

FY2013  
(Fiscal year ended March 31, 2013)  
Financial Results Presentation

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May 15, 2013

Keihan Electric Railway Co., Ltd.

(Tokyo Stock Exchange 1st/Osaka Securities Exchange 1st

Securities Code: 9045 <http://www.keihan.co.jp/>)

[Notes on forecasts]

Descriptions of business forecasts and future prospects are based on current information and certain assumptions about factors that may affect future business. The actual results of operating performance may differ from these forecasts.

# **Overview of FY2013**

## **Financial Results**

# Consolidated Statements of Income

(Millions of yen)

	FY2012 Results	FY2013 Results	Change	Main factors of changes	Oct 2012 Estimate
Operating revenue	265,629	279,156	13,526 (5.1%)	Transportation +561, Real estate +13,095, Retail -1,412, Leisure and service +1,150, Others +160	273,600
Operating income	18,160	23,289	5,128 (28.2%)	Transportation +853, Real estate +3,561, Retail +132, Leisure and service +477, Others +176	20,700
Ordinary income	13,580	18,933	5,352 (39.4%)	Non-operating income -434 (Dividends income -25, Miscellaneous income -401) Non-operating expenses -658 (Interest expenses -263, Miscellaneous expenses -371)	15,500
Net income	7,005	11,077	4,072 (58.1%)	Extraordinary income -324 (Contribution for construction -638, Gain on sales of investment securities -351, gain on sales of fixed assets +590) Extraordinary loss -1,351 (Impairment loss -1,108)	9,400

ROA	2.9%	3.6%	0.7pt	ROA: Operating income to total assets	—
ROE	5.1%	7.4%	2.3pt	ROE: Net income to shareholders' equity	—
EBITDA	36,269	40,361	4,091 (11.3%)	EBITDA: Operating income + Depreciation	37,800
Depreciation	18,109	17,071	-1,037 (-5.7%)		17,100
Capital expenditures	32,487	19,977	-12,509 (-38.5%)		29,190

[Changes in scope of consolidation and application of the equity method (from the previous fiscal year end)]

Consolidated subsidiaries: 37 companies (1 company): New: 1 company Keihan Kind Co., Ltd.

Equity method affiliates: 2 companies (No changes)

# Consolidated Balance Sheets

(Millions of yen)

		FY2012 Results	FY2013 Results	Change	Main factors of changes
	Current assets	137,064	134,596	-2,468	Land and buildings for sale -5,290 Notes and accounts receivable -3,490 Cash and deposit +4,225
	Fixed assets	505,438	518,866	13,428	Investments in capital +8,387 Investments in securities +5,511
Total assets		642,502	653,462	10,959	
	Current liabilities	184,947	176,940	-8,007	Short-term loans -26,453 Current portion of bonds +9,955 Income taxes payable +2,287
	Long-term liabilities	311,767	318,400	6,633	Long-term loans +20,492 Bonds -10,376 Long-term accounts payable -3,372
Total liabilities		496,714	495,340	-1,373	
Net assets		145,788	158,121	12,333	Retained earnings +8,505 Valuation difference on available-for-sale securities +3,799 * Equity capital ratio 23.8% (+1.5pt)
Total liabilities and net assets		642,502	653,462	10,959	
Interest-bearing debt at end of fiscal period		335,864	327,880	-7,983	Loans payable -5,961 Long-term accounts payable -2,601 Bonds -420 Short-term bonds payable +1,000
Interest-bearing debt / EBITDA multiple (Times)		9.3	8.1	-1.2	

\*Interest-bearing debt: Loans payable + bonds + short-term bonds payable + accounts payable for Japan Railway Construction, Transport and Technology Agency (JRJT)

# Consolidated Statements of Cash Flows

(Millions of yen)

	FY2012 Results	FY2013 Results	Change	Main factors of changes
Operating cash flows	14,818	43,901	29,082	Income before income taxes +6,380 Changes in notes and accounts receivable +8,818 Changes in inventories +14,007
Investing cash flows	-40,872	-28,489	12,383	Purchase of fixed assets +11,377
Financing cash flows	18,420	-11,941	-30,361	Changes in loans payable -22,010 Changes in bonds -7,733
Net increase (decrease) in cash and cash equivalents	-7,633	3,470	11,103	
Increase in cash and cash equivalents from newly consolidated subsidiary	—	204	204	
Increase in cash and cash equivalents resulting from merger with non-consolidated subsidiaries	13	—	-13	
Cash and cash equivalents at end of fiscal period	19,127	22,802	3,675	

# Segment Information

(Millions of yen)

	FY2012 Results	FY2013 Results	Change	Change (%)	Oct 2012 Estimate
Operating revenue	265,629	279,156	13,526	5.1%	273,600
Transportation	91,858	92,419	561	0.6%	91,500
Real estate	61,442	74,538	13,095	21.3%	72,300
Retail	97,637	96,224	-1,412	-1.4%	94,600
Leisure and service	24,931	26,081	1,150	4.6%	25,800
Others	1,327	1,487	160	12.1%	1,500
Elimination	-11,566	-11,595	-28	—	-12,100

Operating income	18,160	23,289	5,128	28.2%	20,700
Transportation	5,740	6,594	853	14.9%	5,400
Real estate	10,186	13,747	3,561	35.0%	13,000
Retail	1,919	2,052	132	6.9%	1,600
Leisure and service	413	890	477	115.6%	700
Others	-207	-31	176	—	0
Elimination	109	36	-72	—	0

# Segment Information (Breakdown)

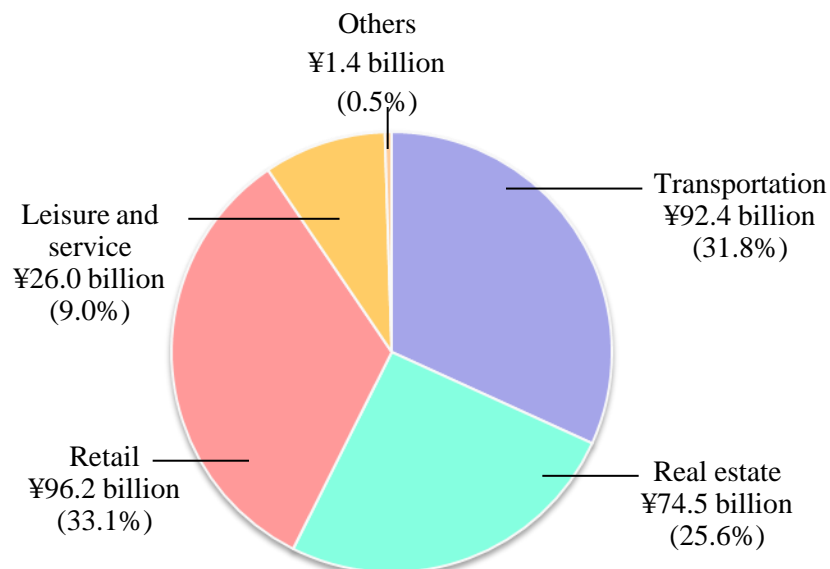
[Consolidated subsidiaries] 38 companies

(Keihan Electric Railway covers both the transportation business and the real estate business) [Equity method affiliates] 2 companies

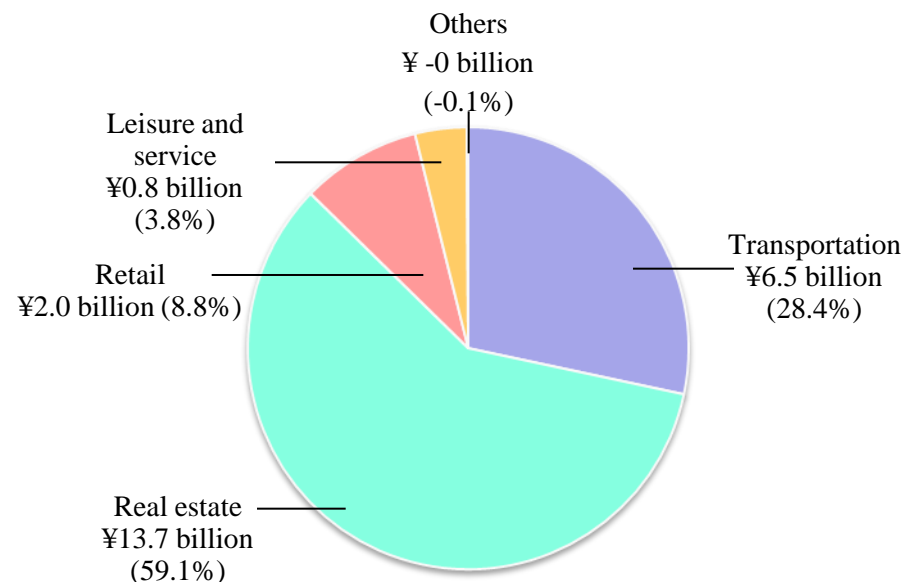
Transportation	Keihan Electric Railway Co., Ltd., Keifuku Electric Railroad Co., Ltd., Eizan Electric Railway Co., Ltd., Keihan Bus Co., Ltd., and 12 other companies
Real estate	Keihan Electric Railway Co., Ltd., Keihan Dentetsu Real Estate Co., Ltd., Eastern Kogyo Co., Ltd., *Keihan Kind Co., Ltd., and 3 other companies
Retail	Keihan Department Stores Co., Ltd., Keihan The Store Co., Ltd., Keihan Ryutsu Systems Co., Ltd., and 2 other companies
Leisure and service	Hotel Keihan Co., Ltd., Kyoto Tower Co., Ltd., Kyoto Century Hotel Co., Ltd., Biwako Kisen Steamship Co., Ltd., and 6 other companies
Others	Keihan Card Co., Ltd.

\*Consolidated subsidiaries: increase of 1 YoY

**<Operating revenue by segment>**



**<Operating income by segment>**



Note: Breakdown of operating revenue and operating income by segment, including intersegment transactions.

# Results of Transportation

(Millions of yen)

	FY2012 Results	FY2013 Results	Change	Change (%)	Main factors of changes	Oct 2012 Estimate
Operating revenue	91,858	92,419	561	0.6%	Railway 79,550 (+656) Bus 26,193 (+814) Elimination -13,324 (-909)	91,500
Operating income	5,740	6,594	853	14.9%	Railway 6,293 (+831) Bus 239 (+148)	5,400
Depreciation	12,019	11,034	-984	-8.2%		—
Capital expenditures	9,321	12,630	3,308	35.5%		—

## << Operating results for transportation (Keihan Electric Railway) >>

	Number of passengers (Thousands of people)				Passenger transportation revenue (Millions of yen)			
	FY2012 Results	FY2013 Results	Change	Change (%)	FY2012 Results	FY2013 Results	Change	Change (%)
Non-commuter passes	144,826	144,753	-72	-0.1%	33,757	33,637	-119	-0.4%
Commuter passes	134,568	133,805	-763	-0.6%	15,798	15,654	-143	-0.9%
Total	279,394	278,558	-835	-0.3%	49,555	49,292	-262	-0.5%

# Results of Real Estate

(Millions of yen)

	FY2012 Results	FY2013 Results	Change	Change (%)	Main factors of changes	Oct 2012 Estimate
Operating revenue	61,442	74,538	13,095	21.3%	Real estate 64,583 (+16,050) Construction 13,233 (-145) Elimination -3,278 (-2,809)	72,300
Operating income	10,186	13,747	3,561	35.0%	Real estate 13,146 (+3,057) Construction 232 (-30)	13,000
Depreciation	3,844	3,822	-21	-0.6%		—
Capital expenditures	21,382	4,766	-16,616	-77.7%	FY2012 : New leasing properties, etc	—

## <<Results by business>>

(Millions of yen)

	Operating revenue				Operating income			
	FY2012 Results	FY2013 Results	Change	Change (%)	FY2012 Results	FY2013 Results	Change	Change (%)
Real estate sales	33,404	46,107	12,702	38.0%	2,910	5,298	2,388	82.0%
Real estate leasing service	15,127	16,263	1,136	7.5%	7,178	8,028	849	11.8%
Real estate management	—	2,211	2,211	—	—	-180	-180	—
Total	48,532	64,583	16,050	33.1%	10,089	13,146	3,057	30.3%

## <<Main condominium buildings for sale>>

(Millions of yen)

Name	Sales amount	Number of units sold*	Location
Fine City osaka-jo koen	10,439	302	Chuo ward, Osaka city
Fine Residence Todakoan	3,139	109	Toda city, Saitama
Grand First Senri Momoyamadai	2,746	82	Suita city, Osaka
Fine Flats Kuzuha the Residence	2,552	72	Hirakata city, Osaka
Fine Residence Seiseki Sakuragaoka	1,665	41	Tama city, Tokyo

\* After adjusting for share in project

## <<New leasing properties>>

Name	Acquired date	Location
Eastern Building*	January 2012	Minato ward, Tokyo
Toranomon 5 Mori Building	August 2011	Minato ward, Tokyo
Mikami Building	June 2011	Setagaya ward, Tokyo
Eishin Building	April 2011	Chiyoda ward, Tokyo

\* Eastern Building became part of the portfolio following the acquisition of shares in the building's owner, Eastern Kogyo Co., Ltd.

# Results of Retail

(Millions of yen)

	FY2012 Results	FY2013 Results	Change	Change (%)	Main factors of changes	Oct 2012 Estimate
Operating revenue	97,637	96,224	-1,412	-1.4%	Department store 55,000 (+679) Store 26,600 (-1,578) Shopping mall management 11,013 (-449) Restaurant 6,406 (-154)	94,600
Operating income	1,919	2,052	132	6.9%	Department store 589 (+224) Store 432 (-196) Shopping mall management 1,014 (+160) Restaurant -1 (-55)	1,600
Depreciation	1,219	1,250	30	2.5%		—
Capital expenditures	922	1,015	93	10.1%		—

## << Major New Properties >>

Name	Opening date	Location
Juicer Bar Keisei Tsudanuma Store	March 7, 2013	Narashino city, Chiba
Juicer Bar Meieki Termina Store, Meieki Taiko Street North Exit Store	February 20, 2013	Nakamura ward, Nagoya city
SWEETS BOX Shin Akitsu Store	November 1, 2012	Higashimurayama city, Tokyo
Juicer Bar SWEETS BOX Shapo Ichikawa Store	October 23, 2012	Ichikawa city, Chiba
Juicer Bar AUGA Aomori Store	September 8, 2012	Aomori city, Aomori
Juicer Bar Shinkansen Shin-Osaka Station Store	August 8, 2012	Yodogawa ward, Osaka city

## << Main Stores Closed>>

Name	Closing date	Location
Keihan The Store Makino Store	January 31, 2013	Hirakata city, Osaka
Ashikari Hilton Plaza East Store	July 21, 2012	Kita ward, Osaka city
Juicer Bar Kyoto Subway Station Store	March 31, 2012	Shimogyo ward, Kyoto city
13 kiosks	March 7, 2012, etc.	—
UNIQLO Tennouji Subway Station Store	December 31, 2011	Abeno ward, Osaka city

## << Sales of Department Store >> << Sales of Store >>

(Millions of yen)

(Millions of yen)

Store	Sales amount	Change
Moriguchi Store	24,511	0
Kuzuha Store	10,339	144
Kyobashi Store	7,332	-154
Hirakata Store	7,002	365
Suminodo Store	5,205	331
Miscellaneous revenue	608	-7
Total	55,000	679

Division	Sales amount	Change
Store	11,784	-468
Convenience store	5,656	-217
Kiosk	715	-161
Station business	7,395	-750
Miscellaneous revenue	1,048	18
Total	26,600	-1,578

# Results of Leisure and Service

(Millions of yen)

	FY2012 Results	FY2013 Results	Change	Change (%)	Main factors of changes	Oct 2012 Estimate
Operating revenue	24,931	26,081	1,150	4.6%	Hotel 21,520 (+1,207) Leisure 4,719 (-51)	25,800
Operating income	413	890	477	115.6%	Hotel 878 (+489) Leisure 232 (+42)	700
Depreciation	1,023	963	-60	-5.9%		—
Capital expenditures	835	1,639	804	96.3%		—

## << Hotel occupancy rates >>

		FY2012 Results	FY2013 Results	Change	Number of rooms	Remarks
Hotel Keihan	Kyobashi	93.1%	89.3%	-3.8pt	214	
	Temmabashi	82.0%	82.5%	0.5pt	317	
	Kyoto	92.5%	97.2%	4.7pt	286	
	Universal City	78.0%	82.9%	4.9pt	330	
	Universal Tower	78.3%	83.9%	5.6pt	641	
	Asakusa	87.8%	95.6%	7.8pt	178	
	Sapporo	90.8%	94.5%	3.7pt	200	
Biwako Hotel		79.1%	83.4%	4.3pt	171	
Kyoto Tower	Kyoto Tower Hotel	90.0%	91.7%	1.7pt	158	
	Kyoto Dai-ni Tower Hotel	80.7%	83.2%	2.5pt	303	
	Kyoto Tower Hotel Annex	94.5%	95.8%	1.3pt	122	
Kyoto Century Hotel		89.0%	90.5%	1.5pt	220	July 25, 2011 Acquisition of shares
Total		—	—	—	3,140	

# Non-consolidated Statements of Income

(Millions of yen)

	FY2012 Results	FY2013 Results	Change	Change (%)	Main factors of changes
Operating revenue	78,809	86,254	7,445	9.4%	
Railway	52,821	52,558	-262	-0.5%	Number of passengers -0.3% Passenger transportation revenue -0.5%
Subsidiary business	25,987	33,696	7,708	29.7%	
Real estate sales	8,974	16,437	7,462	83.2%	Condominium buildings for sale +6,468 (Fine City osaka-jo koen +9,252, Grand First Senri Momoyamadai -2,379)
Real estate leasing service	14,785	14,896	111	0.8%	
Leisure	2,228	2,362	134	6.0%	Number of visitors in Hirakata Park +7.8%
Operating income	12,847	15,544	2,697	21.0%	
Railway	5,773	6,326	552	9.6%	
Subsidiary business	7,073	9,218	2,144	30.3%	
Real estate sales	456	2,343	1,887	413.7%	
Real estate leasing service	7,019	7,202	182	2.6%	
Leisure	-402	-327	74	—	
Ordinary income	9,237	12,609	3,372	36.5%	Non-operating income +3 Non-operating expenses - 671 (Provision of allowance for doubtful accounts -355, Bond issuance cost -116, Interest expenses -87)
Net income	4,469	7,687	3,217	72.0%	Extraordinary income -1,073 (Contribution for construction -633, Gain on sales of investment securities -277) Extraordinary loss -1,868 (Reduction entry of land contribution for construction -563, Impairment loss -771)

# **FY2014 Forecasts**

# Forecast of Consolidated Business Results (1)

(Millions of yen)

	FY2013 Results	FY2014 Forecast	Change	Change (%)	Main factors of changes
Operating revenue	279,156	274,400	-4,756	-1.7%	Transportation -1,119 Real estate -2,838 Retail -1,324 Leisure and service +118
Operating income	23,289	19,700	-3,589	-15.4%	Transportation -794 Real estate -2,447 Retail -252 Leisure and service -90
Ordinary income	18,933	15,700	-3,233	-17.1%	Non-operating income +230 Non-operating expenses -126
Net income	11,077	9,200	-1,877	-17.0%	Extraordinary income +17,481 Extraordinary loss +17,533

Capital expenditure	19,977	34,600	14,622	73.2%	[Breakdown of capital expenditure]
Depreciation	17,071	16,800	-271	-1.6%	Transportation 12,100 (-530) Real estate 18,600 (+13,833) Retail 2,100 (+1,084) Leisure and service 1,400 (-239) Corporate, etc. 400 (+474)
EBITDA	40,361	36,500	-3,861	-9.6%	<<Main capital expenditure for FY2013>> (Transportation)
Interest-bearing debt	327,880	341,000	13,119	4.0%	Investment on our railway 7,089 (Real estate)
Interest-bearing debt / EBITDA multiple (Times)	8.1	9.3	1.2	—	Investment on our real estate 18,442

# Forecast of Consolidated Business Results (2)

<< By segment >>

(Millions of yen)

	FY2013 Results	FY2014 Forecast	Change	Change (%)	Main factors of changes
Operating revenue	279,156	274,400	-4,756	-1.7%	
Transportation	92,419	91,300	-1,119	-1.2%	Railway -1,635, Bus -296, Elimination +812
Real estate	74,538	71,700	-2,838	-3.8%	Real estate sales -4,728 Real estate leasing service -632 Real estate management -197 Construction +602 Elimination +2,117
Retail	96,224	94,900	-1,324	-1.4%	Store -526 Department store -449 Shopping mall management -193
Leisure and service	26,081	26,200	118	0.5%	Hotel +280 Leisure -112
Others	1,487	1,600	112	7.6%	
Elimination	-11,595	-11,300	295	—	

Operating income	23,289	19,700	-3,589	-15.4%	
Transportation	6,594	5,800	-794	-12.0%	Railway -647 Bus -120
Real estate	13,747	11,300	-2,447	-17.8%	Real estate sales -1,261 Real estate leasing service -943 Construction -63 Real estate management +211
Retail	2,052	1,800	-252	-12.3%	Shopping mall management -432 Department store -271 Store +351
Leisure and service	890	800	-90	-10.2%	Hotel -81
Others	-31	0	31	—	
Elimination	36	0	-36	—	

# Forecast of Non-Consolidated Business Results

(Millions of yen)

	FY2013 Results	FY2014 Forecast	Change	Change (%)	Main factors of changes
Operating revenue	86,254	83,300	-2,954	-3.4%	
Railway	52,558	51,980	-578	-1.1%	Number of passengers -0.7% Passenger transportation revenue -0.9%
Subsidiary business	33,696	31,320	-2,376	-7.1%	Condominium buildings for sale -1,450
Operating income	15,544	13,450	-2,094	-13.5%	
Railway	6,326	5,670	-656	-10.4%	
Subsidiary business	9,218	7,780	-1,438	-15.6%	
Ordinary income	12,609	11,260	-1,349	-10.7%	Non-operating income +500 Non-operating expenses -245
Net income	7,687	6,740	-947	-12.3%	Extraordinary income +17,715 Extraordinary loss +18,049

## << Forecast of operating results for transportation (Keihan Electric Railway) >>

	Number of passengers (Thousands of people)				Passenger transportation revenue (Millions of yen)			
	FY2013 Results	FY2014 Forecast	Change	Change (%)	FY2013 Results	FY2014 Forecast	Change	Change (%)
Non-commuter passes	144,753	143,382	-1,371	-0.9	33,637	33,288	-349	-1.0
Commuter passes	133,805	133,351	-454	-0.3	15,654	15,561	-93	-0.6
Total	278,558	276,733	-1,825	-0.7	49,292	48,849	-443	-0.9

## **TOPICS**

# **Progress of FY2014 Initiatives**

## Basic Policy

Building the foundations for a strong Keihan for the next 100 years

## Corporate Strategy

Strengthen the operating structure through extensive efficiency gains

### ◆ Operating divisions

Create an efficient operating system through a radical review of the business structure

- Overhaul business approaches
- Restructure and integrate businesses in the Group
- Exit unprofitable businesses or businesses with limited potential

### ◆ Administrative divisions

Achieve extensive efficiency gains through cost control

- Create a lean head office at Keihan Electric Railway by reducing the size of administrative divisions
- Reduce costs in administrative divisions at Group companies

Revitalize areas along the Keihan Railway lines

### ◆ Push ahead with site development

- Push ahead with the creation of highly livable areas by developing strategic sites such as the KUZUHA MALL second-stage development plan in order to ensure areas along our lines continue to be chosen by the public well into the future

### ◆ Implement our Kyoto strategy

- Establish a position as the leading company in Kyoto
- Customers always associate Keihan with Kyoto

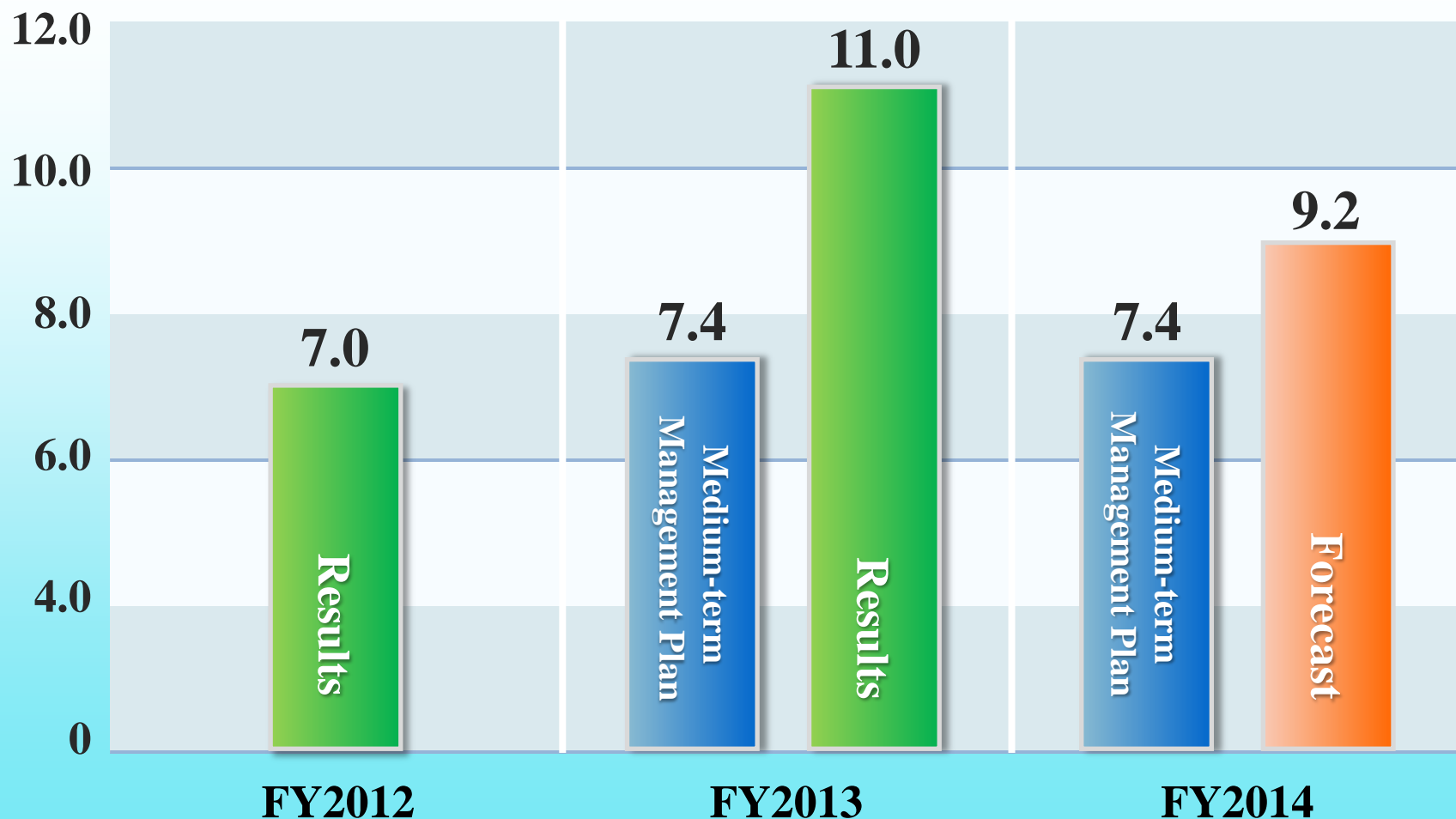
### ◆ Promote new businesses to develop areas along rail lines

- Promote lifecycle support businesses

# Comparison of Medium-term Management Plan with FY2013 Results and FY2014 Forecast

(Billions of yen)

## Net income



# Revitalize areas along the Keihan Railway lines

## <Kyoto and Otsu area>

### [Implement our Kyoto strategy]

- Develop the business to enhance the value of Keihan Group facilities near Kyoto station and at Arashiyama in order to establish Keihan as a leading company in the Kyoto area



## <Hirakata and Kuzuha area>

### [Push ahead with site development]

- Redevelop Kuzuha Station and the surrounding area in conjunction with the refurbishment of KUZUHA MALL



## <Nakanoshima and Kyobashi area>

### [Revitalize areas along our lines ]

- Revitalize Osaka as an “Aqua Metropolis” by redeveloping the area around Nakanoshima and holding events that tie in with the 30th anniversary of Osaka Aqua-Bus



# Business Strategy — Transportation —

Ensure safety and peace of mind

## ◆ Various drills and trainings

Upgrade our ability to respond to train accidents, natural disasters and other emergencies (ensure customer safety, prevent secondary disasters, relay accurate information, restore facilities, make arrangements until train services are restored etc.)

## ◆ Roll out new ATS technology

Began operating the system on some sections of the Keihan lines from FY2015 in order to improve safety  
Full installation on all Keihan lines scheduled for FY2017

## ◆ Complete installation of platform warning devices

Installation completed in FY2013 at all stations required by the authorities to have the device  
Installation at all Keihan stations scheduled for completion in FY2018

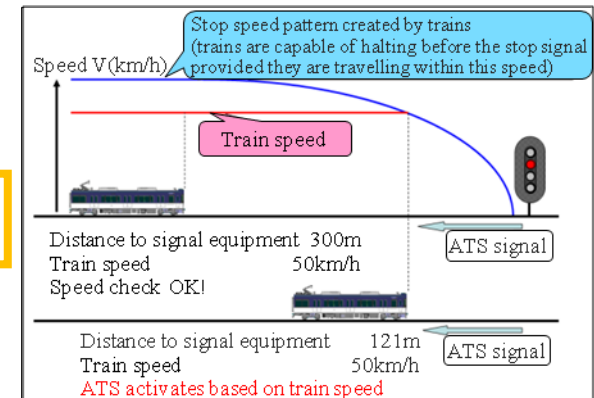


Accident recovery drill

Improve the efficiency of the transport operating system

## ◆ Wider use of driver-only trains

Driver-only train services scheduled to start on Keihan Uji line from June 1, 2013  
Improving the efficiency of our transport operating system while taking every step to ensure safety



New ATS system design

# Business Strategy — Transportation —

Develop services tailored to the needs of customers

## ◆ Revising timetables on Keihan lines

Timetables revised due to the full-scale start of shared use of platform 1 at Yodo Station (Kyoto direction); aim is to improve user convenience and create a more efficient transport operating system

## ◆ Operate trains with special designs and hold events

Hold events at Keihan Group sites, including decorations at Kisaichi Station and other locations and special tickets to mark the start of Thomas and Friends 2013 services



Thomas and Friends 2013

## ◆ Refurbish Arashiyama Station on the Arashiyama line

Remove the station ticket gates and improve access inside the station

Create a more lively station atmosphere and step up efforts to attract passengers to enhance its position as a landmark in Saga Arashiyama



Inside Arashiyama Station

## ◆ Expand the bus location system

Expand the service area for the system, which allows passengers to use smartphones or PCs to view bus information such as estimated arrival time at bus stop, estimated arrival time at destination, and current bus location

# Business Strategy — Real Estate—

Continue to focus on short-term turnover business

## ◆ Major property sales

[Fine Quarter City]

Location : 1-9-6 Oyodo Kita, Kita ward, Osaka city, Osaka  
Building scale : 20 aboveground floors, 377 units  
Completion : Early March 2014 (planned)

[The Kourien Residence]

Location : 8-1 Kouri Hondori-cho, Neyagawa city, Osaka  
8-1 Kourien-cho, Hirakata city, Osaka  
Building scale : 24 aboveground floors, 1 underground floor, 151 units  
Completion : Early February 2014 (planned)



Image of Fine Quarter City

Initiatives to enhance profitability

## ◆ Strategically replace portfolio assets and invest in real estate funds

- Keihan Marquis Umeda building sold (April 30)

## ◆ Expand the condominium management and property management businesses

Breakdown of properties under management

Office buildings	: 20	
Leasing condominiums	: 12	(318 units)
Owner-occupied condominiums	: 131	(8,601 units)

(As of May 15, 2013)

# Business Strategy — Retail—

## Initiatives to enhance profitability

### ◆ New property management contracts

#### ■ BIG HOP Garden Mall Inzai (February 1)

Location	:1-2 Ichihara, Inzai city, Chiba
Total floor space	:approx. 65,400m <sup>2</sup>
Sales area	:approx. 45,400m <sup>2</sup>
Tenants	:approx. 85 stores
Car parking	:2,800 cars
Store opened	:September 28, 2007



**BIG HOP Garden Mall Inzai**

### ◆ Newly opened stores

#### [Juicer Bar]

- Meieki Termina Store, Meieki Taiko Street  
North Exit Store (February 20)  
→ First store opened in Tokai area (Nagoya Station)
- Keisei Tsudanuma Store (March 7)
- Tokyu Nagatsuda Store,  
Tokyu Minami-machida Store (April 10)

### ◆ Store closures

- Keihan The Store Makino Store (January 31)



**Juicer Bar  
Meieki Termina Store**



**Juicer Bar  
Keisei Tsudanuma Store**

# Business Strategy — Leisure and Service —

## Initiatives to target tourism-related demand

### < Hotel business >

#### ◆ Use hotel refurbishments to attract more customers

##### [ Kyoto Century Hotel ]

Improved room comfort with facilities for three guests per room, new furniture

(28 rooms refurbished on March 3)

##### [ Hotel Keihan Kyobashi ]

Installed larger beds, upgraded bathrooms and air conditioning to make rooms more appealing

(54 rooms on February 20)

##### [ Kyoto Tower Hotel ]

- Opened the new restaurant “Tower Terrace” (December 6)
- Refurbished observation elevators (April 1)

### < Leisure >

##### [ Osaka Aqua-Bus ]

- Held events and sold special tickets to mark 30th anniversary of services



**Kyoto Century Hotel**  
New floor “Komorebi” with improved comfort levels



“Aqua-Liner”, Osaka Aqua-Bus