

July 30, 2021

Odakyu Electric Railway Co., Ltd. IR Office

Financial Results in the First Quarter of the Fiscal Year Ending March 31, 2022—FAQ

Note: This document presents some of the anticipated questions relating to the Company's financial results of the fiscal year ending March 31, 2022, together with answers to these questions. If you have any queries, etc., please contact the IR Office of Odakyu Electric Railway Co., Ltd. (+81-3-3349-2526)

Q1. What is the current status of the Company's main businesses?

Railways (Odakyu Electric Railway Co., Ltd.)	Number of people passing through ticket gates (as of July 20, 2021) Remained at approximately 75% of FY2019
Odakyu Department Stores	Sales in July (July 1–18, 2021) Remained at 70-80% of the same period in FY2019
Hyatt Regency Tokyo	Occupancy rate (cumulative total as of July 14, 2021) 20.7% Demand has not returned and remained weak, the same as the previous year We cannot predict a return to normal, and assume August will remain at the same level
Hakone area	Number of passengers using Hakone-Yumoto Station (July 11–17, 2021) Weekdays: (51%) Weekends and public holidays: (53%) (compared with FY2018)

Q2. What is the Company's operating status during the period of the state of emergency, which was declared on July 12, 2021?

<Operating conditions of the Company's main businesses>

Transportation	<ul style="list-style-type: none"> ● Busses Normal operation of fixed-route busses, excluding some routes Partial suspension of service/reduction of number of highway busses, especially airport routes
Merchandising	<ul style="list-style-type: none"> ● Department Stores (Shinjuku/Machida) All stores operating under shortened operating hours ● Stores and retail Regular operating hours for stores and 7-Eleven, and shorter opening hours for some in-station stores
Real Estate	<ul style="list-style-type: none"> ● Leasing (commercial facilities) <ul style="list-style-type: none"> • Tokyo Metropolis Shorter opening hours with some temporary closures. Restaurants will not provide alcohol beverages. • Kanagawa Prefecture (Applicable area under the semi-emergency COVID-19 countermeasures) Shorter opening hours. Restaurants will provide alcohol between 11am and 7pm, in accordance with local government requests.
Other Businesses	<ul style="list-style-type: none"> ● Hotels Applicable food and beverage facilities have shorter operating hours, closing at 8pm, and will not provide alcohol beverages. Accommodation will have regular operating hours ● Restaurants <ul style="list-style-type: none"> • Tokyo Metropolis Shorter opening hours and no provision of alcohol beverages. Some stores will only offer takeout and operate until 9pm. • Areas outside the Tokyo Metropolis (Applicable area under the semi-emergency COVID-19 countermeasures) Shorter opening hours and only provide alcohol in accordance with the rules of the local government.

*As of July 19, 2021

Q3. The Odakyu department store main store will temporarily close at the end of September 2022. What will the revenue from operations be from FY2022 onward?

- As stated in the July 16 news release, the main store will temporarily close at the end of September 2022 during construction of the Shinjuku Station West Exit redevelopment. From October 2022, Shinjuku West Gate HALC is expected to operate as normal, with a focus on food, cosmetics, and international boutiques, however the details are still under consideration and the scale of revenue cannot be determined at this time.

Q4. Did you implement rent concessions under the state of emergency declared in April 2021?

- The impact of rent concessions resulting from temporary closures and other measures mainly during the state of emergency was approximately ¥200 million.

Note: Operating conditions for commercial facilities

Between April 25 and May 11, most properties in Tokyo experienced temporary closures, including Shinjuku Mylord, Shinjuku West Gate HALC, Flags, Kyodo Corty, and Seijo Corty.

Q5. What is the status of reservations at all Odakyu Group Hotels from August?

<City hotels>

- There were no great changes in demand and reservations continued to be sluggish after another state of emergency was declared.
- The occupancy rate from August onward is expected to equal that of June (15% to 20%).

<Hakone resort hotels*>

- Despite experiencing a slight recovery after the June state of emergency was lifted, the environment going forward is uncertain due to the state of emergency declared by Kanagawa Prefecture in response to a renewed outbreak of COVID-19.
- The occupancy rate from August onward is expected to equal that of June (30%).

*Hakone resort hotels: Hotel De Yama, Hakone Highland Hotel, and Hotel Hatsuhana

Q6. Regarding the Shinjuku West Gate development, when will you begin investment and what is the total investment amount?

- We expect to begin investment from October 2022, when construction is scheduled to start. However the initial focus of the project will be on demolition, so new construction, which is predicted to account for the bulk of investment, is expected to be even further away.
- We are still carefully examining the amount we plan to invest as details for demolition and construction are still under consideration.

Q7. “Accounting Standard for Revenue Recognition” and other standards were adopted from FY2021. What was the change from the previous fiscal year after deducting the impact of the adoption?

(Results for the first quarter)

Millions of yen	First Quarter of FY2020	First Quarter of FY2021 (Prior to accounting standard revision)	Change
Revenue from operations	70,366	103,051	+32,685 (+46.5%)
Transportation	22,583	31,859	+9,276
Merchandising	29,588	39,890	+10,302
Real Estate	11,619	23,019	+11,400
Other Businesses	13,116	15,038	+1,921
Adjustments	△6,540	△6,756	△215

(Forecast for whole year)

Millions of yen	FY2020	FY2021 (Prior to accounting standard revision)	Change
Revenue from operations	385,978	456,200	+70,221 (+18.2%)
Transportation	116,230	143,300	+27,069
Merchandising	157,685	185,400	+27,714
Real Estate	72,872	79,100	+6,227
Other Businesses	68,131	76,400	+8,268
Adjustments	△28,941	△28,000	+941

*There was a slight impact on operating income, ordinary income, and net income attributable to the owners of parent.

Remarks

Figures about business plans, future forecasts, and strategies other than historical facts are forward-looking statements reflecting management's view.

Since the forward-looking statements are based on information available at the time of disclosure, the actual results may differ from these forecasts due to changes in the economic climate, etc.