



# Nankai Electric Railway

Company Profile 2020







## Corporate Philosophy

Based on our Corporate Philosophy, which we have adapted to the latest social trends, and the message of our corporate symbol, the Company considers itself a comprehensive lifestyle provider centered on railway operations. As such, we aim to help build prosperity and contribute to society through broad-based businesses that support every aspect of people's lifestyles.

Corporate Philosophy (Drawn up April 1, 1993)

**With expertise and dynamism, forging the way to the future**

### ◆ *Contribution to the Community*

Justifying public trust as an all-round lifestyle provider and building a better society

### ◆ *Putting the Customer First*

Providing excellent services for the customer and bringing living comfort and cultural enrichment

### ◆ *Future Challenges*

Meeting the needs of coming generations with bold energy and creativity

### ◆ *A Dynamic Workplace*

Creating a workplace brimming with vitality and harnessing the expertise and personal strengths of every employee



### Corporate Symbol

Our logo symbolizes our striving for the future as a comprehensive lifestyle company. It features two wings, one vivid red and one bright orange. The red, like the sun shining on the southern seas, represents our passion, and the orange the optimism of the human heart.

## Contents

Message from the Management	2	Retail	11
Business Area	3	Leisure and Services	12
Route Map	4	Construction and Other	12
Segment Information	5	Key Themes of the Nankai Group	
Transportation	7	Management Vision 2027	13
Real Estate	9	Corporate Information	15

# Message from the Management



President and CEO  
Achikita Teruhiko

Founded in 1885, Nankai Electric Railway Co., Ltd. was the first railway company in Japan to be established purely by private capital. It currently operates three main lines from its landmark terminal in Namba, Osaka: the Nankai Line to Wakayama, the Koya Line to the Koyasan (Mount Koya) World Heritage Site and a line running to Kansai International Airport.

While focused mainly on railway, bus and other transportation operations, the Nankai Group is also involved in real estate (rental office space and residential developments), retail (shopping center management), office building maintenance and other leisure and service businesses, as well as construction and other operations.

Currently, various measures have steadily moved forward over the past two years under the Kyoso 136 Plan, the three-year medium-term management plan started in fiscal 2018 (fiscal 2018–2020) to realize Nankai Group Management Vision 2027 (fiscal 2018–2027). We are advancing upgrades of rolling stock and continue to devote all our efforts to providing safe, reliable and high-quality transportation services in such ways as utilizing Nankai App, a smartphone app that provides information on train positions and operations in addition to lifestyle support functions.

Regarding the urban development of Namba, we are driving the expansion and enhancement of city functions, taking into account the city design following the opening of the Naniwasuji Line planned for the spring of 2031 and moving forward on such actions as acquiring, redeveloping and renovating properties, as well as forming a north-south corridor linking Namba and Shin-Imamiya/Shinsekai and making the area easier for people to get around.

Moreover, to ensure that the Nankai Group's business area is chosen as a destination, we are working on community-based

tourism product formation using tourism resources such as World Heritage and Japanese Heritage sites within the area, and endeavoring to increase the number of visitors to the region, beginning with inbound passengers, by working together with local governments on projects such as Renovation School @ Kada, where participants can learn about urban revitalization techniques through renovation.

In other areas, under the Wakayamashi Station revitalization plan, the recently opened Ki: no Wakayama has done much as a starting point to enliven the station area and is a concrete example of how we drive urban development centered on train stations, while an initiative to upgrade and expand the real estate business has seen steady progress on the sophistication plan for Kitaosaka Logistics Center through its integrated redevelopment, including adjacent land.

In the midst of the critical circumstances brought on by the impact of COVID-19, we have arrived at the final year of the current medium-term management plan. By responding flexibly to the changing business environment, we can overcome the current difficulties, and officers and employees alike are united as one in the belief that we can continue to secure sustainable growth and enhance corporate value over the medium to long term. We look forward to your support and guidance.

June 2020

**Achikita Teruhiko**

President and CEO

# Business Area



Japan

Population  
**127**  
million

GDP  
**¥550,000**  
billion

Nankai Business Area  
(Osaka + Wakayama Prefectures)

**9.8**  
million

**¥43,000**  
billion








Ratio

**7.7%**

**7.8%**

Source: Population figures were announced by the Statistics Bureau of the Ministry of Internal Affairs and Communications. GDP is the nominal GDP announced by the Cabinet Office. Population figures are as of August 2020 as announced by the Statistics Bureau of the Ministry of Internal Affairs and Communications. GDP is the nominal GDP as of June 2020 announced by the Cabinet Office.

# Route Map

-  Nankai Line
-  Koya Line
-  Airport Line
-  Nankai Ferry Route
-  JR
-  Semboku Line
-  Lines Owned by Other Companies

Awaji Island



Kansai International Airport  
Courtesy of Kansai International Airport Land Development Co., Ltd.



Nankai Terminal Building

Osaka Bay

Nankai Line

Izumiotstu

Airport Line

Rinku Town

Izumisano

Misaki Park

Osaka Prefecture

Wakayama Prefecture

Tokushima Prefecture

Wakayamashi

Wakayama

Nankai  
Shikoku Route

Rinkan  
Den-entoshi

Hashimoto

Koya-san



Wakayama Castle



Koya-san

The World Heritage Site  
Koya-san



# Segment Information

## The Nankai Group at a Glance

The Nankai Group comprises a total of 73 Group companies centered on Nankai Electric Railway Co., Ltd. The Group includes 54 consolidated subsidiaries and 1 equity-method affiliate. (As of March 31, 2020)

The Group companies fall into six segments:

Transportation, Real Estate, Retail, Leisure and Services, Construction, and Other. These companies are developing businesses in their respective fields, with the aim of fulfilling their corporate social responsibilities and achieving steady business growth.

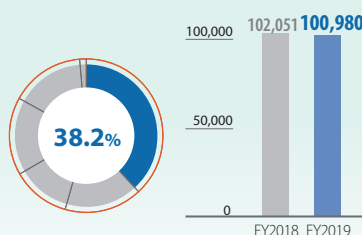
## Transportation

35  
Companies



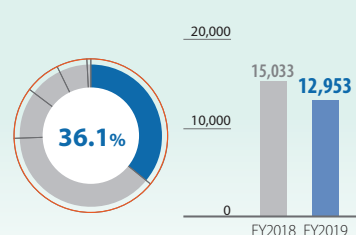
(Millions of yen)

Sales by Segment



(Millions of yen)

Operating Income by Segment



Railways	Nankai Electric Railway Semboku Rapid Railway
Tramways	Hankai Tramway
Buses	Nankai Bus Wakayama Bus KANSAI AIRPORT TRANSPORTATION ENTERPRISE Tokushima Bus

Ferries	Nankai Ferry
Freight Transportation	Southern Transport Services Nankai Express
Rolling Stock Maintenance	Nankai Vehicles Service Engineering

24 Other Companies

As of March 31, 2020

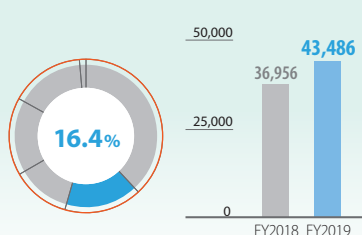
## Real Estate

4  
Companies



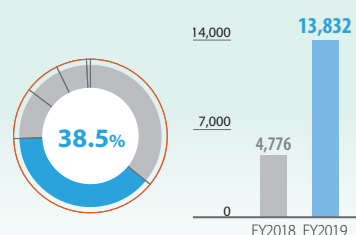
(Millions of yen)

Sales by Segment



(Millions of yen)

Operating Income by Segment



Rentals	Nankai Electric Railway Semboku Rapid Railway
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Sales	Nankai Electric Railway Nankai Fudosan
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1 Other Company

As of March 31, 2020

## Retail

10  
Companies

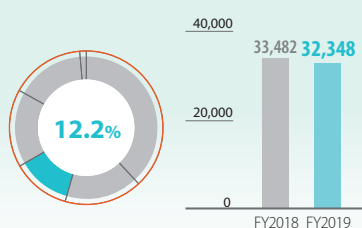


Management of  
Shopping Centers

Nankai Electric Railway  
Panjo

(Millions of yen)

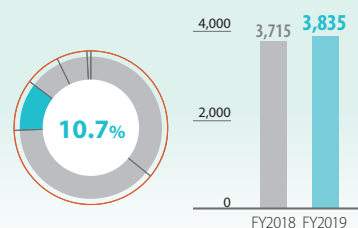
### Sales by Segment



Station Premises Business

(Millions of yen)

### Operating Income by Segment



Nankai Shoji

7 Other Companies

As of March 31, 2020

## Leisure and Services

22  
Companies



Amusement

Nankai Electric Railway

Travel

NANKAI TRAVEL INTERNATIONAL

Hotels

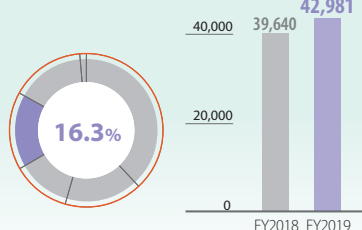
Hotel Nakanoshima

Rental of Motorboat-  
Racing Facilities

Suminoe Enterprise

(Millions of yen)

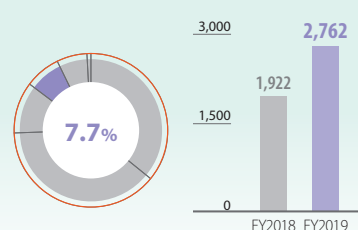
### Sales by Segment



Building Maintenance

(Millions of yen)

### Operating Income by Segment



Nankai Building Service

Nankai Grief Support

16 Other Companies

As of March 31, 2020

## Construction

4  
Companies

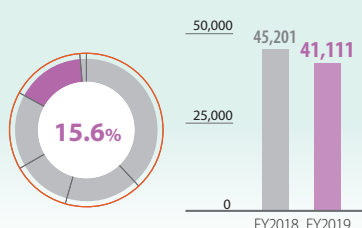


Construction

Nankai Tatsumura Construction  
Nichiden Shokai

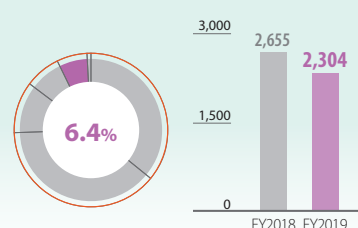
(Millions of yen)

### Sales by Segment



(Millions of yen)

### Operating Income by Segment



2 Other Companies

As of March 31, 2020

## Other

3  
Companies

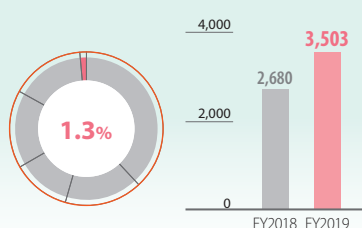


Information System

Nankai Management Service

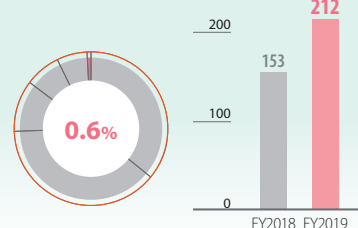
(Millions of yen)

### Sales by Segment



(Millions of yen)

### Operating Income by Segment



2 Other Companies

As of March 31, 2020



# Transportation

### Segment business operations

- Railways
- Ferries
- Tramways
- Freight Transportation
- Buses
- Rolling Stock Maintenance

The Transportation segment consists of the Group's core railway business and its tramway, bus and ferry operations, through which we provide convenient and popular public transportation services to the community.

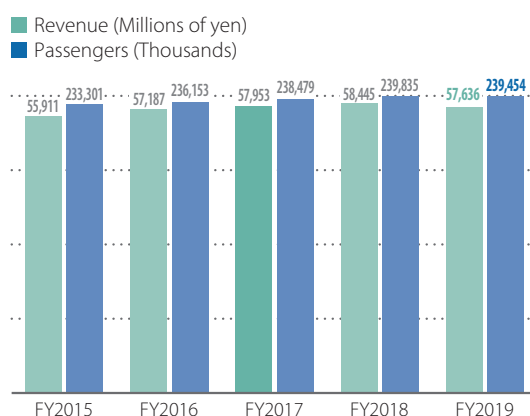
### Railway Business

Operating revenue (FY2019): ¥68,439 million

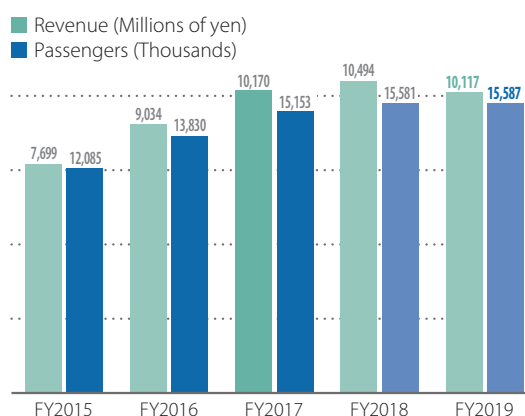
The railway business is based in Namba, one of the two major terminal stations in Osaka along with Umeda. From here, our main line serves Wakayama, the administrative center of Wakayama Prefecture, while the Koya Line terminates at the Koya-san World Heritage Site. A branch line gives direct access from Namba to Kansai International Airport. This network covers a wide area south of Osaka, and is used for work and school commuting, as well as leisure and tourist travel. With a total of eight main and branch

lines, we operate a total track length of 154.8 km. We manage a total of 100 stations including Namba Station, which has around 250,000 passengers per day, as well as around 700 items of rolling stock. As a public transportation service provider, passenger safety is of course our main priority. Rigorous safety measures are in place for rolling stock, amenities and facilities, and personnel attend strict training programs. In further measures to provide high-quality services, we are making our entire network barrier-free.

Revenue from Railway Passengers and Passengers Carried (Nankai Electric Railway)



Revenue from Airport Line Passengers and Passengers Carried





### Limited Express



Rapi:t



Koya



Southern



Rinkan

The Nankai Group's consolidated subsidiary, Semboku Rapid Railway, is engaged in mutual direct operation with the Koya Line, and plays a role in linking Osaka's city center with Semboku New Town, a suburban housing area straddling the communities of Sakai and Izumi.

Looking ahead, the Nankai Group will strive to increase convenience and revitalize the areas along our railway lines.



Semboku Liner

### Bus Operations

Operating revenue (FY2019): ¥27,001 million

Our well-established bus route network covers Osaka Prefecture (south), Wakayama Prefecture and Tokushima Prefecture on neighboring Shikoku Island. We also operate high-speed routes linking our service areas with major cities throughout Japan, giving us a very broad-based network. A limousine bus also connects major cities in the Kansai region with Kansai International Airport.



Nankai Bus

### Ferry Operations and Other

We provide convenient ferry connections between Kansai and Shikoku, through services linking Wakayama with Tokushima, the nearest major port on the island.

Other transportation-related service businesses run by Group companies include tramway operation in populous Osaka and Sakai, freight transportation, and rolling stock and vehicle maintenance primarily for the Group.



Nankai Ferry



Nankai Express



Nankai Vehicles Service Engineering

# Real Estate

The Real Estate segment helps to create a fulfilling living environment for residents along our railway lines. The segment's two main sources of earnings are real estate sales and rentals.

## Segment business operations

- Rentals
- Sales

### Rentals

Operating revenue (FY2019): ¥31,056 million

The Nankai Group's real estate business goes back to 1932 when the Nankai Building housing Namba Station and its integrated concourse was opened. It remains a much-loved landmark, with key tenants including Takashimaya Co., Ltd. (Osaka Store), one of Japan's leading department store operators, and various financial institutions. It is one of the principal terminals of Osaka. Our rental business is centered in the Namba area of the city. Besides the Nankai Building, we own NAMBA SkyO, which opened in October 2018, and the PARKS Tower office annex of the NAMBA PARKS mall.

Additionally, at major terminals along our railway lines, we lease out Company-owned land, buildings and rental spaces within the structures supporting overhead railways. These operations, combined with the department stores and banks forming our key rental tenants, contribute to the prosperity of communities along our lines, while leveraging the characteristics of these areas.



NAMBA SkyO

In addition, Semboku Rapid Railway operates the Higashiosaka and Kitaosaka Logistics Centers—located within the strategically important transport areas of Higashiosaka and Ibaraki. These logistics centers provide truck terminal facilities and warehouses, which serve as logistic nodes, to logistics service companies. These centers have become preeminent among logistics facilities in Osaka Prefecture.



Kita-Osaka Logistics Center Building No.1

### Sales

Operating revenue (FY2019): ¥12,855 million

In the Group's real estate sales business, we are currently focused on large-scale, line-side residential zones and single-family home subdivisions such as Nankai Rinkan Den-entoshi in Wakayama Prefecture and Nankai Kumatori Tsubasagaoka in Osaka Prefecture. These developments have helped to add even more value to the communities along our lines thanks to our careful attention to creating a rich, natural living environment while providing the convenience of urban amenities.

Meanwhile, we also market condominiums both within and outside the areas along our lines. The Nankai Group offers the VERITE series of condominiums.



Aya No Dai residential project in Nankai Hashimoto Rinkan Den-entoshi



Nankai Kumatori Tsubasagaoka



VERITE KITANODA EKIMAE PLATINUM





### Segment business operations

- Management of Shopping Centers
- Station Premises Business
- Other Retail Operations

# Retail

The Retail segment is proactively engaged in a wide array of developments centered along the Nankai train lines, including popular shopping centers, convenience stores, restaurants and merchandise stores.

## Management of Shopping Centers

Operating revenue (FY2019): ¥14,944 million

The principal shopping centers operated by the Company are the NAMBA PARKS and NAMBA CITY malls in the famous Namba commercial area of Osaka, as well as PLATPLAT in

Sakai and other upmarket shopping centers. The Shop Nankai chain has outlets in our stations and in the structures supporting overhead railways.



NAMBA CITY



NAMBA PARKS Shops&Diners

## Station Premises Business

Operating revenue (FY2019): ¥19,167 million

Nankai manages convenience stores, merchandise stores and restaurants, and commercial facilities such as ekimo, N.KLASS and SHOP NANKAI in and around stations along all the company's train lines, including Namba station.



N.KLASS IZUMIOTSU



ekimo Umeda



# Leisure and Services

The Leisure and Services segment includes travel agency services, and hotel and Japanese-style guesthouse operations, as well as motorboat-racing stadium rental, building management and maintenance services, funeral services and golf course management. Through these businesses, we provide our customers with a more fulfilling daily lifestyle.

## Segment business operations

- Amusement
- Travel
- Hotels
- Rental of Motorboat-Racing Facilities
- Building Maintenance
- Funeral Business
- Other Services

## Building Management and Maintenance Business

Operating revenue (FY2019): ¥27,592 million

We have expanded our integrated building management and maintenance, which covers equipment management, security and cleaning of various facilities, from Tokyo to Shikoku, as well as in Osaka.



Equipment maintenance inspection



Monitoring at a disaster prevention center

# Construction and Other

The Construction segment operates a comprehensive construction business involved in all aspects of construction work including apartments and housing, building and maintaining facilities, and civil engineering, construction and electricity. The Other segment includes the Information System business.

## Key Themes of the Nankai Group Management Vision 2027

The Nankai Group has set a long period for the Group's vision to achieve sustainable, long-term growth while it is projected to confront a volatily changing environment going forward due to factors such as declining population and the evolution of IT. We believe that achieving this vision entails seriously undertaking various types of policies and so have decided on the Nankai Group Management Vision 2027(FY2018-2027) to achieve that.

### Vision for the Group 10 Years from Now

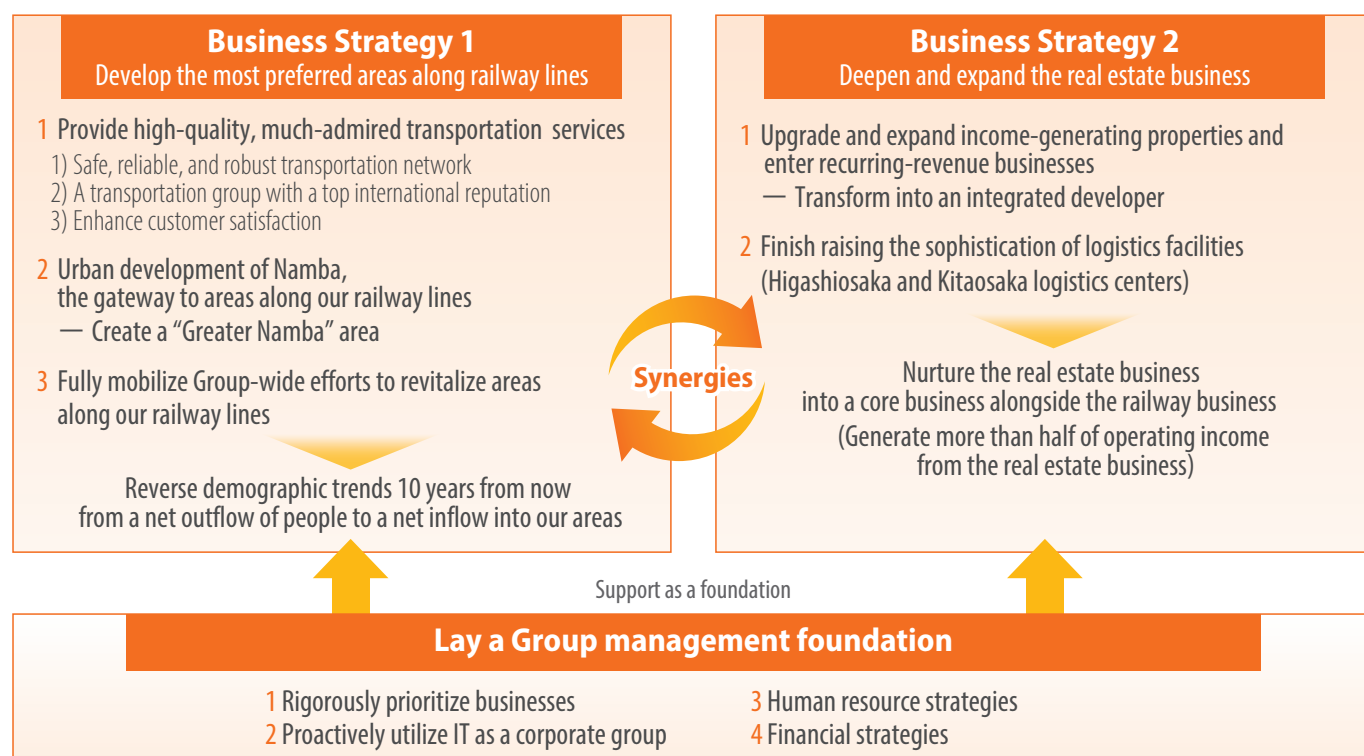
Develop the most preferred areas along railway lines and become the most preferred corporate group by delivering satisfaction and inspiration to customers

### 10 Years of Direction

A 10-year period to enhance the attractiveness of areas along our railway lines ahead of the opening of the Naniwasuji Line

- Lead Group-wide efforts focused on enhancing the value of areas along our railway lines, with these areas positioned as the Group's key business areas
- Accelerate the enhancement of value in areas along our railway lines by fully harnessing "Namba" and "inbound tourism" as business opportunities
- Speed up business expansion initiatives by proactively using alliances

### Overview of Business Strategies





Lead the urban development of Namba, the gateway to areas along our railway lines, and fully mobilize Group-wide efforts to revitalize areas along our railway lines

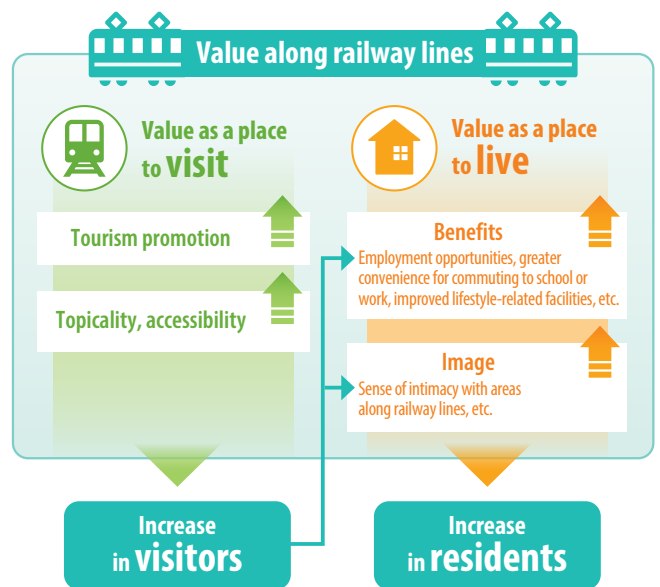
### Create a "Greater Namba" area

- Develop the Namba area using inbound tourism and NAMBA SkyO as a trigger for the closely linked development as an international city and enrichment of urban functions
- Evolve the area to become an even more exciting area by creating a bustling loop space from Namba terminal to Shin-Imamiya and Shinsekai using lines running north to south as a linchpin



### Fully mobilize Group-wide efforts to revitalize areas along our railway lines

- Reverse demographics so that 10 years into the future the overall change of people moving out converts to an overall change of people moving in by connecting an increase in visitors to an increase in residents



### Numerical Targets for Fiscal 2027 (Consolidated Basis)

Operating income* <sup>1</sup>	¥45.0 billion
Ratio of interest-bearing debt to EBITDA* <sup>2</sup>	About 6.0 times

\*1 Operating income + Dividend income

\*2 Operating income + Dividend income + Depreciation and amortization

In order to proactively harness alliances such as joint investments as part of our growth strategy from fiscal 2018 onward, our operating income target for fiscal 2027 is presented on a gross basis including dividend income.

# Corporate Information

Company Name	Nankai Electric Railway Co., Ltd.
Founded	December 27, 1885
Registered Head Office	5-1-60, Namba, Chuo-ku, Osaka 542-8503, Japan
Head Office	2-1-41, Shikitsuhigashi, Naniwa-ku, Osaka 556-8503, Japan
Tokyo Office	Nankai Tokyo Bldg. 8F, 5-15-1, Ginza, Chuo-ku, Tokyo 104-0061, Japan
Wakayama Office	Nankai Wakayama Bldg. 4F 3-6, Higashikuramae-cho, Wakayama 640-8203, Japan
Paid-In Capital	¥72,983 million
Operating revenue	¥228,015 million
Issued Shares	113,402,446
Number of Shareholders	52,850
Stock Exchange Listing	Tokyo

## Directors and Corporate Auditors

*Representative Director & CEO  
(President)*

**Achikita Teruhiko**

*Representative Director  
(Senior Managing Corporate Officer)*

**Takagi Toshiyuki**

*Director  
(Managing Corporate Officer)*

**Ashibe Naoto**

*Director  
(Managing Corporate Officer)*

**Uraji Koyo**

*Director  
(Managing Corporate Officer)*

**Kajitani Satoshi**

*Outside Director*

**Sono Kiyoshi**

*Outside Director*

**Tsunekage Hitoshi**

*Outside Director*

**Koezuka Miharuru**

*Standing Corporate Auditor*

**Iwai Keiichi**

*Standing Corporate Auditor*

**Urai Keiji**

*Outside Auditor*

**Arao Kozo**

*Outside Auditor*

**Aiba Koji**

*Outside Auditor*

**Kunibe Takeshi**

*Senior Corporate Officer*

**Tsukuda Yoshio**

*Senior Corporate Officer*

**Kiyohara Yasuhito**

*Senior Corporate Officer*

**Nishiyama Tetsuhiro**

*Senior Corporate Officer*

**Otsuka Takahiro**

*Corporate Officer*

**Okamoto Keisuke**

*Corporate Officer*

**Yoshida Yukinari**

*Corporate Officer*

**Wada Shinji**

*Corporate Officer*

**Nikaya Yoshinori**

*Corporate Officer*

**Nishikawa Takahiko**

*Corporate Officer*

**Kawata Hitoshi**

*Corporate Officer*

**Okajima Nobuyuki**

*Corporate Officer*

**Saito Hironori**



**Nankai Electric Railway Co., Ltd.**

2-1-41, Shikitsuhigashi, Naniwa-ku, Osaka 556-8503, Japan

<http://www.nankai.co.jp/company/investor.html>

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