



FY2017
Financial Results Briefing

May 11, 2018

TOBU RAILWAY CO., LTD.

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I. FY2017 Business Results

Consolidated statement of income

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Notes	FY2017 Plan	Change
Revenue from Operations	569,519	568,887	632	Transportation -368, Leisure +1,828, Real Estate -2,179, Merchandise Sales -2,107, Other +2,389	573,000	-3,481
Operating Income	66,645	68,335	-1,690	Transportation +471, Leisure +116, Real Estate -1,757, Merchandise Sales +312, Other -1,294	65,000	1,645
Recurring Income	62,286	62,128	158		59,000	3,286
Extraordinary Profit	10,989	9,039	1,950		—	—
Extraordinary Loss	15,805	14,351	1,454		—	—
Profit Attributable to Owners of Parent	36,025	36,137	-112		40,000	-3,975
Ratio of Operating Income to Sales	11.7%	12.0%	-0.3P		11.3%	+0.4P
Operating Income ROA*	4.1%	4.3%	-0.2P		4.0%	+0.1P
ROE*	8.3%	8.9%	-0.6P		9.2%	-0.9P
Depreciation	52,499	52,780	-281		52,800	-301
EBITDA	119,145	121,115	-1,970		117,800	1,345

*Operating income ROA = Consolidated operating income/((Beginning total assets + Ending total assets)/2)

*ROE = Profit attributable to owners of parent/((Beginning equity + Ending equity)/2)

*Numbers for plan come from announcement made on November 10, 2017. (p.2-p.9)

I. FY2017 Business Results

Consolidated balance sheet

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Notes
Current assets	145,114	146,017	-903	
Non-current assets	1,474,150	1,451,715	22,435	Land +14,525
Total assets	1,619,264	1,597,733	21,531	
Current liabilities	350,379	354,845	-4,466	Current portion of long-term loans payable -11,139
Non-current liabilities	808,302	800,115	8,187	Long-term loans payable +9,147
Total liabilities	1,158,681	1,154,960	3,721	
Total net assets	460,582	442,772	17,810	Retained earnings +28,208, Capital surplus -8,536
Total liabilities and net assets	1,619,264	1,597,733	21,531	
Shareholders equity ratio	27.6%	26.4%	+1.2P	
Interest-bearing debt balance	790,290	799,737	-9,447	
Interest-bearing debt/EBITDA multiple	6.6	6.6	0.0	
Capital expenditures	73,914	54,045	19,869	

I. FY2017 Business Results

Consolidated statement of cash flows

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Notes
Cash flows from operating activities	91,967	87,470	4,497	Loss on retirement of non-current assets +8,958, Expenditures for increase in inventories +4,750
Cash flows from investing activities	-66,951	-55,881	-11,070	Expenditures for purchases of non-current assets +18,100
Cash flows from financing activities	-34,111	-29,907	-4,204	Payment for purchase of treasury stock +9,971
Change in cash and cash equivalents	-9,106	1,640	-10,746	
Ending balance of cash and cash equivalents	25,011	34,118	-9,107	

I. FY2017 Business Results

Segment Information (Transportation)

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Notes	FY2017 Plan	Change
Revenue from Operations	215,802	216,170	-368		216,200	-398
Railways	164,958	162,338	2,620		165,200	-242
Other	50,844	53,831	-2,987	Freight business -2,421, Bus and taxi business -1,029	51,000	-156
Operating Income	41,167	40,696	471		39,800	1,367
Railways	37,562	36,058	1,504		36,500	1,062
Other	3,604	4,637	-1,033	Bus and taxi business -747, Freight business -285	3,300	304
Operating Income ROA	4.5%	4.5%	0.0P		4.3%	+0.2P
Depreciation	33,054	32,861	193		33,100	-46
EBITDA	74,221	73,557	664		72,900	1,321
Capital expenditures	37,151	35,924	1,227		38,800	-1,649

Tobu Railway Lines Railway Business (Number of Passengers)

Unit: 1 Million people

	FY2017 Results	FY2016 Results	Change	Vs. Plan
Commuter Passengers	599	592	1.2%	-0.0%
Non-Commuter Passengers	321	316	1.5%	0.1%
(Limited Express)	8	6	18.5%	0.3%
Total	920	909	1.3%	0.0%

(Passenger Revenue)

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Vs. Plan
Commuter Passengers	66,672	66,031	1.0%	-0.0%
Non-Commuter Passengers	81,636	79,850	2.2%	-0.3%
(Limited Express)	6,388	5,604	14.0%	-1.1%
Total	148,308	145,881	1.7%	-0.2%

* Non-commuter passenger revenue includes seat charges and SL·DL seat reservation fees.

I. FY2017 Business Results

Segment Information (Leisure)

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Notes	FY2017 Plan	Change
Revenue from Operations	78,620	76,792	1,828		79,800	-1,180
Hotel	18,615	17,226	1,389	Full-year contribution from KANAYA HOTEL	18,600	15
SKYTREE	14,431	14,339	92		14,800	-369
Other	45,573	45,225	348	Travel +495, Amusement parks and tourism +413, Food -470	46,400	-827
Operating Income	6,907	6,791	116		7,600	-693
Hotel	815	996	-181		800	15
SKYTREE	5,319	5,271	48		5,400	-81
Other	772	522	250	Amusement parks and tourism +239	1,400	-628
Operating Income ROA	3.4%	3.5%	-0.1P		3.7%	-0.3P
Depreciation	5,492	5,801	-309		5,600	-108
EBITDA	12,399	12,592	-193		13,200	-801
Capital expenditures	19,385	6,768	12,617		23,900	-4,515

TOKYO SKYTREE Visitors

Unit: 10,000 people

	FY2017 Results	FY2016 Results	Change
Number of visitors	444	449	-5

Main Hotels

	Occupancy Rate	FY2017 Results	FY2016 Results	Change	Percentage of foreign Nationals	FY2017 Results	FY2016 Results	Change
Ginza		95.5%	92.1%	+3.4P	Ginza	70.2%	68.8%	+1.4P
Kinshicho		85.1%	84.7%	+0.4P	Kinshicho	35.7%	26.7%	+9.0P
Narita		77.0%	76.5%	+0.5P	Narita	66.4%	68.9%	-2.5P

I. FY2017 Business Results

Segment Information (Real Estate)

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Notes	FY2017 Plan	Change
Revenue from Operations	53,649	55,828	-2,179		56,600	-2,951
Rental housing	36,620	33,957	2,663		36,700	-80
SKYTREE TOWN	12,355	12,388	-33		12,500	-145
Condominiums/detached houses	4,673	9,483	-4,810		7,400	-2,727
Operating Income	12,637	14,394	-1,757		12,900	-263
Rental housing	11,866	11,519	347		11,300	566
SKYTREE TOWN	1,707	1,919	-212		1,600	107
Condominiums/detached houses	-936	955	-1,891	Loss on valuation of real estate for sale +539	0	-936
Operating Income ROA	3.0%	3.5%	-0.5P		3.1%	-0.1P
Depreciation	10,186	10,251	-65		10,200	-14
EBITDA	22,823	24,645	-1,822		23,100	-277
Capital expenditures	13,461	10,469	2,992		16,600	-3,139

SKYTREE TOWN Visitors

Unit: 10,000 people

	FY2017 Results	FY2016 Results	Change
Number of visitors	3,078	3,138	-60

Number of Units Sold

Unit: 1 unit

	FY2017 Results	FY2016 Results	Change	FY2017 Plan
Number of Units Sold				
Detached houses	20	25	-5	20
Condominiums	111	228	-117	168
Number of Units Sold After Converting Share				
Detached houses	20	25	-5	20
Condominiums	83	181	-98	137

I. FY2017 Business Results

Segment Information (Merchandise Sales)

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Notes	FY2017 Plan	Change
Revenue from Operations	192,808	194,915	-2,107		192,500	308
Department stores	171,291	173,252	-1,961	Ikebukuro store -792, Funabashi store -974, Utsunomiya store -126	171,000	291
Other	21,516	21,662	-146		21,500	16
Operating Income	2,209	1,897	312		1,900	309
Department stores	1,548	1,136	412		1,200	348
Other	660	760	-100		700	-40
Operating Income ROA	2.2%	1.9%	+0.3P		1.9%	+0.3P
Depreciation	2,395	2,523	-128		2,500	-105
EBITDA	4,604	4,420	184		4,400	204
Capital expenditures	2,471	1,434	1,037		2,900	-429

Change in Sales at Major Department Stores

Unit: %

	FY2017 Results vs. Previous Year
Ikebukuro	-0.8%
Funabashi	-2.5%
Utsunomiya	-0.5%

I. FY2017 Business Results

Segment Information (Other)

Unit: Millions of yen

	FY2017 Results	FY2016 Results	Change	Notes	FY2017 Plan	Change
Revenue from Operations	96,896	94,507	2,389		94,100	2,796
Operating Income	4,902	6,196	-1,294		3,700	1,202
Operating Income ROA	2.1%	2.9%	-0.8P		1.7%	+0.4P
Depreciation	1,370	1,342	28		1,400	-30
EBITDA	6,272	7,538	-1,266		5,100	1,172
Capital expenditures	1,445	1,600	-155		1,800	-355

II. FY2018 Plan

Consolidated statement of income

Unit: Millions of yen

	FY2018 Plan	FY2017 Results	Change	Notes
Revenue from Operations	588,300	569,519	18,781	Transportation +1,198, Leisure +3,180, Real Estate +10,851, Merchandise Sales -1,408, Other +5,604
Operating Income	65,300	66,645	-1,345	Transportation -1,367, Leisure +193, Real Estate +1,063, Merchandise Sales -109, Other -1,302
Recurring Income	60,500	62,286	-1,786	
Profit Attributable to Owners of Parent	37,500	36,025	1,475	
Ratio of Operating Income to Sales	11.1%	11.7%	-0.6P	
Operating Income ROA*	4.0%	4.1%	-0.1P	
ROE*	8.1%	8.3%	-0.2P	

*Operating income ROA = Consolidated operating income/((Beginning total assets + Ending total assets)/2)

*ROE = Profit attributable to owners of parent/((Beginning equity + Ending equity)/2)

II. FY2018 Plan

Cash Flow Plan (Consolidated)

Unit: Millions of yen

	FY2018 Plan	FY2017 Results	Change	Notes
EBITDA	119,000	119,145	-145	
Operating Income	65,300	66,645	-1,345	
Depreciation	53,700	52,499	1,201	
Interest-bearing debt balance	811,000	790,290	20,710	
Interest-bearing debt/EBITDA multiple	6.8	6.6	+0.2P	
Capital expenditures	86,700	73,914	12,786	

II. FY2018 Plan

Segment Information (Transportation)

Unit: Millions of yen

	FY2018 Plan	FY2017 Results	Change	Notes
Revenue from Operations	217,000	215,802	1,198	
Railways	166,300	164,958	1,342	
Other	50,700	50,844	-144	
Operating Income	39,800	41,167	-1,367	
Railways	36,800	37,562	-762	
Other	3,000	3,604	-604	
Operating Income ROA	4.3%	4.5%	-0.2P	
Depreciation	33,700	33,054	646	
EBITDA	73,500	74,221	-721	
Capital expenditures	42,200	37,151	5,049	

Tobu Railway Lines Railway Business (Number of Passengers)

Unit: 1 Million people

	FY2018 Plan	FY2017 Results	Change
Commuter Passengers	603	599	0.7%
Non-Commuter Passengers	324	321	0.7%
(Limited Express)	8	8	2.5%
Total	927	920	0.7%

(Passenger Revenue)

Unit: Millions of yen

	FY2018 Plan	FY2017 Results	Change
Commuter Passengers	66,952	66,672	0.4%
Non-Commuter Passengers	82,626	81,636	1.2%
(Limited Express)	6,593	6,388	3.2%
Total	149,578	148,308	0.9%

* Non-commuter passenger revenue includes seat charges and SL・DL seat reservation fees.

II. FY2018 Plan

Segment Information (Leisure)

Unit: Millions of yen

	FY2018 Plan	FY2017 Results	Change	Notes
Revenue from Operations	81,800	78,620	3,180	
Hotel	18,800	18,615	185	
SKYTREE	15,900	14,431	1,469	
Other	47,100	45,573	1,527	
Operating Income	7,100	6,907	193	
Hotel	400	815	-415	
SKYTREE	5,400	5,319	81	
Other	1,300	772	528	
Operating Income ROA	3.4%	3.4%	-0.0P	
Depreciation	5,700	5,492	208	
EBITDA	12,800	12,399	401	
Capital expenditures	12,200	19,385	-7,185	

TOKYO SKYTREE Visitors

Unit: 10,000 people

	FY2018 Plan	FY2017 Results	Change
Number of visitors	465	444	+21

Occupancy Rate of Main Hotels

Unit: %

	FY2018 Plan	FY2017 Results	Change
Ginza	93.0%	95.5%	-2.5P
Kinshicho	87.7%	85.1%	+2.6P
Narita	73.6%	77.0%	-3.4P

II. FY2018 Plan

Segment Information (Real Estate)

Unit: Millions of yen

	FY2018 Plan	FY2017 Results	Change	Notes
Revenue from Operations	64,500	53,649	10,851	
Rental housing	37,900	36,620	1,280	
SKYTREE TOWN	12,500	12,355	145	
Condominiums/detached houses	14,100	4,673	9,427	
Operating Income	13,700	12,637	1,063	
Rental housing	11,600	11,866	-266	
SKYTREE TOWN	1,800	1,707	93	
Condominiums/detached houses	300	-936	1,236	
Operating Income ROA	3.2%	3.0%	+0.2P	
Depreciation	10,400	10,186	214	
EBITDA	24,100	22,823	1,277	
Capital expenditures	26,700	13,461	13,239	

SKYTREE TOWN Visitors

Unit: 10,000 people

	FY2018 Plan	FY2017 Results	Change
Number of visitors	3,100	3,078	+22

Number of Units Sold

Unit: 1 unit

	FY2018 Plan	FY2017 Results	Change
Number of Units Sold			
Detached houses	30	20	+10
Condominiums	423	111	+312
Number of Units Sold After Converting Share			
Detached houses	30	20	+10
Condominiums	324	83	+241

II. FY2018 Plan

Segment Information (Merchandise Sales)

Unit: Millions of yen

	FY2018 Plan	FY2017 Results	Change	Notes
Revenue from Operations	191,400	192,808	-1,408	
Department stores	173,200	171,291	1,909	Ikebukuro store +549, Funabashi store +1,172, Utsunomiya store +251
Other	18,200	21,516	-3,316	
Operating Income	2,100	2,209	-109	
Department stores	1,300	1,548	-248	
Other	800	660	140	
Operating Income ROA	2.0%	2.2%	-0.2P	
Depreciation	2,500	2,395	105	
EBITDA	4,600	4,604	-4	
Capital expenditures	3,500	2,471	1,029	

Change in Sales at Major Department Stores

Unit: %

	FY2018 Plan vs. Previous Year
Ikebukuro	0.5%
Funabashi	3.1%
Utsunomiya	1.0%

II. FY2018 Plan

Segment Information (Other)

Unit: Millions of yen

	FY2018 Plan	FY2017 Results	Change	Notes
Revenue from Operations	102,500	96,896	5,604	
Operating Income	3,600	4,902	-1,302	
Operating Income ROA	1.5%	2.1%	-0.6P	
Depreciation	1,400	1,370	30	
EBITDA	5,000	6,272	-1,272	
Capital expenditures	2,100	1,445	655	

Important Notes Concerning This Document

The Company's profit plans and other goals set forth in this document are based on projections of industry trends related to the business of the Company and Group companies and other such factors that impact business results, including the economy in Japan and other countries, which are made based on the information currently available to the Company.

As such, the reader is asked to note that actual business results may differ from the forecasts within this document due to changes in the business environment and other such factors.