



Medium-Term Management Plan Achievement Status (FY2018-FY2020)

November 8, 2019

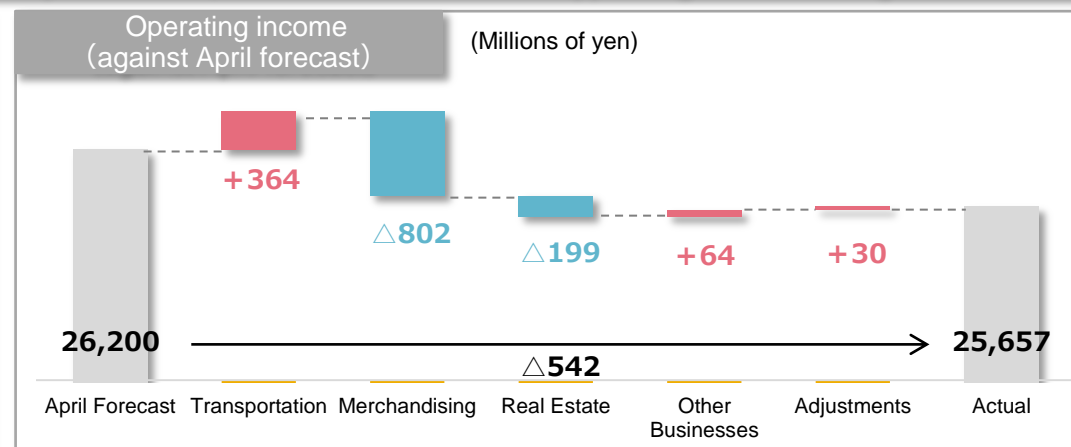
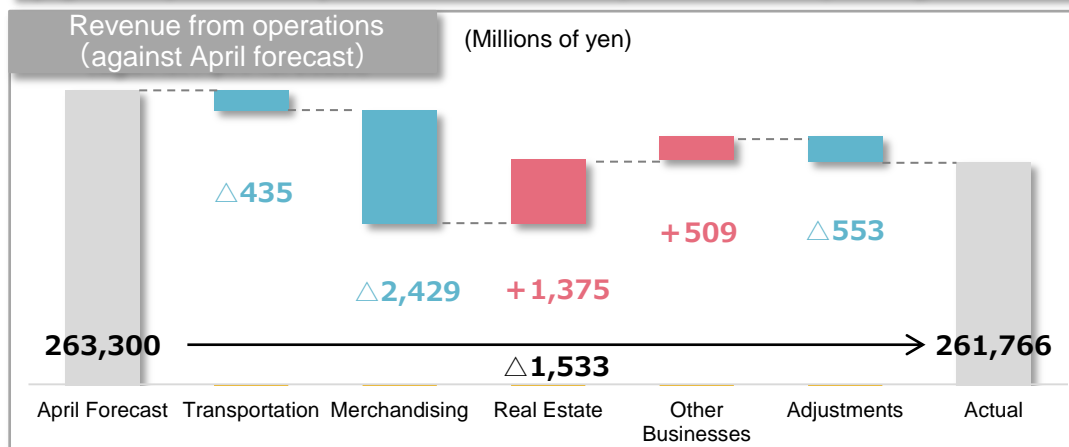
Actual Performance in Second Quarter of FY2019



Millions of yen	Second quarter of FY2018 (actual)	Second quarter of FY2019 (actual)	Change	Forecast as of April	Change
Revenue from operations	257,307	261,766	+ 4,458	263,300	△ 1,533
Operating income	29,450	25,657	△ 3,792	26,200	△ 542
Ordinary income	28,749	24,907	△ 3,842	25,000	△ 92
Net income attributable to the owners of parent	19,123	16,598	△ 2,524	16,500	+ 98

[Year-on-year] In the transportation business, there was an increase in revenue from operations due to increased revenue in Odakyu's railway business and due to the revenue growth resulting from the conversion of other businesses into consolidated subsidiaries at the end of the previous accounting period, etc. Operating income fell due to increased costs in transportation business, etc.

[Against April forecast] Both revenue from operations and operating income were expected to fall, due to factors such as disappointing merchandising results.



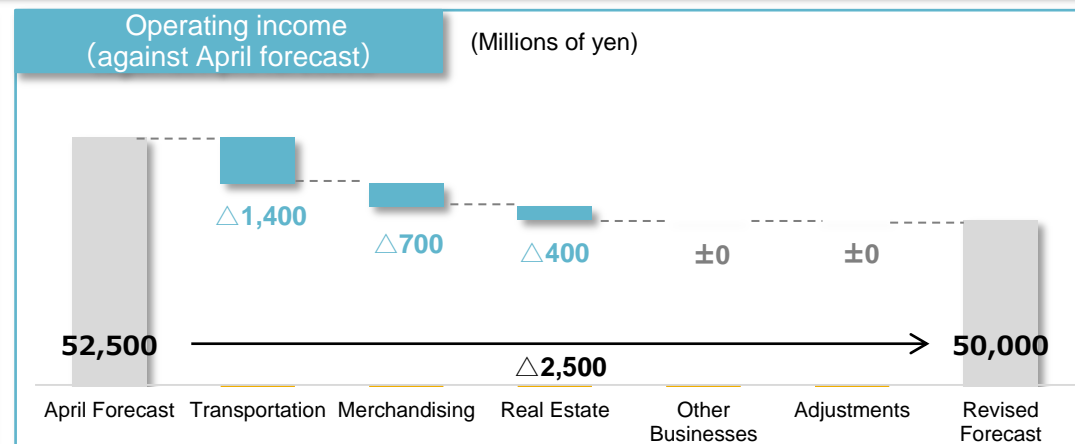
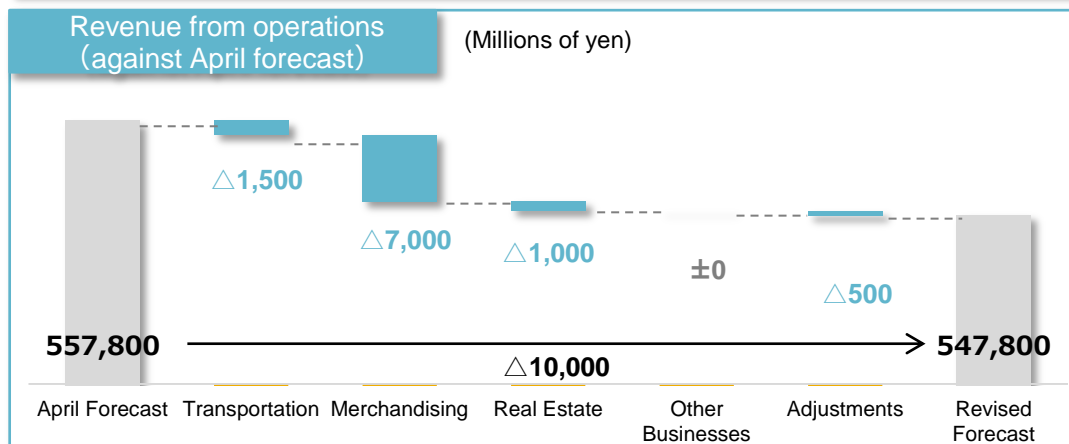
FY2019 Forecast of Consolidated Operations

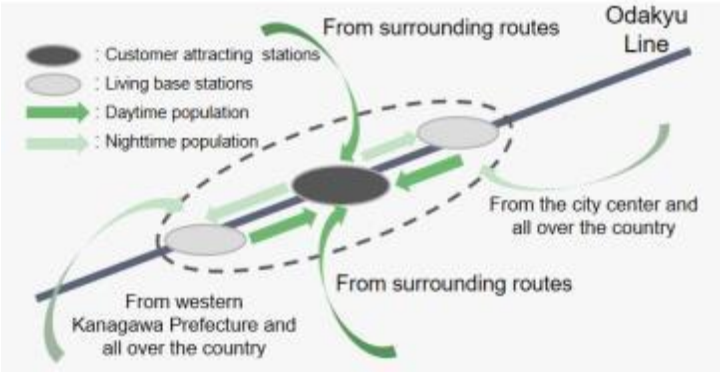


Millions of yen	FY2018 (actual)	FY2019 (forecast)	Change	Forecast as of April	Change
Revenue from operations	526,675	547,800	+ 21,124	557,800	△ 10,000
Operating income	52,089	50,000	△ 2,089	52,500	△ 2,500
Ordinary income	49,687	47,800	△ 1,887	49,400	△ 1,600
Net income attributable to the owners of parent	32,468	32,500	+ 31	33,000	△ 500

[Year-on-year] Revenue from operations was forecast to rise, due to sales of high-rise apartments in Ebina in the real estate business, and due to the revenue growth resulting from the conversion of other businesses into consolidated subsidiaries at the end of the previous accounting period, etc. Operating income fell due to increased costs in transportation business, etc.

[Against April forecast] With the exception of the other businesses segment, revenue from operations and operating income forecasts for each segment have been revised downward.



Future Fields	FY2020 Achievement Status	Key Initiatives
<p>Mobility X Security and Comfort</p>	<ol style="list-style-type: none"> Continuance of a safe railway system and construction of mechanisms that contribute to long-term safe stable management Construction of a network that utilizes next-generation mobility 	<ul style="list-style-type: none"> Increase in railway use due to multiple double tracks Strengthening of robust and flexible response capabilities, such as installation of platform doors Greater sophistication and laborsaving from advanced technologies Greater sophistication of secondary transportation services, such as automated driving buses Development of Odakyu MaaS
<p>Community Development X Attachment</p>	<ol style="list-style-type: none"> Realization of community development along the Odakyu Line that takes advantage of the individuality and characteristics of communities <div data-bbox="414 877 1131 1252" style="text-align: center; margin: 10px 0;">  </div> Quantitative expansion and enhancement of organizational capabilities in the Real Estate business 	<ul style="list-style-type: none"> Customer attracting stations <ul style="list-style-type: none"> Shinjuku Station West Exit area redevelopment Shimo-Kitazawa district above-ground development Mukogaoka-Yuen Amusement Park site use Development between stations in Ebina Living base stations <ul style="list-style-type: none"> New work style proposals Suburban lifestyle proposals Enhanced convenience from expansion and upgrading of station functions Community remodeling that utilizes local assets Aim to increase Real Estate business operating income to a scale comparable to Transportation business operating income over the medium and long-term.

Group Medium-Term Management Plan Strategies

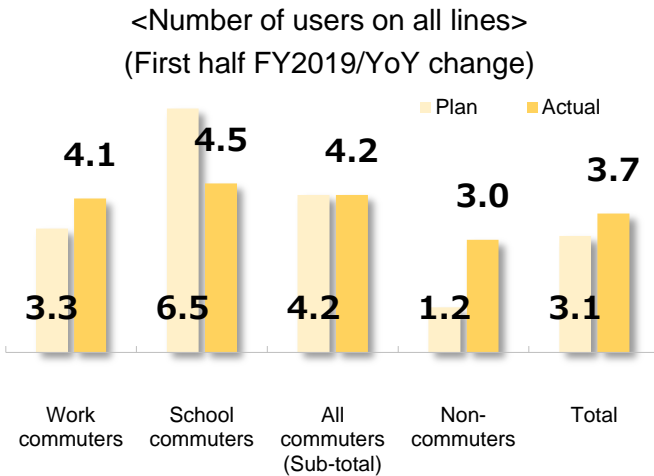


Future Fields	FY2020 Achievement Status	Key Initiatives
<p style="text-align: center;">Living X Enjoyment</p>	<p>1. Transformation to the commerce of the future</p>	<ul style="list-style-type: none"> ● Establishment of a new business model at Odakyu Department Store ● Operating alliance with Seven & i Holdings Co., Ltd. ● Promotion of e-commerce businesses
	<p>2. Creation of content that produces emotionally moving moments</p>	<ul style="list-style-type: none"> ● Using sports to help invigorate areas along the Odakyu Line ● Developing stations that can become important symbols for the local community ● Providing learning opportunities and fun for people living along the Odakyu Line
<p style="text-align: center;">Tourism X Experiences</p>	<p>1. Opening of hotels with characteristics that accentuate local appeal</p>	<ul style="list-style-type: none"> ● Opening of approx. 15 hotels and revenue from operations of 42.0 billion yen by FY2020
	<p>2. Development of a world-class tourism business model</p>	<ul style="list-style-type: none"> ● Measures targeting inbound foreign tourists ● Operation of a temporary staffing service ● Vitalization of tourist areas along the Odakyu Line, provision of new travel products
<p style="text-align: center;">Excitement X Innovation</p>	<p>1. Fostering of human resources and ideas that will generate new value and opportunity creation</p>	<ul style="list-style-type: none"> ● Business idea solicitation system ● Project talent recruitment system
	<p>2. Creation of an environment that maximizes the power of employees</p>	<ul style="list-style-type: none"> ● Promotion of diversity and inclusion ● Personnel evaluation and human resource development ● Work style reform
<p>■ Initiatives for new value provision</p>		<ul style="list-style-type: none"> ● Overseas business development, M&As ● ICT platform construction along the Odakyu Line

Benefits of multiple double tracks

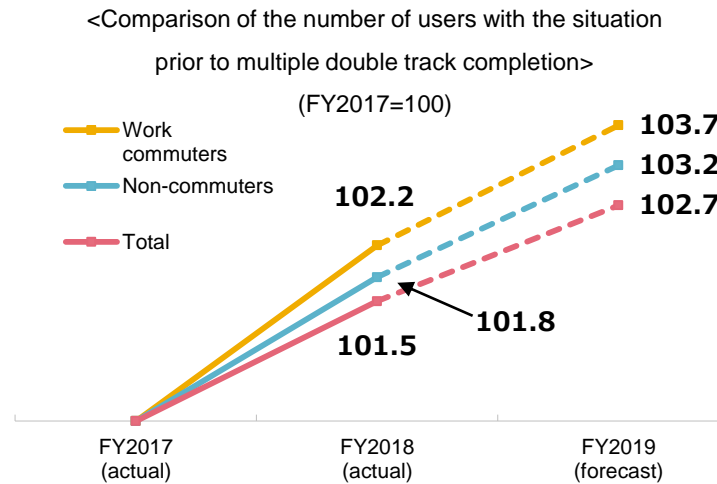
Actual performance in first half of 2019

Both the number of work commuters and the number of non-commuters exceeded the original plan target

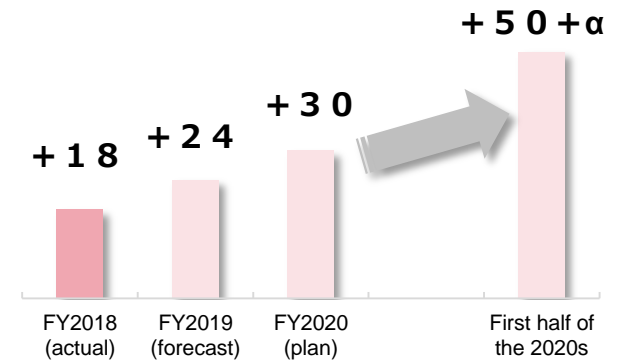


Future forecast

Aim for an increase of 5.0 billion yen+ compared to FY2017 in the first half of the 2020s
(Increase of 3.0 billion yen in FY2020)



<Benefit of multiple double tracks (compared to FY2017)>
(100 million yen)



Greater sophistication of secondary transportation services

Implementation of verification testing of self-driving buses on public highways in the Enoshima area

- Advanced technology verification began last year (integration with traffic signals, and use of sensors for oncoming vehicle confirmation, etc.)
- Verification of required services in the non-technical sphere (e.g. having a conductor to assist passengers with boarding and alighting, etc.)

Continue to collate issues and enhance acceptability to society, with the aim of realizing commercial operation



Experimental vehicle



Operation route

Development of MaaS

■ Start of EMot MaaS app service



Basic functions *Successive expansion of functions planned

Complex route search service

Electronic ticket issuing

<Validation testing (from October 30, 2019)>

	Measures	Verification content
Sightseeing type MaaS *1	Digital Hakone Freepass, etc. *2	User experience value of smartphone-only travel
Suburban type MaaS *1	Free bus tickets when using commercial facilities	Benefits of digital interface for promoting use of public transportation
MaaS x Lifestyle services	In-station food and drink subscription	Effect of MaaS x Lifestyle services in creating demand



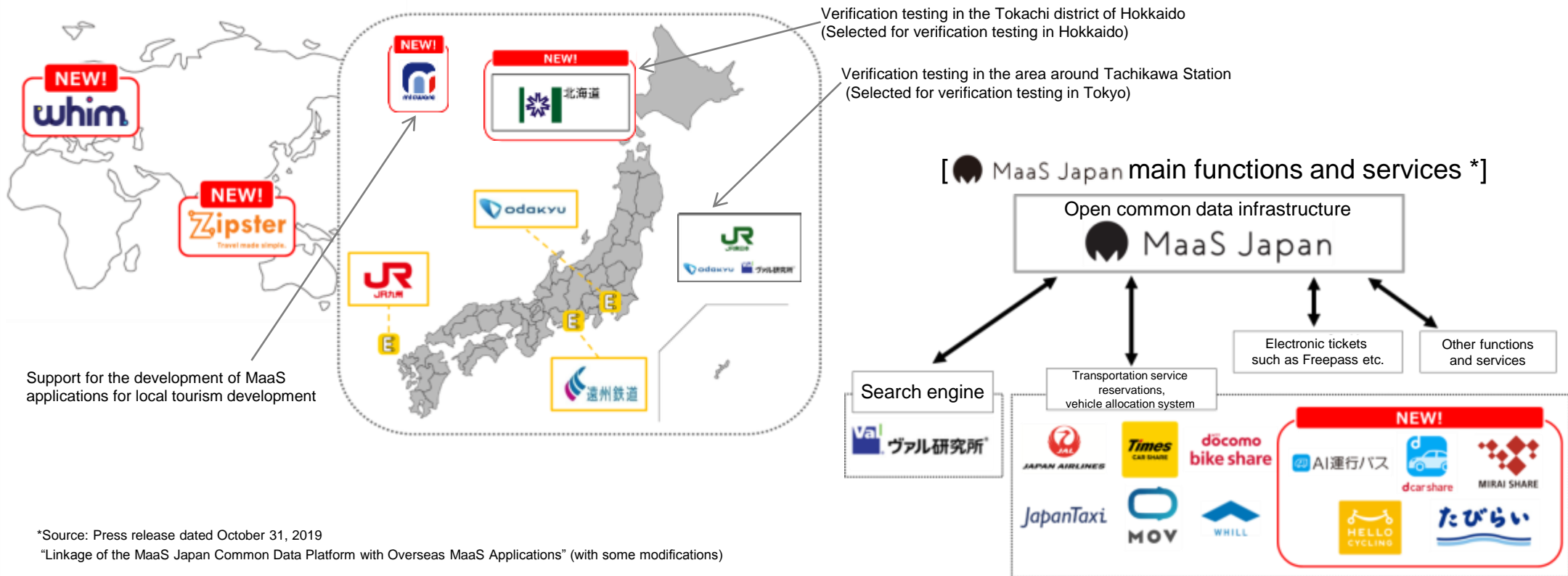
*1 They have been selected as models for the Ministry of Land, Infrastructure, Transport and Tourism's New Mobility Service Promotion Project

*2 Sales have been put on hold for the time being

Development of MaaS

Expand linkage with MaaS Japan open common data infrastructure

- Participation by transportation service providers, local government authorities etc. within Japan, and linkage with overseas MaaS applications
[Development of applications that effectively utilize and are integrated with MaaS Japan *]



*Source: Press release dated October 31, 2019
"Linkage of the MaaS Japan Common Data Platform with Overseas MaaS Applications" (with some modifications)

Aim for a world in which people can connect when and where they want by building a network utilizing next-generation mobility

Shinjuku Station West Exit area redevelopment

Recent movements

- Start of urban planning work for rezoning project associated with the Shinjuku Grand Terminal Redevelopment (Tokyo Metropolitan Government)

<Concept of Shinjuku Grand Terminal>

A next-generation terminal that organically integrates station, station plaza and station buildings, etc.

Creating a space that everyone will find relaxing and user-friendly, and which is closely linked with the surrounding urban area; supporting the diverse activities of people visiting the terminal for different purposes, to make this a place that generates interchange, collaboration and new challenges.



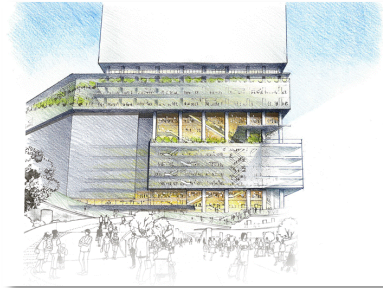
<Shinjuku Grand Terminal Redevelopment>
 Installation of new deck above tracks
 People-centric redesign of station plazas
 Station improvements,
 functional update to station buildings, etc.

- Deck
- Station plaza
- Station/Station building
- Immediate Shinjuku Station area (Area envisioned for rezoning project [approx. 10 hectares])
- Main retained space



Looking from Shinjuku Station West Exit toward high-rise area of Nishi-Shinjuku.

- Odakyu's redevelopment plan submitted as a project under the Cabinet Office's National Strategic Special Zones



Depiction of Shinjuku Station West Exit following redevelopment under the urban renewal project

Includes the formation of a multi-layer pedestrian network in line with rezoning of Shinjuku Station, and development of facilities for business creation utilizing site characteristics.

Source: Materials submitted by the Tokyo Metropolitan Government to the 26th meeting of the Council on Tokyo Area National Strategic Special Zones

Schedule

- Urban plan (Tokyo Metropolitan Government) scheduled to be finalized in 2019 (city facilities [deck, station plaza], rezoning project, etc.)
- Submission under National Strategic Special Zones indicates policy of finalizing urban plan (Odakyu) in 2020

*Location and scope noted are main areas currently under consideration.
 Source: Shinjuku Hub Redevelopment Strategy—Integrated Redevelopment of the Shinjuku Grand Terminal (March 2018, Shinjuku Ward, Tokyo Metropolitan Government)
 Start of Community Development Work Aimed at Redevelopment of Shinjuku Grand Terminal (May 17, 2019 Tokyo Metropolitan Government Bureau of Urban Development)

Shimo-Kitazawa area

Community development along former track sites

街 下北線路街

- Taking into account the different characteristics of the areas around each station, Odakyu is working to create a group of 13 distinctive facilities in a development zone that stretches for 1.7 kilometers, working together with local people to realize community development (improvement work is scheduled to be completed by FY2020*)

*With some exceptions.



Operating alliance with Seven & i Holdings Co., Ltd.,
to enhance the level of convenience provided at stations

■ Supermarket business

- Review of store formats in a joint project with York Benimaru

[New store opening]



Enoshima Store
(April 2019 new store opening)

[Renewal]



Umegaoka Store
Sales up 10.9% YoY



Komae Store
Sales up 9.4% YoY

[Operational improvements]

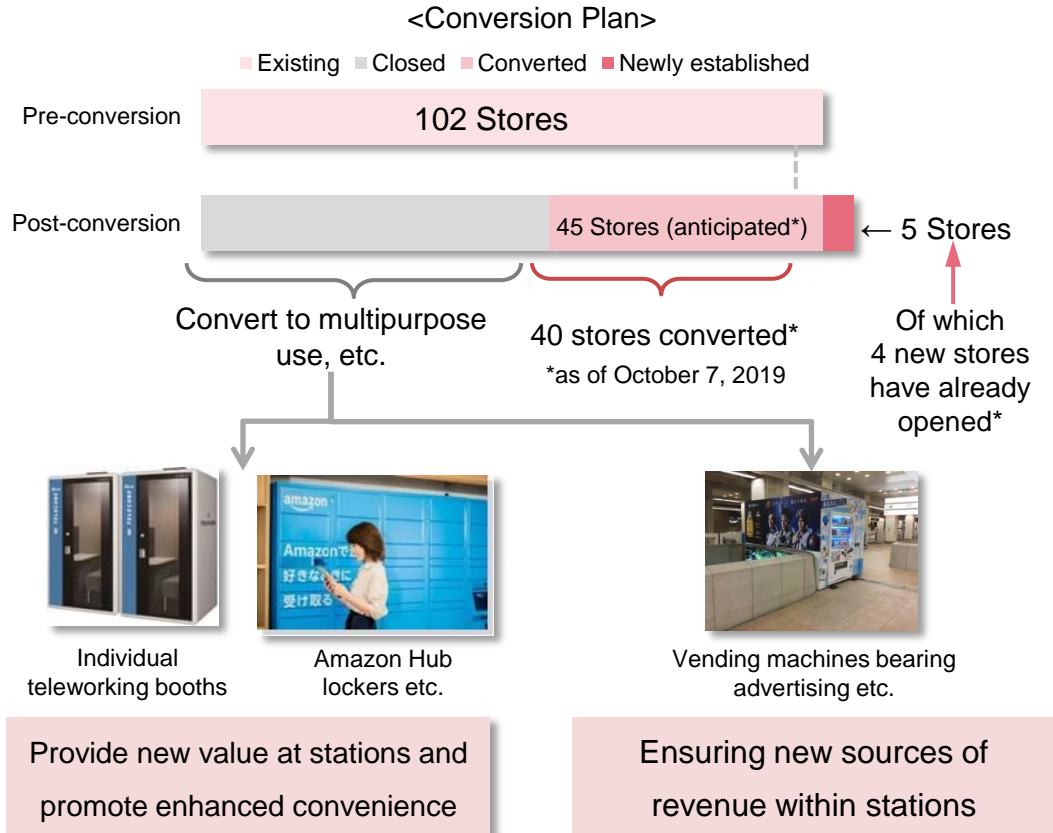
Shin-Yurigaoka Store: Operating income up 9.6% YoY
due to operational improvements

■ In-station store, convenience store business

- Approx. 40% increase in sales at stores converted to Seven-Eleven stores*

*Average figures for stores converted as of August 31, 2019 (36 stores)

- Planned completion of conversion of existing stores to Seven-Eleven in FY2019



Open new hotels that suit the character of the local area and appeal to travelers

Hotel opening plan (including properties already opened)

*Property holding status □: Lease Method ■: Direct Management Method

	Name of Hotel	Location	No. of Guest Rooms	Date of Opening	*
1	HOTEL LOCUS	Miyakojima	100 rooms	Jan. 2018	■
2	HAMACHO HOTEL	Nihombashi	170 rooms	Feb. 2019	□
3	MUJI HOTEL GINZA	Ginza	79 rooms	Apr. 2019	□
4	the rescape	Miyakojima	41 rooms	May 2019	□
5	ONSEN RYOKAN YUEN SHINJUKU	Shinjuku	193 rooms	May 2019	□
6	HAKONE YUTOWA	Hakone	72 rooms	Aug. 2019	■
7	HOTEL CLAD	Gotemba	182 rooms	Dec. 2019	■
8	HOTEL ANTEROOM NAHA	Naha	126 rooms	Feb. 2020	□
9	HOTEL STRATA NAHA	Naha	221 rooms	Apr. 2020	□
10	Onsen Hotel [Shimokita Senrogai] (name not yet finalized)	Setagaya	35 rooms	Sep. 2020	■

- Odakyu acquired HOTEL LOCUS land and building in June 2019 and converted it to direct ownership
- Hotel development in FY2021 or later
 - Hakata, Fukuoka: Development of accommodation-only hotel and condotel (scheduled to open in spring of 2022)
- Overseas hotel development (non-consolidated)
 - Beijing, China: MUJI HOTEL BEIJING (opened March 2018)
 - Seoul, Korea: Hotel Anteroom Seoul Garosugil (provisional name) (planned May 2020 opening)
 - Mirissa, Sri Lanka: planned resort hotel

<Onsen Hotel [Shimokita Senrogai]>
(name not yet finalized)

“An Onsen Hotel Suddenly Appears in the City”



[Target]

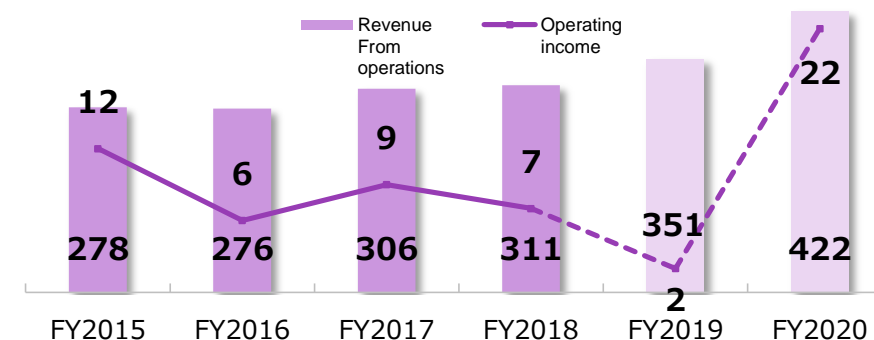
Local residents/inbound tourists

[Estimated occupancy rate]

Approx. 80%

Aim to open about 15 hotels and achieve revenue from operations of 42.0 billion yen by FY2020

<Hotel business operating profit and loss (100 million yen) >



Hakone area

Initiatives in the Hakone area



*Conditions in the Hakone Area

- Volcanic alert level raised for Owakudani Valley Area (May 19)

Level 1 (Potential for increased activity)



Level 2 (Do not approach the crater)

May 19: Complete suspension of

Hakone Ropeway operations

Sep. 21: Operations resumed on portion of

Hakone Ropeway

(between Ubako and Togendai)

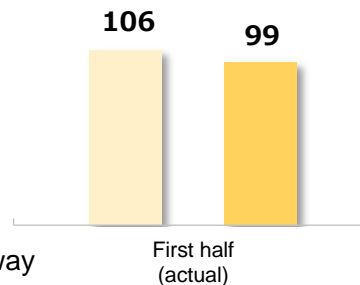
Oct. 7: Volcanic alert level lowered from 2 to 1

Oct. 26: Operations resumed on Hakone Ropeway

along the whole route

<Hakone area revenue>
(100 million yen)

■ FY2018 ■ FY2019



- Development of transportation nodes and transportation networks



Queen Ashinoko, a new model pirate ship
Commissioned April 2019

- Promotion of nighttime tourism



29 BAR GRILL,
Hakone-Yumoto's Summer Night Village

- Typhoon No. 19 (October 12)

Hakone Tozan Railway track bed wash out and slope failure, etc. occurred

(operations suspended between Hakone-Yumoto and Gora)



- Prolonged recovery expected
- As the impact on revenue and expenditure, the restoration costs, etc. are still being calculated, these have not been reflected in forecasts of consolidated operations.

(For reference) Revenue from operations of the railway business of

the Hakone Tozan Railway Co., Ltd. (FY2018)

1H: 1.5 billion yen, 2H: 1.5 billion yen, Full year: 3 billion yen

All efforts being aimed at a quick recovery in fulfillment of our responsibility as a public transportation facility.

Business idea solicitation system

- Reviewing businesses designed to solve social issues under Climbers business idea solicitation system



<Realization of the future fields>

Providing new value to customers and to society as a whole through the measures undertaken by Odakyu



<Resolution of social issues>

Identifying social needs that will become exacerbated over the long term, for example in relation to the U.N. Sustainable Development Goals (SDGs)



A system that empowers employees to freely propose businesses

Began review of eight new proposals with business potential (sustainable farming, child-rearing issues, etc.)

*Preparations continue for commercialization of four proposals from the previous year

Other Initiatives

- Promoting interaction with outside partners and between customers and employees



Event at Shinjuku Station with Australian national rugby team players



Career experience event for children

Thanks to self-directed measures implemented by employees, there has been an increase in the number of contact points with external partners and customers (Apr.–Sep. 2019: Approx. 60 instances)

Exploration of social issues through increased points of contact with communities along the Odakyu Line



Creation of opportunities for new challenges

■ Agreement on Collaboration and Cooperation for Promotion of SDGs signed with Kanagawa Prefecture (July 2019)

1. Creating more livable communities



2. Creating a more harmonious society



3. Forming a recycling-based society



4. Initiatives to improve ME-BYO (pre-symptomatic conditions)



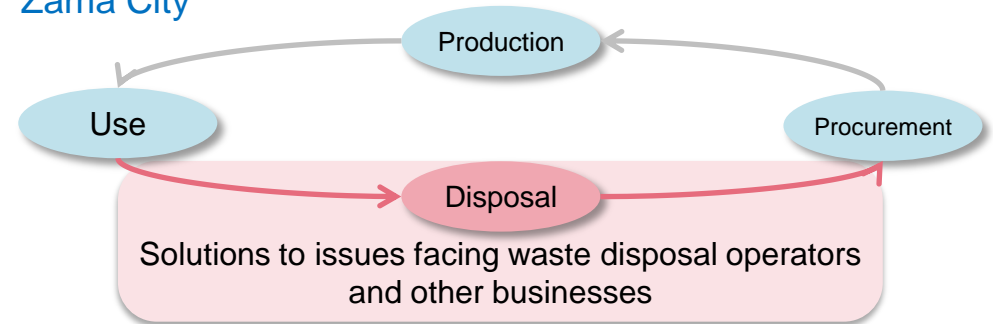
5. Addressing the plastic trash problem



6. Other initiatives aimed at spreading awareness of and achieving the SDGs



■ Agreement on promotion of a circular economy signed with Zama City



<Future initiatives>

- Environmental awareness activities at schools and train stations aimed at Zama residents
- Validation testing aimed at use of technology in operations related to recyclables and trash

■ Climbers business idea solicitation system



Promotion of commercialization of businesses aimed at solving problem of wildlife damage

<Future initiatives>

- Awareness activities regarding problem of wildlife damage
- Market research and enhanced partnerships aimed at commercialization



[Reference] Damaged caused by Typhoon No. 19 in the Hakone area

[Damage caused to the Hakone Tozan Railway (between Ohiradai Station and Chokoku-no-mori Station)]

← Hakone-Yumoto ● : Main areas of damage



Between Miyanoshita Station and Kowakidani Station



Slope failure



Track bed washout

Between Ohiradai Station and Miyanoshita Station



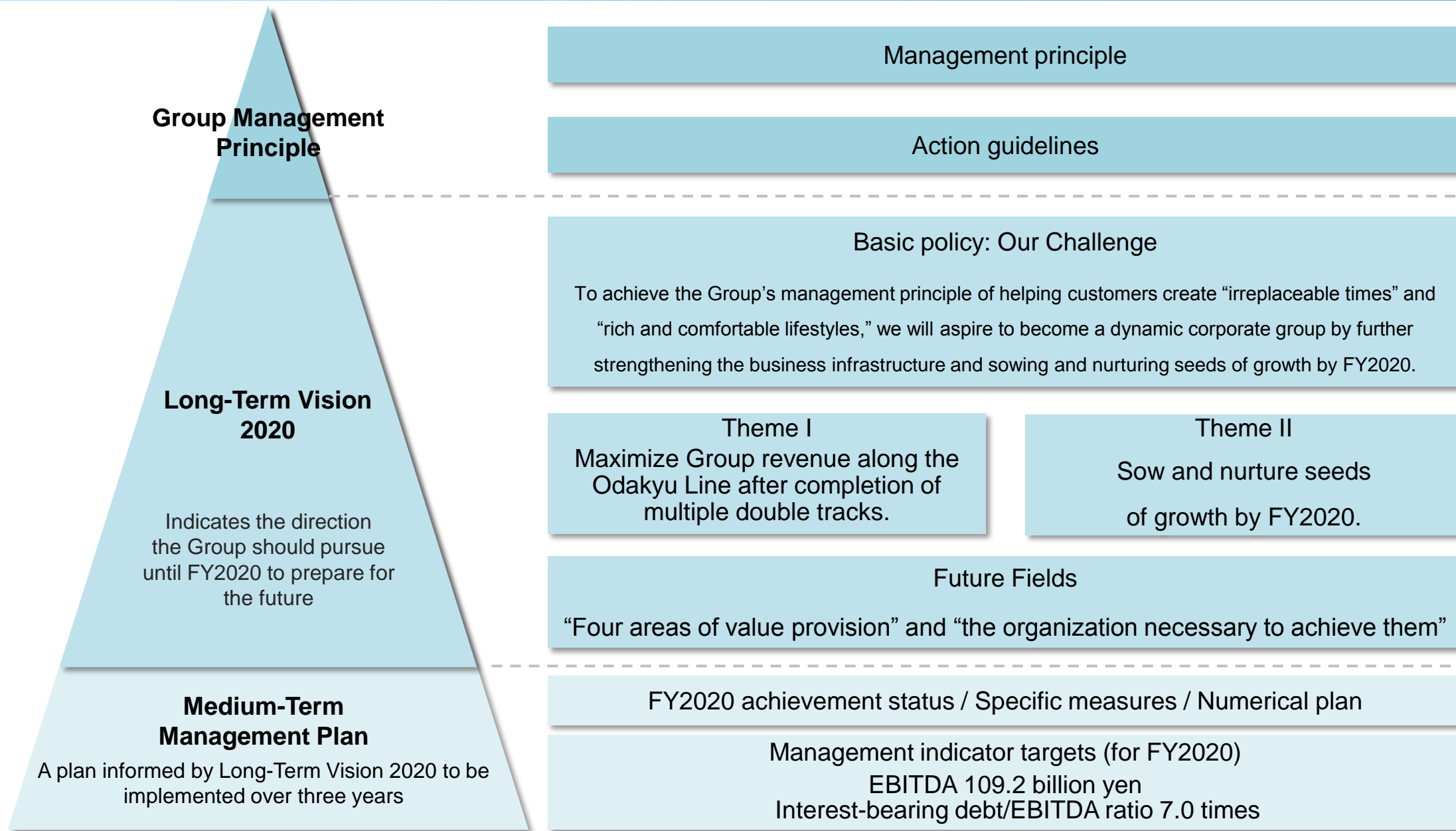
Rockslide



Bridge washout

- Operation status
 - The section between Hakone-Yumoto and Gora is currently not in operation.
 - Transfer service is being provided using replacement buses and regular local bus services.
 - Current status of measures aimed at the restoration of normal operation
 - The total extent of the damage has been confirmed, and implementation of the necessary surveys (including geological surveys, etc.) has begun.
 - As the restoration of other facilities not belonging to Hakone Tozan Railway is also necessary, work is being coordinated with national, prefectural and municipal government authorities
- ↓
- Currently, a date for the restoration of normal operation, and the restoration costs, has not yet been finalized.
 - The aim is to clarify the timetable for restoration of service before the end of the year.

[Reference] Overview of Long-Term Vision 2020 and the Medium-Term Management Plan



Mobility x Security and Comfort

Creating a new mobility life for communities

While making universal value in the form of security and comfort accumulated over 90 years an unshakable foundation, we will apply future technologies to create a next-generation mobility life for communities that will enable people to get around and meet people they want to meet when they want to meet them.

Community Development x Attachment

Creating a new narrative for communities

We will create occupational, residential, commercial, academic, and recreational settings that take advantage of the individuality and characteristics of communities and foster attachment to and pride in communities together with customers. Through resolution of issues facing customers and local communities, we will create a new narrative for communities.

Living x Enjoyment

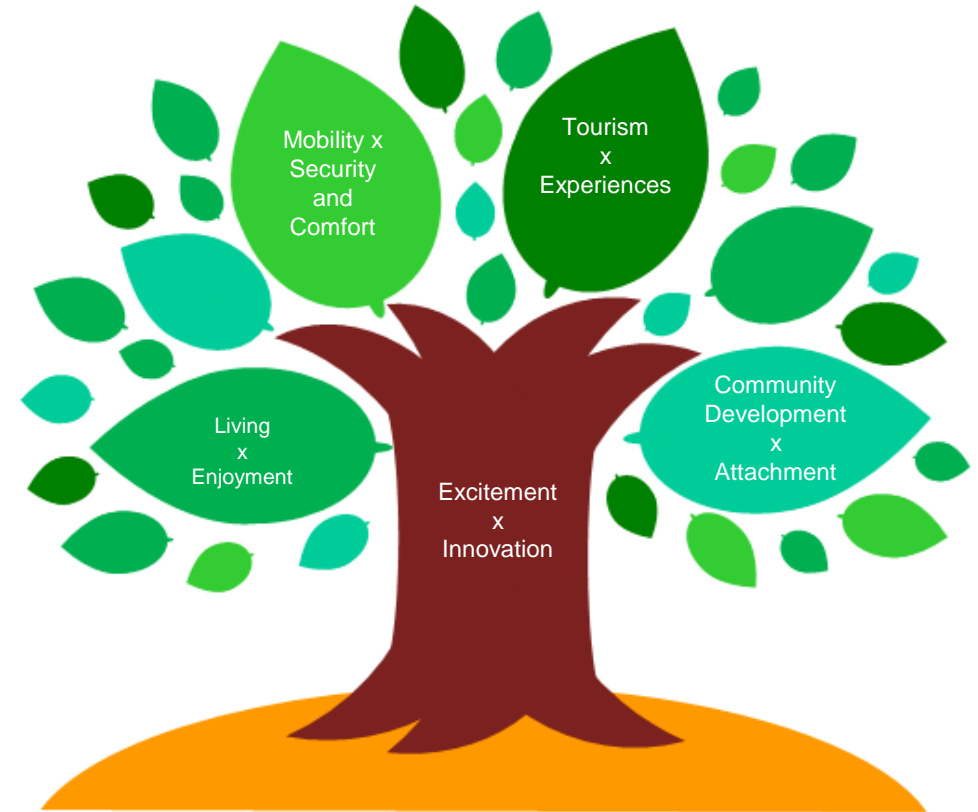
Producing emotionally moving moments in uneventful everyday life

We will produce emotionally moving moments that go beyond a sense of security by speedily identifying changing trends and diversifying customer wants and by co-creating together with various partners times and spaces that bring color and charm to uneventful everyday life.

Tourism x Experiences

Providing special memories from experiences found nowhere else

We will contribute to the development of Japan, regions, and communities by discovering ways for people to spend time and enjoy themselves unique to specific localities together with local residents and assisting in providing guests from Japan and around the world with experiences that remain as special memories.



Excitement x Innovation

Providing excitement to customers at all times

Each employee will make excitement the source of ideas by unleashing their independence, creativity, and enthusiasm. To deliver new value to customers, we will at all times embrace change and continue to challenge the unknown.

[Reference] Numerical Plan (Consolidated)



Millions of yen	FY2018 (actual)	FY2019 (forecast)	(Published in October)	FY2020 (plan)	(Published in April)
			Change from previous fiscal year		Change from previous fiscal year
Revenue from operations	526,675	547,800	+ 21,124	583,200	+ 35,400
Operating income	52,089	50,000	△ 2,089	56,700	+ 6,700
Ordinary income	49,687	47,800	△ 1,887	52,900	+ 5,100
Net income*1	32,468	32,500	+ 31	35,600	+ 3,100
Capital investments	82,215	119,600	+ 37,384	91,700	△ 27,900
Depreciation	46,727	49,600	+ 2,872	52,500	+ 2,900
EBITDA	98,817	99,600	+ 782	109,200	+ 9,600
Interest-bearing debt	715,293	749,300	+ 34,006	764,300	+ 15,000
Interest-bearing debt/EBITDA ratio *2	7.2 times	7.5 times	+ 0.3 P	7.0 times	△ 0.5 P

*1: Net income attributable to the owners of parent

*2: Ratio of interest-bearing debt to EBITDA

 : Target performance indicators

[Reference figures]

ROA *3	4.2 %	3.8 %	△ 0.4 P	4.1 %	+ 0.3 P
ROE *4	9.7 %	9.0 %	△ 0.7 P	9.1 %	+ 0.1 P

*3: Operating income / Total assets (excluding net unrealized gain on securities)

*4: Net income attributable to owners of parent / Net assets (excluding net unrealized gain on securities)

[Reference] Numerical Plan (By Segment)



Millions of yen		FY2018 (actual)	FY2019 (forecast)	(Published in October)	FY2020 (plan)	(Published in April)
				Change from previous fiscal year		Change from previous fiscal year
Revenue from operations	Transportation	179,293	180,200	+ 906	182,600	+ 2,400
	Merchandising	210,681	208,200	△ 2,481	225,900	+ 17,700
	Real Estate	69,006	83,000	+ 13,993	91,100	+ 8,100
	Other Businesses	106,937	116,000	+ 9,062	123,800	+ 7,800
	Adjustments	△ 39,242	△ 39,600	△ 357	△ 40,200	△ 600
	Total	526,675	547,800	+ 21,124	583,200	+ 35,400
Operating income	Transportation	29,265	26,400	△ 2,865	27,700	+ 1,300
	Merchandising	2,960	4,300	+ 1,339	5,900	+ 1,600
	Real Estate	13,759	14,100	+ 340	16,000	+ 1,900
	Other Businesses	5,939	5,100	△ 839	7,000	+ 1,900
	Adjustments	165	100	△ 65	100	—
	Total	52,089	50,000	△ 2,089	56,700	+ 6,700

Odakyu Electric Railway Co., Ltd.

Remarks

Figures concerning the company's business plans, future forecasts and strategies other than historical facts are forward-looking statements reflecting management's view.

Please note that, since the forward-looking statements are based on information currently available, the actual results may differ from these forecasts.