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.
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 transport 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
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.
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
- 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

<table>
<thead>
<tr>
<th>Segment</th>
<th>Companies</th>
<th>Sales by Segment (Millions of yen)</th>
<th>Operating Income by Segment (Millions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railways</td>
<td>Nankai Electric Railway, Semboku Rapid Railway</td>
<td>102,051</td>
<td>100,980</td>
</tr>
<tr>
<td>Tramways</td>
<td>Hankai Tramway</td>
<td>10,000</td>
<td>5,033</td>
</tr>
<tr>
<td>Buses</td>
<td>Nankai Bus, Wakayama Bus, KANSAI AIRPORT TRANSPORTATION ENTERPRISE, Tokushima Bus</td>
<td>25,000</td>
<td>13,953</td>
</tr>
<tr>
<td>Ferries</td>
<td>Nankai Ferry</td>
<td>20,000</td>
<td>12,953</td>
</tr>
<tr>
<td>Freight Transportation</td>
<td>Southern Transport Services, Nankai Express</td>
<td>10,000</td>
<td>0</td>
</tr>
<tr>
<td>Rolling Stock Maintenance</td>
<td>Nankai Vehicles Service Engineering</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other Companies</td>
<td>24 Other Companies</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

As of March 31, 2020

Real Estate

<table>
<thead>
<tr>
<th>Segment</th>
<th>Companies</th>
<th>Sales by Segment (Millions of yen)</th>
<th>Operating Income by Segment (Millions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rentals</td>
<td>Nankai Electric Railway, Semboku Rapid Railway</td>
<td>36,956</td>
<td>33,486</td>
</tr>
<tr>
<td>Sales</td>
<td>Nankai Electric Railway, Nankai Fudosan</td>
<td>7,000</td>
<td>4,776</td>
</tr>
<tr>
<td></td>
<td>1 Other Company</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

As of March 31, 2020
### Retail

**Sales by Segment (Millions of yen)**
- Management of Shopping Centers: Nankai Electric Railway
- Nankai Electric Railway
- Fanjo

**Sales by Segment (Millions of yen)**
- Station Premises Business: Nankai Shoji
- 7 Other Companies

As of March 31, 2020

### Leisure and Services

**Sales by Segment (Millions of yen)**
- Amusement: Nankai Electric Railway
- Travel: NANKAI TRAVEL INTERNATIONAL
- Hotels: Hotel Nakanoshima
- Rental of Motorboat-Racing Facilities: Suminoe Enterprise

**Sales by Segment (Millions of yen)**
- Building Maintenance: Nankai Building Service
- Funeral Business: Nankai Grief Support
- 16 Other Companies

As of March 31, 2020

### Construction

**Sales by Segment (Millions of yen)**
- Construction: Nankai Tatsumura Construction
- Nichiden Shokai

**Sales by Segment (Millions of yen)**
- 2 Other Companies

As of March 31, 2020

### Other

**Sales by Segment (Millions of yen)**
- Information System: Nankai Management Service

**Sales by Segment (Millions of yen)**
- 2 Other Companies

As of March 31, 2020
# Segment Information

## Transportation

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

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.

### Operating revenue (FY2019): ¥68,439 million

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (Millions of yen)</td>
<td>210,381</td>
<td>238,479</td>
<td>308,629</td>
<td>38,445</td>
<td>219,832</td>
</tr>
<tr>
<td>Passengers (Thousands)</td>
<td>321,153</td>
<td>336,629</td>
<td>348,688</td>
<td>219,832</td>
<td>37,604</td>
</tr>
<tr>
<td>Total</td>
<td>241,534</td>
<td>345,106</td>
<td>349,317</td>
<td>38,445</td>
<td>219,832</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (Millions of yen)</th>
<th>Passengers (Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2015</td>
<td>321,153</td>
<td>336,629</td>
</tr>
<tr>
<td>FY2016</td>
<td>308,629</td>
<td>348,688</td>
</tr>
<tr>
<td>FY2017</td>
<td>38,445</td>
<td>219,832</td>
</tr>
<tr>
<td>FY2018</td>
<td>219,832</td>
<td>37,604</td>
</tr>
<tr>
<td>FY2019</td>
<td>210,381</td>
<td>321,153</td>
</tr>
</tbody>
</table>

### Revenue from Airport Line Passengers and Passengers Carried

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (Millions of yen)</th>
<th>Passengers (Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2015</td>
<td>7,699</td>
<td>11,083</td>
</tr>
<tr>
<td>FY2016</td>
<td>13,404</td>
<td>18,170</td>
</tr>
<tr>
<td>FY2017</td>
<td>18,581</td>
<td>16,153</td>
</tr>
<tr>
<td>FY2018</td>
<td>19,509</td>
<td>15,951</td>
</tr>
<tr>
<td>FY2019</td>
<td>18,509</td>
<td>19,587</td>
</tr>
</tbody>
</table>
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.

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.

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.
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.

Rentals

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.

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.
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.
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

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.

### Station Premises Business

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.

Operating revenue (FY2019): ¥14,944 million

Operating revenue (FY2019): ¥19,167 million
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.

Building Management and Maintenance Business

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.

Operating revenue (FY2019): ¥27,592 million

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.
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

#### Business Strategy 1

**Develop the most preferred areas along railway lines**

1. Provide high-quality, much-admired transportation services
   1) Safe, reliable, and robust transportation network
   2) A transportation group with a top international reputation
   3) Enhance customer satisfaction
2. Urban development of Namba, the gateway to areas along our railway lines
   — Create a “Greater Namba” area
3. Fully mobilize Group-wide efforts to revitalize areas along our railway lines
   Reverse demographic trends 10 years from now from a net outflow of people to a net inflow into our areas

#### Business Strategy 2

**Deepen and expand the real estate business**

1. Upgrade and expand income-generating properties and enter recurring-revenue businesses
   — Transform into an integrated developer
2. Finish raising the sophistication of logistics facilities (Higashiosaka and Kitaosaka logistics centers)

#### Synergies

- Nurture the real estate business into a core business alongside the railway business (Generate more than half of operating income from the real estate business)

#### Lay a Group management foundation

1. Rigorously prioritize businesses
2. Proactively utilize IT as a corporate group
3. Human resource strategies
4. Financial 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)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target (¥)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income*1</td>
<td>¥45.0 billion</td>
</tr>
<tr>
<td>Ratio of interest-bearing debt to EBITDA*2</td>
<td>About 6.0 times</td>
</tr>
</tbody>
</table>

*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.
Nankai Electric Railway Co., Ltd.

December 27, 1885

5-1-60, Namba, Chuo-ku, Osaka 542-8503, Japan

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

Nankai Tokyo Bldg. 8F, 5-15-1, Ginza, Chuo-ku, Tokyo 104-0061, Japan

Nankai Wakayama Bldg. 4F 3-6, Higashikuramae-cho, Wakayama 640-8203, Japan

¥72,983 million

¥228,015 million

113,402,446

52,850

Tokyo

Representative Director & CEO
Achikita Teruhiko

Representative Director
Takagi Toshiyuki

Director
Ashibe Naoto

Director
Uraji Koyo

Outside Director
Sono Kiyoshi

Outside Director
Tsunekage Hitoshi

Outside Director
Koezuka Miharu

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