

Overview of financial results for the nine months ended December 31, 2018

February 7, 2019

Seibu Holdings Inc. (9024)
<http://www.seibuholdings.co.jp/en/>

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Financial results for the nine months ended December 31, 2018

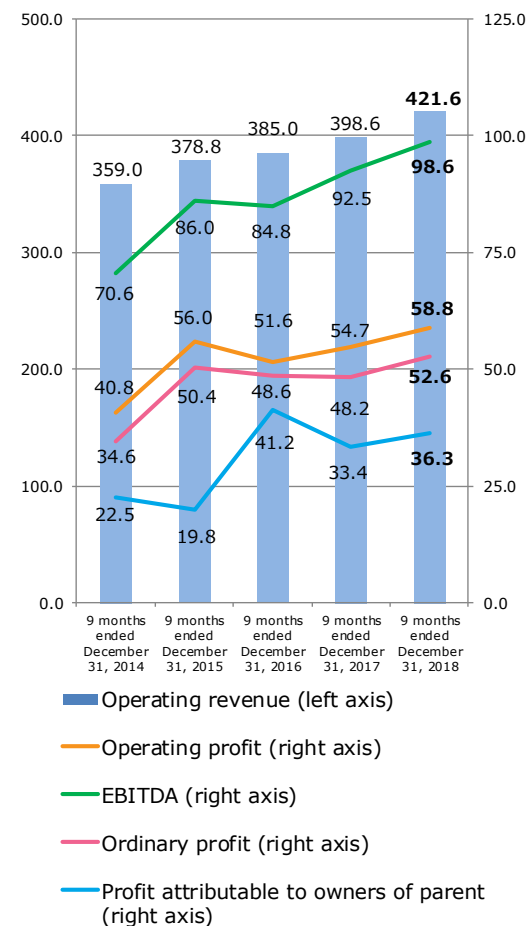
	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)	
Operating revenue	398.6	421.6	23.0	5.8%
Operating profit	54.7	58.8	4.0	7.5%
EBITDA ¹	92.5	98.6	6.1	6.7%
Ordinary profit	48.2	52.6	4.3	9.0%
Profit attributable to owners of parent	33.4	36.3	2.8	8.5%

¹ EBITDA is calculated by adding depreciation and amortization of goodwill to operating profit

billions
of yen

Earnings results

billions of yen



Key points of financial results

■ Operating revenue

► **Page 3**

Increased due to the following factors: strong RevPAR growth and a solid performance in the MICE (meetings, incentives, conventions and exhibitions) businesses in the hotel operations. Also, an increase in rent revenue from Tokyo Garden Terrace Kioicho, increases in construction work and renovation projects, rising attendance at Seibu Lions baseball games and RevPAR growth in the hotels in the Hawaii Business contributed to the operating revenue.

■ Operating profit/Ordinary profit/Profit attributable to owners of parent

► **Page 4, 22, 23**

Increased due to the increase in revenue

<Seibu railway/Railway operations>

► **Page 10**

Sales +1.2% YoY (Commuter passes: +1.0%, Non-commuter passes: +1.4%)

<Hotel operations>

► **Page 12**

RevPAR 12,664 yen (+6.3% YoY)

City hotels: 13,721 yen (+7.0% YoY), Resort hotels: 10,430 yen (+4.1% YoY)

Operating revenue for each segment

billions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Urban Transportation and Regional	121.5	122.7	1.2	1.0%	Revenue increased in transportation sales in both commuters and non-commuters due to strong employment situation, events at the MetLife Dome, an increase in attendance at MetLife Dome baseball games, the opening of Grand Emio Tokorozawa phase I, the introduction of the "HAIJIMA LINER" extra-fare reserved seating trains and a brisk performance in bus operations.
Hotel and Leisure	154.2	165.6	11.3	7.4%	Revenue increased mainly due to RevPAR growth, strong performance in the MICE business and the conversion of StayWell into a consolidated subsidiary.
Real Estate	46.7	48.2	1.5	3.2%	Revenue rose mainly due to an increase in rental revenue from Tokyo Garden Terrace Kioicho, despite a fallback from the sale of residential houses in the same period of the previous fiscal year.
Construction	71.2	75.5	4.2	6.0%	Revenue rose mainly due to increases in construction work and renovation projects.
Hawaii Business	11.5	13.9	2.3	20.4%	Revenue increased due to a rise in ADR and occupancy rates at Prince Waikiki and Mauna Kea Beach Hotel, despite downscaling of operations at Hapuna Beach Prince Hotel for renovation and the Kilauea volcano eruption.
Other	32.3	34.6	2.3	7.3%	Revenue rose in Seibu Lions business mainly due to an increase in attendance helped by the outstanding performance by the baseball team, execution of various initiatives and strong sales of official merchandise.
Adjustments	(39.1)	(39.2)	(0.0)	—	
Consolidated	398.6	421.6	23.0	5.8%	

Operating profit and EBITDA for each segment

Operating profit

billions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Urban Transportation and Regional	24.0	22.9	(1.1)	(4.8%)	Operating profit decreased due to an increase in expenses such as general and administrative expenses, electric power costs, fuel costs and repair expenses despite increased transportation sales in railway and bus operations.
Hotel and Leisure	13.4	15.3	1.9	14.3%	Operating profit increased due to higher revenue despite increases in expenses for future growth (such as hiring staff in a strategic approach and expenses related to new businesses), utilities costs and depreciation, etc.
Real Estate	12.7	15.0	2.2	18.1%	Operating profit rose mainly due to an increase in rental revenue from Tokyo Garden Terrace Kioicho, despite a fallback from the sale of residential houses in the same period of the previous fiscal year.
Construction	3.6	3.6	(0.0)	(0.1%)	Operating profit was nearly flat as increased revenue was curbed by lower profit margins and higher SG&A expenses.
Hawaii Business	(1.3)	(1.1)	0.2	—	Operating loss shrank due to the increase in revenue.
Other	2.2	2.5	0.3	14.1%	Operating profit rose due to the increase in revenue.
Adjustments	(0.0)	0.4	0.4	—	
Consolidated	54.7	58.8	4.0	7.5%	

EBITDA

billions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Urban Transportation and Regional	40.0	38.8	(1.2)	(3.0%)	
Hotel and Leisure	24.8	27.4	2.6	10.8%	
Real Estate	19.5	22.6	3.0	15.7%	
Construction	3.9	3.9	0.0	0.4%	
Hawaii Business	0.1	0.7	0.5	336.0%	
Other	4.4	4.8	0.4	9.8%	
Adjustments	(0.4)	0.1	0.6	—	
Consolidated	92.5	98.6	6.1	6.7%	

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Key initiatives of the nine months ended December 31, 2018

Overall

- The Seibu Group's corporate philosophy—Group Vision—initiatives won Silver prize at the PR Award Grand Prix 2018.
- Opened Emi Kids, a Seibu Group company-initiated childcare center to support employees (November 1, 2018).
- Invested in venture capital (VC) funds as a step for creating new business areas (July 27, 2018).
- Prioritize growth investments for maximizing shareholder value while acquiring treasury shares as part of a flexible capital policy to enhance shareholders' returns and capital efficiency.



Seibu Group company-initiated childcare center Emi Kids

Urban Transportation and Regional

- Decided on the name Laview for the new Limited Express train (planned to start operation in March 16, 2019).
- Seibu Railway received grand prize in the Iijiban no Hi Award for promoting public safety.
- Conducted renewal construction on Seibu-Shinjuku station and Hannō station (scheduled to be completed in March 2019).
- Conducted trials of Rakutoru smart lockers and Perseusbot security robots.
- Opened SEIBU FITNESS emifit Saginomiya (April 7, 2018) and SEIBU FITNESS emifit Higashi-Kurume (November 27, 2018).



New Limited Express train Laview

Hotel and Leisure

- Decided on opening of the PRINCE VACATION CLUB membership hotel business (scheduled to open in July 2019).
PRINCE VACATION CLUB Villa Karuizawa Asama, PRINCE VACATION CLUB Karuizawa Asama, PRINCE VACATION CLUB Sanyo-so
- Improvements of club lounge and addition of new suite rooms at Grand Prince Hotel New Takanawa (scheduled to open in stages from December 2018).
- Conducting renovation of some guest rooms at Shinjuku Prince Hotel (October 2018) and Sapporo Prince Hotel (December 2018, to be done in stages).
- Banned disposable plastic straws at directly managed restaurants and banquet halls in Prince Hotels, Inc.'s domestic hotels, ski resorts, and golf clubs. (Ban to roll out from January 2019)
- Created overseas luxury hotel brand The Prince AKATOKI. Decided to open first hotel in London, United Kingdom (summer 2019 onward) and second in Guangzhou, China (winter 2019 onward).
- StayWell Holdings Pty Ltd opened one hotel in Indonesia (July 2018), and two hotels in southern India (August, November, 2018), bringing its number of hotels under operation to 25 (as of December 31, 2018).



PRINCE VACATION CLUB Sanyo-So (guestroom conceptual image)

Key initiatives of the nine months ended December 31, 2018

Real Estate

- Decided on DaiyaGate Ikebukuro for the building name of the Seibu Railway Ikebukuro Building (tentative name) (plan for rebuilding the Company's former headquarters in Ikebukuro) (scheduled to open in spring of 2019).
- Decided on opening of childcare centers near stations: Nicot Nerima (planned April 1, 2019) and Nicot Higashi-Nagasaki (planned September 1, 2019).
- Grand opening of Emio Akitsu in-station commercial facility (November 29, 2018).
- Sales of the condominium ENVIE-NÉ HŌYA.



DaiyaGate Ikebukuro

Hawaii Business

- Prince Waikiki was awarded the 2018 Certificate of Excellence by TripAdvisor, the world's largest travel website.
- Hapuna Beach Prince Hotel was rebranded as the Westin Hapuna Beach Resort, becoming a Westin Brand affiliate, after the full renovation (reopened in June 26, 2018).



The Westin Hapuna Beach Resort guest room

Other

- Saitama Seibu Lions won the 22nd Pacific League title for the first time in ten years.
- MetLife Dome area: Promote construction to develop into a ballpark complex (scheduled for completion in spring of 2021).
Under the plan, construction of Lions official store FLAGS, new indoor practice field, Wakajishi dormitory and office building will be completed in June 2019.
- Started operations of the amphibious bus NINJABUS WATER SPIDER at Hakone Lake Ashinoko (April 27, 2018).



Saitama Seibu Lions

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Urban Transportation and Regional Overview

millions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Operating revenue	121,538	122,748	1,209	1.0%	
Railway operations	79,349	79,843	494	0.6%	Revenue increased due to growth in transportation sales on both commuters and non-commuters, despite lower sales at SEIBU Electrical Construction.
Bus operations	19,568	19,974	406	2.1%	Revenue increased due to strong performance in route buses.
Leisure facilities along railway lines	16,791	17,187	395	2.4%	Revenue rose mainly due to an increase in the number of visitors to Toshimaen, particularly in summer.
Others	5,829	5,742	(86)	(1.5%)	
Operating profit	24,050	22,906	(1,143)	(4.8%)	Operating profit decreased due to an increase in expenses such as general and administrative expenses, electric power costs, fuel costs and repair expenses despite increased transportation sales in railway operations and bus operations.
EBITDA	40,095	38,877	(1,217)	(3.0%)	

Urban Transportation and Regional

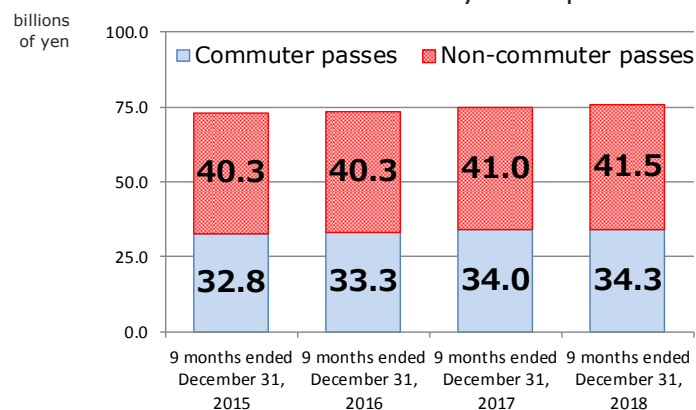
Key operating data of Railway operations

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

thousands of passengers, millions of yen

		9 months ended December 31, 2015	9 months ended December 31, 2016	YoY change	9 months ended December 31, 2017	YoY change	9 months ended December 31, 2018	YoY change
Number of passengers	Commuter passes	302,825	307,539	1.6%	313,424	1.9%	316,600	1.0%
	Non-commuter passes	183,499	183,513	0.0%	185,604	1.1%	187,860	1.2%
	Total	486,324	491,053	1.0%	499,029	1.6%	504,460	1.1%
Revenue from railway transportation	Commuter passes	32,838	33,348	1.6%	34,009	2.0%	34,345	1.0%
	Non-commuter passes	40,300	40,343	0.1%	41,015	1.7%	41,598	1.4%
	Total	73,139	73,692	0.8%	75,024	1.8%	75,944	1.2%
Other revenue		3,109	2,987	(3.9%)	2,986	(0.0%)	2,990	0.1%
Total net sales		76,248	76,680	0.6%	78,011	1.7%	78,934	1.2%

Revenue from railway transportation



■ Commuter passes

Increased due to the strong employment situation.

■ Non-commuter passes

Increased due to events at the MetLife Dome, an increase in attendance at MetLife Dome baseball games, the opening of Grand Emio Tokorozawa phase I, the introduction of the "HAIJIMA LINER" extra-fare reserved seating trains and so forth.

Hotel and Leisure Overview

millions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Operating revenue	154,279	165,646	11,366	7.4%	
City hotel operations	90,758	97,418	6,660	7.3%	Revenue increased mainly due to RevPAR growth and strong performance in the restaurants division and MICE business.
Resort hotel operations	30,081	31,308	1,227	4.1%	Revenue increased mainly contributed by sales in the hotels where operations had been shut down for renovation in the previous fiscal year and an increase in RevPAR despite the impact of cancellations due to natural disasters and so forth.
Golf course operations	10,959	11,048	88	0.8%	Revenue increased mainly due to gaining tournament opportunities and attracting individual customers, despite natural disasters and the summer's extreme heat.
Others	22,479	25,869	3,390	15.1%	Revenue increased mainly due to the conversion of StayWell Holdings Pty Ltd into a consolidated subsidiary and the start of operations of the Joetsu Aquarium Umigatari, which opened in June 2018.
Operating profit	13,451	15,369	1,917	14.3%	Operating profit increased due to higher revenue despite increases in expenses for future growth (such as hiring staff in a strategic approach and expenses related to new businesses), utilities costs and depreciation, etc.
EBITDA	24,803	27,489	2,685	10.8%	

Hotel and Leisure

Indicators of hotel operations

Indicators of hotel operations (Prince Hotels, Inc.)

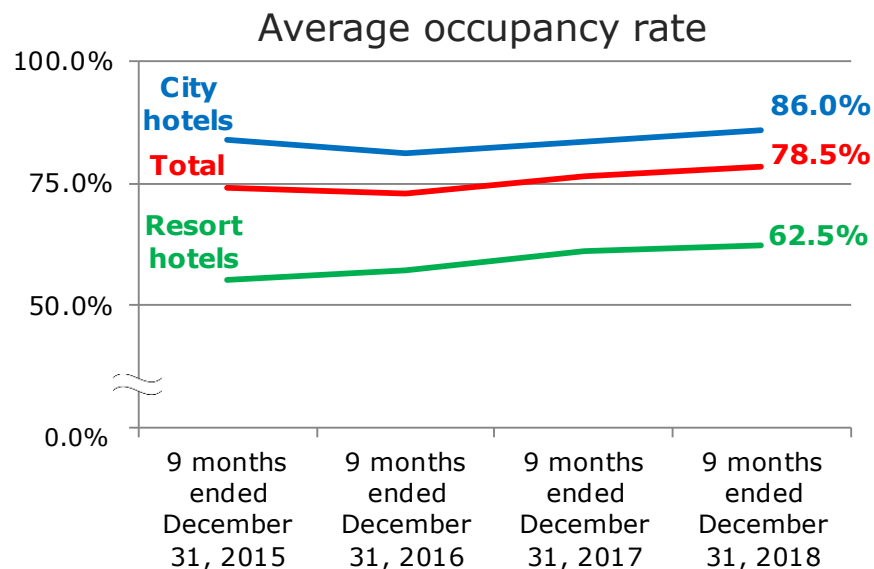
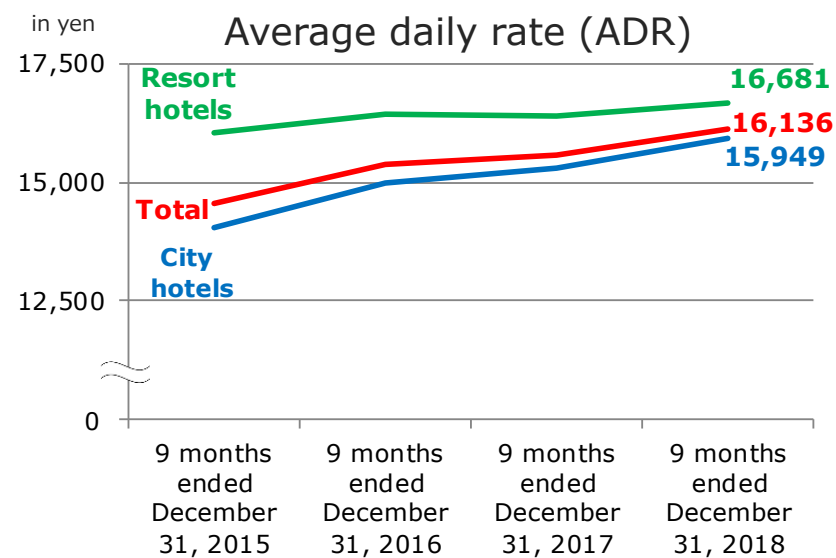
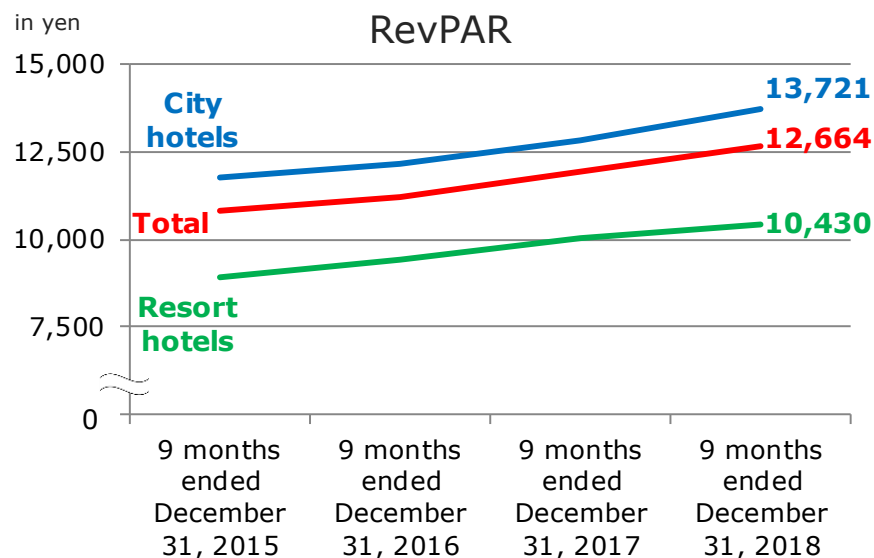
RevPAR, room rates in yen

		9 months ended December 31, 2015	9 months ended December 31, 2016	YoY change	9 months ended December 31, 2017	YoY change	9 months ended December 31, 2018	YoY change
RevPAR	City hotels	11,788	12,168	3.2%	12,821	5.4%	13,721	7.0%
	Takanawa and Shinagawa area	12,522	13,073	4.4%	13,263	1.5%	13,942	5.1%
	Resort hotels	8,910	9,449	6.1%	10,017	6.0%	10,430	4.1%
	Karuizawa area	19,896	19,848	(0.2%)	21,174	6.7%	21,813	3.0%
	Total	10,817	11,228	3.8%	11,917	6.1%	12,664	6.3%
Average daily rate (ADR)	City hotels	14,039	14,986	6.7%	15,318	2.2%	15,949	4.1%
	Takanawa and Shinagawa area	14,306	14,929	4.4%	14,954	0.2%	15,462	3.4%
	Resort hotels	16,062	16,453	2.4%	16,400	(0.3%)	16,681	1.7%
	Karuizawa area	32,191	31,476	(2.2%)	32,756	4.1%	30,975	(5.4%)
	Total	14,548	15,385	5.8%	15,597	1.4%	16,136	3.5%
Average occupancy rate	City hotels	84.0%	81.2%	(2.8pt)	83.7%	2.5pt	86.0%	2.3pt
	Takanawa and Shinagawa area	87.5%	87.6%	0.0pt	88.7%	1.1pt	90.2%	1.5pt
	Resort hotels	55.5%	57.4%	2.0pt	61.1%	3.6pt	62.5%	1.5pt
	Karuizawa area	61.8%	63.1%	1.3pt	64.6%	1.6pt	70.4%	5.8pt
	Total	74.4%	73.0%	(1.4pt)	76.4%	3.4pt	78.5%	2.1pt

Takanawa and Shinagawa area : The Prince Sakura Tower Tokyo, Grand Prince Hotel Takanawa, Grand Prince Hotel New Takanawa, Shinagawa Prince Hotel
 Karuizawa area : The Prince Karuizawa, The Prince Villa Karuizawa, Karuizawa Prince Hotel

Hotel and Leisure

Indicators of hotel operations



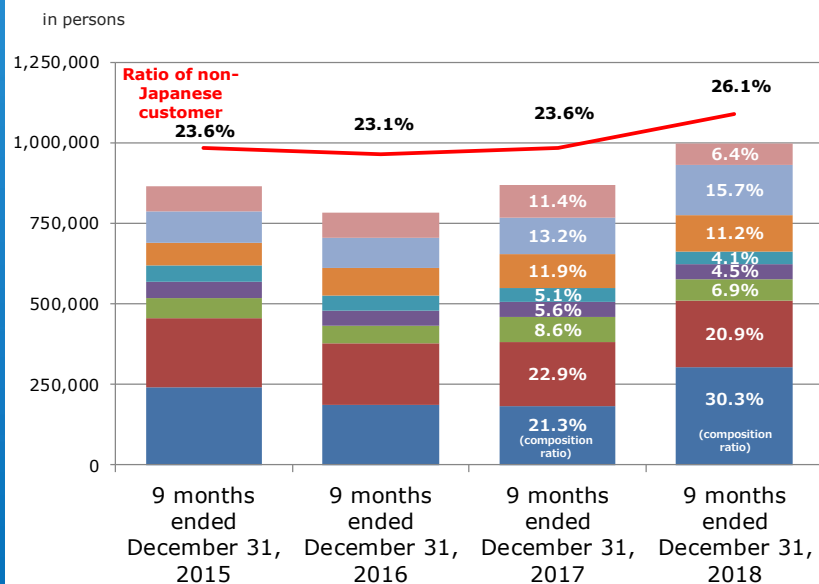
Hotel and Leisure

Inbound trends (Number of customers, Room revenue)

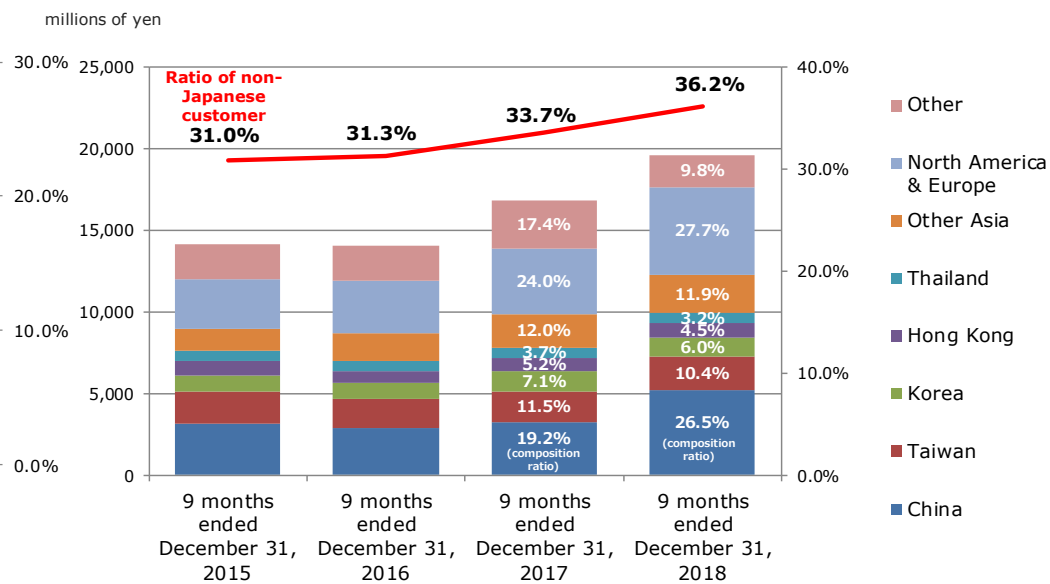
in persons, millions of yen

		9 months ended December 31, 2015	9 months ended December 31, 2016	YoY change	9 months ended December 31, 2017	YoY change	9 months ended December 31, 2018	YoY change
Breakdown of our customers	Japanese customers	2,787,780	2,608,091	(179,689)	2,798,894	190,803	2,820,470	21,576
	Non-Japanese customers	863,253	783,573	(79,680)	866,607	83,034	995,252	128,645
	Total	3,651,033	3,391,664	(259,369)	3,665,501	273,837	3,815,722	150,221
Room revenue	Non-Japanese customers	14,188	14,111	(76)	16,842	2,730	19,612	2,770

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



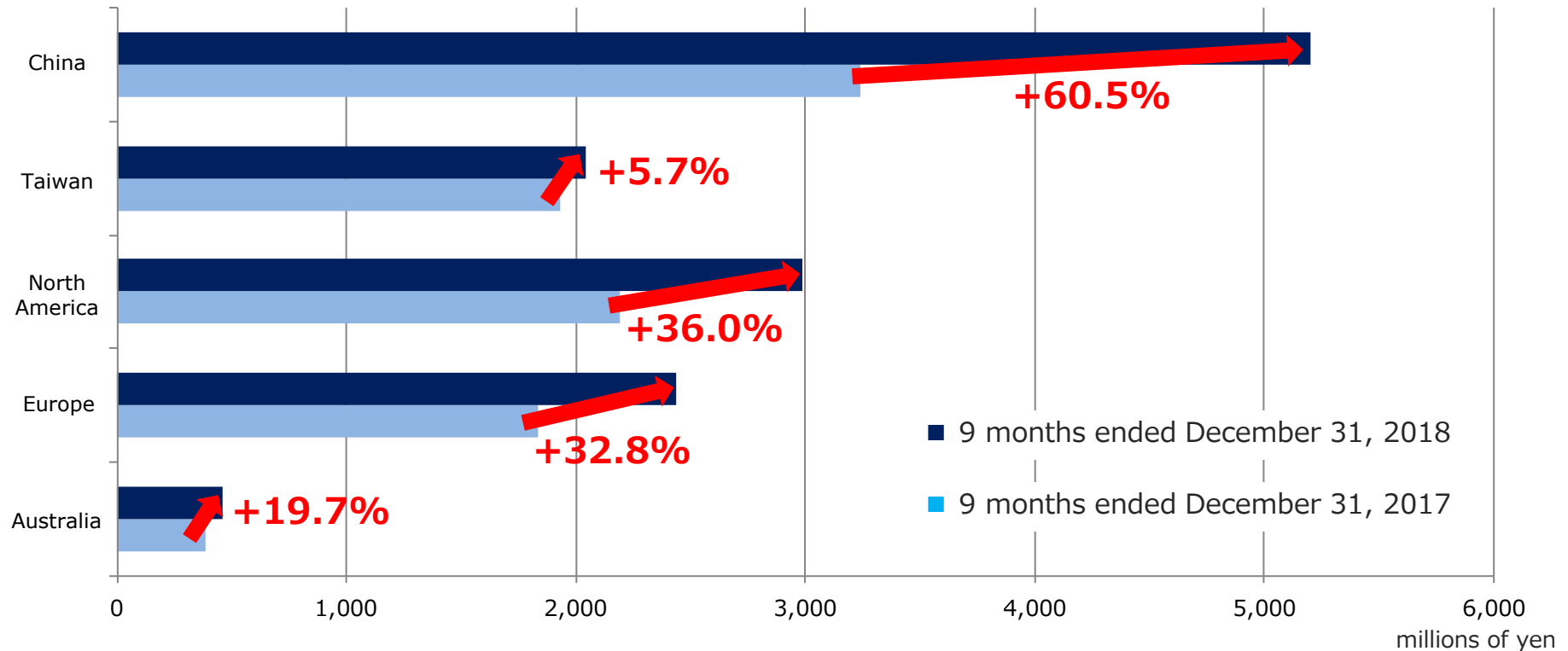
Room revenue of non-Japanese customers by country and ratio of non-Japanese customers



Hotel and Leisure

Status of initiative to change target market

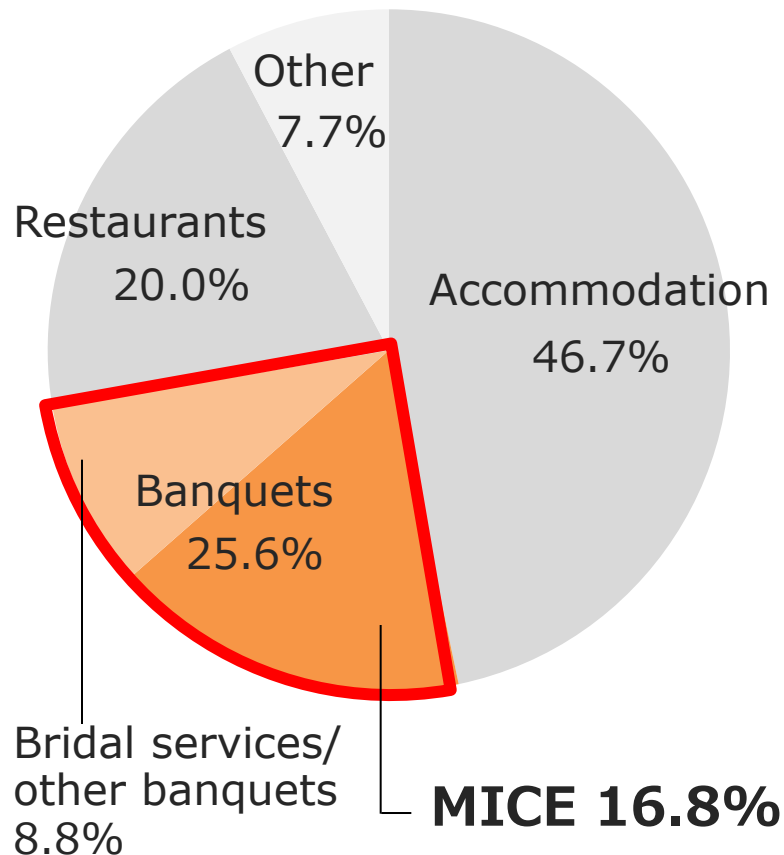
■ Inbound room revenue by major country, etc.



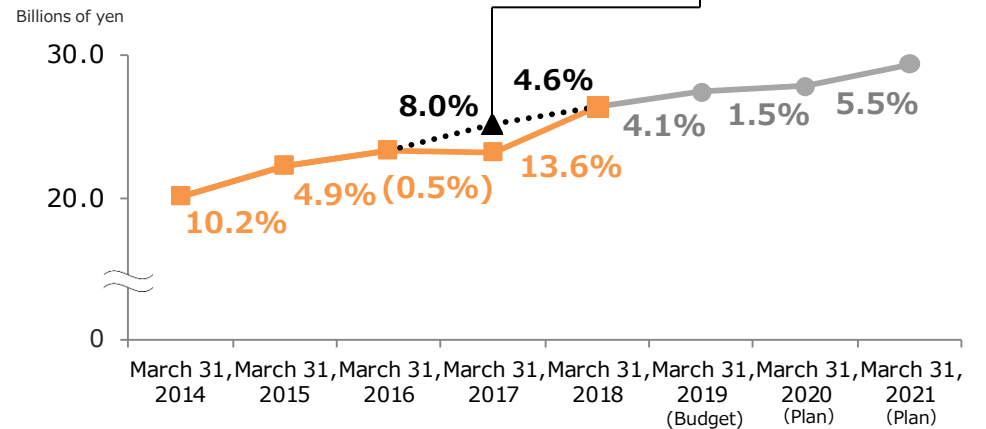
Revenue increased from regions such as North America, Europe and Australia as tourists from those areas tend to pay higher unit prices. Seibu Group has captured growing demand from Asian markets such as China, which helps our hotels secure group bookings far in advance.

Hotel and Leisure Status of MICE

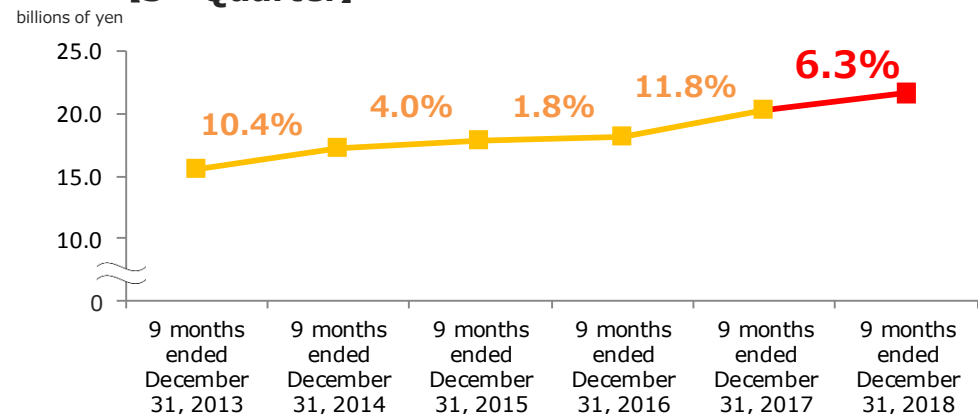
■ The breakdown of the hotel revenue (9 months ended December 31, 2018)



■ Change in MICE Sales 【 Fiscal year 】



【3rd Quarter】



Sales in the MICE business are continuing on an upward trend, capturing the strong corporate demand for meetings, seminars and incentives.

Real Estate Overview

millions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Operating revenue	46,763	48,277	1,514	3.2%	
Leasing operations	31,295	35,243	3,948	12.6%	Revenue rose mainly due to an increase in rent revenue from Tokyo Garden Terrace Kioicho.
Others	15,467	13,033	(2,434)	(15.7%)	Revenue decreased mainly due to housing sales in front of Seibu-Tachikawa station in the same period of the previous fiscal year.
Operating profit	12,708	15,008	2,299	18.1%	Operating profit rose mainly due to an increase in rental revenue from Tokyo Garden Terrace Kioicho, despite a fallback from the sale of residential houses in the same period of the previous fiscal year.
EBITDA	19,571	22,642	3,070	15.7%	

in thousands of square meters

		9 months ended December 31, 2015	9 months ended December 31, 2016	YoY change	9 months ended December 31, 2017	YoY change	9 months ended December 31, 2018	YoY change
Leasing space as of December, 31	commercial retail	233	237	3	236	(1)	244	7
	office/residential	59	161	102	171	9	172	0
Vacancy rate for leasable space as of December, 31	commercial retail	1.2%	0.7%	(0.5pt)	1.2%	0.5pt	1.0%	(0.2pt)
	office/residential	15.5%	2.3%	(13.2pt)	0.5%	(1.8pt)	1.9%	1.4pt

Construction Overview

millions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Operating revenue	71,291	75,589	4,297	6.0%	
Construction operations	52,424	55,370	2,946	5.6%	Revenue rose mainly due to increases in construction work and renovation projects.
Others	18,867	20,218	1,350	7.2%	Revenue rose mainly due to an increase in landscaping contract work and growth in procurement and sales of construction materials.
Operating profit	3,661	3,656	(5)	(0.1%)	Operating profit was nearly flat as increased revenue was curbed by lower profit margins and higher SG&A expenses.
EBITDA	3,946	3,964	17	0.4%	

Status of orders received by the Construction operations

millions of yen

	9 months ended December 31, 2015	9 months ended December 31, 2016	YoY change	9 months ended December 31, 2017	YoY change	9 months ended December 31, 2018	YoY change
Orders carried over from the previous fiscal year	84,335	99,069	14,733	89,755	(9,313)	100,542	10,787
Orders received during the period	56,172	57,690	1,518	58,331	640	50,852	(7,479)
Orders carried over to the next period	89,913	99,685	9,772	95,839	(3,846)	96,308	469

Hawaii Business Overview

millions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Operating revenue	11,581	13,943	2,362	20.4%	Revenue rose due to an increase in ADR and occupancy rates at Prince Waikiki and Mauna Kea Beach Hotel, despite downscaling of operations at Hapuna Beach Prince Hotel for renovation and the Kilauea volcano eruption.
Operating profit	(1,398)	(1,194)	204	—	Operating loss shrank due to the increase in revenue.
EBITDA	161	702	541	336.0%	

Average occupancy rate and average dairy rate of Hotel

	9 months ended December 31, 2015	9 months ended December 31, 2016	YoY change	9 months ended December 31, 2017	YoY change	9 months ended December 31, 2018	YoY change
RevPAR (¥)	21,294	19,100	(2,194)	18,523	(577)	25,503	6,980
RevPAR (\$)	177.75	173.63	(4.12)	176.41	2.78	221.77	45.36
Average daily rate (¥)	28,612	27,149	(1,463)	29,832	2,683	35,322	5,490
Average daily rate (\$)	238.83	246.81	7.98	284.11	37.30	307.15	23.04
Average occupancy rate	74.4%	70.4%	(4.0pt)	62.1%	(8.3pt)	72.2%	10.1pt

Other Business Overview

millions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change (Amount / %)		Details
Operating revenue	32,317	34,661	2,343	7.3%	Revenue rose in Seibu Lions business mainly due to an increase in attendance helped by the outstanding performance by the baseball team, execution of various initiatives and strong sales of official merchandise.
Operating profit	2,266	2,586	319	14.1%	Operating profit rose due to the increase in revenue.
EBITDA	4,406	4,838	432	9.8%	

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Summary of consolidated statement of income

millions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change	Details
Operating revenue	398,629	421,662	23,033	Urban Transportation and Regional: +1.2 billion yen, Hotel and Leisure: +11.3 billion yen, Real Estate: +1.5 billion yen, Construction: +4.2 billion yen, Hawaii Business: +2.3 billion yen, Other: +2.3 billion yen
Operating profit	54,726	58,807	4,080	Urban Transportation and Regional: -1.1 billion yen, Hotel and Leisure: +1.9 billion yen, Real Estate: +2.2 billion yen, Construction: -0.0 billion yen, Hawaii Business: +0.2 billion yen, Other: +0.3 billion yen
Non-operating income	2,397	2,429	32	
Non-operating expenses	8,834	8,618	(216)	
Ordinary profit	48,289	52,618	4,329	
Extraordinary income	1,047	832	(214)	
Extraordinary losses	2,498	3,544	1,046	(Current fiscal period) Loss on valuation of investment securities: 1.1 billion yen
Profit before income taxes	46,837	49,906	3,068	
Income taxes	12,816	13,092	276	
Profit	34,021	36,814	2,792	
Profit attributable to non-controlling interests	524	455	(68)	
Profit attributable to owners of parent	33,497	36,358	2,860	

Non-operating income and expenses and extraordinary income and losses

millions of yen

	9 months ended December 31, 2017	9 months ended December 31, 2018	YoY change	Details
Operating profit	54,726	58,807	4,080	
Non-operating income	2,397	2,429	32	
Interest and dividend income	839	912	73	
Subsidy to keep a bus on a regular route	369	384	14	
Other	1,188	1,133	(55)	
Non-operating expenses	8,834	8,618	(216)	
Interest expenses	8,008	7,656	(351)	
Share of loss of entities accounted for using equity method	69	78	8	
Other	756	882	126	
Ordinary profit	48,289	52,618	4,329	
Extraordinary income	1,047	832	(214)	
Gain on sales of non-current assets	65	337	272	
Contribution for construction	91	132	41	
Subsidy income	119	65	(54)	
Gain on sales of investment securities	5	—	(5)	
Compensation income	744	39	(705)	
Compensation from transfer of baseball players	18	210	191	
Other	2	47	45	
Extraordinary losses	2,498	3,544	1,046	
Impairment loss	51	177	125	
Loss on sales of non-current assets	153	325	172	
Loss on retirement of non-current assets	1,455	1,587	132	
Reduction entry of land contribution for construction	82	118	35	
Loss on reduction of non-current assets	105	53	(52)	
Loss on sales of investment securities	16	—	(16)	
Loss on valuation of investment securities	438	1,186	748	
Other	194	96	(98)	
Profit before income taxes	46,837	49,906	3,068	

Summary of consolidated balance sheet

millions of yen

	March 31, 2018	December 31, 2018	change	Details
Total assets	1,669,223	1,676,773	7,549	
Current assets	112,414	128,864	16,449	Notes and accounts receivable - trade: +6,598 Costs on uncompleted construction contracts: +4,991 Land and buildings for sale in lots: +1,686
Non-current assets	1,556,808	1,547,908	(8,899)	Property, plant and equipment and intangible assets: -4,988 Deferred tax assets: -1,758 Investment securities: -1,427
Total liabilities	1,274,275	1,261,300	(12,975)	
Current liabilities	328,782	328,266	(515)	Income taxes payable: -3,777 Notes and accounts payable - trade: -3,008 Provision for bonuses: -2,928 Other: -19,983 (decrease in accounts payable for capital investment) Short-term loans payable: +16,316 Advances received: +12,948
Non-current liabilities	945,493	933,033	(12,460)	Long-term loans payable: -21,513 Long-term accounts payable to Japan railway construction, transport and technology agency: -2,561 Bonds payable: +10,000
Total net assets	394,947	415,472	20,524	Retained earnings: +29,120 Treasury shares: -5,228 Remeasurements of defined benefit plans: -2,964
Interest-bearing debt	905,091	907,112	2,020	
Net interest-bearing debt	875,147	876,936	1,788	

Note: The Group has applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018), etc. and relevant Guidances effective from the beginning of the first quarter of the fiscal year ending March 31, 2019. Accordingly, deferred tax assets were presented under "Investments and other assets" (Non-current assets) and deferred tax liabilities were presented under "Non-current liabilities." The figures presented for the amounts as of March 31, 2018 have been adjusted retrospectively to reflect the aforementioned standard.

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Consolidated earnings forecasts for the fiscal year ending March 31, 2019 (Unchanged from the initial forecasts)

Fiscal year ending March 31, 2019 (forecast)

billions of yen

	Consolidated		Urban Transportation and Regional		Hotel and Leisure		Real Estate		Construction		Hawaii Business		Other		Adjustments	
	YoY		YoY		YoY		YoY		YoY		YoY		YoY		YoY	
Operating revenue	569.9	7.4%	163.3	0.8%	221.8	8.3%	67.3	8.0%	109.5	9.5%	21.1	37.2%	39.6	0.4%	(52.7)	—
Operating profit	67.0	4.3%	26.0	(4.6%)	19.9	15.0%	17.0	7.5%	4.6	(3.2%)	0.0	—	0.0	(100.0%)	(0.5)	—
EBITDA	120.9	4.6%	47.7	(2.8%)	36.2	10.6%	27.0	7.7%	5.1	(1.0%)	2.7	—	3.1	(21.7%)	(0.9)	—
Ordinary profit	58.1	4.7%														
Profit attributable to owners of parent	43.6	1.6%														

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.