

May 13, 2025

Odakyu Electric Railway Co., Ltd.

IR Office

Financial Results of the Fiscal Year Ended March 31, 2025—FAQ

Note: This document presents some of the anticipated questions relating to the Company's financial results of the fiscal year ended March 31, 2025, together with answers to these questions. If you have any queries, etc., please contact the IR Office of Odakyu Electric Railway Co., Ltd.
(E-mail: ir@odakyu-dentetsu.co.jp)

Q1. What is the current status of the Company's main businesses?

Railways (Odakyu Electric Railway Co., Ltd.)	Number of people passing through ticket gates (April 1–20, 2025) Both commuters and non-commuters remained at the same level as the previous fiscal year. *Compared to the same days of the previous fiscal year
Odakyu Department Stores	Sales (April 1–20, 2025) Sales at the Shinjuku Store at approximately 106% while those of the Machida Store and the Fujisawa Store remained on par with the previous fiscal year's level. *Compared to the same days of the previous fiscal year
City Hotels	Occupancy rate (April 1–20, 2025) Hotel Century Southern Tower 95.0%
Hakone area	Number of passengers using Hakone-Yumoto Station (April 20–26, 2025) Remained at approximately 115% for weekdays and approximately 109% for weekends and public holidays *Compared to the same week of the previous fiscal year
	Hakone resort hotels* occupancy rate (April 1–20, 2025) Remained at approximately 80–90% *Hakone resort hotels: Hotel de Yama, Hakone Highland Hotel, and Hatsuhana

Q2. What is "tourism revenue" mentioned in the Medium-Term Management Plan and financial results presentation materials?

- We define the sum of the Odakyu Group's tourism-related revenue from operations and duty-free transactions as "tourism revenue." In FY2024 as the most recent fiscal year, Transportation (including revenue from non-commuters and limited express fare related to Hakone and Shonan areas) accounted for around 50%, Hotels accounted for around 20%, and retail, resort temporary staffing, and other businesses were also included.
- Tourism revenue in FY2025 is expected to be 81,276 million yen (up 3.0% YoY), mainly reflecting the strong performance of Transportation, and revenue from inbound tourism only is forecast to be 24,644 million yen (up 1.5% YoY).
- Reflecting brisk demand from inbound tourists, we aim for tourism revenue of 120,000 million yen in FY2030, including 45,000 million yen as revenue from inbound tourism only.

Tourism revenue (Unit: 100 million of yen)		Inbound tourism only
FY2023(Results)	718	194
FY2024(Results)	789	242
FY2025(Forecast)	812	246
FY2030(Plan)	1,200	450

Q3. What measures do you take to tap into demand for tourism (inbound tourism in particular), and what is the current status?

- We aim to make Shinjuku, which has the potential to attract tourists from both within Japan and overseas, into Japan's No.1 inbound tourism hub. We will therefore be proactive in tapping into demand for accommodation, shopping, etc., including the demand in Hakone and Shonan, and also work to increase revenue in low seasons.
- In addition, we plan to have a new model of Limited Express Romancecar go into service in FY2028, aiming to tap into demand for travel between tourism strongholds, such as between Shinjuku and Hakone and between Shinjuku and Shonan.
- In ticket package sales, we will drive initiatives such as renewal of our multilingual website and official social media site, as well as strengthening partnerships with overseas OTAs (online travel agents), to capture robust inbound demand.
- In addition to strengthening sales of package products that combine the Group's transportation services with Hakone-area hotels, we plan to launch new inbound-focused destination tours to increase per-customer spending.

(Reference) [Medium-Term Management Plan \(FY2025–FY2026\)](#)

[Hakone area]

- The number of the Hakone Freepass tickets sold in FY2024 was down by 9.7% compared to the record high reached in FY2018. However, it was up 6.2% year on year and has remained on an upward trend.
- In particular, the number of tickets sold to foreign customers rose 32.1% versus FY2018, setting a new record. By country, China, the US, and South Korea were the top three.
- We aim to achieve sales of one million tickets in FY2030, such as by tapping into the brisk demand from inbound tourists.

Hakone Freepass (Unit: 1,000 tickets)	Number of tickets sold		
		Foreign customers	Percentage
FY2018	959	270	28.2%
FY2023	815	296	36.3%
FY2024	866	357	41.2%

***Bold:** Record high

- We have renovated the special cabin of the pirate ship Victory*¹ in Hakone and completed Chikyu-no Tani (Earth Valley, Owakudani), a new observation deck area at Hakone Ropeway Owakudani Station*², among others, and had them go into service, one by one.
- We have also tapped into demand from inbound tourists surely in Hotels, with rising unit price of guest rooms. In December 2025, we plan to open RETONA HAKONE*³, former Hakone Lake Hotel that was renovated.

(Reference) News releases

- *1 [Renovation of Special Cabin of Victory, the Pirate Ship in Hakone, Completed](#) (Apr. 18, 2025, Japanese only)
- *2 [Chikyu-no Tani \(Earth Valley, Owakudani\), a New Observation Deck Area, to be Opened at Owakudani Station on April 25](#) (Mar. 28, 2025, Japanese only)
- *3 [Date of Opening Determined for RETONA HAKONE, a Hotel Exclusively for Guests with Their Beloved Dogs](#) (Apr. 14, 2025, Japanese only)

Q4. What is the progress of platform door installation in the railway business of Odakyu Electric Railway?

- We are installing platform doors by using a system developed by the government to increase fares for making railway stations barrier-free, aiming to complete the installation at all stations between Shinjuku and Hon-Atsugi, Chuo-Rinkan, Yamato, and Fujisawa by FY2032. In FY2025, platform doors are planned to come into service at five stations.
- The necessity of installations will also be considered for other stations, based on the occurrence of accidents, the use of the station by visually impaired people, requests for installations, and the congestion levels on the platforms.

(Reference) Platform door installation plan

Installation period	End-FY2024 (Result)	End-FY2025 (Plan)	End-FY2032 (Plan)
	14 stations, 44 platforms	19 stations, 54 platforms	37 stations, 107 platforms
Installation locations	Shinjuku (excluding limited express platforms), Yoyogi-Hachiman, Yoyogi-Uehara, Higashi-Kitazawa, Shimo-Kitazawa, Setagaya-Daita, Umeoka, Noborito, Machida, Sagami-Ono, Ebina, Hon-Atsugi, Chuo-Rinkan, Yamato	Gotokuji*, Chitose-Funabashi, Soshigaya-Okura, Kitami, Komae	All stations from Shinjuku to Hon-Atsugi (Other than the left), Fujisawa

*The platform doors came into service on April 10, 2025.

Q5. What is your outlook for the number of passengers carried in the railway business of Odakyu Electric Railway in FY2025?

- The number of passengers carried in FY2025 is expected to increase 0.5% from the previous year (Commuters +0.1%, Non-commuters +1.0%).
- We expect the moderate recovery to continue due to increases in the number of commuters and opportunities to go out. However, we assume that the number will not recover to the pre-COVID-19 level because teleworking and other new workstyles have been established to a certain extent.
- To create demand for railway services, we will drive the creation of tourism transportation to Hakone and Shonan and excursion opportunities mainly for those rearing children.

Q6. What was the impact of fare revisions of Group companies?

- Fare revisions we made in FY2023 and thereafter are as shown in the table below.
- We already instituted fare revisions and other measures during and prior to FY2022 in the railway and other businesses (taxi).
- We will consider revising fares at the appropriate time while we continue endeavoring to build a sustainable business operation system.

(Reference) Fare revisions by Group companies

Company name:	Estimated effect* ¹ (100 million of yen)		Implementation Date
	FY2024 (Results)	FY2025 (Forecast)	
Odakyu Bus (within Kawasaki city)	0.7	0.7	May 15, 2023
Tachikawa Bus	2.3	2.0	November 25, 2023
Tokai Bus	2.5	2.5	December 1, 2023
Odakyu Bus (Keihin Block)* ²	8.1	9.8	June 1, 2024
Enoden Bus	Minor	1.2	March 15, 2025
Odakyu Highway Bus (Hakone Line)* ³	—	0.6	April 1, 2025

*1 The effect is based on a comparison with a case where the fare revision was not made.

*2 Wards of Tokyo, a part of Kawasaki City, and a part of Yokohama City

*3 The company also revised fares on April 1, 2023.

Q7. What is the breakdown of Sales business in the Real Estate segment?

- We have classified Sales into investment and development, sales, purchase and resale, and others.

<Investment and development>

- This is a business of developing real-estate properties as investment targets, with a focus on rental residences, offices, and logistics facilities, and selling them to investors.
- In FY2024, we sold three properties. We plan to sell several properties per year from FY2025 onward.

<Purchase and resale>

- This is a business of purchasing high-grade used residences and other properties, renovating them on a large scale, and reselling them as high-grade residences.
- In FY2024, 13 properties were posted. We plan to post 15 to 20 properties per year from FY2025 onward.

Q8. What is the status of the purchases of properties to supply in FY2025 and onward in the Sales (sales) in the Real Estate segment?

- We have almost finished purchasing all the properties to supply in the period up to FY2026. We have also finished purchasing more than 80% of properties to supply in FY2027.
- Purchase prices have been rising, but we plan to continue purchasing properties with a focus on the center of Tokyo and areas close to stations, where demand is expected to remain strong, by assessing market conditions.

Q9. What is the status of reservations at Odakyu Group Hotels from May onward?

<City hotels>

- Occupancy rates in May and June are expected to be approximately 90%.
- Unit prices of guest rooms are expected to remain on par with or above the level of the Fourth Quarter of FY2024.

<Hakone resort hotels*>

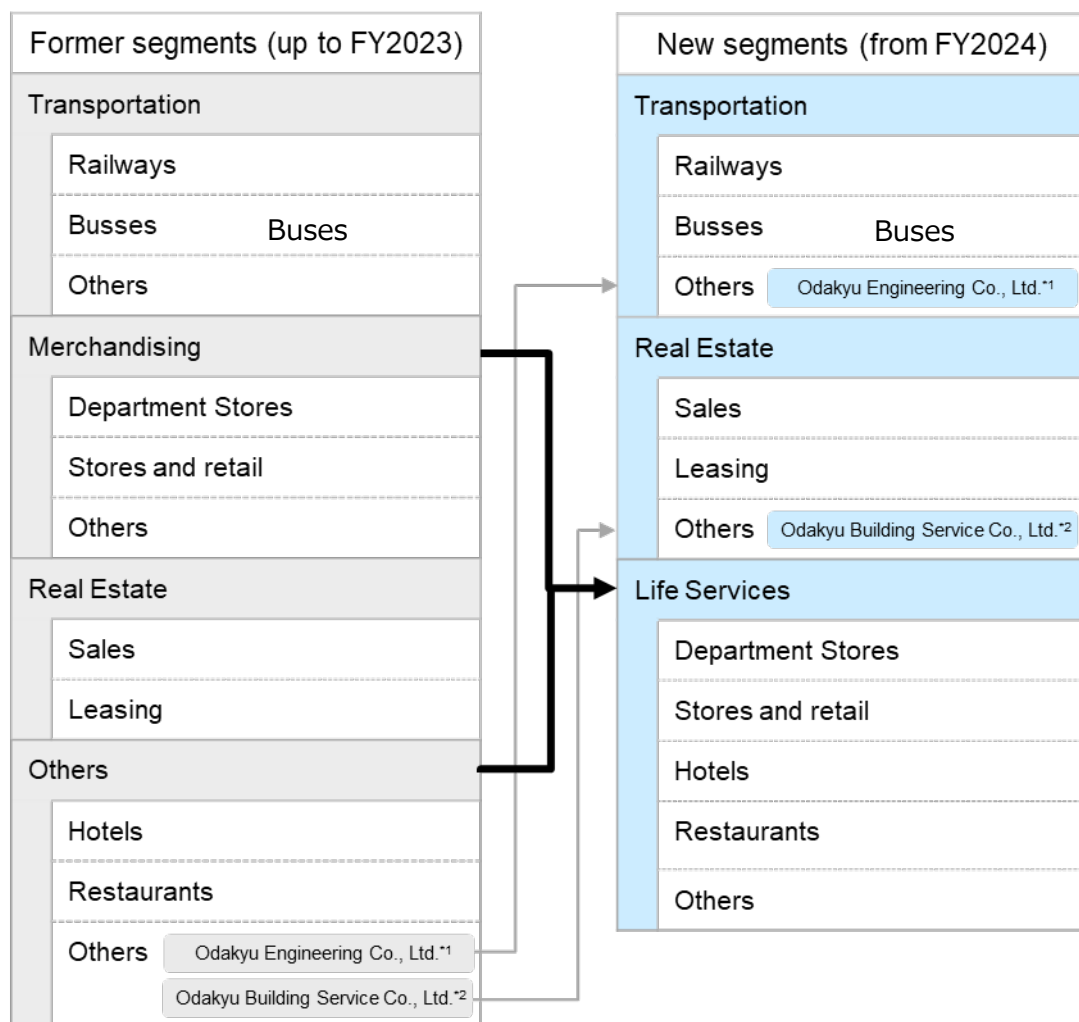
- Occupancy rates are expected to be at the 70-80% level in May and around 70% in June.
- Unit prices of guest rooms are expected to be rising in May, including the Golden Week holidays, but levelling off in June and to remain on par with the level of the Fourth Quarter of FY2024.
- Hakone Highland Hotel has been closed for renovation since May 7, 2025.

*Hakone resort hotels: Hotel de Yama and Hatsuhana

Q10. Please describe the changes in segment presentation. 【reprint】

- Segments (including their names) were changed based on consolidated financial targets in the Management Vision at the beginning of FY2024.
- The former "Merchandising" and "Others" segments have been integrated under "Life Services," and the segments of some consolidated subsidiaries were revised.
- Figures for FY2023 have been reclassified into the revised segments in the published data.

(Reference) Overview of segment changes



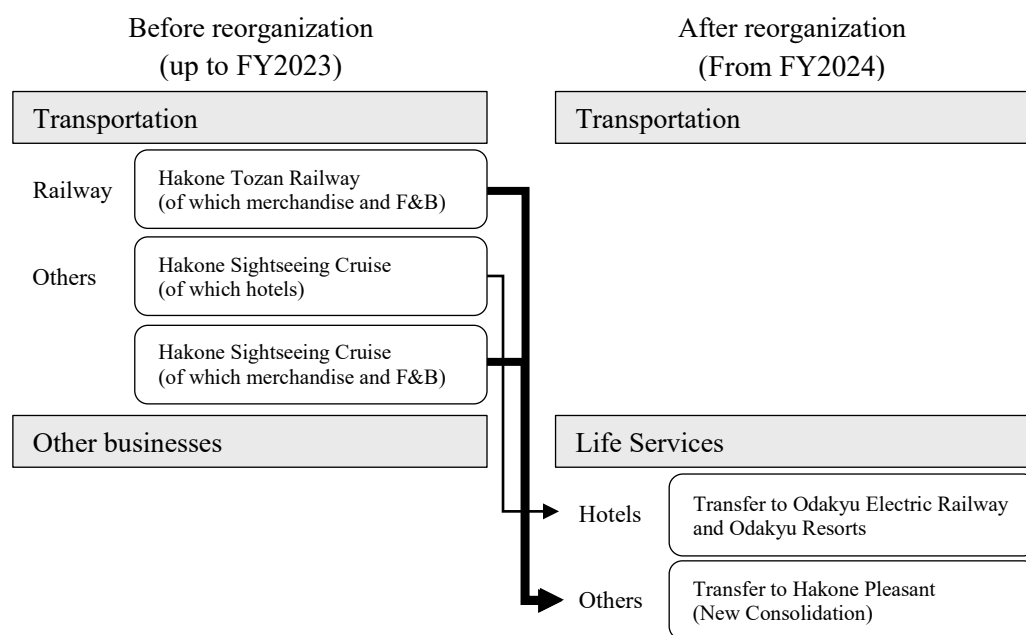
*1 Railway maintenance

*2 Building management

Q11. Please describe the reorganization of the Hakone Group companies. What is the impact on earnings? 【reprint】

- Effective April 1, 2024, Odakyu Hakone Group, which operates transportation businesses such as mountain trams, ropeways, sightseeing cruises, and tourist facilities in the Hakone area, implemented a reorganization (merger and business split).
- As a result, Hakone Pleasant Service Co., Ltd. was newly consolidated, and some business segments were transferred.
- The reorganization will be used as an opportunity to optimize the organization and costs with the aim of building an efficient and compact management structure. The goal is also to invest appropriately human and financial resources created in the Hakone area in enhancing its appeal, thereby achieving sustained growth and expansion of Group earnings.

(Reference 1) Business transfer due to reorganization



(Reference 2) Jan. 24, 2024, Odakyu Hakone News Release

Notice Concerning Reorganization of Odakyu Hakone Group (Japanese Only)

https://www.odakyu-hakone.jp/common/pdf/20240124_info.pdf

Remarks

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

Since the forward-looking statements are based on information available at the time of disclosure, the actual results may differ from these forecasts due to changes in the economic climate, etc.

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