



Presentation Materials for the Fiscal Year Ended October 31, 2022 Financial Results

H.I.S. Co., Ltd.
December 15, 2022
Prime Market of TSE: 9603

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1-1 Summary of Financial Results (Consolidated)

Changes in Accounting Standards

Effective from the 1Q of the fiscal year ended October 31, 2022, "The Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and others are applied. This material also reflects figures under the former accounting standard for reference.

■ Major Changes in the Travel Business

	① Amount of Net Sales Recognition		② Timing of Net Sales Recognition	
	Former Standard	New Standard	Former Standard	New Standard
Tours (Planned Travel)	Total Amount	「Transaction as a Principal」 = Total Amount (※1)	Departure Date	Progress Date (※2)
Airline Tickets (Arranged Travel)	Total Amount	「Transaction as an Agent」 = Net Amount	Departure Date	Arrangement Completion Date (※3)

- ※ 1 . Fuel surcharges, airport fees, etc. are excluded because they are collections for third parties.
- ※ 2 . Revenue is recognized on a pro-rata daily basis over the travel period.
- ※ 3 . Under the contract with the customers, "the time when the arrangement is completed = arrangement completion date" is the time when H.I.S. Group's service provision is completed.
- ※ 4 . Incentives are treated as "arrangement sales" for arranged travel and as "purchase rebates" for planned travel.
- ※ 5 . The basic concept with regard to transactions other than travel is also the same (= to distinguish between "transaction as a principle" or "transaction as an agent". In principle, all transactions (other than travel) are within the scope of the new standards, but are not applicable from the standpoint of materiality.

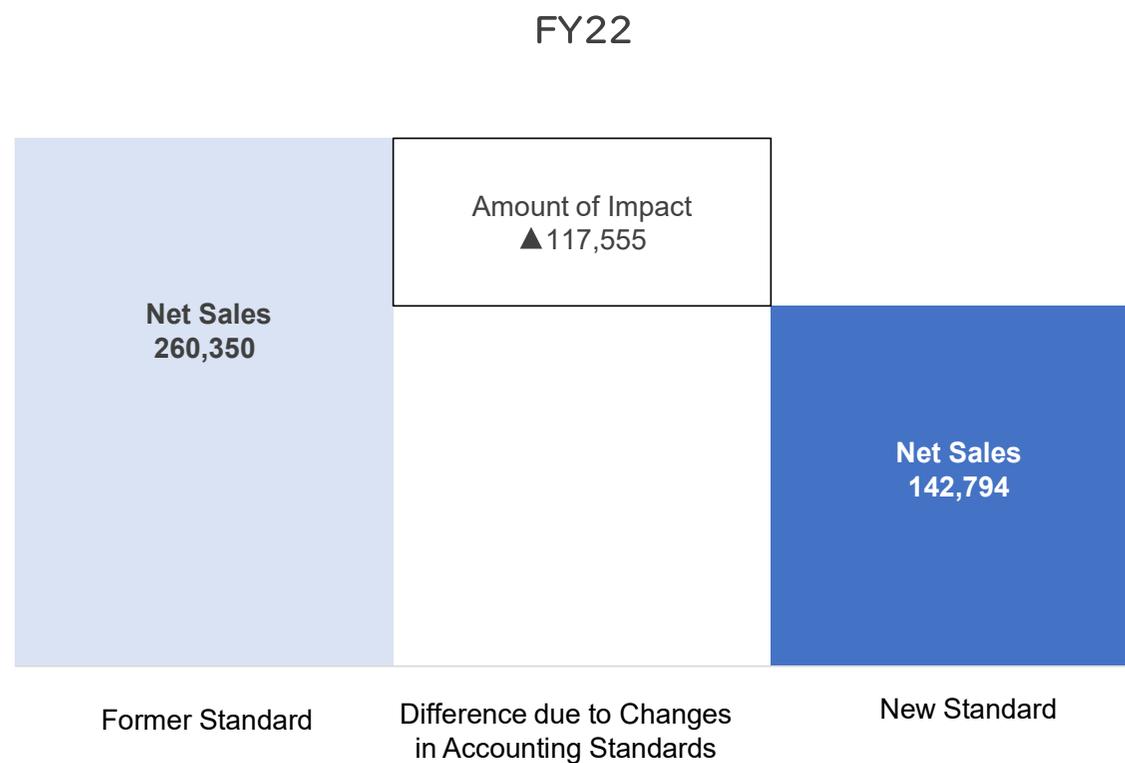
■ Changes in Presentation Method of the Theme Park Business

Some of the expenses in relation to the operation of the Theme Park Business, previously presented as "Selling, General and Administrative Expenses," are now presented as "Cost of Sales". Figures for the previous fiscal year have also been retroactively adjusted.

Changes in Accounting Standards

Amount of Impact as a Result of Adopting the "New Revenue Recognition Standard"

(million yen)



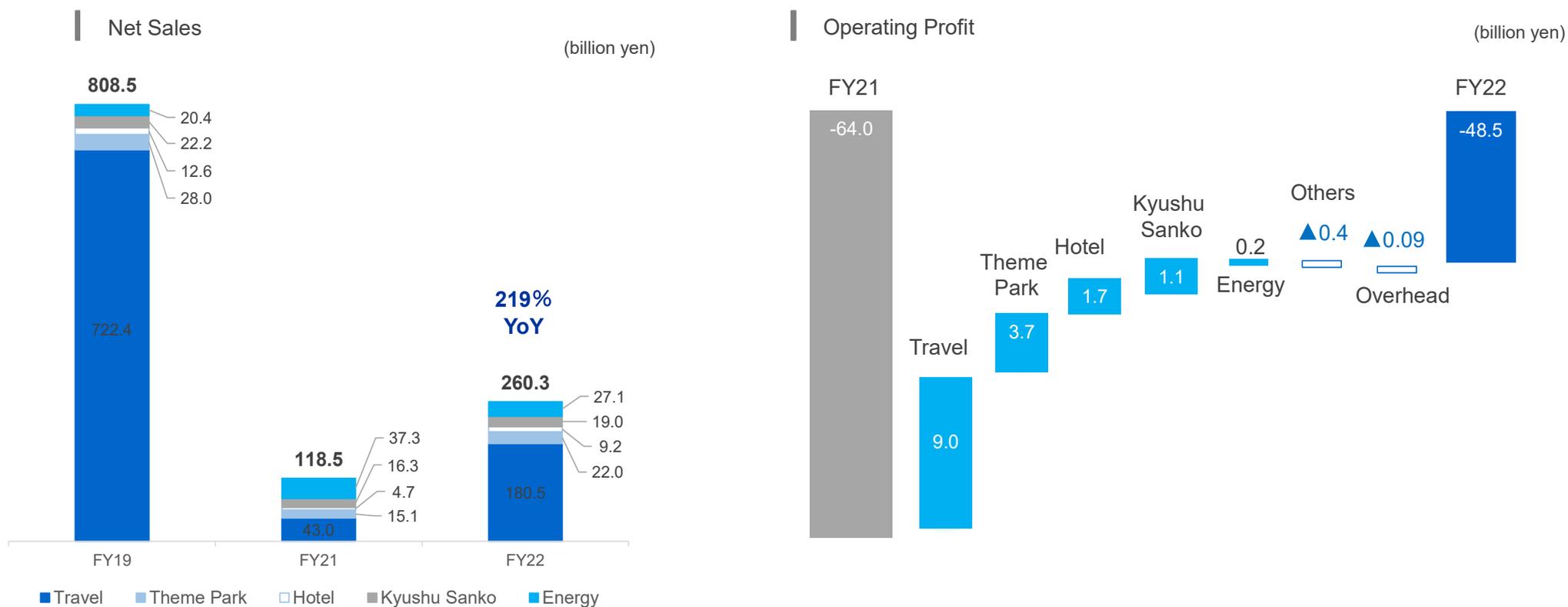
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Consolidated Financial Results

(million yen)	Former Standard (Reference)			New Standard	vs Former Standard		
	FY19	FY21	FY22	FY22	YoY	YoY Increase/Decrease	Major Reasons for Increase/Decrease
Net Sales	808,510	118,563	260,350	142,794	220%	141,786	Travel +137,545, Theme Park +6,919, Hotel +4,449 Kyushu Sanko +2,659
Gross Profit	134,270	7,522	27,599	28,257	367%	20,076	
Operating Profit	17,540	▲64,058	▲48,592	▲47,934	- %	15,465	Travel +9,075, Theme Park +3,730, Hotel +1,745 Kyushu Sanko +1,157
EBITDA	27,263	▲50,938	▲35,494	▲34,836	- %	15,444	
Non-Operating Income	3,527	4,538	3,129	3,129	69%	▲1,409	Interest Income ▲492, Subsidy Income ▲270
Non-Operating Expenses	3,978	3,779	4,196	4,196	111%	416	Interest Expense +825
Ordinary Profit	17,089	▲63,299	▲49,660	▲49,001	- %	13,639	
Extraordinary Gain	4,140	20,766	54,543	54,543	263%	33,776	Gain on Sale of Affiliates Shares 40,448, Subsidy Income ▲6,910
Extraordinary Loss	877	8,475	13,764	13,764	162%	5,288	Impairment Loss 1,563, Loss on Sale of Affiliates Shares 8,405, Loss on Valuation of Investment Securities ▲1,595, Loss due to Temporary Closure ▲2,212
Profit before Income Taxes	20,352	▲51,008	▲8,880	▲8,222	- %	42,127	
Income Taxes	6,477	2,234	2,833	2,833	127%	599	
Net Profit Attributable to Non-Controlling Shareholders	1,625	▲3,192	▲1,513	▲1,508	- %	1,678	
Net Profit Attributable to Parent Company Shareholders	12,249	▲50,050	▲10,200	▲9,547	- %	39,849	

Net Sales & Operating Profit (Former Standard Basis)

- Net sales increased by 141.7 billion yen (219% YoY) due to the resumption of people flow as a result of the lifting of travel restrictions and nationwide travel support, etc.
- Operating loss was 48.5 billion yen (15.4 billion yen improvement) due to strong business performance in travel and other major businesses

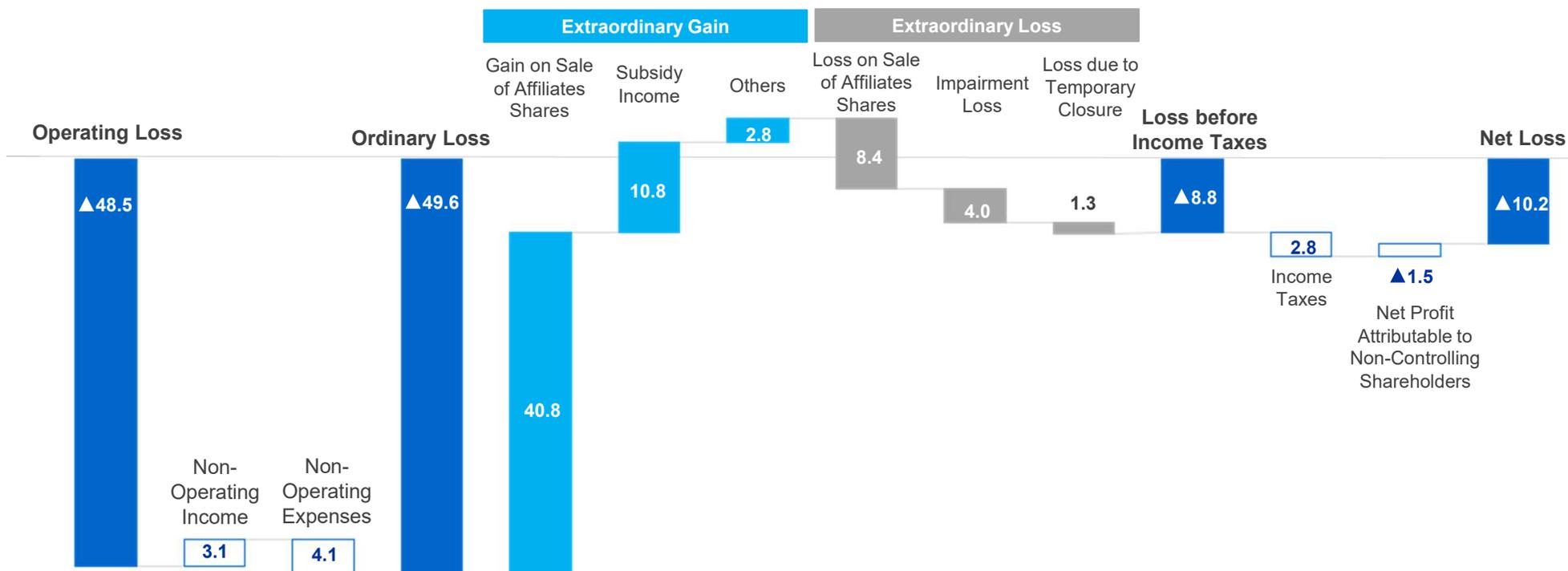


Ordinary Profit & Net Profit Attributable to Parent Company Shareholders (Former Standard Basis)

- Extraordinary gain of 54.5 billion yen was recorded due to gain on sale of affiliates shares as a result of the sale of Huis Ten Bosch, etc.
- On the other hand, extraordinary loss of 13.7 billion yen was recorded due to loss on the sale of affiliates shares as a result of the sale of H.I.S. SUPER Power and HTB Energy, resulting in net loss of 10.2 billion yen (39.8 billion yen improvement).

Major Factors between Operating Loss and Net Loss

(billion yen)



Sale of H.I.S. SUPER Power Co., Ltd.

Impact of sale of shares of H.I.S. SUPER Power Co., Ltd. on the financial results

(1) Outline of H.I.S. SUPER Power	Company Name	H.I.S. SUPER Power Co., Ltd.			
	Business	Power Generation Business (Reported in the “Energy Business”)			
	Financial Results, etc. for the Past 3 Years (million yen)		FY Sep 2019	FY Sep 2020	FY Sep 2021
		Consolidated Net Sales	2	52	72
		Consolidated Operating Profit	△68	△44	△568
		Consolidated Net Assets	△112	△190	△790
Consolidated Total Assets	6,828	7,242	9,004		
(2) Outline of the Transfer	Transferee	Kyushu Ohisama Power Generation Co., Ltd. (Wholly owned subsidiary of Nangoku Shokusan Co., Ltd.)			
	Shareholding Ratio of H.I.S. Co., Ltd.	Before Transfer: 100% → After Transfer: -%			
	Transfer Price	2,044 million yen			
	Date of Share Transfer	October 31, 2022 (=FY22)			
(3) Impact on the Financial Results	FY22 4Q	Extraordinary loss of 5,410 million yen was recorded on a consolidated basis, and 6,814 million yen on a non-consolidated basis			
	FY23 and thereafter	Excluded from the scope of consolidation			

Consolidated Balance Sheet (as Compared to the End of the Previous Fiscal Year)

				(million yen)			
	FY19	FY21	FY22		FY19	FY21	FY22
Cash and Deposits	219,175	101,411	144,795	Operating Accounts Payable	38,082	12,978	6,698
Notes and Accounts Receivable	45,653	16,718	11,538	Pre-Travel Payments Received	92,760	14,112	14,256
Operating Accounts Receivable	4,287	171	298	Bonds and Convertible Bonds Payable	55,090	45,054	45,036
Pre-Travel Payments	52,102	8,927	6,231	Long-Term Borrowings	146,403	184,643	156,727
Others	27,061	16,266	25,629	Others	121,153	90,511	135,631
Total Current Assets	348,280	143,495	188,493	Total Liabilities	453,490	347,301	358,348
Property, Plant and Equipment	147,098	201,291	170,356	Capital	11,000	21,048	100
Intangible Fixed Assets	26,576	20,107	17,908	Capital Surplus	3,392	13,328	28,498
Goodwill	7,305	4,621	2,369	Earned Surplus	112,409	22,275	26,327
Investments and Other Assets	55,275	46,263	38,009	Treasury Shares	▲28,309	▲15,004	▲14,972
Total Fixed Assets	228,951	267,662	226,274	Cumulative Other Comprehensive Income	▲1,719	▲1,020	7,466
Deferred Assets	168	289	217	Non-Controlling Shareholder Equity	27,135	23,360	8,815
Total Assets	577,399	411,447	414,984	Total Net Assets	123,909	64,145	56,636
				Total Liabilities and Net Assets	577,399	411,447	414,984

※ Presented as “notes receivable, accounts receivable and contract assets” from FY22. Please see Kessan Tanshin (Financial Results) for details

1-2 Summary of Financial Results (by Business Segment)

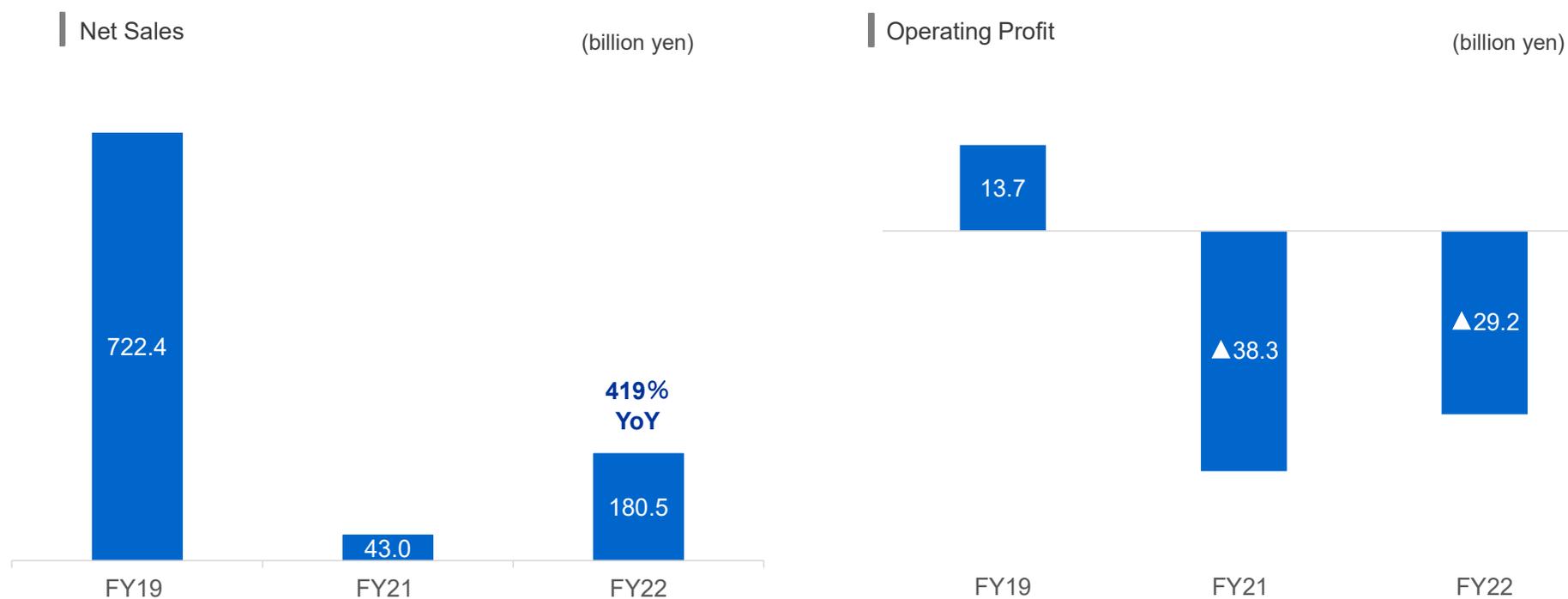
Operating Results by Business Segment

	Segment	Former Standard (Reference)			New Standard	vs Former Standard (million yen)	
		FY19	FY21	FY22	FY22	YoY	YoY Increase/Decrease
Net Sales	Travel Business	722,464	43,028	180,574	67,693	420%	137,545
	Theme Park Business	28,086	15,126	22,046	21,225	146%	6,919
	Hotel Business	12,676	4,757	9,207	9,207	194%	4,449
	Kyushu Sanko Group	22,230	16,362	19,021	17,960	116%	2,659
	Energy Business	20,461	37,351	27,152	24,376	73%	▲10,198
	Other	8,376	3,701	4,331	4,315	117%	629
	Adjustments, Eliminations, etc.	▲5,785	▲1,764	▲1,983	▲1,983	-	▲219
Operating Profit	Travel Business	13,754	▲38,336	▲29,261	▲28,629	-	9,075
	Theme Park Business	5,075	▲3,559	170	183	-	3,730
	Hotel Business	▲217	▲5,868	▲4,122	▲4,122	-	1,745
	Kyushu Sanko Group	158	▲2,712	▲1,554	▲1,554	-	1,157
	Energy Business	974	▲10,264	▲9,985	▲9,978	-	278
	Other	589	▲981	▲1,410	▲1,402	-	▲428
	Adjustments, Eliminations, etc.	▲2,795	▲2,335	▲2,429	▲2,429	-	▲93
EBITDA	Travel Business	17,980	▲33,840	▲25,264	▲24,632	-	8,576
	Theme Park Business	7,175	▲1,439	2,228	2,240	-	3,668
	Hotel Business	1,059	▲2,557	▲192	▲192	-	2,365
	Kyushu Sanko Group	1,203	▲846	309	309	-	1,156
	Energy Business	1,050	▲9,723	▲9,383	▲9,376	-	340
	Other	1,077	▲609	▲1,136	▲1,129	-	▲527
	Adjustments, Eliminations, etc.	▲2,283	▲1,921	▲2,056	▲2,056	-	▲135

Travel Business (Former Standard Basis)

■ **Net sales increased by 137.5 billion yen to 180.5 billion yen (419% YoY)** due to the recovery of the travel business overseas as a result of the easing of the border control measures for the COVID-19 Pandemic

■ **Operating loss was 29.2 billion yen (9.0 billion yen improvement)** due to slow recovery in the core and highly profitable international travel business, despite efforts to thoroughly reduce costs



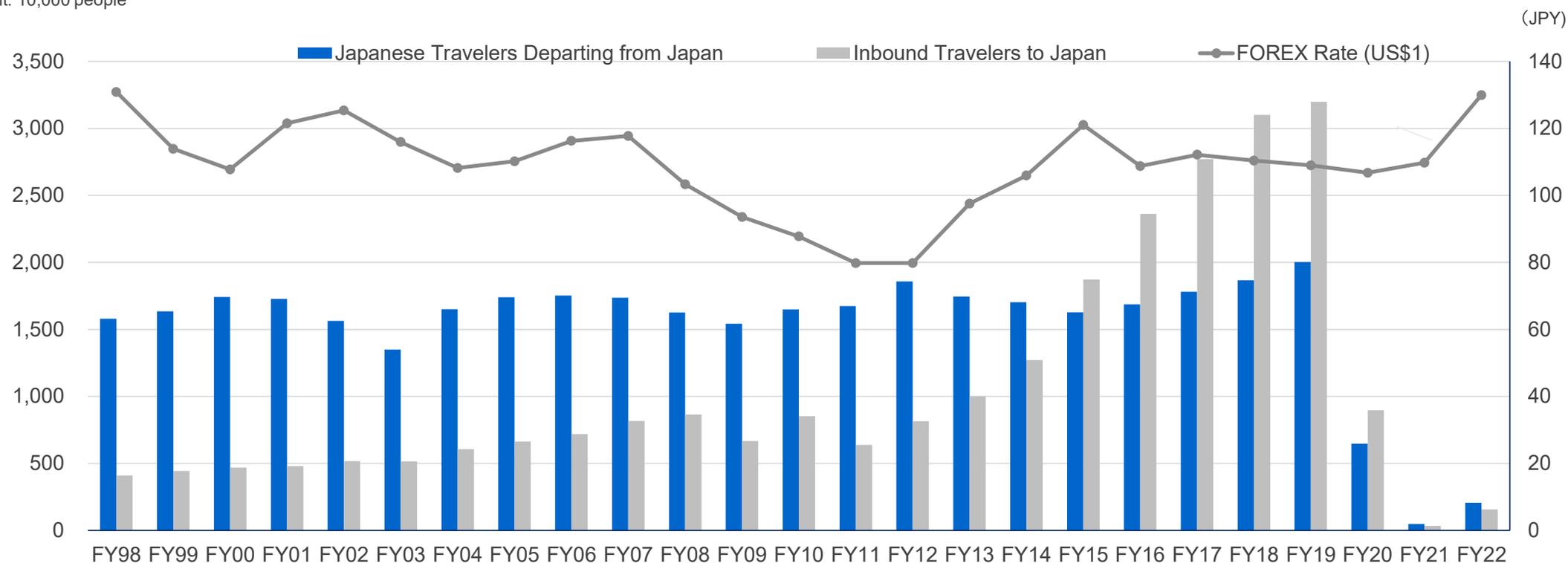
Travel Business / Operating Results by Sub-Segment

(million yen)	FY19					FY21					FY22				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Travel Business: Total Net Sales	166,617	170,213	175,444	210,188	722,464	15,737	10,613	6,772	7,237	43,028	23,956	29,904	49,498	77,216	180,574
YoY	114%	107%	116%	107%	110%	9%	8%	14%	52%	12%	152%	281%	730%	1,660%	419%
International Travel from Japan / Transaction Amount	87,899	110,754	86,748	116,545	401,948	1,122	842	1,114	1,877	4,957	2,119	3,169	9,692	20,683	35,665
YoY	106%	114%	98%	97%	103%	1%	2%	97%	190%	3%	188%	376%	870%	1,101%	719%
Fuel Surcharge (included in the transaction amount above)	6,030	8,005	4,308	6,957	25,302	21	18	32	81	153	119	250	1,069	3,080	4,520
Domestic Travel in Japan / Transaction Amount	11,941	17,576	13,693	18,044	61,255	11,297	4,459	3,062	4,916	23,736	8,686	7,621	10,218	15,281	41,808
YoY	101%	106%	99%	99%	101%	96%	54%	289%	68%	84%	99%	170%	333%	310%	176%
Inbound Travel to Japan / Transaction Amount	7,116	8,075	8,375	6,085	29,997	34	16	13	58	123	28	74	81	210	395
YoY	119%	105%	88%	87%	96%	0.6%	2%	27%	30%	1%	82%	451%	623%	362%	321%
Overseas Subsidiaries / Inbound Transaction Amount	56,070	35,339	41,186	50,748	183,343	2,169	1,579	1,176	2,574	7,498	4,451	4,690	4,834	16,277	30,253
YoY	127%	106%	107%	98%	109%	3%	4%	6%	312%	6%	205%	296%	411%	632%	403%
Overseas Subsidiaries / Outbound Transaction Amount	19,719	20,213	40,124	40,242	120,298	1,167	3,013	1,968	4,480	10,628	10,843	14,743	27,370	31,260	84,218
YoY	104%	100%	188%	205%	150%	2%	5%	10%	-	9%	929%	489%	1,390%	697%	792%
Eliminations of Internal Transactions, Adjustments, etc.	▲16,128	▲21,744	▲14,682	▲21,476	▲74,377	2,616	704	▲561	▲6,668	▲3,068	▲2,171	▲394	▲2,700	▲6,495	▲11,765

[Supplementary Material] Travel Market Overview

Although there are fluctuations in the number of Japanese travelers departing from Japan due to exchange rate fluctuations, a certain level of market has been maintained. In order to recover post COVID-19 Pandemic demand, each country's tourism acceptance system and the recovery of the number of airline seat supply, which is a means of transportation, are necessary

Unit: 10,000 people

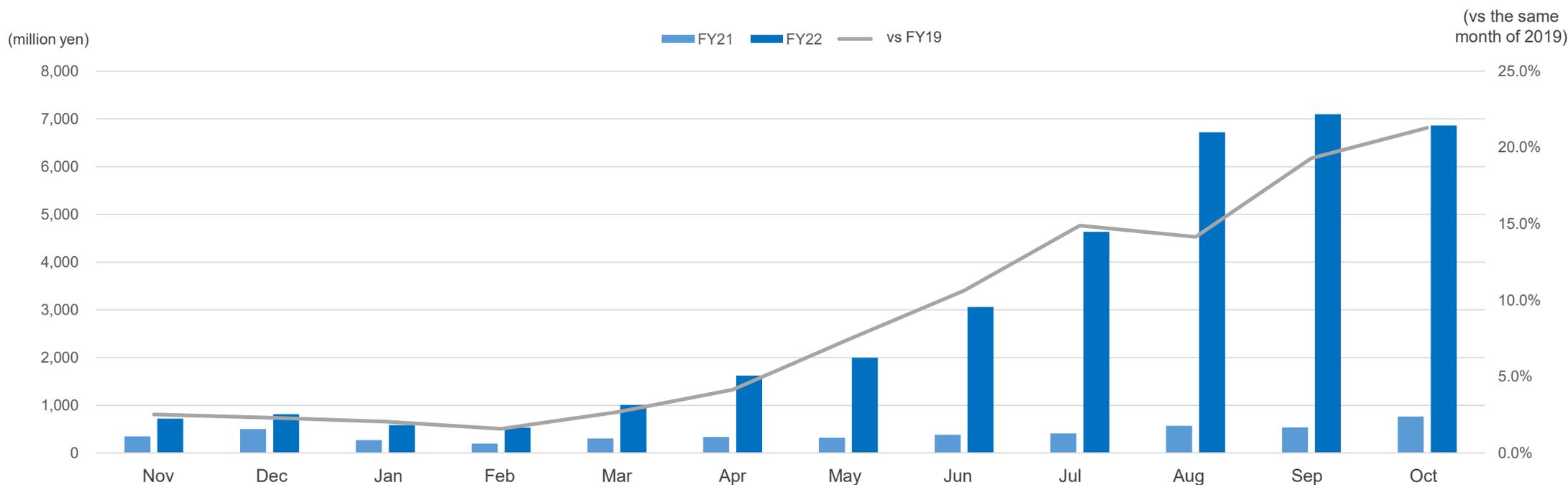


Source for average annual exchange rate: IMF
 ※Average rate from January to the latest month for FY22

Source: Japan National Tourism Organization (JNTO), Period: November to October

Travel Business: Monthly Transaction Amount of International Travel from Japan

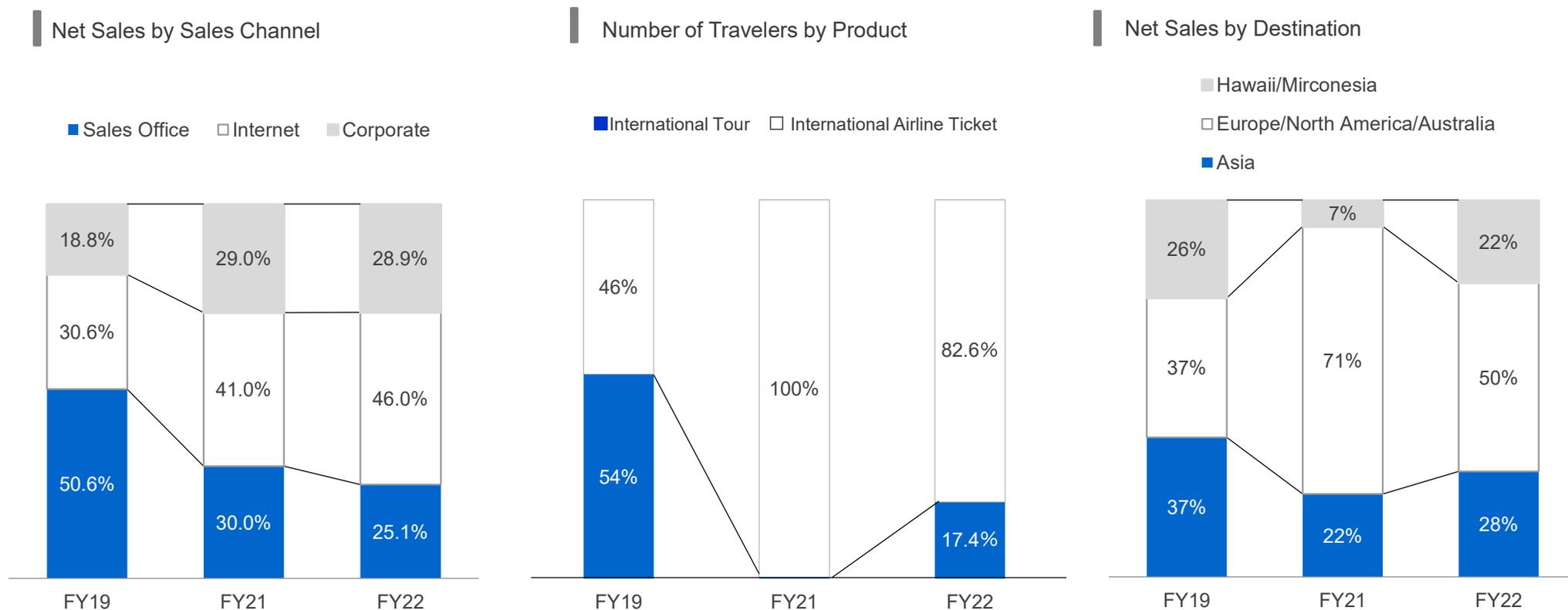
Starting with tours to Hawaii, tours organized in-house resumed in May for the first time in two years. Although there are signs of recovery following the gradual easing of border control measures, the market has yet to fully recover due to a delay in the recovery of international airline seat supply



<Restrictions and Relaxation of the Daily Maximum Limit of the Number of Entrants in the Last 12 Months>

- 2021/11/30: 3,500 travelers (Suspend foreign nationals' new entry into Japan in principle), - 2022/3/1: 5,000 travelers (Permit foreign nationals' entry for purposes other than tourism),
 - 2022/3/17: 7,000 travelers, - 2022/4/10: 10,000 travelers, - 2022/6/1: 20,000 travelers (6/10~ Accept foreign tourists only for tours with tour conductors), - 2022/9/7: 50,000 travelers
 (Accept foreign tourists for tours without tour conductors / Negative proof is not required after 3 vaccinations when returning to Japan), - 2022/10/11: Restrictions lifted (start accepting inbound visit to Japan, free travel)

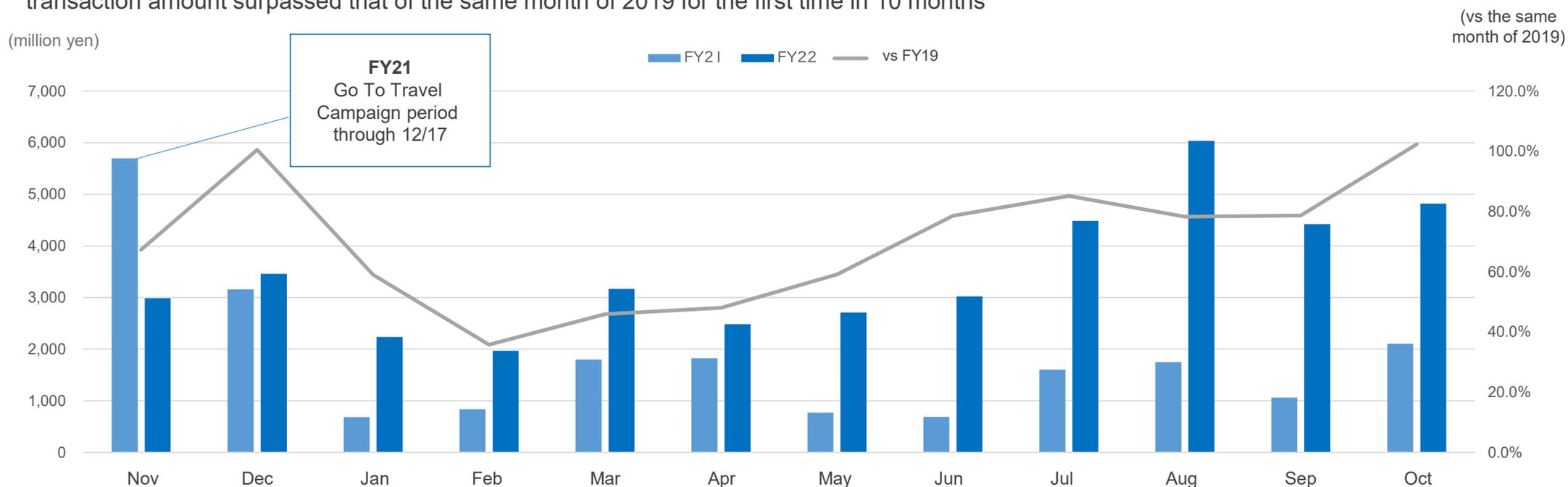
[Supplementary Material] Composition Ratio of International Travel



※ FY21 composition ratio fluctuated significantly due to the impact of tour cancellations caused by the spread of COVID-19 infection

Travel Business: Monthly Transaction Amount of Domestic Travel in Japan

In the domestic travel business in Japan, the market has become active since the end of Golden Week, and there has been an increase in demand for micro-tourism due to "prefectural and block discounts". In October, thanks to the implementation of nationwide travel support, the transaction amount surpassed that of the same month of 2019 for the first time in 10 months



※Implementation of prefectural discount in each local government

※1/9~3/21: Priority measures to prevent the spread of the disease

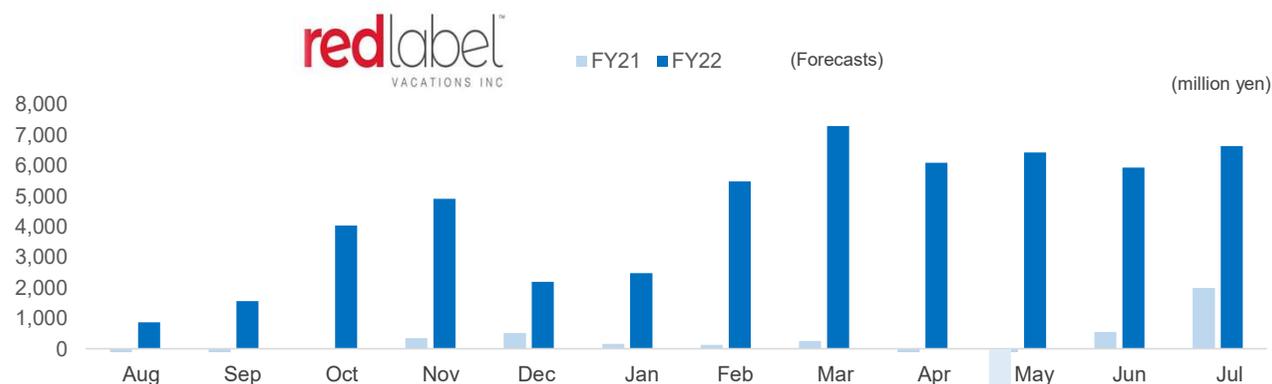
※4/1~: Prefectural discount expanded to regional block discount

※10/11~: Implementation of nationwide travel support

※ Total transaction amount of H.I.S. and its five group companies (Orion Tour, Qualita, Cruise Planet, Japan Holiday Travel, and H.I.S. Okinawa) after offsetting internal transactions

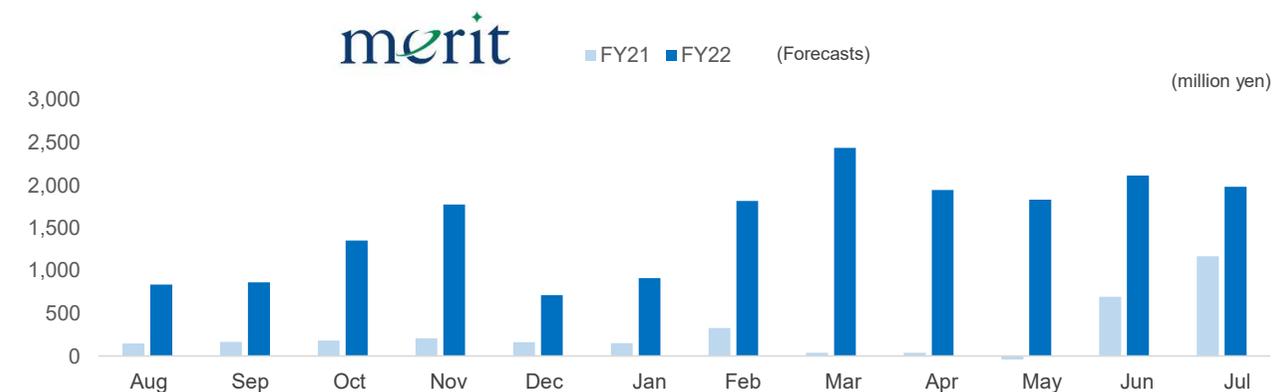
Travel Business: Monthly Transaction Amount of Overseas Subsidiaries

Quick Recovery of the Local Market Outbound Business, Mainly at Canadian Subsidiaries



Net Sales of Red Label Vacation (North American outbound business)

- Focused on sending customers from Canada to Europe and the Caribbean.
- Since February 2022, easing of restrictions in Canada has led to increased demand for B2C, resulting in favorable sales.
- Recovered in FY22 4Q to 77.6% as compared to FY19 4Q



Net Sales of Merit Travel

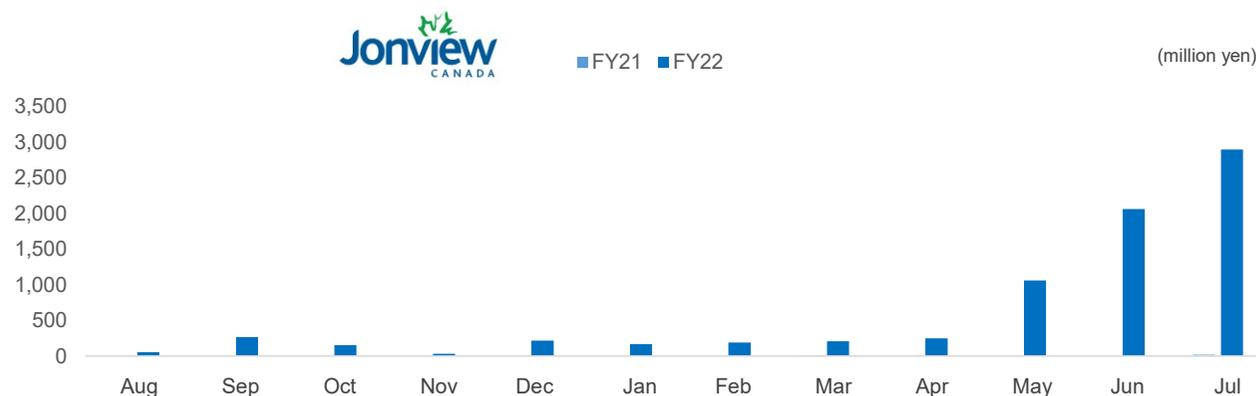
(North American outbound/inbound business)

- Sales recovered mainly due to B2B corporate travel business and loyalty program business
- Recovered in FY22 4Q to 71.9% as compared to FY19 4Q

■ FY21 : August 2020 ~ July 2021
 ■ FY22 : August 2021 ~ July 2022
 ※ There is a three-month lag as the fiscal year end of travel business overseas is July

Travel Business: Monthly Transaction Amount of Overseas Subsidiaries

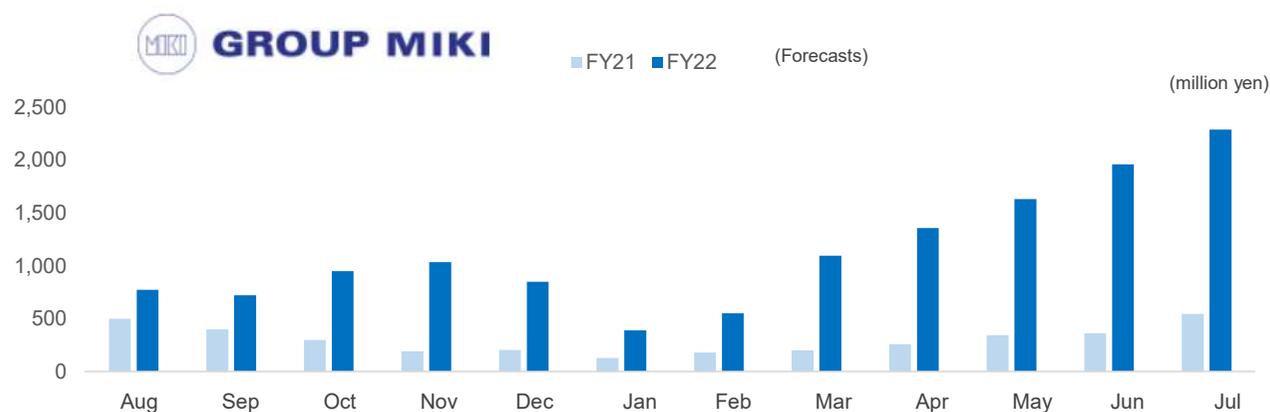
Local Market Inbound Business is Developed by Subsidiaries Based in Europe and Canada



Net Sales of Jonview

(North American inbound business)

- Inbound business based in Canada mainly from Europe
- Summer in Canada is the best season, and customers from Europe have revived, leading to a rapid recovery
- Recovered in FY22 4Q to 79.9% as compared to FY19 4Q



Net Sales of Group Miki Holdings

(European inbound business)

- Inbound business in Europe from Japanese and non-Japanese markets. Recovery starting with the B2B hotel online business "E-BIZ", which is developed for the non-Japanese market
- Recovered in FY22 4Q to 42.2% as compared to FY19 4Q

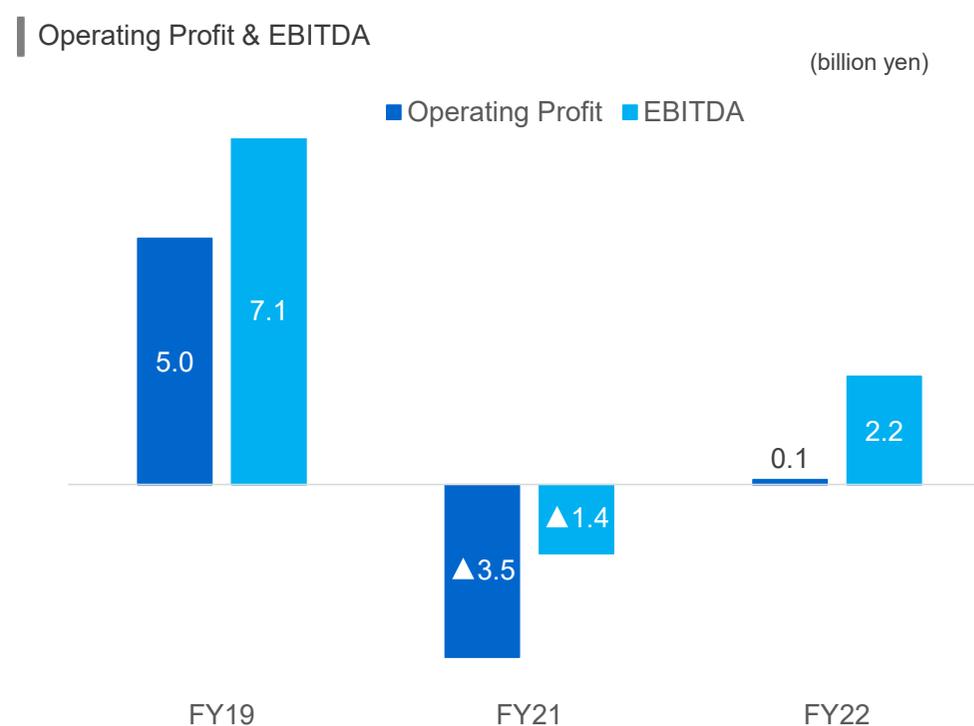
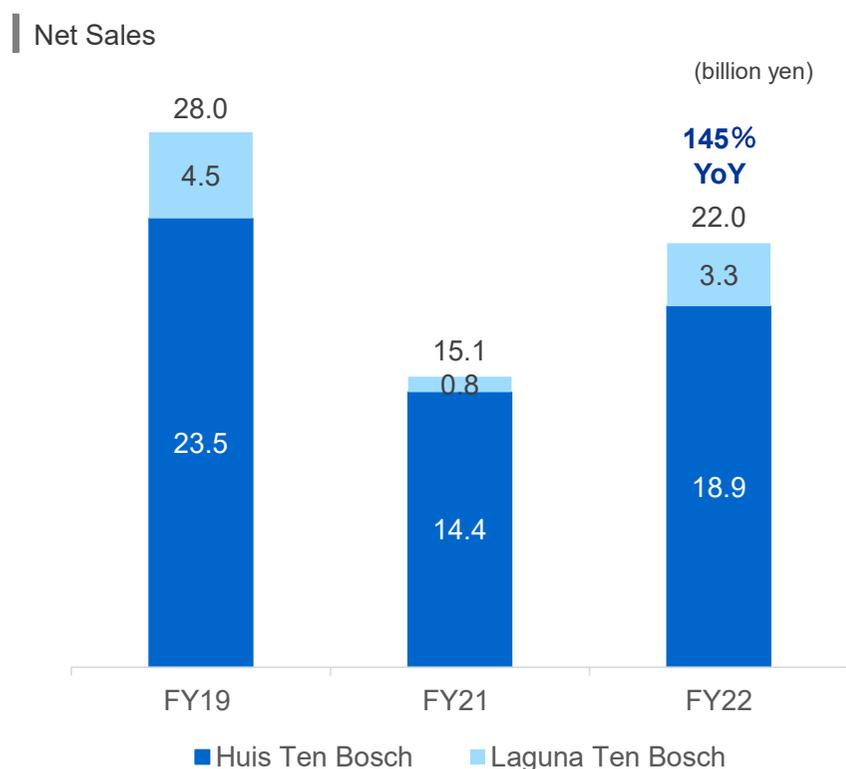
FY21 : August 2020 ~ July 2021

FY22 : August 2021 ~ July 2022

※ There is a three-month lag as the fiscal year end of travel business overseas is July

Theme Park Business (Former Standard)

Huis Ten Bosch led the theme park business with well-accepted events such as anniversary events commemorating the 30th anniversary of its opening and various events focused on seasonal environmental presentations. **Sales were 22 billion yen (YoY 145%)** and **operating profit was 170 million yen (an improvement of 3.7 billion yen)**.



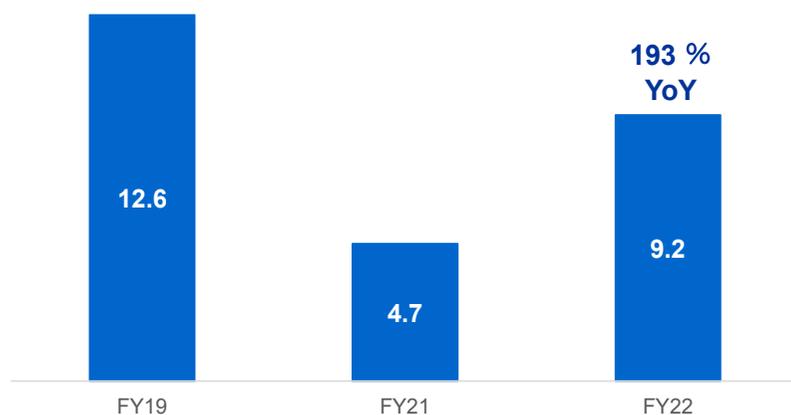
Huis Ten Bosch: Non-Consolidated Quarterly Operating Results

(million yen)	FY19					FY21					FY22				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Transaction Amount (Before Consolidation Adjustments)	7,079	5,968	6,133	6,406	25,586	5,891	1,759	2,143	2,446	12,239	6,302	3,320	4,399	4,916	18,937
YoY	96%	83%	96%	85%	90%	96%	55%	300%	108%	99%	107%	188%	205%	200%	154%
Operating Profit	1,894	1,277	1,112	1,012	5,295	1,236	▲1,454	▲1,290	▲1,293	▲2,801	1,106	▲706	▲138	14	276
YoY	92%	61%	86%	56%	73%	145%	-	-	-	-	89%	-	-	-	-
Attendance (10,000)	70.8	59.6	60.4	63.7	254.7	60.9	19.0	21.5	26.2	127.7	70.2	36.7	48.6	52.6	208.2
YoY	97%	89%	97%	90%	93%	88%	53%	210%	108%	92%	115%	193%	226%	200%	163%
Foreign Attendance (included in the number above, 10,000)	3.5	4.2	4.5	4.0	16.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
YoY	82%	89%	89%	93%	88%	-	-	-	-	-	-	-	-	-	-
Number of Hotel Guests (10,000)	7.3	7.0	6.3	7.7	28.4	8.9	1.6	1.8	3.3	15.7	8.4	4.6	6.3	8.2	27.5
YoY	96%	85%	96%	97%	94%	135%	42%	1056%	86%	109%	94%	287%	349%	248%	175%
Unit Price (yen, Rounded Down to the Nearest Hundred)	9,900	10,000	10,100	10,000	10,000	9,600	9,200	9,900	9,300	9,500	8,900	9,000	9,000	9,300	9,000
Increase/Decrease	-100	-770	±0	-600	-400	+800	+200	+3,000	±0	+1,000	-700	-200	-900	±0	-500

Hotel Business (Former Standard)

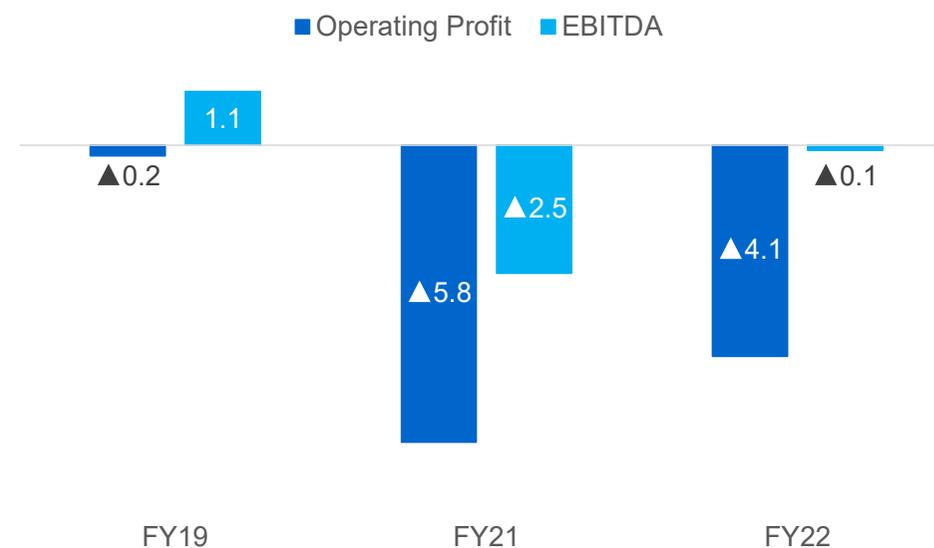
- **Significant increase in net sales and significant profit improvement on an EBITDA basis** due to an increase in the number of hotels and the lifting of activity restrictions. Although not reaching the level of 2019, the business is on a recovery trend
- New hotels opened in Seoul, New York, Tashkent and Miyakojima Island. In FY22, 4 hotels were added, bringing the total to 40

Net Sales (billion yen)



Number of Hotels	FY19	FY21	FY22
Japan	13	21	22
Overseas	19	17	18
Total	32	38	40

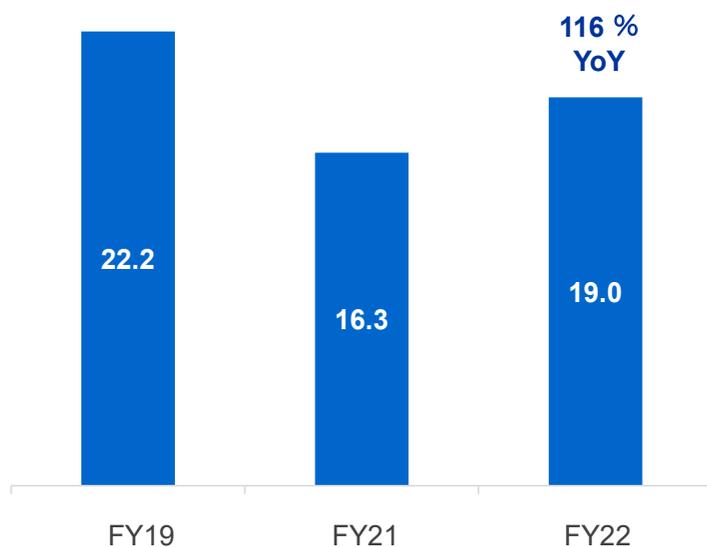
Operating Profit & EBITDA (billion yen)



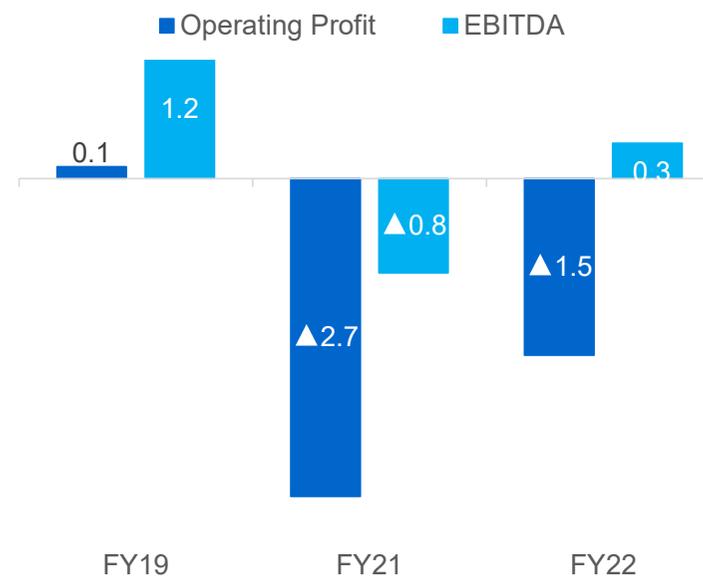
Kyushu Sanko Group (Former Standard)

- Recovery was partially observed, such as an increase in the number of people transported by route buses, the resumption of expressway bus service, and an increase in the number of visitors to Sakura Machi Kumamoto, etc.
- Although full-scale recovery was not achieved due to the continuation of measures to curb activities, **operating loss was 1.5 billion yen, an improvement of 1.1 billion yen**, and **EBITDA was 300 million yen, an improvement of 1.1 billion yen**

Net Sales (billion yen)



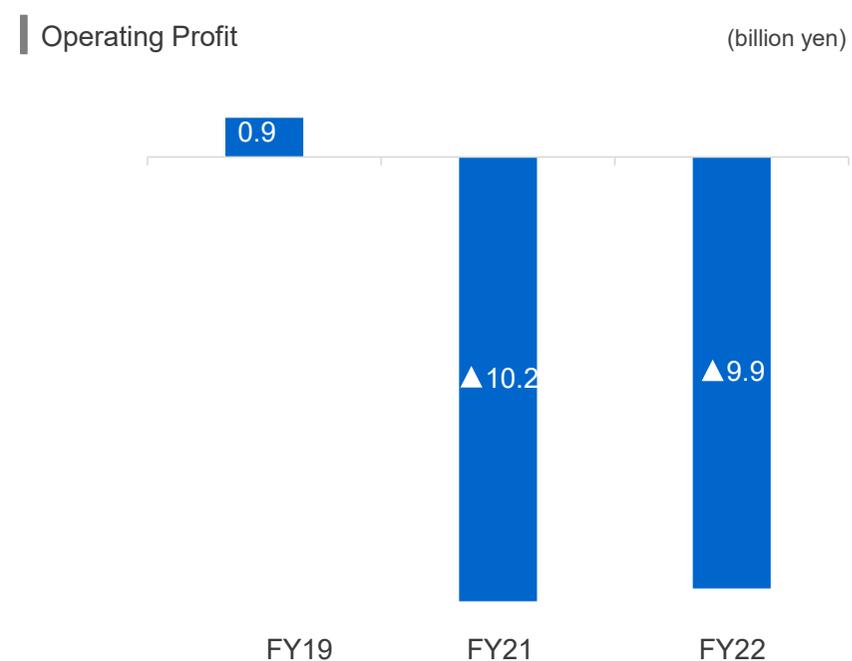
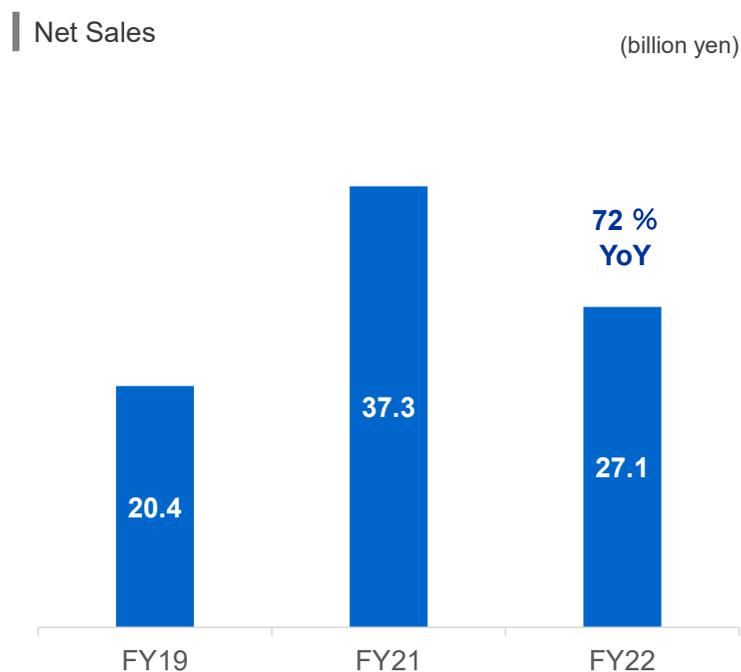
Operating Profit (billion yen)



Energy Business (Former Standard)

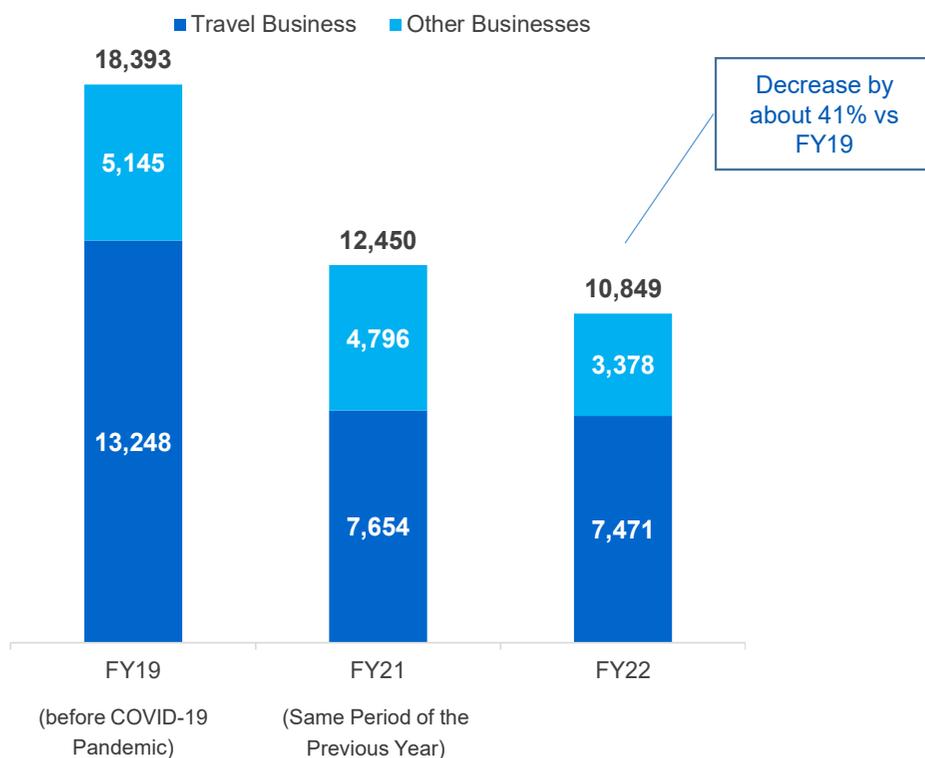
Operating loss was 9.9 billion yen due to the normalization of price hikes of procurement power sources in the electric power retail business, and the soaring price of palm oil, which is used as fuel, in the power generation business

The transfers of all shares were completed in May 2022 for the electric power retail business and in October 2022 for the power generation business

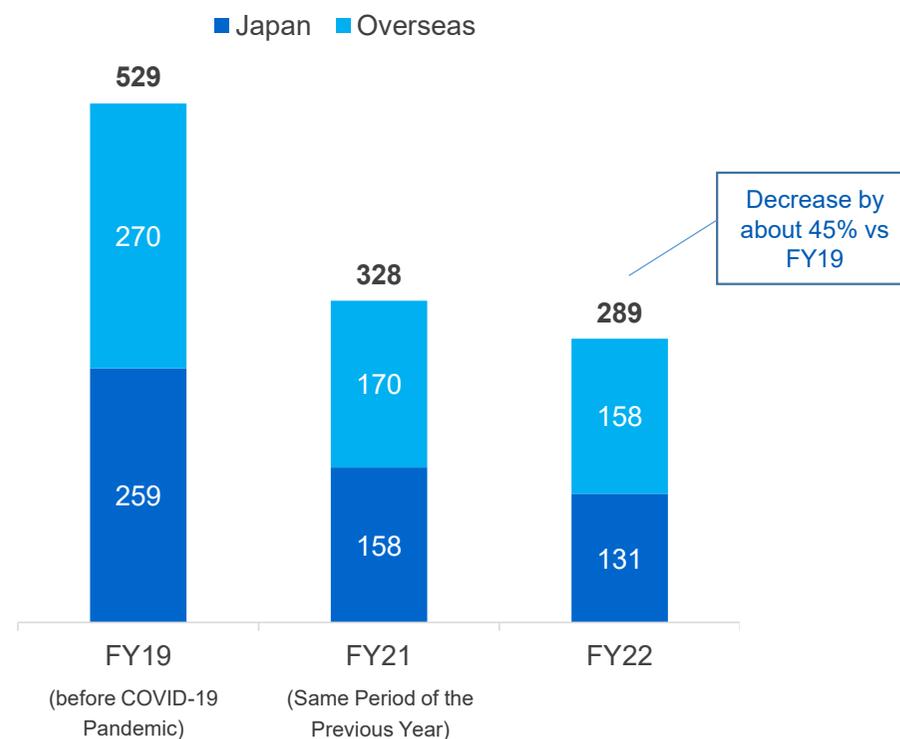


[Reference Data]

The Number of Group Employees



The Number of Sales Offices of the Travel Business



※ The number of sales offices in Japan excludes distributors and agents / the number of overseas sales offices: as of the end of October

2 Future Management Policy

Management Reform Based on the Business Environment

Business Structure Reform

Deepening the Travel Business

Exploring Non-Travel Businesses

Deepening DX

Multi-Functionalization of Sales Offices

Organizational Streamlining

Mindset Reform

Introduction of Purpose

Reaffirmation of “Origin”

Unification of Group Awareness

Organizing Decision Criteria

Financial Reform

Improvement of Capital Adequacy Ratio

B/S Streamlining

Cost Reductions

Business Structure Reform: Business Portfolio Restructuring

Deepening the Travel Business

Providing travel experiences that can only be enjoyed through H.I.S.

Providing sustainable tourism

International Travel Business

Stimulating and revitalizing demands

Domestic Travel Business

Evolution to “H.I.S. for domestic travel as well”

Inbound Travel Business to Japan

Preparations for “re-start”

Travel Business Overseas

Expanding market share

Exploring Non-Travel Businesses

Reinforcement of outsourcing business from local governments

Development of joint business with corporate partners

Expanding existing business areas

Synergy effects by leveraging resources
Development of M&A and investments

Development of new businesses

Promoting in-house projects

Business Structure Reform: Business Portfolio Restructuring

Mid/Long-Term Targets: 50% Each Profit Contribution from Travel-Related and Non-Travel Businesses

Travel-Related Businesses

Travel

Hotel

H.I.S. Hotel Holdings

Regional Revitalization

九州産交

Theme Park

ラグーナテンボス

Insurance

エイチ・エス損保

Glamping

GLAMHIDE WITH DOG KOMATSU

Non-Travel Businesses

Education

Canadian College

Telecom

HIS Mobile
格安SIMならHISモバイル

System

SYS

Sale of Goods

story
満天堂
MANTENDO

Restaurant

満天ノ秀子ば
Henn na Cafe

Temporary Staffing

GREEN OCEAN
人材派遣・研修・教育

Construction Works/ Facility Management

BPO Business/ Support for Overseas Expansion/ Rights Business

HIS Group Purpose

Unleash your feeling “KOKORO ODORU”

: Being Interested, excited, and having a desire

未知との出会い、人との繋がり、豊かな時間、ワクワク、高揚感、そして平和への想い。

私たちは「心躍る」を解き放ち、未だ見ぬ世界をつくるため、冒険する挑戦者で在り続けます。

Encounters with the unknown, connections with others, rich times, excitement, euphoria, and wishes for peace. H.I.S. Group will continue to be an adventurous challenger to unleash the "Exciting" and create a world that has not yet been seen

3 Financial Policy

Financial Policy

Short-Term Issues

1. Early Return to Profitability

Regarding costs, H.I.S. Group will focus on reducing fixed costs, but will respond flexibly when travel demands recover

2. Securing Liquidity on Hand

Sale and liquidation of group companies and business assets. Centralization and management of funds within the Group. Continuance of CAPEX reviews on a quarterly basis without being bound by previous reviews. Continuation of commitment lines, etc.

Mid / Long-Term Goals

Improvement of capital adequacy ratio (to 20% or more at first) by streamlining B/S (liquidation of assets, reduction of interest-bearing debt), and by building up equity capital through profit, etc.

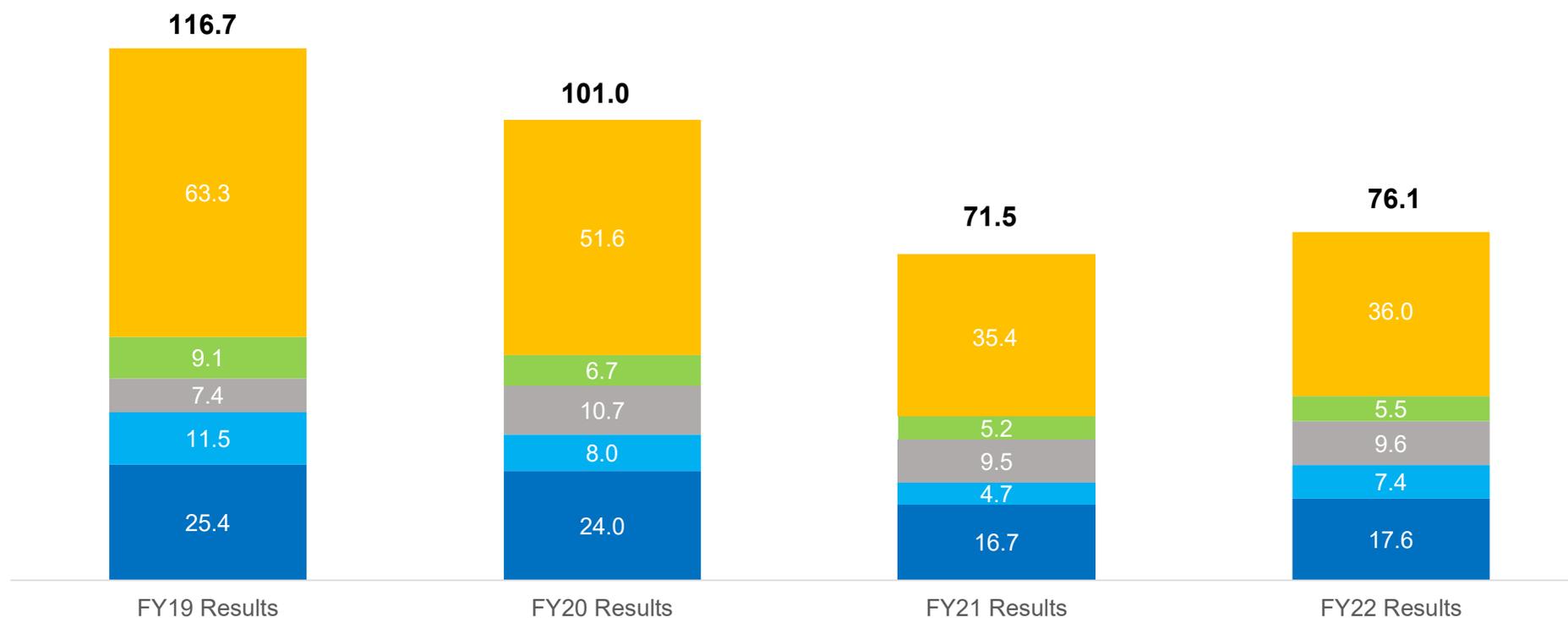
Financial Measures

NO	Content	Details	Already Implemented Since the Start of COVID-19 Pandemic Through FY2022	To be Considered in the Future
1	Cost Reductions	Reduction of SG&A expenses	See slide P.30	Plan to respond flexibly as sales recover
2	Review of CAPEX Plan	CAPEX control, mainly in systems, hotels, and real estate	Initial plan (FY20-FY24): 143.4 billion yen → Actual investment: 32.3 billion + Estimate: 10.3 billion yen	
3	Sale of Owned Properties		10 properties already sold, Proceeds from sale: 15.5 billion yen	1 property left Book value: 0.8 billion yen
4	Liquidation of Head Office Building	Liquidation of the Head Office Building through sale-and-leaseback method	32.4 billion yen (Already implemented in September 2021)	-
5	Sale of Group Companies and Business Assets		HTB ENERGY Co., Ltd. (Already implemented in May 2022) Huis Ten Bosch Co., Ltd. (Already implemented in Sep 2022) H.I.S. SUPER Power Co., Ltd. (Already implemented in Oct 2022)	Under further consideration
6	Issuance of New Shares	Issued in November and December 2021	7.5 billion yen	-
7	Stock Acquisition Rights	Exercise of those issued in October 2020	11.9 billion yen	(Unexercised portion) 2.5 billion yen
		Exercise of those issued in November and December 2021	-	(Unexercised portion) 13.8 billion yen

SG&A Expenses

■ Personnel
 ■ Rent
 ■ Depreciation & Amortization of Goodwill
 ■ Advertising
 ■ Others (Commission Payment, Taxes and Dues, etc.)

(billion yen)

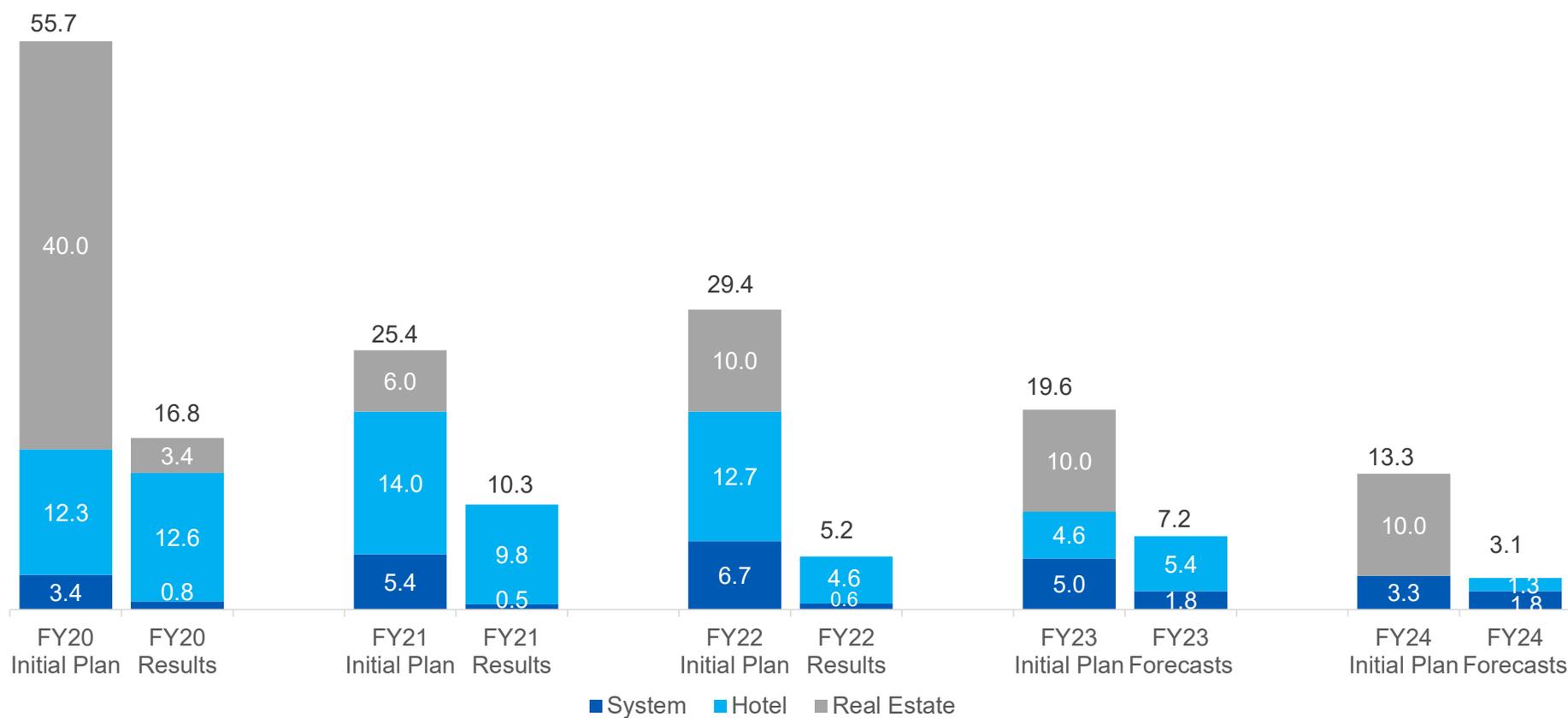


Review of CAPEX Plan

CAPEX Plan

※ The initial plans represent the CAPEX plan set before COVID-19 Pandemic (FY19)

(billion yen)

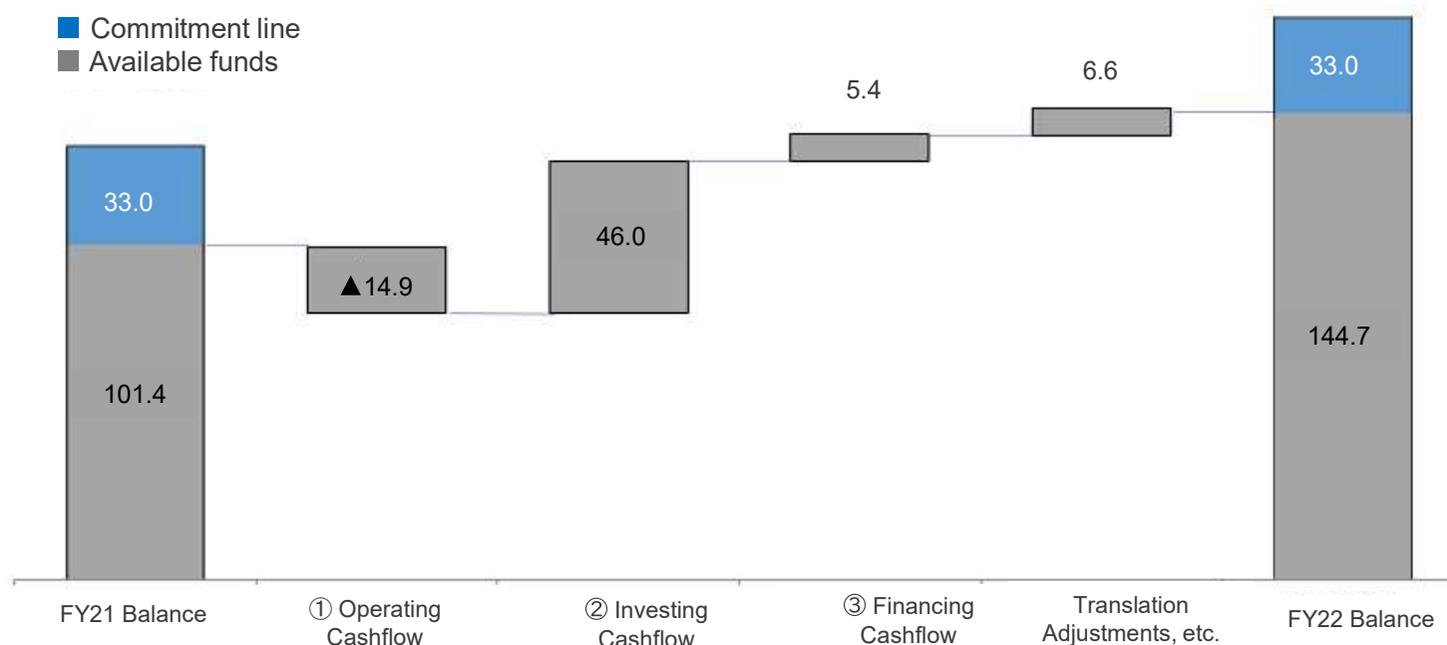


■ System ■ Hotel ■ Real Estate

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Liquidity on Hand

(billion yen)



33.0 billion yen of Commitment line
→ Not used. No plans to use in the future as well

① Operating Cashflow		② Investing Cashflow		③ Financing Cashflow	
Net loss before income taxes	▲8.2	Sale of affiliates shares	37.8	Issuance of new shares	7.5
Depreciation	12.4	Sale of tangible/ intangible fixed assets	10.9		
Impairment loss	4.0				
Gain / loss on sales of affiliates shares	▲32.4				

Support from Financial Institutions, etc.

■ Main Banks

H.I.S. Group is receiving support from its main banks as before

■ Syndicate Loans

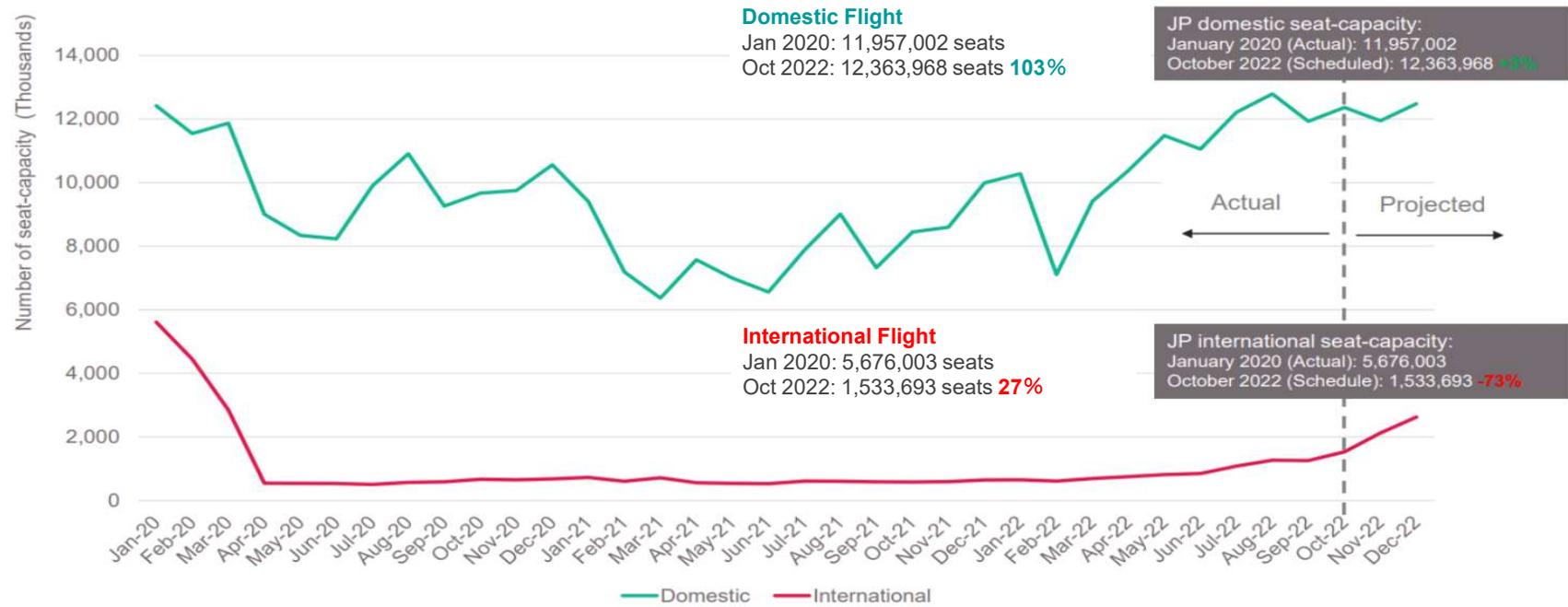
H.I.S. Group has constructive discussions and maintains close relationships with the financial institutions participating in the syndicated loans, including the agent, and believes that it will be able to receive their continued support

4 Initiatives in Each Business Segment

Travel Business: External Environments Surrounding H.I.S. Group ①

Domestic Flights in Japan Recovered to Pre-COVID-19 Pandemic Levels / International Flights were Down 70% from Pre-COVID-19 Pandemic Levels

Japan's Airline Seat Supply (Jan 2020 - Dec 2022)



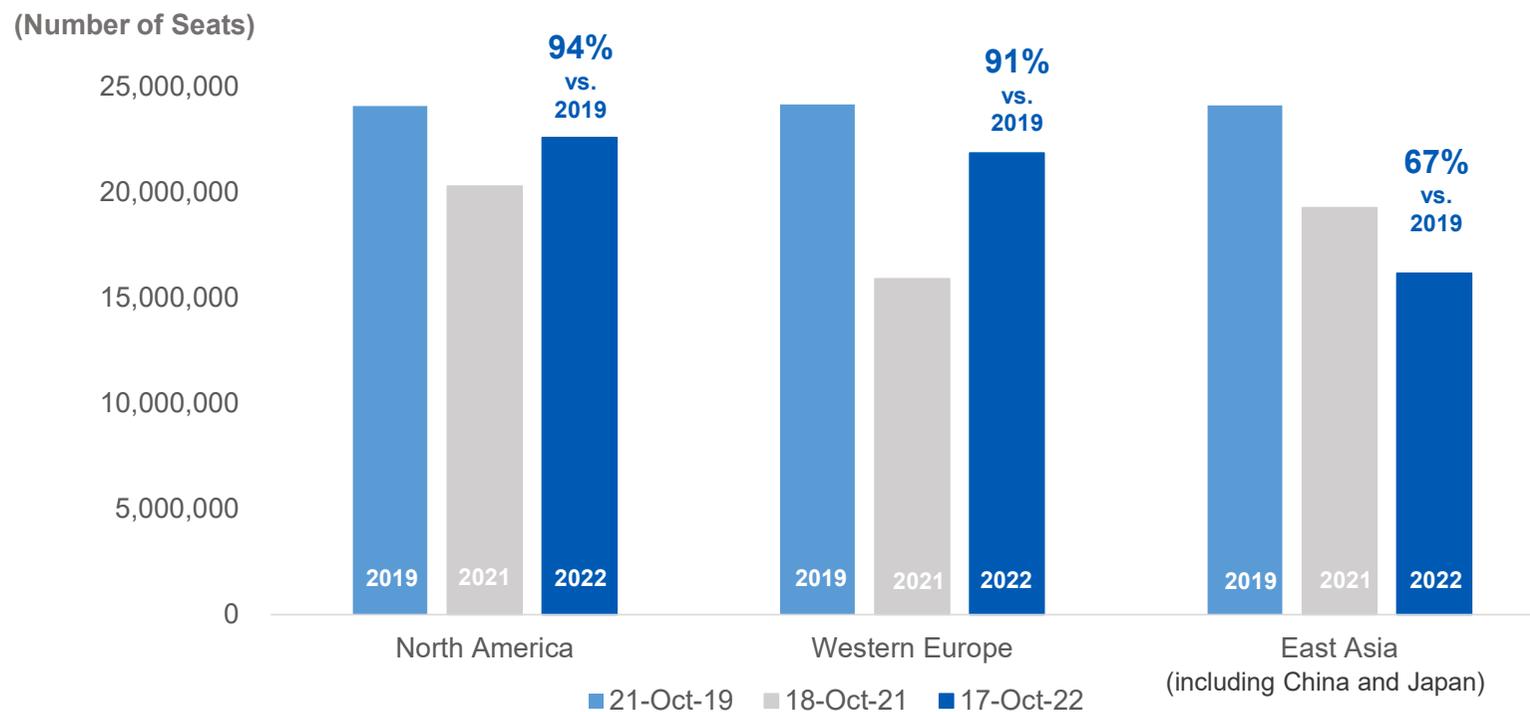
Source: Cirium utilisation data, Schedules, data filed 10 October 2022

ASCEND
BY CIRIUM

Travel Business: External Environments Surrounding H.I.S. Group ②

Scheduled Flights Recovered to 90% or More vs 2019, Mainly Flights to and from Europe and North America / Recovery of Flights to and from East Asia Slowed Down

Top 3 Regions by the Total Number of Scheduled Flight Seats (International and Domestic) 2019/ 2021/ 2022 Comparison



Source: OAG

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Travel Business: Assumptions of Future Travel Demands and Business Recovery

Recovery in International Travel and Boost in Domestic Travel are Expected to Lead to a Recovery in Business

FY23 1H → FY23 2H → FY24 1H → FY24 2H → FY25 1H → FY25 2H

Domestic Travel

With the implementation of nationwide travel support, the mindset of domestic travel has recovered. In addition to the decision to extend the period beyond 2023, the number of airline seats has recovered to 2019 level. Domestic travel will be a new pillar of the travel business with new product expansion through the abilities to procure and plan that have been reinforced due to COVID-19 Pandemic and on-site sales capabilities.

International Travel

The number of seats on international flights to and from Japan decreased by more than 70% as of October 2022, and it is difficult to predict a rapid recovery in the short term due to factors such as soaring fuel surcharges and the yen depreciation. On the other hand, demands for leisure activities gradually recovered due to the elimination of the need for a negative certificate and the upper limit on the number of travelers entering Japan when returning to Japan. H.I.S. aims to raise the level of customer volume by concentrating on areas where the travel market is recovering, and to improve profitability by increasing the ratio of package tours that are frequently used for leisure.

Inbound Travel to Japan

In addition to the easing of border control measures such as the elimination of the upper limit on the number of travelers entering Japan and visa exemptions, the yen depreciation is accelerating the demands for individual travel to Japan. In order to expand the European and American markets, which are recovering quickly, H.I.S. Group aims to expand its business by strengthening listing of individual travel products on overseas OTAs.

Outbound

The global market as a whole is assumed to recover to the 2019 level by 2024. For the local market, H.I.S. Group will promote the shift to OTA and focus on capturing demands from North America through its overseas subsidiaries, aiming for a further recovery in business.

Inbound

Regarding the Inbound for the European and American markets, which are recovering quickly, H.I.S. Group will focus on acquiring demands from overseas subsidiaries such as "Group Miki Holdings" in Europe and "Jonview" in Canada and strengthen FIT first. The key to inbound for the Japanese market is the recovery of overseas subsidiaries with the growth in package tours departing from Japan.

Business Recovery Color Density

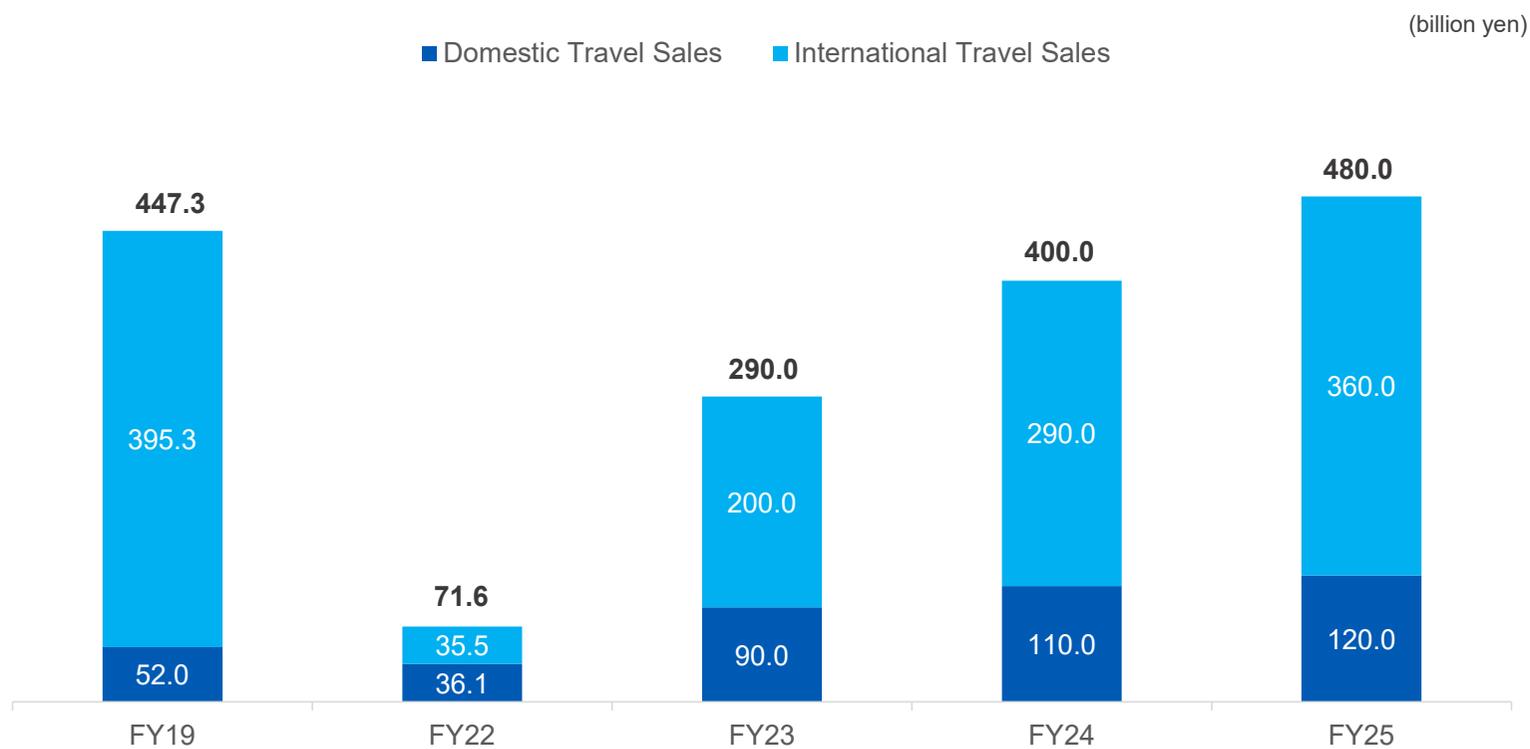
Lower than FY19 ← FY19 Level → Higher than FY19

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Travel Business in Japan

Exceeding FY19 Levels in FY25

H.I.S. non-consolidated sales target (former accounting standard, before elimination of internal transactions and adjustments, including corporate sales)



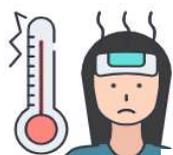
Travel Business in Japan

Recovering Travel Demands by Eliminating Travel Anxiety

International Travel

Hawaii: Free Travel Safety Package

Assisting with necessary documentation for emergencies



Upon
Quarantine



Upon extension of
returning home after
completion of quarantine



Upon
Hospitalization

What's really going on? Local Information

Delivering real local information from H.I.S. around the world

 <p>Hawaii</p> <p>観光客も増え、にぎわいを取り戻しつつあるハワイ。最新レストラン情報など、今の様子を動画も交えてご紹介します。おうちでショッピングを楽しむオンライン体験も必見。</p>	 <p>France (Paris)</p> <p>世界中の人が訪れる観光大国パリ。引き続き外出制限や生活必需品以外のお店は休業要請が続いているそう。コロナ終息後ぜひ訪れてほしい観光地の情報をご紹介します。</p>	 <p>New York (USA)</p> <p>洗練されたエンターテインメントで人気のニューヨークにも明るい兆しが見えてきています。新たに登場した観光名所や変化した街の風景をお届けします。</p>	 <p>Australia</p> <p>街ごとに規制内容も異なるオーストラリア。なんと、ほとんどの人がマスクをしていない街も！美しいビーチリゾートであるゴールドコーストから今の様子をご紹介します。</p>
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Domestic Travel

Domestic Travel Advance Coupon

Avoiding the congestion during the 2nd round of nationwide travel assistance

COVID-19 Infection Cancellation Fee Fully Exempted

Eliminating cancellation anxieties due to COVID-19 infection



初夢フェアも対象!
1月~3月出発なら

\ HISの2大旅行支援! /

旅行代金がさらに!

割引 上限なし **10%割引** クーポン

コロナ感染による取消料を
HISが全額負担!

New Year's Dream Fair is also eligible if departures are from January to March

Two major travel support by H.I.S

Coupon for an additional 10% discount on the travel price (no discount limit)

H.I.S. will pay all cancellation fees due to COVID-19 infection

Travel Business in Japan

Resuming International Package Tours for 47 Countries/Regions, with Promotions to Create Demands

※ as of December 2022



Revenge New Year's Dream Fair 2023
Let's unleash the travel you've been holding back!

Developing "Revenge Travel"

Developing promotions for both domestic and international travel with the message, "This is the year to travel to the places you once gave up on but have always wanted to visit"



Unlocking Travel to South Korea Campaign

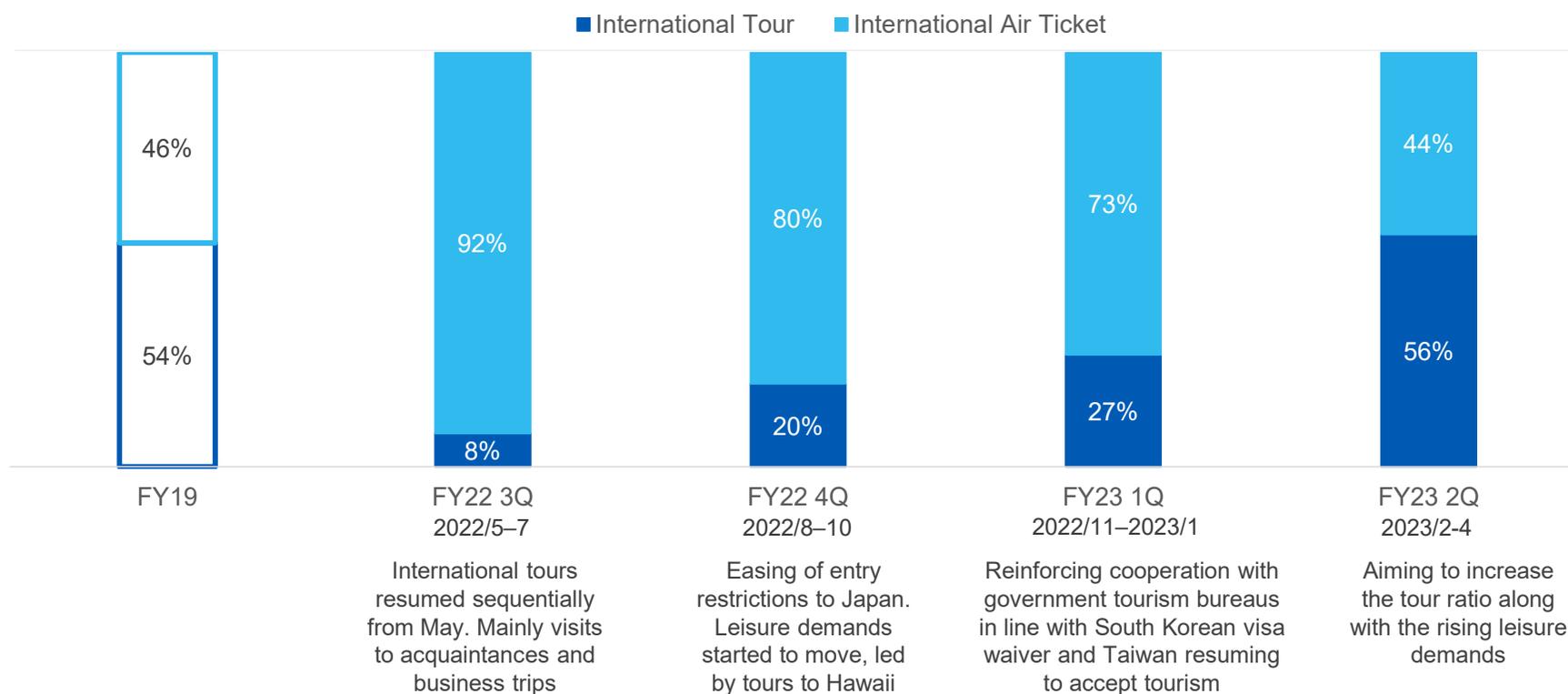
Tie-up with Government Tourism Bureaus

Tie up with Korea Tourism Organization to create leisure demand for South Korea. Strengthening traveler flow through the "Unlocking Travel to South Korea Campaign". The number of travelers to South Korea during the year-end and New Year's holidays recovered to 48% of that of the same day in 2019 (*). With the official resumption of visa-free travel on November 1, 2022, and the flights to South Korea reviving or increasing, the country will become a destination with an early recovery. (*) As of December 6, 2022

Travel Business in Japan: International Travel

Aiming to Improve Profitability by Increasing the Ratio of Package Tours

Sales composition ratio of international tours and international air tickets (H.I.S. non-consolidated, as of November 30, 2022 reservation)



Travel Business in Japan: International Travel

Offering a Travel that Can Only be Experienced in H.I.S. Group-Provided Travel
- Journey to the Entrance to the Universe that Anyone Can Take -

Signed a sales rights agreement for the balloon spacecraft "Neptune" in Japan and Canada



Picture: Space Perspective

Spaceflight experience with pioneering new technology and with world-class space balloon experts is scheduled to be offered beginning in late 2024. Since the journey to the entrance to space at an altitude of about 30 km using a space balloon will not involve weightlessness, there is no prior training for participants, no age or weight restrictions, and anyone can participate

Travel Business in Japan: International Travel

Providing Sustainable Tourism - Promoting a New Kind of Travel, "Responsible Tourism" -

Planning tours to re-discover Hawaii's history, culture, and nature under the slogan "Malama Hawaii"



In support of the State of Hawaii's efforts to promote tourism that contributes to the preservation of Hawaii's natural environment, cultural inheritance, and local communities, H.I.S. Group has become the first Japanese travel agency to enter into a partnership agreement with the Hawaii Tourism Authority. Under the slogan "Malama Hawaii," which means thoughtful consideration to other people in Hawaiian language, H.I.S. Group plans tours to re-discover Hawaii's history, culture, and nature, and promotes responsible tourism and re-generative tourism. H.I.S. sales offices throughout Japan serve as "Hawaii Tourism Authority's Certified Satellite Offices" and contribute to sending customers to Hawaii with professional consulting services that are well versed in Hawaii. H.I.S. also proposes company employee travel and incentive travel to corporate clients.

Travel Business in Japan: Domestic Travel

Domestic Package Tours to Maximize Profits by Selecting and Concentrating on Destinations to be Strengthened



【Year-end and New Year's Holiday】 Travel reservation for Okinawa and Hokkaido: 116.7%
(compared to the same day in 2019) *As of December 6, 2022

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Travel Business in Japan: Domestic Travel

Differentiation through Unique Plans that Only H.I.S. Can Offer

Okinawa



Developing a plan to secure rental car inventory on the main island of Okinawa through independent procurement

Providing rental car plans on the main island of Okinawa and on Miyakojima Island by securing its own rental car inventory in order to resolve the rental car shortage caused by COVID-19 Pandemic

Hokkaido



Brochure Exclusively for Hoshino Resort Accommodations (2022, winter version)

Collaboration with Lodging Facilities

Strengthening sales of five "Hoshino Resorts" in Hokkaido, starting with a collaboration project with "Hoshino Resort Tomamu," one of the largest stay-type resorts in Hokkaido

Travel Business in Japan: Domestic Travel

Collaboration with Popular Artists to Strengthen Branding

Launching Okinawa tour "GENE Trip" in collaboration with dance & vocal group GENERATIONS from EXILE TRIBE



“GENE Trip” introduces new ways to enjoy Okinawa from the members' point of view, in addition to the same experience that they actually enjoyed on their trip to Okinawa. The tour contents are designed for GENERATIONS fans, and also for beginners and repeaters of Okinawa travel, to choose the tour that best suits their tastes.

Travel Business in Japan: Domestic Travel

Achieved Profitability in FY22 Even During the COVID-19 Pandemic



Picture Image of Orion Tour: Skiing & Snowboard Tour

Orion Tour Co., Ltd.

Offering sports tours such as skiing and snowboarding tours in winter, which are the mainstay, and diving tours. Offering group tours such as express route bus tours and one-day bus tours.



Picture Images of "LeaLea OKINAWA Shuttle Bus" and "LeaLea Lounge OKINAWA"

H.I.S Okinawa Co., Ltd.

Investing in strengthening destination-type travel in Okinawa and in the infrastructure of "Tabinaka (during trip)". Providing experience-type activities for visitors to Okinawa, promoting the attractiveness of Okinawa's regions and creating more value

Travel Business in Japan

Creating Leisure Demands for GW 2023 for Seniors and Families

H.I.S., Cruise Planet, and Best One Cruises offer foreign ship charter cruises

The advertisement features a large MSC cruise ship sailing on the ocean. The text is in Japanese and includes the MSC logo. The main title is '南国薩摩と石垣島・那覇・台湾 美ら海クルーズ 9日間' (Tropical Satsuma and Ishigaki Island, Naha, Taiwan / Churaumi Cruise 9 days). A banner above the ship says '2023年GWチャーター' (2023 GW Charter). Below the main title, there are two circular images: one showing a tropical beach and another showing a street scene. At the bottom, there is a calendar grid showing the departure and return dates.

出発	4/29	30	5/1	2	3	4	5	6	7	帰着
	(土・祝)	(日)	(月)	(火)	(水・祝)	(木・祝)	(金・祝)	(土)	(日)	

Tropical Satsuma and Ishigaki Island, Naha, Taiwan / Churaumi Cruise 9 days

Developing the charter cruises for 2023 GW for the first time since COVID-19 Pandemic. Reservation progress at H.I.S. and Cruise Planet is already 66% (as of December 5, 2022). The three companies aim to sell a full house (5,000 people) by communicating the appeal of cruise travel with meals and entertainment included in the price, as well as the "good calendar during GW" and "limited impact of the weak yen and soaring fuel prices."

Travel Business in Japan

Eliminating the Anxiety of Travelers and Further Improving the Unit Price
by Differentiating with Overwhelming Convenience

"Travel Consultant Appointment Reservation", an only one service where customers can choose the consultant in charge

The screenshot shows the 'Travel Consultant Appointment Reservation' interface. Key elements include:

- Consulting Method:** Visit to sales office, telephone, online.
- Consultant Requirements:** Preferred areas (e.g., Overseas, Domestic, Cruise), characteristics (e.g., Experience, Gender, Personality).
- Travel Format:** Travel type (e.g., Family, Student, Solo), free words (e.g., Sightseeing spots, Themes).
- Search Results:** Two consultants are shown: MA (Specialist in resorts) and T.N. (Specialist in domestic travel).
- Buttons:** 'Search' (highlighted with a red box and arrow), 'Consulting Reservation', and 'Detailed Profile'.

(Picture Image of H.I.S. website, travel consultant appointment reservation page)

- Start of Service: March 2022
- Supported channels: All sales offices nationwide, call centers, video chat
- Same day response: Available

Travel Business in Japan: Inbound Travel to Japan

Taking the Resumption of Inbound Travel to Japan as a Good Opportunity to Expand Market Share in the Future

Strengthening the ability to receive orders for large group tours in alliance with local travel agencies

【Examples of Alliance with Local Travel Agencies】



<Examples of Orders Received>

- 2023, 2024 Series tours with many courses already set

- Capturing wealthy customers in Europe, North America, and Asia
- Sales promotion of "experience-type" high-priced products with emphasis on content and quality
- Acquiring and training new tour guides to further increase demands

<Product Example>

12-day experience-oriented course
(4 nights in Tokyo, 1 night in Kaga, 1 night in Takayama, 4 nights in Kyoto)
※ Maximum 22 travelers

Tour Highlight

- Appreciate the art of sushi craftsmanship and learn how to make sushi and sashimi
- Drive to Hakone with a panoramic view of Mt.Fuji
- Take the Shinkansen Express from Tokyo to Kanazawa, and stay at a traditional ryokan (Japanese style hotel) in Kaga
- Walking tour of the Preservation District of Traditional Buildings in Takayama
- In Kyoto, visit Nijo Castle, the residence of the Tokugawa family, and the magnificent Kinkakuji Temple
- Dinner at a Kyoto teahouse while watching "maiko" and "geiko" dance
- Visit the ancient capital of Nara, home to eight World Heritage sites

Travel Business in Japan: Inbound Travel to Japan

Taking the Resumption of Inbound Travel to Japan as a Good Opportunity to Expand Market Share in the Future

Strengthening the ability to capture individual travel demands through collaboration with overseas OTAs

【Examples of Overseas OTA Transactions】



【Examples of Best-Selling Products Departing from Kanto】

Fuji & Hakone 1-day bus tour organized in-house



- Maximizing the number of customers by strengthening the introduction of products to overseas OTA sites for experience and activity reservations and distributing them
- Approaching OTAs that have not yet entered the Japanese market to differentiate from competitors. Introduce classic courses ahead of competitors and make them source of revenues
 - Starting new business with CEETIZ, which became a subsidiary of Group Miki Holdings of H.I.S. Group last year
 - Approaches to other Southeast Asian OTAs also in progress
- Strengthening optional tours, especially 1-DAY bus tours
 - Promoting sales of in-house products and creating highly profitable products in cooperation with the Domestic Travel Division
 - Increasing the number of seats and the unit price for courses that have received a high response
 - Increasing the lineup of "Mt. Fuji" related tours, and enriching the contents that can touch the nature, history and culture of Mt. Fuji

Travel Business in Japan: Inbound Travel to Japan

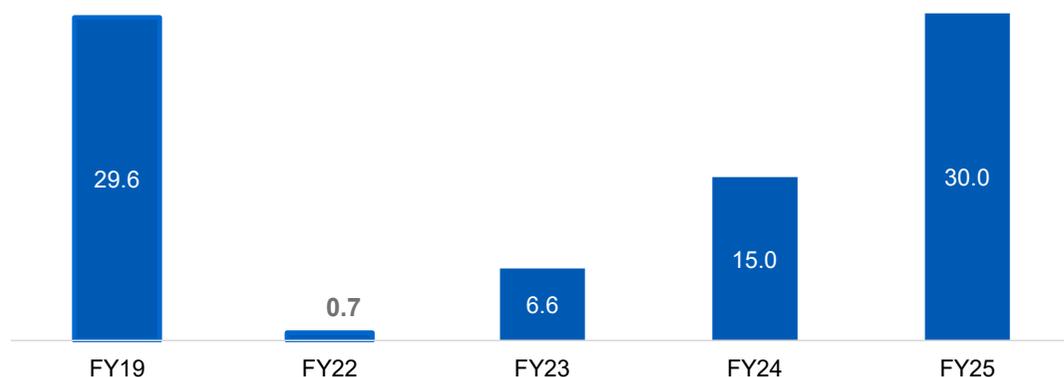
Taking the Resumption of Inbound Travel to Japan as a Good Opportunity to Expand Market Share in the Future

Sales Target of H.I.S. Group's Inbound Travel Business

(Former standard, before eliminations of internal transactions, adjustments, etc.)



(billion yen)



Reinforcement of capturing demands for corporate incentives and training tours

- Collaborating with overseas subsidiaries to strengthen sales activities to win orders for large-scale projects and gain market share from competitors
 - Actively seeking orders for incentive tours for Japanese companies
 - Orders for JAPAN TREK (extracurricular activities in Japan): Bus/hotel arrangements, acceptance support, etc.

<Examples of Orders Received>

Orders received from several famous universities in the U.S.

Reinforcement of alliance with local governments and administrative agencies

- Local government promotion project for Tabinaka (during travel) at Harajuku Tourist Information Center (TIC)

<Examples>

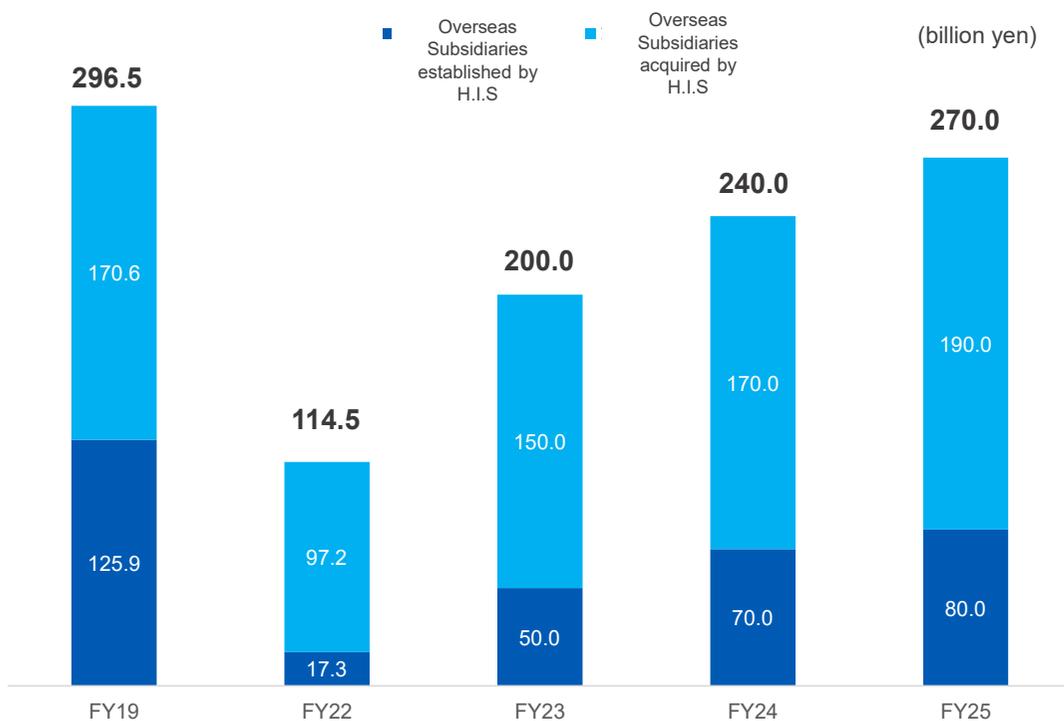
- Tottori and Kagoshima Prefectural Tourism Federation: Offline event at TIC and online promotion including web page production and SNS posting
- Japan Tourism Agency: "Demonstration Project for Strengthening the Functions of Foreign Tourist Information Centers Using DX"

Travel Business Overseas

Expanding the Local Markets through Aggressive M&A

Sales Targets

(Former standard, before eliminations of internal transactions, adjustments, etc.)



Key Business Strategies

The local outbound business is to be developed mainly through M&A-acquired subsidiaries



H.I.S. local subsidiary (established by H.I.S.) resources are to be concentrated on inbound business

Investments in profitability and immediacy

Travel Business Overseas

Growing “New Business” and “Global Market Business”
to the scale of “H.I.S. JAPAN Business (Customers from H.I.S. Japan)”

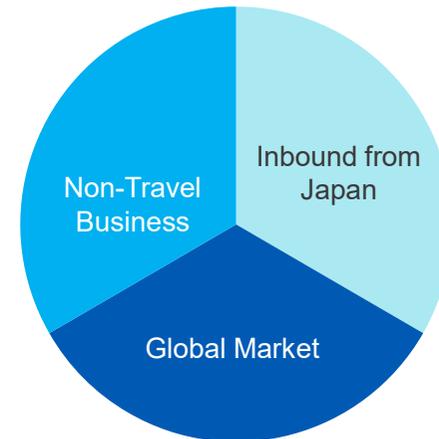
Portfolio restructuring in business overseas

Dependent on inbound visitors sent from Japan



Growing “New Business” and “Global Market Business”
to the scale of
“H.I.S. JAPAN Business (Customers from H.I.S. Japan)”

Mid to Long-Term Profit Structure Target



To “1:1:1”

Travel-Related Business

Online Experience Tour



Subscription Program IKU x MIRU (Go & Watch)

Offering about 150 courses in a flat-rate all-you-can-watch plan.
New acquisition of individual customers and stable revenue.
Courses are also offered as employee benefit plans
for corporate clients.

Glamping



GRAMHIDE WITH DOG KOMATSU

Grand opening in October 2022
Glamping facility exclusively for spending time with your dog.
You can also enjoy hot springs and meals at the adjacent
ryokan (Japanese style hotel) "Mantenno Tsujino Ya"

Non-Travel Business

Expanding Business Areas through Alliances with / M&A of Other Industries

Business performance of group companies are steady, expected to drive future non-travel business portfolio restructuring



Canadian College & CCEL (Vocational school, language school/Canada)

H.I.S. Mobile Co., Ltd. (Telecom)

SYS Inc. (Providing reservation system)

Achieved profitability even during COVID-19 Pandemic



"H.I.S. Device Support Pack" was launched in September 2022. Product creation in collaboration with HIKARI TSUSHIN, INC. (parent company of HBD Inc., to which HTB Energy shares were transferred)

Non-Travel Business

Further Evolution of H.I.S. Local Subsidiaries with Expanded Business Network



(Selling children's clothes)

Thailand Children's Clothes Shop "Mantendo"

Opening in October 2022

Selling children's clothes and other items under the Nishimatsuya brand of baby and children's goods.

Currently operating 8 stores

Thailand

Hannari Cafe de Kyoto (Restaurant)
Gakken (classroom), LOGOS (outdoor goods)
IRIS OHYAMA (home appliances)



(Picture Image of Hannari Cafe de Kyoto)

Indonesia

Phoenix Worm Business



(Picture Image of Phoenix Worm Business)

Europe

Japanese Sake sales and Japanese food antenna store



(Picture Image of Japanese Sake Sales in Germany)

Hawaii

Real Estate Business



(HAWAII SQUARE, Picture Image of Real Estate Business)

Non-Travel Business

Providing Existing Resources

Collaboration with local governments, public administrations, and corporates

Providing services utilizing H.I.S. know-how to various local governments, public administrations, and corporates



(Picture Image of My Number Promotion Project)



(Picture Image of MICE Management)

Examples of Orders Received

My Number Promotion Project

Hachioji City, Akiruno City (Tokyo)
Kitakyushu City (Fukuoka)
Shizuoka City (Shizuoka)
Higashihiroshima City (Hiroshima)

“Gift Certificate with Premium” Project

Tsurugashima City (Saitama)
Kasama City (Ibaraki)

JETRO

Food sample showroom (Taiwan)
Online business meetings (domestic and overseas)

Free of Charge Project Secretariat Operation such as PCR of Tokyo Metropolitan Government

Supporting Overseas Expansion

Rights Business Development

Overseas brand development of valuable Japanese businesses and products



Bread & Espresso

Popular bakery cafe



100 Hours Curry

V2 at the Kanda Curry Grand Prix

Collaboration between H.I.S. local subsidiaries and Corporate Sales Division
"Matching with overseas companies"
"Store visit"
"Franchise agreement"

Non-Travel Business

Temporary Staffing



Picture Image of Dispatching Human Resources to the Agricultural Sector

Green Ocean Co., Ltd.

- Recruitment of 100 foreign employees
- Strengthening dispatch to farmers and lodging facilities
- New domestic bases in Hokkaido and Kyushu
- DX of visa application and dispatched personnel management

Restaurant

満天ノ秀そば



Picture Image of "Manten No Hide Soba", Yotsuya

Manten No Hide Soba, Tsuke-Soba Specialty Restaurant Manten, Tempura Specialty Restaurant Manten

- Operating 5 restaurants under 3 brands
- Operating 2 restaurants as breakfast venue at Henn na Hotel
- Planning to open restaurants in tourist areas as well

Theme Park Business: Laguna Ten Bosch

Providing Seasonal Services and Products that Customers Want



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Delicious Party♡Precure Delicious Smile~! Full course♡ in Laguna Ten Bosch

October 8, 2022 ~ January 9, 2023

Experience-type theme event of "Delicious Party♡Pretty Cure"
Original goods for sale in addition to mini stage, attractions, and workshops



Laguna Illumination "Lagoon of Lights"

November 5, 2022 ~ February 28, 2023

The entire park is enveloped in a world of light by this event, such as colorful lantern illumination, "Rainbow Arch of Fortune" with over 1 million lights, and "Stellar Illumination" at the attractions, etc., aiming to attract more visitors during the winter season

Kyushu Sanko Group

Return to Profitability in the Bus Business (Core Business)

Reduction of loss in the Kumamoto route bus business

- Route reorganization through promotion of joint management by five companies in Kumamoto Prefecture
- Introduction of "Free Day for Children" to create opportunities for children to ride buses

Return to profitability in the Express Bus Business

- Reinforcement of sales of accommodation products using express buses
- Airport limousine buses and sightseeing routes for inbound travel
- Main Route "Hinokuni" (Kumamoto-Fukuoka) New Route (Expansion)



Picture Image of Buses Colored with the Motif of Kumamoto's "Land of Fire"

Enhancing Attractiveness for Bringing More Visitors to "Sakura Machi Kumamoto"

**Target number of visitors in 2023: 13 million
(123.5% year-over-year)**

- Strengthening in-house events
- Activating tenant leasing activities



Picture Image of Large-scale commercial facility "Sakura Machi Kumamoto"

Hotel Business

Maximizing Revenues from Existing Hotels / Each Hotel Company to Develop Individually According to Market Conditions in Each Country

**Henn na Hotel brand (Japan) aims to increase the average room rate by strengthening efficient operations and differentiation
Continuing to implement cost-effective and thorough reductions in cleaning, linen, room fixtures, advertising, etc.**

Future Opening Plans

Location	Opening
Henn na Hotel Kagoshima, Tenmonkan	December 2022
Henn na Hotel Express Nagoya Fushimi Ekimae	December 2022
Cappadocia, Turkey	2023 (Plan)



(Picture Image of Hotel Inspira-S Tashkent)



(Picture Image of Vison Hotels - Hotel Building)

Profitable in November, existing hotels

“Vison Hotels“, Taki Town, Mie Prefecture

The hotel is steadily attracting customers mainly in the Tokai region and, going forward, will work to increase recognition and strengthen sales nationwide, mainly in the Kanto and Kansai regions.

“Henn na Hotel New York“, New York, U.S.A.

Occupancy rates are strong due to remarkable recovery in economic activity. With a large convention scheduled to be held, the hotel will work to strengthen its efforts to capture business demands.

“Henn na Hotel Seoul“, Seoul, South Korea

Inbound demands, including from Japan, are on a recovery trend due to easing of regulation. Going forward, the hotel will strengthen its efforts to capture both domestic and overseas demands.

“Hotel Inspira-S Tashkent“, Tashkent, Uzbekistan

Demands from domestic corporates and sports organizations are strong. Inbound demands from all over the world are also expected to be captured in the future.

Financial Forecasts

Financial forecast are “Undecided” because it is difficult to reasonably calculate the impact of COVID-19 Pandemic at this time.

Financial Forecasts will be promptly announced as soon as they become available for disclosure.

Disclaimer

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