

感謝の気持ちでつなく、未来へ。



Fiscal 2013 Second Quarter Financial Results

– November 6, 2013 –

Keio Corporation
京王電鉄株式会社

Contents

I. Fiscal 2013 Second Quarter Earnings



II. Fiscal 2013 Full-Year Earnings Forecasts



III. Fiscal 2013 Initiatives





I. Fiscal 2013 Second Quarter Earnings



1. Consolidated Statements of Income
2. Consolidated Balance Sheets
3. Consolidated Statements of Cash Flows
4. Segment Information

1. Consolidated Statements of Income

(Units: ¥ millions)

	FY2012 2Q Results	FY2013 2Q Results	Change (%)	FY2013 2Q Planned (2013.4.30 announced)	Difference (%)
Operating Revenues	193,936	198,201	4,265 (2.2%)	198,200	1 (0.0%)
Operating income	16,411	19,228	2,816 (17.2%)	17,100	2,128 (12.4%)
Ordinary Income	14,633	17,706	3,073 (21.0%)	15,200	2,506 (16.5%)
Net Income	8,859	10,856	1,997 (22.5%)	9,000	1,856 (20.6%)
EBITDA	33,241	35,758	2,516 (7.6%)		
Depreciation and Amortization	16,627	16,327	-299 (-1.8%)		
Capital Expenditures	10,110	12,148	2,038 (20.2%)		

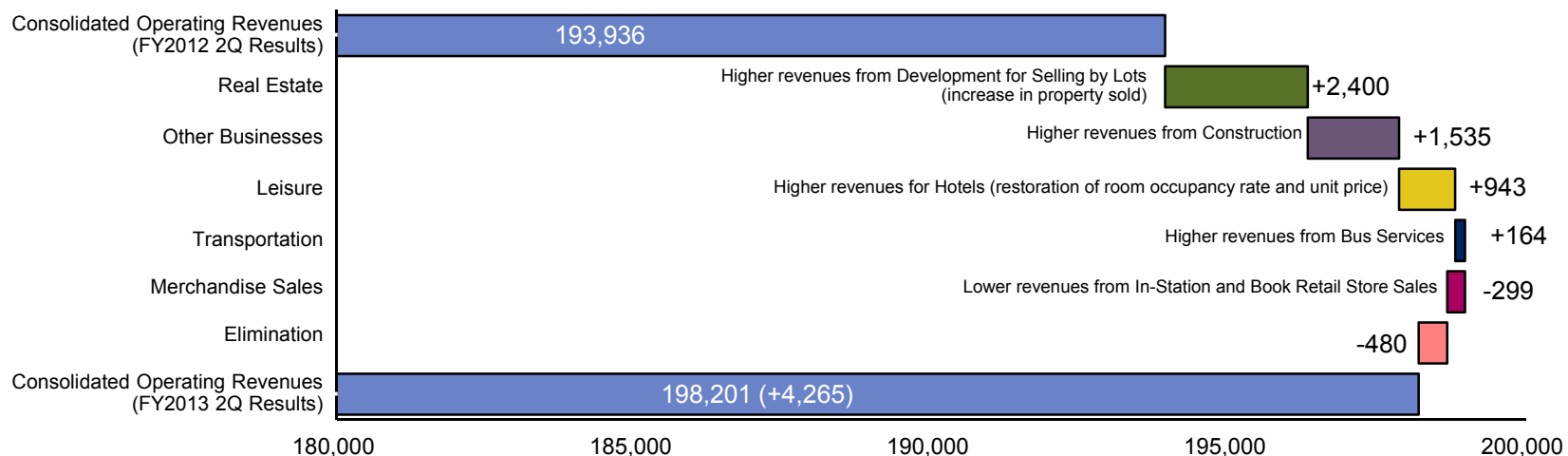
(Note) 1. EBITDA is calculated as operating income + depreciation and amortization + amortization of goodwill.

2. FY2013 2Q planned figures are those announced on April 30th, 2013.

1-2. Operating Revenues/Operating Income Change Factors (vs. PY)

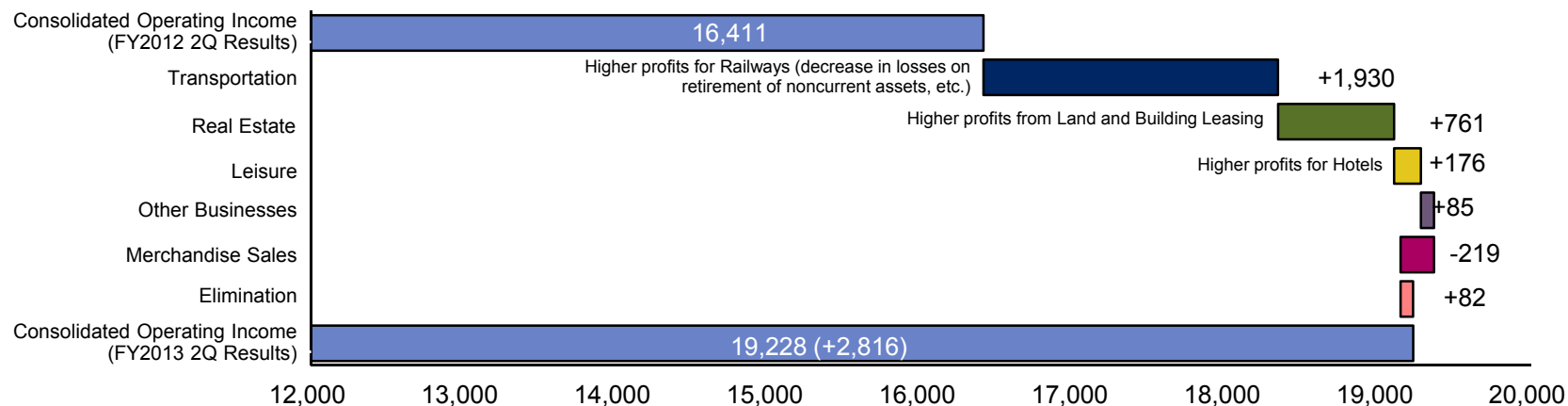
1. Consolidated Operating Revenues

(Units: ¥ millions)



2. Consolidated Operating Income

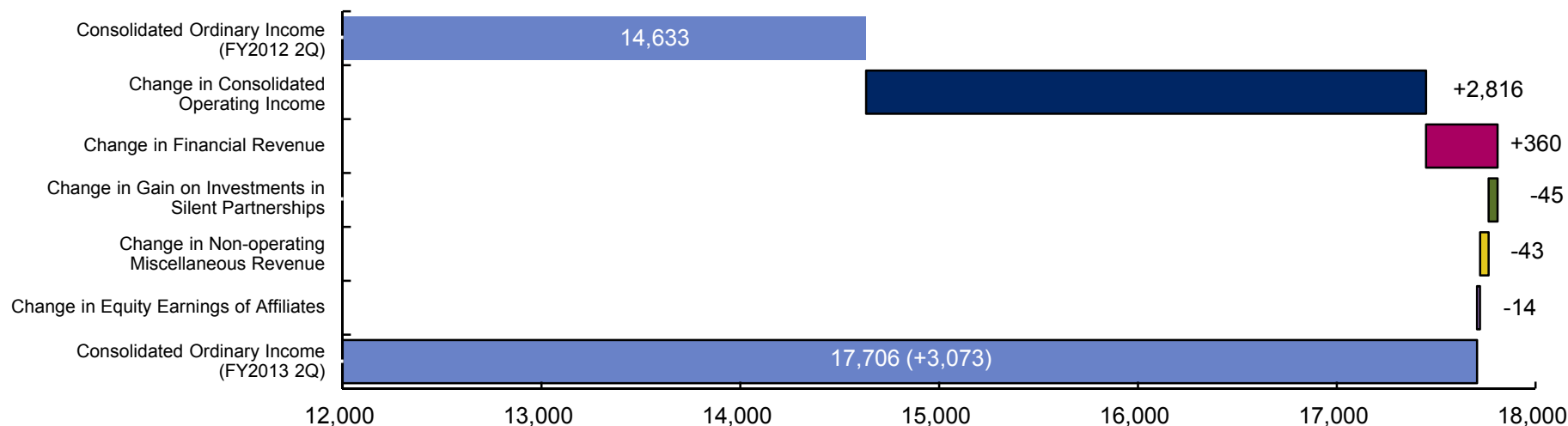
(Units: ¥ millions)



1-3. Ordinary Income/Net Income Change Factors (vs. PY)

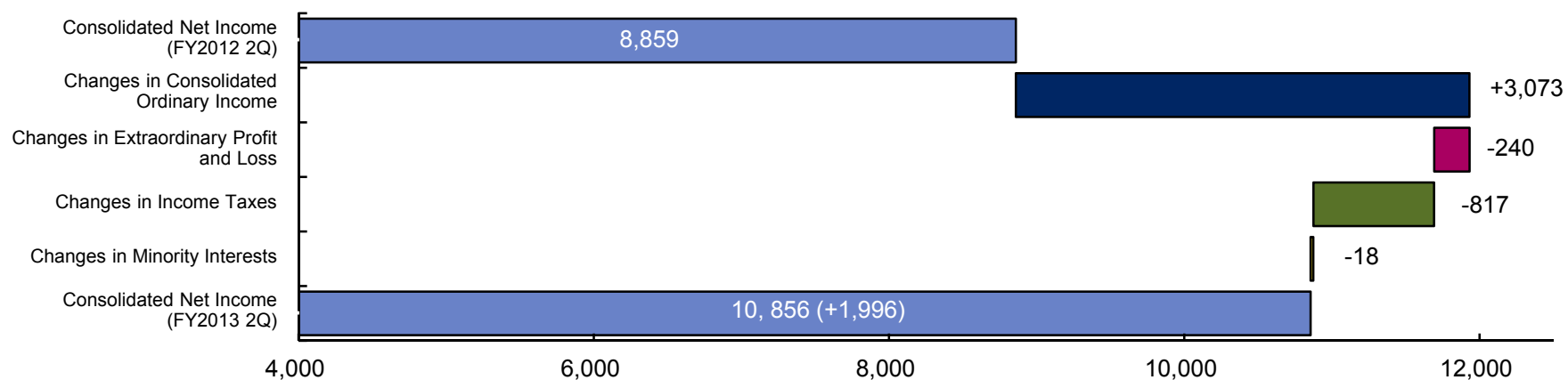
1. Consolidated Ordinary Income

(Units: ¥ millions)



2. Consolidated Net Income

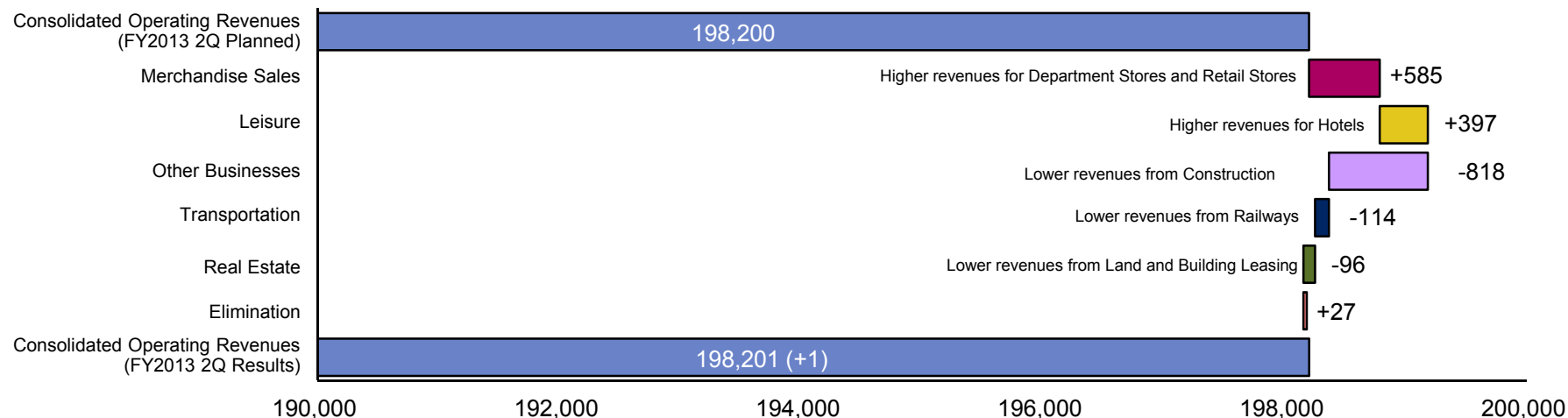
(Units: ¥ millions)



1-4. Operating Revenues/Operating Income Change Factors (vs. Forecasts <announced on April 30>)

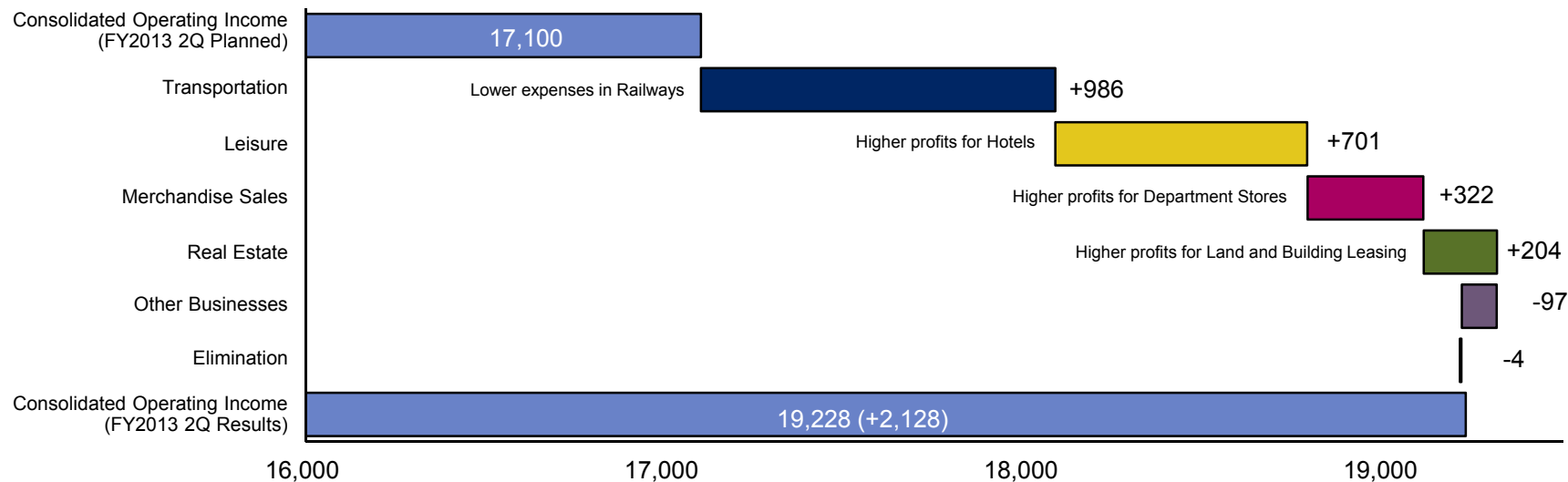
1. Consolidated Operating Revenues

(Units: ¥ millions)



2. Consolidated Operating Income

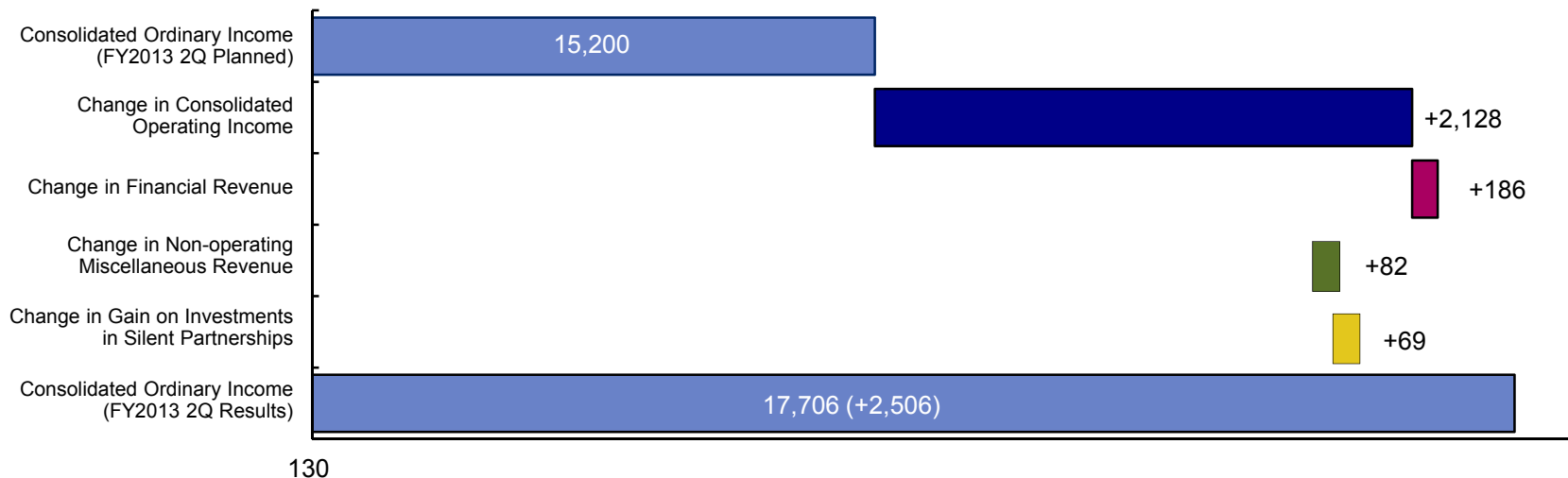
(Units: ¥ millions)



1-5. Ordinary Income/Net Income Change Factors (vs. Forecasts <announced on April 30>)

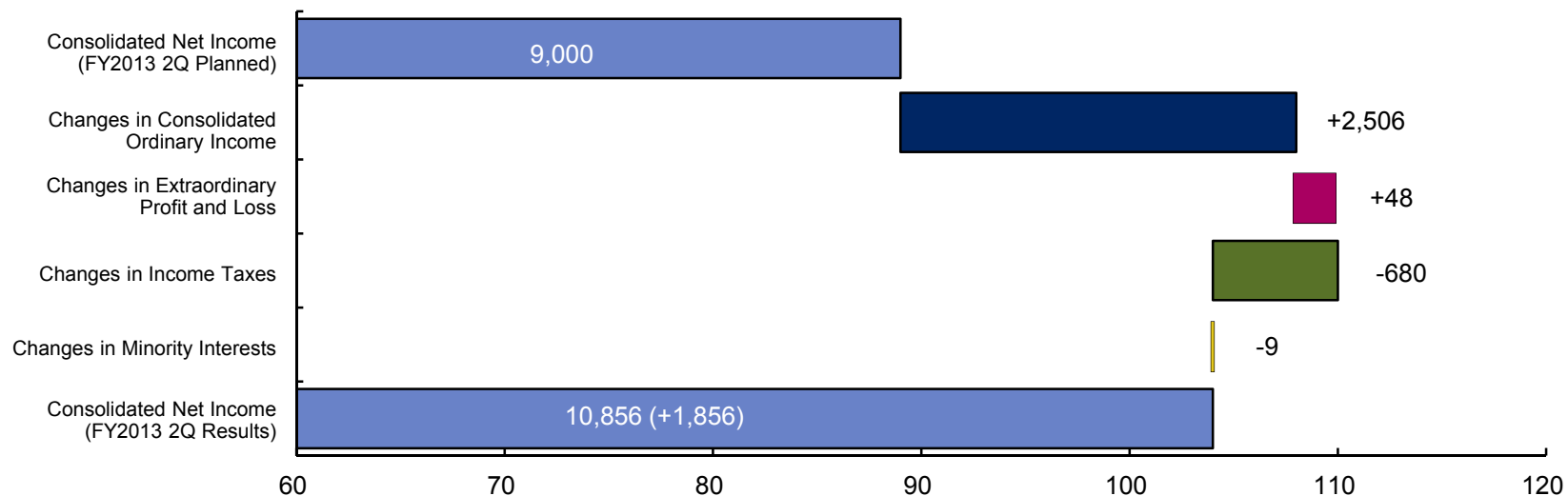
1. Consolidated Ordinary Income

(Units: ¥ millions)



2. Consolidated Net Income

(Units: ¥ millions)



2. Consolidated Balance Sheets

(Units: ¥ millions)

	FY2012 Results	FY2013 2Q Results	Change	Change Factors
Total Assets	793,293	758,339	-34,954	Decrease due to decline in negotiable deposits and decrease in cash and deposits
Liabilities	514,459	468,924	-45,535	Decrease due to reimbursement of bonds and payment of construction deposits, etc.
Net Assets	278,834	289,414	10,580	Increase due to booking of term net income
Total Liabilities and Net Assets	793,293	758,339	-34,954	
Interest-Bearing Debt	356,366	322,108	-34,258	Decrease due to reimbursement of bonds

(Note) Interest-bearing debt is calculated as loans payable + bonds payable + long-term accounts payable to Japan railway construction, transport and technology agency.

3. Consolidated Statements of Cash Flows

(Units: ¥ millions)

	FY2012 Results	FY2013 2Q Results	Change	Change Factors
Net Cash Provided by (Used in) Operating Activities	27,352	31,232	3,879	
Net Cash Provided by (Used in) Investing Activities	-23,720	-26,192	-2,471	
Net Cash Provided by (Used in) Financing Activities	-4,215	-37,590	-33,374	
End of Quarter Balance for Cash and Cash Equivalents	70,135	51,249	-18,885	

4. Segment Information (Corporate Composition)

Consolidated

38 Companies as of the end of Sep. 2013

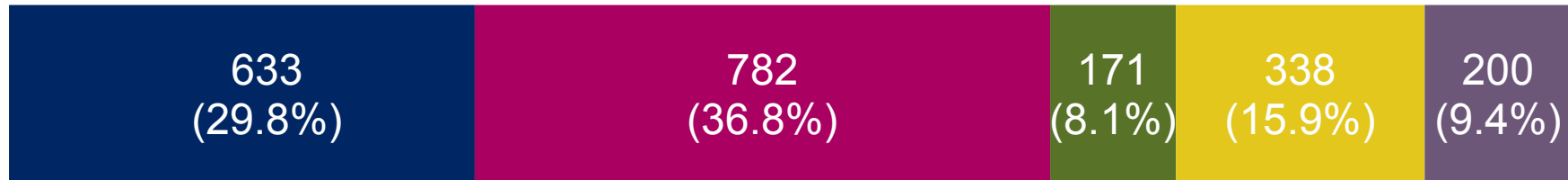
(Keio Corporation overlaps multiple business segments)

Transportation	Merchandise Sales	Real Estate	Leisure	Other Businesses
Keio Corporation Keio Dentetsu Bus Keio Jidousha Six others	Keio Department Store Keio Store Keio Shoseki Hanbai Six others	Keio Corporation Keio Realty and Development Keio Chika Chushajou ReBITA	Keio Plaza Hotel Keio Travel Agency Keio Agency Four others	Keio Setsubi Service Keio Juuki Seibi Keio Kensetsu Eight others

Operating Revenues

FY2013 2Q: ¥1,982 hundred million

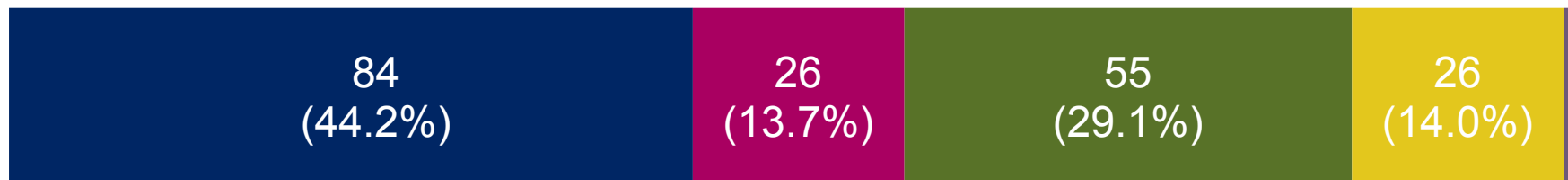
<Units: ¥ hundred millions>



Operating Income

FY2013 2Q: ¥192 hundred million

<Units: ¥ hundred millions>



(Note) Segment figures include intersegment amounts, ratios.

-1 (-1.0%)

4. Segment Information (Transportation-1)

(Units: ¥ millions)

	FY2012 2Q Results	FY2013 2Q Results	Change (%)	Change Factors	FY2013 2Q Planned (2013.4.30 announced)	Difference (%)
(Railways)	40,648	40,697	48 (0.1%)	Refer to next page	40,758	-61 (-0.2%)
(Bus Services)	16,924	17,292	368 (2.2%)	Refer to below table	17,044	248 (1.5%)
(Taxi Services)	6,528	6,368	-160 (-2.5%)		6,458	-90 (-1.4%)
(Other)	1,198	1,232	33 (2.8%)		1,229	0 (0.1%)
(Elimination)	-2,087	-2,212	-125 —		-2,000	-211 —
Operating Revenues	63,213	63,378	164 (0.3%)		63,492	-114 (-0.2%)
Operating Income	6,536	8,466	1,930 (29.5%)	Decrease in railway costs	7,480	986 (13.2)
Depreciation and Amortization	11,405	11,276	-128 (-1.1%)			
Capital Expenditures	5,490	5,778	287 (5.2%)			
EBITDA	17,941	19,743	1,801 (10.1%)			

Ref.: Bus Services Net Sales

(Units: ¥ hundred millions)

Local Routes	121	122	0 (0.7%)		122	-0 (-0.2%)
Freeway Bus	25	27	1 (6.8%)		25	1 (6.1%)

(Note) Beginning this fiscal year the aggregation method for bus operations was changed from simple consolidation between the bus groups, as done in the past, to simple totaling.

4. Segment Information (Transportation-2 [Railways Transportation Results])

		FY2012 2Q Results	FY2013 2Q Results	Change (%)		Change Factors
Passengers Transported (thousands of people)	Commuter-pass	184,926	185,649	723	(0.4%)	
	(Business)	134,570	135,490	920	(0.7%)	
	(Students)	50,356	50,159	-197	(-0.4%)	
	Non-Commuter-Pass	132,017	130,803	-1,214	(-0.9%)	
	Total	316,943	316,452	-491	(-0.2%)	
Passenger Revenues (¥ millions)	Commuter-pass	16,696	16,771	74	(0.4%)	Increase in passengers transported
	(Business)	14,708	14,791	82	(0.6%)	
	(Students)	1,987	1,980	-7	(-0.4%)	
	Non-Commuter-Pass	22,370	22,226	-144	(-0.6%)	Decrease in passengers transported
	Total	39,067	38,997	-69	(-0.2%)	

4. Segment Information (Merchandise Sales)

(Units: ¥ millions)

	FY2012 2Q Results	FY2013 2Q Results	Change (%)	Change Factors	FY2013 2Q Planned (2013.4.30 announced)	Difference (%)
(Department Stores)	43,206	43,331	125 (0.3%)	Increase in existing store sales	42,605	725 (1.7%)
(Retail Stores)	18,245	18,276	31 (0.2%)	Increase in existing store sales	18,133	142 (0.8%)
(Retail Stores - Books)	5,121	4,920	-201 (-3.9%)		5,012	-92 (-1.8%)
(Retail Stores - in Stations)	4,378	4,125	-253 (-5.8%)		4,284	-159 (-3.7%)
(Shopping Centers)	5,317	5,262	-55 (-1.0%)		5,178	83 (1.6%)
(Other)	5,590	5,572	-17 (-0.3%)		5,699	-126 (-2.2%)
(Elimination)	-3,346	-3,274	71 —		-3,286	0 —
Operating Revenues	78,512	78,213	-299 (-0.4%)		77,627	585 (0.8%)
Operating Income	2,855	2,636	-219 (-7.7%)		2,313	322 (14.0%)
Depreciation and Amortization	1,484	1,452	-32 (-2.2%)			
Capital Expenditures	803	1,366	562 (70.0%)			
EBITDA	4,340	4,088	-251 (-5.8%)			

4. Segment Information (Real Estate)

(Units: ¥ millions)

	FY2012 2Q Results	FY2013 2Q Results	Change (%)	Change Factors	FY2013 2Q Planned (2013.4.30 announced)	Difference (%)
(Land and Building Leasing)	14,493	14,916	423 (2.9%)	Keio Realty & Development +234 ReBITA +125	14,930	-13 (-0.1%)
(Development for Selling by Lots)	3,874	6,101	2,227 (57.5%)	ReBITA +1,848 Keio Corporation +334	6,033	67 (1.1%)
(Other)	541	484	-57 (-10.6%)		453	31 (6.9%)
(Elimination)	-4,161	-4,353	-191 —		-4,172	-181 —
Operating Revenues	14,748	17,148	2,400 (16.3%)		17,245	-96 (-0.6%)
Operating Income	4,814	5,575	761 (15.8%)		5,371	204 (3.8%)
Depreciation and Amortization	1,924	1,913	-50 (-2.6%)			
Capital Expenditures	1,814	977	-27 (-2.8%)			
EBITDA	6,967	7,691	710 (10.2%)			

Ref.: Real Estate Operating Income Details

(Units: ¥ hundred millions)

Land and Building Leasing	49	50	0 (1.6%)		47	2 (6.3%)
Development for Selling by Lots	3	6	3 (78.6%)		5	1 (17.8%)

4. Segment Information (Leisure)

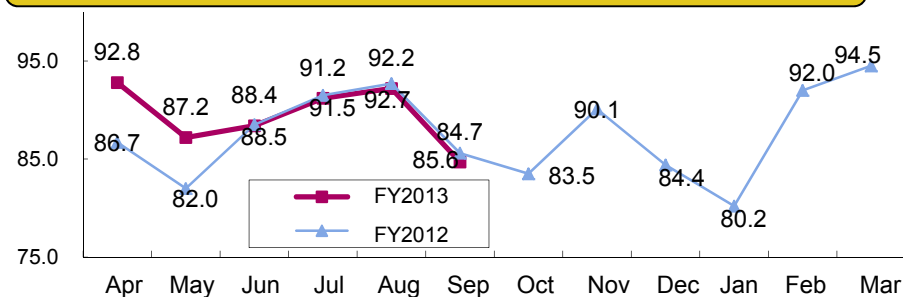
(Units: ¥ millions)

	FY2012 2Q Results	FY2013 2Q Results	Change (%)	Change Factors	FY2013 2Q Planned (2013.4.30 announced)	Difference (%)
(Hotels)	20,591	21,407	815 (4.0%)	Keio Plaza Hotel +456	20,904	502 (2.4%)
(Travel Services)	9,309	9,349	39 (0.4%)	Increase in group tours	9,514	-1 (-1.7%)
(Advertising Services)	4,557	4,834	277 (6.1%)	Increase in orders received	4,597	237 (5.2%)
(Other)	3,198	3,143	-54 (-1.7%)		3,197	-53 (-1.7%)
(Elimination)	-4,716	-4,850	-133 —		- 4,726	-123 —
Operating Revenues	32,941	33,885	943 (2.9%)		33,487	397 (1.2%)
Operating Income	2,518	2,694	176 (7.0%)		1,594	701 (35.2%)
Depreciation and Amortization	1,675	1,606	-69 (-4.1%)			
Capital Expenditures	1,363	2,737	1,373 (100.7%)			
EBITDA	4,193	4,300	107 (2.6%)			

[Ref. 1]
Keio Plaza Hotel (Shinjuku) Room Occupancy Rates, Room Unit Prices [cumulative]

Room Occupancy Rates	87.8%	89.4%	1.6P
Average Daily Rate	¥13,803	¥15,522	¥1,719

[Ref. 2]
Keio Plaza Hotel (Shinjuku) Room Occupancy Rates Trends [by month]



4. Segment Information (Other Businesses)

(Units: ¥ millions)

	FY2012 2Q Results	FY2013 2Q Results	Change (%)	Change Factors	FY2013 2Q Planned (2013.4.30 announced)	Difference (%)
(Building Maintenance)	9,079	9,262	182 (2.0%)	Increase in construction revenues	8,783	478 (5.4%)
(Railway Car Maintenance)	3,287	2,935	-351 (-10.7%)		3,253	-317 (-9.8%)
(Construction)	4,449	6,029	1,579 (35.5%)	Increase in construction revenues	7,077	-1,048 (-14.8%)
(Other)	2,562	2,818	255 (10.0%)		3,035	-217 (-7.2%)
(Elimination)	-892	-1,022	-130 —		-1,309	286 —
Operating Revenues	18,486	20,022	1,535 (8.3%)		20,841	-818 (-3.9%)
Operating Income	-269	-184	85 —		-87	-97 —
Depreciation and Amortization	179	173	-5 (-3.3%)			
Capital Expenditures	82	134	-123 (-47.8%)			
EBITDA	-90	-11	79 —			

II. Fiscal 2013 Full-Year Earnings Forecasts

There is no change to the fiscal 2013 full-year earnings forecasts.

1. [Reference-1] Figures announced on April 30
(Previous financial results materials)
2. [Reference-2] Major Initiatives of Each Brand

1. Consolidated Statements of Income

(Units: ¥ hundred millions)

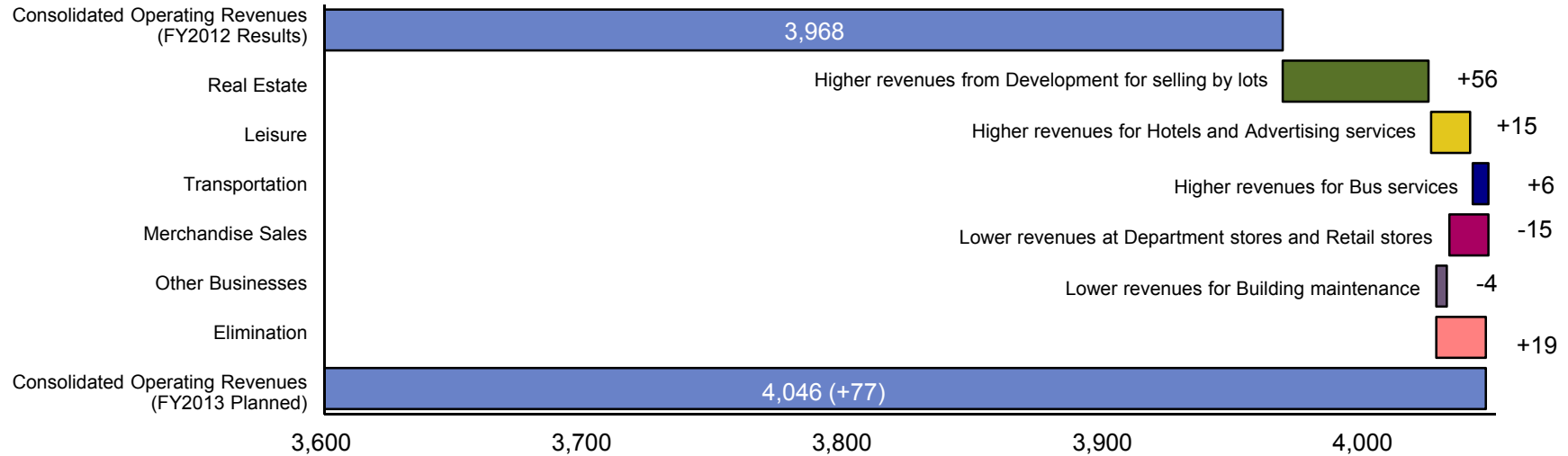
	FY2012 Results	FY2013 Planned	Change (%)		FY2013 Forecasts (2012.5.8 announced)	Difference (%)	
Operating Revenues	3,968	4,046	77	(2.0%)	4,026	20	(0.5%)
Operating Income	280	296	15	(5.6%)	264	32	(12.1%)
Ordinary Income	245	260	14	(6.0%)	225	35	(15.6%)
Net Income	147	158	10	(7.1%)	145	13	(9.0%)
EBITDA	630	646	15	(2.5%)	620	25	(4.2%)
Depreciation and Amortization	346	345	-0	(-0.1%)	351	-6	(-1.7%)
Capital Expenditures	493	598	105	(21.3%)	532	65	(12.3%)

(Note) EBITDA is calculated as operating income + depreciation and amortization + amortization of goodwill.

1-2. Operating Revenues/Operating Income Change Factors (vs. PY)

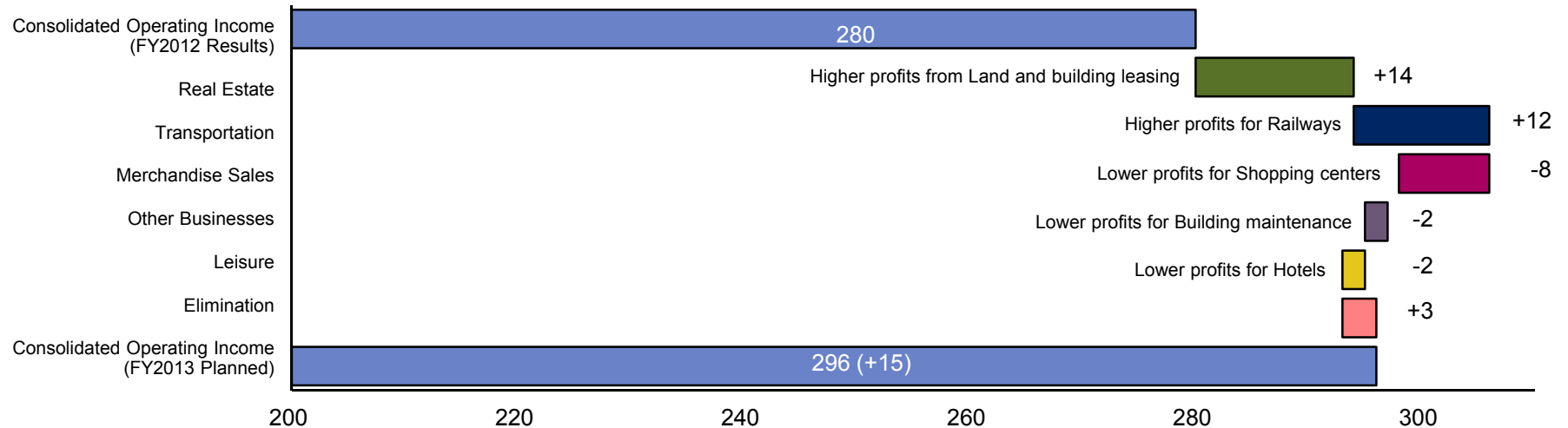
1. Consolidated Operating Revenues

(Units: ¥ hundred millions)



2. Consolidated Operating Income

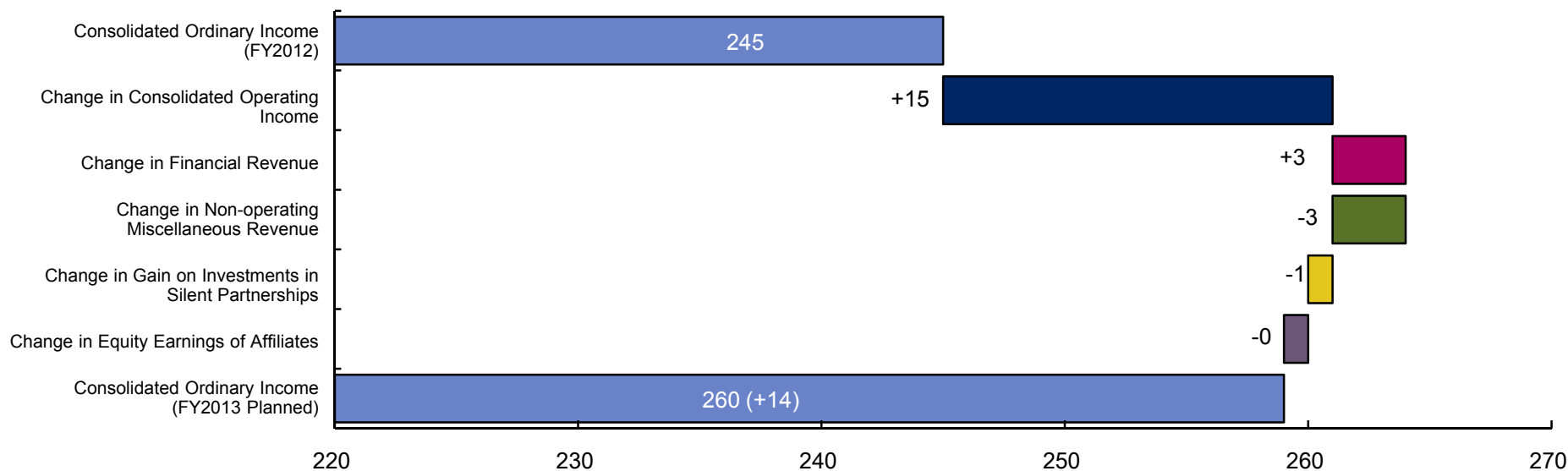
(Units: ¥ hundred millions)



1-3. Ordinary Income/Net Income Change Factors (vs. PY)

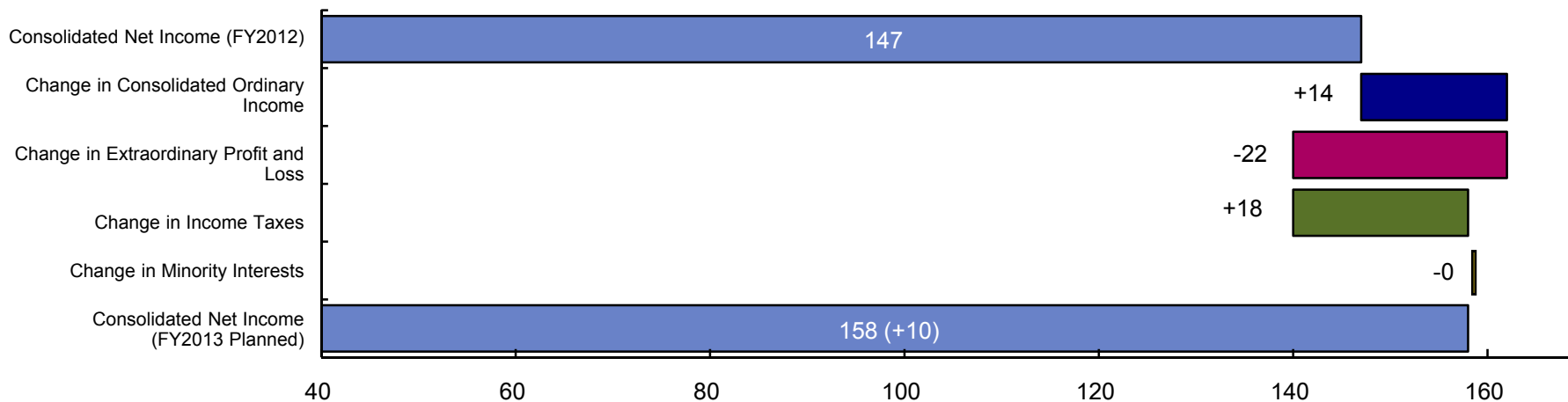
1. Consolidated Ordinary Income

(Units: ¥ hundred millions)



2. Consolidated Net Income

(Units: ¥ hundred millions)



2. Segment Information (Transportation-1)

(Units: ¥ hundred millions)

	FY2012 Results	FY2013 Planned	Change (%)		Change Factors	FY2013 Forecasts (2012.5.8 announced)	Difference (%)	
(Railways)	809	808	-1	(-0.2%)	Refer to next page	801	6	(0.8%)
(Bus Services)	330	333	2	(0.9%)	Refer to below table	328	4	(1.4%)
(Taxi Services)	131	131	0	(0.5%)		134	-2	(-2.0%)
(Other)	24	24	0	(1.2%)		24	0	(1.2%)
(Elimination)	-43	-39	3	—		- 42	3	—
Operating Revenues	1,253	1,259	6	(0.5%)		1,247	11	(0.9%)
Operating Income	88	101	12	(14.5%)		78	23	(29.7%)
Depreciation and Amortization	238	238	0	(0.0%)		242	-3	(-1.4%)
Capital Expenditures	224	234	10	(4.7%)		278	-44	(-15.9%)
EBITDA	327	340	12	(3.9%)		320	19	(6.2%)

Ref.: Bus Services Net Sales

(Units: ¥ hundred millions)

Local Routes	238	238	0	(0.2%)		236	2	(0.9%)
Freeway Bus	49	51	2	(5.4%)		51	-0	(-0.6%)

(Note) Beginning this fiscal year the aggregation method for bus operations was changed from simple consolidation between the bus groups, as done in the past, to simple totaling.

2. Segment Information (Transportation-2 [Railways Transportation Results])

		FY2012 Results	FY2013 Planned	Change (%)		Change Factors	FY2013 Forecasts (2012.5.8 announced)	Difference (%)	
Passengers Transported (thousands of people)	Commuter -Pass	360,945	358,664	-2,281	(-0.6%)	Decrease in working population along lines, etc.	357,598	1,066	(0.3%)
	(Business)	267,414	265,521	-1,893	(-0.7%)		264,947	574	(0.2%)
	(Students)	93,531	93,143	-388	(-0.4%)		92,651	492	(0.5%)
	Non-Commuter -Pass	264,740	263,340	-1,400	(-0.5%)	Decrease in working population along lines, etc.	263,304	36	(0.0%)
	Total	625,685	622,004	-3,681	(-0.6%)		620,902	1,102	(0.2%)
Passenger Revenues (¥ millions)	Commuter -Pass	32,899	32,707	-192	(-0.6%)	Decrease in passengers Transported, etc.	32,678	29	(0.1%)
	(Business)	29,211	29,032	-179	(-0.6%)		29,025	7	(0.0%)
	(Students)	3,688	3,675	-13	(-0.4%)		3,653	21	(0.6%)
	Non-Commuter -Pass	44,830	44,627	-202	(-0.5%)	Decrease in passengers Transported, etc.	44,537	89	(0.2%)
	Total	77,729	77,334	-395	(-0.5%)		77,216	118	(0.2%)

2. Segment Information (Merchandise Sales)

(Units: ¥ hundred millions)

	FY2012 Results	FY2013 Planned	Change (%)		Change Factors	FY2013 Forecasts (2012.5.8 announced)	Difference (%)	
(Department Stores)	906	899	-7	(-0.8%)		895	3	(0.4%)
(Retail Stores)	364	362	-2	(-0.7%)	Decrease in sales of existing stores	370	-8	(-2.2%)
(Retail Stores – Books)	103	101	-2	(-2.1%)		109	-7	(-7.1%)
(Retail Stores – in Stations)	84	81	-2	(-3.1%)		82	-0	(-1.1%)
(Shopping Centers)	105	104	-0	(-0.9%)		104	-0	(-0.1%)
(Other)	115	116	0	(0.9%)		125	-9	(-7.4%)
(Elimination)	-65	-66	-0	—		-68	2	—
Operating Revenues	1,614	1,599	-15	(-0.9%)		1,619	-20	(-1.3%)
Operating Income	53	44	-8	(-16.2%)		50	-5	(-10.8%)
Depreciation and Amortization	30	31	1	(4.0%)		32	-0	(-1.0%)
Capital Expenditures	37	71	34	(93.8%)		42	29	(70.5%)
EBITDA	83	76	-7	(-8.8%)		82	-5	(-7.0%)

2. Segment Information (Real Estate)

(Units: ¥ hundred millions)

	FY2012 Results	FY2013 Planned	Change (%)		Change Factors	FY2013 Forecasts (2012.5.8 announced)	Difference (%)	
(Land and Building Leasing)	293	299	5	(2.0%)	Keio Realty and Development +2 ReBITA +1	289	10	(3.6%)
(Development for Selling by Lots)	98	148	50	(50.9%)	ReBITA +35 Keio Realty and Development +14	143	5	(3.7%)
(Other)	11	9	-2	(-23.1%)		14	-5	(-36.5%)
(Elimination)	-88	-84	3	-		-89	5	-
Operating Revenues	316	373	56	(18.0%)		357	15	(4.3%)
Operating Income	92	107	14	(15.4%)		95	11	(12.0%)
Depreciation and Amortization	40	39	-0	(-1.3%)		40	-0	(-1.2%)
Capital Expenditures	136	220	84	(62.2%)		162	58	(36.0%)
EBITDA	137	150	13	(10.1%)		139	11	(7.9%)

Ref.: Real Estate Operating Income Details

(Units: ¥ hundred millions)

Land and Building Leasing	92	92	0	(0.4%)		83	8	(10.3%)
Development for Selling by Lots	7	12	5	(68.8%)	Keio Corporation +2 ReBITA +2	14	-1	(-10.6%)

2. Segment Information (Leisure)

(Units: ¥ hundred millions)

	FY2012 Results	FY2013 Planned	Change (%)		Change Factors	FY2013 Forecasts (2012.5.8 announced)	Difference (%)	
(Hotels)	421	429	7	(1.7%)	Keio Plaza Hotel +4	431	-1	(-0.5%)
(Travel Services)	166	170	3	(2.0%)		173	-3	(-2.0%)
(Advertising Services)	104	109	5	(5.1%)		109	0	(0.0%)
(Other)	59	60	0	(0.7%)		59	0	(0.8%)
(Elimination)	-95	-96	-0	—		-95	-0	—
Operating Revenues	656	672	15	(2.4%)		678	-5	(-0.8%)
Operating Income	40	37	-2	(-6.8%)		35	2	(6.0%)
Depreciation and Amortization	34	33	-1	(-3.3%)		33	-0	(-1.5%)
Capital Expenditures	64	67	2	(3.9%)		49	17	(35.2%)
EBITDA	75	71	-3	(-5.2%)		69	1	(2.3%)

[Ref.]

Keio Plaza Hotel (Shinjuku) Room Occupancy Rates, Room Unit Prices [cumulative]

Room Occupancy Rates	87.6%	87.1%	-0.5P
Average Daily Rate	¥14,142	¥14,774	¥632

2. Segment Information (Other Businesses)

(Units: ¥ hundred millions)

	FY2012 Results	FY2013 Planned	Change (%)		Change Factors	FY2013 Forecasts (2012.5.8 announced)	Difference (%)	
(Building Maintenance)	212	200	-12	(-5.9%)		200	0	(0.1%)
(Railway Car Maintenance)	86	79	-7	(-8.6%)		77	1	(2.2%)
(Construction)	163	178	14	(9.0%)		202	-23	(-11.7%)
(Other)	57	62	5	(9.5%)		63	- 1	(-1.8%)
(Elimination)	-23	-28	-5	—		-27	- 0	—
Operating Revenues	496	491	-4	(-1.0%)		515	-23	(-4.6%)
Operating Income	10	7	-2	(-28.5%)		9	-1	(-19.3%)
Depreciation and Amortization	3	3	0	(1.1%)		3	-0	(-4.4%)
Capital Expenditures	36	7	-28	(-79.4%)		5	2	(38.1%)
EBITDA	13	11	-2	(-20.7%)		12	-1	(-14.8%)

2. Segment Information (Merchandize Sales-2 [Keio Department Store, Shinjuku])

Keio Department Store, Shinjuku – Monthly Net Sales – Transition in Variation Ratio against Previous Year

- In preparation for our 50th anniversary commemoration in 2014, the Keio Department Store has adopted gradual renovations .And as part of our efforts to increase business opportunities expansion of small-scale stores.

Initiatives in preparation for 50th anniversary commemoration

- In preparation for our 50th anniversary commemoration in 2014, the Keio Department Store has adopted the idea of “A New Daily Lifestyle” as the theme for gradual renovations through which we will enhance our offerings in the areas of “beauty,” “health,” “hobbies,” and “delicious food.”
- We also are embracing various initiatives as we look to expand our customer base in the 45 to 59 age range while continuing to appeal to our 60 and over customers.
- As part of this initiative, in September 2013 we had a grand opening to celebrate the completion of renovations to the 2nd through 4th floors of our Shinjuku store.



Expanding small-scale satellite stores

- As part of our efforts to increase business opportunities, Keio Department Store continues with the expansion of small-scale stores.

In October 2012, we opened our second store, “Celeo Hachioji,” and store sales have been strong. We are considering developing new sites based on the same format.



Celeo Hachioji - interior



Celeo Hachioji - exterior

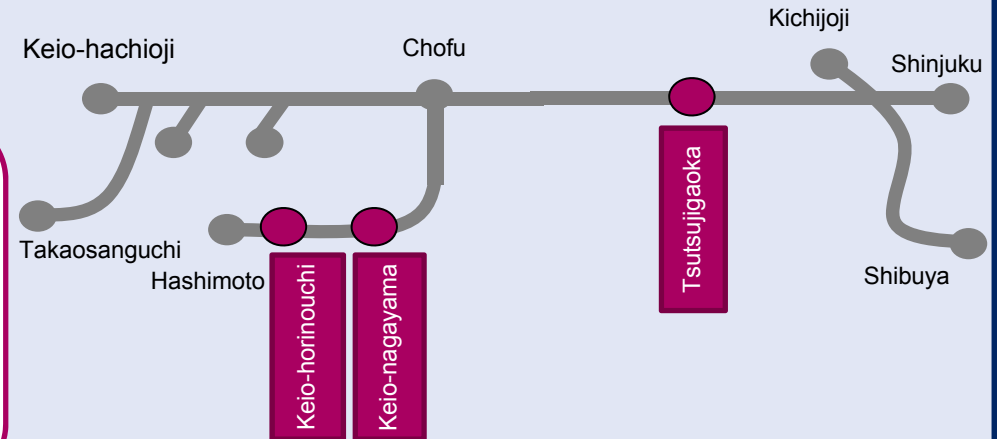
2. Segment Information (Merchandise Sales-3 [Keio Store Revenue Growth Strategy])

Development of Keio Store Express

- Keio Store will open more locations of “Keio Stores Express,” small-scale retail shops that take advantage of the location characteristics of each station. At present we have opened two stores (Tsutsujigaoka, Keio-nagayama) and are planning to open a third site at Keio-horinouchi before the end of 2013.

Tsutsujigaoka Store

- November 2011
- Opening of first small-scale store
- Retail space: Approx. 198m²



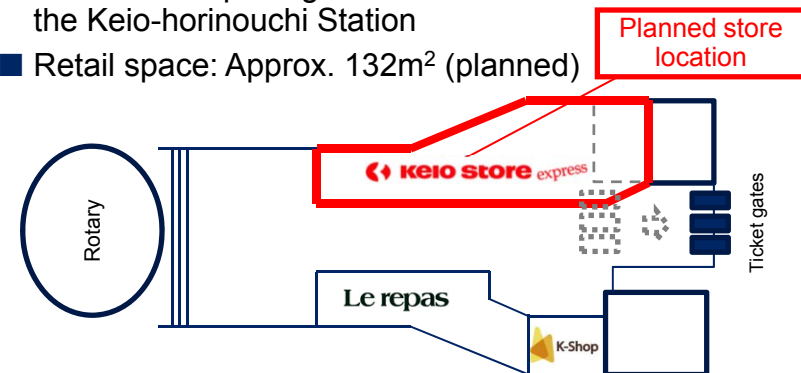
Keio-nagayama Store

- November 2012
- Opening of second small-scale store
- Retail space: Approx. 198m²



Keio-horinouchi Store

- Planned for opening before the end of 2013 inside the Keio-horinouchi Station
- Retail space: Approx. 132m² (planned)

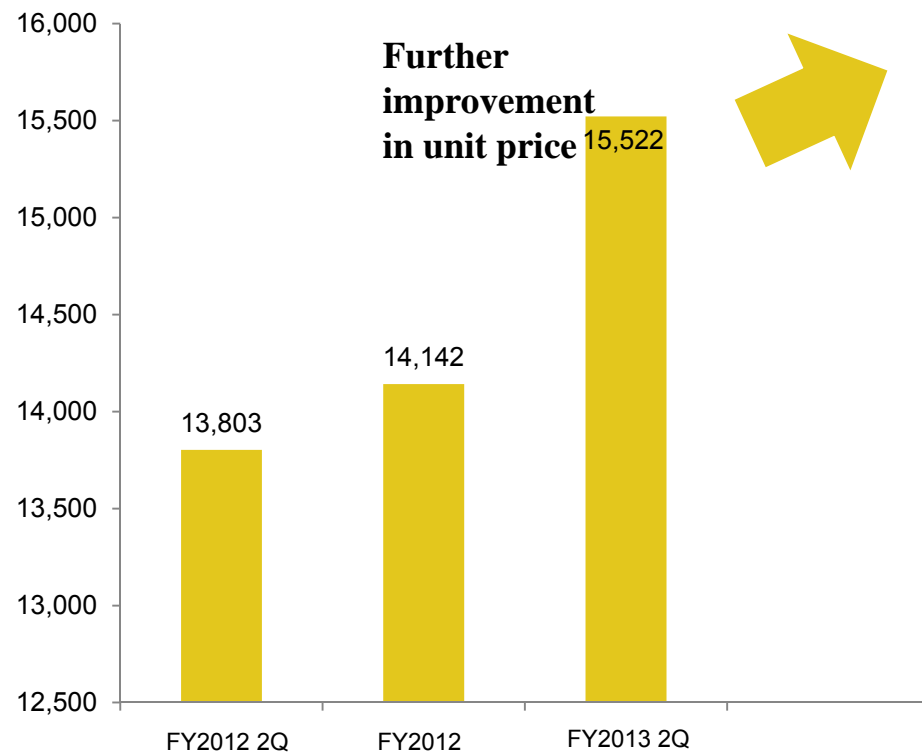


2.Segment Information (Leisure-2) [Keio Plaza Hotel]

Keio Plaza Hotel Shinjuku – Monthly Transitions in Occupancy Rates/Unit Price

- Keio Plaza Hotel is implementing various measures to maintain its current high occupancy rates while achieving further improvements in unit price.
- As part of these efforts, this year the hotel is planning to renovate guest rooms on floors 28 through 33 of the South Tower and, from July 3, beginning selling these rooms as their “Plaza Luxe” line.

Keio Plaza Hotel Shinjuku (Total average daily rate)



Keio Plaza Hotel Shinjuku (South Tower High Floor Room) Renovations



III. FY2013 Initiatives

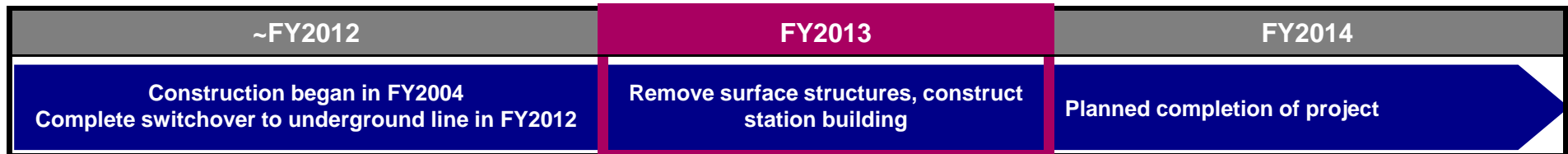
- (1) Medium-Term Investment Schedule
- (2) Improve Safety and Revenue Potential in our Railway Business
 - (a) Grade Crossing, Elevated Line Construction near the Chofu Station
 - (b) Keio Line (Between Sasazuka and Sengawa Stations) Grade Crossings/Elevated Lines
- (3) Neighborhood Success
 - (a) Keio Kichijoji Station Building Reconstruction
 - (b) Redevelopment of Building Reconstruction
 - (c) Takaosanguchi Hot Spring Facility
 - (d) Development of Area around Chofu Station
 - (e) Initiatives toward “Being the Rail Line People Choose to Live Near”
- (4) Growth Initiatives
 - (a) Operation of 3,000 Rooms at Keio Presso Inn
 - (b) ReBITA Pipeline Strategy
 - (c) Business Development that Takes Advantage of ReBITA
- (5) About our 100th Anniversary
 - (a) New "Keio Rail Land"

(1) Medium-Term Investment Schedule

	~FY2012	FY2013	FY2014	FY2015~
Grade Crossing, Elevated Line Construction near the Chofu Station	Construction began in FY2004 Complete switchover to underground line in FY2012	Remove surface structure, construct station building	Planned completion of project	
Development of Area around Chofu Station			Begin preparations aimed at above-ground completion after completion of joint project from Schedule for completion in 2017	
Keio Kichijoji Station Building Reconstruction	Construction began in FY2010 Demolition work and new construction	New construction Opening planned for spring of 2014		
Redevelopment of Building Complex in Sasazuka	City planning and project planning Demolition work	New construction	Opening planned for spring of 2015	
Takaosanguchi Hot Spring Facility	FY2012 Started excavation	Excavation and start construction	Plan for opening in 2014	
Keio Line (Between Sasazuka and Sengawa Stations) Grade crossings/elevated lines				

(2) Improve Safety and Revenue Potential in our Railway Business

(a) Grade Crossing, Elevated Line Construction near the Chofu Station



[Future plans]

- Progressing with construction of the area around the station and road restoration works. Project completion planning for the end of FY2014.

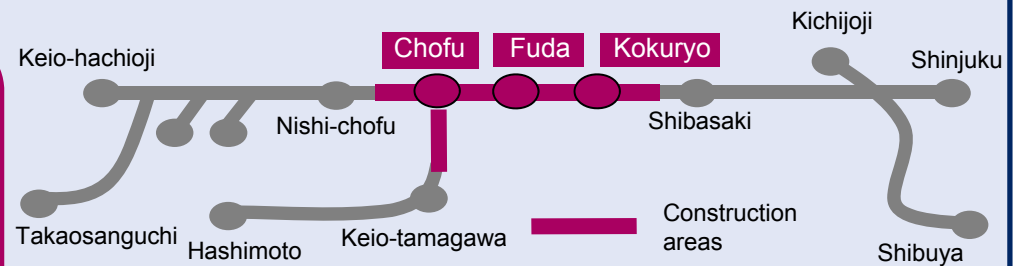
Chofu Stn



Structure prior to switch to underground station



Construct facilities to match above-ground utilization
(See Slide 37 for above-ground utilization)



Fuda Stn



Structure prior to switch to underground station



New station building

Kokuryo Stn



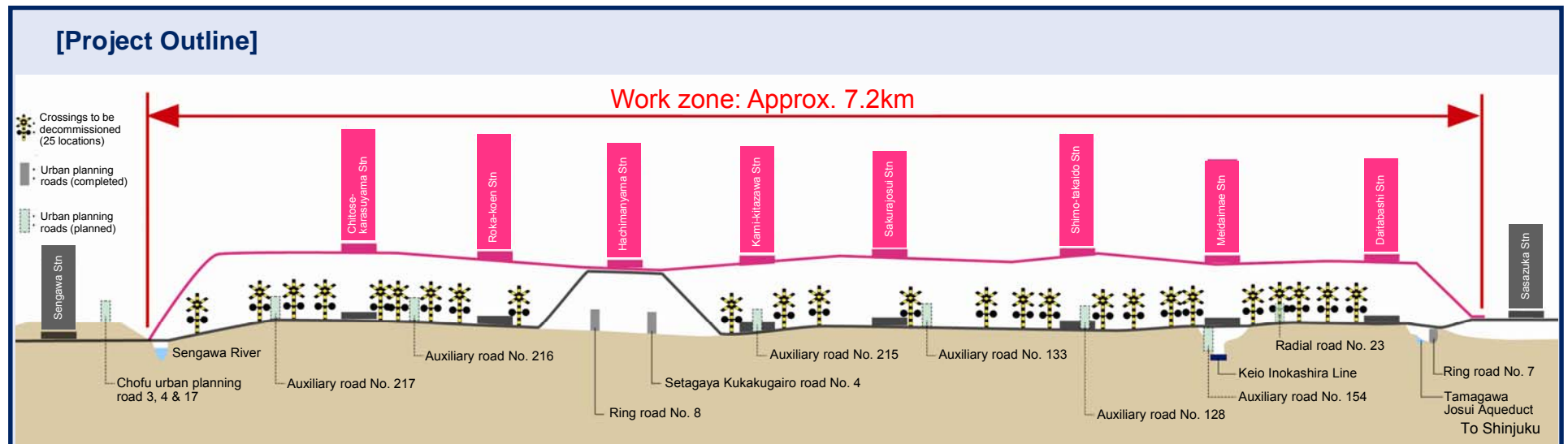
Structure prior to switch to underground station



New station building

(2) Improve Safety and Revenue Potential in our Railway Business

(b) Keio Line (Between Sasazuka and Sengawa Stations) Grade Crossings/Elevated Lines



[Benefits of the Project]

- Facilitation of roadway traffic ⇒ **Relieve traffic congestion** caused by waiting at grade crossings.
- Improvement in safety ⇒ Through elimination of grade crossing, **improve both road and railway safety**.
- Regional development ⇒ **Reunite neighborhoods** once divided by a rail line.

[Future schedule]

- Aim for FY2013 urban planning permit acquisition and construction launch while advancing procedures with the Tokyo Metropolitan government, which is the project sponsor.

(3) Neighborhood Success

(a) Keio Kichijoji Station Building Reconstruction

~FY2012	FY2013	FY2014
Construction began in FY2010 ~Demolition work and new construction	New construction Opening planned for spring of 2014	

- Reconstruction work began on the Kichijoji station (Inokashira Line), including elevated bridge construction and station building renovation.
- Aiming to open for business in spring of 2014, new construction and leasing are all in progress.

Appearance before Reconstruction

[Outline]

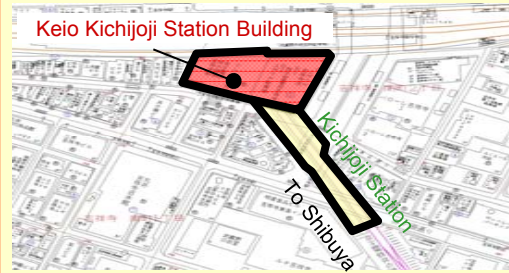
- Construction completed in 1970
- * In 2004 became totally owned by Keio Corporation
- Built with 8 floors and 2 basement levels
- Gross floor area: Approx. 24,000 m²
- Building use: Commercial building



■ The building had become antiquated (40 years after it was built)

Present Status

- Completed switchover of the passage way. Continuing to progressing with renovation of the station building.



Area around the Kichijoji Station entrance after the switchover

Finished Project Concept

- A commercial facility centering on trendy fashion to serve as a new landmark for Kichijoji



[Outline]

- Built with 10 floors and 2 basement levels
- Land area: Approx. 3,400 m²
- Gross floor area: Approx. 28,000 m²
- Building use: Commercial building
- Total cost of project: Approx. ¥16 billion

(3) Neighborhood Success

(b) Redevelopment of Building Complex in Sasazuka


~FY2012	FY2013	FY2014
Demolition work	New construction	Opening planned for spring of 2015

- Redevelopment project for a building owned by Keio group company, Keio Juke Seibel, adjacent to Sasazuka Station.
- In conjunction with the Shibuya-ku city plan, contribute to community making and improve area potential.

Appearance before Reconstruction

[Outline]

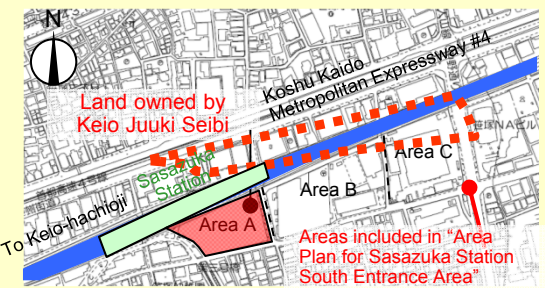

- Construction completed in 1967
- Built with 9 floors and 1 basement level
- Gross floor area: Approx. 22,000 m²



- The decision to rebuild was made due to problems of building and facilities deterioration and poor seismic capacity

City Plans
 (“Area Plan for Sasazuka Station South Entrance Area,” etc.)

- Relaxation of limits on architectural volume and building height
- Establish a public square (plaza) and setback wall

New construction site

Image of Completed Redevelopment
 “Connecting the town, people, and future”
 A new central area for Sasazuka, developing together with the community



[Outline]

- Completion planned for January, 2015
- 21 floors and 2 basement levels
- Maximum height: Approx. 93m
- Gross floor area: Approx. 38,400m²
- Commercial space: Floors 1 ~ 3
Office space: Floors 4 ~ 8
- Residential: Floors 10~ 21
- Total cost of project: Approx. ¥14 billion

(3) Neighborhood Success

(c) Takaosanguchi Hot Spring Facility

~FY2012	FY2013	FY2014
FY2012 Start excavation	Excavation and start construction	Open in 2014 (planned)

- Construct a hot springs facility on company-owned land adjacent to Takaosanguchi station.

Pre-construction state

[Outline]

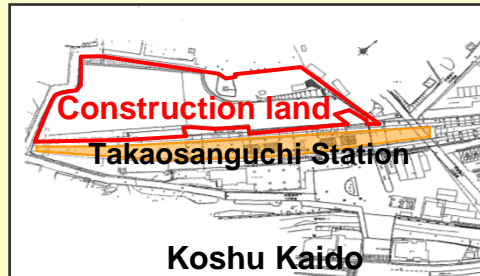
- Land area: 3,832.9 m²



- Develop facility as part of environment development for Takaosanguchi area

Current

- Conducting hot spring exploration excavation.



Boring construction

Image of Completed Redevelopment

- Aim to improve tourism appeal
- Revitalize area along the railway and improve revenue potential



[Outline]

- Built with 2 floors
- Gross floor area: 1,767.8 m²
- Construction purpose: Public bath, food & beverage, sales
- Total cost of project: ¥1,000 hundred million
- Open in 2014 (planned)

(3) Neighborhood Success

(d) Development of Area around Chofu Station



[Future plans]

- Begin construction after completion of grade crossing, elevated line construction for railway, scheduled for completion in 2017.

[Outline]

- Scheduled for completion in 2017
- Multi-function commercial facility

[Lot A]

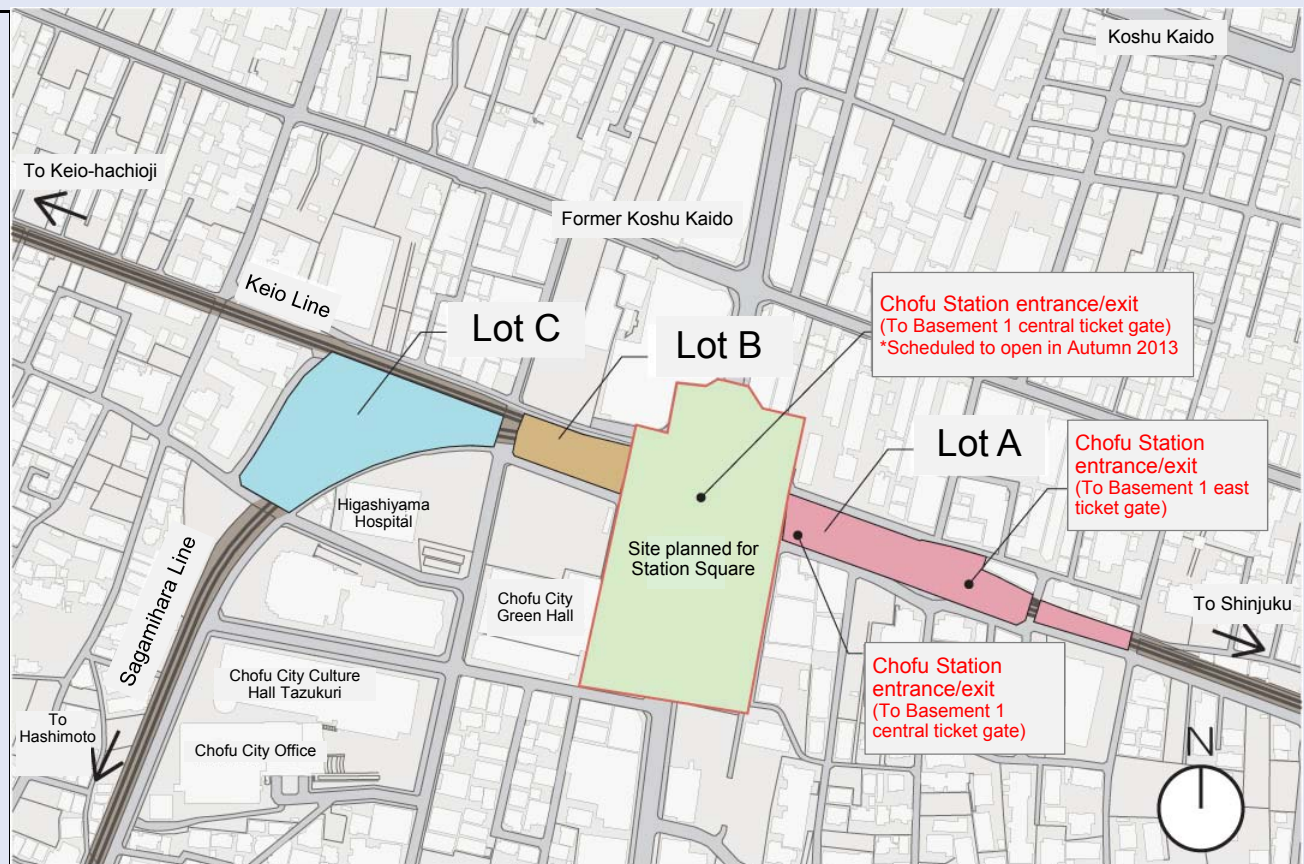
Land area: Approx. 4,000m²
 Building scale: Six above ground floors
 Gross floor area: Approx. 19,000m²

[Lot B]

Land area: Approx. 1,700m²
 Building scale: Four above ground floors
 Gross floor area: Approx. 6,000m²

[Lot C]

Land area: Approx. 6,200m²
 Building scale: Five above ground floors, two basement levels
 Gross floor area: Approx. 24,000m²



(3) Neighborhood Success

(e) Initiatives toward “Being the Rail Line People Choose to Live Near”

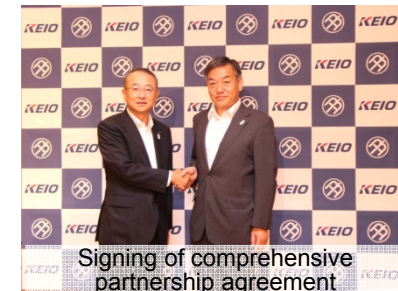
- Launch of a “mobile market,” a new service from the KEIO Hot Network, and the opening of a new child-care center, “KEIO Kids’ Plats Yomiuri Land,” as part of our initiative to expand on services for families with children.

Launch of mobile market service

Launched as a new service from the “KEIO Hot Network,” a mobile market service will be based mainly out of the Tama New Town area. This service looks to provide added shopping convenience for community residents. In addition to creating a living environment that is convenient for residents of all generations, this service will help invigorate the local community.
 *Prior to launching the mobile market service, in August we entered into a “comprehensive partnership agreement for community development promotion” with the Tama city government based on the goal of contributing to sustainable community development.

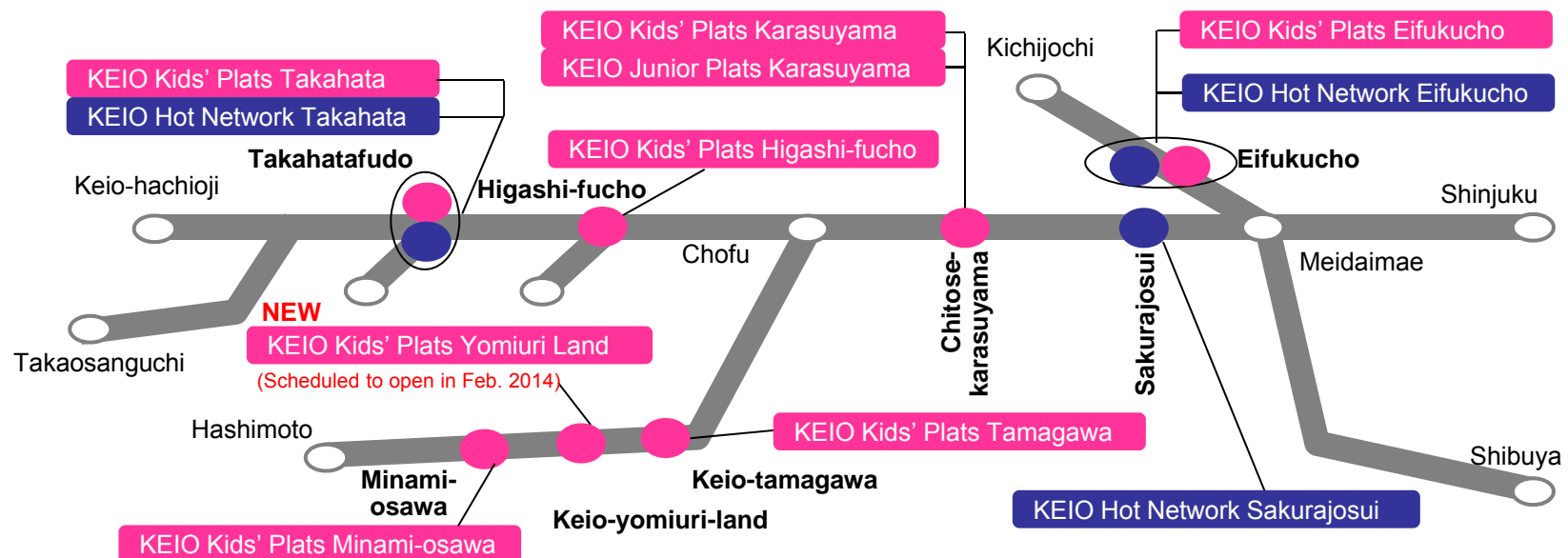


Illustration of vehicle



Signing of comprehensive partnership agreement

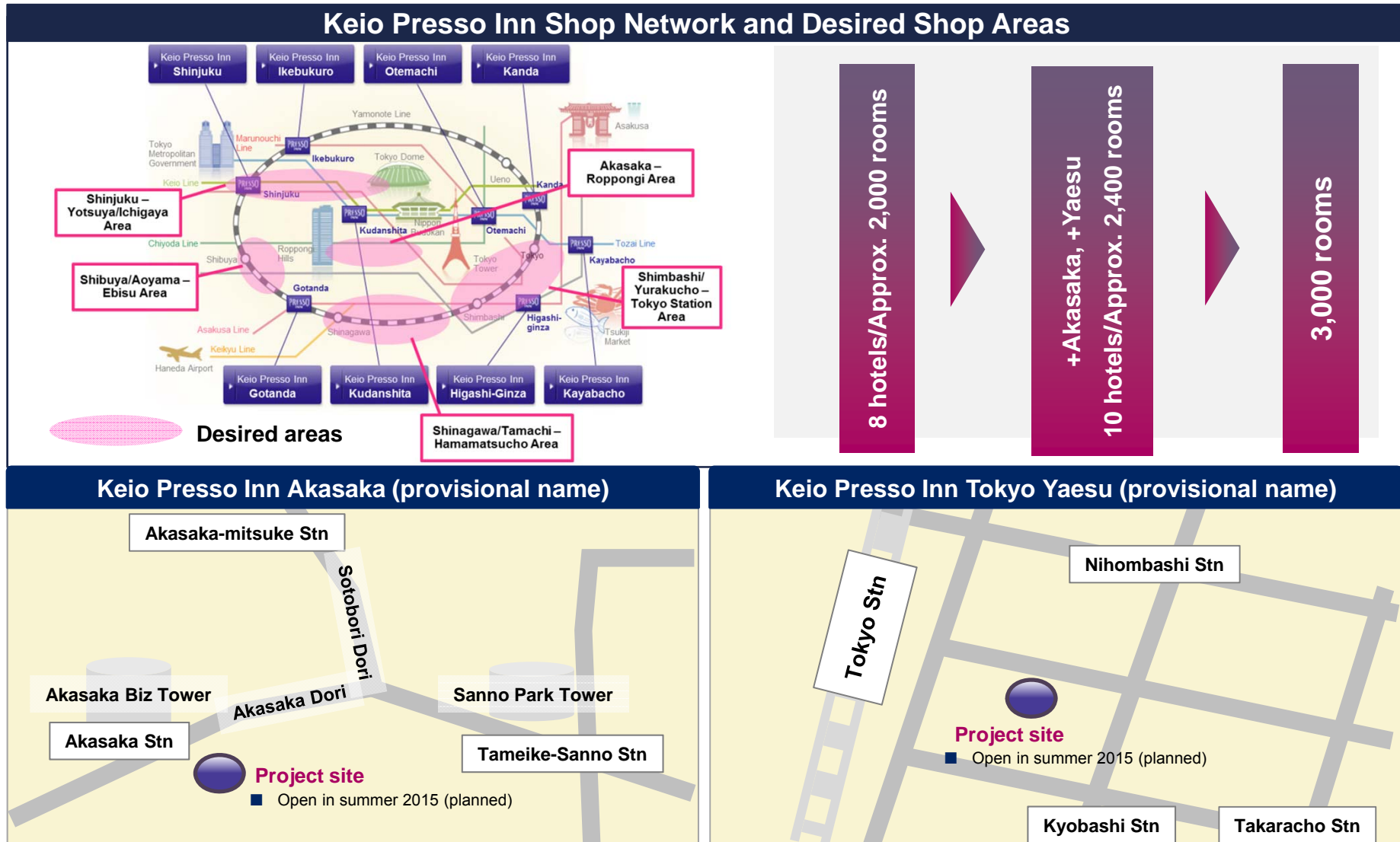
KEIO Group support projects for families with children



(4) Growth Initiatives

(a) Operation of 3,000 Rooms at Keio Presso Inn

- New openings in **Akasaka** and **Yaesu**, currently aiming for early realization of transition from 2,000 to 3,000 rooms.



(4) Growth Initiatives

(b) ReBITA Pipeline Strategy

Keio Corporation
ReBITA property supply

Provide rental housing that takes advantage of Keio brand strength and capital

Limited promotion by Keio Corporation

ReBITA Post renovation

[Renovation <before> after>]

Exterior

Interior

Sale to end user

(4) Growth Initiatives

(c) Business Development that Takes Advantage of ReBITA

- ReBITA became a part of the Keio Group in January 2012 as part of our initiative towards the growing shared-living and renovation markets as a way to achieve market expansion and break into new business segments. We aim to revitalize area along the railway and achieve “town renovation.”

Core business in growth market

Expansion of the renovation market

“Full building renovation business”

Following surveys and analysis by a third-party agency, existing well-positioned properties such as corporate housing are completely renovated (both living spaces and common areas).



Pioneering the shared-living market

Shared rental housing – “Share Place”

Shared rental housing, the creation of a new “value” focused on enjoying communication and sharing “location,” “events,” and “information.” Planned and operating 12 buildings, 731 rooms (as of September 2013).



Challenging ourselves in new business segments

Single-family home renovation – Launched in May 2013

Renewed focus on single-family homes in Tokyo, where the number of single-family homes exceeds the number of available condominiums. After ensuring structural safety and environmental functionality, we propose simple, flexible home designs that leave room for future changes.



Launch of new brand – R100TOKYO

Making comfort and luxury a part of daily life. Located in an area of Tokyo with rich greenery, former rental apartments on highly valued lots exceeding 100m² are selected with a focus on asset value. These properties are then renovated and sold as condominiums. Aiming to pioneer a new market that demands a focus on home design that offers a high standard of “comfortable living.”



Real estate development scheme for new business

Scheme for business partnership with landowners where we purchase sections of privately held housing complexes, completely renovate the property, and the ReBITA portion is sold as condominiums. Developing and providing new solutions to create ReBITA business opportunities.




(5) About our 100th Anniversary

(a) New "Keio Rail Land"

October 10, 2013 – Keio Rail Land complete reborn

- Facility overview**
- Admission fee: 250 yen (one day admission)
 - Operating hours: 9:30 to 17:30
 - Scale:
Indoor facility (Two floors): Floor area - 1,190m²
Outdoor facility: Floor area - 1,020m²





The earnings projections 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.

[Contact]

Keio Corporation

Finance and Accounting Department

Attn: Kimura

PHONE: +81-42-337-3135

FAX: +81-42-374-9810