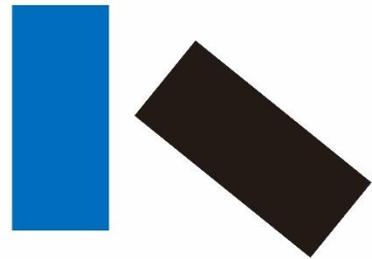


# Results Briefing for the Six Months Ended September 30, 2025



**K I N T E T S U**  
GROUP HOLDINGS

November 20, 2025

Kintetsu Group Holdings Co., Ltd.  
(Tokyo Stock Exchange Prime Market,  
Securities Code: 9041)

<https://www.kintetsu-g-hd.co.jp/lang/english/>

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# **Financial Highlights for the Six Months Ended September 30, 2025**

# Semi-annual consolidated statements of income

(Millions of yen, %)

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change	Factors of change
Operating revenue	853,363	<b>856,315</b>	2,952	0.3	See "Results by segment"
Operating profit	39,504	<b>42,167</b>	2,662	6.7	See "Results by segment"
Non-operating income	5,679	<b>6,782</b>	1,102	19.4	Interest income and dividend income 431
Of which, share of profit of entities accounted for using equity method	1,072	<b>1,064</b>	(7)	(0.7)	
Non-operating expenses	7,317	<b>9,169</b>	1,852	25.3	Syndicated loan formation expenses, etc.
Of which, interest expenses	5,567	<b>6,757</b>	1,190	21.4	
Ordinary profit	37,867	<b>39,780</b>	1,912	5.1	
Extraordinary income	4,812	<b>9,650</b>	4,838	100.5	Compensation income due to the closing of the Nagoya store of the Kintetsu Department Store 4,531
Extraordinary losses	4,726	<b>6,059</b>	1,332	28.2	Loss on store closings due to the closing of the Nagoya store of the Kintetsu Department Store 1,990
Profit attributable to owners of parent	21,824	<b>23,731</b>	1,906	8.7	

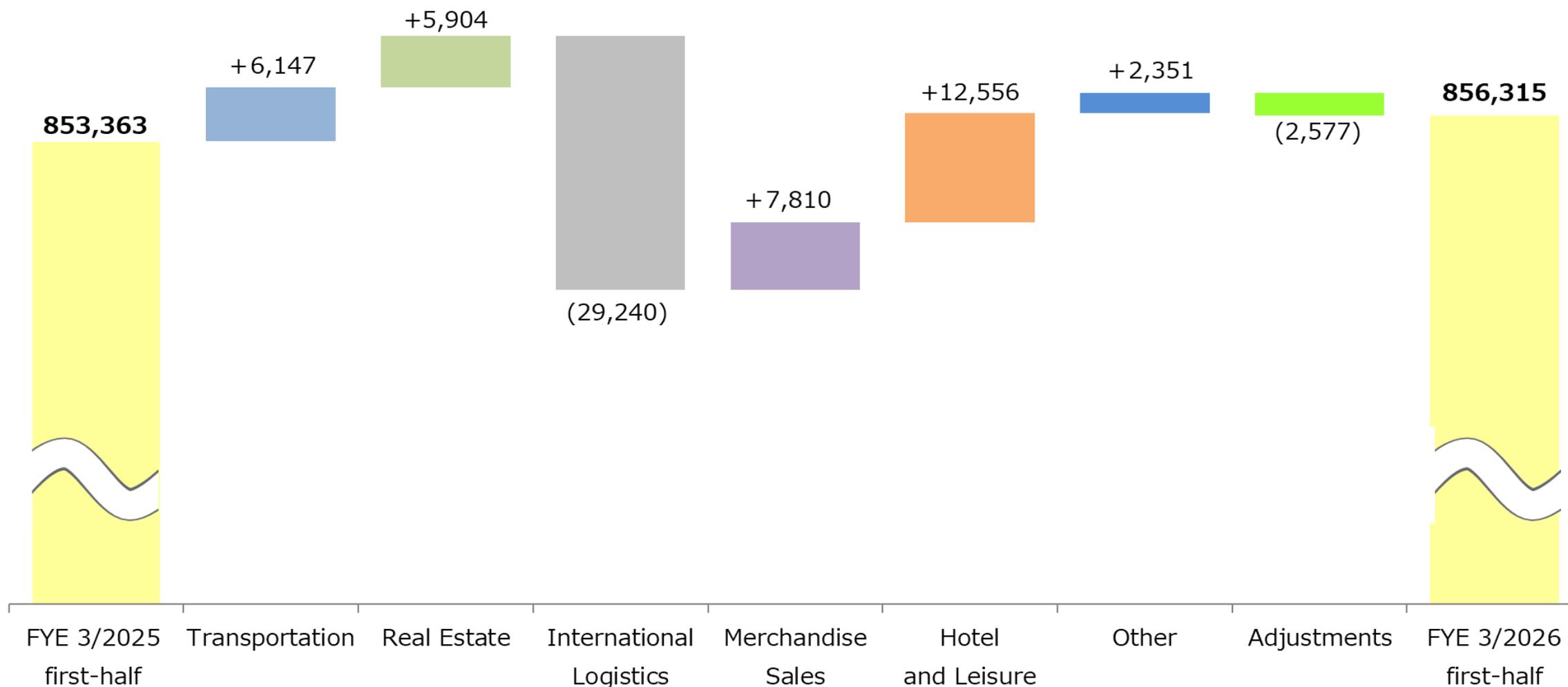
Number of consolidated subsidiaries: 198 (up 1 compared to the previous fiscal year-end)

Number of equity-method affiliates: 8 (no change compared with the previous year-end)

# Key financial results: Operating revenue

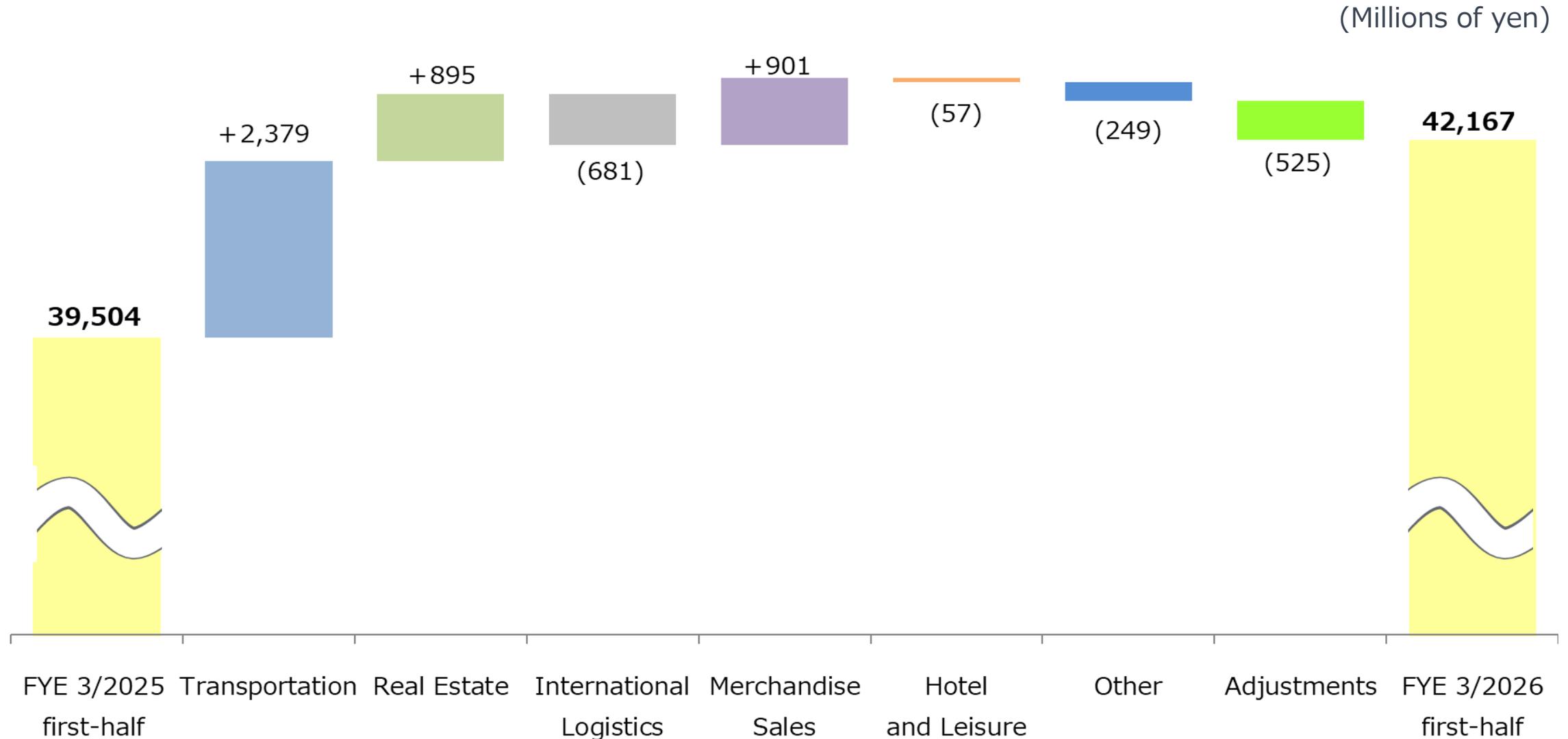
Despite a decrease in the International Logistics business, consolidated revenue increased overall due to increased revenue in the Transportation business, Merchandise Sales business, and Hotel and Leisure business, driven by passenger and consumer demand from the Osaka-Kansai Expo, which opened this April, as well as the increase in passengers from inbound tourism, in addition to an increase in revenue in the Real Estate business from condominium sales

(Millions of yen)



# Key financial results: Operating profit (loss)

The International Logistics business and Hotel and Leisure business recorded a decrease in profit, but the consolidated profit increased overall due to the increase in revenue from the Transportation business and other areas



# Results by segment

(Millions of yen, %)

		FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change
Transportation	Operating revenue	108,174	<b>114,322</b>	6,147	5.7
	Operating profit (loss)	15,170	<b>17,550</b>	2,379	15.7
Real Estate	Operating revenue	74,301	<b>80,206</b>	5,904	7.9
	Operating profit (loss)	7,255	<b>8,151</b>	895	12.3
International Logistics	Operating revenue	397,299	<b>368,059</b>	(29,240)	(7.4)
	Operating profit (loss)	4,694	<b>4,012</b>	(681)	(14.5)
Merchandise Sales	Operating revenue	105,119	<b>112,929</b>	7,810	7.4
	Operating profit (loss)	2,767	<b>3,668</b>	901	32.6
Hotel and Leisure	Operating revenue	169,596	<b>182,153</b>	12,556	7.4
	Operating profit (loss)	7,641	<b>7,583</b>	(57)	(0.7)
Other	Operating revenue	22,034	<b>24,385</b>	2,351	10.7
	Operating profit (loss)	1,829	<b>1,580</b>	(249)	(13.6)
Adjustments	Operating revenue	(23,162)	<b>(25,740)</b>	(2,577)	
	Operating profit (loss)	146	<b>(379)</b>	(525)	
Consolidated	Operating revenue	853,363	<b>856,315</b>	2,952	0.3
	Operating profit (loss)	39,504	<b>42,167</b>	2,662	6.7

(Millions of yen, %)

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change
Operating revenue	108,174	<b>114,322</b>	6,147	5.7
Railway	79,336	<b>83,435</b>	4,098	5.2
Bus	17,386	<b>18,774</b>	1,387	8.0
Taxi	4,955	<b>5,184</b>	229	4.6
Maintenance of railway facilities	8,045	<b>8,357</b>	311	3.9
Other transportation-related revenue	6,032	<b>6,463</b>	430	7.1
Adjustments	(7,582)	<b>(7,892)</b>	(310)	
Operating profit (loss)	15,170	<b>17,550</b>	2,379	15.7
(Main breakdown)				
Railway	13,614	<b>15,274</b>	1,660	12.2
Bus	1,038	<b>1,693</b>	655	63.1

## <<Railway>>

- Revenue and profit increased due to the increase in tourists from the Osaka-Kansai Expo, the effect of an increased number of Nagoya-Osaka Limited Express services through a timetable revision in February 2025, and the steady growth in inbound tourism demand

# Kintetsu Railway Co., Ltd. Non-consolidated results

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change(%)
<Earnings>				
Operating revenue (millions of yen)	80,372	<b>84,559</b>	4,186	5.2
Railways	79,336	<b>83,435</b>	4,098	5.2
Passenger revenue	75,945	<b>80,046</b>	4,100	5.4
Revenue from non-commuter passengers	50,533	<b>54,478</b>	3,944	7.8
Revenue from commuter passengers	25,411	<b>25,568</b>	156	0.6
Miscellaneous transportation income, etc.	3,391	<b>3,388</b>	(2)	(0.1)
Other businesses	1,035	<b>1,124</b>	88	8.6
Operating profit (loss) (millions of yen)	13,570	<b>15,224</b>	1,653	12.2
<Transportation performance>				
Passengers (thousand persons)	265,816	<b>273,032</b>	7,216	2.7
Non-commuter passengers	102,482	<b>108,163</b>	5,681	5.5
Commuter passengers	163,334	<b>164,869</b>	1,535	0.9

(Millions of yen, %)

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change
Operating revenue	74,301	<b>80,206</b>	5,904	7.9
Real estate sales	34,650	<b>40,152</b>	5,502	15.9
Real estate leasing	20,080	<b>21,172</b>	1,092	5.4
Real estate management	21,446	<b>20,900</b>	(545)	(2.5)
Adjustments	(1,876)	<b>(2,020)</b>	(143)	
Operating profit (loss)	7,255	<b>8,151</b>	895	12.3
(Main breakdown)				
Real estate sales	2,338	<b>3,309</b>	970	41.5
Real estate leasing	4,331	<b>4,538</b>	207	4.8

<<Real estate sales>>

- Revenue and profit increased due to progress in selling high-priced condominiums, primarily in the Kinki region, along with the sales of entire newly built properties in the Tokyo metropolitan area

(Millions of yen, %)

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change
Operating revenue	397,299	<b>368,059</b>	(29,240)	(7.4)
Japan, Taiwan and South Korea	106,544	<b>102,630</b>	(3,913)	(3.7)
Americas	46,703	<b>47,948</b>	1,245	2.7
Europe, Middle East and Africa	26,687	<b>26,177</b>	(509)	(1.9)
East Asia	55,945	<b>50,588</b>	(5,356)	(9.6)
Southeast Asia and Oceania	55,236	<b>48,044</b>	(7,191)	(13.0)
APLL	115,512	<b>102,910</b>	(12,602)	(10.9)
Other	3,364	<b>3,345</b>	(18)	(0.6)
Adjustments	(12,694)	<b>(13,588)</b>	(893)	
Operating profit (loss)	4,694	<b>4,012</b>	(681)	(14.5)
(Main breakdown)				
Japan, Taiwan and South Korea	2,774	<b>2,781</b>	7	0.3
Americas	2,100	<b>2,020</b>	(79)	(3.8)
Europe, Middle East and Africa	159	<b>(783)</b>	(943)	—
East Asia	622	<b>1,428</b>	806	129.5
Southeast Asia and Oceania	1,055	<b>938</b>	(117)	(11.1)
APLL	1,632	<b>1,225</b>	(407)	(24.9)
Other	195	<b>246</b>	50	25.9

- Revenue and profit decreased due to the impact of a system disruption in April this year and the slowdown in the European market

# International Logistics: Breakdown of results

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change(%)
<b>&lt;Earnings&gt;</b>				
Operating revenue (millions of yen)	397,299	<b>368,059</b>	(29,240)	(7.4)
(Main breakdown) Air freight	134,376	<b>129,422</b>	(4,954)	(3.7)
Sea freight	121,170	<b>111,060</b>	(10,110)	(8.3)
Logistics	117,719	<b>103,892</b>	(13,827)	(11.7)
Operating gross profit (millions of yen)	57,575	<b>56,282</b>	(1,292)	(2.2)
Operating profit (loss) (millions of yen)	4,694	<b>4,012</b>	(681)	(14.5)
<b>&lt;Freight volume&gt;</b>				
Air export freight volume (thousands of tons)	255	<b>270</b>	14	5.8
Sea export freight volume (thousands of TEUs)	363	<b>368</b>	5	1.5

# Merchandise Sales

(Millions of yen, %)

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change
Operating revenue	105,119	<b>112,929</b>	7,810	7.4
Department stores	55,808	<b>62,546</b>	6,738	12.1
Stores and restaurants	49,310	<b>50,541</b>	1,231	2.5
Adjustments	—	<b>(159)</b>	(159)	
Operating profit (loss)	2,767	<b>3,668</b>	901	32.6
(Main breakdown)				
Department store	1,872	<b>2,620</b>	748	40.0
Store and restaurant	894	<b>1,047</b>	152	17.1

<<Department store>>

- Revenue and profit increased due to strong sales at the Official Store at the Osaka-Kansai Expo, despite a decline following last year's strong duty-free sales

<<Store and restaurant>>

- Revenue and profit increased due to the contribution to sales at in-station stores from the Osaka-Kansai Expo-related increase in foot traffic

(Millions of yen, %)

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Percentage change
Operating revenue	169,596	<b>182,153</b>	12,556	7.4
Hotels	21,881	<b>23,395</b>	1,514	6.9
Travel agency	133,840	<b>146,547</b>	12,707	9.5
Cinema	1,795	<b>1,878</b>	82	4.6
Aquarium	5,580	<b>5,651</b>	71	1.3
Travel facilities	6,567	<b>4,777</b>	(1,790)	(27.3)
Adjustments	(69)	<b>(96)</b>	(27)	
Operating profit (loss)	7,641	<b>7,583</b>	(57)	(0.7)
(Main breakdown)				
Hotels	1,244	<b>1,665</b>	421	33.8
Travel agency	2,201	<b>2,978</b>	777	35.3
Aquarium	2,393	<b>2,373</b>	(20)	(0.9)
Travel facilities	1,632	<b>388</b>	(1,243)	(76.2)

&lt;&lt;Hotel&gt;&gt;

- Revenue and profit increased due to steady accommodation usage including inbound tourism

&lt;&lt;Travel agency&gt;&gt;

- Revenue and profit increased due to an increase in transactions such as overseas individual travel and the Osaka-Kansai Expo

&lt;&lt;Travel facilities&gt;&gt;

- Revenue and profit decreased due to a decrease in the number of visitors to Shima Spain Village resulting from a decline following collaborative events held last year

# Semi-annual consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025	Change	Factors of change
Current assets	761,176	<b>765,241</b>	4,064	
Non-current assets	1,744,384	<b>1,753,957</b>	9,572	Acquisition of assets in Tokyo metropolitan area, etc.
Of which, goodwill	56,017	<b>54,393</b>	(1,623)	
Total assets	2,507,255	<b>2,520,958</b>	13,703	
Current liabilities	761,609	<b>645,440</b>	(116,168)	Short-term borrowings: -64,514, Bonds payable: -52,000
Non-current liabilities	1,131,921	<b>1,238,510</b>	106,588	Long-term borrowings: +69,351, Bonds payable: +43,431
Total liabilities	1,893,531	<b>1,883,951</b>	(9,580)	
Total net assets	613,723	<b>637,007</b>	23,283	
Of which, retained earnings	234,814	<b>254,158</b>	19,344	Net profit: +23,731, Dividends: -4,761
Of which, accumulated other comprehensive income	129,300	<b>128,991</b>	(309)	
Total liabilities and net assets	2,507,255	<b>2,520,958</b>	13,703	
Net interest-bearing debt	1,025,554	<b>1,039,006</b>	13,451	
Borrowings	897,994	<b>902,830</b>	4,836	
Bonds payable (including commercial papers)	358,917	<b>350,348</b>	(8,568)	
Lease obligations (excluding amount recorded under IFRS 16)	27,771	<b>26,107</b>	(1,664)	
Cash and deposits (negative)	(259,128)	<b>(240,280)</b>	18,847	

# Semi-annual consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025	Change	Six months ended September 30, 2025 Factors of change
Net cash provided by (used in) operating activities	37,259	<b>53,491</b>	16,231	<ul style="list-style-type: none"> <li>● Net cash provided by (used in) operating activities</li> <li>Profit (loss) before income taxes 43,371</li> <li>Depreciation 39,714</li> <li>Decrease (increase) in inventories (13,445)</li> <li>Income taxes paid (13,557)</li> </ul>
Net cash provided by (used in) investing activities	(47,662)	<b>(45,608)</b>	2,053	<ul style="list-style-type: none"> <li>● Net cash provided by (used in) investing activities</li> <li>Purchase of investment securities (7,377)</li> <li>Proceeds from sale of investment securities 7,539</li> <li>Purchase of non-current assets (59,491)</li> <li>Proceeds from contribution received for construction 2,652</li> <li>Net decrease (increase) in time deposits 9,134</li> </ul>
Net cash provided by (used in) financing activities	(48,978)	<b>(17,014)</b>	31,964	<ul style="list-style-type: none"> <li>● Net cash provided by (used in) financing activities</li> <li>Net increase (decrease) in short-term borrowings (46,642)</li> <li>Net increase (decrease) in long-term borrowings 51,970</li> <li>Net increase (decrease) in bonds payable (8,829)</li> <li>Dividends paid (5,856)</li> <li>Repayments of lease liabilities (8,999)</li> </ul>
Cash and cash equivalents at end of period	182,537	<b>222,572</b>	40,035	

# Capital investment

(Millions of yen)

	FYE 3/2025 first-half	FYE 3/2026 first-half	Change	Factors of change
Capital investment	32,061	<b>45,362</b>	13,300	
Transportation	10,371	<b>14,246</b>	3,875	
(Of which, Railway)	(9,351)	<b>(12,405)</b>	(3,053)	New general rolling stock, etc.
Real Estate	11,048	<b>20,796</b>	9,748	Acquisition of assets in Tokyo metropolitan area, etc.
International Logistics	4,869	<b>4,096</b>	(773)	
Merchandise Sales	3,446	<b>3,088</b>	(358)	
Hotel and Leisure	1,452	<b>2,011</b>	558	
Other	618	<b>952</b>	333	
Adjustments	254	<b>170</b>	(84)	

# Depreciation and EBITDA

(Millions of yen)

		FYE 3/2025	FYE 3/2026	Change
		first-half	first-half	
Transportation	Depreciation	13,575	<b>14,461</b>	885
	EBITDA	28,746	<b>32,012</b>	3,265
Real Estate	Depreciation	4,812	<b>5,119</b>	306
	EBITDA	12,068	<b>13,270</b>	1,202
International Logistics	Depreciation	6,721	<b>6,749</b>	28
	EBITDA	13,038	<b>12,385</b>	(653)
Merchandise Sales	Depreciation	3,210	<b>3,300</b>	89
	EBITDA	5,977	<b>6,968</b>	990
Hotel and Leisure	Depreciation	1,343	<b>1,637</b>	293
	EBITDA	8,984	<b>9,221</b>	236
Other	Depreciation	1,058	<b>1,059</b>	1
	EBITDA	2,887	<b>2,639</b>	(248)
Adjustments	Depreciation	142	<b>211</b>	68
	EBITDA	288	<b>(168)</b>	(457)
Consolidated	Depreciation	30,864	<b>32,538</b>	1,673
	EBITDA	71,993	<b>76,329</b>	4,336

- Depreciation does not include the amounts recorded under IFRS 16
- EBITDA= Operating profit + depreciation (excluding amounts recorded under IFRS 16) + amortization of goodwill

# Earnings Forecast for FYE March 2026

# Assumptions used in forecast

- After the end of the booming Osaka-Kansai Expo, we expect to capture domestic passenger demand to areas along railway lines due to increase promotion efforts, and demand from inbound tourism is expected to remain strong
- In international logistics, amid continued uncertainty in transportation demand due to U.S. policy developments such as reciprocal tariffs, the Company expects lower selling prices from intensified competition
- There are concerns about the impact of higher interest rates and higher domestic inflation rates on economic activities and consumer spending, and an increase is expected for energy costs, raw material costs, and personnel expenses for securing human resources

<b>Transportation</b>	<ul style="list-style-type: none"><li>▶ Railway Railway passenger volume in the second half of FY2025 is expected to remain the same as the previous year's level</li></ul>
<b>Real Estate</b>	<ul style="list-style-type: none"><li>▶ Real estate sales The number of condominiums sold in the second half of FY2025 is expected to increase compared to the previous year</li></ul>
<b>International Logistics</b>	<p>Operating revenue in the second half of FY2025 is expected to be approximately 95% of the previous year's level</p> <p>The exchange rate in the second half of FY2025 is expected to be approximately 146 JPY to 1 USD</p>
<b>Merchandise Sales</b>	<ul style="list-style-type: none"><li>▶ Department store Sales in the second half of FY2025 are expected to remain the same as the previous year's level</li></ul>
<b>Hotel and Leisure</b>	<ul style="list-style-type: none"><li>▶ Hotel Sales for directly managed hotels in the second half of FY2025 are expected to remain the same as the previous year's level</li><li>▶ Travel agency Sales in the second half of FY2025 are expected to be approximately 107% of the previous year's level for domestic travel and 107% for overseas travel</li></ul>

# Forecast of consolidated financial results

(Millions of yen, %)

	FYE 3/2025 full-year results	FYE 3/2026 full-year forecast	Change	Percentage change	Initial forecast (announced in May 2025)	Change
Operating revenue	1,741,787	<b>1,750,000</b>	8,212	0.5	1,880,000	(130,000)
Operating profit	84,399	<b>88,000</b>	3,600	4.3	88,000	—
Ordinary profit	81,538	<b>78,000</b>	(3,538)	(4.3)	78,000	—
Profit attributable to owners of parent	46,716	<b>48,000</b>	1,283	2.7	48,000	—
Share of profit of entities accounted for using equity method	1,993	<b>1,500</b>	(493)	(24.8)	1,500	—
Interest expenses	11,744	<b>14,500</b>	2,755	23.5	14,500	—

[Main factors of change] \*For details on operating revenue and operating profit (loss), please refer to the subsequent pages.

- Ordinary profit is expected to decline due to decreases in non-operating income, such as share of profit of entities accounted for using equity method and foreign exchange gains, as well as an increase in interest expenses.
- Profit attributable to owners of parent is expected to increase due to a reduction in impairment losses, among other factors.

# Results by segment

(Millions of yen, %)

		FYE 3/2025 full-year results	FYE 3/2026 full-year forecast	Change	Percentage change	Initial forecast (announced in May 2025)	Change
Transportation	Operating revenue	223,225	<b>227,000</b>	3,774	1.7	225,000	2,000
	Operating profit (loss)	34,664	<b>35,000</b>	335	1.0	31,500	3,500
Real Estate	Operating revenue	165,359	<b>181,000</b>	15,640	9.5	184,000	(3,000)
	Operating profit (loss)	13,864	<b>14,300</b>	435	3.1	13,600	700
International Logistics	Operating revenue	796,941	<b>756,000</b>	(40,941)	(5.1)	886,000	(130,000)
	Operating profit (loss)	12,967	<b>13,300</b>	332	2.6	17,100	(3,800)
Merchandise Sales	Operating revenue	215,359	<b>222,000</b>	6,640	3.1	223,000	(1,000)
	Operating profit (loss)	7,022	<b>8,300</b>	1,277	18.2	8,300	—
Hotel and Leisure	Operating revenue	344,905	<b>370,000</b>	25,094	7.3	370,000	—
	Operating profit (loss)	13,984	<b>14,300</b>	315	2.3	14,300	—
Other	Operating revenue	45,126	<b>48,000</b>	2,873	6.4	48,000	—
	Operating profit (loss)	2,343	<b>2,500</b>	156	6.7	2,500	—
Adjustments	Operating revenue	(49,130)	<b>(54,000)</b>	(4,869)		(56,000)	2,000
	Operating profit (loss)	(446)	<b>300</b>	746		700	(400)
Consolidated	Operating revenue	1,741,787	<b>1,750,000</b>	8,212	0.5	1,880,000	(130,000)
	Operating profit (loss)	84,399	<b>88,000</b>	3,600	4.3	88,000	—

## <<Transportation>>

- Revenue and profit are expected to increase in the railway business due to passenger demand associated with the Osaka-Kansai Expo, as well as the effect of increased Nagoya-Osaka Limited Express service due to a timetable change in February 2025 and an increase in inbound travel

## <<Real Estate>>

- Operating revenue and profit is expected to increase due to an increase in the number of condominiums sold and higher sales prices in the real estate sales business, as well as steady sales of office and other buildings in the real estate leasing business

## <<International Logistics>>

- While revenue is expected to decrease due to the slowdown in the European market and a reduction in transportation demand for shipments from Asia to North America, profit is expected to increase due to an improvement in profit margins

## <<Merchandise Sales>>

- Revenue and profit are expected to increase due to increased revenue in the department store business primarily due to the Osaka-Kansai Expo official store and the remodeling of sales floors, as well as the impact of increased foot traffic from inbound groups, etc. for the store and restaurant business

## <<Hotel and Leisure>>

- Revenue and profit are expected to increase due to continued firm demand for accommodation in the hotel business, as well as an expected increase in transactions, particularly for overseas travel, in the travel agency business

## <<Transportation>>

- Revenue and profit are expected to increase in the railway business due to revenue from non-commuter passengers remaining strong as a result of the benefits from the hosting of the Osaka-Kansai Expo and increased demand from inbound tourism, etc.

## <<Real Estate>>

- Revenue is expected to decrease and profit is expected to increase due to rental income exceeding initial forecasts in the real estate leasing business, despite the number of condominiums sold undershooting forecasts in the real estate sales business

## <<International Logistics>>

- Revenue and profit are expected to decrease due to the impact of a system disruption that occurred in April this year, as well as the slowdown in the European market and a reduction in transportation demand for shipments from Asia to North America

	FYE 3/2025 full-year results	FYE 3/2026 full-year forecast	Change	Percentage change (%)	Initial forecast (announced in May 2025)	Change
<b>&lt;Earnings&gt;</b>						
Operating revenue (millions of yen)	162,291	<b>167,216</b>	4,924	3.0	164,682	2,533
Railways	160,514	<b>165,235</b>	4,721	2.9	162,682	2,552
Revenues from railway operations	153,527	<b>158,044</b>	4,517	2.9	155,494	2,550
Revenue from non-commuter passengers	103,495	<b>107,855</b>	4,359	4.2	105,657	2,197
Revenue from commuter passengers	50,032	<b>50,189</b>	157	0.3	49,837	352
Miscellaneous transportation income, etc.	6,986	<b>7,190</b>	203	2.9	7,187	2
Other businesses	1,777	<b>1,980</b>	203	11.5	1,999	(18)
Operating profit (loss) (millions of yen)	30,235	<b>30,409</b>	173	0.6	27,028	3,380
<b>&lt;Transportation performance&gt;</b>						
Passengers (thousand persons)	526,097	<b>533,093</b>	6,996	1.3	524,508	8,585
Non-commuter passengers	207,763	<b>213,584</b>	5,821	2.8	209,023	4,561
Commuter passengers	318,334	<b>319,509</b>	1,175	0.4	315,485	4,024

# International Logistics: Breakdown of results

	FYE 3/2025 full-year results	FYE 3/2026 full-year forecast	Change	Percentage change (%)	Initial forecast (announced in May 2025)	Change
<Earnings>						
Operating revenue (millions of yen)	796,941	<b>756,000</b>	(40,941)	(5.1)	886,000	(130,000)
Operating gross profit (millions of yen)	120,080	<b>118,000</b>	(2,080)	(1.7)	135,000	(17,000)
Operating profit (loss) (millions of yen)	12,967	<b>13,300</b>	332	2.6	17,100	(3,800)
<Freight volume>						
Air export freight volume (thousands of tons)	527	<b>549</b>	22	4.2	600	(50)
Sea export freight volume (thousands of TEUs)	725	<b>761</b>	35	4.9	780	(18)

# Capital investment and net interest-bearing debt

(Millions of yen, times)

	FYE 3/2025 full-year results	FYE 3/2026 full-year forecast	Change	Initial forecast (announced in May 2025)	Change
Capital investment	83,072	<b>171,000</b>	87,927	179,000	(8,000)
Transportation	36,360	<b>39,000</b>	2,639	39,000	—
(Of which, Railway)	(32,861)	<b>(34,000)</b>	(1,138)	(34,000)	(—)
Real Estate	21,614	<b>95,000</b>	73,385	97,000	(2,000)
International Logistics	10,146	<b>12,000</b>	1,853	12,500	(500)
Merchandise Sales	6,312	<b>8,000</b>	1,687	8,500	(500)
Hotel and Leisure	5,684	<b>13,000</b>	7,315	17,500	(4,500)
Other	2,035	<b>3,000</b>	964	3,000	—
Adjustments	917	<b>1,000</b>	82	1,500	(500)
Net interest-bearing debt	1,025,554	<b>1,100,000</b>	74,445	1,100,000	—
EBITDA	151,323	<b>159,500</b>	8,176	163,000	(3,500)
Net interest-bearing debt / EBITDA	6.8	<b>6.9</b>	0.1	6.7	0.2

- Net interest-bearing debt = Borrowings, bonds payable, and lease liabilities – Cash and deposits
- EBITDA=Operating profit (loss) + depreciation (excluding amounts recorded under IFRS 16) + amortization of goodwill

# Depreciation and EBITDA

(Millions of yen)

		FYE 3/2025 full-year results	FYE 3/2026 full-year forecast	Change
Transportation	Depreciation	28,198	<b>30,500</b>	2,301
	EBITDA	62,862	<b>65,500</b>	2,637
Real Estate	Depreciation	9,942	<b>10,500</b>	557
	EBITDA	23,807	<b>24,800</b>	992
International Logistics	Depreciation	13,678	<b>13,500</b>	(178)
	EBITDA	29,893	<b>30,300</b>	406
Merchandise Sales	Depreciation	6,465	<b>6,500</b>	34
	EBITDA	13,488	<b>14,800</b>	1,311
Hotel and Leisure	Depreciation	2,853	<b>4,000</b>	1,146
	EBITDA	16,837	<b>18,300</b>	1,462
Other	Depreciation	2,204	<b>2,500</b>	295
	EBITDA	4,548	<b>5,000</b>	451
Adjustments	Depreciation	332	<b>500</b>	167
	EBITDA	(114)	<b>800</b>	914
Consolidated	Depreciation	63,676	<b>68,000</b>	4,323
	EBITDA	151,323	<b>159,500</b>	8,176

- Depreciation does not include the amounts recorded under IFRS 16

# **Kintetsu Group Medium-Term Management Plan 2028: Progress and Initiatives in FY2025**

## Management issues on which to sustain focus

## Medium-Term Management Plan 2028

- Deepening Further deepening the six priority measures of Medium-Term Management Plan 2024
  - (1) Radical review of cost structure
  - (2) Early reduction of interest-bearing debt
  - (3) Strengthening collaboration with external partners
  - (4) Business portfolio reform
  - (5) Creating new businesses and services through DX
  - (6) Promoting community development to address regional issues

### (Business)

- Deepening existing businesses that contribute to sustainable growth and creating a new business foundation

### (Financial)

- Implementing management with a stronger focus on cost of capital and efficiency
- Improving financial efficiency through balance sheet optimization and other means
- Strengthening equity by accumulating capital

### (Corporate Governance)

- Enhancing the functionality of the Board of Directors
- Improving transparency
- Improving risk management

### Basic policy

“Building a new foundation” and “steady growth” to evolve into a value-creating corporate group

### Priority strategies

#### Deepening/revitalizing value along railway lines

- (1) Enhancing the appeal of Abeno, Uehommachi, and Namba
- (2) Strengthening the brand value of Ise-Shima area
- (3) Expanding business through the development of the bay area around Yumeshima
- (4) Expanding incorporation of inbound demand

#### Deepening/expanding business away from railway lines and globally

- (1) Strengthening business infrastructure in nonrailway business areas and expanding business domains in the Tokyo metropolitan area, etc.
- (2) Deepening/expanding business and enhancing presence globally

### Focus pillar

- (1) Growth in profitability/expansion in scale
- (2) Improvement of capital efficiency
- (3) Promotion of sustainable management
- (4) Enhancing shareholder returns
- (5) Strengthening corporate governance
- (6) Improving corporate and shareholder value

### First half of FY2025

#### Results of main initiatives for concretization (topics)

#### 1. Priority strategies

- Built and promoted cross-Group promotion projects
- (1) **Abeno/Uehommachi**
  - After researching and organizing information about the area’s potential, promoted studies to create new urban developments in the medium to long term
- (2) **Ise-Shima**
  - Redefined current status and issues by area, and clarified future measures, direction, etc. Also, strengthened promotions, etc.
- (3) **Tokyo metropolitan area**
  - Researched and organized information about the area’s potential to enable effective future use of Sheraton Miyako Hotel Tokyo site
- (4) **Okinawa**
  - In July of this year, “The Orion Hotel Motobu Resort & Spa” joined the “Miyako Hotels & Resorts” chain
- (5) **Global**
  - Started construction of a hotel and international logistics base, our third base in the U.S.
  - Established new corporate bases
- 2. **Turnover-type real estate business**
  - Established “Kintetsu Investment Partners Co.,Ltd.,” which handles the real estate asset management business, in April of this year
- 3. **Capital efficiency**
  - Set KPIs and measures based on tree analysis in major businesses with aim of increasing ROIC

# Kintetsu Group Medium-Term Management Plan 2028 (Target Management Indicators and Operating Profit)

## Management Indicators

	FY2024 Results
Operating profit	<b>84.3 billion yen</b>
Net interest-bearing debt <sup>1)</sup>	<b>1.0255 trillion yen</b>
Net interest-bearing debt/ EBITDA <sup>2)</sup> ratio	<b>6.8 times</b>
Equity ratio	<b>21.7%</b>
ROE <sup>3)</sup>	<b>8.8%</b>
ROIC <sup>4)</sup>	<b>4.2%</b>

## During Kintetsu Group Medium-Term Management Plan 2028

FY2025 Forecast
<b>88.0 billion yen</b>
<b>1.1 trillion yen</b>
<b>6.9 times</b>
<b>22.5% or more</b>
<b>Approx. same as previous year</b>
<b>4.2% or more</b>

FY2028 Target
<b>100.0 billion yen or more</b>
<b>Curbed to levels below 1 trillion yen</b>
<b>Approx. 6.0 times</b>
<b>25% or more</b>
<b>Further improvement</b>
<b>4.5% or more</b>

Return on invested capital (ROIC) included as a management indicator starting with Medium-Term Management Plan 2028

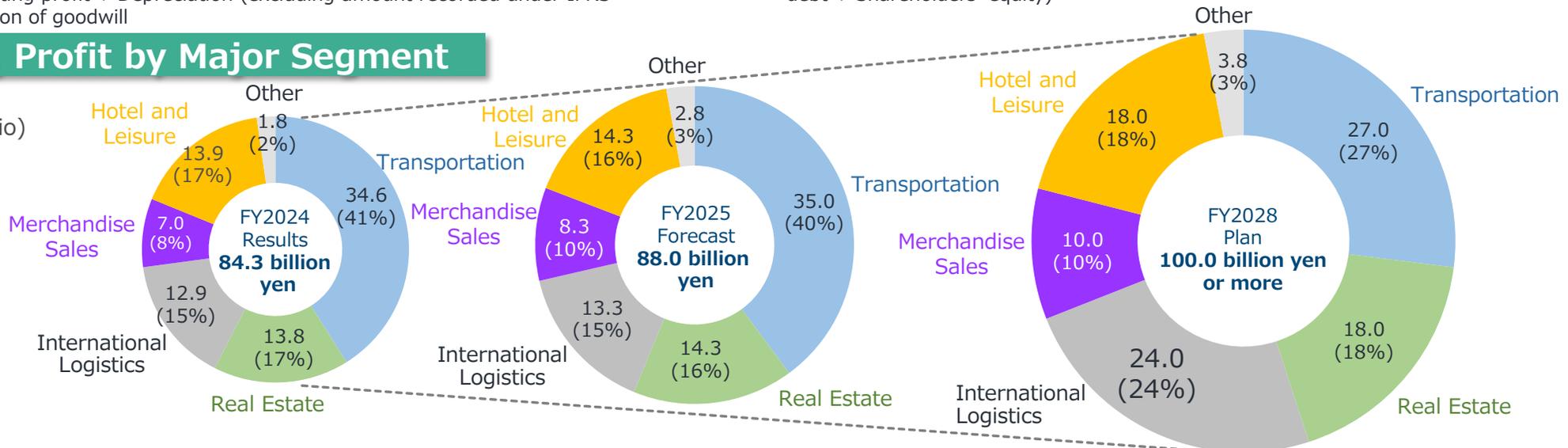
- Implementing management with a stronger focus on cost of capital and efficiency
- Aiming to increase capital efficiency and improve corporate and shareholder values

1) Net interest-bearing debt = Interest-bearing debt (Borrowings + Bonds payable) + Lease obligations (excluding amount recorded under IFRS 16) - Cash and deposits  
 2) EBITDA = Operating profit + Depreciation (excluding amount recorded under IFRS 16) + Amortization of goodwill

3) Return on equity (ROE) = Profit attributable to owners of parent / Equity  
 4) ROIC = Operating profit after tax (Operating profit × (1 - Effective tax rate) / (Interest-bearing debt + Shareholders' equity)

## Operating Profit by Major Segment

Billions of yen  
(composition ratio)



# Kintetsu Group Medium-Term Management Plan 2028 (Roadmap Toward Achieving the Operating Profit Target)

Roadmap for key segments toward achieving operating profit of 100.0 billion yen or more in FY2028, the final year of the Medium-Term Management Plan

## **1. Transportation segment**

- To increase revenue from non-commuter passengers and limited express passengers, which are among our key strengths, we will implement various promotions and introduce themed or high value-added trains
  - \*Plans include launching a new restaurant train in fall 2026 (scheduled) (Details are provided on page 41 of this document)
- To further boost inbound tourism, we will take action from the perspectives of promotion, products, and visitor reception and accommodation. Specifically, we will strengthen efforts to attract visitors to Ise-Shima, which has growth potential, as well as to the highly popular destinations of Nara, Osaka, and Kyoto
  - \*These efforts include enhanced promotions targeting Taiwan (Details are provided on page 41 of this document)
- To strengthen our cost resilience, we will promote cost reductions by introducing one-person operations on main lines, fundamentally reviewing staffing levels, and leveraging AI and other new technologies, among other efforts

## **2. Real estate segment**

- We will strengthen our earning capacity in the Tokyo metropolitan area and along railway lines by making growth investments totaling 120.0 billion yen over the four years of the current Medium-Term Management Plan
  - \*Growth investments: Acquisition of assets in the Tokyo metropolitan area, development of a new senior residence in the Gakken-Nara-Tomigaoka district, the Kawachi-Kosaka Station area redevelopment project, and others
- We will also implement planned renewal investments to maintain and enhance the earning capacity of existing assets
- In addition to engaging in the purchase and resale business and PM<sup>1)</sup> and BM<sup>2)</sup> operations, we will participate in asset management operations
- We aim to create a framework that enables seamless collaboration between our real estate-related operations and hotel MC<sup>3)</sup> functions

## **3. International logistics segment**

- Kintetsu World Express's cargo volume in FY2024 remained largely unchanged from pre-COVID-19 levels, while sales increased by 30% due to persistently high freight rates. However, both the gross profit margin and operating profit margin remained below satisfactory levels

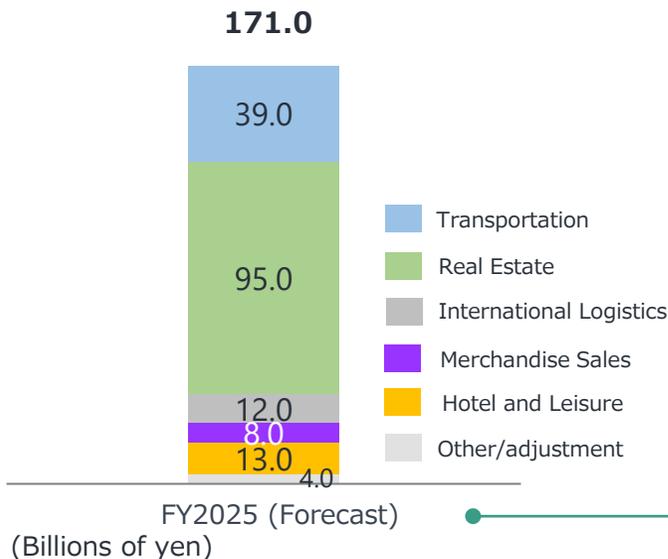


- We will reduce the direct and indirect costs that swelled during the pandemic by consolidating and reorganizing local subsidiaries and shifting fixed costs to variable costs, while also promoting cost pass-through to shippers
- We will strengthen our sales structure for procurement and sales logistics within Asia, where we have particular strengths, aiming to handle volumes approaching our long-term targets of 1 million tons and 1 million TEUs by FY2028
- We aim to restore profitability to pre-pandemic levels (operating profit margin in the 3% range). To achieve this, we will take a multi-pronged approach to enhance and stabilize profit levels, focusing on margins, costs, and cargo volume

## Capital Investment

### Renewal Investments/Growth Investments

Continuing from the previous fiscal year, we plan to make growth investments in FY2025, including the introduction of new general rolling stock and other renewal investments in Transportation Business and the acquisition of assets in the Tokyo metropolitan area (near Yamanote Line stations within Tokyo wards) in Real Estate Business.



**FY2025 Plan**

**Growth Investments: 110.0 billion yen (Real Estate)**

- Acquisition of assets in Tokyo metropolitan area (near Yamanote Line stations within Tokyo wards)
- Construction of senior residences (International Logistics)
- Development of logistics facilities (Hotel)
- New hotel construction in U.S. etc.

**Renewal Investments: 61.0 billion yen**

**(Railways)**

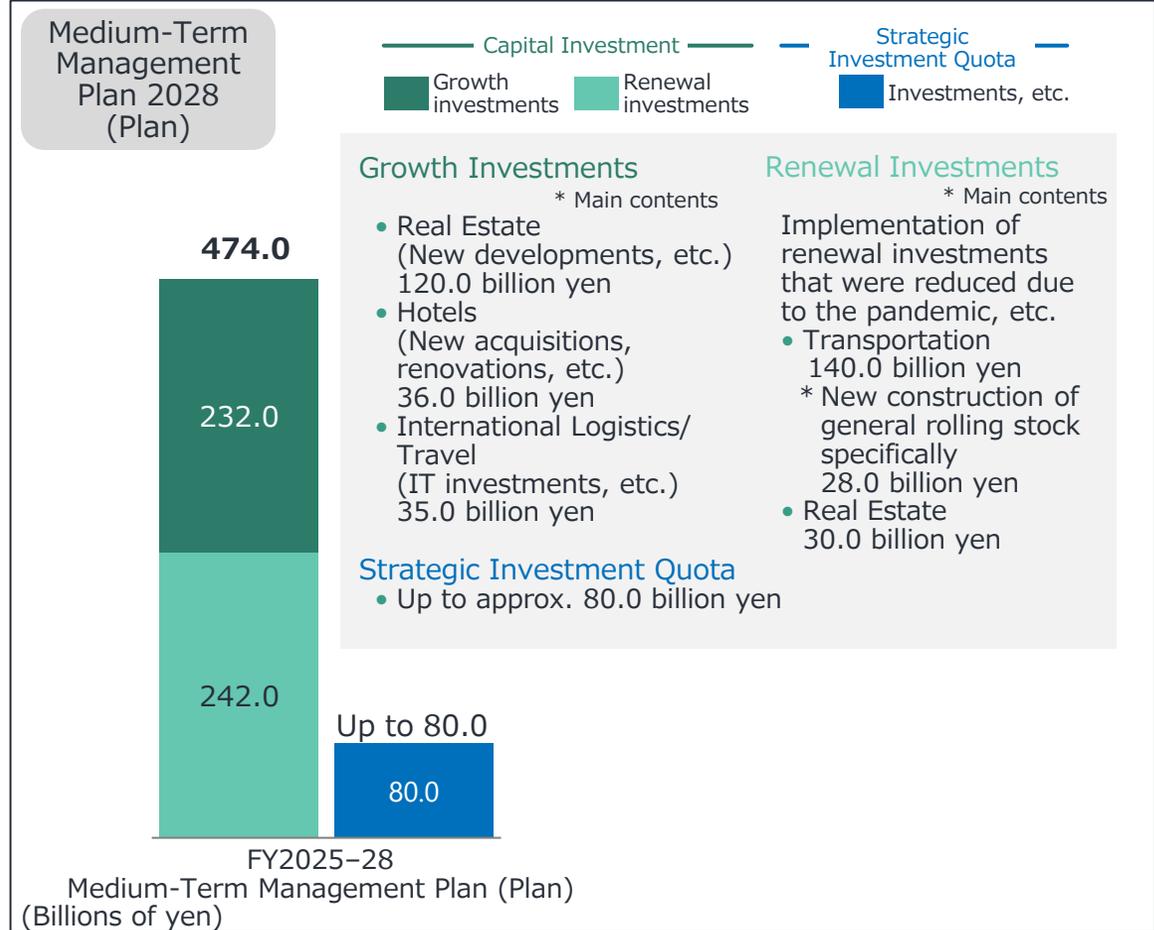
- Introduction of new general rolling stock (60 cars)

**(Merchandise Sales)**

- Remodeling of Kintetsu Department Store Main Store Abeno Harukas and other sales floors

**(Hotel)**

- Renovation of guest rooms etc.



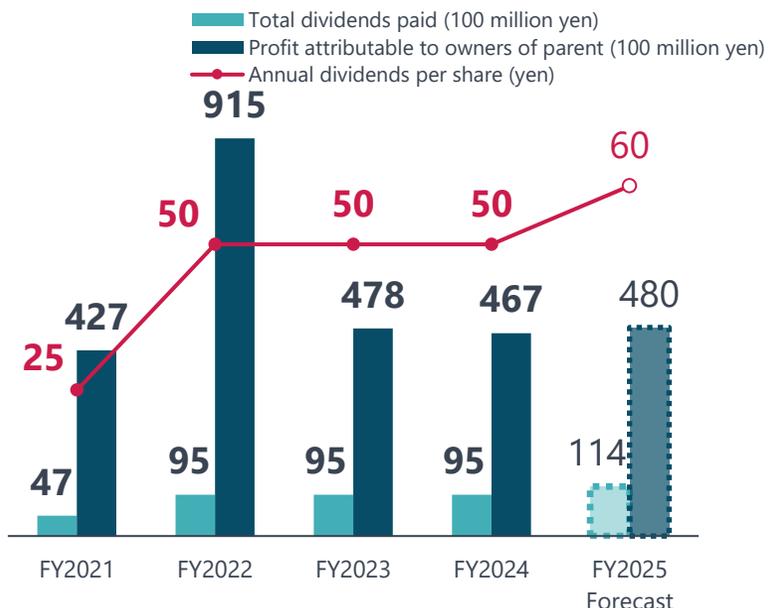
## Annual Dividend

### Shareholder Return Policy:

Introduce a progressive dividend policy with a minimum dividend on equity (DOE) of 2.0%. Implement shareholder returns commensurate with medium- to long-term growth

### FY2025 Annual Dividend Forecast:

60 yen per share



DOE	FY2021	FY2022	FY2023	FY2024	FY2025 Forecast
DOE	1.9%	3.1%	2.6%	2.4%	2.6%

Consolidated dividend payout ratio	FY2021	FY2022	FY2023	FY2024	FY2025 Forecast
Consolidated dividend payout ratio	11.1%	10.4%	19.9%	20.4%	23.8%

## Review of Shareholder Benefits Program

Enhancements and changes of the Shareholder Benefit Program as one of its measures to offer an expression of appreciation to shareholders who have provided long-term support to the Kintetsu Group through continually holding the Company's shares, while further improving the investment appeal of the Company's shares

Establishment of new long-term holding benefits program (applied from baseline date of March 31, 2026)

Shareholders who hold 300 shares or more continuously for three years or more<sup>1)</sup> will receive KIPS points<sup>2)</sup> or a food gift<sup>3)</sup> once per year according to the categories below

- 1) "Hold 300 shares or more continuously for three years or more" means that the number of shares corresponding to the respective shareholder benefit category are recorded in the shareholder register under the same shareholder number on the dates of March 31 and September 30 for seven times or more consecutive times.
- 2) KIPS points: A service that provides points that can be used mainly at Kintetsu Group stores and facilities
- 3) Food gifts: Specific details will be posted on the Company's website

Number of shares	Number of points or gift value (selective system)
300 to 499 shares	2,000 points or gift equivalent to 2,000 yen
500 to 999 shares	4,000 points or gift equivalent to 4,000 yen
1,000 shares or more	10,000 points or gift equivalent to 10,000 yen

Note: In addition to the information above, for further details about the review of shareholder benefits, refer to the timely disclosure document of November 14 (URL: [Announcement Regarding Changes \(Enhancements\) to the Shareholder Benefit Program](#)).

## **1. Enhancing the functionality of the Board of Directors**

- Proactively provide information to outside independent officers about important matters, such as the direction of Group management and the business portfolio, and expand opportunities for the diverse opinions of the outside independent officers to be reflected in Group management
- Provide a wide range of information to outside independent officers about important issues not only at the holding company but also each business company to enhance the supervisory functions of the Board of Directors and Audit & Supervisory Board members

## **2. Improving transparency**

- By tracking the progress of “Long-Term Vision 2035” and “Medium-Term Management Plan 2028,” communicate to multiple types of stakeholders information about “Tackling challenges that only the Kintetsu Group can address” from the perspectives of both financial and nonfinancial information
- Expand communication opportunities not only through traditional methods such as timely disclosures and institutional investor briefings, but also by conducting briefings for individual investors, enhancing Shareholder Relations (SR), and communicating even more information to employees and local communities, etc.

## **3. Improving risk management**

- Enhance the system for the regular evaluation, analysis, and monitoring of serious risks via a Risk Management Committee (within the organization), and implement efficient and effective Group risk management that improves the risk sensitivity and risk response capabilities of all companies within the Group
- Improve the pre-incident and post-incident response plans for risks that may have a major impact on business continuity, such as natural disasters and information security threats
- Conduct Group-wide initiatives to strengthen the system to ensure compliance, and implement educational programs to increase compliance awareness, etc.

## **4. Implementing ROIC management**

- Introduce ROIC management not only on a consolidated basis but also on a business-unit basis through a breakdown. Set an action plan and KPIs for main businesses to achieve the plan and use them to evaluate the profitability and efficiency of each business
- Use numerical targets of ROIC for not only each business decision but also evaluation of investment projects, etc. Clarify the priority order for cash allocation, and achieve restructuring of the group portfolio including carve-out of assets and businesses as needed
- Clarify performance and responsibilities of the management team through the introduction of ROIC-based performance metrics, and also reflect them in remuneration etc.

\*URL for the Integrated Report: [https://www.kintetsu-g-hd.co.jp/csr/data/Kintetsu\\_Group\\_Integrated\\_Report\\_2025\\_single.pdf](https://www.kintetsu-g-hd.co.jp/csr/data/Kintetsu_Group_Integrated_Report_2025_single.pdf) (in Japanese)

# “Priority Strategies” in Long-Term Vision 2035 and Medium-Term Management Plan 2028

For common themes focused on with the Group’s overall strength (priority strategies, Group’s shared infrastructure) which are indicated in the Medium-Term Management Plan 2028, establish promotion projects (set up a subcommittee for each theme) and promote improvement of links and collaborations with each Group company to ensure their achievement.

**A** Deepening/revitalizing value along railway lines

- Creating exciting value only the Kintetsu Group can make along railway lines

**1** Enhancing the appeal of Abeno, Uehommachi, and Namba

**Initiative status reports (refer from next page for details)**

Making Abeno, Uehommachi, and Namba into some of the most popular areas to live and visit in Osaka

- Utilizing local traditions and unique character to boost local long-term residents and those interacting with locals
- Advanced utilization of Group assets around Abeno Harukas and establishment of a system for collaboration with surrounding facilities and the local community

**2** Strengthening the brand value of Ise-Shima area

Making Ise-Shima a high value-added area with refined diversity and high-quality sensibility

- Seizing the opportunity of the Jingu Shikinen Sengu ritual, in which many worshipers visit once every 20 years and the future opening of the Linear Chuo Shinkansen Line between Shinagawa and Nagoya, promoting branding to refine the diversity and high-quality sensibility that Ise-Shima has to offer

**3** Expanding business through the development of the bay area around Yumeshima

Turning the bay area around Yumeshima into a place for creating new business opportunities

- Attracting railway line visitors through the introduction of direct trains to Yumeshima that connect the bay area with railway lines, and initiatives for new business opportunities founded on (planned) investment in Osaka IR KK

**4** Expanding incorporation of inbound demand

Making areas along railway lines desirable places for inbound travelers

- Maximizing inbound demand by promoting the appeal of the abundant tourism resources along railway lines, such as the Nara-Yamatoji area and Ise-Shima, and by combining Group businesses related to inbound tourism

**B** Deepening/expanding business away from railway lines and globally

- Building and growing the new Kintetsu Group presence through bold challenges

**5** Strengthening business infrastructure in nonrailway lines and expanding business domains in the Tokyo metropolitan area, etc.

Creating a second home area by strengthening Group collaboration functions in the Tokyo metropolitan area

- Strengthening corporate functions in the Tokyo metropolitan area to enhance collaboration in business domains (travel, hotels, real estate, etc.) and global operations in the area, as well as to make more sophisticated use of Tokyo area assets

Becoming a corporate group contributing to the development of Okinawa through the tourism and leisure business

- Exploring new business domains in businesses related to tourism, leisure, hotels, and real estate, originating in partnerships with JUNGLIA OKINAWA (opened in July 2025) and Orion Breweries, Ltd.

**6** Deepening/expanding business and enhancing presence globally

Becoming a global brand born in Japan in the International Logistics business

- Establishing a position as a “Global Top 10 Solution Partner” by focusing on the Asian market

Becoming a global corporate group doing business widely in Asia

Becoming a corporate group recognized in the U.S. market, in International Logistics Business as well as hotel and real estate businesses

- Miyako Hotel to open in Plano, Texas (scheduled for completion in FY2027) as hotel expansion continues to accelerate
- Expanding the Real Estate Business by investing in real property in addition to real estate funds

# Priority Strategy Initiatives: Enhancing the Appeal of Abeno, Uehommachi, and Namba (Railway line and terminal locations)

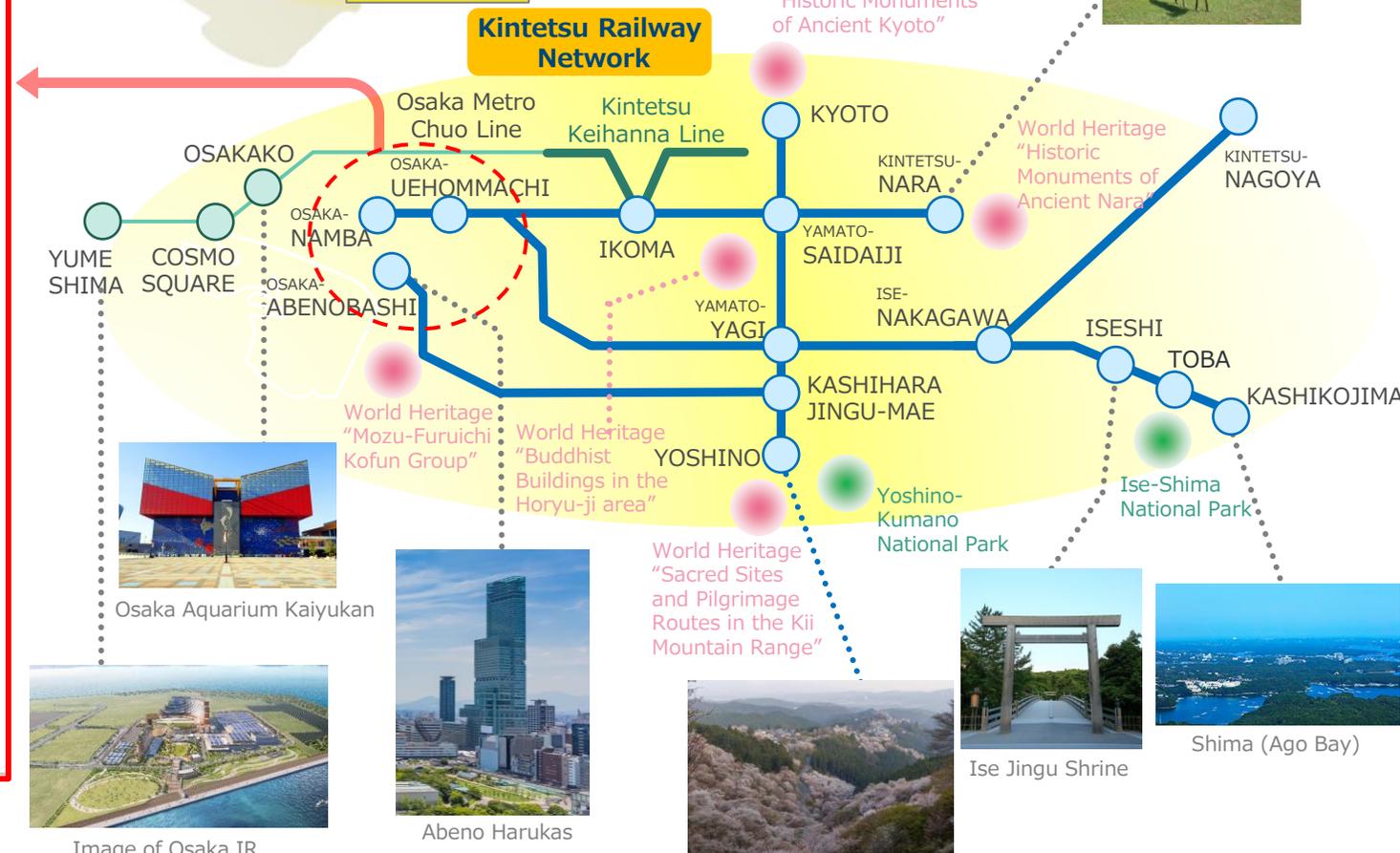
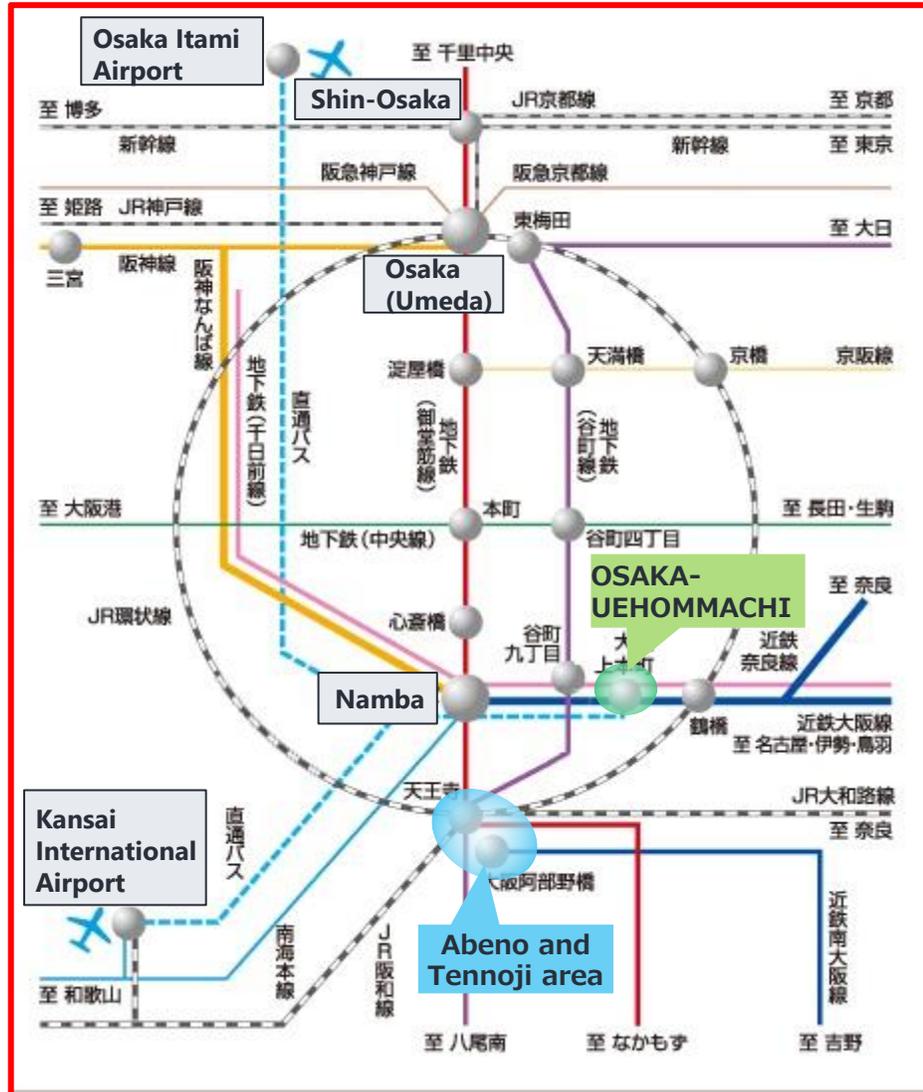


Image of Osaka IR

Image courtesy of MGM Osaka Corporation, Reproduction prohibited

Abeno Harukas

Yoshino (Mt. Yoshino)

Ise Jingu Shrine

Shima (Ago Bay)

# Priority Strategy Initiatives: Enhancing the Appeal of Abeno, Uehommachi, and Namba (Uehommachi)

- Area where the Kintetsu Group's assets are concentrated around the Uehommachi Terminal
- From November this year, we will form a project team with Group companies (Real Estate, Railways, Merchandise Sales, etc.)
- We aim to create new urban developments in the medium to long term composed of a quality residential area that leverages highly convenient transportation, numerous educational institutions, historical significance, and the brand power of the Uemachi Plateau, as well as considering new demand generated from Osaka Prefecture's vision of becoming a Second Capital

## Researching and organizing information about the potential of Uehommachi area to create a future vision

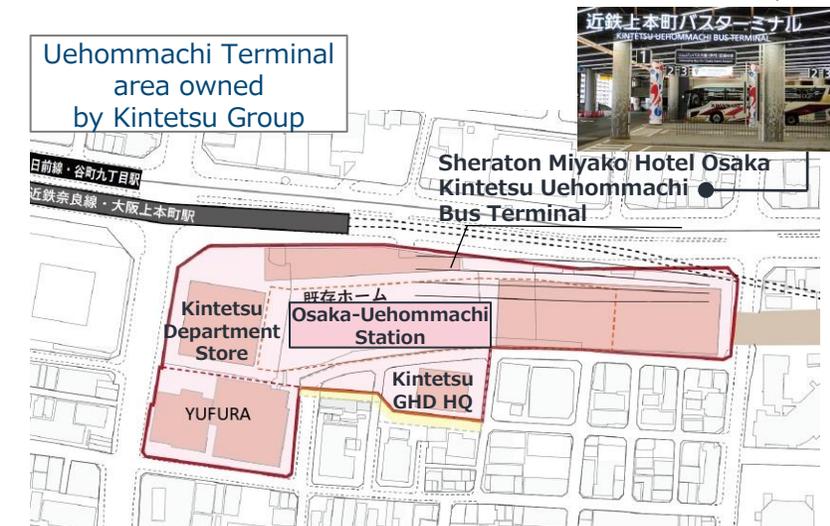
- Positioning within Osaka City ⇨ Residential area with a good living environment that is highly convenient for everyday life (transportation, culture, education, retail, history, etc.), and as the population and number of households increase, there is a large population of middle-aged people with high purchasing power
- Since Uehommachi fulfills a gateway function to railway network destinations such as Nara, Nagoya, and Ise-Shima, revitalizing the area will have a ripple effect on the entire network, generating large economic benefits and revitalizing the network

<b>Location</b>	<ul style="list-style-type: none"> <li>• Highly convenient transportation to main Osaka railway stations and airports                             <ul style="list-style-type: none"> <li>- Kintetsu (Namba Line, Nara Line, Osaka Line) and Osaka Metro (Tanimachi Line, Sennichimae Line) run services to the station, and transfer to the JR Line is available via the nearby Tsuruhashi Station</li> <li>- Airport buses (Osaka Itami Airport, Kansai International Airport) and tour buses are available at the Kintetsu Uehommachi Bus Terminal</li> </ul> </li> <li>• Historic and cultural area with one of Japan's highest concentration of temples</li> </ul>
<b>Residences</b>	<ul style="list-style-type: none"> <li>• Good living environment with highly convenient facilities for everyday life around the stations, and also high concentration of schools, private night schools, and hospitals</li> <li>• High land prices and rents, enabling pursuit of high-end demand</li> </ul>
<b>Demographic trends</b>	<ul style="list-style-type: none"> <li>• Population and number of households in Tennoji-ku have increased in recent years                             <ul style="list-style-type: none"> <li>- Large middle-aged population (30s to 50s) of more than 7,000 people, which is promising for long-term consumer demand</li> <li>- Estimated number of households earning more than 10 million yen per year is more than three times higher than other neighborhoods near main Osaka railway stations</li> </ul> </li> </ul>
<b>Retail</b>	<ul style="list-style-type: none"> <li>• Large population in neighborhood, making commercial facilities for local residents promising</li> <li>• Area is popular with foreigners due to good access to Shinsaibashi and Namba areas, enabling capture of inbound tourism demand</li> </ul>

(Launched in March 2025 after redevelopment)

## Direction of new urban development For local residents: Culture/education/residential area

- We own more than 30,000 m<sup>2</sup> of land around the Uehommachi Terminal, enabling us to make a bold and finely tuned development that meets changing needs
- Expansion of foot traffic from the nearby Abeno Harukas-centered Abeno and Tennoji area, the lively Namba area, and the adjacent JR Osaka Loop Line Tsuruhashi Station.
- An area with a high concentration of Osaka governmental agencies (Chuo-ku, Osaka City) is nearby (within about 3 km), and if some central agencies move there under the Second Capital Vision, we expect new markets to be generated due to its proximity (increase in daytime population and revitalization of economic activity)
- We aim to improve the hub functionality that attracts people to the railway network, while promoting quality residential area developments that concentrate housing, hotels, and commercial and entertainment facilities, etc., in a smart manner, making it the easiest area to live in within central Osaka



# Priority Strategy Initiatives: Enhancing the Appeal of Abeno, Uehommachi, and Namba (Abeno)

- Area with high concentration of large commercial and cultural facilities, including Kintetsu Group assets and the landmark Abeno Harukas
- Foster “Harukas Town” centered on Abeno Harukas through organic integration of Group assets
- Further improve links between the local community and local businesses, including the Kintetsu Group, and promote initiatives for further revitalization

## Researching and organizing information about the potential of Abeno and Tennoji area to create a future vision

- Positioning within Osaka City ⇔ Residential area that is highly convenient for everyday life and a commercial area that targets residents and visitors as customers
- In addition to Kintetsu Group asset Abeno Harukas, the area has a high concentration of large commercial and cultural facilities, and forms a synergy with the adjacent Shinsekai area to create a lively atmosphere with visitors from both Japan and overseas
- An area rooted in natural and cultural attractions such as a park, art gallery, zoo, temples, and shrines, making it a leading Osaka terminal that has a residential aspect not seen in the Kita or Minami districts

### Location

- One of the most convenient terminals for transportation within Osaka City
  - Kintetsu (Minami Osaka Line), Osaka Metro (Midosuji Line, Tanimachi Line), and JR (Osaka Loop Line, Yamatoji Line), etc. run services to the station
- High concentration of large commercial facilities, such as Kintetsu Group asset Abeno Harukas, Miyako City Osaka Tennoji, and the Apollo Building, and adjacent to Shinsekai, a popular Osaka tourist spot
- Contains natural and cultural attractions such as an art gallery, zoo, temples, shrines, and Tennoji Park, with the Ten-Shiba facility at its entrance that is operated by Kintetsu Real Estate
- Population and number of households in Abeno-ku and Tennoji-ku have increased in recent years

### Residences

- Very popular area due to good living environment that is highly convenient for everyday life
- High land prices and rents, enabling pursuit of high-end demand

### Retail

- Large population in neighborhood, making commercial facilities for local residents promising
- Location with facilities that attract families, such as Osaka Tennoji Zoo and Ten-Shiba
- Very large number of visitors from surrounding areas, making it one of the top ranking stations for passenger traffic in Osaka City

### Hotels

- Potential to capture inbound demand from tourism resources such as Abeno Harukas and Shinsekai
- Currently, not enough hotel rooms in the area; in particular, a shortage of high-end hotels

### Demographic trends

## Direction of new urban development For both interacting visitors and local residents: Magnet area

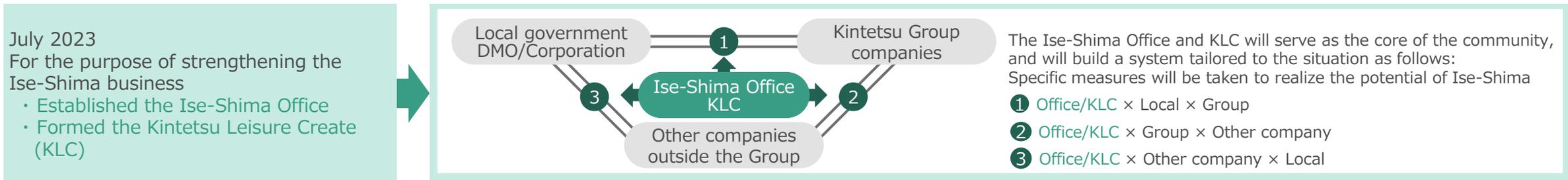
- Improve attractiveness centered around Abeno Harukas
  - Foster “Harukas Town” centered on Abeno Harukas through organic linkage of Group assets; for example, by remodeling department stores, opening the “Abeno Well-being Terrace,” and conducting the large-scale renewal of “Hoop”
    - \* Investments of about 10 billion yen planned under current Medium-Term Management Plan
  - Discover potential of area, including advanced use of Group assets
- By holding events using Ten-Shiba and further strengthening the links between the local community and business, including the Kintetsu Group, provide an urban life where visitors can enjoy themselves for the day and create an attractive space where nearby residents and tourists can gather
- Study developments that are linked to the Uehommachi and Namba areas



# Priority Strategy Initiatives: Strengthening Brand Value of Ise-Shima Area (1)

- Ise-Shima is an important tourist destination for Group businesses and an area with high concentration of Kintetsu Group assets
- Clarify issues such as future direction of measures for strengthening brand value and redefining and realizing As-Is/To-Be in each region
- Promote concrete measures for realizing the potential of Ise-Shima through the Group's overall strength and by improving links with local communities, governments, etc.

## System for promoting stronger brand value

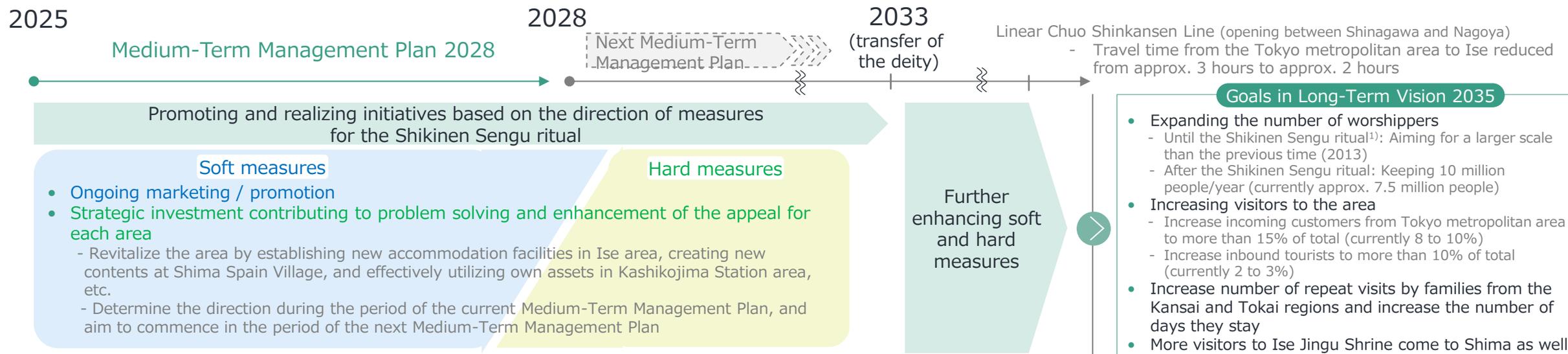


## Redefined current status and issues by area, and clarified future measures, direction, etc.

	Current status	Issues
<b>Entire Ise-Shima region</b>	<ul style="list-style-type: none"> <li>✓ Incoming customers increased by 25% compared to 20 years earlier</li> <li>✓ Visitors from Kanto region make up 8 to 10% of total</li> <li>✓ Inbound tourists make up 2 to 3% of total</li> </ul>	<ul style="list-style-type: none"> <li>✓ Links with local organizations are inadequate</li> <li>✓ Means of secondary transportation are weak</li> <li>✓ Difficult to secure human resources</li> </ul>
<b>Ise</b>	<ul style="list-style-type: none"> <li>✓ In addition to visiting the Ise Jingu Shrine, popularity of surrounding facilities is rising</li> <li>✓ Increasing number of accommodation facilities in the town area</li> </ul>	<ul style="list-style-type: none"> <li>✓ Risk of large decrease in worshippers after end of Sengu ritual</li> <li>✓ Essence and profundity of Ise Jingu Shrine not sufficiently well-known</li> </ul>
<b>Toba/Shima (excluding Ago Bay)</b>	<ul style="list-style-type: none"> <li>✓ No significant change in Toba tourist attractions</li> <li>✓ Tour groups decreasing, individual customers increasing</li> </ul>	<ul style="list-style-type: none"> <li>✓ In Shima, many tourist attractions are affected by the weather</li> <li>✓ Overall, buildings and facilities are aging</li> <li>✓ Insufficient appeal to Ise Jingu Shrine worshippers</li> </ul>
<b>Shima (Ago Bay)</b>	<ul style="list-style-type: none"> <li>✓ Popularity of Yokoyama View Point is rising</li> <li>✓ Increasing number of small luxury accommodation facilities</li> </ul>	<ul style="list-style-type: none"> <li>✓ Kashikojima Station area is less lively than before</li> <li>✓ Not enough tourist content that leverages appeal of Ago Bay</li> </ul>

Future measures and direction
<ul style="list-style-type: none"> <li>✓ Increase value of tourist attractions</li> <li>✓ Revitalize Kashikojima Station area</li> <li>✓ Develop tourist content for Ago Bay</li> <li>✓ Raise quality of existing businesses</li> <li>✓ Study new accommodation facilities</li> <li>✓ Enhance means of secondary transportation</li> <li>✓ Develop various promotions</li> <li>✓ Establish Ise-Shima DMC</li> <li>✓ Develop wide-area tourism routes</li> <li>✓ Develop local systems tailored to inbound promotions</li> <li>✓ Link organically to accommodation facilities and nearby leisure facilities</li> </ul>

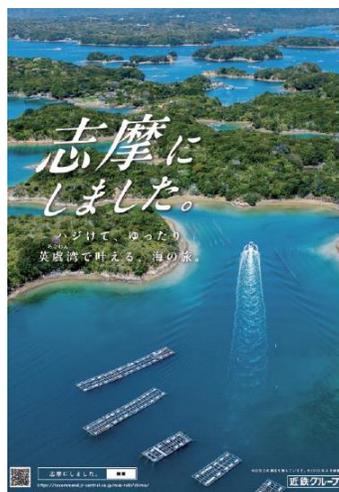
## Measures and goals in current Medium-Term Management Plan



## Main measures for attracting more customers (FY2025)

### 1. “We chose Shima” campaign, a collaborative project between the Kintetsu Group and JR Central

- The Kintetsu Group, JR Central, Mie Prefecture, and Shima City teamed up to launch a project to turn Shima into a sustainable tourist area. We collaborated with JR Central to start the “We chose Shima” campaign from May, which provides tourism plans centered on Ago Bay
- We linked with local businesses to develop tourism content based on enjoyment of Ago Bay and developed promotions focused on the Tokyo metropolitan area
- We plan to continue collaborative projects with JR Central in the next fiscal year



### 2. Diverse IP<sup>2)</sup> and collaborative events



THE IDOLM@STER™& ©Bandai Namco Entertainment Inc.

#### NANAJIGEN SEITOKAI! School Trip in Shima Spain Village!

Collaborative event with NANAJIGEN SEITOKAI!, a virtual liver group that includes the NIJISANJI VTuber Suo Sango  
Event period: November 1, 2025 to January 12, 2026

#### THE ISE-SHIM@STER

Planned and held collaborative events with the popular media franchise, THE IDOLM@STER, which celebrates its 20th anniversary this year, in the Ise-Shima region (Ise City, Toba City, Shima City).  
At Shima Spain Village, sold collaborative goods and food, and implemented panel decoration, etc.  
Event period: September 13, 2025 to October 13, 2025



1) Shikinen Sengu ritual is a Shinto ritual that takes place at the Ise Jingu Shrine once every 20 years to newly build the sacred building and remake the sacred apparel, furnishings and treasures, etc. This 63rd time will involve ceremonies and events from 2025 to 2033, with many worshippers forecast to visit from across the country.

2) Intellectual property including characters from anime, games, novels, movies, etc.

## 3. Debut of Les Saveurs SHIMA, a restaurant train

- We will start operation of Les Saveurs SHIMA, a restaurant train where customers can enjoy genuine French cuisine in a sophisticated dining car space as they travel from Kintetsu-Nagoya Station to Kashikojima Station (scheduled to start fall 2026)
- On the train, customers will be offered two options; a Course Menu composed of genuine French cuisine prepared under the supervision of Hiroe Higuchi, Executive Chef at the Shima Kanko Hotel, and Zen, composed of more casual French cuisine



△ Exterior design (image)



△ Table seats (image)



△ French Course Menu, French Zen Menu (image)

## 4. Attracting inbound tourists

### Strengthening promotions originating in Taiwan

- We will feature Lin Chi-ling in Ise-Shima promotions; she is an active actress who is very famous in the Asian region. \* Promotions scheduled to start from fall 2026
- Plan to raise awareness of the Ise-Shima area in the Asian region and foster a brand image, boosting the number of inbound tourists using our railway network



Lin Chi-ling

- She invokes sympathy and trust from all generations
- She often appears in commercials and other advertising, where she is highly acclaimed as the embodiment of sophistication, elegance, and trust
- She also has great persuasive power as a social media influencer

(Number of followers)  
 Facebook: 550,000  
 Instagram: 1.37 million  
 Weibo: 18.22 million



Based on the concept of “An enticing gourmet experience on an elegant train journey,” customers can enjoy French cuisine in a sophisticated dining car space

- The Group collaborated to make plans to attract inbound tourists based on the trinity of “advertising, sales promotion, and development of reception systems”
  - (1) Advertising
    - Advertise using social media and media at railways (Metro Taipei, etc.), airports, and urban areas, as well as digital advertising using promotional and marketing images
  - (2) Sales promotion
    - Launch a special website that progresses seamlessly from providing local information to ticket purchasing
    - Develop and sell products linked to domestic tourism companies in Taiwan, etc.
  - (3) Development of reception systems
    - Strengthen inbound tourist reception systems across entire Ise-Shima region (Establishment of DMC, etc.)
    - Develop infrastructure, such as guidance signage for inbound tourists

### Start of sales for new travel products targeting visitors to Japan

- Started sales by Kinki Nippon Tourist Blue Planet of “Self Guided Tours<sup>1)</sup>,” which allows tourists to travel on their own along predetermined routes, for foreign visitors to Japan
  - Multiple courses are provided that include the Ise-Shima area

1) A highly flexible travel product that allows tourists to travel on their own along predetermined routes, without needing a tour guide. Tourists can see and do what they want at their own pace, and this form of tourism is especially popular with tourists from the U.S. and Europe who value their independence

Policies in current Medium-Term Management Plan for Tokyo metropolitan area

Creating a new streetscape that leverages the Group's assets

- Currently exploring methods for future advanced utilization of the Sheraton Miyako Hotel Tokyo in Shirokanedai
  - Considering collaboration with external partners
- Exploring best utilization methods of other Group assets in the city center

Enhancing business foundations

- Reinforcing Tokyo metropolitan area business
  - Establishing a new corporate function base in the Tokyo metropolitan area
  - Strengthening acquisition of talent in areas such as digital, new business, and global
  - Strengthening Group collaboration including Tokyo-based KWE and KNT-CT
  - Enhancing presence in the Tokyo metropolitan area

- Shirokanedai (Minato-ku, Tokyo) is a prominent high-end residential area in Tokyo
- To enhance our business foundations in the Tokyo metropolitan area, we are studying how to most effectively use land in the future, including advanced utilization through redevelopment of the Sheraton Miyako Hotel Tokyo site that is positioned in this area. In this way, we will create landmark assets for the Group and further increase their potential in the Tokyo metropolitan area

Researching and organizing information about the potential of Shirokane/Shirokanedai area to create a future vision

- A promising district for future development because the development of the nearby Shinagawa Station area is expected to increase potential by creating new foot traffic and demand

Location

- A peaceful residential area, one of the most popular in Tokyo, which is close to Meguro and Shinagawa Stations
- 81<sup>1)</sup> embassies are located in Minato-ku, and about 800 foreign corporations are concentrated there
- Transportation will become even more convenient due to planned infrastructure developments, such as Tokyo Metro's Namboku Line extension (from Shirokane-Takanawa to Shinagawa) and the opening of the new section of Shinagawa Station for the Linear Chuo Shinkansen Line

Demographic trends

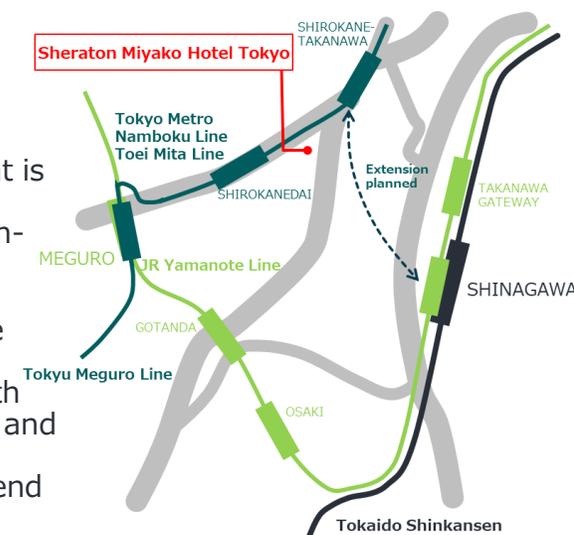
- In recent years, many families, mostly high earners, have moved to Minato-ku, resulting in an increase in population and the number of households
- Age composition is concentrated in the middle-aged range of people in their 30s to 50s, especially people in their 40s

Hotels

- A very favorable surrounding environment that is suitable for the location of a high-end hotel

Residences

- A very favorable surrounding environment with high land prices and rents, enabling pursuit of high-end demand



1) Number of embassies in Minato-ku: Number as of December 1, 2023

# Priority Strategy Initiatives: Deepening/Expanding Business and Enhancing Presence Globally

- Commenced construction of new hotel to expand our hotel business in the U.S.
- Commenced construction of a new warehouse in Singapore to expand sales in Southeast Asia for our International Logistics business
- Strengthening local functions by establishing new corporate bases in Asia and for the real estate and travel businesses

## Hotels Promote hotel planning in the Dallas suburbs in Texas, U.S.

- Commenced construction on a hotel that will be the Kintetsu Group's third base in the U.S.

\*Commenced construction in October this year, opening scheduled for FY2027, number of guest rooms (anticipated): 217



New hotel (completion image)

- Capture demand from Japanese expatriates, business travelers, and wealthy locals by providing Japanese-style services such as Japanese restaurants and bathrooms with washing areas

### Potential of planned location

- Area with increasing concentration of corporations, driven by excellent business environment
- Plano is a city positioned in the Dallas-Fort Worth (DFW) economic zone. This metropolitan area has experienced remarkable population growth to about 8 million people (largest after NY, LA, and Chicago)
- Developments in Plano (population about 300,000) have rapidly accelerated, including the relocation there of the headquarters of Toyota Motor North America in 2017, and economic growth is expected to continue in this city going forward
- Approx. 75 million people use DFW International Airport every year (third most in the U.S. after Atlanta and Chicago)



## International Logistics Accelerate growth strategies in Singapore

- Commenced construction of a new headquarters and warehouse for our Singapore subsidiary

\*Commenced construction in August this year, opening scheduled for FY2027, total floor area: 29,000 m<sup>2</sup>



New headquarters/warehouse (completion image)

- Many Western healthcare companies and semiconductor related companies have positioned Singapore as their Southeast Asian hub
- To fully capture this demand, we are enhancing our warehouse space and functionality to promote the growth of the forwarding business and logistics business

## Establish new corporate bases

### Group HD Develop new Group bases in Asia

- To expand the Group's integrated business foundations in Asia, study the development of Group bases responsible for wide-area functions in addition to the Taipei Office

### Real Estate Established U.S. local subsidiary

- Participated in real estate fund investments and large-scale rental housing developments, etc. in the U.S. since 2020
- Established a local subsidiary, "Kintetsu Real Estate Company of America," to strengthen our business foundations in the U.S. and plan further expansion of our U.S. real estate business

### Travel Build and strengthen functions of overseas liaison bases<sup>2)</sup>

- Built liaison functions into local subsidiaries by appointing staff to support visitors in Los Angeles and Sydney. In partnership with KWE<sup>3)</sup> local bases, we plan to expand our network to 30 cities worldwide in the medium to long term.

This will mark the beginning of expansion into major U.S. cities while maintaining a balance between direct management and management contract (MC)<sup>1)</sup> methods.

1) Management contract

2) Bases responsible for tasks such as global MICE sales, developing sales channels for inbound products, and promotional activities for tourist destinations in Japan to attract more visitors to Japan, etc.

3) Kintetsu World Express

Steadily promote the initiatives necessary to realize the long-term goals of each Group company within the Group’s common infrastructure



## Sustainability

Start initiatives to create a sustainable community in Ise-Shima

Develop safety, corporate governance, and risk management systems to strengthen the management foundation



## Human capital

Kintetsu HR Partners will cooperate with the Human Resources Divisions of Kintetsu GHD and each Group company with the aim of raising the standard and evolving the human resource function of the entire Group

Promote the three strategies of “recruitment and retention,” “training and development,” and “placement and transfer” in order to improve engagement with our long-term vision of human capital management, “unwavering trust, resonant individuality, and bold challenges”



## DX

Create new value through the use of data and digital technology with the Group’s overall strength while developing the foundations that assume thorough improvement in efficiency and labor optimization, standardization of systems and infrastructure, securing and training DX human resources, and strengthening cybersecurity

**Initiative status reports  
(refer from next page for details)**



## Group cooperation

Kintetsu GHD takes the lead in developing a platform and systems to promote Group-wide cooperation and collaboration, and implement measures to maximize the Group’s strength



## Branding

Move ahead to become the Kintetsu Group of choice for a wide range of stakeholders by leveraging the brand assets that we have cultivated over many years and promoting initiatives to maximize the value

Create new value through the use of data and digital technology while developing the foundations that assume DX management including thorough improvement in efficiency and labor optimization, standardization of systems and infrastructure, securing and training DX human resources, and strengthening cybersecurity

## Establishment of shared infrastructure (matter to be implemented) for the creation of new value

- (1) Building a digital service platform of the Kintetsu Group as follows.
- KIPS app as a new point of contact with customers
  - Shared ID "Kintetsu-ID" which connects customer information of each Kintetsu Group company
  - Data analytics infrastructure to comprehensively analyze customer information
- (2) Continuing to enhance KIPS apps' functions to increase active users
- (3) Improving analytical abilities with external support
- Forming a business alliance with Data4cs, known for its strong data analysis and reputation for supporting clients in addressing issues and business growth through human resource development, etc., and promoting sophistication and acceleration of customer understanding as well as improvement of data analytical abilities

Consolidating and analyzing information on Group customers using shared infrastructure



Aiming to identify customer behavior patterns, life stages, etc. and provide each Group company's services according to customers' needs

## Data marketing (matter currently in progress) through advanced use of customer data

### One to One marketing

Identify the following by combining each Group company's customer data:

- Behavior and buying patterns at the customer level
- Group-wide targeting of high-value customers, etc.

Identify the following based on external data (foot traffic data, and word of mouth), etc.:

- Trends at the persona (customer attribute) level, etc.

### A wide variety of customer data owned by each Group company

Railways	Merchandise Sales	Hotels	Travel
<ul style="list-style-type: none"> <li>- Station boarding and alighting data</li> <li>- Limited express members/usage data</li> <li>- Touchless ride data</li> <li>- Commuter pass sale data</li> <li>- Kintetsu app data</li> </ul>	<ul style="list-style-type: none"> <li>- Sales (POS) data</li> <li>- Out-of-store sales data</li> <li>- Tomonokai data</li> <li>- Department store app data</li> </ul>	<ul style="list-style-type: none"> <li>- Customer data</li> <li>- Accommodation data</li> <li>- Miyako Plus data</li> <li>- Web behavior data</li> </ul>	<ul style="list-style-type: none"> <li>- Customer data</li> <li>- Reservation and transaction data</li> <li>- Web behavior data</li> <li>etc.</li> </ul>

- Implementation of One to One marketing
- Creation of a regional economic zone (Abeno and Tennoji, Nara, etc.)
- Discovery of prospective and dormant customers
- Mutual customer referral through campaigns with multiple business companies
- Revitalization of existing customers



Going forward, we aim to further consolidate and analyze extensive information from each Group company and deepen customer understanding. We will also create Group synergy through One to One marketing to increase business profitability.

## Status of cybersecurity initiatives

<p>Strengthening the Group CSIRT<sup>1)</sup> system</p>	<ul style="list-style-type: none"> <li>• Strengthen response when incidents occur (support development of contact system and creation of network diagrams)</li> <li>• Collect system vulnerability information and request support to Group companies</li> <li>• Share incident case studies and security-related information at liaison meetings for Group IT staff</li> </ul>
<p>Oversight based on Group Security Measure Standards</p>	<ul style="list-style-type: none"> <li>• Establish “Group Security Measure Standards” that specify the required security measures according to the size of the Group company             <ul style="list-style-type: none"> <li>- Perform a regular inventory for the implementation status of the Group Security Measure Standards</li> <li>- Provide technical support for prompt implementation and strengthen security measures by reviewing the contents of the Group Security Measure Standards</li> </ul> </li> <li>• Check the status of measures at Group companies using information security management audits, etc.</li> </ul>
<p>Ongoing security investments</p>	<ul style="list-style-type: none"> <li>• Develop a shared security infrastructure that can be used at Group companies             <ul style="list-style-type: none"> <li>- Kintetsu Group EDR<sup>2)</sup> service</li> <li>- Vulnerability diagnosis for public systems</li> </ul> </li> </ul>

## Future cybersecurity initiatives

<p>Support the implementation of Group Security Measure Standards and further improve them</p>	<p>Develop and further expand shared infrastructure for security products</p>
<ul style="list-style-type: none"> <li>✓ Aim to complete measures for all items in the Group Security Measure Standards by the end of FY2025</li> <li>✓ Provide technical support to each company regarding the promotion of security measures</li> <li>✓ Improve the contents as necessary according to the latest security conditions</li> </ul>	<ul style="list-style-type: none"> <li>✓ Provide cost and technical support to accelerate the improvement of environments, such as a shared security infrastructure</li> <li>✓ To promote the use of shared infrastructure, we hold briefings for Group companies and provide technical support for deployment.</li> </ul>



By improving measures according to conditions and supporting measure implementation, strengthen cybersecurity across the entire Group

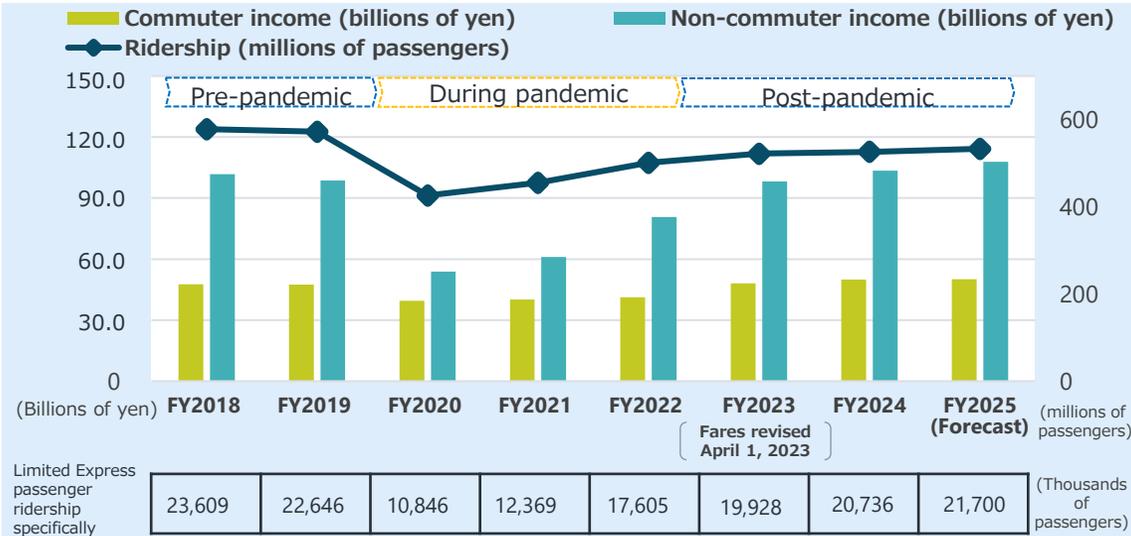
1) Computer Security Incident Response Team

2) Endpoint Detection and Response: A security product that detects infiltration by an attacker and automatically isolates the device from the network

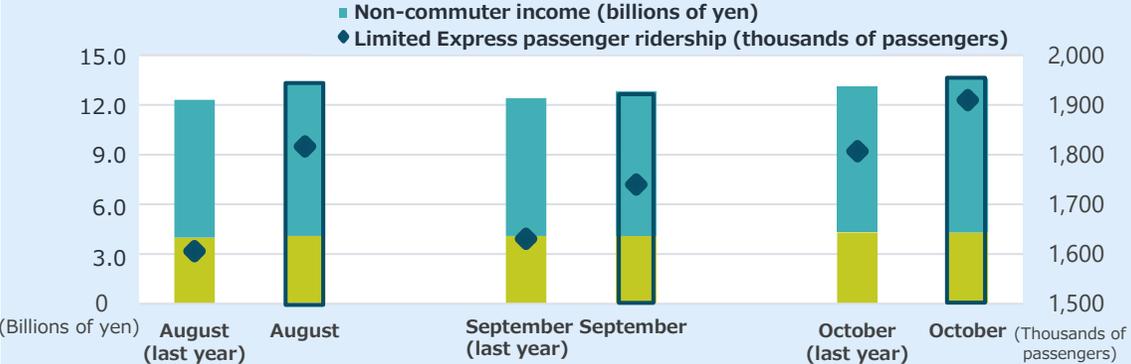
# Current Circumstances of Main Companies and Initiatives



## Commuter/non-commuter income and ridership trends



### Current circumstances



- Ridership in April to September (first half): 273 million passengers (+2.7% YoY)
  - Limited Express passenger ridership specifically: 10.91 million passengers (+7.8% YoY)
  - \*including Nagoya-Osaka Limited Express passenger ridership specifically: 0.98 million passengers (+13.0% YoY)
  - The average occupancy rate of the sightseeing limited express "Shimakaze" and the sightseeing train "Aoniyoshi" exceeds 90%.
- Limited express passenger ridership in October: +6.8% YoY (Nagoya-Osaka Limited Express specifically +11.1%)

### Long-Term Vision

We create an operational area full of wonders, as a company loved and chosen by people. Providing safe, comfortable services, while working with the bright areas along our railway lines.



### Major initiatives (i): Strengthen an efficient business structure firmly grounded in safe transportation

#### Measures against large-scale disaster, updating of various equipment, etc.

- Continue implementing disaster prevention measures, renewal of stations and station restrooms
- Implement installation of platform doors at Tsuruhashi and Nagoya Stations as barrier-free improvements
  - Scheduled for completion at the end of March 2026 for Tsuruhashi Station (for 4 tracks) and at the end of March 2027 for Nagoya Station (for 2 tracks)

#### Expand the introduction of new high energy-efficient general rolling stock

- Energy saving measure: Reduce power consumption by approx. 45% compared with conventional models
- Scheduled to introduce new general rolling stock (approx. 150 train cars) between FY2025 and FY2028
  - FY2024: 48 train cars (8A series) introduced (Nara Line, Kyoto Line, etc.)
  - FY2025: 60 train cars (1A series) scheduled to be introduced (Osaka Line, Nagoya Line, etc.)
  - FY2026: Scheduled to be introduced to the Minamiosaka Line and other lines

New general rolling stock



### Major initiatives (ii): Increase revenue through initiatives for regional revitalization and to stimulate demand

#### Strengthen services in line with demand, increasing the number of Nagoya-Osaka Limited Express services, etc.

- To capture demand between Osaka and Nagoya (Meihan) and enhance transportation capacity during the Osaka-Kansai Expo, three additional Nagoya-Osaka Limited Express trains will operate on weekdays and seven on weekends and holidays during morning and evening hours.
- Also explore strong demand-based timetable planning after the Expo

#### Enhance services with a high level of customer satisfaction that utilize digital technology

- Started sales of digital tickets with limited express tickets in April this year
- Enhance opportunities for a range of customers including inbound tourists and those away from railway lines to purchase special fare tickets

#### Increase the visitor population by deeply exploring the charm of railway lines

- Attract more customers through collaborations with railway operators
- Implement sales measures that incorporate large-scale events on the railway lines

#### Introducing concept and very theme-specific trains

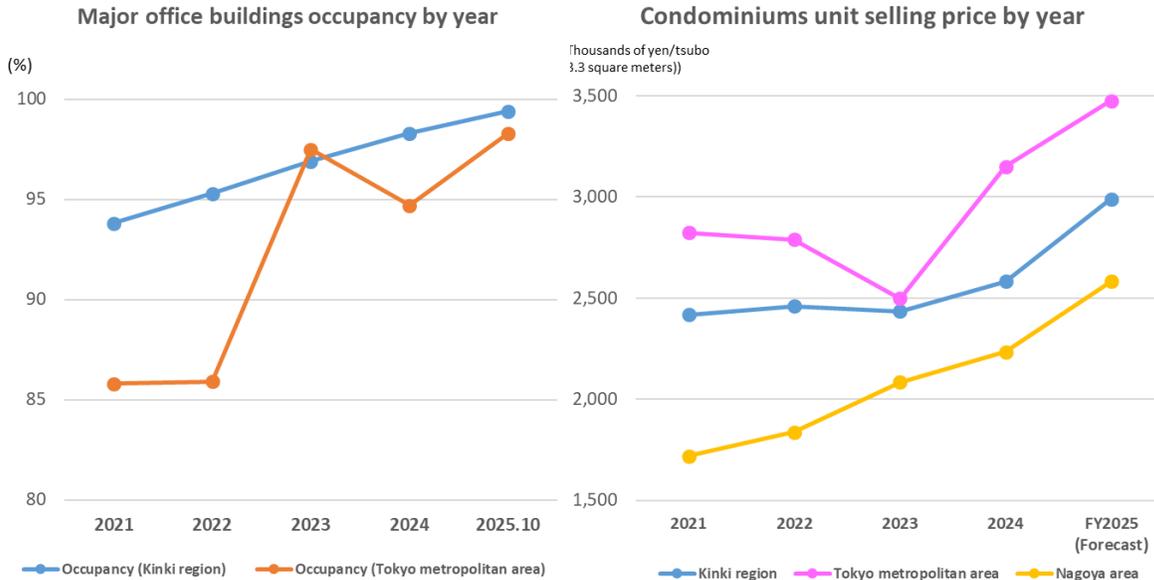
- Les Saveurs SHIMA, a restaurant train scheduled to start fall 2026
- \*Details are provided on Page 41 of this document.



# Current Circumstances of Main Companies and Initiatives



Major office buildings occupancy/condominiums unit selling price by year



**Current circumstances**

- Major office buildings occupancy by year (as of the end of October 2025)  
Kinki region: 99.4% (compared to FY2021: +5.6 points)  
Tokyo metropolitan area: 98.3% (compared to FY2021: +12.5 points)
- Condominiums unit selling price increase rate (FY2025 forecast, compared to FY2021)  
Kinki region: +24%  
Tokyo metropolitan area: +23%  
Nagoya area: +50%

**Long-Term Vision**  
We will go beyond the confines of real estate to be a company that can propose new lifestyles.

**Major initiatives (i): Advance development projects along/away from railway lines**

- Development that enhances railway line value**
  - Commenced development of a town of approx. 2,000 people by advancing comprehensive development in the Gakuemmae north district (approx. 5 ha), which is close to Gakuemmae Station
  - Commenced development of a new senior residence consisting of the independent living wing (168 rooms) and the nursing care wing (50 rooms) in the Gakken-Nara-Tomigaoka district.
- Enhancement of functions at Uehommachi Terminal**
  - Commenced development of Uehommachi 6-chome Building (tentative name), a building complex with offices and commercial facilities, in front of Osaka-Uehommachi Station
  - Completed development of the bus terminal, station, etc. for the purpose of improving convenience of Osaka-Uehommachi Station, a transportation hub
- Development that becomes a local landmark**
  - Considering a complex that will become the leading brand in the Hokuriku region at the site of the former Kanazawa Miyako Hotel, following its designation as an Urban Regeneration Urgent Development District in July 2025



**Major initiatives (ii): Strengthen existing businesses (condominium and housing businesses)**

- Promotion of the condominium business**
  - FY2025 (plan)  
Approximately 1,200 units (2% increase compared to the previous year)
- Expansion of the brokerage store network**
  - Expand the business area and increase revenue by enhancing the network of brokerage stores to 100 stores (56 stores as of the end of October 2025)



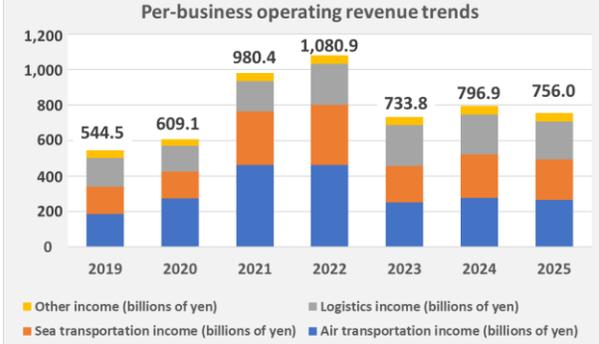
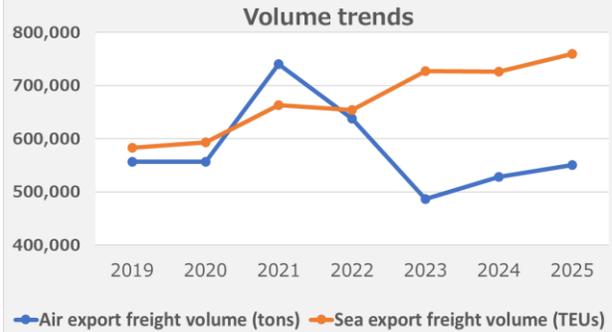
**Major initiatives (iii): Expand the real estate business overseas**

- Secure stable profits and expand the network**
  - Established U.S. local subsidiary in July 2025

# Current Circumstances of Main Companies and Initiatives



## Air & sea export freight volume Per-business operating revenue by year



Long-Term Vision

Global Top 10 Solution Partner  
— A Global Brand Born in Japan —  
Merchandise volume of more than 1.00 million metric tons of air freight and more than 1.00 million TEUs of sea freight



### Major initiatives: Growth through expansion of volume handled by strengthening sales

#### Japan and intra-Asia strategy

- Further expand volume by strengthening sales to and from Japan and in intra-Asia
- <Circumstances in the first half>  
Air: Volume rose 3.1% year on year due to an increase in volume handled in the Japan, Taiwan and South Korea area.  
Sea: Volume rose 4.7% year on year due to an increase in volume handed from Japan, Taiwan and South Korea to Southeast Asia

#### Trade lane strategy

- Expand the share of 8 air and sea lanes between Asia and Europe and the U.S., which is a large market
- <Circumstances in the first half>  
Air: Volume rose 13.1% year on year due to an increase in volume handled from Europe to China and Hong Kong.  
Sea: Volume declined 10.6% year on year due to a decrease in volume handled from China and Hong Kong to the U.S.

#### Item strategy

- Continue to strengthen sales with 7 items anticipated to achieve growth as priority items
- <Circumstances in the first half> Handled cargo volume increased for electronics in Air, and for materials in Sea.

#### Contract logistics strategy

- Advance the 3PL business that complements and extends the forwarding business
- <Initiatives in the first half> Commenced construction of a new headquarters and warehouse for our Singapore subsidiary (August of this year)

\*Details are provided on Page 43 of this document.

Promotion of four strategies



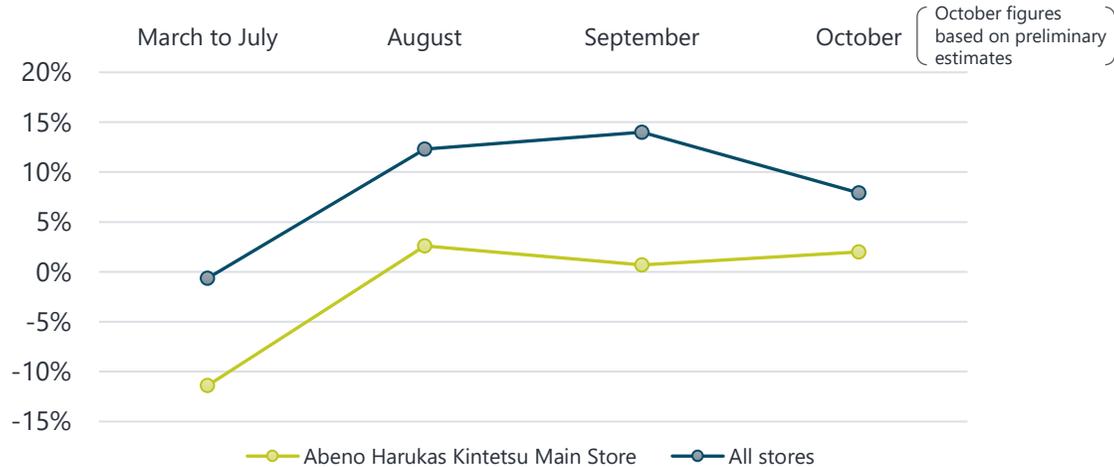
#### Expansion of handled cargo volume through enhanced sales efforts

	FY2024 Results	FY2025 Forecast
Air export freight volume (thousand tons)	527	549
Sea export freight volume (thousands of TEUs)	725	761

	Current circumstances	Outlook for this year
Market trends (volume)	<ul style="list-style-type: none"> <li>Air: Volume in first half rose 5.8% year-on-year. Effect of Trump tariffs has been limited.</li> <li>Sea: Volume in first half rose 1.5% year-on-year. Concerns about Trump tariffs led to temporary suspension of shipments from China to the U.S., but globally, the effect has been limited.</li> </ul>	<ul style="list-style-type: none"> <li>Air: Growth in volumes bound for our core destinations in the Midwest and West Coast of the U.S. will be slowing down overall. Destinations such as intra-Asia will compensate for this, and we expect an increase year-on-year globally.</li> <li>Sea: Since inventories for year-end sales have already been sufficiently filled due to rush deliveries made before the application of the Trump tariff, freight demand will plateau.</li> </ul>
Demand and supply (space)	<ul style="list-style-type: none"> <li>Air: Space has increased due to an expansion of passenger flight routes to East Asia. However, the U.S.'s scrapping of the <i>de minimis</i> rule has led to a reduction in cargo-only flights between East Asia and the Americas.</li> <li>Sea: The rush shipments seen before the application of the U.S.'s reciprocal tariffs have come to an end, and shipping companies are adjusting supply by canceling sailings and reducing transportation routes.</li> </ul>	<ul style="list-style-type: none"> <li>Air: The reduction in space for North America and the shift to Europe is continuing due to changing trends for e-commerce originating in China and Hong Kong. Although passenger flights continue to recover, the operation of cargo-only flights is limited, which has not led to large increase in the supply of cargo space.</li> <li>Sea: Since the trend is for decreasing volumes, shipping companies will continue to adjust supply by canceling sailings and reducing transportation routes going forward. Port congestion has occurred at main European ports, and the demand and supply balance has been adjusted according to the lane.</li> </ul>

# Current Circumstances of Main Companies and Initiatives

## Department stores Sales (compared to last year)



Note: Kintetsu Department Store Main Store Abeno Harukas includes Expo 2025 Osaka, Kansai, Japan Official Store – Abeno Harukas Store  
All stores include the Expo 2025 Osaka, Kansai, Japan, Official Store (West Gate Store) within the Expo site

### Current circumstances

- Company-wide sales
  - Company-wide sales trended significantly higher than last year's results in all of August, September, and October.
- Expo 2025 Osaka, Kansai, Japan Official Store (within Expo venue and Abeno Harukas Kintetsu Main Store)
  - The Official Store achieved sales that greatly exceeded targets well right to the end of the Expo and was a driver of company-wide growth.
- Abeno Harukas Kintetsu Main Store
  - The remodeled confectionary sales area performed well. In addition, thanks to the Expo 2025 Osaka, Kansai, Japan Official Store (Abeno Harukas Store) performed well even after the end of the Expo, domestic sales showed a positive trend year on year.
  - Duty-free sales were on a recovery trend due to the number of visitors to Japan remaining at a high level and a sense of affordability driven by the weak yen.
  - Store traffic also showed a positive trend.

Long-Term Vision

Become a platform provider that enriches life



Major initiatives: Realization of the Long-Term Vision of "Aiming to be reborn as a business company (= department store **with value**) that creates value"

### Remodeling of the flagship store, Abeno Harukas Kintetsu Main Store

(remodeling about 30% of entire store over the four years from FY2025 to FY2028)

- Create value that supports high-quality living by strengthening the luxury goods sales area, restructuring the fashion goods sales area, and introducing a fashion concierge initiative, etc.
- For the food sales floor, it is ensured that the sales areas always remain fresh.
  - In June 2025, renewed the confectionary sales area on B1F of the Tower building
  - Develop initiatives to make large-scale renewal in which more than ten new shops will be added in the delicatessen sales area in FY2026

### Maximizing the attractiveness of the Abeno and Tennoji area

[Hoop] Personal Style Curation Hall

- Systematic large-scale renewal from June 2025 (Scheduled for completion in FY2026)
  - Opening of popular sports brand shops such as SALOMON and New Balance on 1F, and SUPER SPORTS XEBIO on 5F



[and] Supporter of high-quality living

- Remodeling as a store with a wide product lineup from food to lifestyle goods completed in FY2025



[Abeno Well-being Terrace]

Supporting the wellbeing of neighborhood residents

- Grand opening in July 2025
  - Clinics/pharmacy, gynecology/breast surgery, internal medicine/ cardiovascular medicine, a pharmacy
  - A restaurant/soba (100% buckwheat)
- Dermatology and diagnostic imaging clinics, are scheduled to open this winter.

Abeno Well-being Terrace

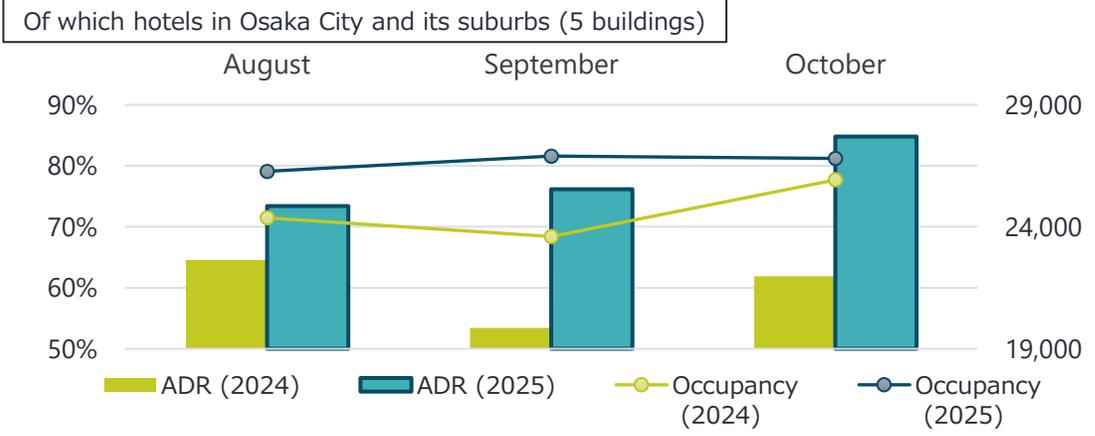
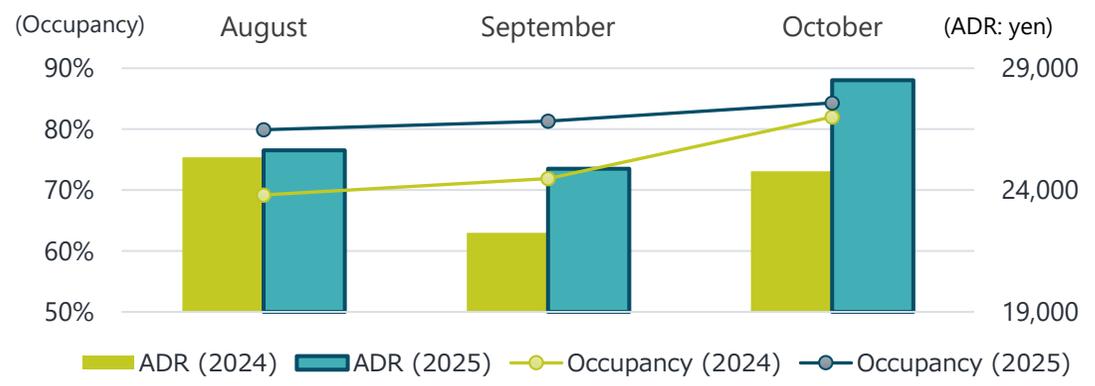


### Evolution of regional stores

- Promoting efforts toward creation of value-providing stores (such as renovations at stores) (Uehommachi Store)
  - Remodeled B1F confectionary sales area (added six new brands, and refreshed 16 brands in June 2025)
  - Opened new stores such as DAISO on 6F. (May 2025)
- (Wakayama Store)
  - Opened the HANDS Kintetsu Wakayama Store, our first in the prefecture, as a franchise store (October 2025)

# Current Circumstances of Main Companies and Initiatives

## Hotels ADR and occupancy



### Current circumstances

- Both the occupancy rate and ADR of all hotels were strong, exceeding the previous fiscal year's figures.
  - Due to the Osaka-Kansai Expo, ADR of hotels in Osaka City and its suburbs greatly increased compared to the previous fiscal year's figure, and the ratio of domestic guests rose.
- In October, when the fall tourist season began, as well, ADR greatly exceeded last year's result, showing strong performance.

Long-Term Vision	One of Japan's finest hotel chains with a truly international reach	
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### Major initiatives (i): Strengthen competitiveness by investing in renovation

**Invest in renovations at major hotels, etc.**

- Planning to invest in renovations at major hotels, aiming to raise sales prices and attract more inbound visitors

Sheraton Miyako Hotel Tokyo [3 floors] (underway) 	Sheraton Miyako Hotel Osaka [2 floors] 	Osaka Marriott Miyako Hotel [3 floors] 	Miyako City Kintetsu Kyoto Station [1 floor] 
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Renovation image

### Major initiatives (ii): Increase the number of hotels in operation

- Promote cooperation with Orion Breweries, Ltd. based on capital and business alliances**
  - In July 2025, "The Orion Hotel Motobu Resort & Spa," the official hotel of JUNGLIA OKINAWA, joined the "Miyako Hotels & Resorts" chain
- Establish a division focused on new developments for increasing the number of hotels in operation in Japan**
- Promote a plan for a hotel in the Dallas suburbs in Texas, U.S., which will be our third base in the U.S.** \*Details are provided on Page 43 of this document.

△The Orion Hotel Motobu Resort & Spa (exterior perspective) Image provided by Orion Breweries, Ltd.

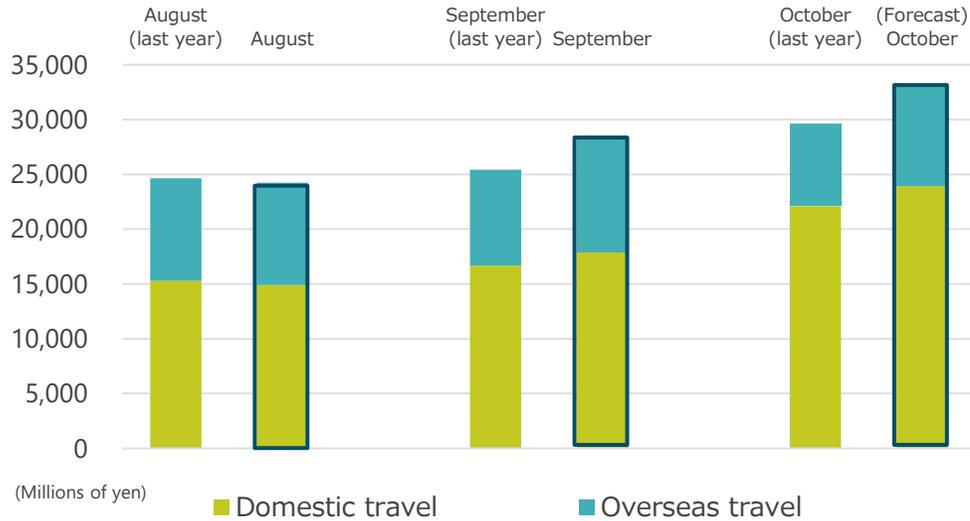
### Main initiatives (iii): Human resource development, and strengthening operations through DX

- Human resource development**
  - Improve workers' conditions (raising base pay, reviewing allowances, etc.)
  - Promote measures that aim to improve worker satisfaction (increasing annual leave in stages and improving the employee dining hall, etc.)
  - Establish a new Education and Training Division to develop human resources with a strong sense of hospitality
- Aggressive utilization of DX and IT**
  - Introduce revenue managements systems that leverage AI
  - Make operations more efficient by introducing systems (automatic generation of cleaning instructions, management of lost-and-found items, etc.)

# Current Circumstances of Main Companies and Initiatives

## Travel

### Sales for domestic and international travel (compared to last year)



## Current circumstances

- Club Tourism
  - Reservation trends for domestic travel in the third quarter showed strong performance, thanks to sell-out of the Osaka-Kansai Expo tickets and chartered Nippon-Maruru cruise and sales of autumn leaves-related products performing well
  - Overseas travel also showed strong performance, and in particular, Europe performed well.
- Kinki Nippon Tourist and Kinki Nippon Tourist Blue Planet
  - Acquisition of projects went well, including corporate conventions for domestic group travel and promotion of contracts for the Winter Olympics for overseas group travel.
  - As for educational trips, orders for overseas school fieldtrips exceeded those of previous year.
  - As for domestic individual travel, trips for Osaka exceeded those of previous year due partly to effects of the Osaka-Kansai Expo.

**Long-Term Vision**  
Evolve from a travel agency to become a general service trading company that creates new value for local communities



## Major initiatives: Expand the community co-creation and inbound business

### Increasing the number of visitors to the region and accelerating inbound business

Overseas (origin)	Travel products	Domestic (arrival)
<p><b>Restructuring of overseas network, shift to visiting Japan</b></p> <p><b>Transforming the role of the overseas stores network</b></p> <ul style="list-style-type: none"> <li>Shifting From handling outbound from Japan to sending travelers to Japan</li> <li>Global MICE sales</li> <li>Developing sales channels for inbound products</li> <li>Promotional activities for tourist destinations in Japan</li> </ul> <p><b>Establishment of a liaison office out of Japan (FY2025)</b></p> <ul style="list-style-type: none"> <li>Started activities in Los Angeles</li> <li>New business locations in Sydney, Amsterdam, and Paris (From FY2026 onward)</li> <li>Actively expand into Southeast Asia, Middle East, etc.</li> </ul>	<p><b>Individual travelers to Japan</b></p> <p><b>Blue Planet</b></p> <ul style="list-style-type: none"> <li>Launch of Self Guided Tour sales at end of September</li> </ul> <p><b>Jto Japan Traveler Online</b></p> <ul style="list-style-type: none"> <li>Online accommodation sales for overseas customers</li> </ul> <p><b>Club Tourism! YOKOSO JAPAN TOUR</b></p> <ul style="list-style-type: none"> <li>Club Tourism global site (approximately 10,000 people)</li> </ul> <p><b>Group travelers to Japan</b></p> <p><b>DMC Japan by Knt</b></p> <ul style="list-style-type: none"> <li>Expansion of international sports inbound travel; aim to double leisure tour groups from Europe, the U.S., and Australia</li> </ul>	<p><b>Demonstrate synergy with regional cocreation projects</b></p> <p><b>Promotion of land-based tourism in the Chubu Sangaku National Park area (model development)</b></p> <ul style="list-style-type: none"> <li>Entered a comprehensive collaboration agreement with Takayama City in October</li> <li>Local wide area DMC<sup>1)</sup></li> <li>Development of tourist attractions in collaboration with local communities</li> <li>Land operator business</li> <li>Tourism infrastructure development business</li> <li>Formation of wide-area routes to attract customers</li> </ul> <p><b>Scaled development across regions nationwide</b></p> <ul style="list-style-type: none"> <li>Establish a self-sustaining model for DMC organizations and roll it out horizontally to Ise-Shima and other regions</li> <li>Creation of inbound flow to local regions for sustainable tourism in Japan</li> </ul>



1) Destination management company: An organization that is familiar with the nature, food, performing arts, traditional crafts, customs, and other aspects of a region and works with the region to create a tourism area

# Promotion of Turnover-Type Real Estate Business

- Established “Kintetsu Investment Partners Co.,Ltd.,” which handles the real estate asset management business, in April 2025
- As a provisional milestone, aim for Assets Under Management (AUM) of 50 to 100 billion yen

## Aim of entering the asset management business

- (1) Achieve growth while maintaining financial soundness
  - Utilize real estate finance (funds, etc.) to recover invested capital and reinvest the acquired funds in growth areas, etc., thereby achieving growth while maintaining financial soundness
- (2) Driver of development plans
  - Consider utilization of real estate finance (funds, etc.) framework for development plans to be implemented going forward
- (3) Ripple effect on existing real estate and hotel businesses
  - Leverage asset management to capture wide-ranging types of revenue from areas such as property management, building management, and hotel operation outsourcing
  - In particular, hotel assets can be used to make integrated proposals to hotel investors by combining the asset management functions of Kintetsu Investment Partners with the hotel operation functions of Kintetsu Miyako Hotels, and they also help expand hotel businesses that do not own assets

## Assets with involvement of Kintetsu Investment Partners

### Partners

- Kintetsu Investment Partners is currently making preparations for registration for the investment advisory and agency business.
- Commenced involvement in some operations related to asset management for a total of 2 properties: a hotel and an office building



Miyako Hotel Hakata

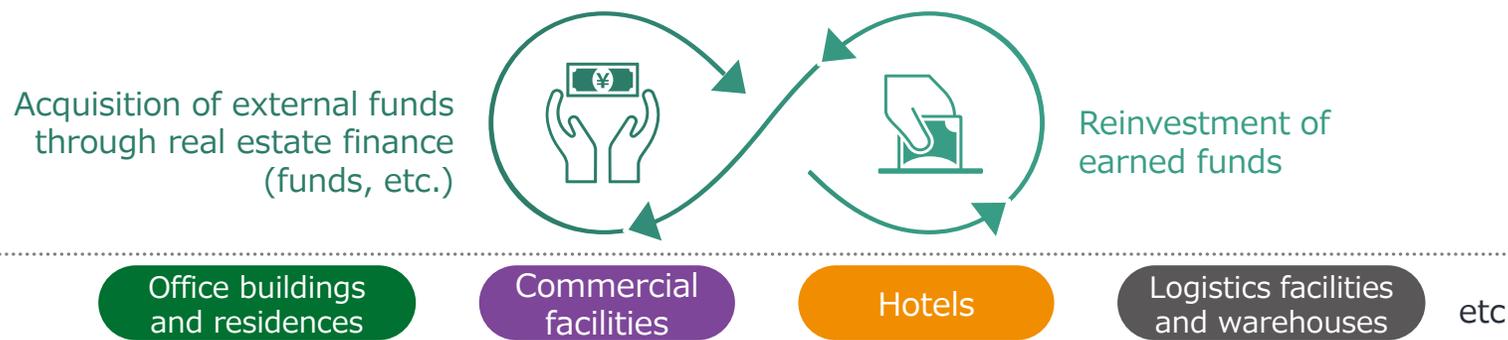
### Hotels

Operation of Miyako Hotel Hakata has been outsourced to Kintetsu Miyako Hotels  
(Company also owns an SPC that has invested a certain amount)

### Office buildings

Relatively new large office building located in Nagoya City, Aichi  
(Company also owns an SPC that has invested a certain amount)

## Turnover-type real estate business model utilizing fund schemes



# Inbound Tourism

As the number of foreign visitors to Japan grows significantly, aim to attract more inbound visitors by strengthening the appeal of the abundant tourism resources along the railway lines, promoting sales of the Group's various services and improving reception systems.

Source: Japan National Tourism Organization (JNTO) statistics

(Reference) Number of visitors to Japan in 2024: 36.87 million (2023: 25.07 million) \* Government target for 2030: 60 million  
Number of visitors to Japan in September 2025: 3.27 million (+13.7% YoY), October: 3.90 million (+17.6% YoY)

		FY2024 first half results	FY2025 first half results	FY2025 full year forecast	Initiatives for expanding incorporation of inbound demand
			(YoY)	(YoY)	(Common) Conduct overseas promotions and communicate information through integrated Group collaboration
Railways	Kintetsu Railway Inbound sales	1.6 billion yen	1.9 billion yen <b>(+18%)</b>	3.9 billion yen <b>(+18%)</b>	<ul style="list-style-type: none"> <li>Expand touch payment rides such as credit cards</li> <li>Strengthen sales activities mainly in East Asia, Southeast Asia, Europe, U.S., and Australia</li> <li>Conduct joint promotions with travel agencies, invite influencers, participate in overseas travel expos, and disseminate information on overseas social media platforms</li> </ul>
Bus	Nara Kotsu Inbound sales (regular/charter)	0.46 billion yen	0.51 billion yen <b>(+10%)</b>	0.89 billion yen <b>(+9%)</b>	<ul style="list-style-type: none"> <li>Attract more customers by deploying a bus concierge to bus stops, etc.</li> <li>Attract more customers by increasing the number of operation days for regular sightseeing bus courses that target inbound tourists</li> <li>Enhance sales to increase the number of orders from inbound tour groups for charter buses</li> </ul>
Department stores	Kintetsu Department Store Main Store Abeno Harukas Duty-free sales <sup>1)</sup>	8.3 billion yen	4.3 billion yen <b>(-48.3%)</b>	7.6 billion yen <sup>2)</sup> <b>(-52.1%)</b>	<ul style="list-style-type: none"> <li>Attract VIP customers by issuing new VIP cards</li> <li>Enhance OTA (Online Travel Agent) campaigns</li> <li>Attract more customers through Kintetsu Group collaborations</li> </ul>
Hotels	3 major Kansai hotels <sup>3)</sup> Percentage of non-Japanese	72.5%	67.5% <b>(-5 pts)</b>	70.4% <b>(+1.7 pts)</b>	<ul style="list-style-type: none"> <li>Pursue local sales and participate in business meetings mainly in Asia, disseminate information on social media platforms, do OTA (Online Travel Agent) PR</li> </ul>
Travel	KNT-CT Holdings Sales for inbound travel	Approx. 11.0 billion yen	Approx. 13.0 billion yen <b>(+18%)</b>	Approx. 30.0 billion yen <b>(+20%)</b>	<ul style="list-style-type: none"> <li>Started sales of Self Guided Tours (new wide-area tour type) from October</li> <li>Enhance online sales (raise awareness of club.com, utilize accommodation inventories)</li> <li>Strengthen overseas bases (establish a liaison office for visitors to Japan)</li> </ul>
Aquarium	Osaka Aquarium Kaiyukan Number of non-Japanese visitors	560,000	540,000 <b>(-3.6%)</b>	1,070,000 <b>(±0%)</b>	<ul style="list-style-type: none"> <li>Introduce multilingual support and interpretation tools</li> <li>Deploy information communication and advertising (social media, etc.) during the visitor's trip</li> <li>Develop experience-based, high value-added program products and expand their sale at overseas travel agencies</li> </ul>

1) Sales before applying Accounting Standard for Revenue Recognition

2) Conservative estimate because consumer trends unclear

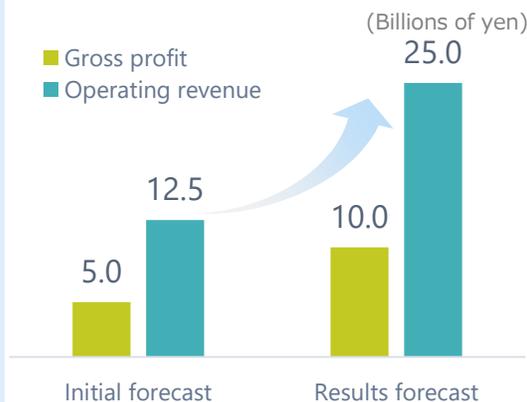
3) Sheraton Miyako Hotel Osaka, Osaka Marriott Miyako Hotel, The Westin Miyako Kyoto

# Effects of Expo 2025 and Post-Expo Initiatives

- Greatly exceeded initial forecasts due to increased use of Nagoya-Osaka Limited Express, strong performance of the Official Stores, increased provision of related tours, etc.
- Create new sources of revenue by fully leveraging the Expo legacy; namely the higher awareness and attention won for our railway network through promotions held during the Expo, and the new customer contact points we created through our hotel and travel businesses, etc.

## Effects of Expo 2025

### Revenue



### Main revenue effects of Expo

Railways: Increased the use of limited express trains (especially between Nagoya and Osaka), and increased number of tours to Nara

- Number of passengers alighting at main Osaka terminal stations (comparison between March and Expo period)

Non-commuter: +3.5 to 4.0%      Limited express trains arriving in morning: +16.3%

- Passengers alighting at Nara Station: Approx. +13% year-on-year \* Includes effects from other events, etc.

Department stores: Excellent sales at Official Stores (within Expo venue and at Kintetsu Department Store Main Store Abeno Harukas)

Hotels: ADR of Miyako Hotels in Osaka City and its suburbs greatly increased

- Miyako City hotels ADR: More than +30% year-on-year

Travel: In addition to day-trip tours using our return charter buses starting in Nagoya and various locations in Kansai, our tours for customers from Nagoya that incorporated a ride on the HINOTORI Limited Express train and a stay at the Sheraton Miyako Hotel Osaka were very popular



△ Expo 2025 venue Official Store West Gate KINTETSU ©Expo 2025

### Awareness/attention

Conducted railway network promotions via media other than the Company's own

- Advertised our railway network (Nara and Ise-Shima) on advertising media located on the Osaka Metro Chuo Line, the only railway access to the Expo venue
  - All-space advertising for in-train video advertising slots (Trevison above doors in the train) on the Chuo Line 400 series (23 cars in total) for approx. 6 months from early April this year
  - Passengers alighting at Yumeshima, the nearest station to the Expo venue (40 million people in total during the Expo period<sup>1)</sup>)



△ Sightseeing information about areas along the railway lines aired on Trevison



△ Wrapping of railroad cars on the Kintetsu Keihanna Line, which intersects with the Chuo Line (Nara version)

## Main post-Expo initiatives that leverage the Expo legacy

- Promote the appeal of tourism content along our railway network and tourism limited express and other trains through the various media promotions that were conducted during the Expo period
  - As the raised awareness and attention on the Kansai region continues for a while even after Expo, plan to attract customers to our railway networks by placing advertisements across a wide area (Tokyo metropolitan area, Tokai, Kinki, Sapporo, Hakata, etc.)
- Captured new customers spanning various age groups for Club Tourism's expo-related tours (Approximately 21,000 of the tour participants were new customers, \*about twice the usual new customer rate)
  - Expanding the membership base by promoting and selling products centered around our strength in themed travel to new customers through the Expo 2025.

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