure that urban development evolves toward the creation of "Town-making that continues to be selected" by implementing measures to improve the attractiveness of the area around the station, including promotion of Phase II Plan for KUZUHA MALL



### Expand the Keihan Area – Continuing to develop on the existing foundation

Positioning the real estate, retail, and hotel segments as expansion businesses and continuing to promote these businesses

## [Numeric Targets]

	FY 2009 Results	FY 2012 Targets
Consolidated operating income	¥14.6 billion	¥20.7 billion
Consolidated EBITDA	¥31.8 billion	¥42.0 billion
Consolidated ROA	2.6%	3.2%

### ○ Profitability targeted as a result of the management plan

	FY 2009 Results	FY 2012 Targets
Consolidated net income	¥7.4 billion	¥8.0 billion
Consolidated ROE	5.7%	5.8%
Consolidated interest-bearing debt/EBITDA multiple	9.2	8.5

### ○ Forecast for Consolidated Operating Revenue

