

FY3/2027 Results — FAQ

Note: This document presents some of the anticipated questions relating to the Company's financial results of the FY3/2027 Results, together with answers to these questions. If you have any queries, etc., please contact the IR Office of Odakyu Electric Railway Co., Ltd.  
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**Q1. What impacts does the deteriorating Middle East situation have on the Group? Are the impacts factored into the forecasts for FY3/2027?**

- Major impacts associated with the deteriorating Middle East situation include higher power costs in Railways and higher fuel expenses in Buses due to soaring crude oil prices.
- Regarding the power costs of the Company's railway business, since contracts are renewed annually and the Company has concluded contracts for FY3/2027 that are unlikely to be impacted by fuel prices, the impact on performance will be limited.
- As for fuel procurement costs in Buses, despite the recent upward trend, the impact on performance will be limited and has, therefore, not been factored into the FY3/2027 forecasts at present.
- If the current situation drags on, impacts such as increased construction expenses and utilities expenses as well as weaker inbound tourism demand are envisaged, but the Company will continue to monitor the situation.

(Reference) Trends of power costs in Railways and fuel expenses in Buses

Unit: Millions of yen	Railways (Odakyu Electric Railway Co., Ltd.) Power costs	Buses Fuel expenses
FY3/2025 (Results)	6,793	2,456
FY3/2026 (Results)	7,028	2,392
FY3/2027 (Forecasts)	6,974	2,266

**Q2. What is the current status of the Company's main businesses?**

(April 1–19, 2026)

Railways (Odakyu Electric Railway Co., Ltd.)	Number of people passing through ticket gates Commuters: -2.6%, Non-commuters: +3.5%, Total: +0.7% * Compared to the same days of the previous year
Odakyu Department Stores	Sales Shinjuku Store -3.3%, Machida Store +5.4%, Fujisawa Store -1.3% * Compared to the same days of the previous year
City Hotels	Occupancy rate Hotel Century Southern Tower 93.3%
Hakone area	Number of passengers using Hakone-Yumoto Station Weekdays Approx. -5%, weekends and public holidays Approx. +18% * Compared to the same days of the previous year
	Hakone resort hotels* occupancy rate Remained at approximately 80% * Hakone resort hotels: Hotel de Yama, Hatsuhana, HAKONE YUTOWA, RETONA HAKONE and HOTEL CLAD

**Q3. What is "tourism revenue" mentioned in the financial results presentation materials?**

- We define the sum of the Odakyu Group's tourism-related operating revenue and duty-free transactions as "tourism revenue." Currently, Transportation (including revenue from non-commuters and limited express fare related to the 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 for FY3/2026 Results was almost unchanged year on year, as sluggish tax-free sales in Department Stores and the change in fiscal year in the previous fiscal year offset a year-on-year revenue hike in Railways and Buses, primarily attributable to an increase in the number of passengers carried and fare revisions in Buses and in the Hakone Area.
- Tourism revenue in FY3/2027 is expected to be 83,100 million yen (up 3.2% YoY) mainly due to fare revisions in Buses and the Hakone area, while revenue from inbound tourism only is forecast to be 25,000 million yen (down 4.0%), primarily owing to the suspension of accommodation operations at Hotel Century Southern Tower.
- Reflecting brisk demand from inbound tourists, we aim for tourism revenue of 120,000 million yen in FY3/2031, including 45,000 million yen as revenue from inbound tourism only.

Unit: billions of yen	Tourism revenue	
		Inbound tourism only
FY3/2025 (Results)	77.8	24.9
FY3/2026 (Results)	80.6	26.0
FY3/2027 (Forecasts)	83.1	25.0
FY3/2031 (Targets)	120.0	45.0

\* The calculation method was changed, and accordingly the results for FY3/2025 and for FY3/2026 (inbound only) were modified.

**Q4. What impacts does the Chinese market trend have on the Group?**

- A hesitation to purchase high-priced items (in Department Stores) has been seen amid an economic slowdown in China.
- Chinese tourists visiting Hakone (number of Hakone Freepass tickets sold) have fallen slightly since the Chinese government called for self-restraint on visiting Japan. At present, this is having a minor impact on the Odakyu Group overall.
- The percentage of inbound tourists purchasing Hakone Freepass tickets and staying at city hotels and Hakone resort hotels has been rising in recent years. They are widely used by tourists from Europe and the United States and by those from Asia alike. Chinese tourists contributed around 5% to Hakone Freepass ticket sales and nearly 10% to sales in Hotels. Neither of the figures are very high.

**Q5. What is the status of tourism demand in Transportation?**

- The number of Hakone Freepass tickets sold in FY3/2026 matched the record-high level achieved in FY3/2019, growing steadily with a year-on-year increase of 10.0%. The number of such tickets sold to inbound tourists rose 8.9% year on year, setting a new high.
- Inbound tourists from the United States accounted for the largest share, specifically 17%, of Hakone Freepass ticket sales, followed by those from China for 11%, and by those from Korea for 7%. In a year-on-year comparison, sales from tourists from East Asia were stagnant, whereas those from tourists from Europe, the United States and Australia grew.

Unit: 1,000 tickets	Number of Hakone Freepass tickets sold		
		Inbound tourism only	Percentage
FY3/2019	<b>959</b>	270	28.2%
FY3/2025	866	357	<b>41.2%</b>
FY3/2026	952	<b>388</b>	40.8%

\* **Bold:** Record high

**Q6. What is the status of tourism demand in Hotels?**

- Reservations for hotel stays in May and later in separate categories are as follows.

<City hotels>

- Occupancy rates in May and June are expected to be approximately 90%.
- Room rates are expected to remain on par with the level of the fourth quarter of FY3/2026 from May onwards.

<Hakone resort hotels> (Hotel de Yama, Hatsuhana, HAKONE YUTOWA, RETONA HAKONE and HOTEL CLAD)

- Occupancy rates are expected to be at the 80% level in May and around 70% in June.
- Room rates are on an upward trend in May, which is the month including Golden Week. In June, they are expected to remain at the same level as in the fourth quarter of FY3/2026.
- Hakone Highland Hotel has been closed for renovation since May 7, 2025.
- In FY3/2026, edit x seven Fuji Gotemba and RETONA HAKONE opened.
- Going forward, renovations and other improvements of additional value will be made at other hotels to capture domestic demand as well as strong inbound tourism demand.

[Renovations]

Area	Hotel name	Last date of operation	Opening date
Hakone	RETONA HAKONE (formerly Hakone Lake Hotel)	—	December 15, 2025
Hakone	Hakone Highland Hotel	May 6, 2025	Autumn 2027 (plan)
Shinjuku	Hotel Century Southern Tower	September 30, 2026*1	Spring 2028 (plan)*2

\*1 Final operating date for banquet halls, conference rooms, restaurants and lounges: March 31, 2027

\*2 Restaurants and lounges are expected to open earlier in autumn 2027

[New opening (operation in trust)]

Area	Hotel name	Opening date
Hakone	edit x seven Fuji Gotemba	September 1, 2025

**Q7. What impacts does the suspension of accommodation operations at the Southern Tower due to renovation work have? (from October 2026)**

- In the FY3/2027 forecast, the Company expects sales to fall by 2,400 million yen year on year.
- While recent performance is strong, we decided to go ahead with this renewal ahead of the hotel's 30th anniversary in 2028, in order to achieve its evolution into a more sophisticated urban-style hotel and meet diversifying needs.
- We will limit the impact of the renovation work on performance by minimizing the period of business suspension by fully suspending accommodation operations and staggering the timing of the construction work on banquet halls and restaurants.

**Q8. What is the future outlook for Odakyu Electric Railway's railway business?**

- The Company envisages a 1.3% year-on-year increase in income from transportation (Commuters +0.8%, Non-commuters +1.2%) in FY3/2027 on expectations of a gradual increase in commuting and excursion opportunities.
- Since capital investment and expenses are projected to remain high in the short term for initiatives such as the promotion of natural disaster management measures such as seismic reinforcement and increased installation of platform doors, we consider profit improvement measures, including fare revisions.

(Reference) [Notice Concerning the Update of Medium-Term Management Plan \(FY3/2025-FY3/2027\), p27 Evolution of Transportation Business](#) (May 13, 2026)

**Q9. What is the progress of platform door installation in the railway business of Odakyu Electric Railway?**

- We recently expanded the target number of stations for platform door installation by the end of FY3/2033 from 37 to 47.
- We are installing platform doors mainly 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 Isehara, all stations on the Tama Line, Chuo-Rinkan, Yamato, Shonandai and Fujisawa by FY3/2033. In FY3/2027, platform doors are planned to come into service at two stations.
- We aim to develop fall prevention measures for standardizing platform doors at the remaining stations by the mid 2030s

(Reference) Progress in and plan for platform door installation

Scheduled timing of completion	Locations (in cumulative total)	
(1) Done (As of the end of FY3/2026)	19 stations, 54 platforms	Shinjuku (excluding limited express platforms), Yoyogi-Hachiman, Yoyogi-Uehara, Higashi-Kitazawa, Shimo-Kitazawa, Setagaya-Daita, Umegaoka, Gotokuji, Chitose-Funabashi, Soshigaya-Okura, Kitami, Komae, Noborito, Machida, Sagami-Ono, Ebina, Hon-Atsugi, Chuo-Rinkan, Yamato
(2) The end of FY3/2027	21 stations, 60 platforms	Kyodo, Izumi-Tamagawa
(3) The end of FY3/2028	25 stations, 73 platforms	Minami-Shinjuku, Seijogakuen-mae, Tsurukawa, Fujisawsa
(4) The end of FY3/2029	27 stations, 79 platforms	Sangubashi, Mukogaoka-yuen
(5) The end of FY3/2033 or before (planned)	47 stations, 130 platforms	All stations from Shinjuku to Isehara (Other than the above), all stations on the Tama Line, Shonandai

\* The plans for FY3/2027 and later may be subject to change depending on the provision of subsidies from local governments, the progress of installation and other factors.

**Q10. What is the status of fare revisions of Group companies?**

- Fare revisions we made in FY3/2025 and thereafter are as shown in the table below.
- We will consider revising fares at the appropriate time while we continue endeavoring to build a sustainable business operation system.

(Reference) Progress in main fare revisions

Company name:	Estimated effect*1 (billion yen)		Implementation date
	FY3/2026 (Results)	FY3/2027 (Forecasts)	
Odakyu Bus (for the flat fare areas*2 and others)	0.98	0.98	June 1, 2024
Enoden Bus	0.12	0.12	March 15, 2025
Odakyu Highway Bus (Hakone Line)	0.06	0.06	April 1, 2025
Odakyu Hakone (Sightseeing Cruise, Ropeway, etc.)	0.61	1.58	October 1, 2025
Hakone Tozan Bus	0.10	0.20	October 1, 2025
Odakyu Bus (for the flat fare areas*2 and others)	0.19	0.39	October 1, 2025
Enoden Bus	Minor	0.30	March 31, 2026

\*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

### **Q11. What is the future outlook for Sales business of Real Estate?**

<Investment and development: Developing and selling rental residences, offices, logistics facilities and other real-estate properties for investment>

- In FY3/2027, we are planning five sales, including logistics facilities and offices in central Tokyo, and will seek business expansion with our sights set on FY3/2031.
- Although recent increases in construction material expenses and labor expenses and rising interest rates will have an impact, we aim to achieve the plan through efforts to control costs and the selection of assets and areas with high levels of market demand enabling price pass-through.

<Sales: Sale of newly built condominiums and single-family houses under the LEAFIA brand>

- In FY3/2027, we expect to post 431 units, which represents significant growth (up 201 units year on year). The key property will be LEAFIA Tower Ebina Chronos Court (planning to post approximately 70% of the total number of units (304)). We have currently signed contracts for approximately 50% of the total number of units.
- Purchases have mostly been completed to cover planned supply for FY3/2028. While the purchase price is in an upward trend, we plan to focus on areas close to stations in central Tokyo as well as the Setagaya and Komae areas along the Odakyu Lines where market needs are high.
- In the short term, growing demand associated with the acceleration of purchases in anticipation of further increases in interest rates is expected. However, in the long term, there is concern over a slowdown in demand due to the increased burden of home loan repayments. We aim to maintain and expand revenue through initiatives such as flexibly reviewing targets.

<Purchase and resale: Renovating high-grade used residences and reselling them as high-grade residences>

- We plan to post 25 properties in FY3/2027 and as many as 20 or 30 annually from FY3/2028 onwards.
- Recently, we have been focusing on properties in central Tokyo (Minato-ku, Chiyoda-ku, Shibuya-ku, etc.) but also plan to proactively acquire properties in areas along the Odakyu Lines.
- The impact from rising interest rates will be the same as for sales, with the exception of central Tokyo properties in the high price bracket, and we aim to maintain and expand revenue through initiatives such as flexibly reviewing targets.

(Reference) [Notice Concerning the Update of Medium-Term Management Plan \(FY3/2025–FY3/2027\)](#),  
[p26 Strengthening Real Estate Business \(Quick Returns\)](#) (May 13, 2026)

### **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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