

Fiscal 2013 Year-end Financial Results

— May 8, 2014 —

Keio Corporation
京王電鉄株式会社

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I. Fiscal 2013 Full-Year Earnings



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1. Consolidated Statements of Income

(Units: ¥ millions)

	FY2012 Results	FY2013 Results	Change (%)		FY2013 Forecasts (2014.2.4 announced)	Difference (%)	
Operating Revenues	396,860	407,985	11,124	(2.8)	405,300	2,685	(0.7)
Operating Income	28,022	33,073	5,051	(18.0)	31,400	1,673	(5.3)
Ordinary Income	24,538	30,244	5,705	(23.3)	28,800	1,444	(5.0)
Net Income	14,748	16,197	1,448	(9.8)	16,000	197	(1.2)
EBITDA	63,032	67,420	4,387	(7.0)	65,644	1,776	(2.7)
Depreciation and Amortization	34,605	33,942	-663	(-1.9)	33,822	119	(0.4)
Capital Expenditures	49,327	38,891	-10,436	(-21.2)	59,851	-20,960	(-35.0)

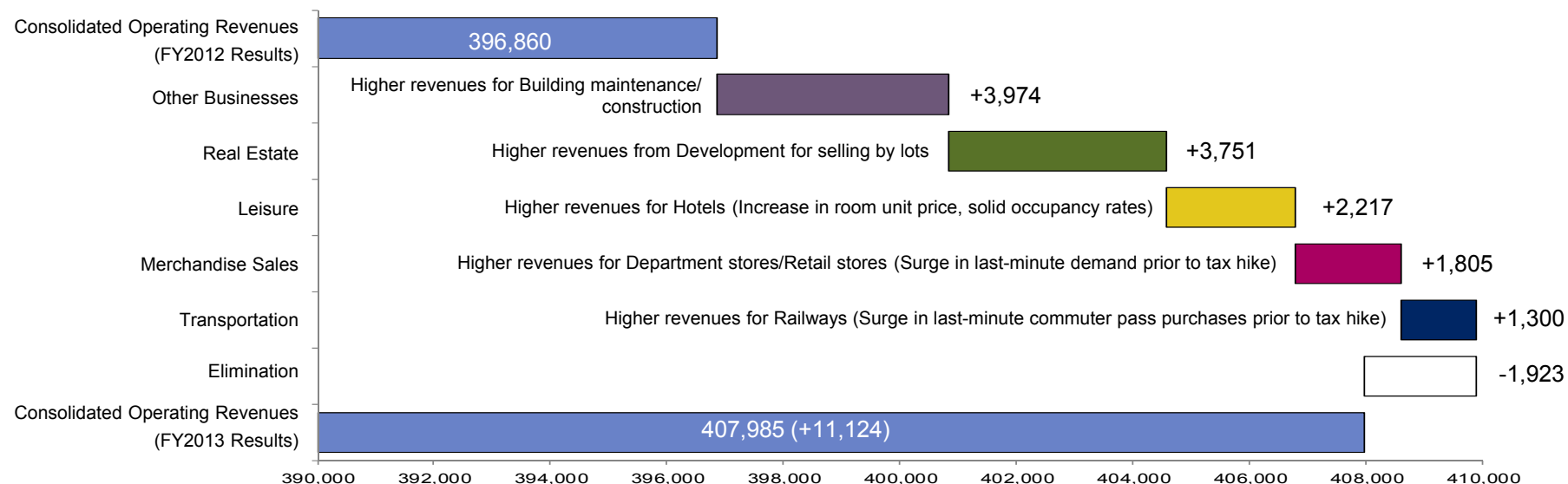
(Note) 1. EBITDA is calculated as operating income + depreciation and amortization + amortization of goodwill.

2. FY2013 forecasts are those announced on February 4th, 2014.

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

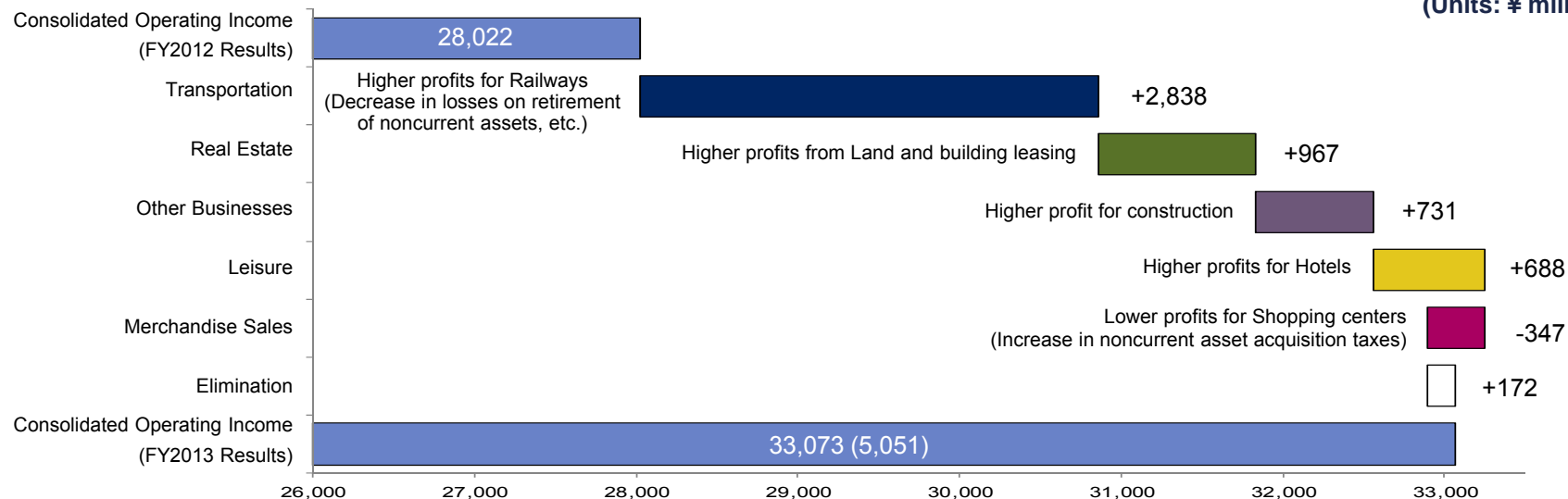
1. Consolidated Operating Revenues

(Units: ¥ millions)



2. Consolidated Operating Income

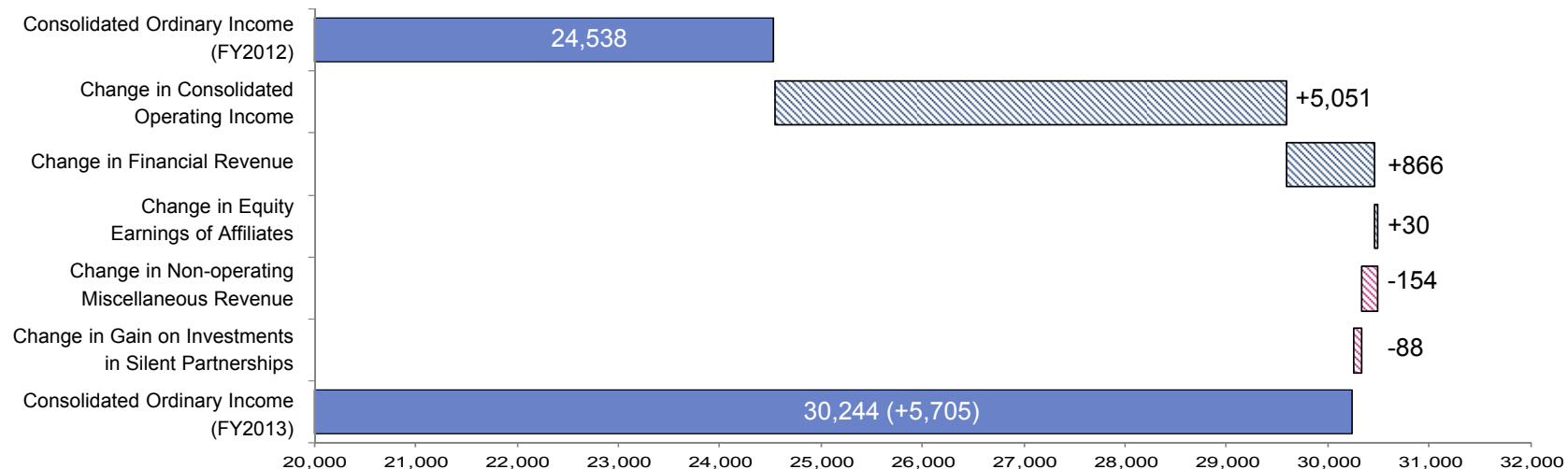
(Units: ¥ millions)



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

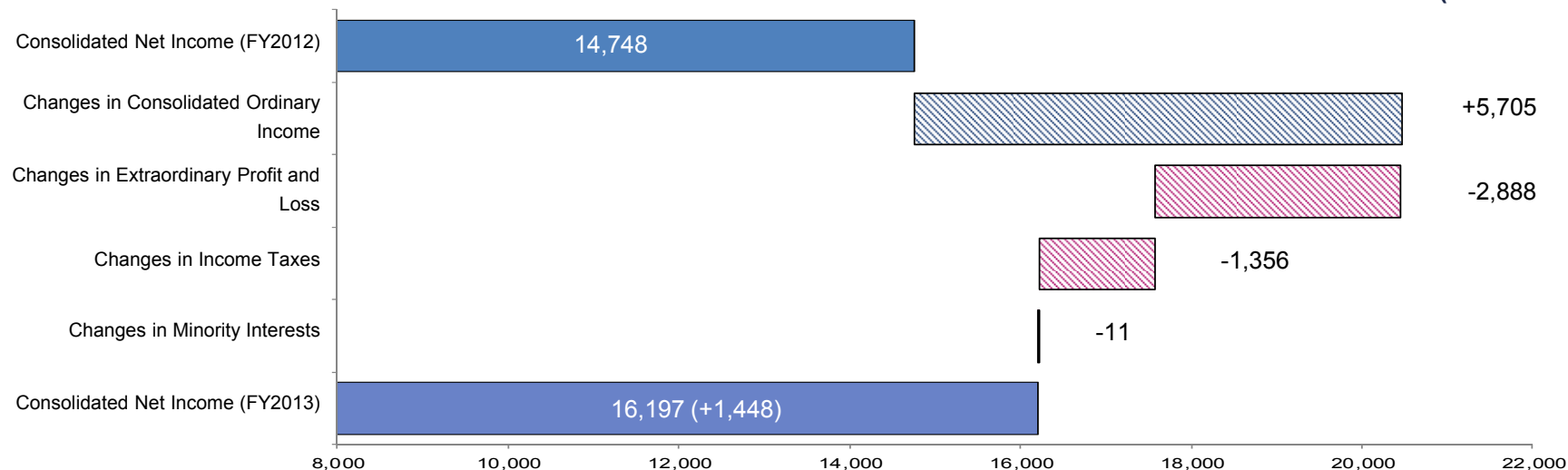
1. Consolidated Ordinary Income

(Units: ¥ millions)



2. Consolidated Net Income

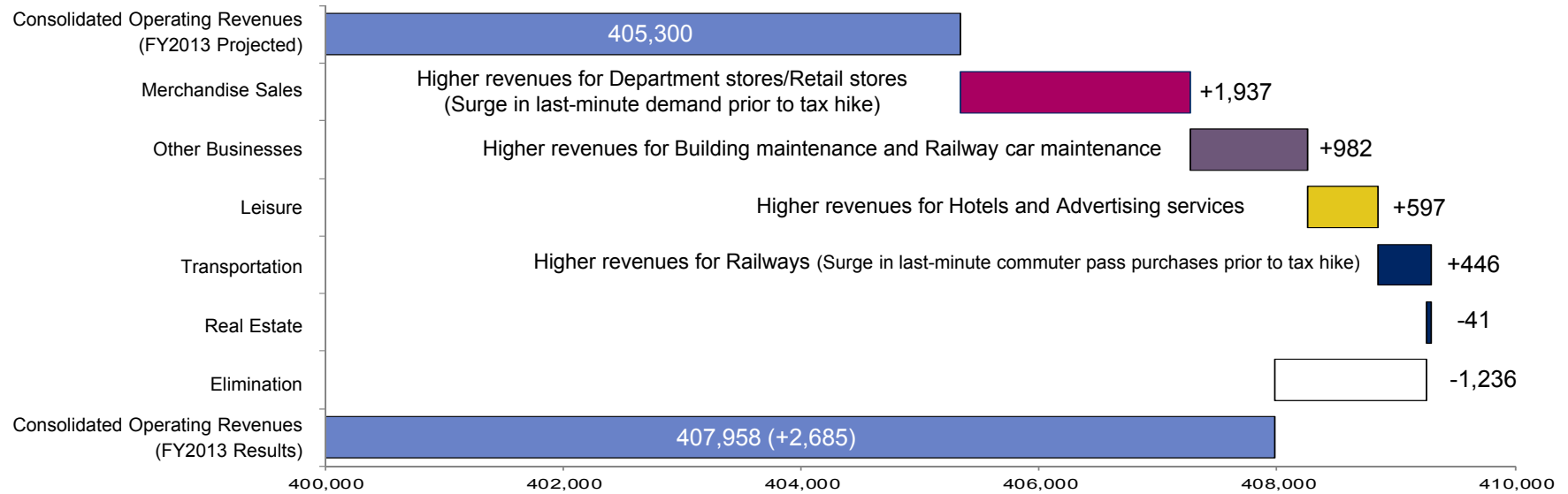
(Units: ¥ millions)



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

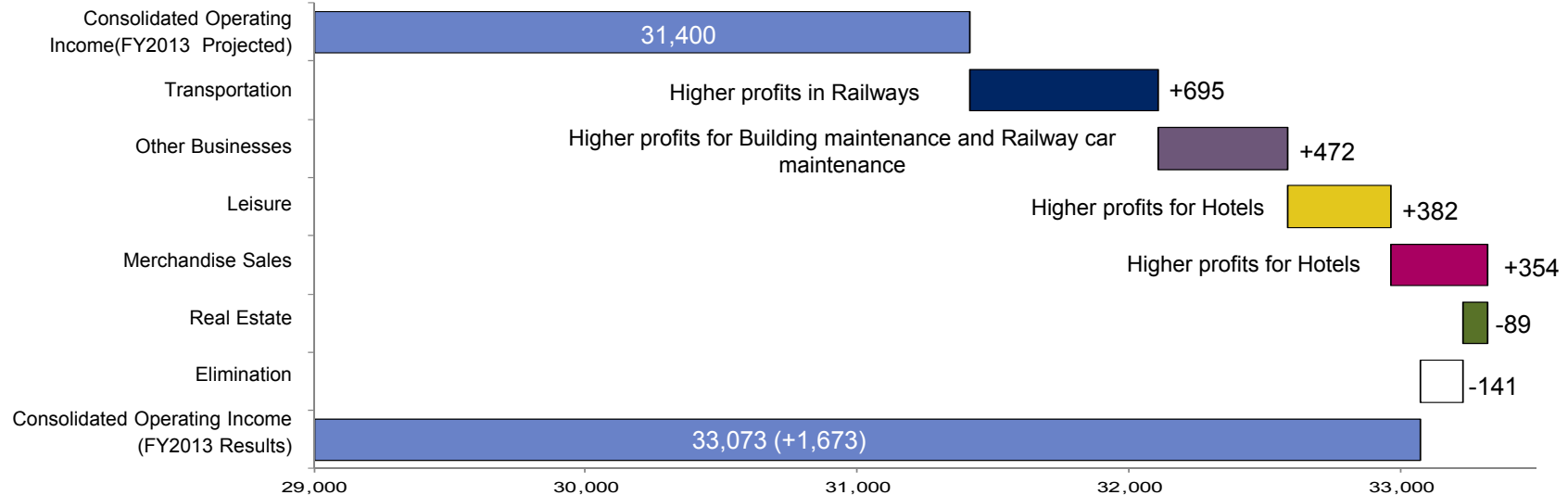
1. Consolidated Operating Revenues

(Units: ¥ millions)



2. Consolidated Operating Income

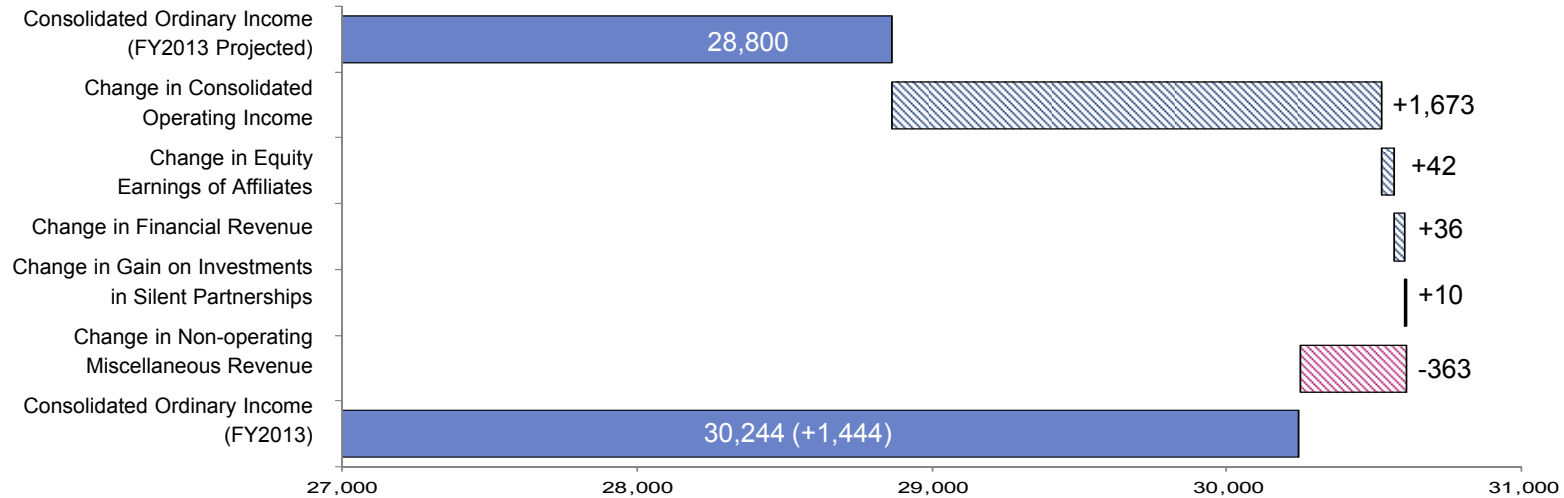
(Units: ¥ millions)



1-5. Ordinary Income/Net Income Change Factors (vs. Forecasts <announced on February 4>)

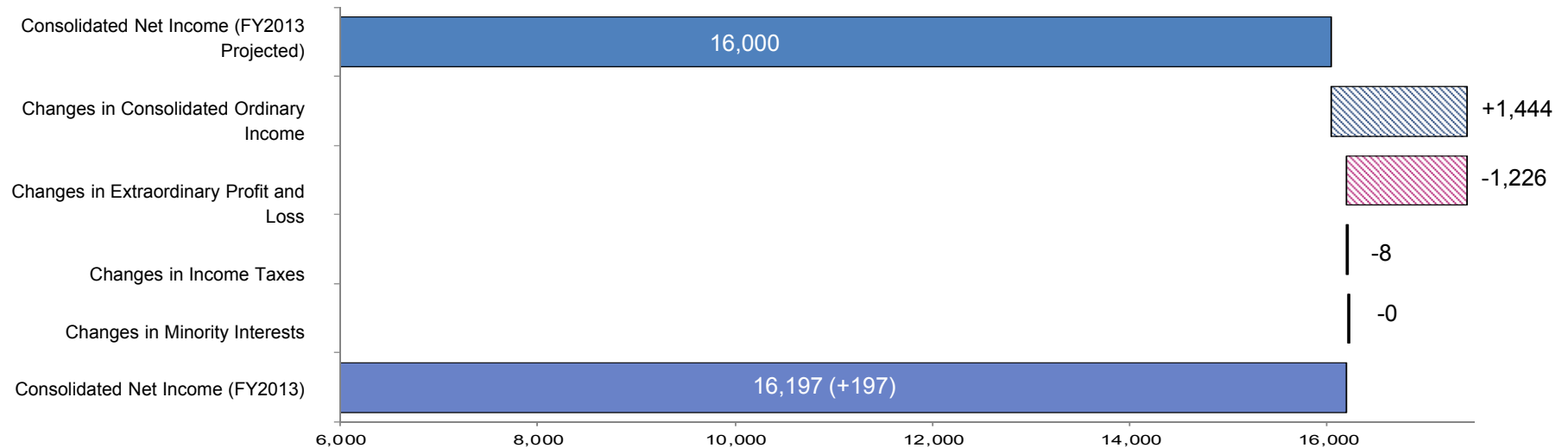
1. Consolidated Ordinary Income

(Units: ¥ millions)



2. Consolidated Net Income

(Units: ¥ millions)



2. Consolidated Balance Sheets

(Units: ¥ millions)

	FY2012 Results	FY2013 Results	Change	Change Factors
Total Assets	793,293	787,825	-5,468	Decrease due to decline in negotiable deposits and decrease in cash and deposits
Liabilities	514,459	495,218	-19,241	Decrease due to the redemption of 23 rd unsecured discount bonds
Net Assets	278,834	292,607	13,773	Increase due to booking of consolidated net income
Total Liabilities and Net Assets	793,293	787,825	-5,468	
Interest-Bearing Debt	356,366	328,941	-27,245	

(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 Results	Change	Change Factors
Net Cash Provided by (Used in) Operating Activities	48,711	58,772	10,061	
Net Cash Provided by (Used in) Investing Activities	- 47,080	-37,939	9,141	Decrease due to purchases of property, plant and equipment
Net Cash Provided by (Used in) Financing Activities	11,442	-33,158	-44,600	Increase in expenditures due to the redemption of bonds
Year-end Balance for Cash and Cash Equivalents	83,795	71,473	-12,321	

4. Segment Information (Corporate Composition)

Consolidated

38 Companies as of the end of Mar. 2014

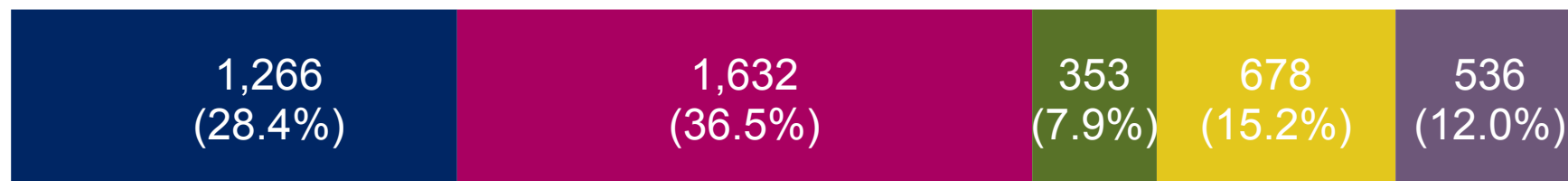
(Keio Corporation overlaps multiple business segments)

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: ¥4,079 hundred million

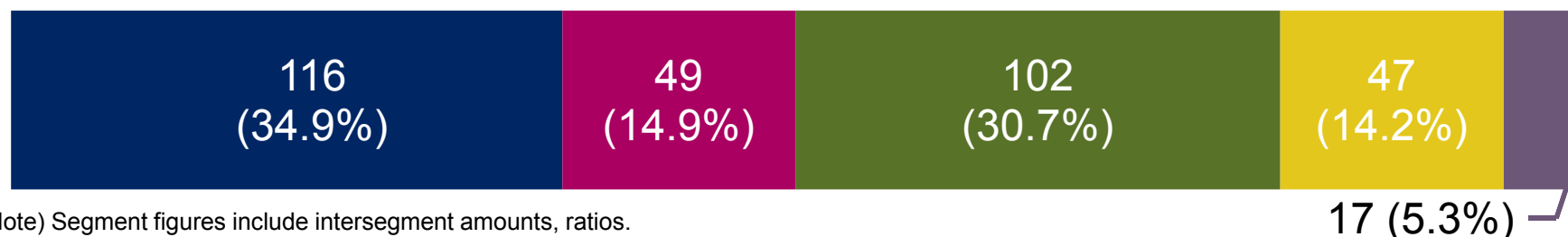
<Units: ¥ hundred millions>



Operating Income

FY2013: ¥330 hundred million

<Units: ¥ hundred millions>



(Note) Segment figures include intersegment amounts, ratios.

4. Segment Information (Transportation-1)

(Units: ¥ millions)

	FY2012 Results	FY2013 Results	Change (%)		Change Factors	FY2013 Forecasts (2014.2.4 announced)	Difference (%)	
(Railways)	80,974	81,748	774	(1.0)	Refer to next page	81,230	517	(0.6)
(Bus services)	33,060	33,955	895	(2.7)	Refer to below table	33,862	93	(0.3)
(Taxi services)	13,132	12,909	-223	(-1.7)		12,962	-52	(-0.4)
(Other)	2,464	2,529	64	(2.6)		2,503	25	(1.0)
(Elimination)	-4,332	-4,541	-209	—		- 4,404	-137	—
Operating Revenues	125,300	126,600	1,300	(1.0)		126,154	446	(0.4)
Operating Income	8,852	11,690	2,838	(32.1)	Decrease in railway costs	10,995	695	(6.3)
Depreciation and Amortization	23,883	23,560	-322	(-1.4)		23,574	-13	(-0.1)
Capital Expenditures	22,415	21,148	-1,266	(-5.7)		23,463	-2,315	(-9.9)
EBITDA	32,735	35,251	2,516	(7.7)		34,570	681	(2.0)

Ref.: Bus Services Net Sales

(Units: ¥ hundred millions)

Local Routes	238	240	2	(1.1)		239	1	(0.7)
Freeway Bus	49	52	3	(7.9)		53	-0	(-1.2)

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

		FY2012 Results	FY2013 Results	Change (%)		Change Factors
Passengers Transported (thousands of people)	Commuter-Pass	360,945	368,582	7,637	(2.1)	Increase due to surge in last-minute commuter pass purchases prior to tax hike
	(Business)	267,414	273,274	5,860	(2.2)	
	(Students)	93,531	95,308	1,777	(1.9)	
	Non-Commuter-Pass	264,740	263,305	-1,435	(-0.5)	Increase due to surge in last-minute purchasing prior to tax hike, bad weather or decrease in Inokashira Line passengers
	Total	625,685	631,887	6,202	(1.0)	
Passenger Revenues (¥ millions)	Commuter-Pass	32,899	33,593	693	(2.1)	Increase in passengers transported
	(Business)	29,211	29,833	622	(2.1)	
	(Students)	3,688	3,759	71	(1.9)	
	Non-Commuter-Pass	44,830	44,707	-122	(-0.3)	Decrease in passengers transported
	Total	77,729	78,301	571	(0.7)	

4. Segment Information (Merchandise Sales)

(Units: ¥ millions)

	FY2012 Results	FY2013 Results	Change (%)		Change Factors	FY2013 Forecasts (2014.2.4 announced)	Difference (%)	
(Department Stores)	90,680	92,714	2,034	(2.2)	Last-minute demand	91,413	1,301	(1.4)
(Retail Stores)	36,482	37,027	545	(1.5)	Last-minute demand	36,713	314	(0.9)
(Retail Stores – Books)	10,368	9,842	-526	(-5.1)		9,847	-5	(-0.1)
(Retail Stores – in Stations)	8,430	7,989	-440	(-5.2)		7,918	70	(0.9)
(Shopping Centers)	10,530	10,548	18	(0.2)		10,514	33	(0.3)
(Other)	11,537	11,577	40	(0.3)		11,474	103	(0.9)
(Elimination)	-6,594	-6,460	134	—		-6,579	119	—
Operating Revenues	161,434	163,239	1,805	(1.1)		161,302	1,937	(1.2)
Operating Income	5,327	4,980	-347	(-6.5)	Increase in real estate acquisition taxes	4,625	354	(7.7)
Depreciation and Amortization	3,051	3,068	16	(0.6)		3,048	19	(0.6)
Capital Expenditures	3,707	4,017	310	(8.4)		7,186	-3,168	(-44.1)
EBITDA	8,378	8,048	-330	(-3.9)		7,673	374	(4.9)

4. Segment Information (Real Estate)

(Units: ¥ millions)

	FY2012 Results	FY2013 Results	Change (%)		Change Factors	FY2013 Forecasts (2014.2.4 announced)	Difference (%)	
(Land and Building Leasing)	29,380	30,211	830	(2.8)		30,098	113	(0.4)
(Development for Selling by Lots)	9,868	12,432	2,563	(26.0)	ReBITA	12,642	-209	(-1.7)
(Other)	1,178	1,078	-100	(-8.5)		1,013	64	(6.4)
(Elimination)	-8,803	-8,346	456	—		-8,337	-9	—
Operating Revenues	31,624	35,375	3,751	(11.9)		35,417	-41	(-0.1)
Operating Income	9,283	10,251	967	(10.4)		10,340	-89	(-0.9)
Depreciation and Amortization	4,019	3,863	-156	(-3.9)		3,869	-5	(-0.2)
Capital Expenditures	13,610	8,611	-4,999	(-36.7)		22,073	-13,461	(-61.0)
EBITDA	13,708	14,520	811	(5.9)		14,615	-95	(-0.7)

Ref.: Real Estate Operating Income Details

(Units: ¥ hundred millions)

Land and Building Leasing	92	93	0	(1.0)		90	2	(2.3)
Development for Selling by Lots	7	8	1	(15.5)		9	-0	(-4.1)

4. Segment Information (Leisure)

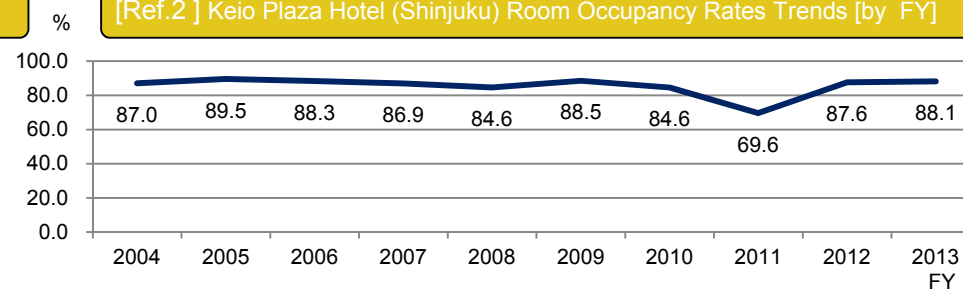
(Units: ¥ millions)

	FY2012 Results	FY2013 Results	Change (%)		Change Factors	FY2013 Forecasts (2014.2.4 announced)	Difference (%)	
(Hotels)	42,187	44,281	2,094	(5.0)	Keio Plaza Hotel	43,916	365	(0.8)
(Travel Services)	16,660	16,273	-387	(-2.3)		16,430	-156	(-1.0)
(Advertising Services)	10,420	11,100	680	(6.5)		10,696	404	(3.8)
(Other)	5,991	5,911	-79	(-1.3)		5,927	-15	(-0.3)
(Elimination)	-9,593	-9,685	-91	—		-9,686	0	—
Operating Revenues	65,665	67,882	2,217	(3.4)		67,284	597	(0.9)
Operating Income	4,075	4,763	688	(16.9)		4,381	382	(8.7)
Depreciation and Amortization	3,441	3,275	-165	(-4.8)		3,151	124	(3.9)
Capital Expenditures	6,491	5,208	-1,282	(-19.8)		6,743	-1,535	(-22.8)
EBITDA	7,516	8,039	522	(7.0)		7,532	506	(6.7)

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

Room Occupancy Rates	87.6%	88.1	0.5P
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[Ref.2] Keio Plaza Hotel (Shinjuku) Room Occupancy Rates Trends [by FY]



4. Segment Information (Other Businesses)

(Units: ¥ millions)

	FY2012 Results	FY2013 Results	Change (%)		Change Factors	FY2013 Forecasts (2014.2.4 announced)	Difference (%)	
(Building Maintenance)	21,275	22,511	1,235	(5.8)		22,058	452	(2.1)
(Railway Car Maintenance)	8,641	8,322	-318	(-3.7)		7,906	416	(5.3)
(Construction)	16,389	19,247	2,857	(17.4)		19,032	214	(1.1)
(Other)	5,724	6,156	431	(7.5)		6,185	-29	(-0.5)
(Elimination)	-2,340	-2,573	-232	-		-2,501	-71	-
Operating Revenues	49,690	53,664	3,974	(8.0)		52,682	982	(1.9)
Operating Income	1,024	1,755	731	(71.4)		1,283	472	(36.8)
Depreciation and Amortization	366	356	-9	(-2.7)		358	-2	(-0.6)
Capital Expenditures	3,628	590	-3,037	(-83.7)		746	-155	(-20.8)
EBITDA	1,390	2,112	721	(51.9)		1,642	469	(28.6)

II. Fiscal 2014 Earnings Forecasts

1. Consolidated Statements of Income
2. Segment Information
3. Transitions in Term Net Income and Dividends
4. Growth Initiatives - Investment Strategy Details
5. [Reference] Forecast for First Half of Year

1. Consolidated Statements of Income

(Units: ¥ hundred millions)

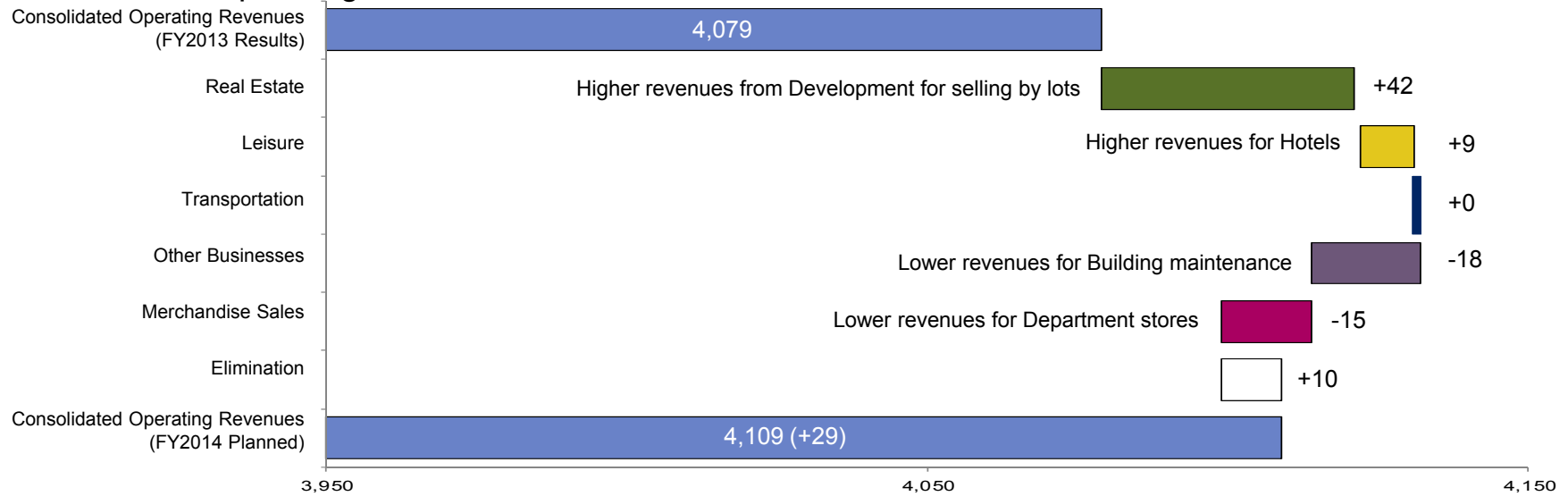
	FY2013 Results	FY2014 Planned	Change (%)		FY2014 Forecasts (2012.5.8 announced)	Difference (%)	
Operating Revenues	4,079	4,109	29	(0.7)	4,144	-35	(-0.8)
Operating Income	330	322	-8	(-2.6)	317	5	(1.6)
Ordinary Income	302	292	-10	(-3.5)	276	16	(5.8)
Net Income	161	170	8	(5.0)	161	9	(5.6)
EBITDA	674	683	9	(1.4)	674	9	(1.5)
Depreciation and Amortization	339	357	18	(5.4)	352	5	(1.4)
Capital Expenditures	388	618	229	(59.1)	523	95	(18.2)

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

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

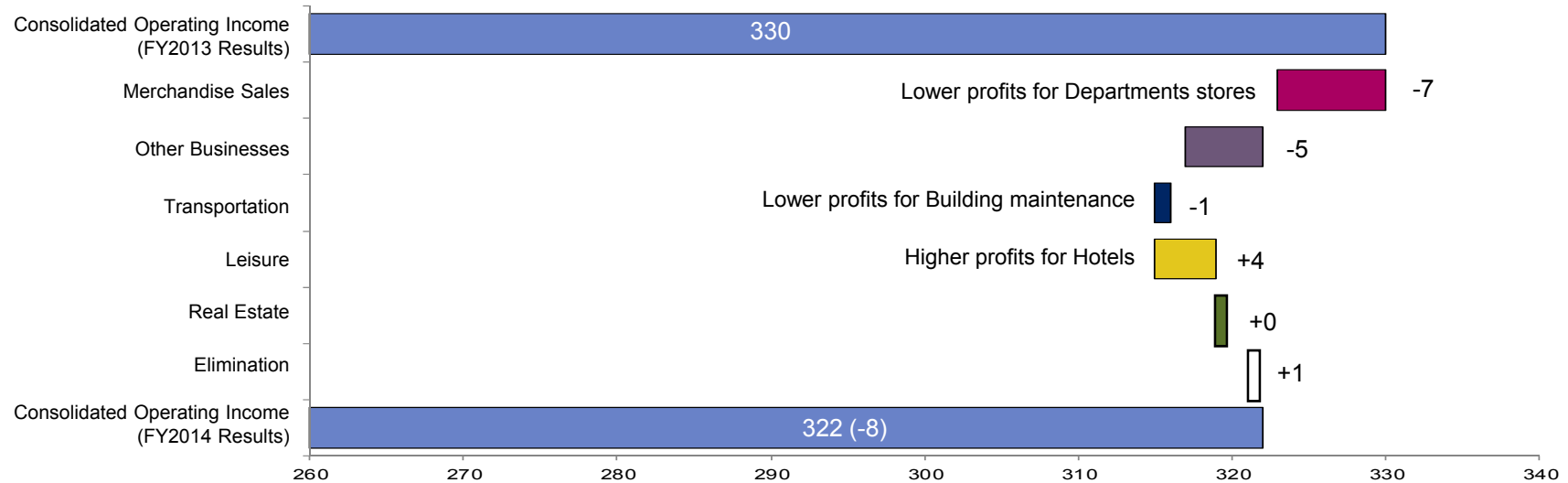
1. Consolidated Operating Revenues

(Units: ¥ hundred millions)



2. Consolidated Operating Income

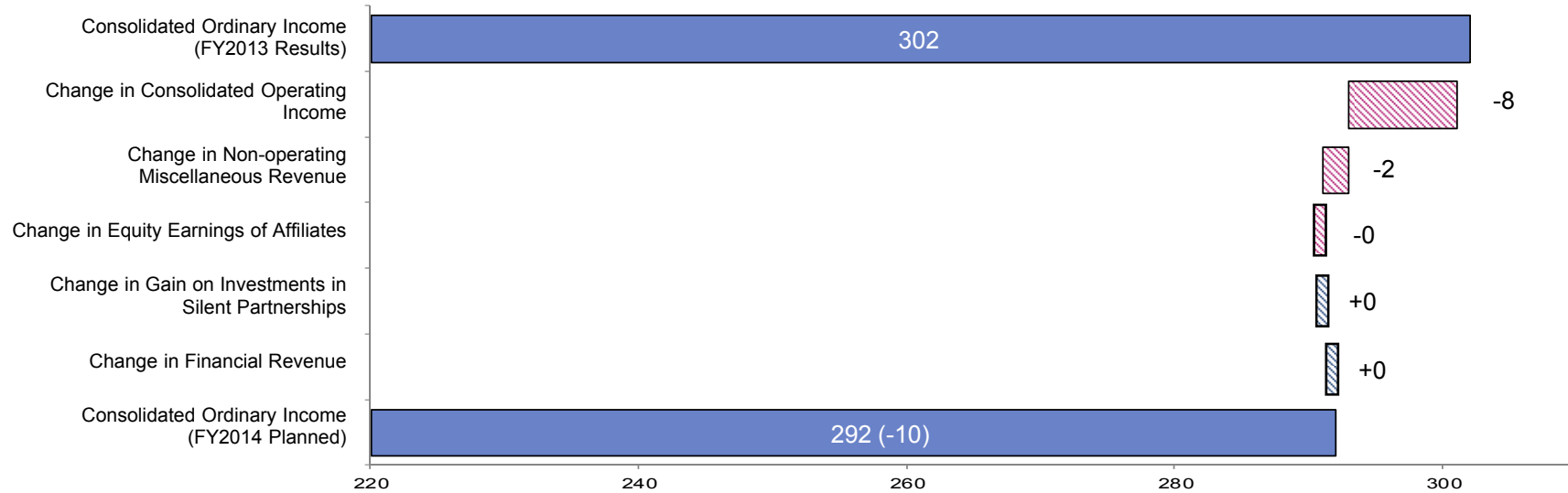
(Units: ¥ hundred millions)



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

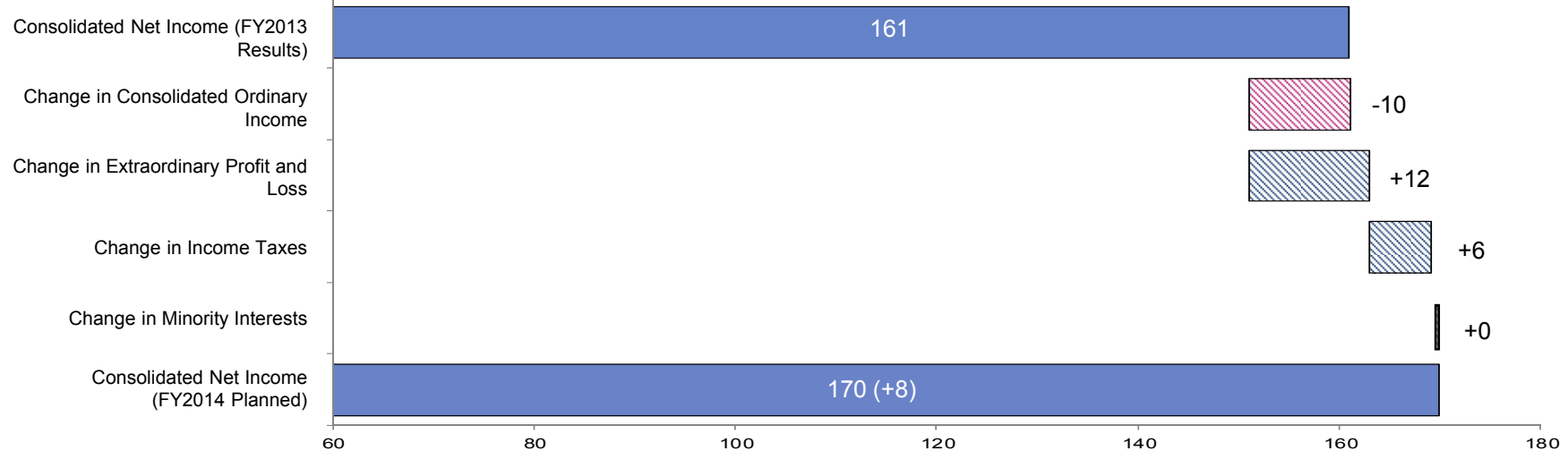
1. Consolidated Ordinary Income

(Units: ¥ hundred millions)



2. Consolidated Net Income

(Units: ¥ hundred millions)



2. Segment Information (Transportation-1)

(Units: ¥ hundred millions)

	FY2013 Results	FY2014 Planned	Change (%)		Change Factors
(Railways)	817	813	-3	(-0.5)	Refer to next page
(Bus Services)	339	341	1	(0.5)	Refer to below table
(Taxi Services)	129	130	1	(1.0)	
(Other)	25	25	0	(2.0)	
(Elimination)	-45	-44	1	-	
Operating Revenues	1,266	1,266	0	(0.1)	
Operating Income	116	114	-1	(-1.7)	
Depreciation and Amortization	235	242	7	(3.0)	
Capital Expenditures	211	228	16	(7.9)	
EBITDA	352	357	5	(1.5)	

Ref.: Bus Services Net Sales

(Units: ¥ hundred millions)

Local Routes	240	241	0	(0.1)	
Freeway Bus	52	53	1	(2.1)	

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

		FY2013 Results	FY2014 Planned	Change (%)		Change Factors
Passengers Transported (thousands of people)	Commuter-Pass	368,582	365,481	-3,101	(-0.8)	Decrease due to adverse impact of last-minute purchasing prior to tax hike during previous FY
	(Business)	273,274	273,019	-255	(-0.1)	
	(Students)	95,308	92,462	-2,846	(-3.0)	
	Non-Commuter-Pass	263,305	262,438	-867	(-0.3)	Decrease due to adverse impact of last-minute purchasing prior to tax hike during previous FY
	Total	631,887	627,919	-3,968	(-0.6)	
Passenger Revenues (¥ millions)	Commuter-Pass	33,593	33,072	-520	(-1.6)	Decrease in passengers Transported, etc.
	(Business)	29,833	29,424	-408	(-1.4)	
	(Students)	3,759	3,647	-111	(-3.0)	
	Non-Commuter-Pass	44,707	44,590	-116	(-0.3)	Decrease in passengers Transported, etc.
	Commuter-Pass	78,301	77,663	-637	(-0.8)	

2. Segment Information (Merchandise Sales)

(Units: ¥ hundred millions)

	FY2013 Results	FY2014 Planned	Change (%)		Change Factors
(Department Stores)	927	888	-38	(-4.1)	Decrease due to adverse impact of last-minute purchasing prior to tax hike during previous F
(Retail Stores)	370	369	-0	(-0.2)	
(Retail Stores – Books)	98	102	3	(4.0)	
(Retail Stores – in Stations)	79	82	2	(2.9)	
(Shopping Centers)	105	124	19	(18.0)	Kirarina Keio Kichijoji year-long performance
(Other)	115	121	5	(4.9)	
(Elimination)	-64	-71	-6	–	
Operating Revenues	1,632	1,617	-15	(-0.9)	
Operating Income	49	42	-7	(-15.1)	
Depreciation and Amortization	30	41	10	(35.4)	
Capital Expenditures	40	67	27	(68.1)	
EBITDA	80	83	3	(4.2)	

2. Segment Information (Real Estate)

(Units: ¥ hundred millions)

	FY2013 Results	FY2014 Planned	Change (%)		Change Factors
(Land and Building Leasing)	302	298	-3	(-1.2)	
(Development for Selling by Lots)	124	174	49	(40.0)	ReBITA Keio Realty and Development
(Other)	10	13	3	(29.1)	
(Elimination)	-83	-89	-6	-	
Operating Revenues	353	396	42	(12.1)	
Operating Income	102	103	0	(0.5)	
Depreciation and Amortization	38	38	0	(0.5)	
Capital Expenditures	86	163	77	(89.9)	
EBITDA	145	145	0	(0.5)	

Ref.: Real Estate Operating Income Details

(Units: ¥ hundred millions)

Land and Building Leasing	93	81	-11	(-12.1)	
Development for Selling by Lots	8	19	10	(119.0)	

2. Segment Information (Leisure)

(Units: ¥ hundred millions)

	FY2013 Results	FY2014 Planned	Change (%)		Change Factors
(Hotels)	442	446	4	(0.9)	Keio Plaza Hotel
(Travel Services)	162	167	4	(3.1)	
(Advertising Services)	111	111	0	(0.1)	
(Other)	59	59	0	(1.5)	
(Elimination)	- 96	-97	-0	—	
Operating Revenues	678	687	9	(1.3)	
Operating Income	47	52	4	(9.6)	
Depreciation and Amortization	32	31	-0	(-2.6)	
Capital Expenditures	52	78	26	(50.8)	
EBITDA	80	84	3	(4.6)	

[Ref.] Keio Plaza Hotel (Shinjuku) Room Occupancy Rates [cumulative]

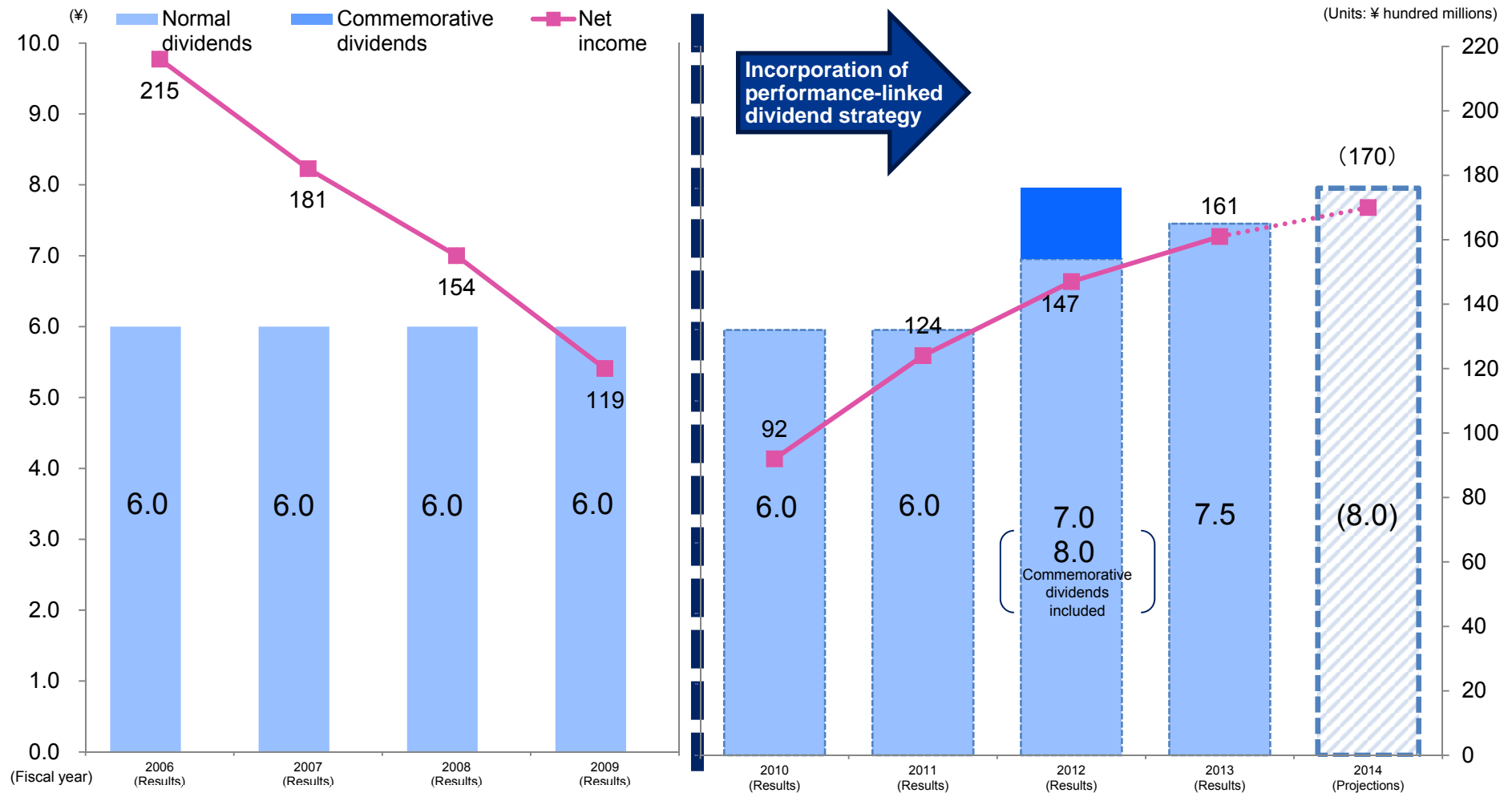
Room Occupancy Rates	88.1	86.4	-1.7P
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2. Segment Information (Other Businesses)

(Units: ¥ hundred millions)

	FY2013 Results	FY2014 Planned	Change (%)		Change Factors
(Building Maintenance)	225	210	-15	(-6.7)	Decrease in orders received
(Railway Car Maintenance)	83	81	-1	(-1.8)	
(Construction)	192	187	-5	(-2.8)	
(Other)	61	65	3	(6.1)	
(Elimination)	-25	-25	-0	—	
Operating Revenues	536	518	-18	(-3.4)	
Operating Income	17	11	-5	(-32.9)	
Depreciation and Amortization	3	4	0	(27.7)	
Capital Expenditures	5	83	77	(1,315.3)	
EBITDA	21	16	-4	(-22.7)	

3. Transitions in Term Net Income and Dividends



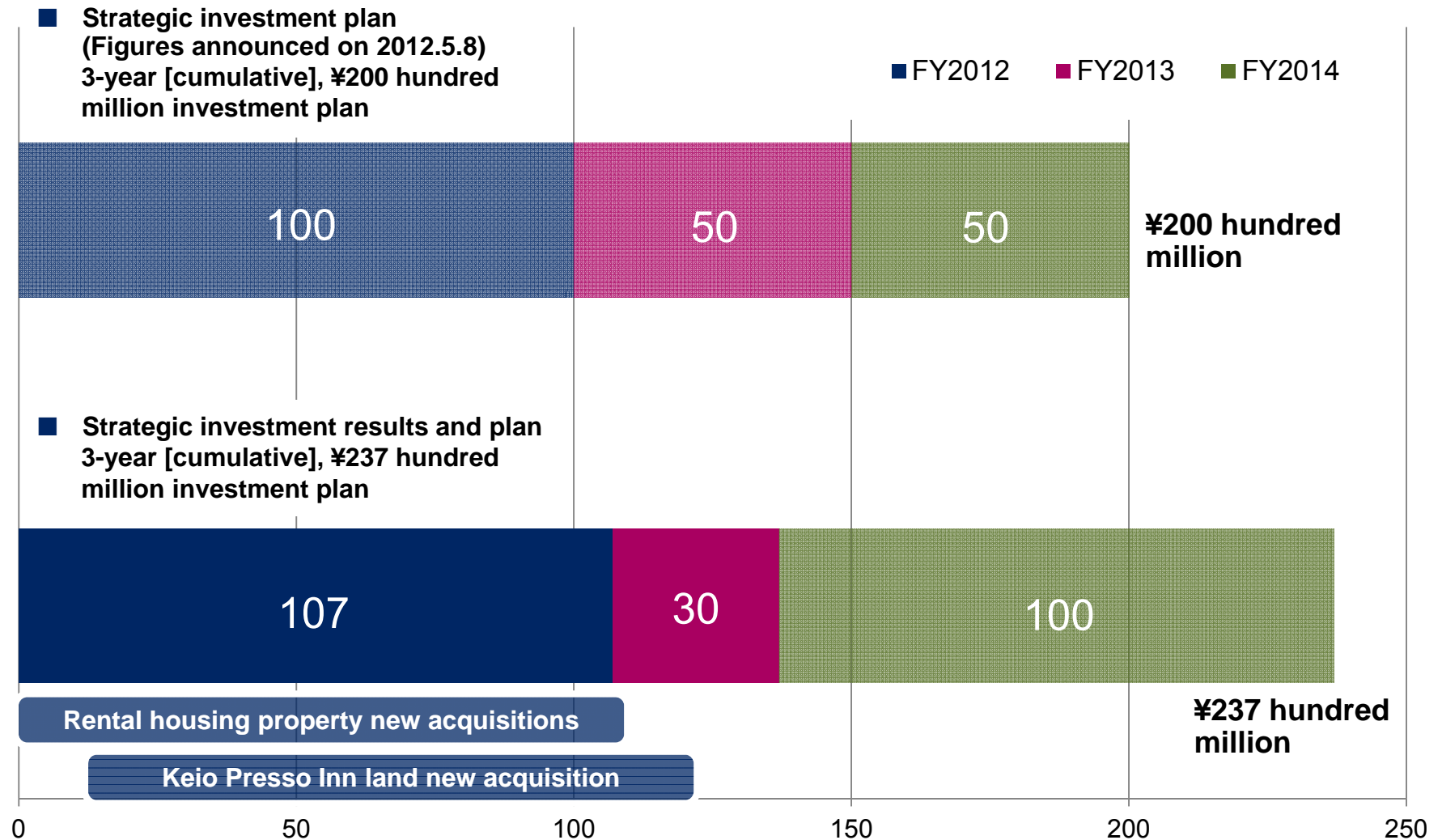
Continue shareholder reimbursements based on targets of consolidated dividend ratio of 30% and higher

*Planning to discuss dividends for FY2013 at the 93rd Ordinary General Meeting of Shareholders planned for June of this year.

4. Growth Initiatives - Investment Strategy Details

- Will conduct aggressive strategic investments within the interest-bearing debt goals (*)

* FY2014 balance in medium-term plan: ¥3,300 hundred million



5. [Reference] Forecast for First Half of Year

(Consolidated statements of income, Segment Information)

(Units: ¥ hundred millions)

	Operating Revenues			Operating Income		
	FY2013 H1 Results	FY2014 H1 Planned	Change (%)	FY2013 H1 Results	FY2014 H1 Planned	Change (%)
Transportation	633	637	4 (0.6)	84	75	-8 (-10.3)
Merchandise Sales	782	776	-5 (-0.7)	26	20	-5 (-21.8)
Real Estate	171	177	6 (3.6)	55	51	-4 (-7.7)
Leisure	338	345	6 (2.0)	26	28	1 (6.4)
Other Businesses	200	194	-5 (-2.6)	-1	-0	1 -
Elimination	-144	-147	-3 -	0	0	0 (27.5)
Total	1,982	1,985	2 (0.2)	192	177	-15 (-7.9)

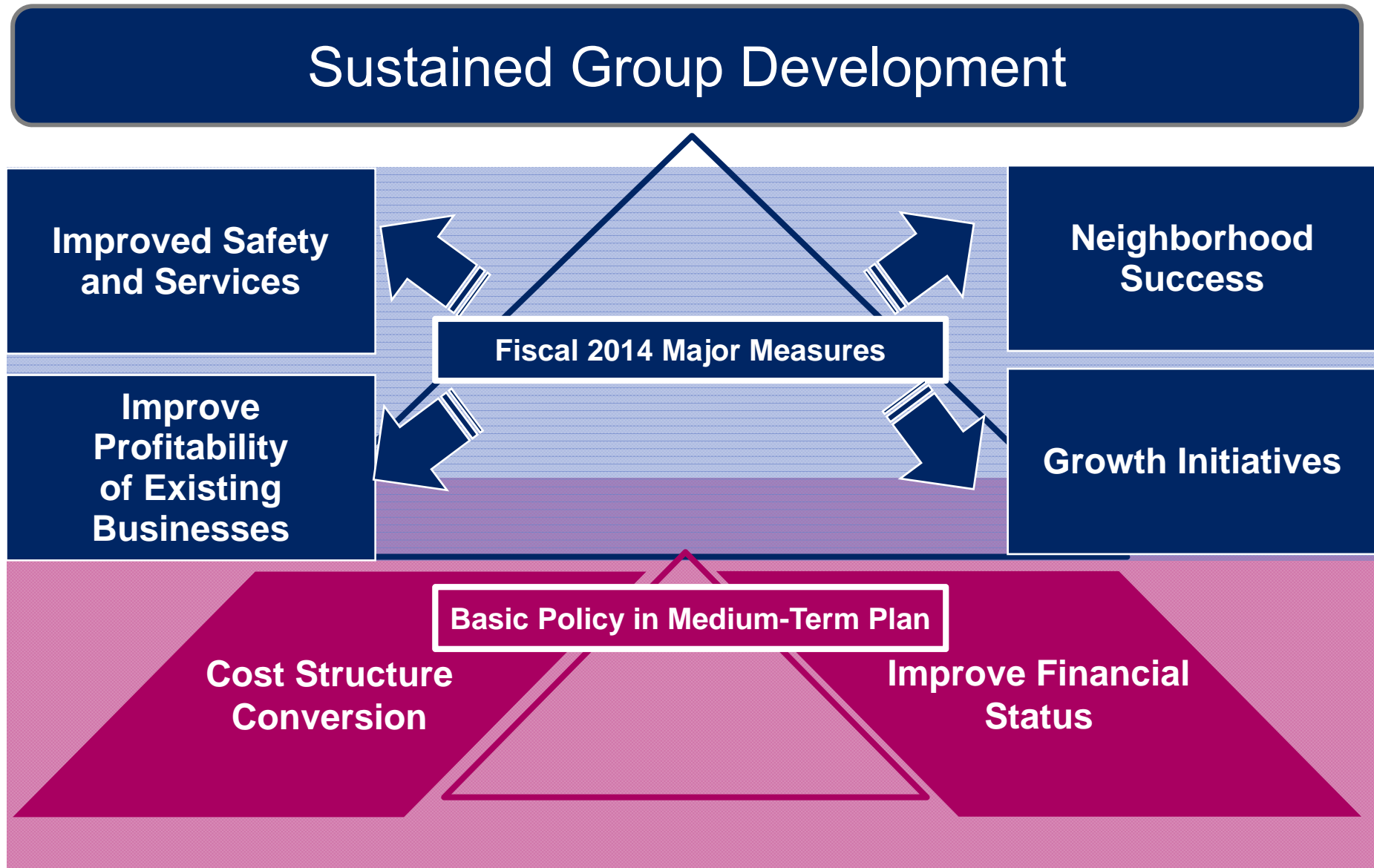
(Units: ¥ hundred millions)

	FY2013 H1 Results	FY2014 H1 Planned	Change (%)
Ordinary Income	177	164	-13 (-7.4)
Ordinary Income	108	101	-7 (-7.0)

III. FY2014 Initiatives

1. Fiscal 2014 Basic Policy
2. Fiscal 2014 Major Measures
 - (1) Transitions in Interim Earnings
 - (2) Medium-Term Investment Schedule
 - (3) 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
 - (4) Neighborhood Success
 - (a) Keio Kichijoji Station Building Reconstruction
 - (b) Takaosan Area Development Initiative
 - (c) Redevelopment of Building Complex in Sasazuka
 - (d) Development of Area around Chofu Station
 - (e) Multifaceted Development of Lifestyle Support Services
 - (5) Growth Initiatives
 - (a) Keio Presso Inn Development
 - (b) Business Development that Takes Advantage of ReBITA

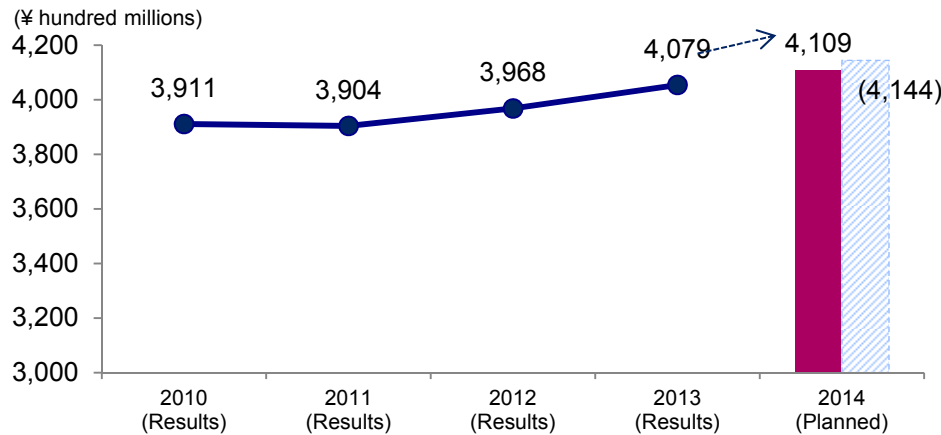
1. Fiscal 2014 Basic Policy



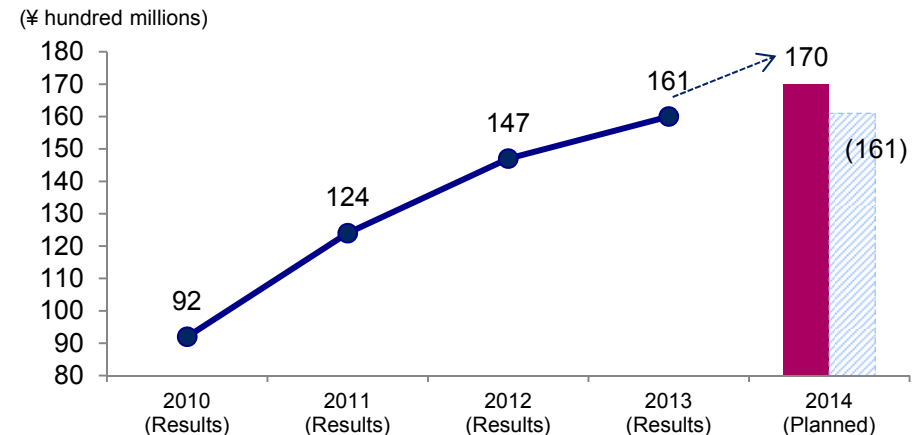
2. Fiscal 2014 Major Measures (1) Transitions in Interim Earnings

■ FY2014 Current Plan :FY2014 Forecasts (2012.5.8 announced)

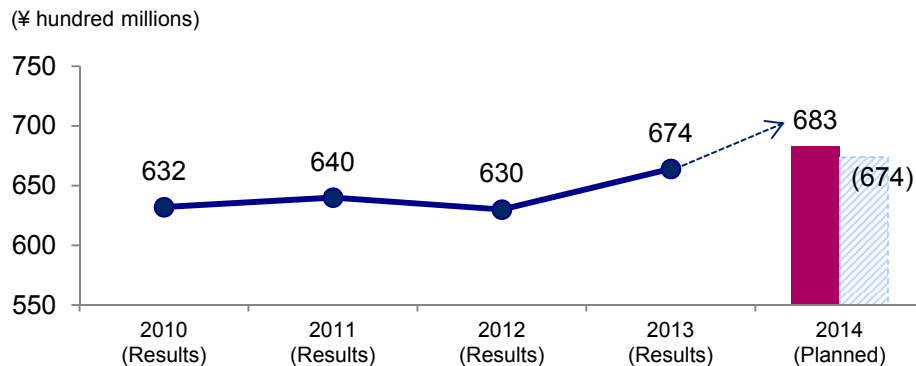
Transitions in Consolidated Operating Revenues



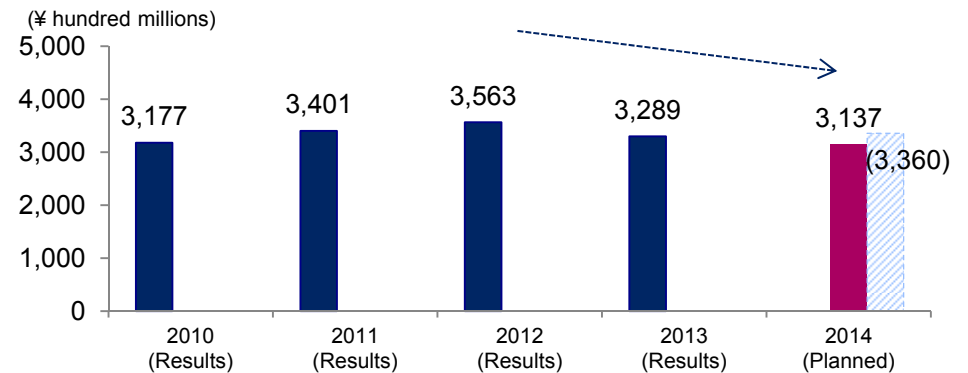
Transitions in Consolidated Operating Income



Transitions in Consolidated EBITDA



Consolidated Interest-bearing Debt Levels



All indexes are projected to achieve levels on par with FY2014 projections.

2. Fiscal 2014 Major Measures (2) 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 utilization after completion of joint project Scheduled for completion in 2017	
Keio Kichijoji Station Building Reconstruction	Construction began in FY2010 Demolition work and new construction	Opening for spring of 2014 New construction	Partial opening in July	
Redevelopment of Building Complex in Sasazuka	City planning and project planning Demolition work	New construction	Opening planned for spring of 2015	
Takaosan Area Development Initiative	Takaosanguchi Hot Spring Facility FY2012 Started excavation	Excavation	Opening planned for spring of 2015	
	Takaosanguchi Station development	Project planning	Opening planned for spring of 2015	
Keio Line (Between Sasazuka and Sengawa stations) Grade crossings/elevated lines	FY2012 Decide urban planning	Acquired urban planning permit	Complete project in 2022 (planned)	

2. Fiscal 2014 Major Measures (3) Improve Safety and Revenue Potential in our Railway Business

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

~FY2012	FY2013	FY2014
<p>Construction began in FY2004 Complete switchover to underground line in FY2012</p>	<p>Remove surface structures, construct station building</p>	<p>Planned completion of project</p>

[Future plans]

- During FY2014, we will complete restoration work as we work to project completion.

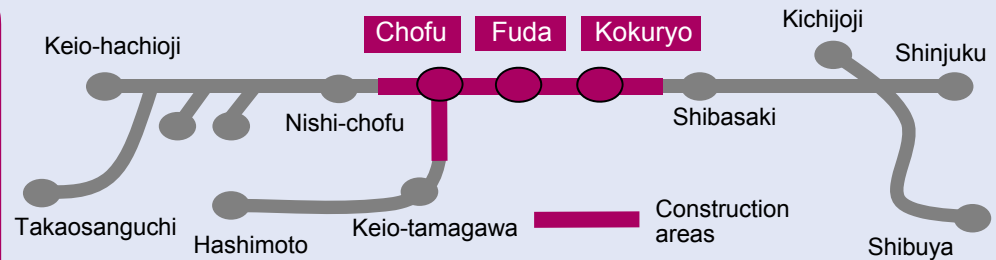
Chofu Stn



Structure prior to switch to underground station



Construct facilities to match above-ground utilization
(See Slide 40 for above-ground utilization)



Fuda Stn



Structure prior to switch to underground station



Kokuryo Stn

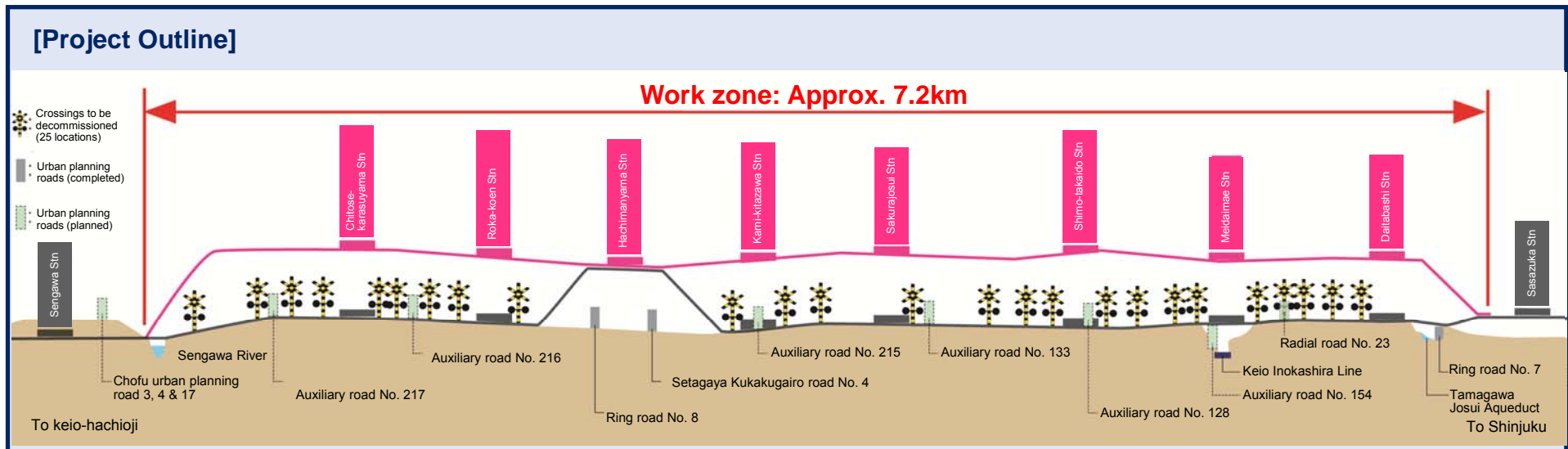


Structure prior to switch to underground station



2. Fiscal 2014 Major Measures (3) 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]

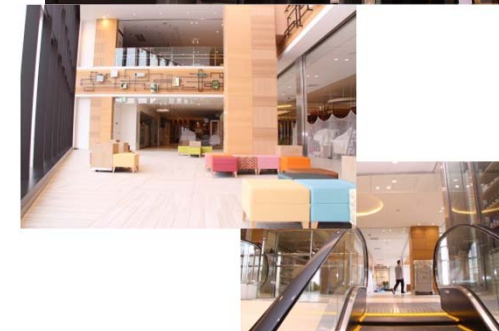
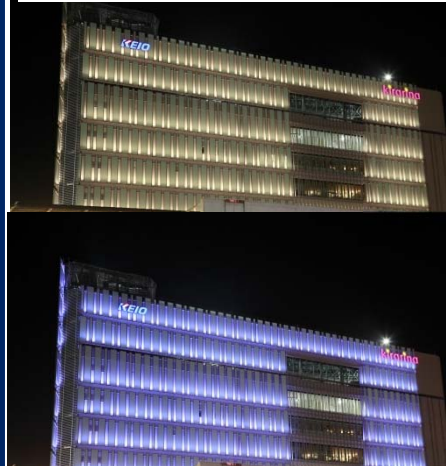
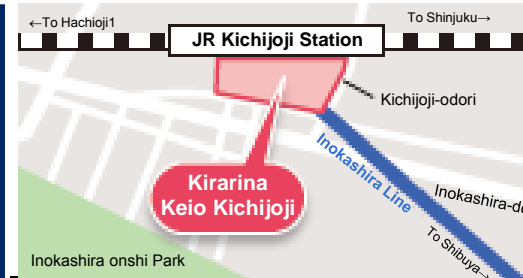
- Acquired urban planning permit in February 2014. Moving forward we will collaborate with the project sponsor (Tokyo Metropolitan Government) on development land acquisition and design as we work toward the start of construction.

2. Fiscal 2014 Major Measures (4) Neighborhood Success

(a) -1 Keio Kichijoji Station Building Reconstruction

- Completion of reconstruction work began on the Kichijoji station (Inokashira Line), including elevated bridge construction and station building renovation, opened for business in April 2014 (*Partial opening in summer)

■ 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



A new type of food sales floor, "Food parc" delivers high quality and freshness to your daily lifestyle.

- Designed based on a concept of a "kitchen within a station" that serves as a daily go-to site for entrees and snacks, this food sales floor offers vast variety from fresh produce to prepared dishes and sweets.
- * Area for prepared dishes and sweets produced by Keio Department Store scheduled to open in summer 2014.

2. Fiscal 2014 Major Measures (4) Neighborhood Success

(a) -2 Keio Kichijoji Station Building Reconstruction Floor Overview



Based on the concept of “Meeting a new me, a collection of my favorites,” Kirarina targets women in their 30s who value their own style and perspective. This commercial facility offers a collection of fashion, cosmetics, and accessories.

Floor	Theme	Overview
8/9F	Hobbies & Crafts	Hobbies & Crafts floor is the largest in the area
7F	Culture & Services	Culture & Services floor features a general bookstore
6F	Stylish Life	Floor fuses accessories and fashion to offer new lifestyle ideas
5F	Trendy Culture	Fashion floor that features casual clothing and accessories
4F	Stylish Casual	A stylish casual fashion floor for both men and women
3F	Select Styles	High fashion floor featuring select shops
2F	Fashion Variety Gate	Variety floor featuring cosmetics, fashion accessories, sweets, and more
1F	Convenience Gate	Floor facing the street is ideal for light meals
B1F	Food parc	Food floor that offers superior quality and daily convenience



2. Fiscal 2014 Major Measures (4) Neighborhood Success

◆ Takaosan Area Development Initiative

The number of visitors to the Takaosan area is increasing and we expect to see increases in foreign visitors and visitor traffic generated by the opening of the Ken-O Expressway south of the Takaosan IC.

⇒ **Takaosan is a vital tourism resource along rail lines and we will work to improve area appeal**

Opening of Day-Trip Hot Spring Facility

- ◆ Hot spring discovered after excavation
- ◆ Full scale construction with scheduled opening in spring 2015



[Outline]

- ◆ Gross floor area: 1,787.5 m²
- ◆ Structure: 2-floor building
- ◆ Menu: Public bath, food & beverage, sales

Initiative to improve area appeal in line with the opening of hot spring facility

Takaosanguchi Station Development

- ◆ Renewal of station and station grounds
- ◆ Station building designed by famous Japanese architect Kengo Kuma



Initiative to improve area appeal

- ◆ Evaluating collaboration with UKAI Co., Ltd. (acquired 5.7% of Ukai stocked in March 2014)
- ◆ Evaluating other new strategies

2. Fiscal 2014 Major Measures (4) Neighborhood Success

(c) Redevelopment of Building Complex in Sasazuka

~FY2012	FY2013	FY2014
Urban Planning and Project Planning Demolition Work	New Construction	Opening planned for spring of 2015

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

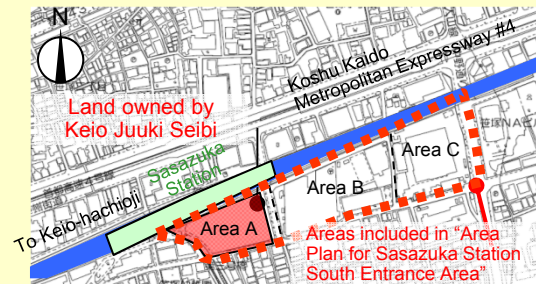
Appearance before Reconstruction

[Outline]

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



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



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]

- Opening planned for spring of 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

2. Fiscal 2014 Major Measures (4) Neighborhood Success

(d) Development of Area around Chofu Station

~FY2012	FY2013	FY2014	FY2015~
Grade crossing, elevated line construction for railway	Remove surface structures, construct station building	Planned completion of project Begin preparations aimed at above-ground utilization after completion of joint project Opening planned 2017	

[Future plans]

- Begin construction after completion of grade crossing, elevated line construction for railway, opening planned for 2017

[Outline]

- Commercial facility

[Lot A]

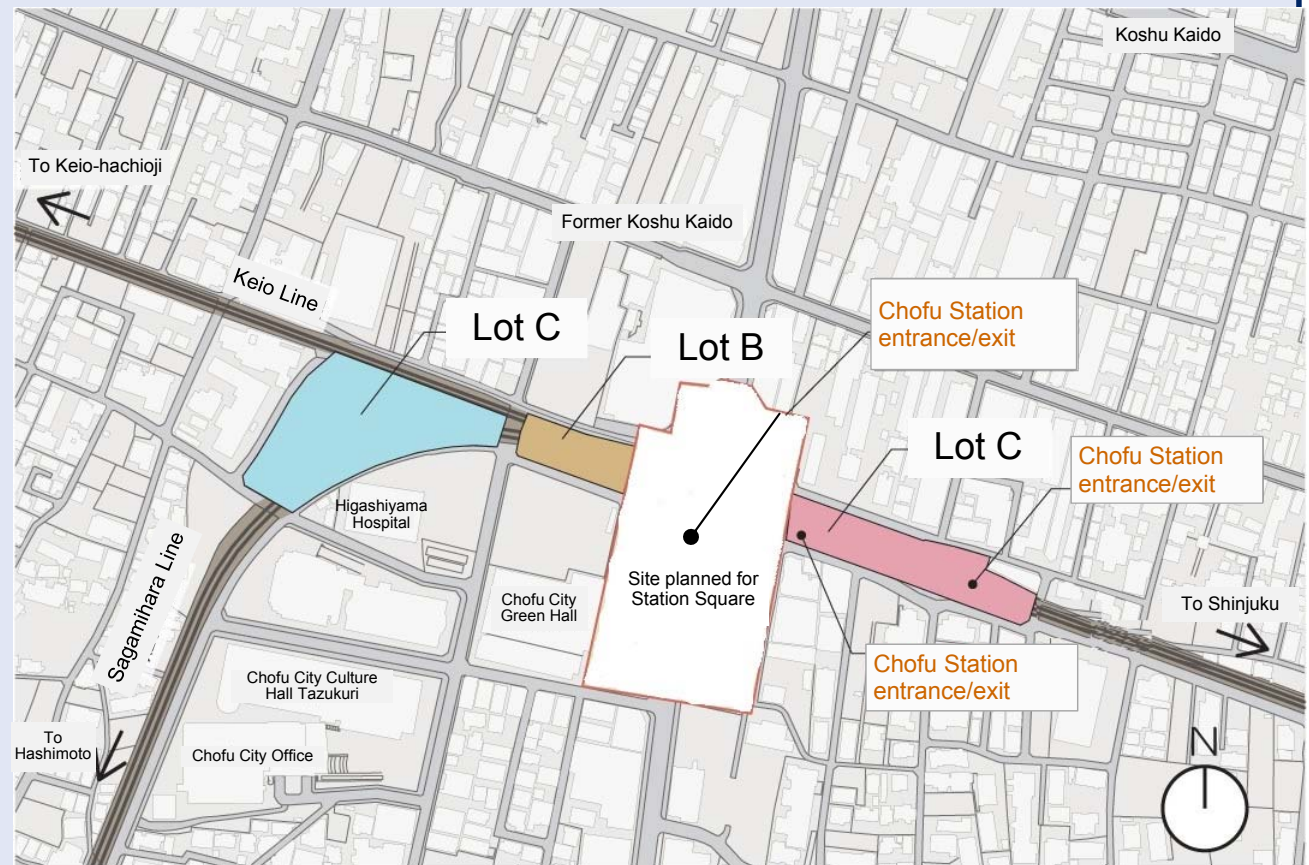
Land area: Approx. 4,000m²
 Building scale: Six above ground floors
 Gross floor area: Approx. 19,000m²

[Lot B]

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

[Lot C]

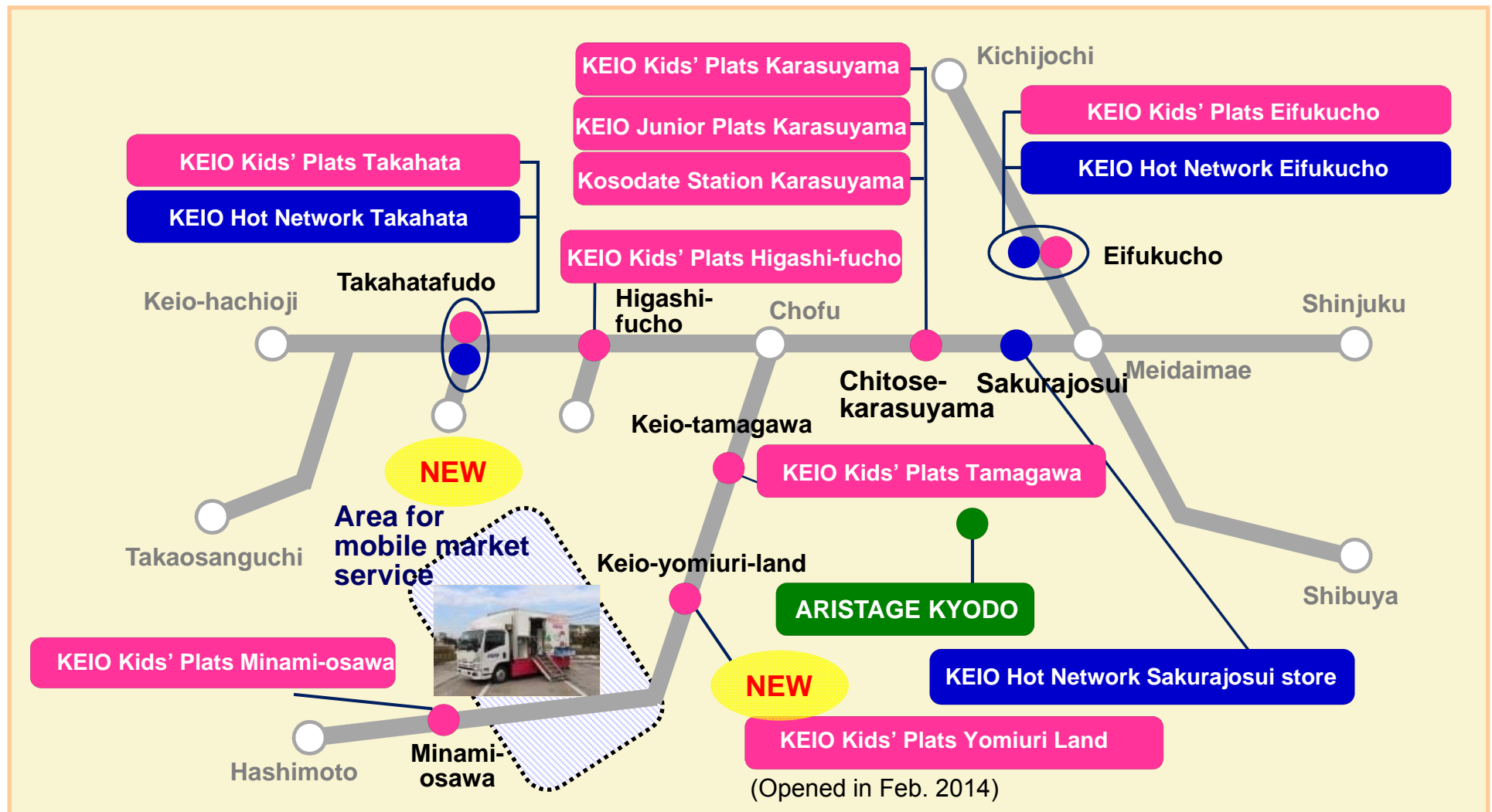
Land area: Approx. 6,200m²
 Building scale: Five above ground floors, two basement levels
 Gross floor area: Approx. 24,000m²



2. Fiscal 2014 Major Measures (4) Neighborhood Success

(e) Multifaceted Development of Lifestyle Support Services

- We will work toward “Being the Rail Line People Choose to Live Near” by evaluating a new service menu grounded in the needs of residents, particularly elderly generations and families with children. We also will look to expand our existing lifestyle support service menu.



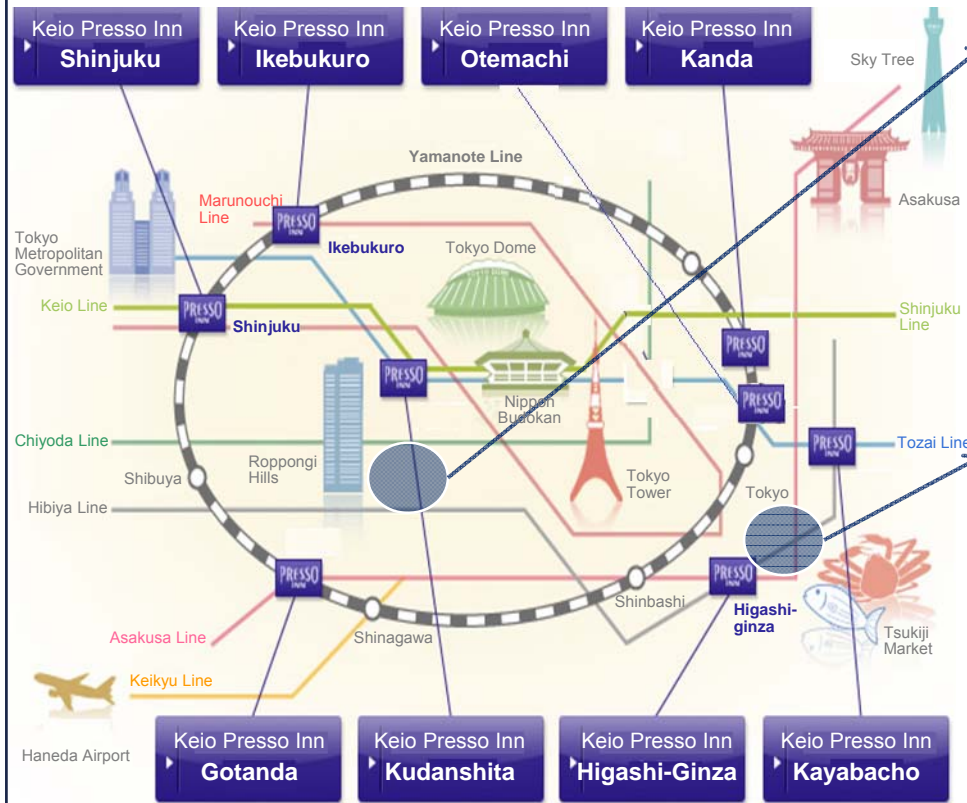
2. Fiscal 2014 Major Measures (5) Growth Initiatives

(a) Keio Presso Inn Development

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

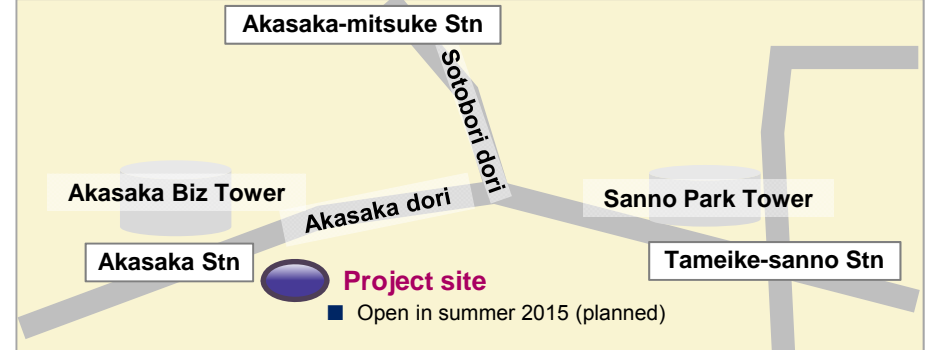
Keio Presso Inn Shop Network

Existing hotels (8 hotels)

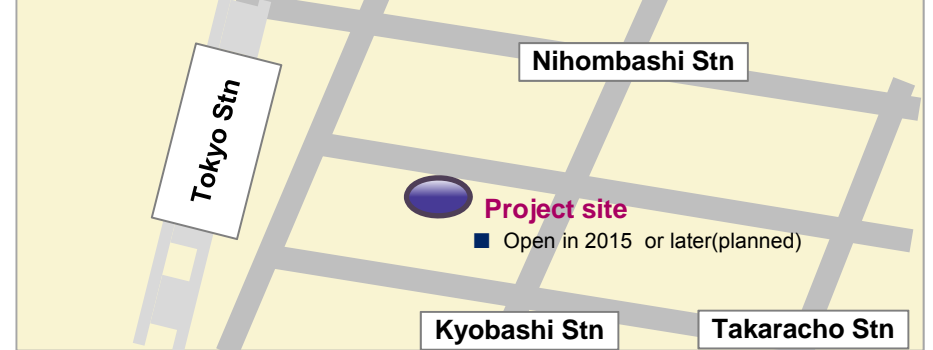


New hotels (2 hotels)

Keio Presso Inn Akasaka (provisional name)



Keio Presso Inn Tokyo Yaesu (provisional name)



2. Fiscal 2014 Major Measures (5) Growth Initiatives

(b) Business Development that Takes Advantage of ReBITA

Strengthening our Core Businesses

Single-Unit /Unit Division

Maintain position as core business while transforming into a strong yet flexible business able to adapt to market changes.



Pioneering the shared-living market

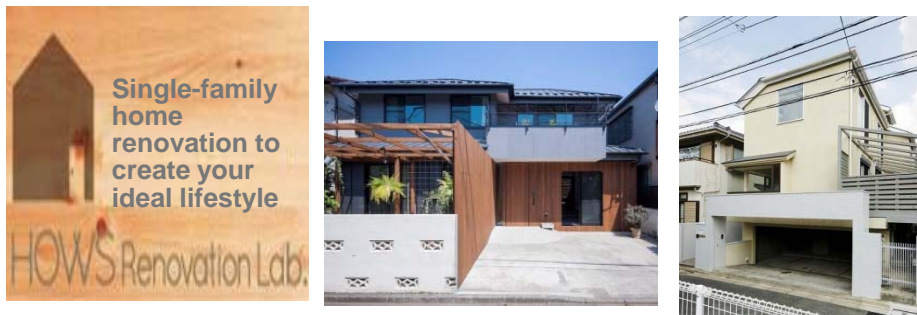
Continued efforts to develop new rental options and business styles of shared rental housing, the creation of a new “value” focused on enjoying communication and sharing “location,” “events,” and “information.”



Establishing New Businesses and New Brands

Single-family home renovation


Renewed focus on single-family homes in Tokyo, where the number of single-family homes exceeds the number of available condominiums. Using project launched in May 2013 as opportunity to develop into new business structure.



new brand – R100TOKYO Developments

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.”





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.

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