

Fiscal Year Ended  
March 31, 2020  
Financial Results Presentation  
for Investors

**Nagoya Railroad Co., Ltd.**

Securities Code: 9048

May 26, 2020

# 01

## Summary of Financial Results

## ◆Group Business Performance

	FY2019				FY2020 Full-Year Forecast	
	Results	Year-on-year change			Change from forecast (from November)	
	Billions of yen	Billions of yen	%		Billions of yen	
Operating revenues	622.9	+ 0.3	+ 0.1 %		— 16.0	
Operating income	47.3	— 2.0	— 4.2 %		— 2.6	
Ordinary income	49.2	— 2.3	— 4.5 %		— 2.7	
Profit attributable to owners of the parent	28.8	— 1.5	— 5.2 %		— 1.1	

### To Be Determined

Due to the present impossibility of reasonably calculating the impact of the novel coronavirus pandemic, the forecast remains to be determined.

## Financial Results Highlights

### < vs. Mar. 31, 2019 >

#### 【 Operating revenues 】

#### On par with the previous year

- Revenues fell from the traffic, leisure and services, and distribution (department stores) businesses

#### 【 Operating income 】 Decreased

- Traffic business income fell (due to lower revenues)
- Leisure and services business income fell (due to lower revenues)

### < Compared with the forecast >

#### 【 Operating revenues 】 Decrease

- Revenues from the traffic, distribution, and leisure and services businesses fell
- Revenues from the real estate business fell (lower condo sales)

#### 【 Operating income 】 Decrease

- Traffic business income fell (due to lower revenues)
- Distribution business income fell (due to lower revenues)

### < Impact of the novel coronavirus

(estimates)>

#### 【 Operating revenues 】

#### Decrease -13.0billions of yen

- Significant impact on the traffic, distribution, and leisure and services businesses

#### 【 Operating income 】

#### Decrease -7.5billions of yen

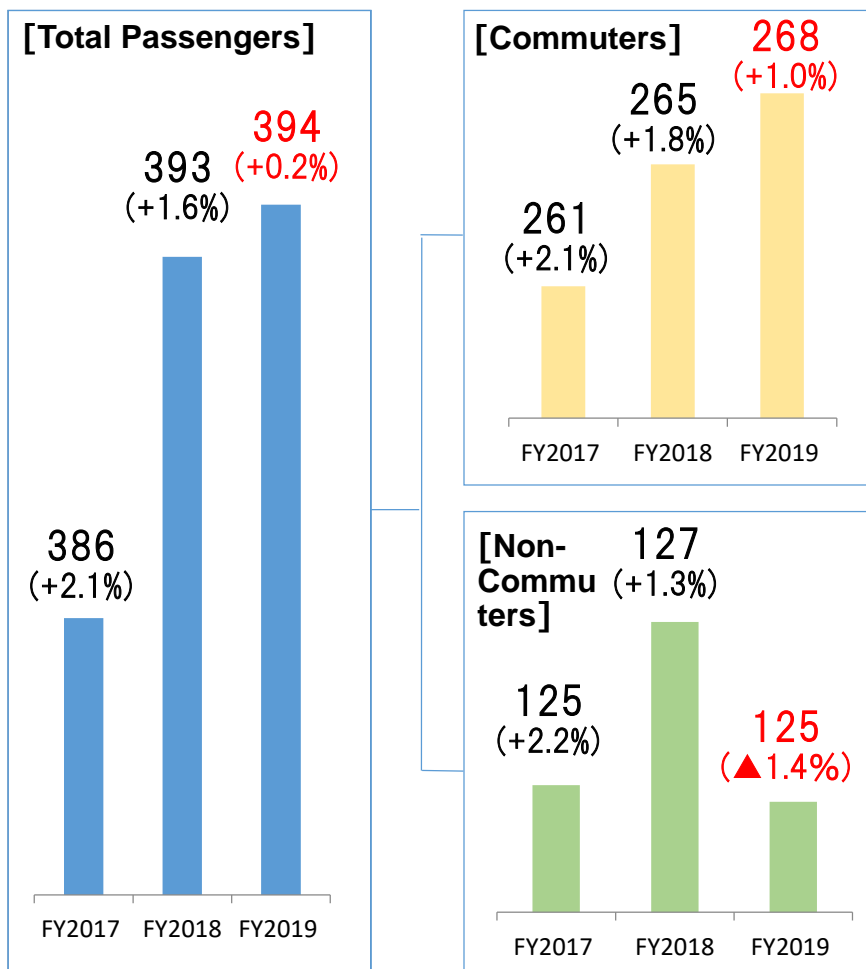
- Significant impact on the traffic, leisure and services, and distribution businesses

More details on P6

Due to the novel coronavirus pandemic, we are headed toward a loss in the fourth quarter.

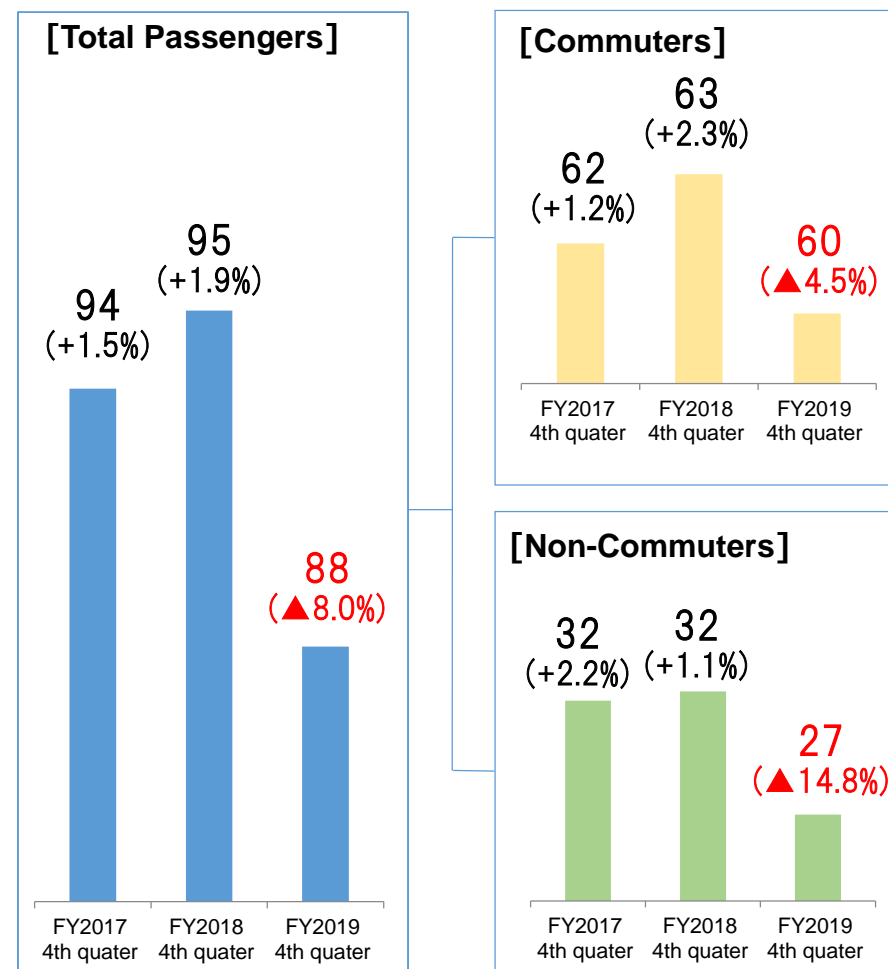
## 【Railroad Passenger Trends】

(unit: million passengers; figures in parentheses are year-on-year change)



## 【Railroad Passenger Trends (Fourth quarter single period)】

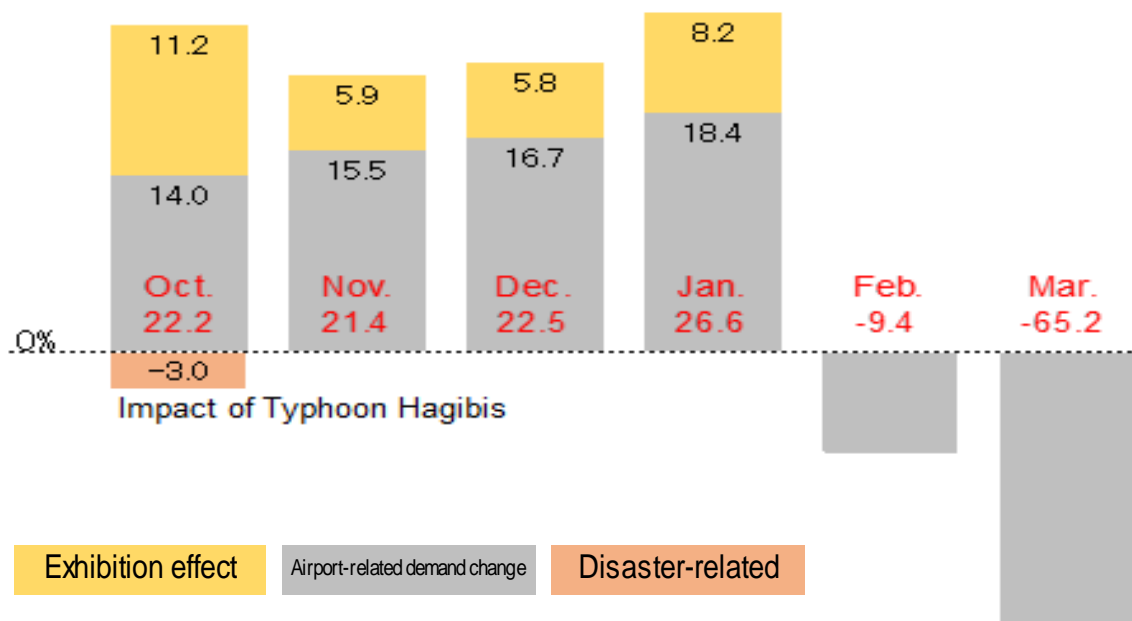
(unit: million passengers; figures in parentheses are year-on-year change)



Due to the novel coronavirus pandemic, we have been heading toward a loss since February 2020.

## 【Number of Non-Commuter Passengers to Chubu Centrair International Airport】

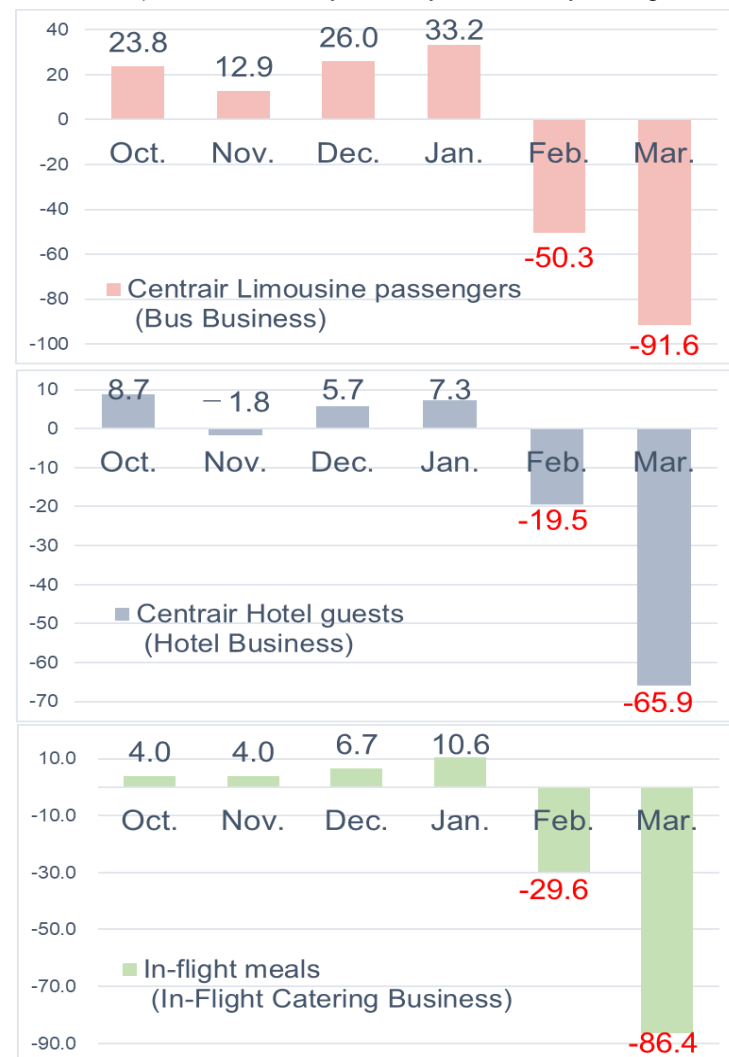
(Unit: estimated year-on-year monthly change rate(%))



- Until the 3rd quarter: Due mainly to a continuous increase in air travelers and the launch of the Aichi Sky Expo, there was a large year-on-year increase despite the negative effects from Typhoon Hagibis.
- 4th quarter: From mid-February on, there was a huge drop attributable to the novel coronavirus pandemic.
- Non-commuter passengers in April 2020: -88.2%
- Non-commuter passengers during Golden Week (4/24-5/6): -94.8%

## Sales Figures of Related Businesses

(Unit: estimated year-on-year monthly change rate(%))



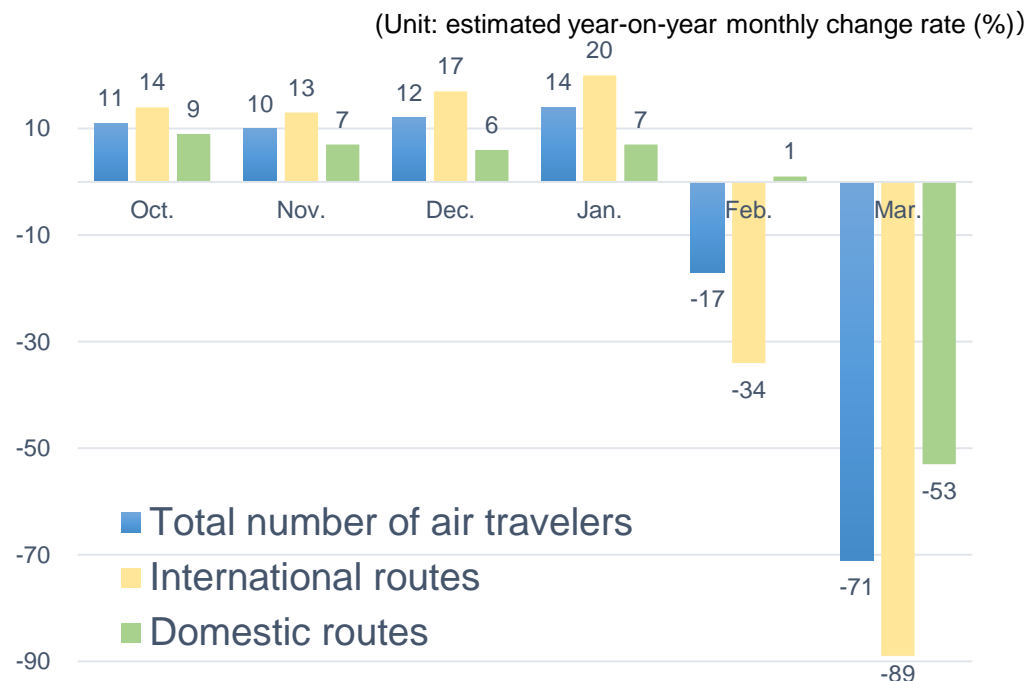
Due to the novel coronavirus pandemic, there was a huge decrease in air travelers.  
Facilities on the airport island are suspending operations.

## ➤ Decrease in Airport-related Demand

- The weekly number of international flights rapidly fell close to zero from February.
- Terminal 2, which opened in September 2019, temporarily closed from April 10.

Weekly flights				
Destinations		Summer 2020 3/29-10/24	Winter 2019 10/27-3/28	Summer 2019 3/31-10/26
		Forecast As of 4/1	Results January (peak)	Results July (peak)
International routes	Asia	0	440	411
	North America	0	4	7
	Europe	0	9	12
	Middle East	0	7	7
	Other	0	26	26
	Total international flights	0	486	463
Domestic routes		76	97	96

## 【 Number of Chubu Centrair International Airport Air Travelers】



• Created by Nagoya Railroad using presentation materials from Chubu Centrair International Airport

## 【Closed Retail Facilities on Chubu Centrair International Airport's Island】

- FLIGHT OF DREAMS multiplex(opened October 2018)  
Closed from February 29, 2020 onward (flight park, etc.)
- Aichi International Convention & Exhibition Center (Aichi Sky Expo)  
(opened August 2019)  
Since mid-February 2020, all scheduled events have been cancelled or postponed

Feb. HAPPY MAMA FESTA : 28⇔March 1

LIVE DA PUMP 2020 Funky Tricky Party FINAL : 8

Mar. Railroad Festival in Aichi Sky Expo 2020 : 20⇔21

Robocup Japan Open 2020 Aichi: 20⇔22

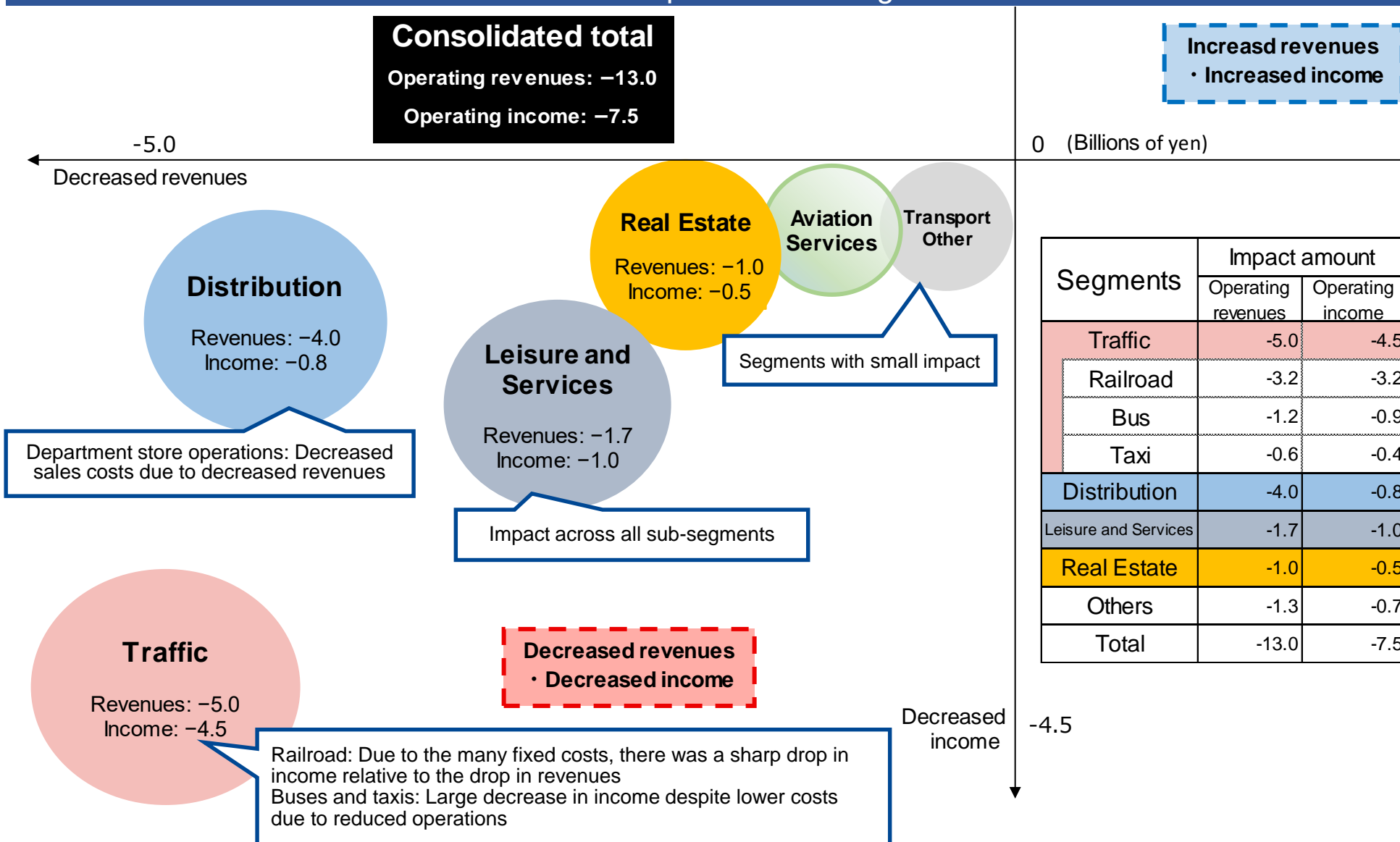
Apr. Nagoya Motorcycle Show in Aichi Sky Expo: 10⇔12

Waku Waku Festival: 25⇔26

May AVRIL LAVIGNE HEAD ABOVE WATER

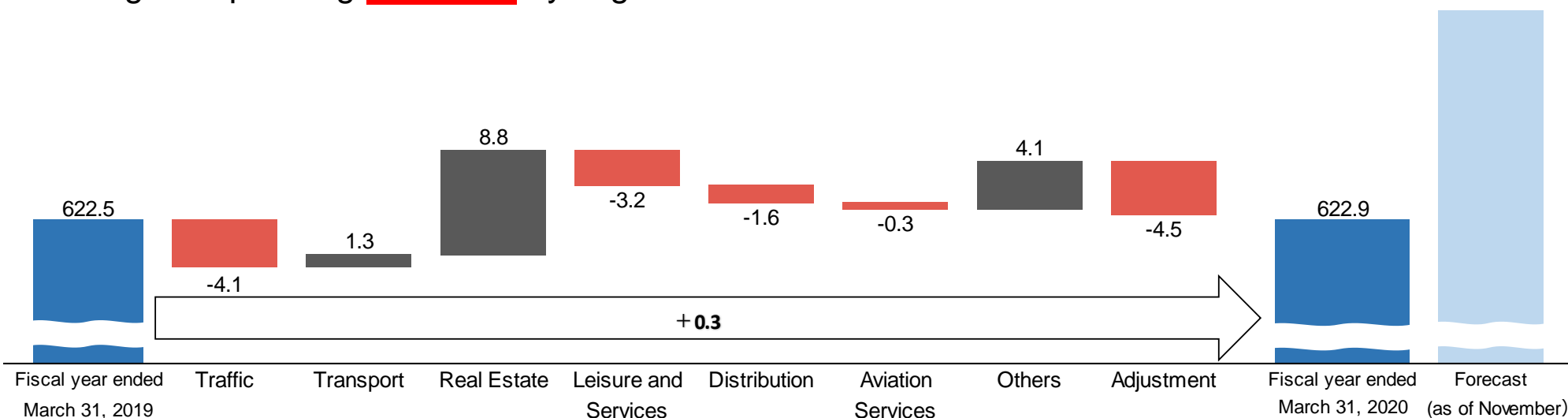
WORLD TOUR 2020 JAPAN : 9 (excerpted from website)

The negative effects of the novel coronavirus pandemic have had a broad impact on all of the Group's business segments.

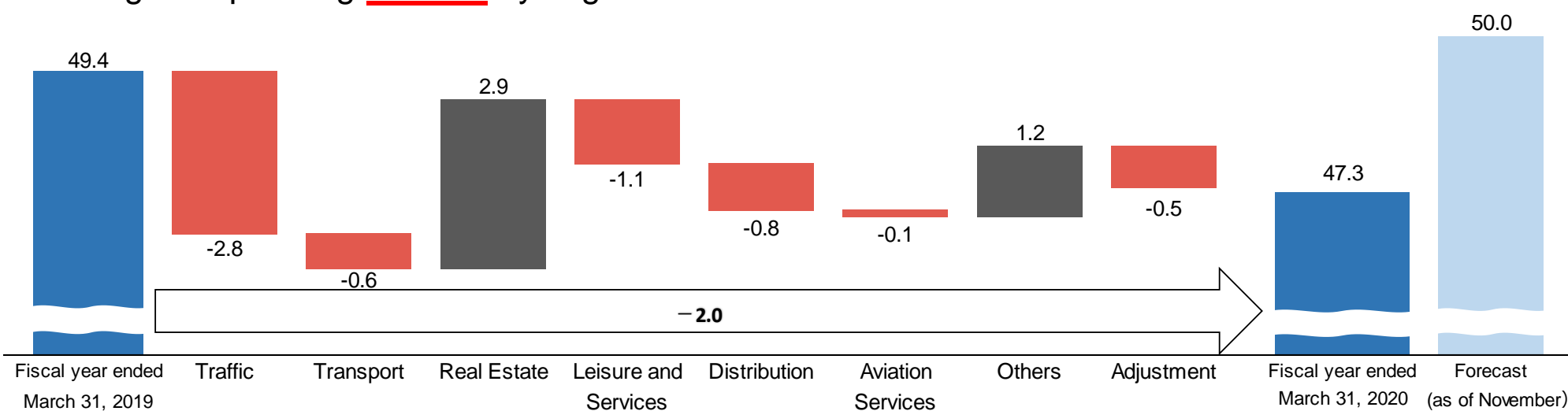


## Change in operating revenues by segment

(Billions of yen)  
639.0



## Change in operating income by segment





Capital investment plan revised due to changes in the business environment, namely the novel coronavirus pandemic.

## ➤ Revised capital investment plan

- Scaled back and postponed renovations and capital investments that were delayable
- Optimized owned equipment, such as by delaying vehicle renewals (downsizing of owned equipment and assets in line with lower demand)

## ➤ Reduced expenses

- Reduced outsourcing and subcontracting expenses by bringing operations in-house
- Reduced supply to match lower demand, such as by reducing the number of buses and suspending operations of buses
- Shortened operating hours of retail facilities and revised personnel

## ➤ Financial strategies

- Concluded commitment-line contracts with financial institutions to secure flexible and stable funding methods

## ➤ Others

- Delayed the opening of the Meitetsu Inn Shin-Osaka Station East Exit (pushed back the slated May opening to June)
- Delayed the opening of the  $\mu$ PLAT Ozone (pushed back the slated May 28 opening)

### Accommodation-centric hotels being planned



**Meitetsu Inn Shin-Osaka  
Station East Exit**

Opening delayed

【Location】  
3 min. walk from  
JR Shin-Osaka Station  
【Size】  
10 floors  
【Total rooms】  
120



**Hotel Musse Kyoto,  
Shijo Kawaramachi,  
Meitetsu (tentative name)**  
(opening slated for fall 2020)

【Location】  
3 min. walk from Hankyu's  
Kyoto-Kawaramachi Station  
【Size】  
9 floors  
【Total rooms】  
109

Measures have been taken related to preventing the spread of infections, ensuring the health and safety of customers and employees, and business continuity.

## Across the Meitetsu Group

- Instructed employees who interact with customers to wear masks
- Set up hand sanitizing stations for customers and employees
- Restricted the number of commuting personnel and business trips to prevent the spread of infections
- Meetings have been canceled, limited to small groups, or shortened
- Cancelled the Group's welcome ceremony for new hires

## Nagoya Railroad

- Continued operations that serve as social infrastructure
- Suspended operations of some  $\mu$ -SKY trains to and from Chubu Centrair International Airport Station
- Aired out all train cars throughout the day
- Regularly sanitized train poles, hand straps, and other surfaces
- Regularly sanitized ticket machines and other equipment at major stations
- Installed hand sanitizing stations at ticket windows and other locations in major stations

## Hotels

- Stopped buffet-style food and drink services
- Voluntarily stopped lunch and dinner services
- Temporarily closed chain hotels in the same area

## Leisure and department stores

- Shortened store hours
- Canceled events

## Buses

- Continued operations that serve as social infrastructure
- Sanitized buses after they finished running for the day
- Kept buses ventilated while running

# 02

## The Meitetsu Group's Long-term Vision, Long-term Management Strategy and Progress Made under the Medium-term Management Plan

## ➤ Developments in Progress around Nagoya Station



Midland Square

Planned site

Redevelopment Area

Nagoya Mode School

- We provided funding for the office development plan using a real estate securitization scheme.
- The first basement level connects with the Miyako Underground Mall owned and operated by the Company.

Source: Geospatial Information Authority of Japan (<http://maps.gsi.go.jp>) and edited by the Company

- By building a multipurpose building in a highly convenient location, we will create a lively atmosphere in the Nagoya Station District and strive to further bolster our earnings power.

### Illustration



In addition to acquiring rental properties in Nagoya City, we will promote real estate developments expected to be profitable.

## ➤ Funding of profitable properties and properties for development

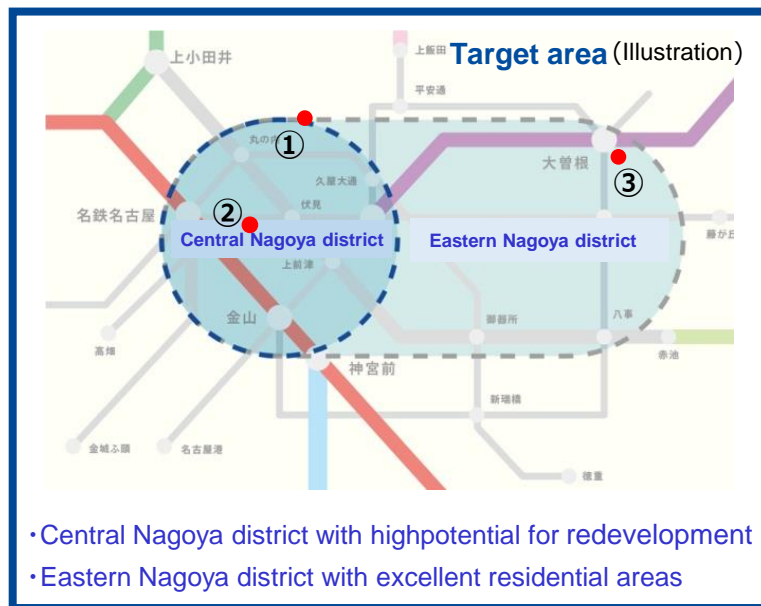


### ① meLiV Meijo Park

(construction completed August 2019)

Location	Kinjo 1-chome, Kita-ku, Nagoya City
Size and construction	Reinforced concrete, 14-floors aboveground
Total floor space	2,284.87m <sup>2</sup>
Purposes	78 studio apartments

We acquired a new condominium building with excellent access to the city center and developed it as the Company's meLiV brand condominium for lease.



### ② Riche d'Or Meieki-minami (construction completed March 2020)

Location	Meieki-minami 1-chome, Nakamura-ku, Nagoya City
Size and construction	Reinforced concrete, 15 floors aboveground
Total floor space	4,322.38 m <sup>2</sup>
Purposes	126 studio apartments, with 1 retail section

We constructed rental condominiums in the Nagoya Station area, which has good transportation access and lots of stores, restaurants, residences and entertainment.



### ③ Condominium, Meitsu Nagoya Dome WEST (transfer scheduled for August 2020)

Location	Yada-minami 1-chome, Higashi-ku, Nagoya City
Size and construction	Reinforced concrete, 10 floors aboveground
Total floor space	5,128.02 m <sup>2</sup>
Number of units	59

This property in eastern Nagoya pairs urban convenience with a peaceful residential environment.

Enhancing the value of our owned assets by developing and revitalizing retail facilities, thereby fostering new excitement in the area.

## ➤ Developing and revitalizing retail facilities

### Developing μPLAT retail facilities inside stations

#### μPLAT Ozone

(set to open fiscal 2020)

Providing everyday convenience, comfort, and fun at Ozone Station, where four transportation lines intersect.



#### 【Facility Overview】

Location	Yada-minami, Higashi-ku, Nagoya City (Ozone Station on the Seto Line)
Size	Steel frame, 2 floors aboveground, total floor space of approx. 2,200 m <sup>2</sup>
Number of stores	17 (retail, food, drink, services)

#### 【Stores Scheduled to Open】



μPLAT Jingumae  
(set to open fiscal 2021)



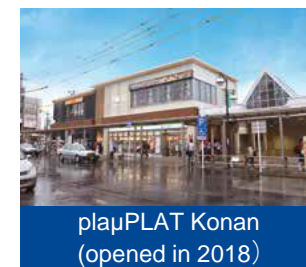
μPLAT Ichinomiya  
(set to open spring 2021)

## μPLAT

Opened in Kanayama Station under the concept of a place you could easily stop by every day from the platform. With Konan and Tokoname, there are currently a total of 3 facilities being operated.

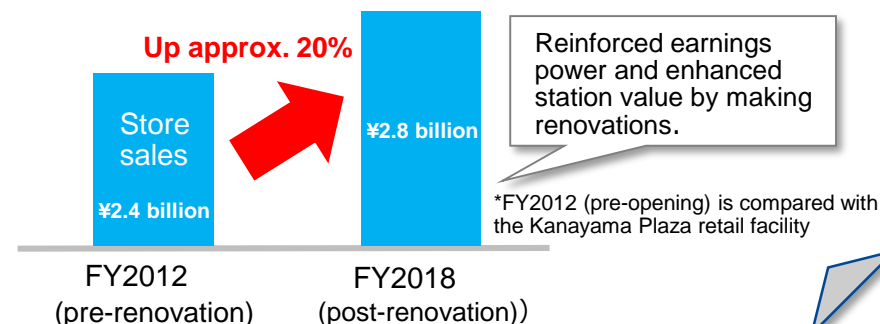


μPLAT Tokoname  
(opened in 2018)



μPLAT Konan  
(opened in 2018)

#### 【Change in store sales after opening of μPLAT Kanayama】



Increasing station convenience and fostering excitement to help revitalize the area.



We create new attractions and excitement in the city by improving facility design and using local resources.

## ➤ Increasing the value of assets

increasing the value in areas along the Company's train lines

### SAKUMACHI Shopping Street Phase II Area



(opened March 2020)  
(Phase I Area opened March 2019)



#### 【Phase II Area Overview】

Location	Shimizu, Kita-ku, Nagoya City (the area under the elevated railway between Shimizu and Amagasaki stations on the Seto Line)
Size	Wooden single-story building, total floor space of 944 m <sup>2</sup>
Number of lots	17

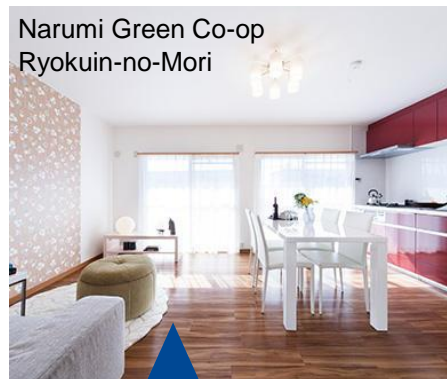
#### 【Phase II Area Characteristic】

Stores run by active members of the community have moved in, such as a wide range of restaurants and cafes as well as apparel and other shops not part of Phase I. The tenants also cater to nighttime patrons, not just daytime ones.

With the Phase I Area, we have created a more unified feeling and a space for the community to mingle.

## Renovations of existing rental condominiums

Narumi Green Co-op  
Ryokuin-no-Mori



Crescendo Shimizugaoka



### Meitetsu Real Estate Condo Development Business: Phase I Properties Renovation Project

This property was built in 1969 as the company's first condo development project. Since fiscal 2015, it has been revived as renovated rentals using its existing value.

#### 【Property Overview】

Location	Narumi-cho, Midori-ku, Nagoya City (14 min. walk from Narumi Station on the Nagoya Line)
Total floor space	Reinforced concrete, 4 floors aboveground
Total floor space	3,829.68m <sup>2</sup>
Number of units	72

In a time when urban residences are diversifying, we will continue to provide properties that meet customer needs.

We strive to enhance our transport services by appropriately responding to the increasing transport demand and enhanced user convenience.

➤ **Responding to the increase in transport demand as municipalities along train lines upgrade nearby infrastructure**

Building a new station on the Kowa Line



- As residences expanded around the midpoint between Takayokosuka Station and Minami Kagiya Station on the Kowa Line, the public Nishichita General Hospital opened in 2015. We will build a new station at the midpoint between the two stations at the request of Tokai City in an effort to enhance convenience and alleviate traffic in neighborhoods around the planned site of the station.

✂ Slated to open at the end of fiscal 2023. Name not yet decided.

➤ **Responding to enhanced convenience**

Introducing Strolly



- Strolly works with GPS to display the location data of the user on an online illustrated map of tourist spots along train lines. The app makes it easy to understand location data even on illustrated maps not to scale, enhancing the convenience of sight-seeing and walking around town.

Issuing late arrival slips online

- From December 2019, late arrive slips issued at station service desks and other locations can also be issued in an electronic format. This also works with Meitetsu Touch, and now late arrival slips can be obtained regardless of time or place.



We aim to develop new business areas using cutting-edge technologies while working with regional governments and other operators.

Signed agreement with Aichi Prefecture and NTT Docomo Inc. to collaborate on regional revitalization

➤ **We are working to stimulate the region by taking measures that help revitalize towns, communities, and jobs using information technology.**

Cooperation Activities and Specific Measures (Highlights)

➤ **Transportation and Community Building**

- **Encouraging broader use of self-driving technology within the prefecture**
- **Promoting MaaS and other new mobility services within the prefecture, encouraging broader use, and using them for tourism**

➤ **Industry Revitalization and  
Encouragement of Innovation**

- Promoting cashless payments
- Expanding demand for prefectural produce

➤ **Revitalization of Tourism and Sports**

- Promoting tourism in Aichi Prefecture
- Engaging in PR for the Aichi International Convention & Exhibition Center



The three parties signed the agreement on March 19

The Company has participated in Aichi Prefecture's field test project to promote broader use of self-driving technology※

※ Participated along with NTT Docomo Inc., Aisan Technology Co., Ltd., and others

- Vehicle used for field tests
- Facial recognition field test



Using Tourist-Oriented MaaS to Get around the Outer Island (Location: Himakajima, January 2020)

The entire Meitetsu Group works to solve social issues and contribute to the sustainable growth of communities.

## ➤ Examples of ESG Activities

### Social

#### Meitetsu Transportation Signed an agreement related to using logistics facilities during crises



If Aichi Prefecture's transport bases are damaged in a disaster, we will provide materials and allow use of our truck terminals and other logistics facilities. We will also dispatch workers for assistance and help strengthen systems to enable the smooth transport of aid to those affected.

#### Sugimoto Art Museum's Offsite Classes

Employees of Sugimoto Art Museum visit local elementary schools to provide opportunities to pique children's interest in art, such as by holding classes to appreciate and copy art.



#### ➤ Sugimoto Art Museum

The art museum was founded by Nagoya Railroad in 1987 to display the artworks of the painter Kenkichi Sugimoto.

Mr. Sugimoto had a deep relationship with the Meitetsu Group, helping design the logo of the Meitetsu department store and the scarlet used as the signature color of Meitetsu train cars.

### Environment

#### The Taiheiyo Ferry acquired an three stars energy-efficiency rating of three stars

↓ Kitakami set sail in January 2019

The new ship Kitakami is 10% more energy efficient than conventional ships. Under Japan's Ministry of Land, Infrastructure, Transport and Tourism's energy efficiency rating for coastal ships, it acquired three stars (hard and soft measures).



Launched activities to attract tourists using facilities along the old Kamioka Railway.

#### Ministry of the Environment's Eco Tourism Award Nohi Bus won the merit award

Nohi Bus won the grand prize of the 15th Eco Tourism Awards, receiving praise for its onsite tours of the nature, history and culture of the Hida Region.

### Governance

#### Nagoya Railroad established a nomination and compensation advisory committee

The nomination and compensation advisory committee was established in April 2020 to advise the board of directors. In this way, we strengthened the oversight function and accountability of the board of directors in relation to the nomination of directors and auditors and to the compensation of directors.

# 03

## FY2019 Financial Results

# FY2019 Financial Results



\* Figures in parentheses are the year-on-year percent change.

(Units: Millions of yen, %)

	FY2019	FY2018	Change*	Notes	Latest Forecast (As of November)	Change*
Operating revenues	<b>622,916</b>	622,567	348 (0.1)		639,000	-16,083 (-2.5)
Operating expenses	<b>575,553</b>	573,112	2,441	Cost of products sold: +2,736	589,000	-13,446
Operating income	<b>47,363</b>	49,455	-2,092 (-4.2)		50,000	-2,636 (-5.3)
Ordinary income	<b>49,288</b>	51,599	-2,311 (-4.5)	Non-operating income: +19 (Dividend income: +242; Equity in net earnings of affiliates: -146) Non-operating expenses: +238 (Provision for loss on liquidation: +553; Interest expenses: -197)	52,000	-2,711 (-5.2)
Extraordinary income	<b>9,287</b>	5,013	4,273	Reversal of provision for loss on liquidation: +4,816	4,000	5,287
Extraordinary losses	<b>11,238</b>	10,492	745	Impairment loss on fixed assets: +4,851 Loss on sales of fixed assets: -4,093	8,500	2,738
Profit before income taxes	<b>47,337</b>	46,120	1,217 (2.6)		47,500	-162 (-0.3)
Income taxes	<b>15,363</b>	14,132	1,230		14,500	863
Profit attributable to non-controlling interests	<b>3,094</b>	1,530	1,564		3,000	94
Profit attributable to owners of the parent	<b>28,879</b>	30,457	-1,577 (-5.2)		30,000	-1,120 (-3.7)

【Changes in consolidated subsidiaries and equity-method affiliates (compared to March 31, 2019)】

◆113 consolidated subsidiaries (-4) : Meitetsu Kyosho Parking WEST, Shinsyu Meitetsu Shipping,  
Shinsyu Meitetsu Distribution (merged)  
Meitetsu Sunny Land (stock purchase)

◆15 equity-method affiliates (no change)

# FY2019 Financial Results Highlights



**Year-on-year:**  
**Higher revenues, lower profit**

(Thanks mainly to higher real estate revenues, revenues rose for the third consecutive years.

Profit fell due to the novel coronavirus pandemic.)

(Billions of yen)

<b>Operating Revenues:</b> +¥0.3 billion	<div>+ Real Estate +8.8 (Condo sale revenues: +7.2: Units sold: 991→1,014) (Higher parking space revenues: +1.1 (More spaces) Made Sakae Kaihatsu a consolidated subsidiary: +1.1)</div> <div>+ Other goods sold: +2.2 (Higher construction material sales: +1.8)</div> <div>— Traffic : -4.1 (Transport passengers: +0.2% Commuters: +1.0% Non-commuters: -1.4%) Bus: -1.4 Taxi: -2.5)</div> <div>— Department Stores: -3.7 (Due to decrease in tax-free sales, etc.)</div> <div>— Leisure and Services: -3.2 (Hotels: -1.8 (Ending operations of the Meitetsu Inuyama Hotel: -1.4) Tourist Facilities: -1.1; Travel: -0.28)</div>
<b>Operating Income:</b> -¥2.0 billion	<div>— Traffic: -2.8 (Railroad: -1.0 Bus: -1.0 Taxi: -0.8)</div> <div>— Leisure and Services: -1.1 (Hotel: -0.73 Tourist Facilities: -0.44)</div> <div>— Department Stores: -0.78 (Due to lower revenues)</div> <div>— Maritime Transport: -0.58 (Due to higher fuel costs and higher depreciation expenses attributable to new ship building in the previous fiscal year.)</div> <div>+ Condo Sales : +3.5 (Due to higher revenues and better profit margins on condo sales)</div>
<b>Ordinary Income:</b> -¥2.3 billion	Non-operating income fell due mainly to an increase in provision for loss on liquidation in addition to a decrease in operating income -0.2
<b>Net Profit:</b> -¥1.5 billion	Extraordinary income improved due mainly to an increase in reversal on provision for loss on liquidation +3.5 (Reversal on provision for waste removal accompanying progress on the redevelopment plan for Meitetsu Nagoya Station +4.8)

**Compared with forecast:**  
**Lower revenues and lower profit**

(Revenues fell mainly in the traffic and distribution businesses due to the novel coronavirus pandemic.

Income decreased year on year due to lower revenues.)

(Billions of yen)

<b>Operating Revenues:</b> -¥16.0 billion	— Traffic : -5.6 Distribution : -3.4 Real Estate : -3.1 Leisure and Services : -2.0
<b>Operating Income:</b> -¥2.6 billion	<div>— Traffic : -2.7 Distribution : -1.1 Leisure and Services : -1.0</div> <div>+ Real Estate : +1.0</div>
<b>Ordinary Income:</b> -¥2.7 billion	Non-operating income fell due mainly to an increase in provision for loss on liquidation in addition to a decrease in operating income -0.1
<b>Net Profit:</b> -¥1.1 billion	Extraordinary income improved due mainly to an increase in reversal on provision for loss on liquidation +2.5 (Reversal on provision for waste removal accompanying progress on the redevelopment plan for Meitetsu Nagoya Station +4.8)

# Operating Results by Segment

(Units: Millions of yen, %)

Operating revenues	FY2019	FY2018	Change	Percent Change	Latest Forecast (As of November)	Change	Percent Change
Traffic	<b>163,544</b>	167,660	-4,116	-2.5	169,200	-5,655	-3.3
Transport	<b>138,220</b>	136,863	1,356	1.0	139,600	-1,379	-1.0
Real Estate	<b>100,869</b>	92,013	8,855	9.6	104,000	-3,130	-3.0
Leisure and Services	<b>50,137</b>	53,419	-3,282	-6.1	52,200	-2,062	-4.0
Distribution	<b>140,538</b>	142,231	-1,693	-1.2	144,000	-3,461	-2.4
Aviation Services	<b>27,251</b>	27,570	-318	-1.2	26,300	951	3.6
Others	<b>52,123</b>	48,012	4,110	8.6	50,500	1,623	3.2
Adjustment	<b>-49,769</b>	-45,204	-4,564	—	-46,800	-2,969	—
Total	<b>622,916</b>	622,567	348	0.1	639,000	-16,083	-2.5

Operating income	FY2019	FY2018	Change	Percent Change	Latest Forecast (As of November)	Change	Percent Change
Traffic	<b>21,577</b>	24,379	-2,801	-11.5	24,300	-2,722	-11.2
Transport	<b>5,342</b>	5,968	-626	-10.5	5,900	-557	-9.4
Real Estate	<b>14,309</b>	11,404	2,904	25.5	13,300	1,009	7.6
Leisure and Services	<b>611</b>	1,796	-1,184	-66.0	1,600	-988	-61.8
Distribution	<b>330</b>	1,185	-854	-72.1	1,500	-1,169	-78.0
Aviation Services	<b>2,616</b>	2,803	-187	-6.7	1,400	1,216	86.9
Others	<b>2,854</b>	1,627	1,227	75.4	1,700	1,154	67.9
Adjustment	<b>-279</b>	290	-569	—	300	-579	—
Total	<b>47,363</b>	49,455	-2,092	-4.2	50,000	-2,636	-5.3

## <Year-on-Year comparisons>

Revenues and income **increased** in Real Estate , and Others.

Revenues **increased** but income **decreased** in Transport.

Revenues and income **decreased** in Traffic, Leisure and Services, Distribution, Aviation Services.



(Units: Millions of yen, %)

	FY2019	FY2018	Change	Percent Change	Notes
Operating revenues	<b>163,544</b>	167,660	-4,116	-2.5	Revenues decreased in all sub-segments due to the novel coronavirus pandemic
Operating income	<b>21,577</b>	24,379	-2,801	-11.5	Income decreased due to lower revenues, despite reduced personnel and fuel costs.

## ◆ Breakdown of Traffic Business ◆

(Units: Millions of yen, %)

	Operating revenues				Operating income			
	FY2019	FY2018	Change	Percent Change	FY2019	FY2018	Change	Percent Change
Railroad	<b>96,496</b>	96,696	-200	-0.2	<b>18,413</b>	19,418	-1,005	-5.2
Bus	<b>43,336</b>	45,689	-2,353	-5.2	<b>2,527</b>	3,521	-994	-28.2
Taxi	<b>26,154</b>	28,691	-2,537	-8.8	<b>478</b>	1,285	-806	-62.7
Adjustment	<b>-2,441</b>	-3,417	975	—	<b>157</b>	154	3	—
Traffic Total	<b>163,544</b>	167,660	-4,116	-2.5	<b>21,577</b>	24,379	-2,801	-11.5

## <Nagoya Railroad, Transportation Results> (Units: Millions of yen, %)

(Units: Thousands of people, %)

Traveler	Revenues	FY2019	FY2018	Percent Change
Non-commuters		<b>49,845</b>	50,357	-1.0
Work commuters		<b>32,947</b>	32,416	1.6
School commuters		<b>7,249</b>	7,317	-0.9
Commuters		<b>40,196</b>	39,733	1.2
Total		<b>90,042</b>	90,091	-0.1

Passengers	FY2019	FY2018	Percent Change
Non-commuters	<b>125,622</b>	127,444	-1.4
Work commuters	<b>167,113</b>	163,798	2.0
School commuters	<b>101,417</b>	101,994	-0.6
Commuters	<b>268,530</b>	265,792	1.0
Total	<b>394,152</b>	393,236	0.2

Note: Non-commuter traveler revenues include fares for first-class cars.

(Units: Millions of yen, %)

	FY2019	FY2018	Change	Percent Change	Notes
Operating revenues	<b>138,220</b>	136,863	1,356	1.0	Higher revenues mainly due to higher freight rates in the Truck Business
Operating income	<b>5,342</b>	5,968	-626	-10.5	Lower income due to higher personnel costs and depreciation and amortization

## ◆Breakdown of Transport Business◆

(Units: Millions of yen, %)

	Operating revenues				Operating income			
	FY2019	FY2018	Change	Percent Change	FY2019	FY2018	Change	Percent Change
Truck	<b>158,125</b>	158,159	-34	-0.0	<b>4,762</b>	4,824	-62	-1.3
Maritime Transport	<b>16,342</b>	16,378	-35	-0.2	<b>525</b>	1,108	-583	-52.6
Adjustment	<b>-36,248</b>	-37,674	1,426	—	<b>55</b>	35	19	—
Transport Total	<b>138,220</b>	136,863	1,356	1.0	<b>5,342</b>	5,968	-626	-10.5



(Units: Millions of yen, %)

	FY2019	FY2018	Change	Percent Change	Notes
Operating revenues	<b>100,869</b>	92,013	8,855	9.6	Higher revenues due in part to higher number of condos sold, higher number of parking spaces in the Rental Business, and consolidating the tenant building management companies
Operating income	<b>14,309</b>	11,404	2,904	25.5	Higher income due to higher revenues in the Condo Sales Business

## ◆ Breakdown of Real Estate Business ◆

(Units: Millions of yen, %)

	Operating revenues				Operating income			
	FY2019	FY2018	Change	Percent Change	FY2019	FY2018	Change	Percent Change
Real Estate Rental	<b>48,940</b>	46,882	2,057	4.4	<b>8,822</b>	9,372	-550	-5.9
Real Estate Condo Sales	<b>44,606</b>	37,384	7,222	19.3	<b>2,956</b>	1,573	1,382	87.9
Real Estate Management	<b>15,181</b>	15,017	163	1.1	<b>582</b>	571	11	2.0
Adjustment	<b>-7,859</b>	-7,270	-588	—	<b>1,947</b>	-113	2,061	—
Real Estate Total	<b>100,869</b>	92,013	8,855	9.6	<b>14,309</b>	11,404	2,904	25.5

## < Number of Meitetsu Real Estate Condo Sales > (Units: Units sold, %)

	FY2019	FY2018	Percent Change
Number of condos sold (total)	<b>1,014</b>	991	2.3
Nagoya	<b>243</b>	201	20.9
Tokyo	<b>591</b>	512	15.4
Osaka	<b>180</b>	278	-35.3

## < Number of Parking Spaces and Lots Owned

by Meitetsu Kyosho Group >

(Units: %)

	FY2019	FY2018	Percent Change
Owned Spaces	<b>81,357</b>	77,890	4.5
Owned Lots	<b>4,079</b>	3,822	6.7

(Units: Millions of yen, %)

	FY2019	FY2018	Change	Percent Change	Notes
Operating revenues	<b>50,137</b>	53,419	-3,282	-6.1	Lower revenues due to the novel coronavirus pandemic in addition to a fall in revenues after ending operations of the Meitetsu Inuyama Hotel
Operating income	<b>611</b>	1,796	-1,184	-66.0	Lower income due to lower revenues

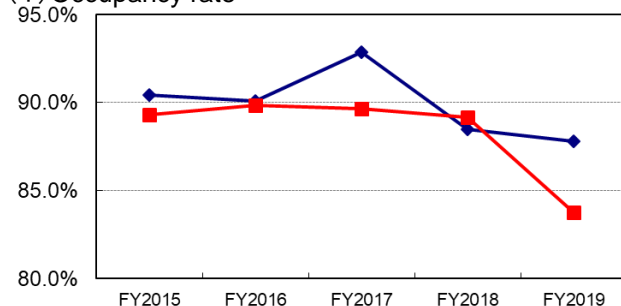
## ◆ Breakdown of Leisure and Services Business ◆

(Units: Millions of yen, %)

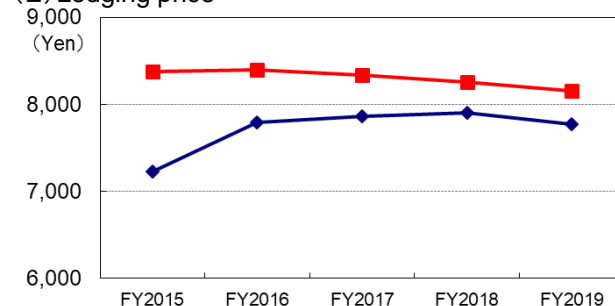
	Operating revenues				Operating income			
	FY2019	FY2018	Change	Percent Change	FY2019	FY2018	Change	Percent Change
Hotel	<b>17,727</b>	19,543	-1,815	-9.3	<b>570</b>	1,305	-735	-56.3
Tourist Facilities	<b>19,162</b>	20,355	-1,192	-5.9	<b>99</b>	540	-441	-81.6
Travel	<b>13,907</b>	14,190	-283	-2.0	<b>-75</b>	-70	-4	—
Adjustment	<b>-659</b>	-669	9	—	<b>16</b>	20	-3	—
Leisure and Services Total	<b>50,137</b>	53,419	-3,282	-6.1	<b>611</b>	1,796	-1,184	-66.0

## < Occupancy Rates, Lodging Prices and Percentage of Foreign Visitor Stays at Main Group Hotels within Nagoya City >

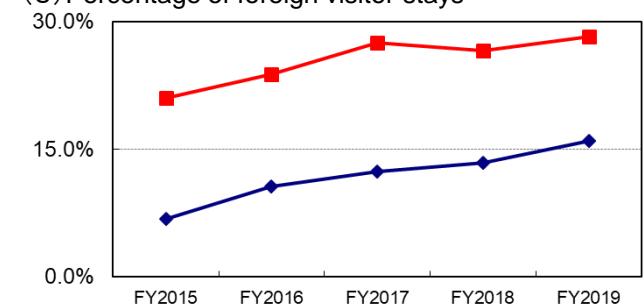
(1) Occupancy rate



(2) Lodging price



(3) Percentage of foreign visitor stays



(Units: Millions of yen, %)

	FY2019	FY2018	Change	Percent Change	Notes
Operating revenues	<b>140,538</b>	142,231	-1,693	-1.2	Lower revenues due to the impact of the novel coronavirus pandemic on department stores
Operating income	<b>330</b>	1,185	-854	-72.1	Lower income due to lower revenues from department stores

## ◆Breakdown of Distribution Business◆

(Units: Millions of yen, %)

	Operating revenues				Operating income			
	FY2019	FY2018	Change	Percent Change	FY2019	FY2018	Change	Percent Change
Department Stores	<b>61,832</b>	65,615	-3,783	-5.8	<b>-568</b>	216	-785	—
Other goods sold	<b>79,957</b>	77,724	2,232	2.9	<b>750</b>	810	-60	-7.5
Adjustment	<b>-1,252</b>	-1,108	-143	—	<b>149</b>	158	-8	—
Distribution Total	<b>140,538</b>	142,231	-1,693	-1.2	<b>330</b>	1,185	-854	-72.1

(Units: Millions of yen, %)

	FY2019	FY2018	Change	Percent Change	Notes
Operating revenues	<b>27,251</b>	27,570	-318	-1.2	Lower revenues due to lower orders in the Aviation Maintenance Business and the In-Flight Catering Business
Operating income	<b>2,616</b>	2,803	-187	-6.7	Lower income due to lower revenues

## ◆Breakdown of Aviation Services Business◆

(Units: Millions of yen, %)

	Operating revenues				Operating income			
	FY2019	FY2018	Change	Percent Change	FY2019	FY2018	Change	Percent Change
Aviation Services	<b>27,650</b>	27,907	-256	-0.9	<b>2,609</b>	2,796	-186	-6.7
Adjustment	<b>-398</b>	-337	-61	—	<b>7</b>	7	-0	—
Aviation Services Total	<b>27,251</b>	27,570	-318	-1.2	<b>2,616</b>	2,803	-187	-6.7

(Units: Millions of yen, %)

	FY2019	FY2018	Change	Percent Change	Notes
Operating revenues	<b>52,123</b>	48,012	4,110	8.6	Higher revenues due in part to higher orders related to equipment installation and systems
Operating income	<b>2,854</b>	1,627	1,227	75.4	Higher income due to higher revenues

## ◆Breakdown of Others◆

(Units: Millions of yen, %)

	Operating revenues				Operating income			
	FY2019	FY2018	Change	Percent Change	FY2019	FY2018	Change	Percent Change
Equipment Maintenance	<b>30,973</b>	29,176	1,796	6.2	<b>2,003</b>	1,412	590	41.8
Others	<b>22,030</b>	19,472	2,557	13.1	<b>838</b>	234	603	257.1
Adjustment	<b>-879</b>	-636	-243	—	<b>12</b>	-20	32	—
Others Total	<b>52,123</b>	48,012	4,110	8.6	<b>2,854</b>	1,627	1,227	75.4

# Non-Operating Income and Extraordinary Income

(Units: Millions of yen)

	FY2019	FY2018	Change	Notes
Non-operating income	<b>6,384</b>	6,364	19	
Interest income	<b>25</b>	27	-1	
Dividend income	<b>1,889</b>	1,646	242	
Equity in net earnings of affiliates	<b>2,562</b>	2,708	-146	
Others	<b>1,907</b>	1,982	-74	
Non-operating expenses	<b>4,459</b>	4,220	238	
Interest expenses	<b>3,245</b>	3,442	-197	
Provision for loss on liquidation	<b>553</b>	—	553	
Others	<b>660</b>	777	-117	
Total non-operating income	<b>1,925</b>	2,144	-218	
Extraordinary income	<b>9,287</b>	5,013	4,273	
Reversal of provision for loss on liquidation	<b>4,816</b>	—	4,816	(FY2019) Provision to demolish buildings for the redevelopment of the area surrounding Meitetsu Nagoya Station
Gain on contributions for construction	<b>2,018</b>	1,387	630	
Gain on sales of investment securities	<b>1,038</b>	486	551	(FY2019) Listed shares
Gain on sales of fixed assets	<b>800</b>	1,484	-683	(FY2018) Business land
Others	<b>614</b>	1,655	-1,040	(FY2018) Gain on negative goodwill (consolidation of Sakae Kaihatsu)
Extraordinary losses	<b>11,238</b>	10,492	745	
Impairment loss on fixed assets	<b>6,338</b>	1,487	4,851	(FY2019) Idle land
Loss on reduction of property and equipment	<b>1,770</b>	1,228	541	
Loss on sales of fixed assets	<b>1,700</b>	5,793	-4,093	(FY2018) Assets for the Meitetsu Transportation Group's Transport Business
Provision for loss on liquidation	<b>276</b>	809	-533	(FY2018) Provision to demolish the Meitetsu Inuyama Hotel
Others	<b>1,152</b>	1,173	-21	
Total extraordinary income	<b>-1,950</b>	-5,479	3,528	

# Consolidated Balance Sheets



(Units: Millions of yen)

	FY2019	FY2018	Change	Notes
Current assets	<b>189,143</b>	182,665	6,477	Increase in condominium land and buildings
Non-current assets	<b>975,836</b>	958,744	17,092	<div> Capital investment +73,286  Depreciation and amortization -41,239  Impairment loss on fixed assets -6,338  Disposition -1,048 </div>
Property and equipment	<b>831,771</b>	804,926	26,844	
Intangible assets	<b>10,002</b>	10,779	-776	
Investments and other assets	<b>134,062</b>	143,038	-8,975	
Total assets	<b>1,164,979</b>	1,141,409	23,569	Lower investment securities due to a fall in the fair value of owned shares
Current liabilities	<b>262,787</b>	259,960	2,827	
Non-current liabilities	<b>463,790</b>	456,421	7,368	Higher bonds payable
Total liabilities	<b>726,577</b>	716,381	10,195	
Total net assets	<b>438,401</b>	425,027	13,373	Profit attributable to owners of the parent +28,879 Allocation of retained earnings -5,398 Newly issued shares after exercising subscription rights to shares +760 Unrealized gain on available-for-sale securities -12,211
Total liabilities and net assets	<b>1,164,979</b>	1,141,409	23,569	
Consolidated interest-bearing debt	<b>423,376</b>	417,971	5,405	Reference: Net interest-bearing debt 390,673 (vs. March 31, 2019 -1,427)

# EBITDA and Capital Investment

(Units: Millions of yen)

		FY2019	FY2018	Change			FY2019	FY2018	Change
Traffic	Operating income	21,577	24,379	-2,801	Distribution	Operating income	330	1,185	-854
	Depreciation and amortization	18,577	18,520	57		Depreciation and amortization	2,384	2,081	303
	EBITDA	40,155	42,899	-2,744		EBITDA	2,715	3,266	-550
	Capital investment	24,706	19,110	5,596		Capital investment	2,239	571	1,667
Transport	Operating income	5,342	5,968	-626	Aviation Services	Operating income	2,616	2,803	-187
	Depreciation and amortization	6,873	6,174	698		Depreciation and amortization	2,689	2,925	-236
	EBITDA	12,215	12,143	72		EBITDA	5,306	5,729	-423
	Capital investment	10,566	12,727	-2,160		Capital investment	5,827	3,034	2,793
Real Estate	Operating income	14,309	11,404	2,904	Others	Operating income	2,854	1,627	1,227
	Depreciation and amortization	6,483	6,276	207		Depreciation and amortization	3,547	3,570	-23
	EBITDA	20,793	17,681	3,111		EBITDA	6,401	5,197	1,203
	Capital investment	19,897	13,140	6,757		Capital investment	6,499	4,974	1,525
Leisure and Services	Operating income	611	1,796	-1,184	Total (after consolidated adjustment)	Operating income	47,363	49,455	-2,092
	Depreciation and amortization	1,120	1,132	-12		Depreciation and amortization	41,239	40,258	980
	EBITDA	1,731	2,928	-1,197		EBITDA	88,602	89,713	-1,111
	Capital investment	3,548	1,275	2,273		Capital investment	73,286	54,834	18,452

Note: EBITDA = Operating income + Depreciation and amortization

## FY2019 Main Capital Investments

- Traffic Business
  - New railroad car construction and railroad elevation construction
- Transport Business
  - Acquisition of land for the Truck Business and acquisition of train cars
- Real Estate Business
  - Development and acquisition of rental properties



9500 series train





In addition to factual past events, this document includes future projections, which contain risks and uncertainty. Please be advised that actual outcomes may vary based on a variety of factors.