

Presentation on FY2022 Financial Results for Investors



May 19, 2023

Nankai Electric Railway Co., Ltd.

(Tokyo Stock Exchange, Prime Market, Securities Code: 9044)



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I. Summary of Financial Results for FY2022

Performance highlights (1)

(Millions of yen)

	FY2022 results (A)	FY2021 results (B)	Compared to FY2021 results		FY2022 forecasts (Announced October 2022) (C)	Compared to FY2022 forecasts	
			Change (A-B)	Percentage change		Change (A-C)	Percentage change
Operating revenue	221,280	201,793	19,487	9.7%	227,300	-6,019	-2.6%
Operating income	21,023	12,190	8,833	72.5%	17,000	4,023	23.7%
Non-operating income	2,264	2,004	259	13.0%			
Non-operating expenses	4,322	4,263	59	1.4%			
Ordinary income	18,965	9,931	9,033	91.0%	14,400	4,565	31.7%
Extraordinary income	3,009	25,282	-22,272	-88.1%			
Extraordinary losses	2,600	27,028	-24,427	-90.4%			
Profit attributable to owners of parent	14,623	4,021	10,601	263.6%	10,100	4,523	44.8%

<Main reasons for changes compared to FY2021>

Both revenue and income grew due to factors such as an increase in the number of passengers transported in the transportation business and an increase in condominium sales in the real estate business.

<Main reasons for changes compared to forecasts announced in October 2022>

Revenue fell due to a decrease in the amount of completed construction contracts in the construction business, while income grew mainly due to reduced expenses, including repair expenses, in each segment.

Performance highlights (2)

(Millions of yen)

	FY2022 results (A)	FY2021 results (B)	Compared to FY2021 results		FY2022 forecasts (Announced October 2022) (C)	Compared to FY2022 forecasts	
			Change (A-B)	Percentage change		Change (A-C)	Percentage change
Investment	27,872	21,408	6,464	30.2%	42,800	-14,927	-34.9%
Depreciation and amortization	27,619	28,591	-972	-3.4%	27,800	-180	-0.7%
EBITDA*	49,645	41,568	8,077	19.4%	45,700	3,945	8.6%
Interest-bearing debt	474,514	482,487	-7,972	-1.7%	479,700	-5,185	-1.1%
Net interest-bearing debt	436,105	446,017	-9,911	-2.2%	455,500	-19,394	-4.3%
Ratio of interest-bearing debt to EBITDA*	9.6 times	11.6 times	-2.0 pt	—	10.5 times	-0.9 pt	—
Ratio of net interest-bearing debt to EBITDA*	8.8 times	10.7 times	-1.9 pt	—	10.0 times	-1.2 pt	—

<Main reasons for changes compared to FY2021>

Investment Increased due to the completion of Building E at the Osaka Prefectural Food Products Distribution Center, etc.
 Net interest-bearing debt Decreased due to reduction in borrowings by income recognition, etc.

<Main reasons for changes compared to forecasts announced in October 2022>

Investment Decreased due to rescheduled investments, etc.
 Net interest-bearing debt Decreased due to rescheduled investments, increased income, etc.

* Operating income + Dividend income + Depreciation and amortization

Status of segment composition (as of March 31, 2023)

[Consolidated subsidiaries: 54, non-consolidated subsidiaries: 17, non-equity method affiliates: 6]

Change (from March 31, 2022)

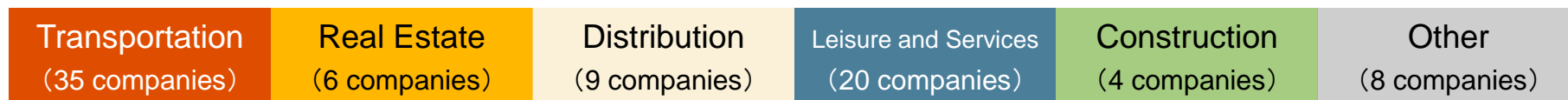
Increase in consolidated subsidiaries, 3 companies : (company spin-off) Nankai System Solutions Co., Ltd.

(newly established) Nankai REIT Management Co., Ltd., eStadium Co., Ltd.

Decrease in consolidated subsidiaries, 3 companies : (intra-group merger) Nankai Wing Bus Kanaoka Co., Ltd., Life Community Co., Ltd.

(stock transfer) Nankai Printing Co., Ltd.

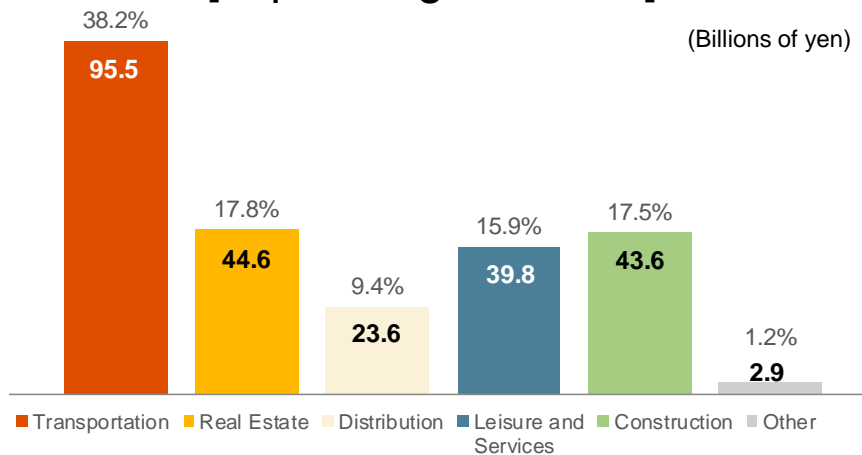
Increase in non-consolidated subsidiaries, 1 company: (newly established) Nankai Global Forwarding(Asia)Co., Limited



* Nankai Electric Railway Co., Ltd. (the Company) is included in duplicate in the Transportation, Real Estate, Distribution, and Leisure and Services segments. SEMBOKU RAPID RAILWAY CO., LTD. is included in duplicate in the Transportation and Real Estate segments.

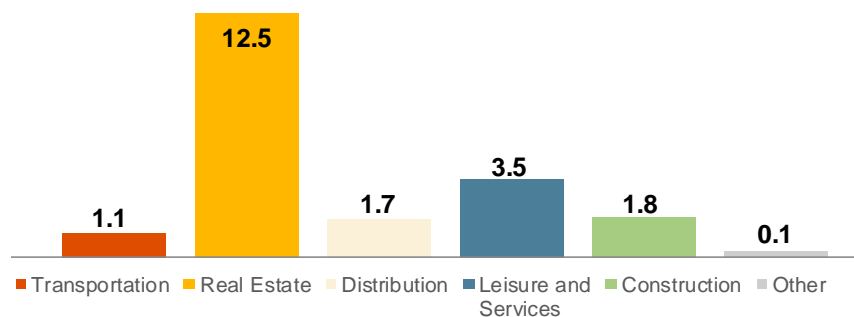
[Operating revenue]

(Billions of yen)



[Operating income]

(Billions of yen)

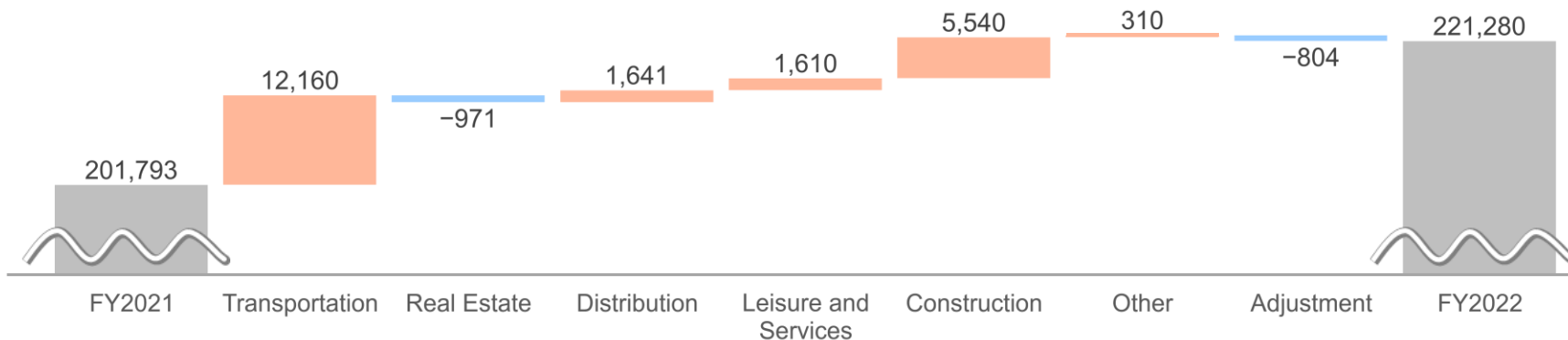


* Percentage share: Ratio to operating revenue, including that from intersegment transactions

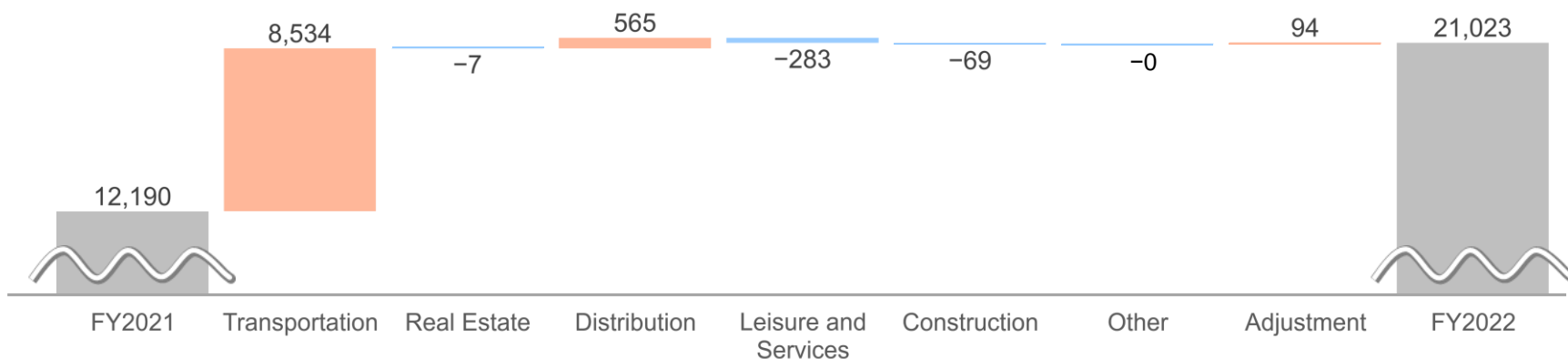
Segment operating revenue and operating income (compared to FY2021)

(Millions of yen)

(i) Change of operating revenue (compared to FY2021)



(ii) Change of operating income (compared to FY2021)



Segment operating revenue and operating income (compared to FY2021)

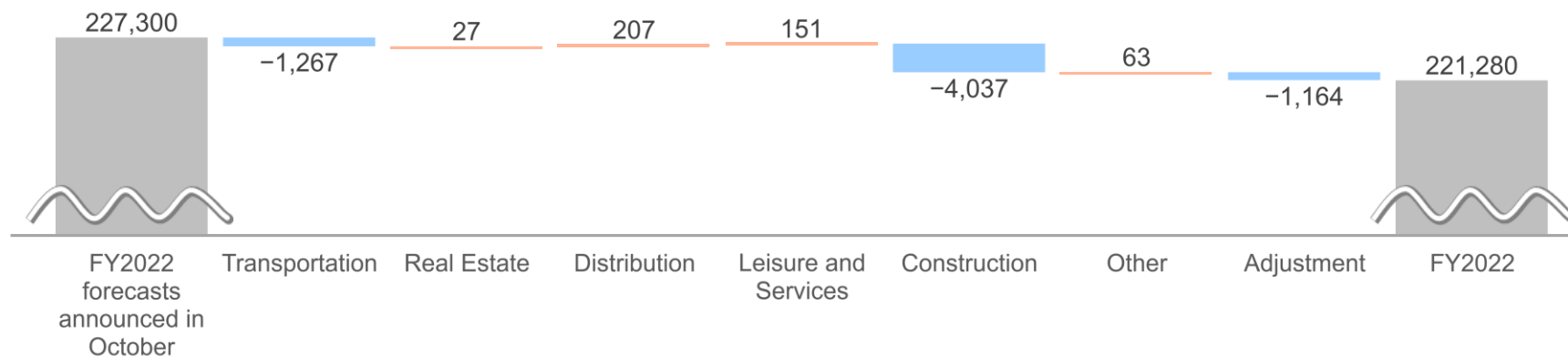
(Millions of yen)

	Operating revenue				Operating income			
	FY2022 results	FY2021 results	Change	Percentage change	FY2022 results	FY2021 results	Change	Percentage change
Transportation	95,532	83,371	12,160	14.6%	1,152	-7,382	8,534	—
Real Estate	44,627	45,598	-971	-2.1%	12,570	12,577	-7	-0.1%
Distribution	23,607	21,965	1,641	7.5%	1,710	1,144	565	49.4%
Leisure and Services	39,851	38,241	1,610	4.2%	3,550	3,834	-283	-7.4%
Construction	43,662	38,121	5,540	14.5%	1,889	1,959	-69	-3.6%
Other	2,963	2,653	310	11.7%	175	176	-0	-0.5%
Adjustment	-28,964	-28,159	—	—	-25	-120	—	—
Total	221,280	201,793	19,487	9.7%	21,023	12,190	8,833	72.5%

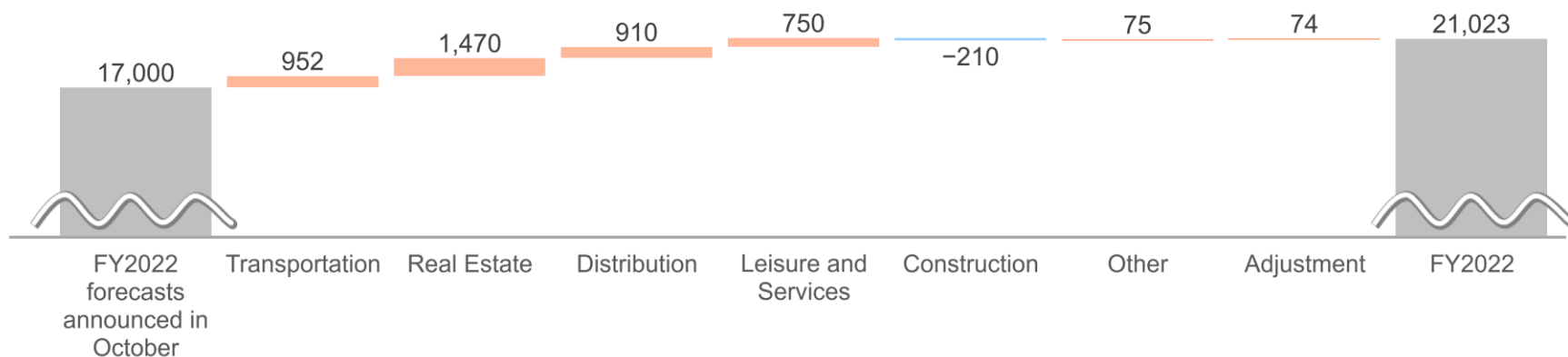
Segment operating revenue and operating income (compared to forecasts announced in October 2022)

(Millions of yen)

(i) Change of operating revenue (compared to forecasts announced in October 2022)



(ii) Change of operating income (compared to forecasts announced in October 2022)



Segment operating revenue and operating income (compared to forecasts announced in October 2022)

(Millions of yen)

	Operating revenue				Operating income			
	FY2022 results	FY2022 forecasts (Announced October 2022)	Change	Percentage change	FY2022 results	FY2022 forecasts (Announced October 2022)	Change	Percentage change
Transportation	95,532	96,800	-1,267	-1.3%	1,152	200	952	476.1%
Real Estate	44,627	44,600	27	0.1%	12,570	11,100	1,470	13.2%
Distribution	23,607	23,400	207	0.9%	1,710	800	910	113.8%
Leisure and Services	39,851	39,700	151	0.4%	3,550	2,800	750	26.8%
Construction	43,662	47,700	-4,037	-8.5%	1,889	2,100	-210	-10.0%
Other	2,963	2,900	63	2.2%	175	100	75	75.8%
Adjustment	-28,964	-27,800	—	—	-25	-100	—	—
Total	221,280	227,300	-6,019	-2.6%	21,023	17,000	4,023	23.7%

Segment information (Transportation)

(Millions of yen)

Transportation	FY2022 results	FY2021 results	Change	Percentage change
Operating revenue	95,532	83,371	12,160	14.6%
Railway business	56,393	48,078	8,315	17.3%
Bus business	20,262	17,513	2,748	15.7%
Other transportation businesses	25,757	24,077	1,680	7.0%
Adjustment (intra-segment)	-6,881	-6,297	—	—
Operating income	1,152	-7,382	8,534	—
Main components				
Railway business	1,034	-5,545	6,580	—
Bus business	172	-1,614	1,787	—

<Main reasons for changes>

•Revenue grew and profitability improved due to an increase in the number of passengers carried compared to the previous fiscal year in the railway and bus businesses, as well as due to the impact from a rise in cargo transportation rates in the cargo transportation business in the first half of FY2022.

Revenue from railway passengers and passengers carried (non-consolidated)

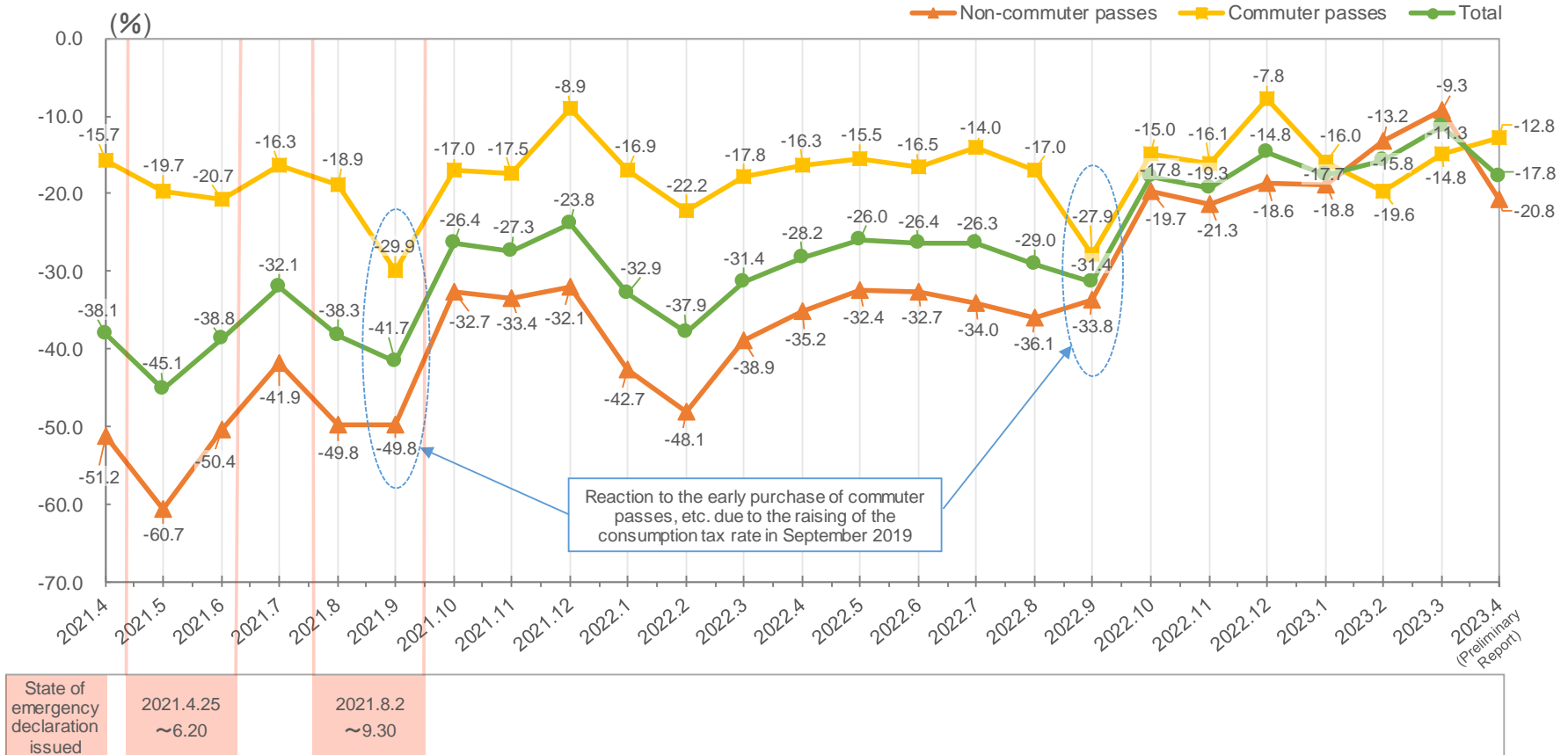
(Millions of yen, thousands of passengers)

All lines		FY2022 results	FY2021 results	Change	Percentage change
Passenger revenue	Non-commuter passes	27,486	20,538	6,948	33.8%
	Commuter passes	18,971	18,495	475	2.6%
	Total	46,457	39,033	7,424	19.0%
Passengers carried	Non-commuter passes	82,077	65,964	16,113	24.4%
	Commuter passes	121,694	116,887	4,807	4.1%
	Total	203,771	182,851	20,920	11.4%

Airport line		FY2022 results	FY2021 results	Change	Percentage change
Passenger revenue	Non-commuter passes	4,953	2,203	2,749	124.8%
	Commuter passes	889	780	109	14.0%
	Total	5,843	2,984	2,859	95.8%
Passengers carried	Non-commuter passes	6,494	3,194	3,300	103.3%
	Commuter passes	3,020	2,631	389	14.8%
	Total	9,514	5,825	3,689	63.3%

Segment information (Transportation)

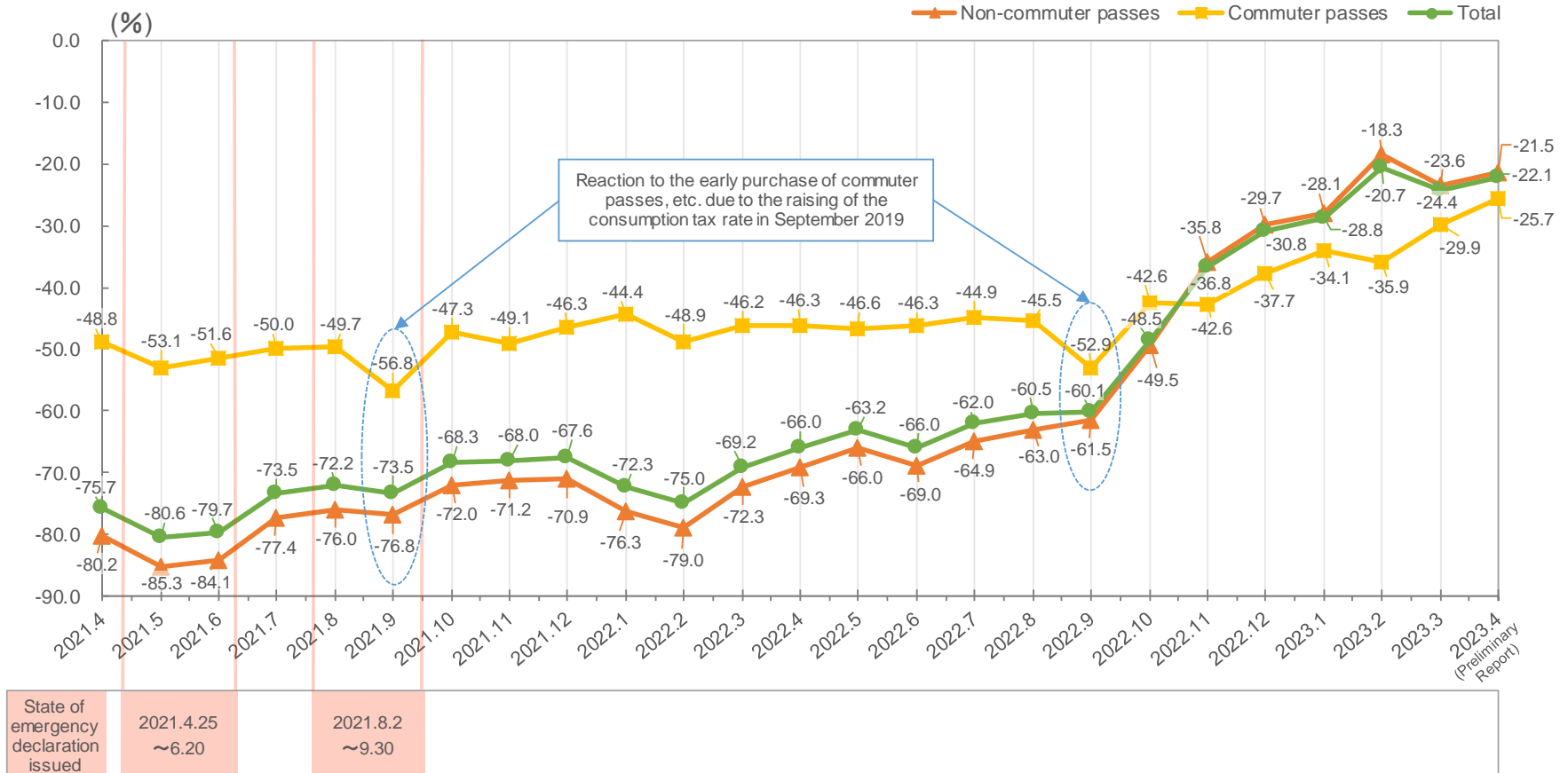
[Reference 1] (Individual - all lines) Changes in the rate of increase/decrease in railway passenger revenue compared to the same month of 2019



※ Although the Accounting Standard for Revenue Recognition and other standards have been applied since April 2021, the percentage change is calculated based on the simple comparison without adjusting the amount affected.

Segment information (Transportation)

[Reference 2] (Individual - airport line) Changes in the rate of increase/decrease in railway passenger revenue compared to the same month of 2019



※ Although the Accounting Standard for Revenue Recognition and other standards have been applied since April 2021, the percentage change is calculated based on the simple comparison without adjusting the amount affected.

Segment information (Real Estate)

(Millions of yen)

Real Estate	FY2022 results	FY2021 results	Change	Percentage change
Operating revenue	44,627	45,598	-971	-2.1%
Real estate leasing business	33,968	32,531	1,437	4.4%
Real estate sales business	10,943	13,477	-2,533	-18.8%
Adjustment (intra-segment)	-284	-409	—	—
Operating income	12,570	12,577	-7	-0.1%
Main components				
Real estate leasing business	12,049	11,625	424	3.7%
Real estate sales business	699	1,115	-416	-37.3%

<Main reasons for changes>

- The real estate leasing business saw both revenue and income rise mainly due to an increase in hotel rental revenue resulting from the easing of border restrictions.
- The real estate sales business saw both revenue and income fell for reasons such as a decrease in condominium sales.

Segment information (Distribution)

(Millions of yen)

Distribution	FY2022 results	FY2021 results	Change	Percentage change
Operating revenue	23,607	21,965	1,641	7.5%
Management of Shopping Centers	13,981	12,260	1,721	14.0%
Station premises business	11,002	10,705	297	2.8%
Other distribution businesses	386	609	-222	-36.5%
Adjustment (intra-segment)	-1,763	-1,608	—	—
Operating income	1,710	1,144	565	49.4%
Main components				
Management of Shopping Centers	1,009	581	428	73.8%
Station premises business	833	618	215	34.8%

<Main reasons for changes>

- In the management of shopping centers, both revenue and income grew for reasons such as the reaction to the temporary closure of commercial facilities due to the declaration of a state of emergency (such as Namba Parks and Namba City) in the previous fiscal year.

Segment information (Leisure and Services)

(Millions of yen)

Leisure and Services		FY2022 results	FY2021 results	Change	Percentage change
Operating revenue		39,851	38,241	1,610	4.2%
	Building management and maintenance business	23,684	23,757	-72	-0.3%
	Other leisure and service businesses	18,266	16,356	1,910	11.7%
	Adjustment (intra-segment)	-2,099	-1,872	—	—
Operating income		3,550	3,834	-283	-7.4%
Main components	Building management and maintenance business	1,020	1,353	-332	-24.6%

<Main reasons for changes>

- In the building management and maintenance business, both revenue and income fell mainly due to a decrease in building maintenance operations.
- In the other leisure and service businesses, both revenue and income grew mainly due to the reduced impact of COVID-19 in the travel agency business and the boat racing facility leasing business compared to the previous fiscal year.

Segment information (Construction and Other)

(Millions of yen)

Construction	FY2022 results	FY2021 results	Change	Percentage change
Operating revenue	43,662	38,121	5,540	14.5%
Construction	43,689	38,156	5,532	14.5%
Adjustment (intra-segment)	-26	-34	—	—
Operating income	1,889	1,959	-69	-3.6%

<Main reasons for changes> Revenue increased mainly due to an increase in the amount of completed construction contracts, while income fell because of lower profit ratios and other factors.

(Millions of yen)

Other	FY2022 results	FY2021 results	Change	Percentage change
Operating revenue	2,963	2,653	310	11.7%
Other	2,998	2,663	334	12.6%
Adjustment (intra-segment)	-34	-10	—	—
Operating income	175	176	-0	-0.5%

<Main reasons for changes> Revenue increased due to an increase in revenue from systems and other factors.

Non-operating income and expenses and extraordinary income and losses

(Millions of yen)

	FY2022 results	FY2021 results	Change	Remarks
Non-operating income	2,264	2,004	259	
Interest income	25	24	1	
Dividend income	1,003	786	216	
Miscellaneous income	1,235	1,193	42	
Non-operating expenses	4,322	4,263	59	
Interest expenses	3,494	3,817	-322	
Miscellaneous expenses	827	446	381	
Extraordinary income	3,009	25,282	-22,272	
Compensation for expropriation	805	—	805	
Contribution received for construction	619	23,311	-22,691	Previous term: Continuous flyover roadway construction (up route) in Takaishi City, etc.
Gain on sale of non-current assets	548	1	547	
Cooperation money income	545	—	545	
Other	491	1,969	-1,478	Previous term: Cooperation money for large facilities, etc.
Extraordinary losses	2,600	27,028	-24,427	
Loss on retirement of non-current assets	994	658	335	
Tax purpose reduction entry of contribution for construction	578	23,268	-22,690	Previous term: Continuous flyover roadway construction (up route) in Takaishi City, etc.
Impairment losses	366	943	-576	
Other	661	2,157	-1,496	Previous term: Fixed costs for temporary closure of commercial facilities, etc.

Status of assets, liabilities and net assets

(Millions of yen)

	As of March 31,2023	As of March 31,2022	Change	Main reasons for changes												
Current assets	103,616	85,147	18,468	<ul style="list-style-type: none"> ●Current assets <ul style="list-style-type: none"> · Increase in merchandise and finished goods mainly due to transfer from non-current assets +¥10.2 billion · Increase in other current assets mainly due to increase in accounts receivable +¥5.5 billion 												
Non-current assets	831,497	835,829	-4,332	<ul style="list-style-type: none"> ●Non-current assets <ul style="list-style-type: none"> · Decrease in buildings and structures mainly due to depreciation -¥10.4 billion · Decrease in land mainly due to transfer to merchandise and finished goods -¥4.3 billion · Increase in construction in progress +¥9.6 billion 												
Total assets	935,113	920,976	14,136													
Total liabilities	660,526	660,260	266	<ul style="list-style-type: none"> ●Liabilities <ul style="list-style-type: none"> · Increase in other current liabilities mainly due to increase in advances received +¥5.9 billion · Increase in deferred tax liabilities . +¥2.1 billion <p>【The balance of interest-bearing debt】 (Billions of yen)</p> <table border="1"> <thead> <tr> <th></th> <th>As of March 31,2023</th> <th>As of March 31,2022</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>Interest-bearing debt</td> <td>474.5</td> <td>482.4</td> <td>-7.9</td> </tr> <tr> <td>Net interest-bearing debt</td> <td>436.1</td> <td>446.0</td> <td>-9.9</td> </tr> </tbody> </table>		As of March 31,2023	As of March 31,2022	Change	Interest-bearing debt	474.5	482.4	-7.9	Net interest-bearing debt	436.1	446.0	-9.9
	As of March 31,2023	As of March 31,2022	Change													
Interest-bearing debt	474.5	482.4	-7.9													
Net interest-bearing debt	436.1	446.0	-9.9													
Net assets	274,586	260,716	13,870													
Total liabilities and net assets	935,113	920,976	14,136	<ul style="list-style-type: none"> ●Net assets <ul style="list-style-type: none"> · Profit attributable to owners of parent +¥14.6 billion · Valuation difference on available-for-sale securities +¥1.9 billion · Dividend of surplus -¥2.8 billion 												

Status of cash flows

(Millions of yen)

	FY2022 results	FY2021 results	Change	Main reasons for changes
Cash flows from operating activities	39,086	41,879	-2,793	<ul style="list-style-type: none"> ●Cash flows from operating activities <ul style="list-style-type: none"> ▪ Decrease (increase) in trade receivables -¥8.5 billion ▪ Decrease (increase) in inventories -¥5.9 billion ▪ Profit before income taxes +¥11.1 billion
Cash flows from investing activities	-26,305	-19,669	-6,635	<ul style="list-style-type: none"> ●Cash flows from investing activities <ul style="list-style-type: none"> ▪ Purchase of non-current assets -¥9.7 billion ▪ Purchase of investment securities +¥1.6 billion ▪ Proceeds from contribution received for construction +¥1.1 billion
Cash flows from financing activities	-11,341	-27,026	15,684	<ul style="list-style-type: none"> ●Cash flows from financing activities <ul style="list-style-type: none"> ▪ Increase (decrease) in interest-bearing debt +¥15.9 billion
Cash and cash equivalents at end of period	37,540	36,101	1,439	<ul style="list-style-type: none"> ○ FY2022 <ul style="list-style-type: none"> Borrowings -¥17.9 billion Bonds payable +¥9.9 billion ○ FY2021 <ul style="list-style-type: none"> Borrowings -¥23.9 billion

Investment and EBITDA by segment

(Millions of yen)

	Investment			EBITDA *1		
	FY2022 results	FY2021 results	Change	FY2022 results	FY2021 results	Change
Transportation	13,781	11,811	1,969	16,469	8,482	7,987
Real Estate	11,006	6,553	4,452	20,433	20,471	-38
Distribution	1,711	1,430	280	5,650	5,440	210
Leisure and Services	1,300	1,557	-257	4,839	5,130	-290
Construction	69	47	21	2,013	2,096	-83
Other	3	6	-3	187	189	-2
Adjustment	—	—	—	51	-242	294
Total	27,872	21,408	6,464	49,645	41,568	8,077

*1 Operating income + Dividend income + Depreciation and amortization

*2 Adjustment for EBITDA is the sum of intersegment eliminations and dividend income.

II. Business Forecasts for FY2023

Performance highlights

(Millions of yen)

	FY2023 forecasts	FY2022 results	Change	Main reasons for changes
Operating revenue	253,900	221,280	32,619	<ul style="list-style-type: none"> ●Operating revenue Revenue will increase mainly due to recovery of passenger demand in the transportation business, the railway fare revision, and recognition of income from property sales in the real estate business. ●Operating income Income will increase due to improved profitability in the transportation business. ●Profit attributable to owners of parent Profit will increase mainly due to an increase in operating income and the recognition of gain on sales of non-current assets. ●Investment Investment will increase due to manufacturing of new rolling stock, Naniwasuji Line-related investment, etc. ●Interest-bearing debt Interest-bearing debt will decrease due to income from property sales in the real estate business and gradual use and withdrawal of cash and deposits.
Operating income	24,300	21,023	3,276	
Ordinary income	21,400	18,965	2,434	
Profit attributable to owners of parent	18,200	14,623	3,576	
Investment	52,300	27,872	24,427	
Depreciation and amortization	28,200	27,619	580	
EBITDA*	53,700	49,645	4,054	
Interest-bearing debt	451,400	474,514	-23,114	
Net interest-bearing debt	429,800	436,105	-6,305	
Ratio of interest-bearing debt to EBITDA*	8.4 times	9.6 times	-1.2 pt	
Ratio of net interest-bearing debt to EBITDA*	8.0 times	8.8 times	-0.8 pt	

* Operating income + Dividend income + Depreciation and amortization

Segment operating revenue and operating income

(Millions of yen)

		FY2023 forecasts	FY2022 results	Change	Main reasons for changes
Transportation	Operating revenue	108,400	95,532	12,867	<ul style="list-style-type: none"> •Railway business +¥8.0 billion (Nankai Electric Railway fare revision effect +¥1.9 billion) •Airport line revenue +¥3.2 billion •Bus business +¥2.3 billion •Cargo transportation business +¥2.1 billion
	Operating income	5,900	1,152	4,747	<ul style="list-style-type: none"> •Railway business +¥3.7 billion •Bus business +¥0.7 billion
Real Estate	Operating revenue	52,800	44,627	8,172	•Real estate sales business +¥8.0 billion
	Operating income	11,800	12,570	-770	<ul style="list-style-type: none"> •Real estate leasing business -¥1.8 billion •Real estate sales business +¥1.1 billion
Distribution	Operating revenue	25,200	23,607	1,592	<ul style="list-style-type: none"> •Station premises business +¥1.0 billion •Management of Shopping Centers +¥0.7 billion
	Operating income	1,600	1,710	-110	•Management of Shopping Centers -¥0.3 billion

Segment operating revenue and operating income

(Millions of yen)

		FY2023 forecasts	FY2022 results	Change	Main reasons for changes
Leisure and Services	Operating revenue	43,400	39,851	3,548	<ul style="list-style-type: none"> • Building management and maintenance business +¥1.8 billion • Other leisure and services business +¥1.9 billion (Travel agency business, etc.)
	Operating income	2,600	3,550	-950	<ul style="list-style-type: none"> • Building management and maintenance business -¥0.1 billion • Other leisure and services business -¥0.8 billion (Travel agency business, etc.)
Construction	Operating revenue	48,400	43,662	4,737	Increase in the amount of completed construction contracts
	Operating income	2,300	1,889	410	Improvement due to higher revenue
Other	Operating revenue	3,100	2,963	136	
	Operating income	100	175	-75	
Adjustment	Operating revenue	-27,400	-28,964	—	
	Operating income	-0	-25	—	
Total	Operating revenue	253,900	221,280	32,619	
	Operating income	24,300	21,023	3,276	

Investment and EBITDA by segment

(Millions of yen)

	Investment				EBITDA *1		
	FY2023 forecasts	FY2022 results	Change	Forecast amounts Main details	FY2023 forecasts	FY2022 results	Change
Transportation	30,100	13,781	16,318	<ul style="list-style-type: none"> <Investments to expand profits ¥14.5 billion> • Namba area peripheral zone development ¥7.1 billion 	21,700	16,469	5,230
Real Estate	14,400	11,006	3,393		<ul style="list-style-type: none"> <Safety and refurbishment investments ¥32.4 billion> • Railway-related construction work ¥17.3 billion Rolling stock manufacturing, bridge reinforcement, etc. 	19,700	20,433
Distribution	5,300	1,711	3,588	<ul style="list-style-type: none"> • Real estate and distribution facility construction ¥7.2 billion 	5,700	5,650	49
Leisure and Services	3,400	1,300	2,099		<ul style="list-style-type: none"> <Future exploration investment ¥6.4 billion> • New Businesses ¥1.0 billion e-sports business, etc. 	3,900	4,839
Construction	100	69	30		2,400	2,013	386
Other	0	3	-3		100	187	-87
Adjustment	-1,000	—	—		*2 200	*2 51	—
Total	52,300	27,872	24,427		53,700	49,645	4,054

*1 Operating income + Dividend income + Depreciation and amortization

*2 Adjustment for EBITDA is the sum of intersegment eliminations and dividend income.

Transportation : Revenue from railway passengers and passengers carried (non-consolidated)

[Nankai Electric Railway lines: Assumptions for business forecasts]

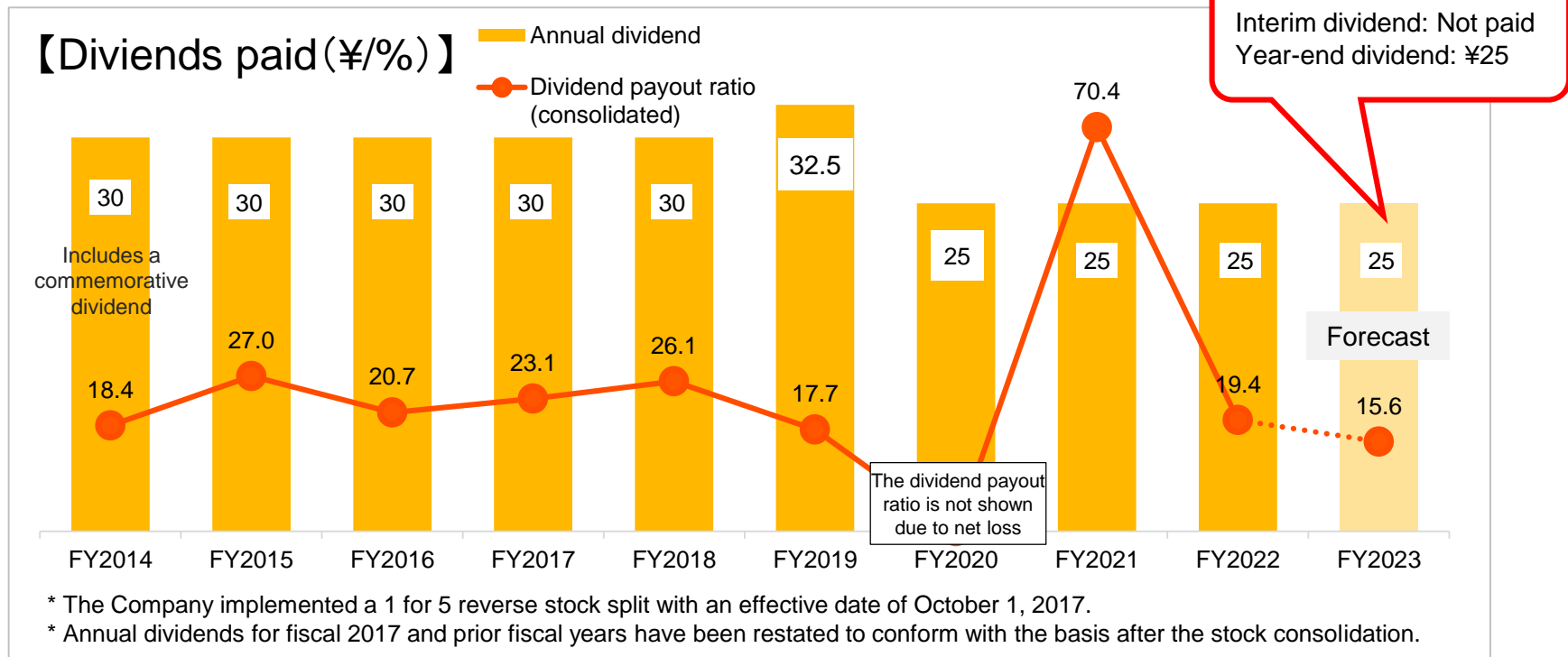
- The impact of the revenue decline due to the COVID-19 pandemic is expected to be reduced from the previous fiscal year, but given the changing lifestyles and the fact that inbound passengers have not fully returned, passenger revenue is expected to remain at -20% for the airport line (non-commuter passes) and -10% for existing lines (non-commuter passes) of the pre-pandemic levels (average-year basis).
- The effect of the fare revision (October 2023) of 1.9 billion yen is separately factored in. (Millions of yen, thousands of passengers)

All lines		FY2023 forecasts	YoY percentage change	FY2022 results	YoY percentage change	FY2021 results	YoY percentage change
Passenger revenue	Non-commuter passes	34,032	23.8%	27,486	33.8%	20,538	10.8%
	Commuter passes	20,462	7.9%	18,971	2.6%	18,495	-0.3%
	Total	54,495	17.3%	46,457	19.0%	39,033	5.2%
Passengers carried	Non-commuter passes	92,585	12.8%	82,077	24.4%	65,964	8.7%
	Commuter passes	124,712	2.5%	121,694	4.1%	116,887	-0.5%
	Total	217,297	6.6%	203,771	11.4%	182,851	2.6%

Airport line		FY2023 forecasts	YoY percentage change	FY2022 results	YoY percentage change	FY2021 results	YoY percentage change
Passenger revenue	Non-commuter passes	7,862	58.7%	4,953	124.8%	2,203	30.7%
	Commuter passes	1,267	42.4%	889	14.0%	780	-6.9%
	Total	9,130	56.2%	5,843	95.8%	2,984	18.2%
Passengers carried	Non-commuter passes	9,708	49.5%	6,494	103.3%	3,194	24.1%
	Commuter passes	3,430	13.6%	3,020	14.8%	2,631	2.4%
	Total	13,138	38.1%	9,514	63.3%	5,825	13.2%

Shareholder Returns

- Secure stable dividend resources by working to further improve earnings while striving to ensure a stable management foundation and strengthen the financial position over the long term.
- Continue to pay stable dividends by comprehensively considering the business environment, performance trends, capital investments, investment opportunities, and other factors.



III. New Management Structure

Policies of the New Management Structure

Major issues

- Transportation and real estate businesses are the main profit-making businesses.
- For the transportation business, there are concerns that the current business model will taper off as the population declines.
- The need to develop a third business is urgent.

Strategies to resolve the issues

Integrate transportation-related divisions and group companies

Merge the Real Estate Division and Community Development and Creation Division

Strengthen the system toward future exploration

Evolve into a comprehensive mobility business

Promote community development in an integrated manner

Fostering the third pillar

Establish segment management structure



Delegate authority and clarify responsibilities



Enhanced management speed
Improved effectiveness of strategies

Policies of the New Management Structure

1. Transition to Segment Management

Purpose

Develop and execute strategies by segment including our group companies

Clarify management responsibilities and maximize profits at the segment level

Create new value

Toward sustainable management

2. Delegation of authority and clarification of responsibilities

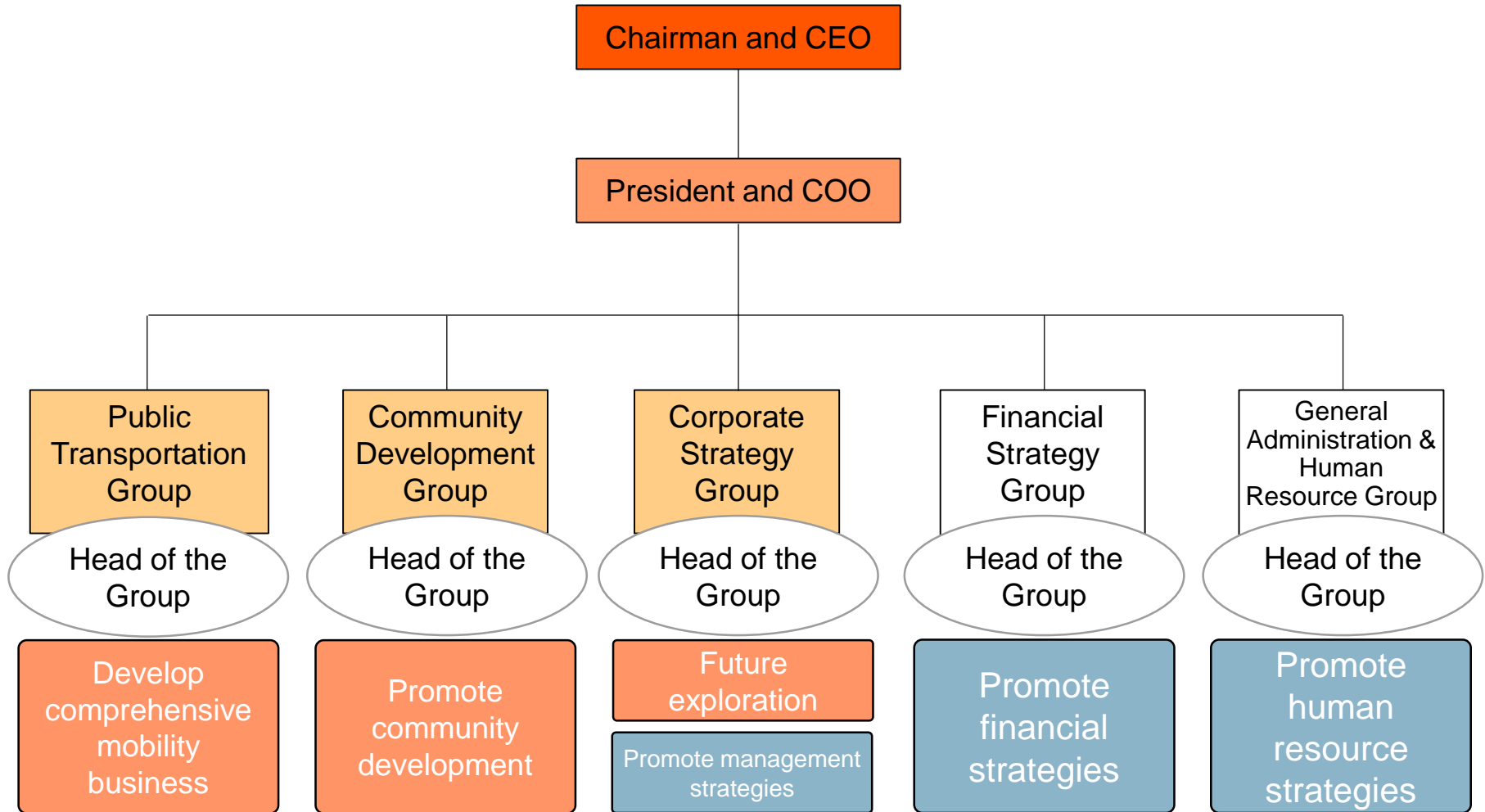
Delegate authority for both qualitative (concept/process) and quantitative (value) aspects to head of each group

||

Realize speedy decision-making that is sensitive to modern changes

Foster next generation of management staff

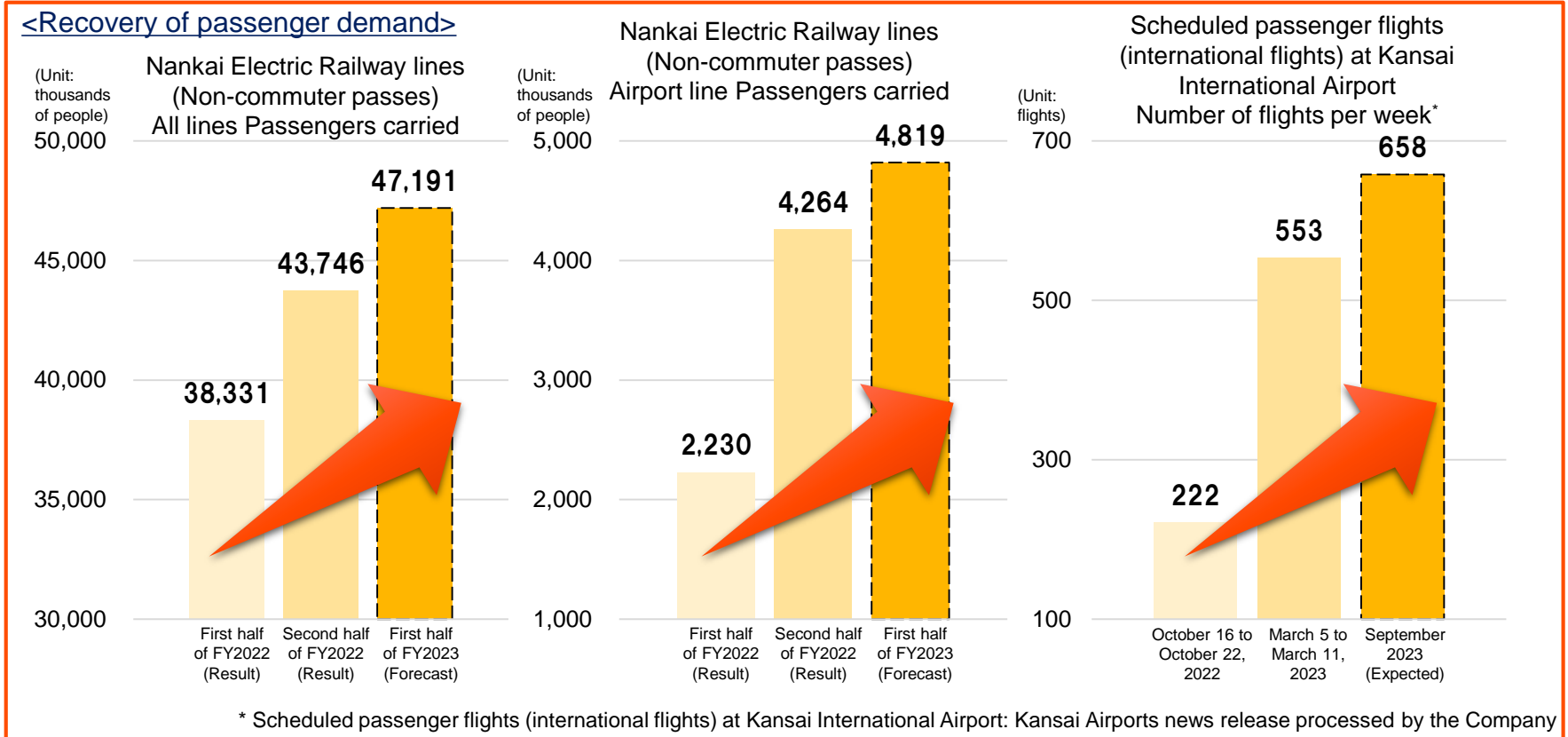
(Reference) Business Execution Structure



IV. Progress of the Medium-term Management Plan “Kyoso 140 Plan”

Recognition of the business environment

- Socioeconomic activities normalize as COVID-19 is reclassified to a Class 5 disease.
 - Expect another earnings recovery resulting from an increase in domestic and international travelers.



Take strategic actions with a sense of urgency and accurately comprehend the substantial recovery trend

Positioning of the New Medium-term Management Plan: “Kyoso 140 Plan”

Fundamental policies

Period for “restructuring” and “building the foundation for growth” through the COVID-19 pandemic

1. The **Spirit of Nankai's collaborative creation ("Kyoso")** with all stakeholders remains unchanged
2. Make steady strategic investments in core businesses for the opening of the Naniwasuji Line
3. Build the foundation for future growth in three years
 - Accelerate investments in safety and updating to completion over three years
 - Accelerate the implementation of the two business strategies in the Nankai Group Management Vision 2027
 - Secure sufficient levels of investment to nurture the buds of new businesses

Management strategies

1. Sustainable management of public transportation business
2. Develop the most popular areas along railway lines and deepen and expand our real estate business
3. Initiatives for the future (future exploration)
4. Promote human resources/financial strategies supporting the above

Develop the most popular areas along railway lines and become the most preferred corporate group by delivering satisfaction and delight to customers

2050

Nankai's future
(Corporate image)

Opening of the
Naniwasuji Line

Nankai Group
Management
Vision 2027

Shinten 133 Plan
(FY2015–2017)

Kyoso 136 Plan
(FY2018–2020)

FY2021
Management
Plan

Kyoso 140 Plan
(FY2022–2024)

Next Medium-term
Management Plan
(after FY2025)

Kyoso 140 Plan: Major business strategies

1. Sustainable management of public transportation business [Investment:¥52.0 billion]



- Systematic promotion of safety measures and disaster countermeasures
- Utilization of digital technologies: Establishment of new technologies and frameworks and enhancement of preventive maintenance
- Enhancement of profitability and improvement of brand services
- New services—Evolving into a comprehensive mobility business

2. Develop the most popular areas along railway lines and deepen and expand our real estate business [Investment:¥93.0 billion]



- Community development through Kyoso (collaborative creation)
- Acceleration of the Greater Namba concept—transforming Namba into a location that is famous across Asia
- Sustainable development of Semboku New Town
- Functionality enhancement of logistics facilities
- Establishment of private REIT

3. Future exploration [Investment:¥15.0 billion]



- DX strategy: Establishing digital customer contact points and creating new value
- Acceleration of initiatives for new businesses
- Coexistence with foreigners
- Enhancement of tourism-related businesses
- Provision of new services in the new normal era

Kyoso 140 Plan: Progress of each business strategy

(1) Sustainable management of public transportation business

Strategic actions	FY2022 → Specific initiatives to date: Refer to pp. 57-61.	FY2023	FY2024
<p>1 Systematic promotion of safety measures and disaster countermeasures</p>	<p>Continuous flyover roadway constructions (in Takaishi and Sakai cities)/Installation of security cameras inside train cars/Slope disaster prevention measures in mountainous sections Seismic reinforcement work for overpasses, station facilities, etc./Advancing barrier-free conversion work, etc.</p> <p>[Measures implemented in FY2022]</p> <ul style="list-style-type: none"> • Trial installation of train car side view cameras (from June 2022) • Trial installation of security cameras inside train cars (from October 2022) • Introduction of the bridge abnormality detection system for the Yamatogawa Bridge of the Koya Line (from January 2023) 	<p>Development and execution of investment plans considering TCFD</p>	<p>Installation of platform gates for Nakamozu Station Line 4 (scheduled for April 2024)</p>
<p>2 Utilization of digital technologies</p>	<p>Consideration of increasing one-man operated trains (FY2024 target: Expansion to some sections of the Nankai Line)</p> <p>Preparation for testing for autonomous operation</p> <ul style="list-style-type: none"> • Develop infrastructure • Study and evaluate safety of system 	<p>Testing using test run trains → Review and evaluation by a third-party committee</p> <p>Establishment of Station General Information Centers (scheduled to be implemented by the end of FY2023)</p>	
<p>3 Enhancement of profitability and improvement of brand services</p>	<p>Renewal of train cars/Remodeling of station facilities and restrooms/Promotion of upcoming Osaka, Kansai EXPO 2025</p> <p>[Nakamozu Station renewal] Relocate ticket gates (September 2022) → Reorganize commercial zone/Beautify station interiors and exteriors (scheduled for December 2023)</p> <p>Testing for Visa touch payment system (~December 2022)</p> <ul style="list-style-type: none"> • Application for fare revision (October 2022) • Approval of fare revision (February 2023) 	<p>(1) Continuation of touch payment service. Promote measures to improve convenience, such as increasing the number of usable card brands and expanding the number of stations where cards can be used</p> <p>(2) Continued provision of QR code Digital Tickets and strengthening cooperation with other companies</p> <p>Fare revision (from October 2023)</p>	
<p>4 New services</p>	<p>Examination of land, sea, and air transportation systems/Promotion of MaaS initiatives</p> <p>Testing of flying cars with Marubeni Corporation and three other companies (December 2022~January 2023)</p> <p>Testing of On-demand Bus at Semboku area (January 2023~March 2023)</p>	<p>Release of Kansai MaaS App Ver. 1 (tentative name) (scheduled for summer 2023)</p> <p>Promotion of comprehensive mobility business</p>	

* QR Code: Registered trademark of DENSO WAVE INCORPORATED

Evolving into a comprehensive mobility business

- Provide a variety of services, including last-one-mile means of movement by transforming bus business operations
- Resolve rural social issues and enable sustainable growth of rural areas



Kyoso 140 Plan: Progress of each business strategy

(2) Develop the most popular areas along railway lines and deepen and expand our real estate business

Strategic actions	FY2022 → Specific initiatives to date: Refer to pp. 57- 61.	FY2023	FY2024
1 Community development through Kyoso (collaborative creation)	Implementation of regional vitalization measures (projects for increasing value along railway lines)/Addressing issues in areas along our railway lines/Area branding [Key challenges and measures] • Child rearing/education: "Smile to Family +1" project (build a town where the child-rearing generation can enjoy child rearing) • Industry revitalization/startup support: "Support for Recruitment, Open Factory, and Innovation" (increase and communicate attractions of enterprises along our railway lines) • Promotion of agriculture: "NANKAI FARMERS' MARKET" (branding products produced in areas along our railway lines and expanding new sales channels) • Renovation town development: "Renovation School @ Kada Line" (create new town contents)		
2 Acceleration of the Greater Namba concept	Nambanaka 2-chome Development Project Construction, leasing, preparation for opening → Namba Parks South March 2023 Partial opening July 2023 Grand opening Namba Station Front Plaza Development (Commencement of operations is scheduled for fall 2023 ahead of the grand opening) → Development of the area from Namba Station Front Plaza to Nansan Nanboku Dori (scheduled to complete at the end of FY2024) Ebisu-cho Land Development Project (Construction of shared-style corporate dormitories) → Southern Crest Namba Minami Scheduled to open fall 2023 Acquisition of properties, development of owned properties, renewal of existing properties		
3 Sustainable community development of Semboku New Town	Izumigaoka Station-Front Vitalization Project Partial demolition of existing property (scheduled by July 2023) → Izumigaoka Station-Front Vitalization Project New construction (scheduled to start operation in October 2025) Promotion of Semboku New Town Smart City Strategy Establishment of SEMBOKU Smart City Consortium (June 2022) ⇨ Number of members in FY2022: 139 organizations Number of projects initiated by the consortium: 11 ⇨ We plan to focus on the smart town segment from FY2023 in addition to the mobility and healthcare segment.		
4 Functionality enhancement of logistics facilities	Building E functionality enhancement work → Building E opening (April 2023) Phase II Building functionality enhancement construction (to be completed by the end of FY2025)		
5 Establishment of private REIT	Establishment of AM company (October 2022) → Proceed with necessary approval and license procedures and establish an investment corporation to start operation as early as possible		

Kyoso 140 Plan: Progress of each business strategy

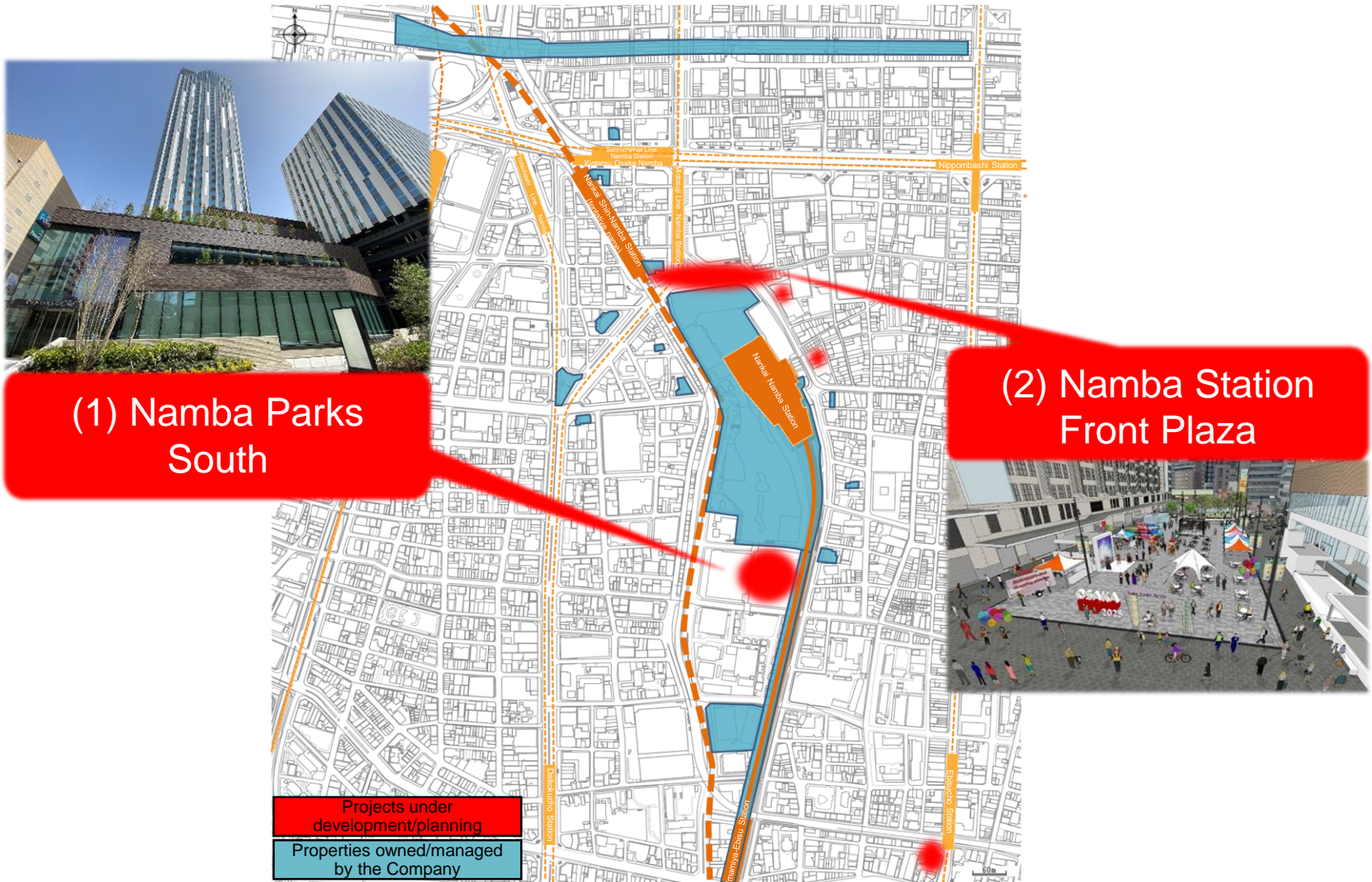
(3) Future exploration

Strategic actions	FY2022 → Specific initiatives to date: Refer to pp. 57- 61.	FY2023	FY2024
1 DX strategy	<p>Improving the ease of living by expanding digital customer contact points/Building a portal site that connects local people and a variety of services</p> <p>"Pikureru" a service that allows customers to pick up meals at the station Testing (SkyQ worker: July 2022) (Semboku Rapid Railway Izumi-chuo station: February to March 2023)</p>	<p>Start of new minapita point service (from March 2023)/Expansion of service under consideration</p>	
2 Acceleration of initiatives for new businesses	<p>Full-scale entry into e-sports business → Establish a position in the e-sports industry in Kansai and early generation of profits</p> <ul style="list-style-type: none"> Established eStadium Co., Ltd., and started e-sports business (June 2022) <p>[Entrusted by the government] Nankai's proposal for "e-Sports MICE Testing Project" was adopted by Izumisano City.</p> <p>[Facility management] Opening of e-Stadium Izumi, e-Stadium Izumisano, and e-Stadium Gifu</p> <p>[Event] Held e-sports camp, appointed as a Kansai special partner of an official VALORANT tournament</p>	<p>Fly Beyond, a new business development program → "beyond the Border," a business creation support program</p> <ul style="list-style-type: none"> Phase 1: Three businesses incorporated. Chosen for the Business Expense Subsidies to Support the Creation of New Businesses by Large Companies' Human Resources (temporary-secondment startup and other creation support businesses) program of the Ministry of Economy, Trade and Industry (METI) for the second consecutive year. Phase 2: Two projects are under consideration for commercialization. Phase 3: Recruitment of external human resources following the adoption of the Experimental Project for the Utilization of Entrepreneur in Residence (EIR) led by the METI 	
3 Coexistence with foreigners	<p>Promoting sustainable community development with foreigners from both social and physical aspects</p> <p><Physical aspect> Attract a student dormitory into a Nankai-owned facility in Shin-Imamiya.</p> <p><Social aspect> Full-scale commercialization of Japal, an overseas IT human resources placement service (from November 2022) Business partnerships between industry, academia, and financial institutions (from January 2023)</p>		
4 Enhancement of tourism-related businesses	<p>Enhancement of tourism content/Promotion of attraction of passengers by implementing effective PR/Creating travel products/Developing new monetization methods</p> <ul style="list-style-type: none"> Start offering high value-added travel products (from July 2022) Launched NK PEDAL, a shared mobility service (August 2022-) 	<p>Deepen tourism strategy and consider commercialization</p>	
5 Provision of new services in the new normal era	<p>Create new lifestyle services/expand business of "Lieffice," a shared office</p> <p>[Measures implemented in FY2022]</p> <ul style="list-style-type: none"> Testing of a service that automatically displays subtitles for conversations, a first for a railway company in the Kansai region Testing of a multilingual interactive AI robot 	<p>⇒ We will continue to consider providing a variety of services that meets the needs of our customers and residents living in areas along our railway lines, based on the concept of services that make life convenient.</p>	

Topic 1

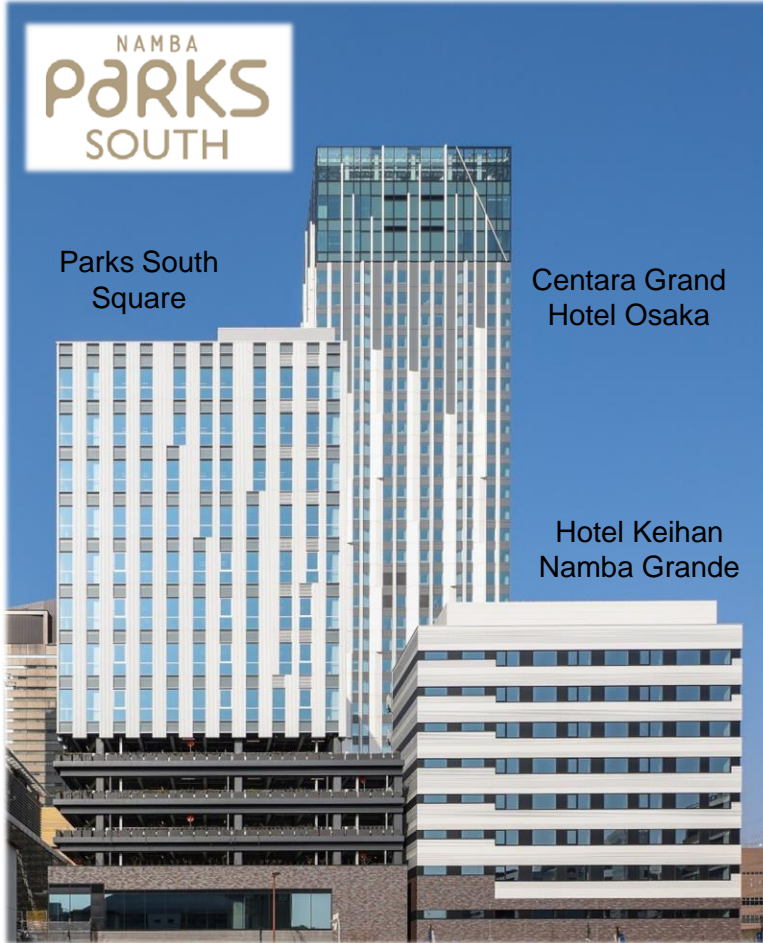
Progress of the Greater Namba concept

Greater Namba concept: Namba area wide area MAP



Greater Namba concept: Nambanaka 2-chome Development Project

- Opened a new section, Namba Parks South in the Nambanaka 2-chome Development Project area
- We will establish a new hub for tourism and business in order to further enhance the attractiveness of the Namba area



	Centara Grand Hotel Osaka	Parks South Square	Hotel Keihan Namba Grande
	Site A	Site B	Site C
Uses	Hotel, stores	Offices, stores, parking lot	Hotel, stores
Site area	4,404 m ²	2,506 m ²	2,005 m ²
Total floor area	38,128 m ²	19,683 m ²	9,377 m ²
Structure/Number of floors	SRC construction, 34 floors above ground	S construction, 14 floors above ground	S construction, 9 floors above ground
Date of opening	July 1, 2023	July 1, 2023	March 25, 2023
Nankai involved in:	<ul style="list-style-type: none"> • Subleasing (land subleasing) 	<ul style="list-style-type: none"> • Investment in the SPC • Commissioned development work • Subleasing (land subleasing) 	<ul style="list-style-type: none"> • Building construction • Leasing to hotel operators (joint business)

- Pedestrian deck maintenance



Provided by Taisei Corporation

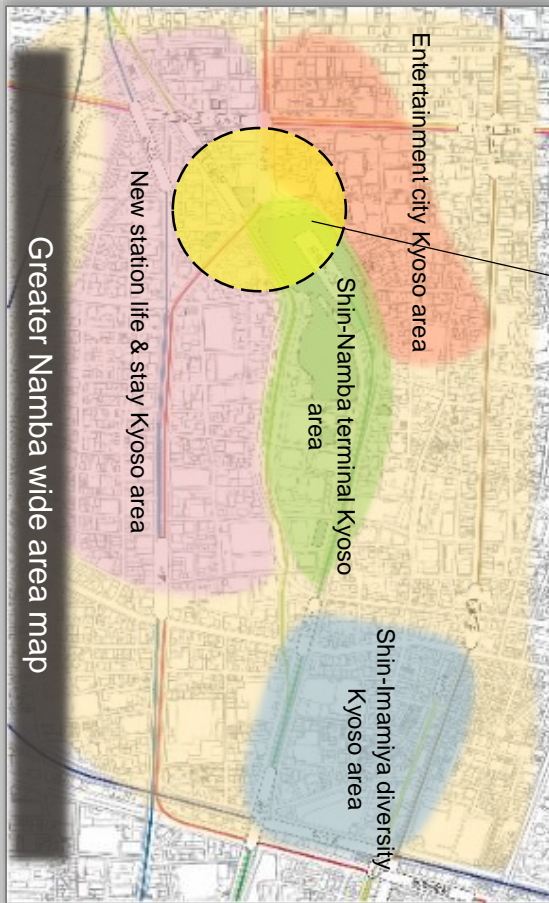
- Opening of the global flagship store of Kura Sushi



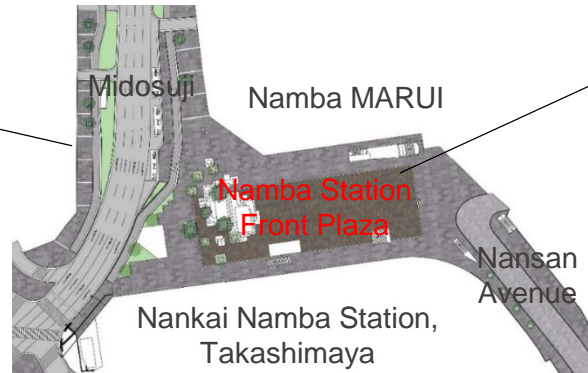
Provided by Kura Sushi, Inc.

Greater Namba concept: Namba Station Front Plaza

- Making the area around Namba Station a people-centered space, with advanced opening of the plaza scheduled in the fall of 2023
- Creating a high-quality, comfortable, safe and secure space as a tourist hub that attracts tourists from around the world



Construction work is in progress to develop a pedestrian space by prohibiting vehicles from passing through Namba Station Front Plaza to Nansan Avenue.



[Current picture: Taken in April 2023]



[Completed example]



Provided by Namba Safe, Secure, and Prosperous Community Development Council

Greater Namba concept: Formulation of the Greater Namba vision

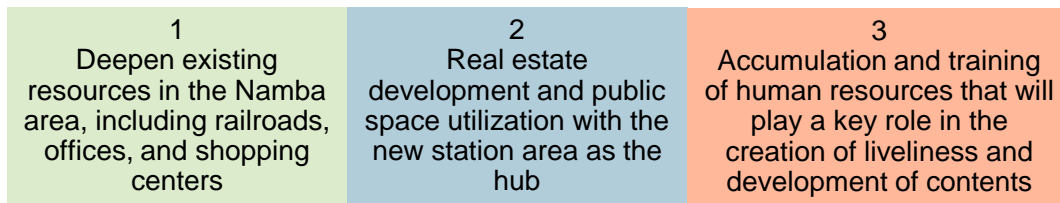
- Formulated as a group-lead declaration of community development
- Creating the next generation of Namba that continues to attract people through collaborative creation (“Kyoso”) with diverse stakeholders and creation of attractiveness of the town

Clarification of our stance on community development

Our vision of Greater Namba 2050 that we declare to society

ENTAME – DIVER – CITY
-Meet! Eat! Beat! On NAMBA-

Community development policy



Expected effects

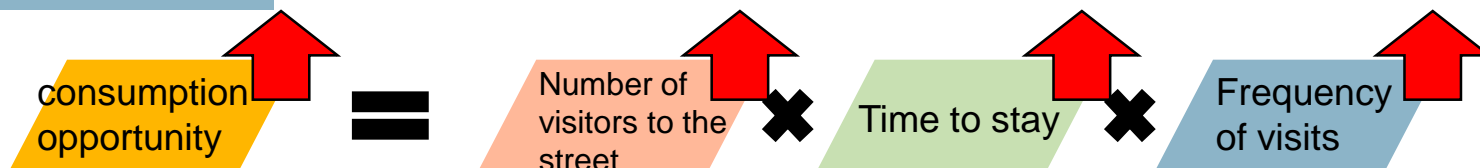


Image of ENTAME-DIVER-CITY

Topic 2

Deepen and expand our real estate business

Functionality enhancement of logistics facilities: Osaka Prefectural Food Products Distribution Center, Building E

- Steadily strengthen stable earnings and stabilize business portfolio with the opening of Building E

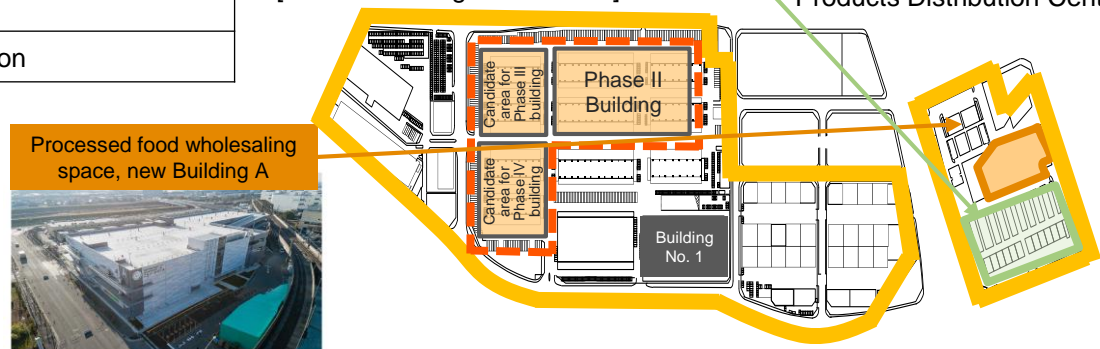
◆ Osaka Prefectural Food Products Distribution Center, Building E

Uses	Distribution centers and truck terminals
Total floor area	49,975 m ²
Structure/Number of floors	7 floors above ground (4th floor for warehouse, 7th floor for office)
Environmentally friendly equipment	Rooftop solar power generation equipment, LED lighting, exterior sandwich panels
Equipment based on Business Continuity Plan (BCP)	Installation of emergency power generator (for 3 days)
Tenants	NX Transport K.K Meitetsu Transportation Co., Ltd Higashi Twenty One Co., Ltd.
Completion of construction	March 2023
Investment	¥7.3 billion



[Kita-Osaka Logistics Center]

[Osaka Prefectural Food Products Distribution Center]



* Obtained DBJ Green Building certification on December 12, 2022 as a building with very high environmental and social considerations (Plan certification: 3 stars)

Functionality enhancement of logistics facilities: Kita Osaka Truck Terminal, Phase II Building

- Implementation of the functionality enhancement plan for the Phase II building, the largest building in the facility
- Seismic isolation structure enhances the effectiveness of BCP and meets the needs of a wide range of tenants

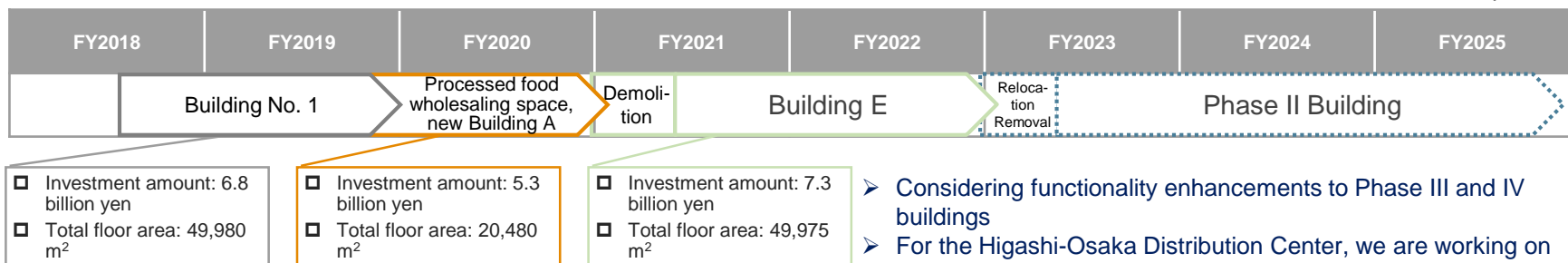
◆ Kita Osaka Truck Terminal, Phase II Building

Uses	Distribution centers and truck terminals
Site area	56,579 m ²
Total floor area	193,642 m ²
Structure/Number of floors	Seismic isolation structure, double rampway method 6 floors above ground
Project cost	Approx. 35.0 billion yen (planned)
Completion of construction	March 2026 (scheduled)



Overall schedule for functionality enhancement of logistics facilities

* Current plan



Sustainable community development of Semboku New Town: Izumigaoka Station-Front Vitalization Project

- Promote Izumigaoka Station-Front Vitalization Project as a pilot model for new town regeneration
- The project is currently underway with the aim of opening in October 2025.

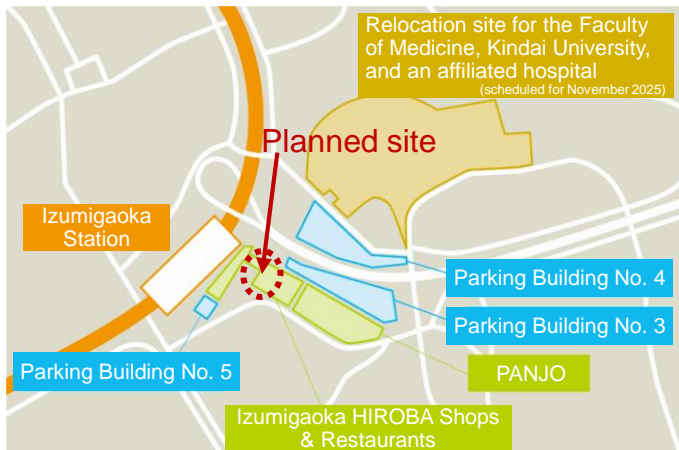
Izumigaoka Station-Front Vitalization Project	
Uses	Function of commercial, financial services, offices, medical facilities, plazas, etc.
Site area	Approx. 7,000 m ²
Total floor area	Approx. 16,000 m ²
Structure/Number of floors	Steel frame construction 4 floors above ground, 1 below ground
Date of opening	October 2025 (scheduled)

Concept

Suburban style mixed use that can provide medical care, jobs, and enrichment

Priority measures

- (1) Create an environmental space where PARK (plaza) is the main feature
- (2) Create “walkable” spaces
- (3) Create opportunities unique to Izumigaoka

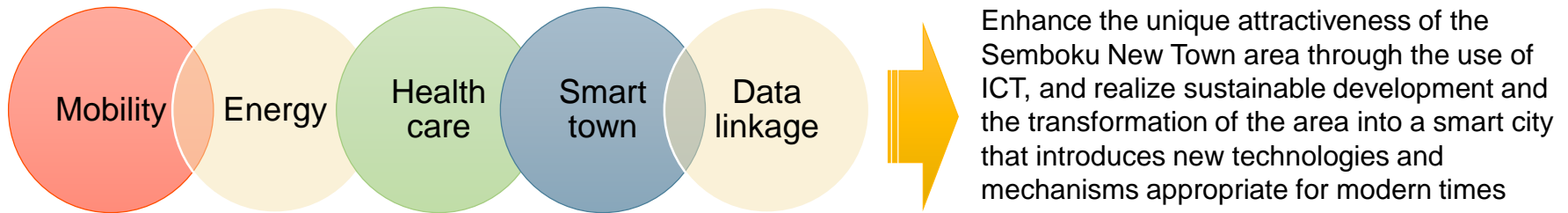


Example view



Sustainable community development of Semboku New Town: Semboku NT Smart City Concept

- We established the SEMBOKU Smart City Consortium in cooperation with Sakai City and other public organizations to steadily promote Smart City Strategies.
 - * The Consortium was established in June 2022.
- In FY2022, 11 projects were conducted in five working groups.
- Of these, we take the lead in three working groups: mobility, healthcare, and smart town.



◆ NANKAI on-demand bus testing project

- Period of operation: January 10 - March 10, 2023
- Service area: Momoyamadai, Kamotanidai, Komyoike Station, Toga-Mikita Station, Izumigaoka Station



◆ Health-Smart Semboku testing project

- In the testing to date, the operability, usability, and business feasibility have been verified in three phases.
 - Obtained favorable results for name recognition and satisfaction
- In FY2023, we will conduct testing to enable users to exchange their earned points for digital tickets (QR-code tickets).



* QR Code: Registered trademark of DENSO WAVE INCORPORATED

Sustainable Management Initiatives

Sustainability Policy and Major Sustainability Themes

Sustainability Policy (established in April 2021)

Basic concepts

We will create collaboratively and cooperate with various stakeholders, including community residents, local governments and businesses, particularly in the areas along our railway lines. We will also seek both the increase of value as a sustainable company and the realization of a sustainable society by putting our Corporate Philosophy into practice.

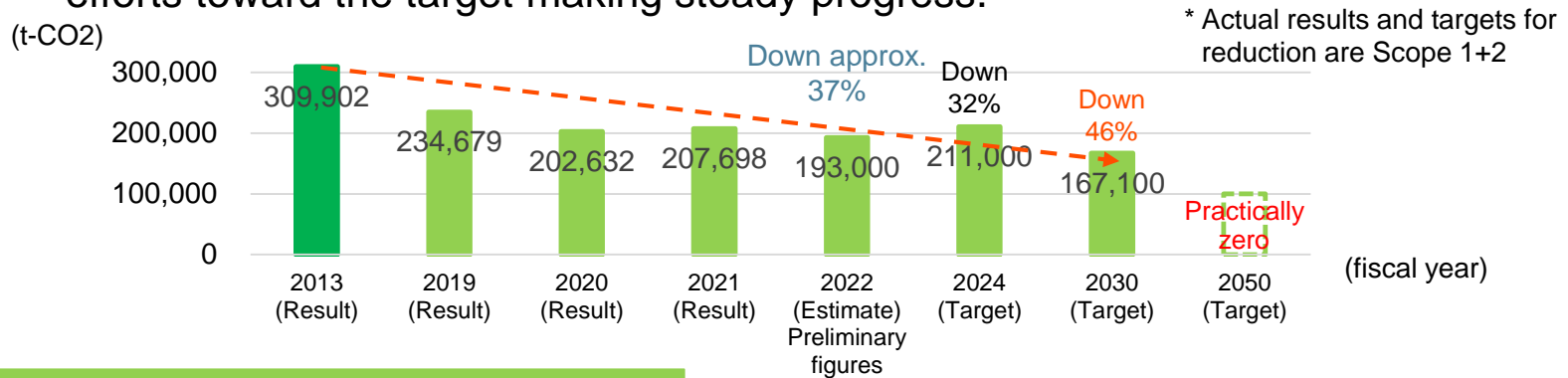
Major sustainability themes (materiality)

Further seek safety, security, and satisfaction	  	    
Thriving and friendly community development	   	    
Create a future full of dreams	   	   
Achieve an enriched life	    	   
Develop a workplace and staff in a way that enable each person to put their abilities to use		
Contribute to preserving the global environment		
Bolster a corporate foundation that is sincere and fair		

Specific initiatives (1)

Bringing about a decarbonized society

- Promote efforts to reduce carbon emissions
 - The amount for FY2022 is expected to be about 37% less than that of FY2013, and efforts toward the target making steady progress.



Efforts to address climate change

- Endorsing TCFD recommendations and disclosing information based on the TCFD recommendations

[Details of disclosure for FY2022]

Item	Details
Subject to be disclosed	Non-consolidated railway, real estate, and distribution businesses of Nankai Electric Railway
Disclosure items	Risks (transition risks/physical risks) and opportunities associated with climate change Quantitative business impact (financial impact) anticipated from the risks and opportunities

- In FY2023, the scope to be disclosed is planned to be expanded to include some Nankai Group Companies.

Specific initiatives (2)

Established policy for each item to promote sustainable management

Disclosure	ESG	Established policies
2022.4	G	Basic policy on anti-corruption
2022.6	S	Declaration on Health
2022.8	G	Nankai Group material procurement policy
2022.8	S	Nankai Group human rights policy

Selected as a constituent of the ESG investment indices adopted by the Government Pension Investment Fund (GPIF)

- FTSE Blossom Japan Sector Relative Index
- MSCI Japan ESG Select Leaders Index
- MSCI Japan Empowering Women Index (WIN)
- S&P/JPX Carbon Efficient Index

Issuance of sustainability bonds

- We issued our first sustainability bond in March 2023.

Total amount issued	10.0 billion yen
Interest rate	0.629% per annum
Term of issue	5 years
Investors who have indicated their investment	23 organizations (banks, credit unions, life insurance companies, non-life insurance companies, asset management companies, school corporations, etc.)

Specific initiatives (3)

Our Integrated Report 2022 was highly regarded.

- Received Award of Excellence at the Nikkei Integrated Reporting Awards 2022, sponsored by Nikkei Inc.
- Our Integrated Report was selected as one of the Highly Improved Integrated Reports by the institution to which the Government Pension Investment Fund (GPIF) entrusts its domestic equity investment management.



☞ For more information on our sustainability efforts, refer to the [“Nankai Group Integrated Report 2022.”](#)

Appendix

(Reference) Major Initiatives for FY2022 (1)

Date	Content	URL for disclosure material
April 7	SkyDrive and Nankai Electric Railway signed a cooperation agreement, aiming to operate “flying cars” in the Osaka and Wakayama areas.	URL
April 15	A vision to make the Namba area an international tourist city, with a view to the Expo, IR, and the Naniwasuji Line, by upgrading its urban status with the power of entertainment and power of staying. —Proposals for the Machinaka Festival at the time of the Expo and formation of bases around the new station for the Naniwasuji Line—	URL
May 25	The new company "e-Stadium Corporation" started operations on June 1, 2022 (Wed). —The new company was entrusted by Nankai Electric Railway to further promote e-sports business operation—	URL
June 9	Nankai held an exciting experiential event for parents and children along its railway lines to grow an ambitious mindset for children. A website for the child-rearing generation, “Nankai Kurashi,” was opened.	URL
June 13	High value-added travel products were released, offering special experiences and accommodation plans in Koyasan. —An immersive theatrical experience at Kongobuji (Head Temple of Koyasan Shingon Buddhism)(first session on July 17)—	URL
June 14	Izumisano City selected Nankai to execute the proposal and Nankai will promote measures to make Izumisano City an advanced e-sports city.	URL
June 16	Nankai is making preparations in phases for the autonomous operation testing on the Wakayama Port Line from July 2022.	URL
June 28	The Semboku Smart City Consortium Preparatory Committee consisting of Nankai and other companies established the SEMBOKU Smart City Consortium.	URL
July 19	The “e-Sports Camp,” a game camp for high school students from all over Japan, was held in Izumisano City from August 22 to 25, where we had new guests, such as the popular streamer Jasper,	URL
July 20	NK PEDAL (share mobility service) started on August 1 at Koyasan Station and Kada Station (Wakayama Prefecture).	URL

* The disclosure material at the URL is available in Japanese only.

- Sustainable management of public transportation business
- Develop the most popular areas along railway lines and deepen and expand our real estate business
- Future exploration

(Reference) Major Initiatives for FY2022 (2)

Date	Content	URL for disclosure material
July 22	LAWN and EMOSHARE, created by the new business development program, were once again selected for the Business Expense Subsidies to Support the Creation of New Businesses by Large Companies' Human Resources (temporary-secondment startup and other creation support businesses) program of the Ministry of Economy, Trade and Industry for this fiscal year.	URL
August 4	Nankai Electric Railway's official website, which is easier to use and emphasizes its unique quality, was relaunched on August 4.	URL
August 5	The first digital passenger ticket combined with limited express ticket "Limited Express Rapi:t Digital Ticket" went on sale on August 8.	URL
August 17	Before the opening of "Renovation School @ Kada Line," the Community Development Lecture @ Kada Line "My Pleasant Suburban Life: A Small Business Starting from What I'm Good at" was held on September 10, 2022 (Sat).	URL
August 18	"Adults' Relaxing Time: Traveling Koyasan in Shibuya, Experiencing Koyasan @ SHIBUYA FUKURAS" was held for 10 days from August 26 to September 4	URL
August 24	Installation of platform gates for Nakamozu Station Line 4 was started. (Operation is scheduled to start around April 2024.)	URL
August 24	Nakamozu Station renewal work is underway. The east ticket gate opened from the first train on September 17 (Sat). Then the retail area of the concourse was expanded by about three times for station remodeling.	URL
August 25	—Aiming to make Izumisano City an advanced e-sports city— Implemented three major measures, including the opening of the e-Stadium Izumisano.	URL
August 25	[Namba Station Area Space Advancement Project] The area around Namba Station Square has been closed to vehicular traffic from November 8 (Tue).	URL
September 7	The first partner store in Japan "e-Stadium Izumi" opened on September 16.	URL
September 16	As part of the KiiPass Koyasan project, "Koyasan Digital Ticket" went on sale on September 27. This is the first time for Semboku Rapid Railway to sell digital tickets using a QR code.	URL

* The disclosure material at the URL is available in Japanese only.

- Sustainable management of public transportation business
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(Reference) Major Initiatives for FY2022 (3)

Date	Content	URL for disclosure material
September 28	The Nankai Group and Seven-Eleven Japan sign a business alliance agreement on the franchise of convenience stores to convert station convenience stores to 7-Elevens.	URL
October 6	A free-of-charge event for seniors, "From Izumigaoka to Kansai Airport! One-Day Experience Mobility," was held on Thursday, October 27. Content: Hydrogen fuel cell bus ride experience, small mobility test drive experience, and safe driving event tour	URL
October 19	Testing of "Cycle Train" using a temporary train has been conducted.	URL
October 24	HYBE JAPAN collaborated with Japan's first "THE CITY" project. The world-famous K-POP group "SEVENTEEN" colored the express train Rapi:t and Namba Station "like the sun!"	URL
October 25	Testing for the installation of security cameras on commuter vehicles started on October 29, 2022 (Sat).	URL
October 28	Application was submitted for approval of changes in railway passenger fares.	URL
November 1	Nankai Electric Railway has acquired overseas IT human resources placement service "Japa!" from Nankai Real Estate.	URL
November 7	Application for the monitoring tour "Future Travel Experience Made Possible by Flying Cars" has started from November 10 (Thu).	URL
November 8	Seven Kansai railway companies to jointly establish MaaS —Japan's first wide-area MaaS by a railway-company consortium is to be developed in the Kansai region—	URL
November 21	e-Stadium Izumisano opened on November 28!—Aiming to make Izumisano an advanced e-sports city—	URL
December 2	The 4th Kansai e-Sports Student Championship 2022 started on December 3! —Even online, sports are popular at the end of the year!	URL

* The disclosure material at the URL is available in Japanese only.

- Sustainable management of public transportation business
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(Reference) Major Initiatives for FY2022 (4)

Date	Content	URL for disclosure material
December 6	Opened the first affiliated store, 7-Eleven Nankai Namba Station Chuoguchi store on December 20 (Tuesday).	URL
December 6	The Nankai Group will continue “Visa Touch Payment System” and “Digital Ticket” services after December 12. —Reinforcement of our systems to accept customers, including inbound travelers—	URL
December 20	Opened e-Stadium Gifu on December 22! The first permanent e-sports facility was established in Gifu Prefecture!	URL
December 20	NANKAI on-demand bus testing project started on January 10, 2023.	URL
January 10	The number of express train Rapi:t services in the morning time zone was increased from February 11 (Saturday, national holiday)	URL
January 10	Construction of Hotel Keihan Namba Grande complete, scheduled to open on March 25.	URL
January 10	—New office building in Namba area will open. —The construction of Parks South Square was completed today.	URL
January 13	ENTER FORCE.36, a professional e-sports team, relocated its headquarters to Osaka! Nankai Electric Railway will support the team as an official partner.	URL
January 17	Through co-creation by industry, academia, and financial institutions, we support the growth of local companies with Japal, our overseas IT staffing service.	URL
January 19	We started testing a multilingual interactive AI guide robot at Namba Station and Kansai Airport Station on January 24 (Tuesday).	URL
January 19	[Semboku Rapid Railway] Revision of railroad fares—First railroad company in the Kansai region to change IC fares for children on our lines to a flat rate of 50 yen—	URL

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- Sustainable management of public transportation business
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(Reference) Major Initiatives for FY2022 (5)

Date	Content	URL for disclosure material
January 26	In collaboration with Tokyo Institute of Technology, we will conduct testing on visualizing congestion for trains on the Koya Line.	URL
February 2	Renewed Nankai Digital Ticket, a ticket using QR codes, will go on sale!	URL
February 3	Application for revision of railroad passenger fares was approved.	URL
February 16	[First among railroad companies in Kansai] We will conduct testing of a universal communication service using a transparent display that automatically displays subtitles during conversations.	URL
February 16	[Namba Parks] Twenty-six new stores will open one after another! “Mika Nakashima Live & Talk Event” will be held! —Renewal to commemorate the 15th anniversary of the grand opening	URL
March 1	Namba Parks South, a new section, was born! —A luxury hotel that has entered Japan for the first time, with shops, restaurants, and more—	URL
March 8	Appointed as a Kansai special partner of VALORANT Challengers Japan 2023 Split 1 - Playoff Finals, the most prestigious e-sports tournament	URL
March 22	Up to 1,600 Pokéstops and Gyms for Pokémon GO appear at stations, bus stops, shopping centers, and other locations operated by the Nankai Group.	URL
March 24	We formulated Greater Namba vision to create the next generation, ENTAME-DIVER-CITY—Meet! Eat! Beat! On NAMBA—.	URL
March 27	Our e-sports efforts received the FOST Social Contribution Award!	URL

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- Sustainable management of public transportation business
- Develop the most popular areas along railway lines and deepen and expand our real estate business
- Future exploration

(Reference) Kyoso 140 Plan Numerical Targets

- Improve both operating income and the ratio of the net interest-bearing debt to EBITDA and build financial foundations for future growth
- Systematically advance CO₂ emissions reduction toward FY2030

The numerical targets (consolidated basis) for FY2024, the final year of the plan, are as follows.

Operating income* ¹	¥28.0 billion
Ratio of the net interest-bearing debt to EBITDA* ²	7.5 times or less

*1 Operating income + Dividend income

*2 Operating income + Dividend income + Depreciation and amortization

<Reference>

Capital investment amounts (three-year total)	¥160.0 billion
Reduction of CO ₂ emissions (FY2024)	−32% from FY2013 levels

(Reference) Numerical Plan: Consolidated

- FY2022 results: Achieved upward and improved results compared to the business forecasts
- FY2023 forecast: Forecast upward and improved results compared to the plan drawn up for the Medium-term Management Plan

	FY2021 results	FY2022 results	FY2023 forecasts (released in April 2023)	FY2024 plan
Operating income* ¹	¥12.9 billion	¥22.0 billion	¥25.5 billion	¥28.0 billion
Net interest-bearing debt	¥446.0 billion	¥436.1 billion	¥429.8 billion	¥433.9 billion
Ratio of the net interest-bearing debt to EBITDA* ²	10.7 times	8.8 times	8.0 times	7.5 times

	FY2021 results※ ⁴	FY2022 results	FY2023 forecasts (released in April 2023)	FY2024 plan
Total capital investments※ ³	¥21.4 billion	¥30.1 billion	¥53.3 billion	¥66.0 billion
Future exploration	—	¥0.8 billion	¥6.4 billion	¥5.7 billion
Revenue expanding	¥6.2 billion	¥9.9 billion	¥14.5 billion	¥38.0 billion
Safety and renewal	¥15.2 billion	¥19.4 billion	¥32.4 billion	¥22.3 billion

*1 Operating income + dividend income

*2 Operating income + dividend income + depreciation and amortization

*3 Figures before consolidation and elimination, including investments, etc.

*4 Figures for FY2021 are after consolidation and elimination and do not include investments, etc.

(Reference)

Details of capital investments (¥160.0 billion over three years)

- Ensure appropriate levels of investments in line with the outline of our business strategies
- Seek both the increase of value as a sustainable company and the realization of a sustainable society and allocate a certain investment amount to “sustainable investments”

1. Sustainable management of public transportation business

¥52.0 billion:

- To maintain a sustainable transportation network, systematically make safety investments and renewal investments

2. Develop the most popular areas along railway lines and deepen and expand our real estate business

¥93.0 billion:

- While securing development funds through a REIT, make concentrated investments in the Namba and Izumigaoka areas and for the functionality enhancement of logistics facilities

3. Future exploration

¥15.0 billion:

- Allocate budget for building a third core business, following railway and real estate businesses, from a medium- to long-term perspective

Sustainable investments*
out of the total capital investments

- **Investment in disaster countermeasures: ¥5.0 billion**
Preparation for worsening disasters and prevention countermeasures
- **Investment in DX promotion: ¥9.0 billion**
Creation of new values and workstyles by making full use of data and digital technologies
- **Investment in CO₂ reduction: ¥19.0 billion**
Utilization of opportunities for global warming mitigation and the shift to a carbon-free society
- **Investment in brand enhancement: ¥16.0 billion**
Enhancement of product, service, corporate, and regional brands
- **Investment in diversity enhancement: ¥4.0 billion**
Enhancement of the working environment for diverse employees

■ **Total: ¥46.0 billion** (some items are duplicated)

* Major investments to realize materiality items identified for sustainable management

(Reference) Nankai Group Management Vision 2027

- The outline of the “Nankai Group Management Vision 2027” remains unchanged. The point is how can we deepen it.

<<Ideal form for 2027>>

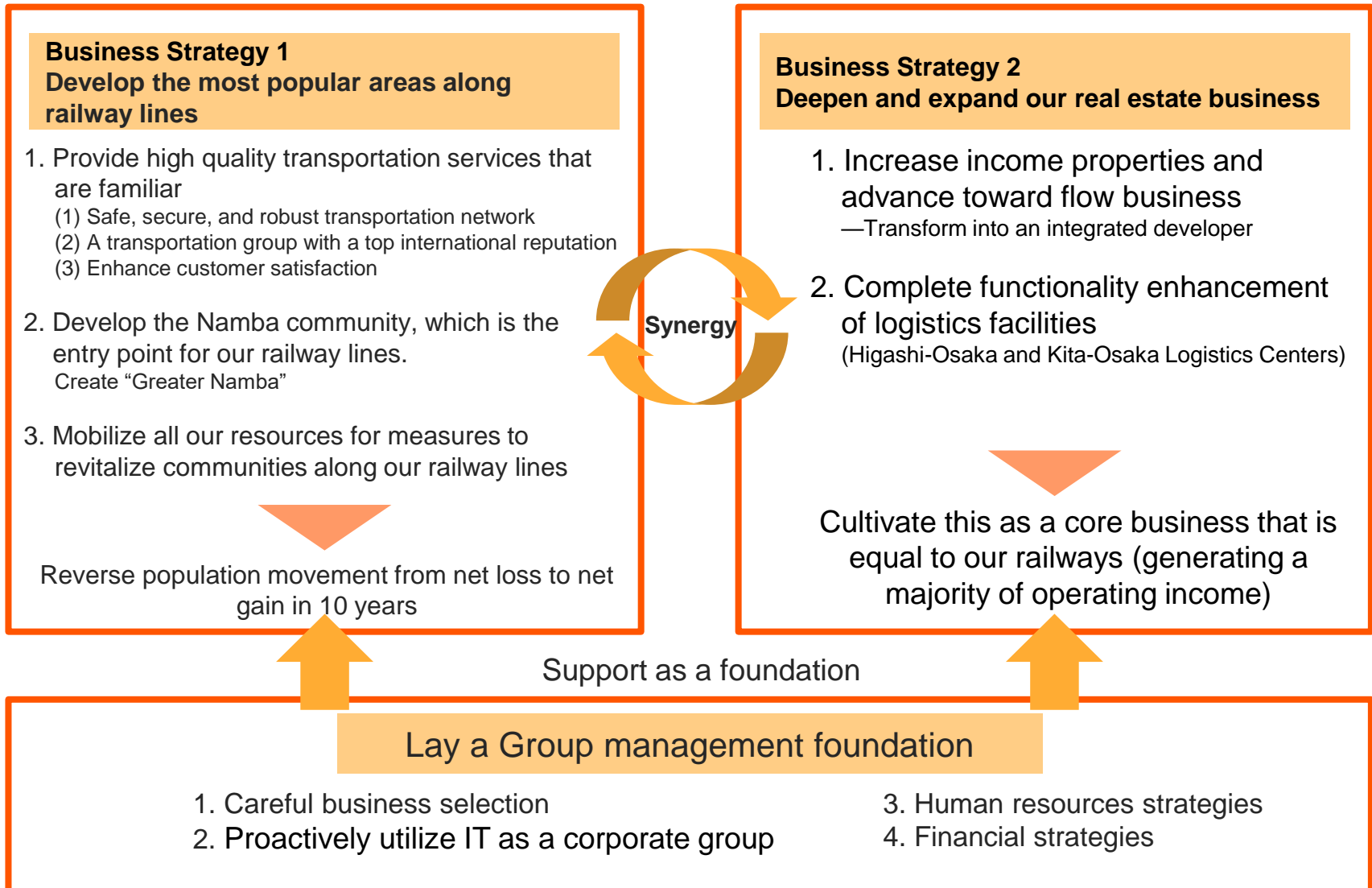
Develop the most popular areas along railway lines and become the most preferred corporate group by delivering satisfaction and delight to customers

Our
position

A decade of enhancing
the attractiveness of areas along our
railway lines in preparation for the
opening of the Naniwasuji Line

- With neighborhoods along our railway lines as main business areas, apply all the abilities of our group to focus on increasing value along these lines
- By using Namba and inbound tourism as business chances, accelerate increasing value along our railway lines
- By proactively using alliances, raise the speed of business development

(Reference) Nankai Group Management Vision 2027: Outline of business strategies



(Reference) Nankai's corporate image in 2050

Community coexistence
and co-creation,
diverse lifestyles

Together with local communities

Under the banner of being community-based, we will continue to treasure connections with people in communities and areas along our railway lines and work together with these people to create diverse communities where diverse groups of people can live in happiness.

Diversity and globality

"Think Globally, Act Locally"

With Kansai International Airport as a gateway to the world (Asia), and Namba as a diverse community, we will foster diversity that respects and enhances diverse values and individuality while staying close to Namba, where diverse people from all over the world will continue to gather for the foreseeable future.

With our roots within the local communities, NANKAI with an entrepreneurial spirit is firmly committed to creating "DiverCity" * in Kansai

Mobility

Mission as a public transportation operator

We will deepen the history and responsibility of safe and secure operations of the transportation business cultivated in areas along our railway lines to evolve into more diverse mobility business that connects "person and person," "community and community," and "people and communities" towards the future.

Nankai identity

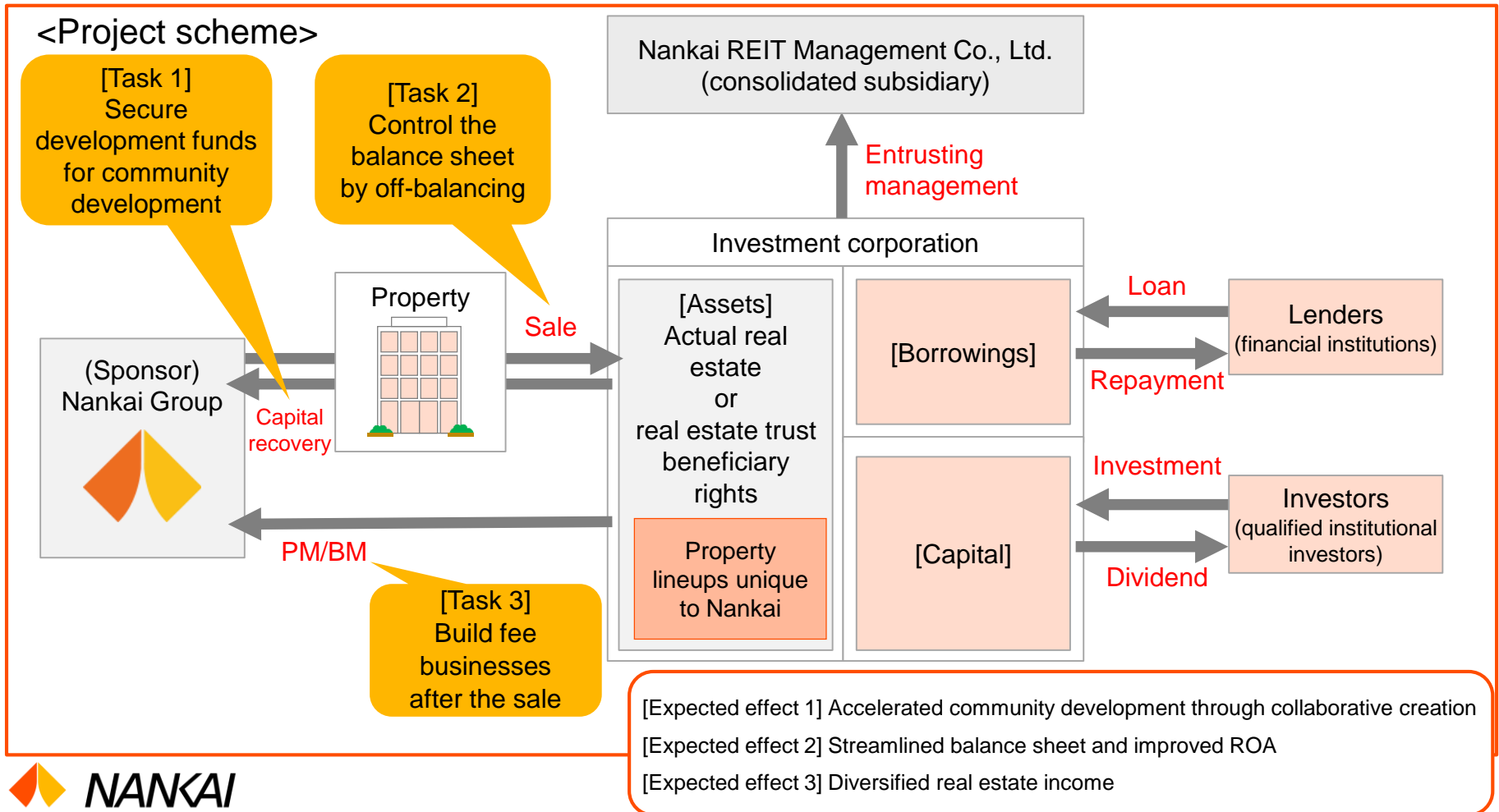
Strong will to open the way to the future on our own

Throughout the long history since its founding, the Nankai Group has built its culture and identity and created a new roadmap for the future. Keeping our mission and responsibility as a member of society in mind, we will take on new challenges, become a business group that carries through on its commitments, and open up our own future.

* DiverCity: "DiverCity" is a term created by combining "Diversity" and "Diverse City (city filled with diversity)" that we seek to realize.

(Reference) Progress of private REIT

- Nankai REIT Management Company, Ltd. (asset management company) was established in October 2022.
- We will proceed with necessary approval and license procedures and establish an investment corporation to start operation as early as possible.



(Reference) e-Sports Initiatives

- In FY2022, we implemented measures from two vectors, facility operations and events.
- We will continue to explore all possibilities for early generation of profits.

Facility management business

- Showroom: e-Stadium Namba
- Directly managed stores: e-Stadium Saga, e-Stadium Gifu
- FC Store: e-Stadium Izumi
- Entrusted by the government: e-Stadium Izumisano



Event business

- Independent planning: Kansai e-sports student championship
- Entrusted by the government: e-Sports Camp
- Participation in tournaments: Appointed as a Kansai special partner of official VALORANT tournaments



* In addition to the above, we held seminars on mental health, etc. with the cooperation of Kobe University.

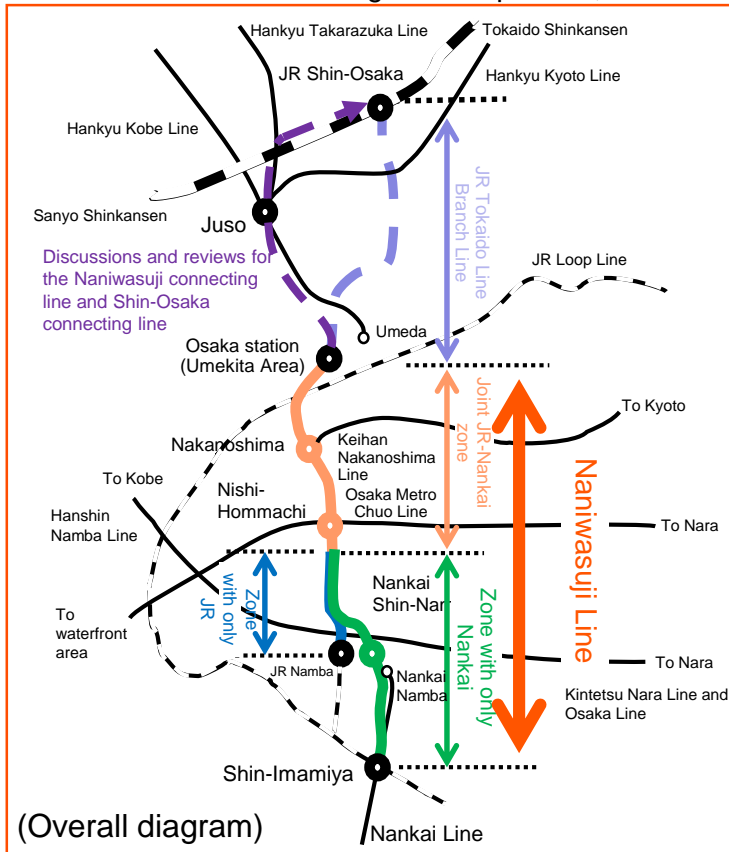


We received the FOST Social Contribution Award sponsored by the foundation for the Fusion Of Science and Technology in recognition of our ongoing efforts to promote understanding among the parents' generation while staying close to students under the Players First policy.

(Reference) Naniwasuji Line Plan

● Naniwasuji Line

- Received approval for railway business in July 2019. Approval for construction was obtained and the urban project decision was publicly announced in February 2020.
- Full-scale construction project began at Nakanoshima Station and Nishi-Hommachi Station from the second half of FY2021. Preliminary work for excavation is underway at the Nankai Shin-Namba Branch Tunnel section.
- While continuing land acquisition, we will work on other sections to start line operation in spring 2031.



Overview of Plans for the Naniwasuji Line

Service zones	<ul style="list-style-type: none"> Osaka Station (Umekita Area)–(tentative name) Nishi-Hommachi Station - Nankai Shin-Imamiya Station Osaka Station (Umekita Area)–(tentative name) Nishi-Hommachi Station to JR Namba Station
Intermediate stations	Nakanoshima Station (tentative name), Nishi-Hommachi Station (tentative name), Nankai Shin-Namba Station (tentative name)
Total project cost	Approx. ¥330.0 billion (estimate) Components: Investment by local governments: Approx. ¥33.0 billion (Osaka Prefecture: ¥16.5 billion, Osaka City: ¥16.5 billion) Private investment: Approx. ¥33.0 billion (Nankai Electric Railway: ¥18.5 billion, JR West: ¥14.5 billion)
Project implementation	Kansai Rapid Railway Co., Ltd.
Operator and operation segments	Nankai Electric Railway Co., Ltd. Operation segment: Osaka Station (Umekita Area)–Nankai Shin-Imamiya Station West Japan Railway Company (JR West) Operation segment: Osaka Station (Umekita Area)–JR Namba Station
Targeted start of commercial service	Spring 2031

* Osaka Station (Umekita Area) opened March 2023 in a project to convert the Tokaido Branch Line to an underground line and establish a new station.

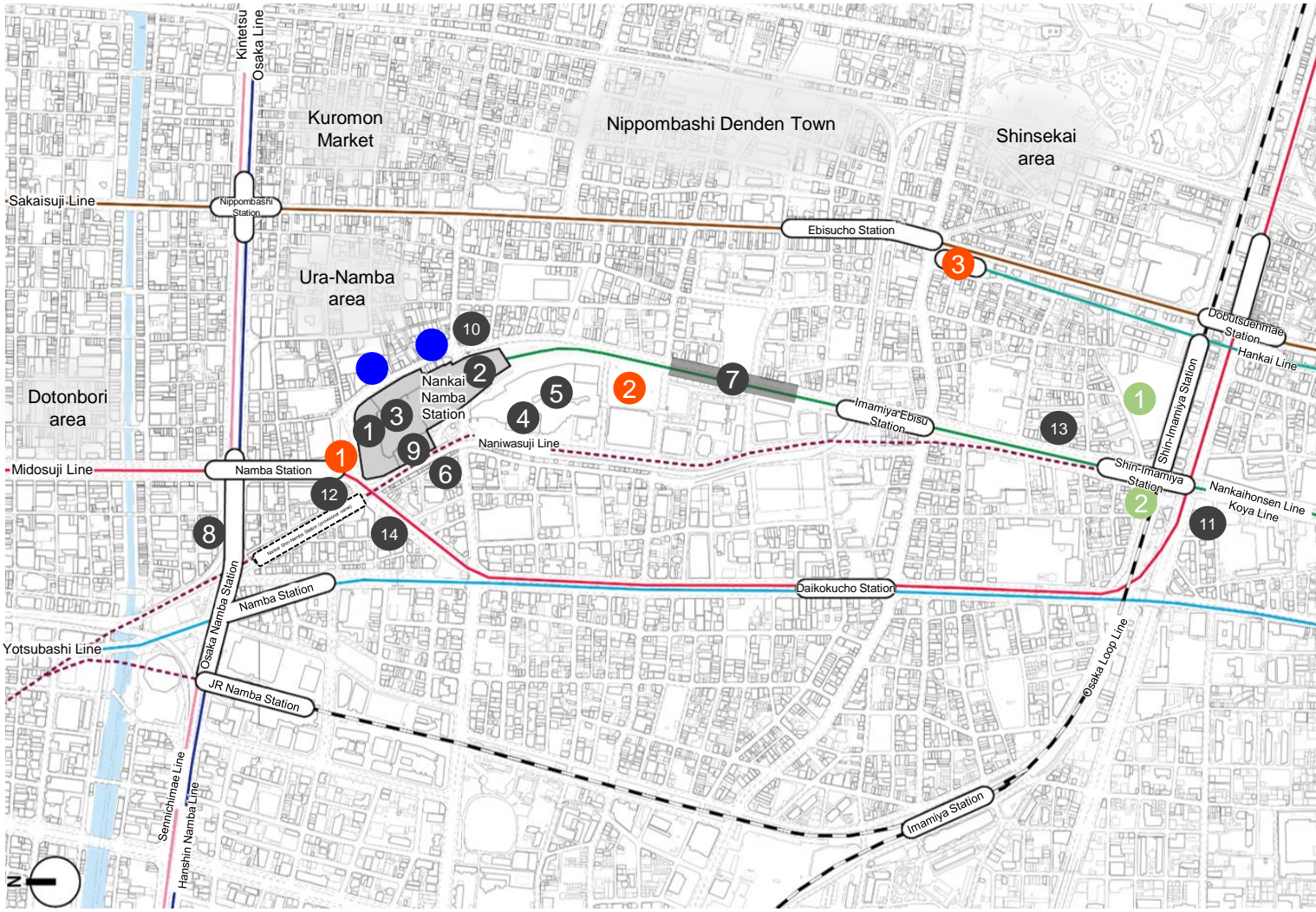
(Reference)

- Favorable results were obtained from a study of the Naniwasuji connecting line and Shin-Osaka connecting line conducted by the Japanese government in FY2017.
- Based on the results of the study, the related parties will conduct discussions and reviews with the aim of commercializing the project at an early stage.

(Reference) Route map



(Reference) Main facilities in the Greater Namba area (map)



- **Company facilities**
 - ① Nankai Building
 - ② NAMBA CITY
 - ③ Swissôtel Nankai Osaka
 - ④ PARKS TOWER
 - ⑤ NAMBA PARKS
 - ⑥ Fraser Residence Nankai, Osaka
 - ⑦ EKIKAN
 - ⑧ Nankai Namba Midotsuji West
 - ⑨ NAMBA SkyO
 - ⑩ Nankai Namba Building No. 2
 - ⑪ Shin-Imamiya Ekimae Hotel
 - ⑫ Namba Midotsuji Center Building
 - ⑬ YOLO BASE
 - ⑭ Nankai SK Namba Building

- **Developed (including capital contribution)**
 - ① OMO7 Osaka by Hoshino Resort
 - ② Shin-Imamiya Station Renewal

- **Under development (including capital contribution)**
 - ① Namba Station Front Plaza Project
 - ② Nambanaka 2-chome Development Project
 - ③ Ebisu-cho Land Development Project

- **Development under consideration**

* Naniwasuji Line: Currently under development

(Reference) Main facilities in the Greater Namba area (list)

Facility name	Leasing area	Month & year of completion (acquisition)	Main uses
① Nankai Building	49,827 m ²	July 1932	Takashimaya Osaka and shops
② NAMBA CITY	Approx. 33,200 m ²	1978 ^{*2}	Shopping center
③ Swissôtel Nankai Osaka	61,557 m ²	March 1990	Hotel
④ PARKS TOWER	36,500 m ²	August 2003	Offices and shops
⑤ NAMBA PARKS	Approx. 51,800 m ²	October 2003 ^{*2}	Shopping center
⑥ Fraser Residence Nankai, Osaka	7,332 m ^{2*1}	July 2010	Serviced apartments
⑦ EKIKAN	Approx. 3,700 m ²	2014 ^{*2}	Shopping center
⑧ Nankai Namba Midosuji West	4,286 m ²	September 1985 (July 2018)	Offices
⑨ NAMBA SkyO	45,927 m ²	October 2018	Offices, medical facilities, conference hall, commercial service facilities
⑩ Nankai Namba Building No. 2	1,500 m ^{2*1}	November 1988 (November 2018)	Offices
⑪ Shin-Imamiya Ekimae Hotel	4,952 m ^{2*1}	August 2018 (December 2018)	Hotel
⑫ Namba Midosuji Center Building	(Portion owned by the Company) 5,665 m ² (Overall) 6,217 m ²	March 1992 (April 2019)	Offices and shops
⑬ YOLO BASE	3,156 m ^{2*1}	September 2019	Co-working space and student dormitory
⑭ Nankai SK Namba Building	14,141 m ²	March 1983 (February 2020)	Offices

*1: Total floor area

*2: Phase 1 opening

(as of May 19, 2023)



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Cautionary Statement Regarding Forward Looking Statements

This presentation was not prepared for the purpose of soliciting an investment in Nankai Electric Railway Co., Ltd. It is reference material only, and you should consult the Company's Kessan Tanshin (Financial Results—available in Japanese only) and Yukashoken Hokokusho (Annual Securities Report—available in Japanese only) for accurate financial results.

The presentation contains forward-looking statements including financial forecasts and other projections that have been determined based on information currently available to management. Forward-looking statements involve considerable uncertainty due to factors including trends in demand and other changes in business conditions as well as fluctuations in prices.

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