

Overview of financial results for the nine months ended December 31, 2016

February 9, 2017

Seibu Holdings Inc. (9024)

<http://www.seibuholdings.co.jp/en/>

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Financial results for the nine months ended December 31, 2016

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)	
Operating revenue	378.8	385.0	6.1	1.6%
Operating income	56.0	51.6	(4.4)	(7.9%)
EBITDA	86.0	84.8	(1.1)	(1.4%)
Ordinary income	50.4	48.6	(1.7)	(3.5%)
Profit attributable to owners of parent	19.8	41.2	21.4	107.8%

billions of yen

Key points of financial results

■ Operating revenue

-Increased due to an increase in transportation sales and growth in RevPAR for existing hotels and brisk growth of MICE, despite the impact of the halt of operations for seismic reinforcement work at hotels (down 7.8 billion yen YoY), the impact of unfavorable weather, and other factors. The effect of the opening of TOKYO GARDEN TERRACE KIOICHO and the sale of real estate in Hawaii also contributed.

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■ Operating income

-Decreased due to factors such as the halt of operations for seismic reinforcement work at hotels, recording of one-time expenses, depreciation and the free rent for opening of TOKYO GARDEN TERRACE KIOICHO.

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<Seibu railway/Railway operations>

Sales +0.8% YoY (Commuter passes: +1.6%, Non-commuter passes: +0.1%)

<Hotel operations>

RevPAR 11,228yen (+3.8% YoY),

City hotels: 12,168yen (+3.2% YoY), Resort hotels: 9,449 yen (+6.1% YoY)

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■ Ordinary income

-The YoY decline in ordinary income contracted compared with operating income mainly due to (the temporary factor of) recording the share of profit of entities accounted for using equity method related to NW Corporation Inc. (began using equity method this fiscal year).

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■ Profit attributable to owners of parent

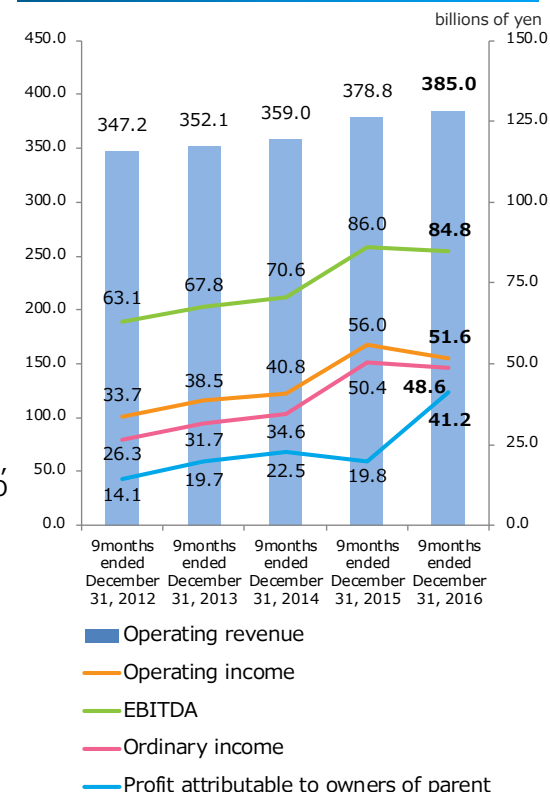
-Increased 21.4 billion yen YoY mainly due to recognition of an impairment loss following the decision to cancel the development plan for the planned site for Ahina railway yard in the previous fiscal period and recognition of a gain on sales of non-current assets and a decline in income taxes - deferred after recording deferred tax assets at Prince Hotels, Inc. in the current period, in addition to the above factors.

■ Earnings forecasts

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-Consolidated earnings forecasts for the fiscal year ending March 31, 2017 (full-year), have been revised.

Earnings results



Operating revenue for each segment

billions of yen

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Urban Transportation and Regional	117.6	117.1	(0.4)	(0.4%)	Revenue decreased mainly due to the halt of operations at certain leisure facilities and poor summer sales at pool facilities in leisure facilities along railway lines, as well as the absence of operating revenue from unused portion of multi-service bus cards sold, which was recognized in the same period of the previous fiscal year in bus operations, despite the strong transportation sales reflecting a strong employment situation and proactive event activities along railway lines.
Hotel and Leisure	142.7	142.1	(0.6)	(0.5%)	Revenue increased for reasons including the opening of The Prince Gallery Tokyo Kioicho, growth in RevPAR for existing hotels, and brisk growth of MICE. However, revenue decreased YoY due to the impact of the halt of operations for seismic reinforcement work at Tokyo Prince Hotel and Grand Prince Hotel Takanawa (down 7.8 billion yen).
Real Estate	37.6	39.8	2.1	5.8%	Revenue increased mainly due to strong performance at TOKYO GARDEN TERRACE KIOICHO and existing commercial facilities, offices and residences, respectively.
Construction	68.8	76.8	7.9	11.6%	Revenue increased mainly due to increases in civil engineering work, renovation projects and further progress in landscaping contract work.
Hawaii Business	13.0	19.1	6.0	46.5%	Revenue increased due to the sale of part of the real estate on the Island of Hawaii, and the strong performance of Mauna Kea Beach Hotel and Hapuna Beach Prince Hotel.
Other	30.1	30.2	0.0	0.2%	Revenue increased YoY mainly due to greater numbers of spectators for the Seibu Lions.
Adjustments	(31.3)	(40.3)	(9.0)	—	Mainly internal construction projects within the Group increased.
Consolidated	378.8	385.0	6.1	1.6%	

Operating income and EBITDA for each segment

Operating income					billions of yen
	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Urban Transportation and Regional	22.8	22.7	(0.1)	(0.6%)	Operating income was level YoY, mainly reflecting a decrease in operating revenue offset by a decrease in electric power costs in railway operations.
Hotel and Leisure	17.4	12.2	(5.2)	(30.0%)	Operating income decreased for reasons including the impact of the halt of operations for seismic reinforcement work at hotels, the recording of expenses associated with the opening of The Prince Gallery Tokyo Kioicho, and an increase in retirement benefit expenses.
Real Estate	12.0	6.2	(5.8)	(48.5%)	Although operating income increased due to the increase in operating revenue, the decrease was due to factors such as recording of one-time expenses, depreciation and the free rent for opening of TOKYO GARDEN TERRACE KIOICHO.
Construction	1.4	4.6	3.2	230.5%	Operating income increased due to increased revenue, and improved profitability of construction work.
Hawaii Business	(0.8)	4.9	5.8	—	Operating income increased due to the increase in revenue.
Other	2.0	1.6	(0.3)	(18.4%)	Operating income declined, reflecting an increase in expenses associated with increasing the fan base in the Seibu Lions Business.
Adjustments	1.1	(0.7)	(1.9)	—	
Cosolidated	56.0	51.6	(4.4)	(7.9%)	

EBITDA					billions of yen
	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Urban Transportation and Regional	38.1	37.8	(0.2)	(0.8%)	
Hotel and Leisure	25.8	21.4	(4.4)	(17.1%)	
Real Estate	15.2	12.3	(2.9)	(19.2%)	
Construction	1.6	4.9	3.2	196.8%	
Hawaii Business	0.6	6.2	5.6	859.6%	
Other	3.8	3.6	(0.2)	(7.5%)	
Adjustments	0.5	(1.5)	(2.1)	—	
Cosolidated	86.0	84.8	(1.1)	(1.4%)	

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Key initiatives of the nine months ended December 31, 2016

Overall

- The major project "TOKYO GARDEN TERRACE KIOICHO" grand opening
 - Launched the "SEIBU PRINCE CLUB emi" membership service for foreigners
 - Expanded the Seibu Holdings shareholder incentives
 - Held the "2016 Seibu Group Media FAM Tour" to promote customer attraction among foreign tourists visiting Japan
 - Promoted diversity including the construction of the Reemployment Support Network within the Seibu Group
- *FAM tour: "Familiarization tour" – an inspection visit tour



TOKYO GARDEN TERRACE KIOICHO

Urban Transportation and Regional

- Tourism train "The Seibu Traveling Restaurant - fifty two seats of happiness" started operation
- Began offering "SEIBU FREE Wi-Fi" at cars of Red Arrow Limited Express
- Started screening Seibu Railways TV commercial "2016 Autumn and Winter – Door Version"
- Operated the "Platinum Express", a limited express train with special wrapping to commemorate the registration of Chichibu autumn festival of floats and kagura and The Float Ceremony at the Kawagoe Hikawa Festival on UNESCO's Representative List of Intangible Cultural Heritage of Humanity
- Operated a "Watanabe Naomi Train" with special wrapping in conjunction with our "SEIBU HALLOWEEN 2016" event
- Reserved seating through-service trains "S-TRAIN" with the new commuter type 40000 series to be introduced (scheduled to begin operations on March 25, 2017)
- Conducted construction for the opening of "Seibuchichibu Ekimae Onsen Maturinoyu (Maturinoyu– the Seibu Chichibu Station-Front Hot Spring)" (scheduled to open in spring 2017) and conducted renewal construction at Seibu Chichibu Station (scheduled to be completed in March 2017) to help improve the appeal of the Chichibu area
- Introduced IC version of "Student Commuter Pass" at Seibu Bus Co., Ltd.



New commuter type 40000 series



Image of
"Seibu Chichibu Ekimae Onsen Maturinoyu"

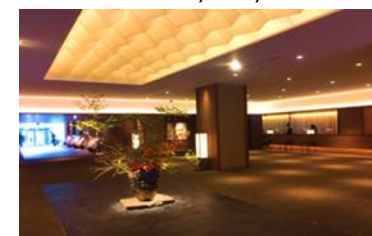
Key initiatives of the nine months ended December 31, 2016

Hotel and Leisure

- Opened The Prince Gallery Tokyo Kioicho
- Investing to increase the value of hotels in the Takanawa and Shinagawa area such as renewal open of Grand Prince Hotel Takanawa
- Renewed The Premium Club Floor at The Prince Park Tower Tokyo
- Renewal construction underway at Tokyo Prince Hotel (scheduled to renewal opening on April 1, 2017)
- Renewal construction underway at Oiso Prince Hotel, Sunshine City Prince Hotel, Grand Prince Hotel Kyoto, and Lake Biwa Otsu Prince Hotel
- Opened New York Office and Sydney Office as overseas sales offices
- Yokohama Hakkejima commenced the first overseas aquarium project by a Japanese company in Taoyuan , Taiwan (scheduled to open in January 2020)



The Prince Gallery Tokyo Kioicho



Grand Prince Hotel Takanawa

Real Estate

- Opened offices, Kioi Terrace commercial facilities and Kioi Residence residential building at TOKYO GARDEN TERRACE KIOICHO
- Renewal open of in-station commercial facility "Emio Tanashi"
- Established public delivery service lockers inside Shimo-Ochiai Station and at the in-station commercial facility "Emio Nerima-Takanodai"
- Launched store-independent tax-exemption services at Karuizawa Prince Shopping Plaza
- Opened "Brick St." after renovation of a commercial facility "American Blvd." situated beneath the overpass at Seibu Shinjuku Station
- Conducted ceremony for inaugurating construction for "Tokorozawa Station East Building Plan" (phase I: scheduled to open in spring 2018)
- Commenced construction of a near-station rental apartment "Emilive Saginomiya" (provisional name) (scheduled to open in spring 2018)



Image of Tokorozawa Station East Building Plan

Hawaii Business

- Sold off part of the real estate of Hapuna Beach Prince Hotel
- Rebranding of Hawaii Prince Hotel Waikiki through full-scale renewal and name change (Prince Waikiki), etc., (scheduled renewal opening in spring 2017)

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Urban Transportation and Regional Overview

millions of yen

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Operating revenue	117,665	117,185	(480)	(0.4%)	
Railway operations	77,836	78,315	479	0.6%	The increase was mainly due to the strong transportation sales reflecting the strong employment situation as well as proactive event activities along railway lines.
Bus operations	19,472	19,369	(102)	(0.5%)	Revenue decreased due to the absence of operating revenue from unused portion of multi-service bus cards sold, which was recognized in the same period of the previous fiscal year, despite brisk performance in route bus services.
Leisure facilities along railway lines	16,515	15,688	(826)	(5.0%)	Revenue decreased due to the halt of operations at certain leisure facilities and poor summer sales at pool facilities.
Others	3,841	3,812	(29)	(0.8%)	
Operating income	22,846	22,705	(140)	(0.6%)	Operating income decreased due to the decrease in operating revenue.
EBITDA	38,166	37,872	(294)	(0.8%)	

Urban Transportation and Regional

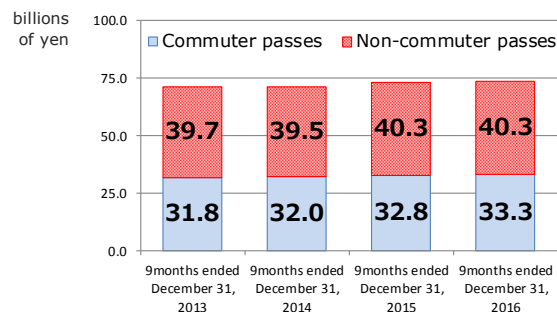
Key operating data of Railway operations

Number of passengers and sales from railway transportation (Seibu Railway Co., Ltd.)

thousands of passengers, millions of yen

		9months ended December 31, 2013	9months ended December 31, 2014	YoY change	9months ended December 31, 2015	YoY change	9months ended December 31, 2016	YoY change
Number of passengers	Commuter passes	292,374	294,911	0.9%	302,825	2.7%	307,539	1.6%
	Non-commuter passes	181,178	179,653	(0.8%)	183,499	2.1%	183,513	0.0%
	Total	473,552	474,565	0.2%	486,324	2.5%	491,053	1.0%
Sales from railway transportation	Commuter passes	31,858	32,000	0.4%	32,838	2.6%	33,348	1.6%
	Non-commuter passes	39,710	39,555	(0.4%)	40,300	1.9%	40,343	0.1%
	Total	71,568	71,555	(0.0%)	73,139	2.2%	73,692	0.8%
Other revenue		3,114	3,062	(1.7%)	3,109	1.5%	2,987	(3.9%)
Total net sales		74,683	74,618	(0.1%)	76,248	2.2%	76,680	0.6%

Sales from railway transportation



■ Commuter passes

Increased by 1.6% YoY due to the strong employment situation.

■ Non-commuter passes

Increased by 0.1% YoY due to the proactive event activities along railway lines and revision of limited express fares despite the impact of unfavorable weather, such as typhoons.

Hotel and Leisure Overview

millions of yen

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Operating revenue	142,793	142,145	(648)	(0.5%)	
City hotel operations	81,733	79,735	(1,998)	(2.4%)	Revenue increased for reasons including the opening of The Prince Gallery Tokyo Kioicho, growth in RevPAR for existing hotels, and brisk growth of MICE. However, revenue decreased due to the impact of the halt of operations for seismic reinforcement work at Tokyo Prince Hotel and Grand Prince Hotel Takanawa (down 7.8 billion yen).
Resort hotel operations	28,904	29,104	200	0.7%	Revenue increased as increases in RevPAR mainly at hotels in Hakodate-Onuma and the Hakone area that had undergone investments to increase value in the previous fiscal year.
Golf course operations	10,584	10,606	21	0.2%	
Others	21,571	22,698	1,127	5.2%	The increase was mainly due to the opening of Aqua Park Shinagawa after renovation in July, 2015.
Operating income	17,432	12,209	(5,222)	(30.0%)	Operating income decreased due to the halt of operations for seismic reinforcement work at hotels, the recording of one-time expenses for the opening of The Prince Gallery Tokyo Kioicho, and an increase in retirement benefit expenses.
EBITDA	25,893	21,478	(4,415)	(17.1%)	

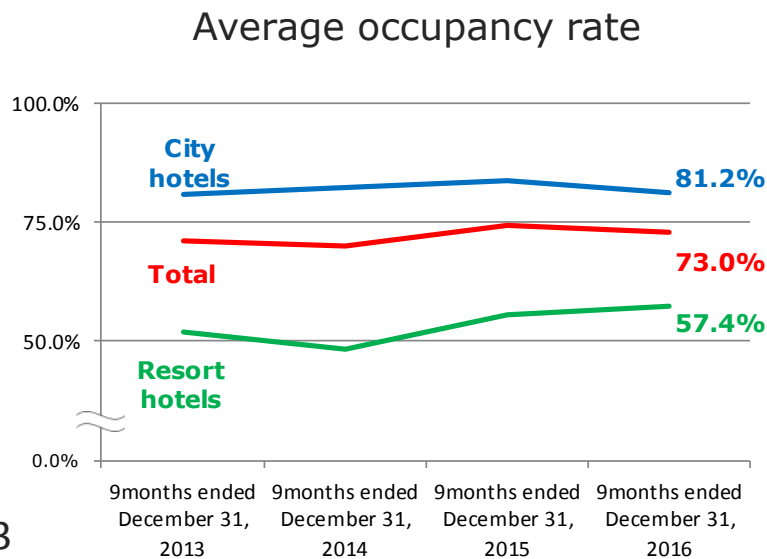
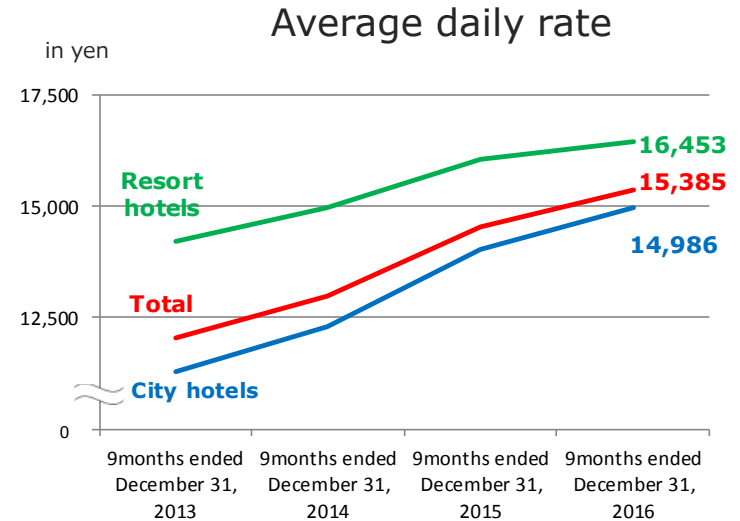
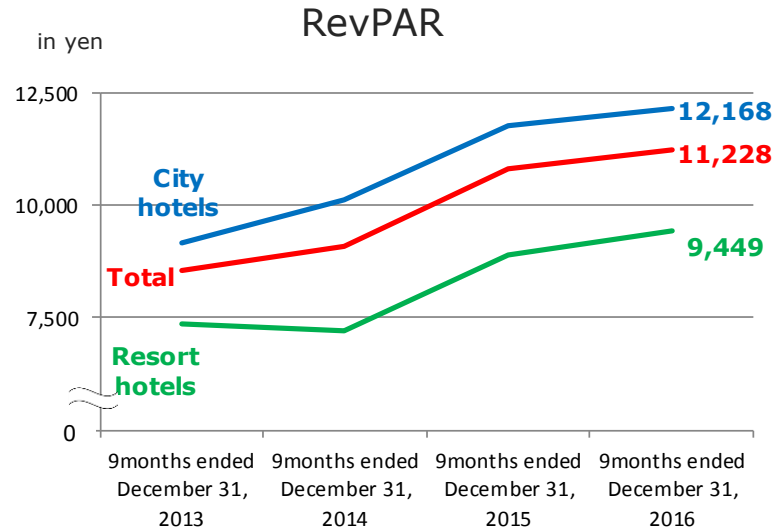
Hotel and Leisure Indicators of hotel operations

Indicators of hotel operations (Prince Hotels, Inc.)

RevPAR, room rates in yen

		9months ended December 31, 2013	9months ended December 31, 2014	YoY change	9months ended December 31, 2015	YoY change	9months ended December 31, 2016	YoY change
RevPAR	City hotels	9,168	10,144	976	11,788	1,644	12,168	381
	Takanawa and Shinagawa area	9,397	10,558	1,162	12,522	1,963	13,073	551
	Resort hotels	7,382	7,229	(154)	8,910	1,681	9,449	539
	Karuizawa area	14,976	17,472	2,496	19,896	2,423	19,848	(48)
	Total	8,556	9,090	535	10,817	1,727	11,228	411
Average daily rate (ADR)	City hotels	11,303	12,307	1,003	14,039	1,732	14,986	947
	Takanawa and Shinagawa area	10,995	12,286	1,291	14,306	2,020	14,929	622
	Resort hotels	14,234	14,990	756	16,062	1,072	16,453	391
	Karuizawa area	29,021	31,757	2,736	32,191	434	31,476	(715)
	Total	12,037	12,974	937	14,548	1,574	15,385	837
Average occupancy rate	City hotels	81.1%	82.4%	1.3pt	84.0%	1.5pt	81.2%	(2.8pt)
	Takanawa and Shinagawa area	85.5%	85.9%	0.5pt	87.5%	1.6pt	87.6%	0.0pt
	Resort hotels	51.9%	48.2%	(3.6pt)	55.5%	7.2pt	57.4%	2.0pt
	Karuizawa area	51.6%	55.0%	3.4pt	61.8%	6.8pt	63.1%	1.3pt
	Total	71.1%	70.1%	(1.0pt)	74.4%	4.3pt	73.0%	(1.4pt)

Hotel and Leisure Indicators of hotel operations



RevPAR increased as the average daily rates increased with the shift to a target market with customer sectors with a higher unit price.

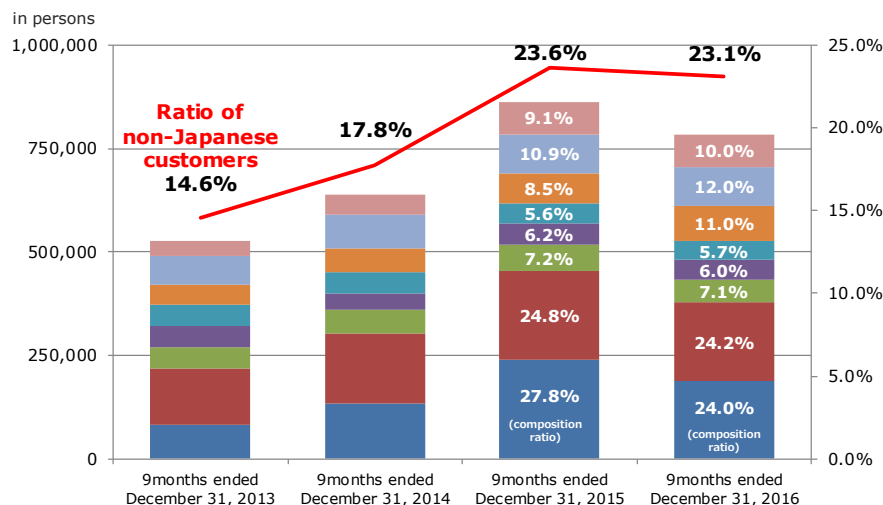
Hotel and Leisure Inbound trends①

(Number of customers, Room rate revenue)

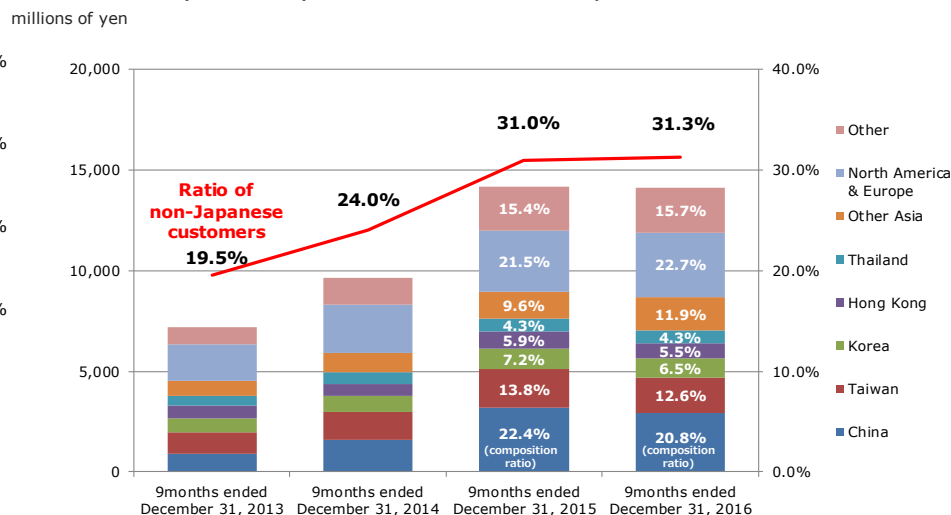
in persons, millions of yen

		9months ended December 31, 2013	9months ended December 31, 2014	YoY change	9months ended December 31, 2015	YoY change	9months ended December 31, 2016	YoY change
Breakdown of our customers	Japanese customers	3,089,030	2,949,992	(139,038)	2,787,780	(162,212)	2,608,091	(179,689)
	Non-Japanese customers	526,619	637,394	110,775	863,253	225,859	783,573	(79,680)
	Total	3,615,649	3,587,386	(28,263)	3,651,033	63,647	3,391,664	(259,369)
Room rate revenue	Non-Japanese customers	7,196	9,627	2,430	14,188	4,561	14,111	(76)

Number of non-Japanese customers by country and ratio of non-Japanese customers



Room rate revenue of non-Japanese customers by country and ratio of non-Japanese customers

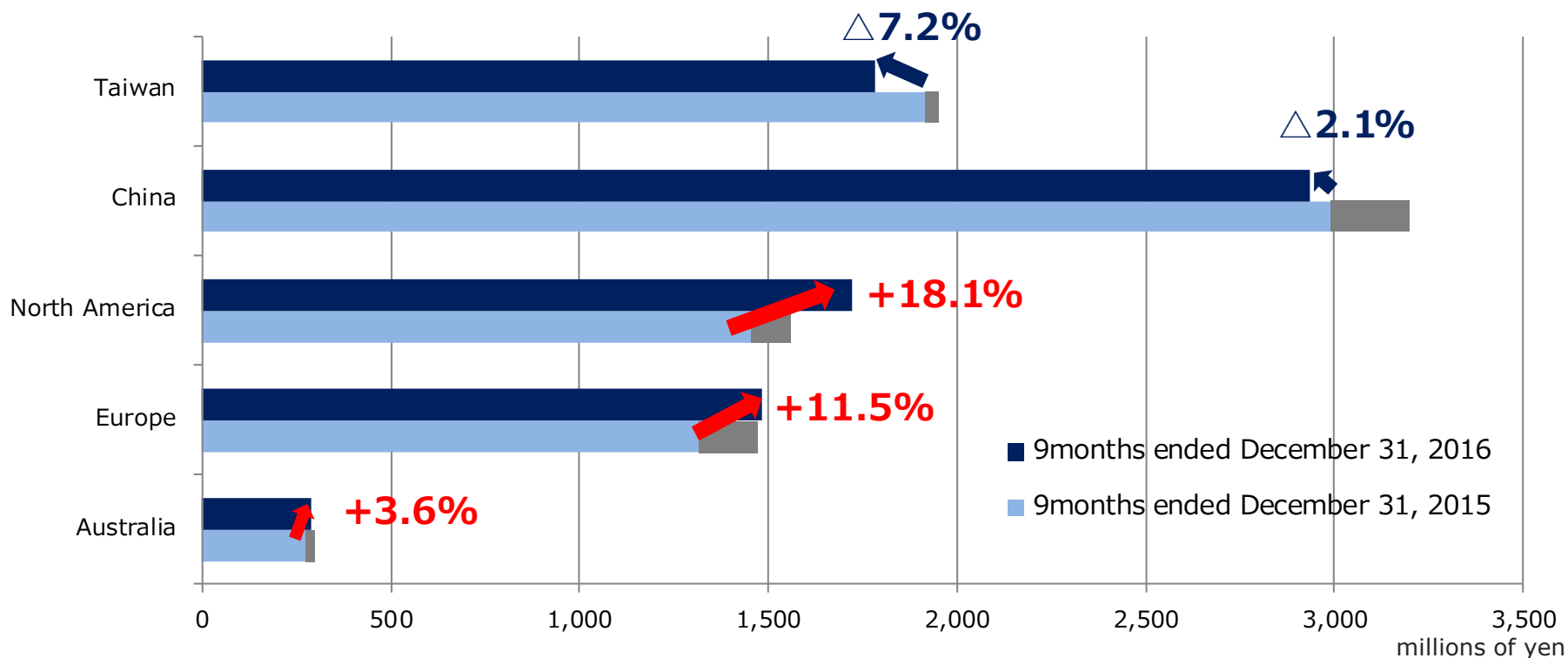


Hotel and Leisure Inbound trends②

(Inbound room rate revenue by major country, etc.)

To illustrate market change, on room revenue basis,* revenue decreased from Asian countries/territories such as Taiwan (-7.2% YoY) and China (-2.1% YoY), but **increased from North America (+18.1% YoY), Europe(+11.5% YoY), and Australia(+3.6% YoY).** **This indicates a steady increase in customers from areas with higher unit prices.**

Inbound room rate revenue by major country, etc.*



*Basis omitting effect of operations halted for seismic reinforcement work(■ in graph)

Real Estate Overview

millions of yen

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Operating revenue	37,681	39,854	2,172	5.8%	
Leasing operations	23,731	26,289	2,557	10.8%	Revenue increased mainly due to strong performance at TOKYO GARDEN TERRACE KIOICHO and existing commercial facilities, offices and residences, respectively.
Others	13,950	13,564	(385)	(2.8%)	
Operating income	12,093	6,232	(5,860)	(48.5%)	Although operating income increased due to the increase in operating revenue, the decrease was due to factors such as recording of one-time expenses, depreciation and the free rent for opening of TOKYO GARDEN TERRACE KIOICHO.
EBITDA	15,249	12,322	(2,927)	(19.2%)	

in thousands of square meters

		9months ended December 31, 2013	9months ended December 31, 2014	YoY change	9months ended December 31, 2015	YoY change	9months ended December 31, 2016	YoY change
Leasing space as of December, 31	commercial retail	213	228	14	233	5	237	3
	office/residential	59	57	(1)	59	1	161	102
Vacancy rate for leasable space as of December, 31	commercial retail	0.9%	1.1%	0.2pt	1.2%	0.1pt	0.7%	(0.5pt)
	office/residential	8.3%	6.6%	(1.7pt)	15.5%	8.9pt	2.3%	(13.2pt)

Construction Overview

millions of yen

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Operating revenue	68,853	76,846	7,993	11.6%	
Construction operations	50,729	57,198	6,469	12.8%	The increase was mainly due to increases in civil engineering work and renovation projects.
Others	18,124	19,648	1,524	8.4%	The increase was mainly due to further progress in landscaping contract work.
Operating income	1,400	4,627	3,227	230.5%	Operating income increased due to increased revenue, and improved profitability of construction work.
EBITDA	1,651	4,901	3,250	196.8%	

Status of orders received by the Construction operations

millions of yen

	9months ended December 31, 2013	9months ended December 31, 2014	YoY change	9months ended December 31, 2015	YoY change	9months ended December 31, 2016	YoY change
Orders carried over from the previous fiscal year	58,012	62,320	4,309	84,335	22,014	99,069	14,733
Orders received during the period	56,809	63,926	7,118	56,172	(7,754)	57,690	1,518
Orders carried over to the next period	71,253	77,613	6,360	89,913	12,300	99,685	9,772

Hawaii Business Overview

millions of yen

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Operating revenue	13,070	19,144	6,074	46.5%	Revenue increased due to the sale of part of the real estate on the Island of Hawaii, and the strong performance of Mauna Kea Beach Hotel and Hapuna Beach Prince Hotel.
Operating income	(896)	4,935	5,831	—	Operating income increased due to the increase in revenue.
EBITDA	654	6,276	5,622	859.6%	

Average occupancy rate and average dairy rate of Hotel

	9months ended December 31, 2013	9months ended December 31, 2014	YoY change	9months ended December 31, 2015	YoY change	9months ended December 31, 2016	YoY change
Average occupancy rate	72.0%	72.3%	0.3pt	74.4%	2.1pt	70.4%	(4.0pt)
Average daily rate (¥)	19,351	23,354	4,003	28,612	5,258	27,149	(1,463)
Average daily rate (\$)	222.42	228.96	6.54	238.83	9.87	246.81	7.98

Other Overview

millions of yen

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change (Amount / %)		Details
Operating revenue	30,167	30,239	71	0.2%	The increase was mainly due to greater numbers of spectators for the Seibu Lions.
Operating income	2,039	1,664	(374)	(18.4%)	The decrease was due to an increase in expenses for increasing the fan base in the Seibu Lions Business.
EBITDA	3,894	3,601	(292)	(7.5%)	

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Summary of consolidated statement of income

				millions of yen
	9months ended December 31, 2015	9months ended December 31, 2016	YoY change	Details
Operating revenue	378,862	385,041	6,179	Urban Transportation and Regional: -0.4 billion yen, Hotel and Leisure: -0.6 billion yen, Real Estate: +2.1 billion yen, Construction: +7.9 billion yen, Hawaii Business: +6.0 billion yen, Other: +0.0 billion yen
Operating income	56,055	51,601	(4,453)	Urban Transportation and Regional: -0.1 billion yen, Hotel and Leisure: -5.2 billion yen, Real Estate: -5.8 billion yen, Construction: +3.2 billion yen, Hawaii Business: +5.8 billion yen, Other: -0.3 billion yen
Non-operating income	2,009	5,913	3,904	Share of profit of entities accounted for using equity method: +3.6 billion yen (see page 22)
Non-operating expenses	7,603	8,819	1,216	Interest expenses: +0.8 billion yen
Ordinary income	50,461	48,695	(1,765)	
Extraordinary income	1,781	4,488	2,707	Gain on sales of non-current assets: +3.0 billion yen
Extraordinary losses	18,972	2,489	(16,483)	(Previous fiscal period) Impairment loss: 12.8 billion yen
Income before income taxes	33,270	50,695	17,424	
Income taxes	13,299	9,323	(3,976)	Income taxes - current: -0.9 billion yen Income taxes - deferred: -3.0 billion yen (Recording of deferred tax assets at Prince Hotels, Inc.: -3.0 billion yen)
Profit	19,971	41,371	21,400	
Profit attributable to non-controlling interests	103	91	(11)	
Profit attributable to owners of parent	19,867	41,279	21,412	

Non-operating income and expenses and extraordinary income and losses

millions of yen

	9months ended December 31, 2015	9months ended December 31, 2016	YoY change	Details
Operating income	56,055	51,601	(4,453)	
Non-operating income	2,009	5,913	3,904	
Interest and dividend income	649	705	56	
Subsidy to keep a bus on a regular route	344	342	(1)	
Share of profit of entities accounted for using equity method	31	3,728	3,697	Recorded in relation to NW Corporation becoming an equity-method associate from the current period (temporary factor)
Other	985	1,136	151	
Non-operating expenses	7,603	8,819	1,216	
Interest expenses	7,152	8,002	850	
Other	450	816	366	
Ordinary income	50,461	48,695	(1,765)	
Extraordinary income	1,781	4,488	2,707	
Gain on sales of non-current assets	312	3,394	3,082	(Current fiscal period) Sales of land (Shin Sugita)
Contribution for construction	988	18	(970)	
Subsidy income	99	316	217	
Gain on sales of investment securities	105	0	(105)	
Other	275	757	482	
Extraordinary losses	18,972	2,489	(16,483)	
Impairment loss	12,870	41	(12,829)	(Previous fiscal period) Impairment loss due to the decision to cancel of the development plan for the planned site for Ahina railway yard: 12.6 billion yen
Loss on sales of non-current assets	111	9	(102)	
Loss on retirement of non-current assets	1,032	1,536	504	
Reduction entry of land contribution for construction	976	18	(958)	
Loss on reduction of non-current assets	80	296	215	
Loss on sales of investment securities	4	—	(4)	
Loss on valuation of investment securities	0	0	0	
Other	3,895	586	(3,309)	(Previous fiscal period) Recorded litigation cost upon final and binding judgment
Profit before income taxes	33,270	50,695	17,424	

Summary of consolidated balance sheet

				millions of yen
	March 31, 2016	December 31, 2016	Change	Details
Total assets	1,553,092	1,588,518	35,425	
Current assets	136,813	116,389	(20,424)	Notes and accounts receivable - trade -4,634 Other -20,619 (collection of indemnification claims, etc.) Cash and deposits +3,063
Non-current assets	1,416,278	1,472,129	55,850	Property, plant and equipment and intangible assets +54,014
Total liabilities	1,160,443	1,223,502	63,059	
Current liabilities	317,855	337,476	19,621	Increase in short-term loans payable +21,233 Other +7,216 (new construction costs on TOKYO GARDEN TERRACE KIOICHO, etc.) Notes and accounts payable - trade -7,340
Non-current liabilities	842,587	886,025	43,437	Increase in long-term loans payable +26,001 Liabilities from application of equity method +17,271 (NW Corporation, an equity-method associate)
Total net assets	392,649	365,016	(27,633)	Treasury shares -52,524 (regarding shares of the Company held by NW Corporation, the Group's equity ownership portion was recorded as treasury shares) Foreign currency translation adjustment -9,359 Retained earnings +34,885
Interest-bearing debt	843,745	888,326	44,581	
Net interest-bearing debt	821,328	862,846	41,518	Mainly an increase in new construction costs paid for TOKYO GARDEN TERRACE KIOICHO

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Consolidated earnings forecasts for the fiscal year ending March 31, 2017

	billions of yen	FY ending March 31, 2017 full-year forecast	Previous forecast (Nov.)	Change from previous forecast (%)	FY ended March 31, 2016	YoY change
Operating revenue		512.6	517.1	(0.9%)	508.0	0.9%
Operating income		56.3	54.1	4.1%	65.9	(14.6%)
EBITDA		102.7	100.5	2.2%	106.7	(3.7%)
Ordinary income		51.3	48.5	5.8%	58.5	(12.3%)
Profit attributable to owners of parent		42.0	37.0	13.5%	57.2	(26.6%)

Note: Monetary amounts presented in the table are truncated to the unit used for presentation, and ratios are rounded to one decimal place.

The full-year consolidated earnings forecasts have been revised from the earnings forecasts announced on November 9, 2016, based on the performance for the first nine months.

■ **Operating revenue:** ¥512.6 billion

The previous forecast has been revised downward by ¥4.5 billion, reflecting the reservation status in the Hotel and Leisure business's accommodation division, etc.

■ **Operating income:** ¥56.3 billion

The previous forecast has been revised upward by ¥2.2 billion primarily due to various cost reductions that offset decreased revenue.

■ **Ordinary income:** ¥51.3 billion (an upward revision of ¥2.8 billion from the previous forecast)

■ **Profit attributable to owners of parent:** ¥42.0 billion (an upward revision of ¥5.0 billion from the previous forecast)

Note: The consolidated earnings forecasts are based on information available to the company at the announcement. Actual earnings results may differ from the forecast figures due to various factors going forward.

Consolidated earnings forecasts for the fiscal year ending March 31, 2017

Operating revenue for each segment

billions of yen	FY ending March 31, 2017 full-year forecast	Previous forecast (Nov.)	Change from previous forecast (%)	FY ended March 31, 2016	YoY change
Urban Transportation and Regional	156.6	156.6	–	157.3	(0.5%)
Hotel and Leisure	187.4	188.8	(0.7%)	188.0	(0.3%)
Real Estate	54.1	54.1	–	49.6	8.9%
Construction	114.1	112.2	1.7%	104.9	8.7%
Hawaii Business	23.1	23.2	(0.4%)	19.3	19.7%
Other	37.0	37.1	(0.3%)	37.5	(1.4%)
Adjustments	(59.7)	(54.9)	–	(48.8)	–

Operating income for each segment

billions of yen	FY ending March 31, 2017 full-year forecast	Previous forecast (Nov.)	Change from previous forecast (%)	FY ended March 31, 2016	YoY change
Urban Transportation and Regional	26.2	26.1	0.4%	25.8	1.2%
Hotel and Leisure	13.0	13.0	–	20.6	(37.0%)
Real Estate	7.0	6.5	7.7%	14.5	(51.8%)
Construction	6.2	4.5	37.8%	3.6	67.8%
Hawaii Business	4.3	3.5	22.9%	(0.8)	–
Other	0.4	0.5	(20.0%)	1.0	(63.1%)
Adjustments	(0.8)	–	–	0.9	–

EBITDA for each segment

billions of yen	FY ending March 31, 2017 full-year forecast	Previous forecast (Nov.)	Change from previous forecast (%)	FY ended March 31, 2016	YoY change
Urban Transportation and Regional	47.1	47.0	0.2%	46.7	0.8%
Hotel and Leisure	26.0	26.0	–	32.0	(18.9%)
Real Estate	15.4	14.8	4.1%	18.7	(17.9%)
Construction	6.6	4.9	34.7%	4.0	63.0%
Hawaii Business	6.0	5.6	7.1%	1.2	386.6%
Other	3.1	3.2	(3.1%)	3.6	(16.0%)
Adjustments	(1.5)	(1.0)	–	0.1	–

Note:
Monetary amounts presented in the table are truncated to the unit used for presentation, and ratios are rounded to one decimal place.