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ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

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August 1, 2023

Consolidated Financial Results for the Three Months Ended June 30, 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: August 2, 2023
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 Three Months Ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

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

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2023	116,212	12.4	14,653	92.2	13,815	84.0	9,099	148.1
June 30, 2022	103,432	12.7	7,624	—	7,509	—	3,668	—

Note: Comprehensive income

For the three months ended June 30, 2023: ¥14,287 million [64.6%]

For the three months ended June 30, 2022: ¥8,682 million [— %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	30.23	30.22
June 30, 2022	12.21	12.20

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2023	1,579,120	385,941	24.1
March 31, 2023	1,587,834	377,633	23.5

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

As of June 30, 2023: ¥380,650 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	—				
Fiscal year ending March 31, 2024 (Forecast)		12.50	—	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	%
Six months ending September 30, 2023	236,000	11.0	23,000	71.4	20,000	57.1
Fiscal year ending March 31, 2024	462,000	7.8	36,000	62.5	30,000	49.0

	Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Yen
Six months ending September 30, 2023	13,000	(79.9)	43.19
Fiscal year ending March 31, 2024	24,000	(57.7)	79.74

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 June 30, 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 June 30, 2023	22,433,484 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)

Three months ended June 30, 2023	301,015,736 shares
Three months ended June 30, 2022	300,516,687 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 (236,700 shares as of June 30, 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) (250,400 shares for the three months ended June 30, 2023 and 705,119 shares for the three months ended June 30, 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 June 30, 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 three months ended June 30, 2023 and 21,998,594 shares for the three months ended June 30, 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 Three Months Ended June 30, 2023."

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1. Qualitative Information Regarding Financial Results for the Three Months Ended June 30, 2023

(1) Explanation of operating results

In the three months ended June 30, 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 improve, but business conditions in Japan are currently at risk of being stymied by slowing economic activity overseas amid sustained global monetary tightening and other developments. 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 three months ended June 30, 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. Also, we assigned the administration of Seibuen Amusement Park to our consolidated subsidiary Yokohama Hakkeijima Inc. Owing to these management structure changes, the Group’s businesses are now being operated under the best possible organizational structure for further enhancing expertise, boosting profitability, and generating Group synergies.

In terms of “digital management,” we began using our “Group Marketing Foundation,” worked to build services to expand Group customers, and 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. Hakone Yunohana Prince Hotel introduced the first binary power generation facility in Kanagawa prefecture in June 2023.

To summarize our management results for the three months ended June 30, 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 ¥116,212 million, up ¥12,779 million, or 12.4%, year on year. Operating profit was ¥14,653 million, an increase of ¥7,029 million, or 92.2%, year on year due to increased revenue. EBITDA was a profit of ¥27,757 million, an increase of ¥6,315 million, or 29.5%, year on year.

Ordinary profit was ¥13,815 million, an increase of ¥6,305 million, or 84.0%, year on year, and profit attributable to owners of parent was ¥9,099 million, an increase of ¥5,431 million, or 148.1%, year on year.

Operating results for three months ended June 30, 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 three months ended June 30, 2023	Year-on-year change	Change (%)	For the three months ended June 30, 2023	Year-on-year change	Change (%)	For the three months ended June 30, 2023	Year-on-year change	Change (%)
Urban Transportation and Regional	36,349	2,026	5.9	5,355	2,306	75.7	10,384	2,420	30.4
Hotel and Leisure	53,039	7,327	16.0	3,524	3,918	—	7,440	3,029	68.7
Real Estate	19,789	2,038	11.5	3,939	629	19.0	6,826	583	9.3
Other	13,416	1,703	14.5	1,618	319	24.6	2,637	456	21.0
Total	122,595	13,096	12.0	14,437	7,174	98.8	27,288	6,489	31.2
Adjustments	(6,383)	(316)	—	215	(145)	(40.2)	468	(174)	(27.1)
Consolidated	116,212	12,779	12.4	14,653	7,029	92.2	27,757	6,315	29.5

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 three months ended June 30, 2022	For the three months ended June 30, 2023	Change
Operating revenue	34,323	36,349	2,026
Railway operations	22,435	24,743	2,307
Bus operations	5,489	5,884	394
Lifestyle service operations along railway lines	4,782	4,323	(458)
Sports operations	689	472	(216)
Other	925	925	(0)

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.

The Urban Transportation and Regional business recorded operating revenue of ¥36,349 million, an increase of ¥2,026 million, or 5.9%, year on year, by steadily capturing increased demand with the reclassification of COVID-19 to Class 5 and by promoting 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 4.9% year on year (of which commuters increased by 4.1% and non-commuters increased by 6.1%), and passenger transportation sales increased by 10.6% year on year (of which commuters increased by 8.8% and non-commuters increased by 11.9%). Segment operating profit was ¥5,355 million, an increase of ¥2,306 million, or 75.7%, year on year. EBITDA was a profit of ¥10,384 million, an increase of ¥2,420 million, or 30.4%, 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 three months ended June 30, 2022	For the three months ended June 30, 2023	Change
Operating revenue	45,712	53,039	7,327
Domestic hotel operations (ownership/lease)	29,059	31,295	2,235
Domestic hotel operations (MC/FC)	66	2,620	2,553
Overseas hotel operations (ownership/lease)	7,414	9,115	1,701
Overseas hotel operations (MC/FC)	40	113	73
Sports operations (ownership/lease)	4,009	3,108	(900)
Sports operations (MC/FC)	—	501	501
Others	5,122	6,284	1,162

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. is preparing for the start of operations of the New York hotel “The Kitano Hotel New York” with Kitano Arms Corporation, the U.S. subsidiary of Kitano Godo Tatemono Inc.

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 ¥53,039 million, an increase of ¥7,327 million or 16.0% 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 hotel business was ¥11,989, an increase of ¥6,607 year on year. Segment operating profit was ¥3,524 million, an improvement of ¥3,918 million from an operating loss of ¥394 million in the same period of the previous fiscal year, due to increased revenue. EBITDA was a profit of ¥7,440 million, an increase of ¥3,029 million, or 68.7%, 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 three months ended June 30, 2022	For the three months ended June 30, 2023	Change
Operating revenue	17,750	19,789	2,038
Leasing operations	10,330	10,852	522
Others	7,420	8,936	1,516

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, we commenced the construction of Emi Base Kotesashi, the second rental housing project featuring an adjoining garage space for tenants, with a view to completion in autumn 2023. By making use of unused land along the Seibu Railway lines, these housing projects aim to provide tenants with a safe, secure, and comfortable hobby and lifestyle space.

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

The Real Estate business segment recorded operating revenue of ¥19,789 million, an increase of ¥2,038 million, or 11.5%, year on year due to an increase in the volume of work completed at Seibu Landscape and the impact of tenancy at Tokyo Garden Terrace Kioicho. Segment operating profit was ¥3,939 million, an increase of ¥629 million, or 19.0%, year on year. EBITDA was ¥6,826 million, an increase of ¥583 million, or 9.3%, 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 at Izu Mito Sea Paradise Aquarium. 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 ¥13,416 million, an increase of ¥1,703 million, or 14.5%, 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 ¥1,618 million, an increase of ¥319 million, or 24.6%, year on year, and EBITDA was ¥2,637 million, an increase of ¥456 million, or 21.0%, 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 ¥11,944 million, up ¥380 million, or 3.3%, year on year.

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

The consolidated earnings forecasts for the six months ending September 30, 2023 and the fiscal year ending March 31, 2024 are unchanged from the forecasts announced on May 11, 2023.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	25,988	23,753
Notes and accounts receivable - trade, and contract assets	29,991	26,693
Land and buildings for sale in lots	5,322	5,285
Merchandise and finished goods	1,151	1,204
Costs on construction contracts in progress	102	305
Raw materials and supplies	3,169	3,364
Other	28,744	25,731
Allowance for doubtful accounts	(95)	(76)
Total current assets	94,373	86,263
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	497,252	491,833
Machinery, equipment and vehicles, net	62,947	60,676
Land	660,547	660,707
Leased assets, net	13,807	13,858
Construction in progress	127,105	128,065
Other, net	17,087	16,526
Total property, plant and equipment	1,378,748	1,371,667
Intangible assets		
Leased assets	24	22
Other	23,221	22,208
Total intangible assets	23,245	22,231
Investments and other assets		
Investment securities	61,617	68,632
Long-term loans receivable	269	285
Retirement benefit asset	15,893	15,381
Deferred tax assets	5,330	5,362
Other	8,654	9,614
Allowance for doubtful accounts	(299)	(317)
Total investments and other assets	91,466	98,958
Total non-current assets	1,493,460	1,492,857
Total assets	1,587,834	1,579,120

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,566	13,161
Short-term borrowings	131,537	152,346
Lease liabilities	1,136	1,128
Income taxes payable	9,603	2,238
Advances received	103,280	120,562
Provision for bonuses	5,871	10,749
Provision for loss on guarantees	809	805
Other provisions	1,977	2,001
Asset retirement obligations	66	62
Other	96,018	48,191
Total current liabilities	367,867	351,248
Non-current liabilities		
Bonds payable	50,000	50,000
Long-term borrowings	593,136	589,339
Long-term accounts payable to Japan railway construction, transport and technology agency	6,014	6,014
Lease liabilities	10,563	10,547
Deferred tax liabilities	104,326	107,576
Deferred tax liabilities for land revaluation	7,829	7,829
Provision for retirement benefits for directors (and other officers)	431	404
Provision for share awards for directors (and other officers)	279	241
Other provisions	69	73
Retirement benefit liability	19,809	19,940
Asset retirement obligations	1,556	1,558
Liabilities from application of equity method	15,449	15,117
Other	32,865	33,291
Total non-current liabilities	842,333	841,931
Total liabilities	1,210,201	1,193,179
Net assets		
Shareholders' equity		
Share capital	50,000	50,000
Capital surplus	96,519	96,519
Retained earnings	241,154	244,228
Treasury shares	(53,174)	(53,087)
Total shareholders' equity	334,499	337,660
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,227	13,548
Revaluation reserve for land	11,580	11,580
Foreign currency translation adjustment	15,431	15,666
Remeasurements of defined benefit plans	2,711	2,193
Total accumulated other comprehensive income	37,951	42,989
Share acquisition rights	193	193
Non-controlling interests	4,988	5,097
Total net assets	377,633	385,941
Total liabilities and net assets	1,587,834	1,579,120

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

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Operating revenue	103,432	116,212
Operating expenses		
Operating expenses and cost of sales of transportation	85,679	91,890
Selling, general and administrative expenses	10,128	9,668
Total operating expenses	95,808	101,558
Operating profit	7,624	14,653
Non-operating income		
Interest income	1	3
Dividend income	439	554
Subsidy to keep a bus on a regular route	108	110
Share of profit of entities accounted for using equity method	0	—
Foreign exchange gains	803	496
Subsidies for employment adjustment	*1 546	*1 12
Other	602	303
Total non-operating income	2,502	1,480
Non-operating expenses		
Interest expenses	2,019	1,897
Share of loss of entities accounted for using equity method	—	65
Other	598	355
Total non-operating expenses	2,617	2,318
Ordinary profit	7,509	13,815
Extraordinary income		
Gain on sale of non-current assets	178	2
Contribution received for construction	50	40
Subsidy income	16	55
Total extraordinary income	246	97
Extraordinary losses		
Impairment losses	295	1
Loss on sale of non-current assets	—	23
Loss on retirement of non-current assets	262	249
Tax purpose reduction entry of contribution for construction	50	38
Loss on tax purpose reduction entry of non-current assets	15	50
Loss on valuation of investment securities	141	0
Other	10	14
Total extraordinary losses	776	377
Profit before income taxes	6,979	13,535
Income taxes - current	1,902	2,636
Income taxes - deferred	1,085	1,653
Total income taxes	2,987	4,289
Profit	3,992	9,246
Profit attributable to non-controlling interests	323	146
Profit attributable to owners of parent	3,668	9,099

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	3,992	9,246
Other comprehensive income		
Valuation difference on available-for-sale securities	1,840	5,320
Foreign currency translation adjustment	3,447	238
Remeasurements of defined benefit plans, net of tax	(597)	(517)
Total other comprehensive income	4,690	5,041
Comprehensive income	8,682	14,287
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,351	14,137
Comprehensive income attributable to non-controlling interests	330	150

(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

***1. Subsidies for employment adjustment**

Subsidies for employment adjustment consisted of the proceeds applicable to special measures such as subsidies for employment adjustment associated with the impact of COVID-19.

Segment information**I. For the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)****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	34,323	45,712	17,750	11,712	109,499	(6,066)	103,432
Segment profit (loss)	3,048	(394)	3,309	1,299	7,263	360	7,624

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 first quarter ended June 30, 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 ¥(6,066) million mainly consist of elimination of inter-company transactions.
- (2) Adjustments for segment profit (loss) of ¥360 million mainly consist of elimination of inter-company transactions.

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

II. For the three months ended June 30, 2023 (from April 1, 2023 to June 30, 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	36,349	53,039	19,789	13,416	122,595	(6,383)	116,212
Segment profit	5,355	3,524	3,939	1,618	14,437	215	14,653

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 ¥(6,383) million mainly consist of elimination of inter-company transactions.
- (2) Adjustments for segment profit of ¥215 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.