



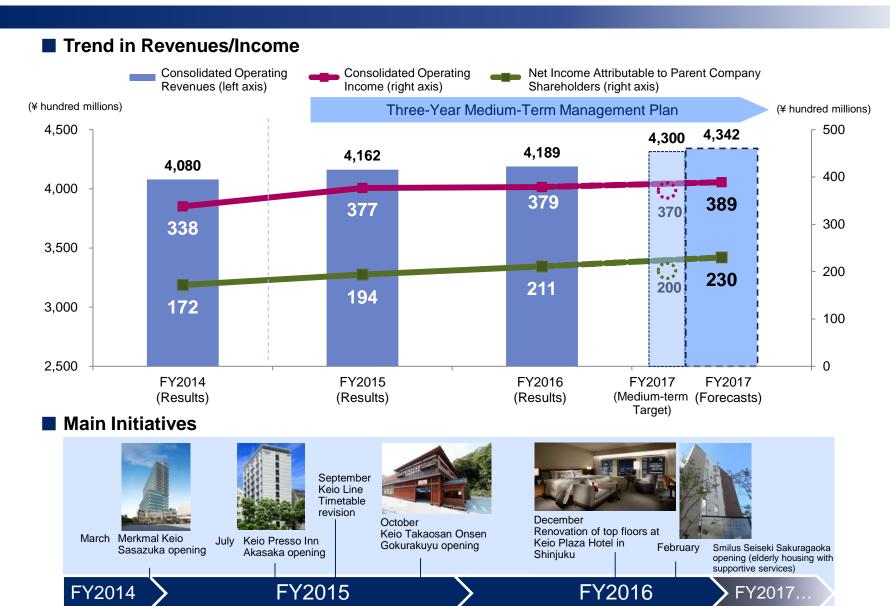
Fiscal 2016 Financial Results

[Keio Group Progress on Three-Year Medium-Term Management Plan]

-May 9, 2017-

Keio Corporation 京王電鉄株式会社

Progress on Three-Year Medium-Term Management Plan (FY2015-2017)



Three-Year Medium-Term Management Plan Growth Story and Fiscal 2017 Implementation Measures

Business expansion taking advantage of opportunities Increased lodging demand Hosting of Olympics

Inbound/outbound market expansion

Share community market expansion

Expansion of hotel business

<u>Promotion of preparations for opening upper-middle grade hotels</u>

Expansion of Keio Presso Inn openings

Expansion of inbound business

<u>Preparation of wide area tourism route centered on Chuo Expressway</u>

Expansion of renovation business

Establishment of system for managing vacation rentals and promotion of area expansion
Rollout of shared-type hotel complexes

Strengthening of profitability of existing neighborhood businesses

Intensification of competition (Especially Merchandise Sales)

Neighborhood population decline

Utilization of space around stations
 Promotion of preparations for opening store complexes

• Improvement of neighborhood value

Opening of amusement facility next to Tamadobutsukoen Station

Promotion of consideration of elderly housing, nursery schools, etc.

• Revitalization of facilities along rail lines

Opening of commercial facilities in Chofu Promotion of discussions aimed at revitalizing the Shinjuku area

Favorable financial standing

Maintenance of current level

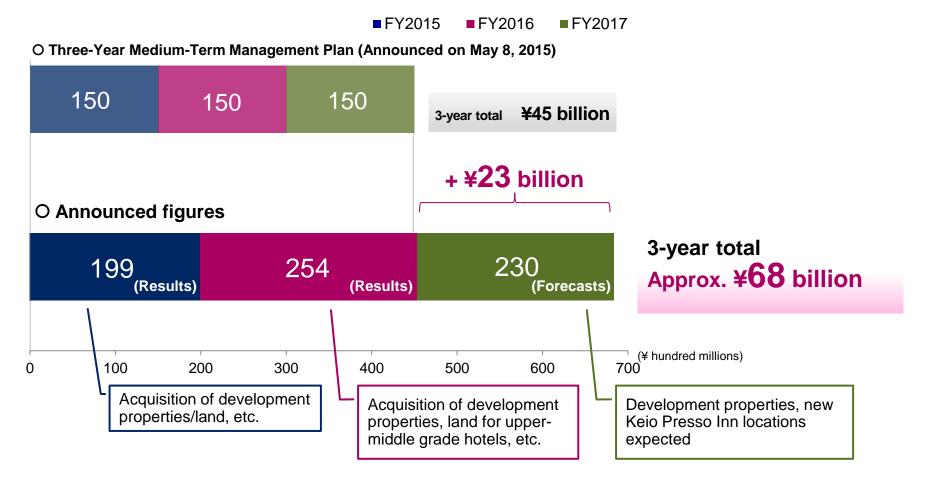
Utilization of space around stations

D/E ratio in FY2016: 1.0x

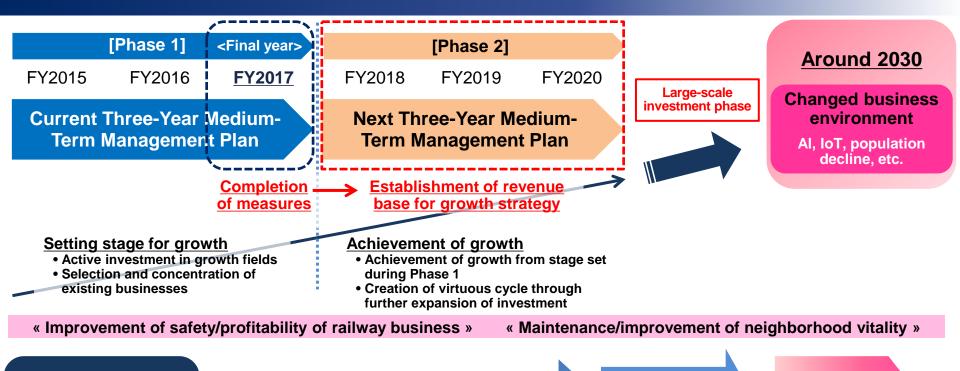
Direction of Strategic Investing

< Continue active investment in growth fields >

- In fiscal 2016, **¥25.4 billion** was put toward strategic investing, reaching the planned figure from the Three-Year Medium-Term Management Plan.
- In fiscal 2017, a new ¥23 billion strategic investment ceiling has been established.
- Aggressive strategic investments will continue to be made while maintaining a solid financial standing.



Approach Anticipating Fiscal 2017 and Beyond



Looking ahead to 2030

Review of vision/measures

Establishment of internal business base supporting growth

Implementation of measures for development of new business model

New business model

In fiscal 2017, we will <u>complete major measures</u> and conduct <u>discussions to put together a vision</u> for the next Medium-Term Management Plan: "Achievement of Growth (Establishment of Revenue Base)."

The earnings forecasts and outlines on future performance noted in these materials include projections based on certain forecasts/assumptions made at the time of publication. Actual performance may differ from forecast figures due to various factors.