November, 2025

Hankyu Hanshin Holdings, Inc.

Main Questions and Answers during the Briefing on Earning Results for the First Half of Fiscal 2026 (Ending March 2026)

* Please be aware that this document is not a verbatim account of everything that was said during the question and answer session held during the briefing. The Company has made additions and modifications, and summarized the content as it was judged appropriately.
* Please also note that the information presented here is based on the briefing held on November 11.

[Questions about the Company in general]

Q While FY2026 benefited from positive impacts such as the World Expo 2025 Osaka, Kansai and the Hanshin Tigers' league championship win, could you share the performance outlook for FY2027, when these factors will no longer apply?

A The Expo has shifted public sentiment and stimulated greater mobility. In response, the Group is working to develop mechanisms that further stimulate travel and reliably capture demand as part of our efforts to sustain performance beyond the exceptional factors that benefited us in FY2026.

While projecting another championship for the Hanshin Tigers in FY2027 may be optimistic, we remain focused on developing a team that is consistently in contention for the title. Taking this into consideration, we will reassess and clarify our outlook before presenting a revised forecast.

Q How do you view returns to shareholders moving forward?

A With our Long-Term Management Plan just announced in March, we are currently targeting a total payout ratio of around 50%, in line with the assumptions of the plan and endeavor to provide dividends of at least ¥100 per share to acquire treasury stock. Looking ahead, we will continue to review how best to approach capital allocation, including returns to shareholders, while balancing growth investments.

[Business-specific questions]

<< Real Estate>>

Q What is your policy outlook for the future of the Overseas Real Estate business?

A Our Overseas Real Estate business initially began as a flow-type residential sales business in the ASEAN region and has since expanded into a stock business as we gained more market insight, acquiring large-scale commercial facilities, such as the Central Park Mall in Indonesia, while also establishing a presence in developed countries such as the U.S., Canada, and Australia. Driven by these strategic efforts, our Overseas Real Estate business has grown to generate business profit in the order of ¥10 billion.

While we remain committed to the initiatives implemented to date, we believe that achieving further growth will require a strategic reassessment. This includes reviews into the scale of investments and how investments are recouped, accounting for factors such as regional and asset-type balance, as well as country risk. We are actively examining these issues, and intend to present a revised explanation at the earliest possible stage.

Q How does the Hotel business stand following the conclusion of the World Expo 2025 Osaka, Kansai, and what is the future outlook?

A ADR and occupancy rates were notably elevated in early October, primarily due to a surge in demand driven by the combined impact of the Expo's closure and China's National Day holiday celebrations. While current levels have moderated slightly from this peak, they remain elevated compared to historical levels, and we expect demand to remain high, including inbound travelers.

<< Entertainment >>

Q Could you outline the future growth strategy for the Sports business?

A Owing to the strong support of our fans, the Hanshin Tigers' won the league championship, revenue and profit increased year-on-year in Q2 in the Sports business, and we expect revenue and profit growth across the full year when compared to the previous fiscal year.

While it is difficult to factor in a league championship win in performance expectations for FY2027, other examples include farm team games held at Nippon Steel SGL Stadium Amagasaki, a part of the Zero Carbon Baseball Park which opened in March, attracted some 3,000 spectators per match, with close to 200,000 fans turning up across the course of the season. In light of these circumstances, we intend to utilize our farm facilities not only as player development centers for developing a strong team but also exploring ideas and initiatives to bring in more fans, even during the off-season, and turn that into new revenue opportunities.

There are the capacity constraints of stadiums including Koshien, we aim to further grow the Sports business by expanding e-commerce merchandise sales and enhancing our digital content offerings.

Q What is the future outlook for the Stage business?

A While Takarazuka Revue plans to revise certain ticket prices starting in January 2026, live performances alone will not be enough to drive significant profit growth. Accordingly, we recognize the need to expand secondary product lines and develop new markets, both in Japan and abroad. In particular, we see significant potential in expanding our domestic customer base, and are moving forward with discussions on a future strategy approach that takes this into account.

In addition, the theater business is shaping up to become a major pillar of our Stage business. The theater business has faced persistent headwinds over the coming years with the closure of theaters in the Tokyo metropolitan area for renovation. Despite this, we are working to secure content for the upcoming Yaesu theater and remain focused on expanding the business further.

<< International Transportation >>

Q Could you share the current business conditions, the full-year performance outlook, and your future strategy?

A The business has emerged from its most challenging period, and we are now seeing a steady recovery in profitability. Heading into the second half, we intend to continue focusing on sales activities to further improve profitability.

While the scale of our International Transportation segment remains modest, we are committed to differentiating ourselves from competitors through targeted regional operations and specialized cargo handling, rather than relying solely on volume. We are in the process of formulating concrete strategies for the future, including the initiatives mentioned above, while keeping in close communication with our operating companies and working on the current profitability improvements at the same time.

<< Others >>

Q What impact has Hankyu Corporation's collaboration with Kirby had on each business? In addition, what is your approach to leveraging such IP?

A Revenue from merchandise sales, which constitutes the primary earnings from the Kirby collaboration, is recorded under the Urban Transportation segment. For example, rental income from merchandise stores in the Hankyu Sanban Gai mall is recognized under the Real Estate segment, meaning that a portion of the revenue is accounted for in other segments as well.

Further, such initiatives to leverage IP are not limited to collaborations with characters centered around Hankyu Corporation. Given our extensive asset base in the Osaka-Umeda area, we are able to deploy IP-led initiatives across the area, such as holding the 111th anniversary celebration of the Takarazuka Revue at Group facilities in the Osaka-Umeda area, and we are actively exploring the potential for similar initiatives, including collaborations with external IPs.

Q How do you view Osaka's plan to position itself as a second capital?

A While the specifics and feasibility of the initiative remain uncertain, making it difficult to offer a definitive comment, we recognize that, in the broader context of nationwide perspective, maintaining a strategic balance between centralization and decentralization becomes essential, particularly in the context of responding to large-scale disasters.

Going forward, we will continue to gather relevant information and assess the measures necessary to further elevate the value of the Osaka–Kansai region.