



Presentation Materials for the 3<sup>rd</sup> Quarter of Fiscal Year  
Ending October 31, 2023 Financial Results  
(9 Months Ended July 31, 2023)

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H.I.S. Co., Ltd.

September 13, 2023

Prime Market of TSE: 9603

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# Summary of Financial Results (Consolidated)

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## Summary of Consolidated Financial Results

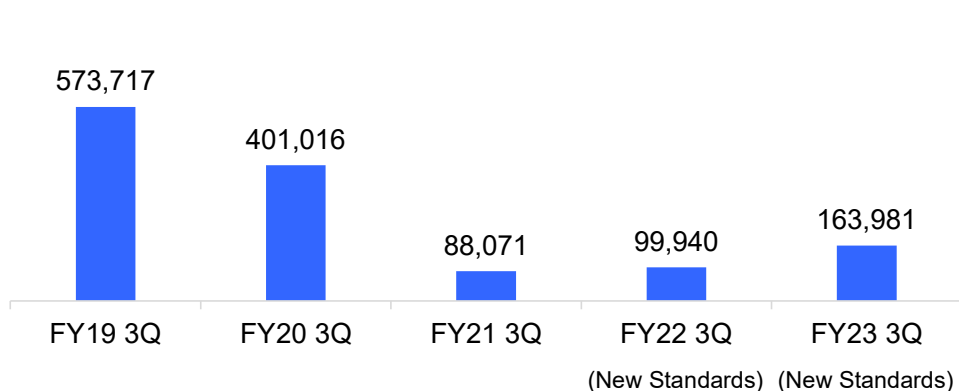
Net sales and operating profit improved in all segments, except for the Huis Ten Bosch and Energy Business, which were sold in the previous fiscal year.

Travel and Hotel Businesses drove profit growth as leisure demands recovered at an accelerated pace following the shift to "category 5" for the COVID-19 infections.

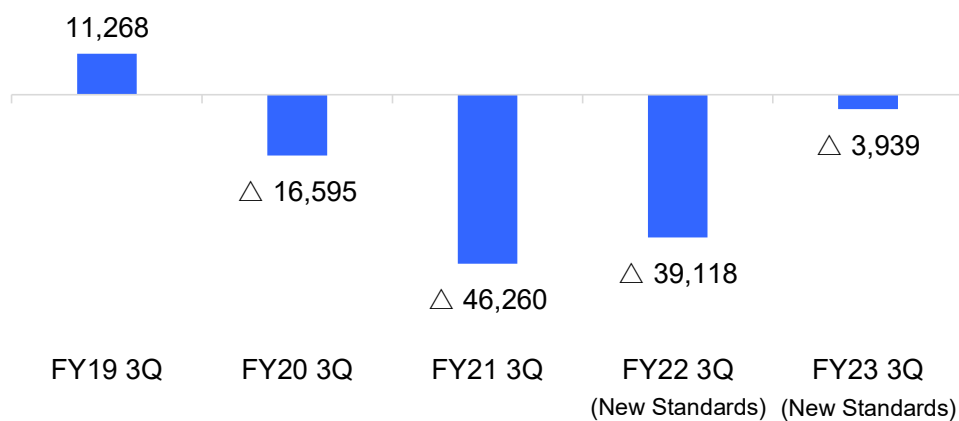
(million yen)	Previous Standards	New Standards		YoY	Increase/Decrease	Major Reasons for Increase/Decrease
	FY19 3Q	FY22 3Q	FY23 3Q			
<b>Net Sales</b>	<b>573,717</b>	<b>99,940</b>	<b>163,981</b>	<b>164%</b>	<b>64,040</b>	Travel +89,352, Theme Park $\Delta$ 13,305, Hotel +6,783
Gross Profit	96,592	15,367	54,755	356%	39,388	
<b>Operating Profit</b>	<b>11,348</b>	$\Delta$ <b>39,142</b>	$\Delta$ <b>4,190</b>	-	<b>34,951</b>	Travel +18,448, Hotel +3,711, Kyushu Sanko Group +1,134
EBITDA	18,426	$\Delta$ 29,587	3,749	-	33,337	
Non-Operating Income	2,670	2,572	2,339	91%	$\Delta$ 232	
Non-Operating Expenses	2,750	2,548	2,089	82%	$\Delta$ 459	
<b>Ordinary Profit</b>	<b>11,268</b>	$\Delta$ <b>39,118</b>	$\Delta$ <b>3,939</b>	-	<b>35,179</b>	
Extraordinary Gain	1,073	12,459	1,109	9%	$\Delta$ 11,349	Subsidy income $\Delta$ 8,545
Extraordinary Loss	0	5,037	940	19%	$\Delta$ 4,097	Loss on sales of affiliated companies' shares $\Delta$ 2,992
Income before Income Taxes	12,341	$\Delta$ 31,696	$\Delta$ 3,769	-	27,926	
Income Taxes	4,533	2,331	1,502	65%	$\Delta$ 828	
Net Profit Attributable to Non-Controlling Shareholders	1,311	$\Delta$ 763	362	-	1,126	
<b>Net Profit Attributable to Parent Company Shareholders</b>	<b>6,495</b>	$\Delta$ <b>33,263</b>	$\Delta$ <b>5,635</b>	-	<b>27,628</b>	

# Consolidated Financial Results

## Net Sales

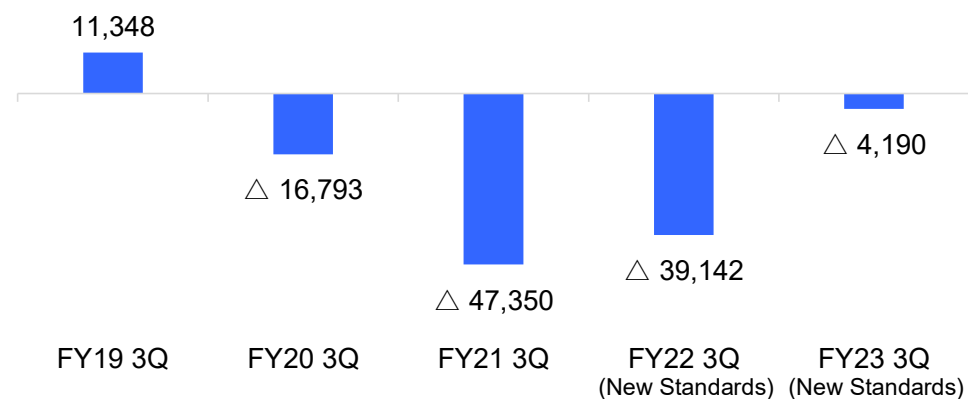


## Ordinary Profit

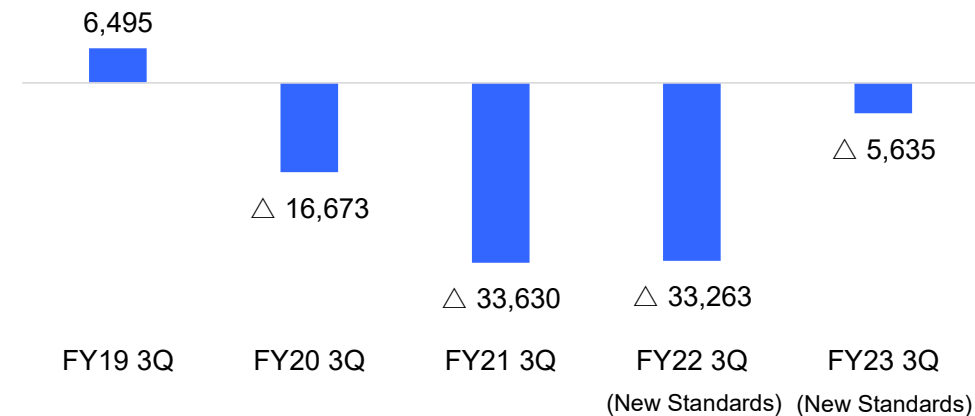


## Operating Profit

(million yen)



## Net Profit Attributable to Parent Company Shareholders



# Quarterly Consolidated Financial Results

(million yen)	FY19 (Previous Standards)					FY22 (New Standards)					FY23 (New Standards)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net Sales	187,276	190,563	195,878	234,792	808,510	33,588	34,902	31,448	42,853	142,794	46,143	56,770	61,067	-	-
YoY	113.8%	107.8%	115.8%	107.6%	111.0%	-	-	-	-	-	137.4%	162.7%	194.2%	-	-
Cost of Sales	152,182	160,873	164,068	197,115	674,240	28,031	33,569	22,972	29,963	114,536	30,724	37,932	40,569	-	-
Gross Profit	35,093	29,689	31,809	37,677	134,270	5,557	1,333	8,476	12,890	28,257	15,419	18,837	20,498	-	-
GP Margin	18.7%	15.6%	16.2%	16.0%	16.6%	16.5%	3.8%	27.0%	30.1%	19.8%	33.4%	33.2%	33.6%	-	-
SG&A Expenses	29,111	26,691	29,440	31,485	116,729	17,715	17,305	19,487	21,682	76,192	18,858	18,756	21,329	-	-
Operating Profit	5,981	2,997	2,368	6,192	17,540	△12,158	△15,972	△11,011	△8,792	△47,934	△3,439	80	△831	-	-
YoY	146.7%	83.7%	121.3%	73.1%	97.0%	-	-	-	-	-	-	-	-	-	-
Operating Margin	3.2%	1.6%	1.2%	2.6%	2.2%	-	-	-	-	-	-	0.1%	-	-	-
EBITDA	8,154	5,218	5,053	8,837	27,263	△8,974	△12,837	△7,776	△5,248	△34,836	△829	2,715	1,862	-	-
Non-Operating Income	697	1,113	859	856	3,527	569	1,280	722	556	3,129	450	761	1,127	-	-
Non-Operating Expenses	1,479	436	834	1,227	3,978	855	975	718	1,647	4,196	834	580	674	-	-
Ordinary Profit	5,199	3,675	2,393	5,821	17,089	△12,444	△15,666	△11,007	△9,882	△49,001	△3,823	261	△377	-	-
YoY	131.4%	94.4%	95.3%	63.7%	87.6%	-	-	-	-	-	-	-	-	-	-

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

	(million yen)				(million yen)		
	FY19	FY22	FY23 3Q		FY19	FY22	FY23 3Q
Cash and Deposits	219,175	144,795	140,586	Operating Accounts Payable	38,082	6,698	9,772
Notes and Accounts Receivable *	45,653	11,538	15,758	Pre-Travel Payments Received	92,760	14,256	39,044
Operating Accounts Receivable	4,287	298	321	Bonds and Convertible Bonds Payable	55,090	45,036	45,023
Pre-Travel Payments	52,102	6,231	12,218	Long-Term Borrowings	146,403	156,727	125,466
Others	27,061	25,629	25,537	Others	121,153	135,629	167,608
<b>Total Current Assets</b>	<b>348,280</b>	<b>188,493</b>	<b>194,423</b>	<b>Total Liabilities</b>	<b>453,490</b>	<b>358,348</b>	<b>386,915</b>
Property, Plant and Equipment	147,098	170,356	167,581	Capital	11,000	100	100
Intangible Fixed Assets	19,271	15,539	14,263	Capital Surplus	3,392	28,498	28,291
Goodwill	7,305	2,369	3,476	Earned Surplus	112,409	26,327	20,738
Investments and Other Assets	55,275	38,009	57,091	Treasury Shares	△28,309	△14,972	△14,945
<b>Total Fixed Assets</b>	<b>228,951</b>	<b>226,274</b>	<b>242,412</b>	Cumulative Other Comprehensive Income	△1,719	7,466	6,753
<b>Deferred Assets</b>	<b>168</b>	<b>217</b>	<b>116</b>	Non-Controlling Shareholder Equity	27,135	8,815	8,912
<b>Total Assets</b>	<b>577,399</b>	<b>414,984</b>	<b>436,951</b>	<b>Total Net Assets</b>	<b>123,909</b>	<b>56,636</b>	<b>50,036</b>
				<b>Total Liabilities and Net Assets</b>	<b>577,399</b>	<b>414,984</b>	<b>436,951</b>

\* From FY22, this item is presented as "Notes and Accounts Receivable and Contract Assets. Please refer to the "Kessan Tanshin (Consolidated Financial Statements Brief Report) for details

# Summary of Financial Results (by Business Segment)

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## Operating Results by Business Segment

(million yen)		Previous Standards	New Standards		YoY	Increase/Decrease
		FY19 3Q	FY22 3Q	FY23 3Q		
<b>Net Sales</b>	Travel Business	512,275	39,468	128,820	326%	89,352
	Theme Park Business	21,011	15,174	1,869	12%	△13,305
	Hotel Business	8,419	6,112	12,895	211%	6,783
	Kyushu Sanko Group	16,403	13,238	16,081	122%	2,843
	Other	19,800	27,289	5,615	21%	△21,673
	Adjustments, Eliminations, etc.	△4,192	△1,342	△1,301	-	40
<b>Operating Profit</b>	Travel Business	8,167	△22,555	△4,107	-	18,448
	Theme Park Business	3,910	△158	△317	-	△158
	Hotel Business	△134	△3,454	257	-	3,711
	Kyushu Sanko Group	239	△1,083	51	-	1,134
	Other	943	△10,512	52	-	10,564
	Adjustments, Eliminations, etc.	△1,778	△1,377	△126	-	1,251
<b>EBITDA</b>	Travel Business	11,139	△19,730	△1,266	-	18,463
	Theme Park Business	5,490	1,367	△83	-	△1,451
	Hotel Business	991	△557	3,318	-	3,876
	Kyushu Sanko Group	933	278	1,343	482%	1,065
	Other	1,364	△9,846	217	-	10,064
	Adjustments, Eliminations, etc.	△1,492	△1,099	220	-	1,319

※ Effective from the 1Q of the current fiscal year, the business segments have been changed from the previous five segments of "Travel Business", "Theme Park Business", "Hotel Business", "Kyushu Sanko Group" and "Energy Business" to four segments of "Travel Business", "Theme Park Business", "Hotel Business" and "Kyushu Sanko Group". For this reason, comparisons with the 3Q (cumulative) of the previous fiscal year are made by restating the figures after the segment change. For details, please refer to "2. Quarterly Consolidated Financial Statements and Main Notes (3) Notes to the Quarterly Consolidated Financial Statements (Segment Information, etc.) in the Kessan Tanshin (Consolidated Financial Results Brief Report)



## Quarterly Operating Results by Business Segment

(million yen)		FY19					FY22					FY23				
		(Previous Standards)					(New Standards)					(New Standards)				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
<b>Travel</b>	Net Sales	166,617	170,213	175,444	210,188	722,464	9,965	13,439	16,063	28,225	67,693	34,533	45,121	49,166	-	-
	YoY	114.3%	107.8%	116.1%	107.0%	110.9%	-	-	-	-	-	346.5%	335.7%	306.1%	-	-
	Operating Profit	4,071	2,130	1,965	5,587	13,754	△8,288	△6,453	△7,812	△6,074	△28,629	△3,176	△282	△648	-	-
	YoY	205.7%	94.9%	203.0%	79.7%	112.7%	-	-	-	-	-	-	-	-	-	-
	EBITDA	4,996	3,048	3,094	6,841	17,980	△7,351	△5,531	△6,847	△4,902	△24,632	△2,233	659	307	-	-
	YoY	175.2%	93.4%	165.5%	86.0%	112.8%	-	-	-	-	-	-	-	-	-	-
<b>Theme Park</b>	Net Sales	7,712	6,526	6,772	8,115	29,126	6,715	3,651	4,807	6,050	21,225	754	460	653	-	-
	YoY	100.8%	88.1%	101.7%	90.6%	94.9%	-	-	-	-	-	11.2%	12.6%	13.6%	-	-
	Operating Profit	1,840	968	1,101	1,413	5,323	1,097	△923	△332	342	183	△71	△134	△112	-	-
	YoY	93.2%	53.3%	91.0%	61.2%	72.8%	-	-	-	-	-	-	-	-	-	-
	EBITDA	2,362	1,499	1,626	1,949	7,439	1,617	△426	176	873	2,240	7	△57	△33	-	-
	YoY	96.5%	65.0%	92.0%	68.4%	79.4%	-	-	-	-	-	0.5%	-	-	-	-
<b>Hotel</b>	Net Sales	2,723	2,796	2,899	2,920	11,339	1,834	1,737	2,539	3,095	9,207	4,022	4,203	4,669	-	-
	YoY	87.0%	89.9%	99.5%	101.3%	94.2%	-	-	-	-	-	219.3%	241.9%	183.8%	-	-
	Operating Profit	187	151	△473	△330	△465	△963	△1,105	△1,385	△668	△4,122	△46	96	207	-	-
	YoY	47.6%	47.3%	-	-	-	-	-	-	-	-	-	-	-	-	-
	EBITDA	447	460	83	△196	795	△25	△144	△386	365	△192	962	1,116	1,238	-	-
	YoY	61.2%	70.3%	18.2%	-	37.5%	-	-	-	-	-	-	-	-	-	-

## Quarterly Operating Results by Business Segment

(million yen)		FY19					FY22					FY23				
		(Previous Standards)					(New Standards)					(New Standards)				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
<b>Kyushu Sanko Group</b>	Net Sales	5,882	5,273	5,247	5,827	22,230	4,732	3,859	4,646	4,721	17,960	5,487	5,251	5,342	-	-
	YoY	102.5%	103.3%	99.4%	105.6%	102.7%	-	-	-	-	-	115.9%	136.1%	115.0%	-	-
	Operating Profit	183	114	△58	△81	158	△301	△400	△381	△471	△1,554	32	74	△55	-	-
	YoY	78.0%	100.0%	-	-	39.7%	-	-	-	-	-	-	-	-	-	-
	EBITDA	405	344	182	270	1,203	153	50	75	30	309	459	504	380	-	-
	YoY	89.0%	98.6%	80.7%	74.3%	86.2%	-	-	-	-	299.9%	1005.3%	503.7%	-	-	
<b>Others</b>	Net Sales	5,570	7,144	7,085	9,037	28,838	10,838	12,621	3,829	1,402	28,691	1,685	2,183	1,746	-	-
	YoY	-	-	-	-	-	-	-	-	-	-	15.5%	17.3%	45.6%	-	-
	Operating Profit	220	369	353	620	1,564	△3,281	△6,629	△601	△869	△11,381	△132	111	73	-	-
	YoY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	EBITDA	358	509	495	763	2,128	△3,040	△6,416	△389	△658	△10,505	△80	164	132	-	-
	YoY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

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## Travel Business / Quarterly Operating Results by Sub-Segment

(million yen)	FY19					(Previous Standards)					FY22					(Previous Standards)					FY23					(Previous Standards)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
International Travel from Japan / Transaction Amount	87,899	110,754	86,748	116,545	401,948	2,119	3,169	9,692	20,683	35,665	25,190	44,582	51,064	-	-	25,190	44,582	51,064	-	-	25,190	44,582	51,064	-	-	25,190	44,582	51,064	-	-
YoY	106%	114%	98%	97%	103%	188%	376%	870%	1,101%	719%	1,188%	1,406%	527%	-	-	1,188%	1,406%	527%	-	-	1,188%	1,406%	527%	-	-	1,188%	1,406%	527%	-	-
Fuel Surcharge (included in the transaction amount above)	6,030	8,005	4,308	6,957	25,302	119	250	1,069	3,080	4,520	4,415	7,243	6,619	-	-	4,415	7,243	6,619	-	-	4,415	7,243	6,619	-	-	4,415	7,243	6,619	-	-
Domestic Travel in Japan / Transaction Amount	11,941	17,576	13,693	18,044	61,833	8,686	7,621	10,218	15,281	41,808	13,438	16,498	13,718	-	-	13,438	16,498	13,718	-	-	13,438	16,498	13,718	-	-	13,438	16,498	13,718	-	-
YoY	101%	107%	99%	99%	101%	99%	170%	333%	310%	176%	154%	216%	134%	-	-	154%	216%	134%	-	-	154%	216%	134%	-	-	154%	216%	134%	-	-
Inbound Travel to Japan / Transaction Amount	7,116	8,075	8,375	6,464	30,032	28	74	81	210	395	1,023	2,302	2,255	-	-	1,023	2,302	2,255	-	-	1,023	2,302	2,255	-	-	1,023	2,302	2,255	-	-
YoY	119%	105%	88%	87%	96%	82%	451%	623%	362%	321%	3,583%	3,109%	2,761%	-	-	3,583%	3,109%	2,761%	-	-	3,583%	3,109%	2,761%	-	-	3,583%	3,109%	2,761%	-	-

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

(million yen)	FY19					(Previous Standards)					FY22					(Previous Standards)					FY23					(Reference Amount *)				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Overseas Subsidiaries / Inbound Transaction Amount	56,070	35,339	41,186	50,748	183,343	4,451	4,690	4,834	16,277	30,253	19,453	13,233	18,920	-	-	19,453	13,233	18,920	-	-	19,453	13,233	18,920	-	-	19,453	13,233	18,920	-	-
YoY	127%	106%	107%	98%	109%	205%	296%	411%	632%	403%	437%	282%	391%	-	-	437%	282%	391%	-	-	437%	282%	391%	-	-	437%	282%	391%	-	-
Overseas Subsidiaries / Outbound Transaction Amount	19,719	20,213	40,124	40,242	120,298	10,843	14,743	27,370	31,260	84,218	38,690	49,810	51,170	-	-	38,690	49,810	51,170	-	-	38,690	49,810	51,170	-	-	38,690	49,810	51,170	-	-
YoY	104%	100%	188%	205%	150%	929%	489%	1,390%	697%	792%	356%	338%	186%	-	-	356%	338%	186%	-	-	356%	338%	186%	-	-	356%	338%	186%	-	-

※ FY23 is a reference amount where the recognition standard of transaction amount is "the date of progress" for tour products (transaction as a principal) and "the date of completion of arrangements" for arranged tours (transaction as an agent)

## Financial Forecasts

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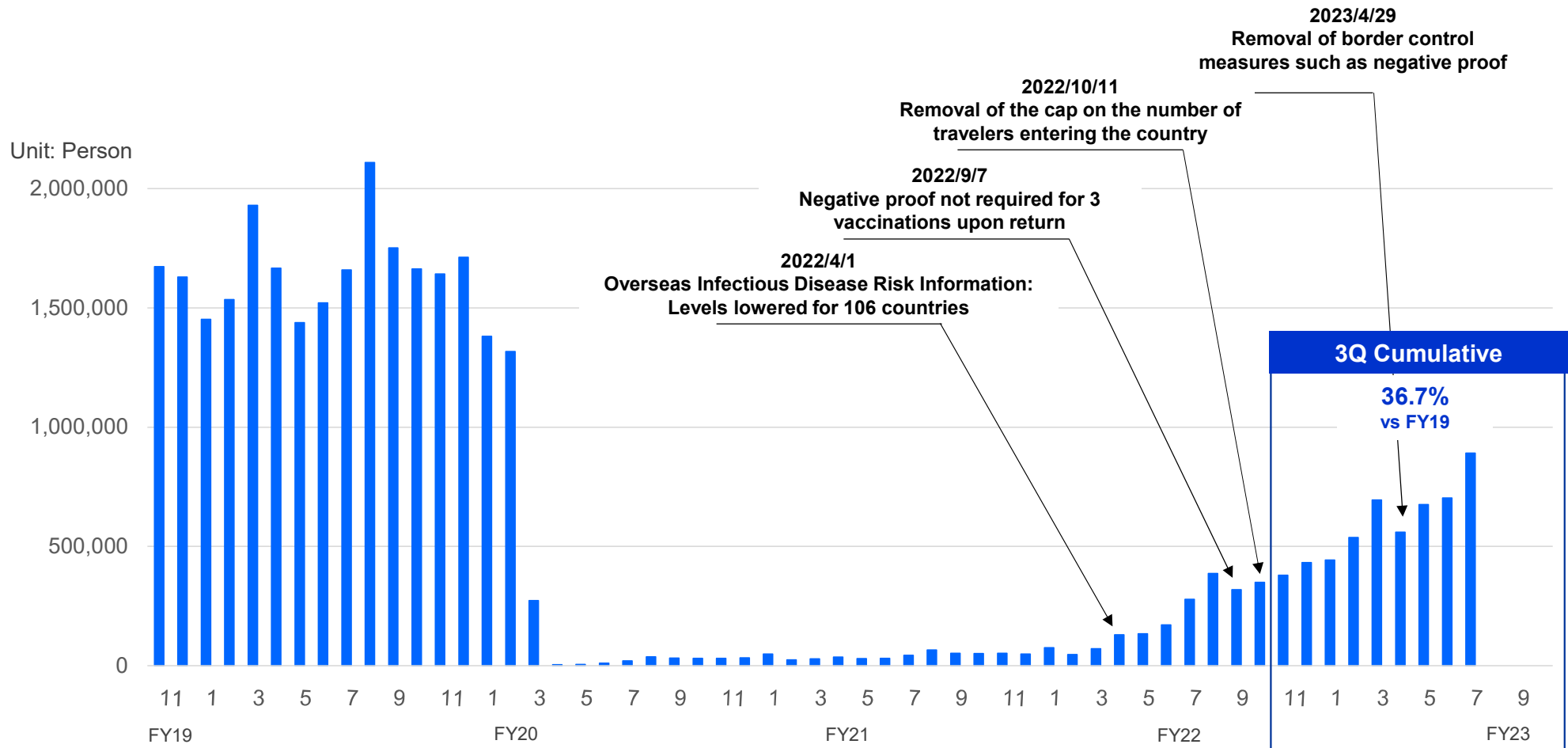
The full-year financial forecasts are undecided at this time, as there are many undetermined factors that make financial forecasts difficult to generate.

H.I.S. Group will promptly announce financial forecasts as soon as calculation of reasonable financial forecasts are available.

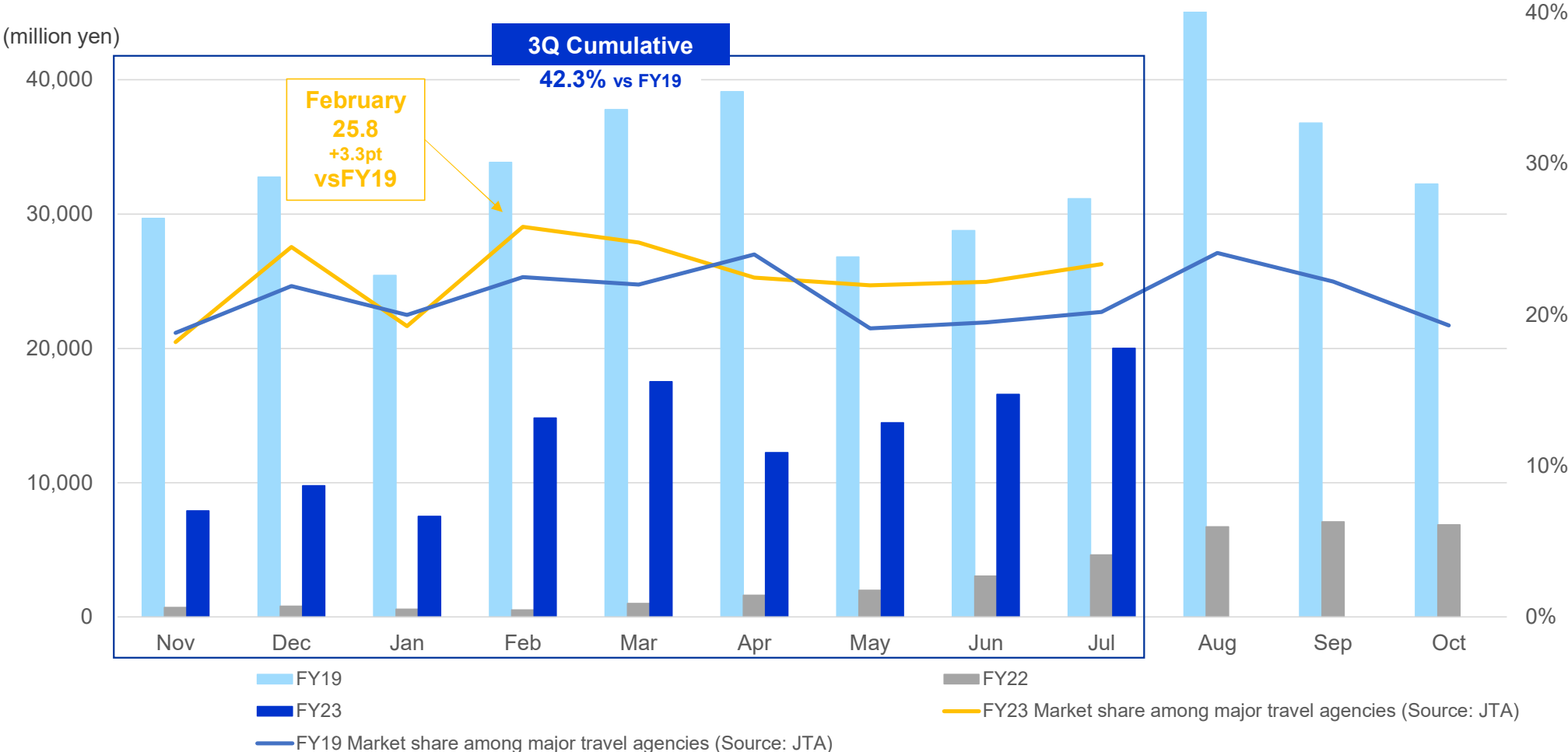
# Supplementary Material

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# [Supplementary Material] Travel Market Overview: Number of Japanese Departing from Japan



# [Supplementary Material] Transaction Amount of International Travel from Japan

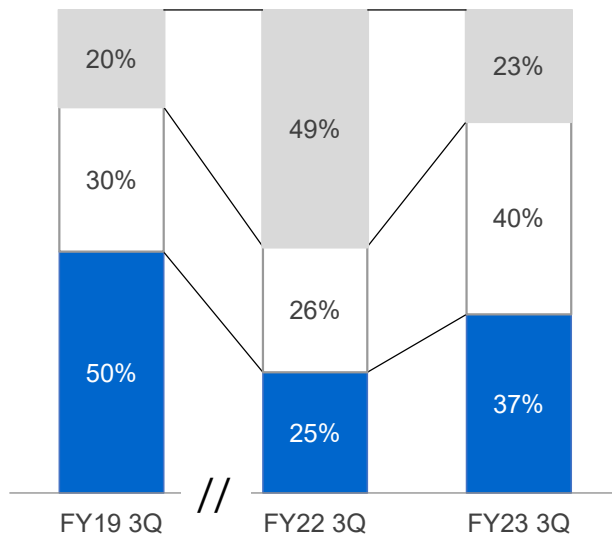


\*Total transaction volume after offsetting internal transactions of H.I.S. and its five group companies (Orion Tour, Qualita, Cruise Planet, Japan Holiday Travel, and H.I.S. Okinawa).

# [Supplementary Material] International Travel Composition

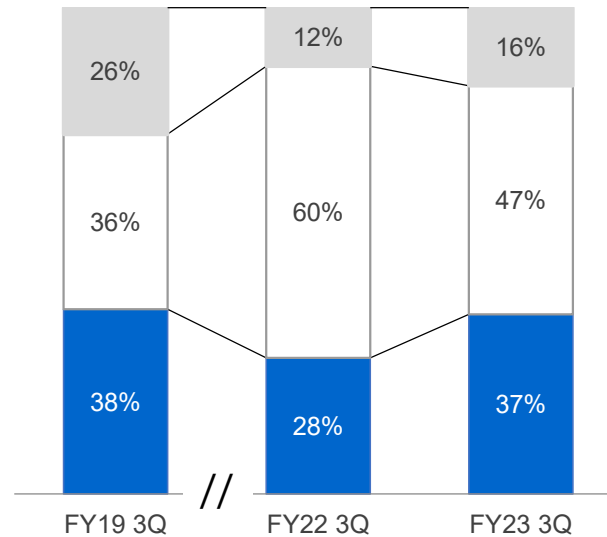
Net Sales of International Travel by Sales Channel

■ Sales Office   □ Internet   ■ Corporate



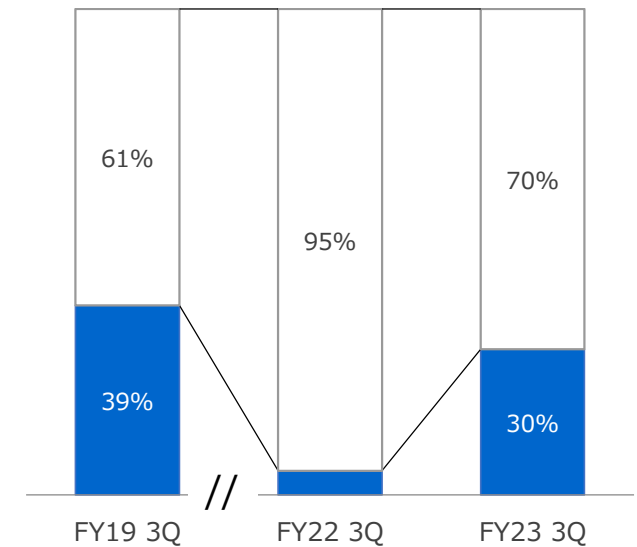
Net Sales of International Travel by Destination

■ Hawaii & Micronesia   □ Europe, America & Australia   ■ Asia



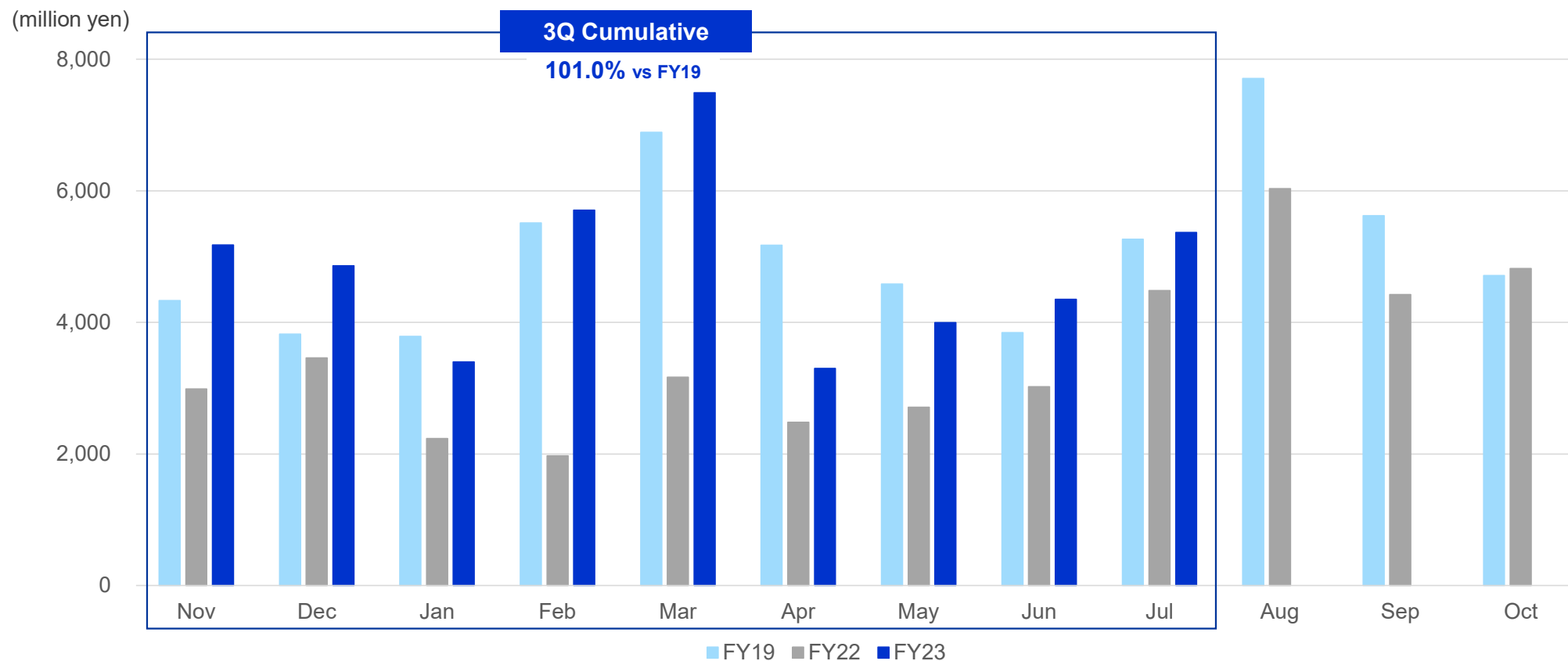
Number of Travelers of International Travel by Product Type

■ tour   □ airline ticket



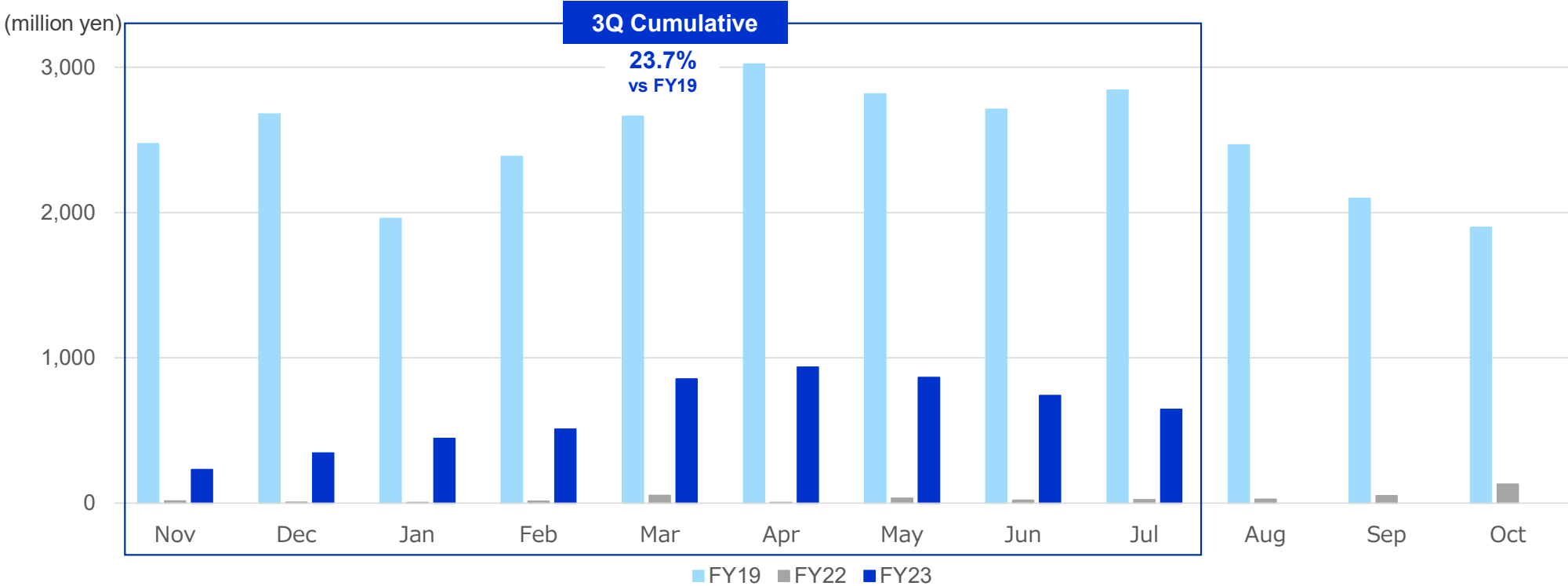


## [Supplementary Material] Transaction Amount of Domestic Travel



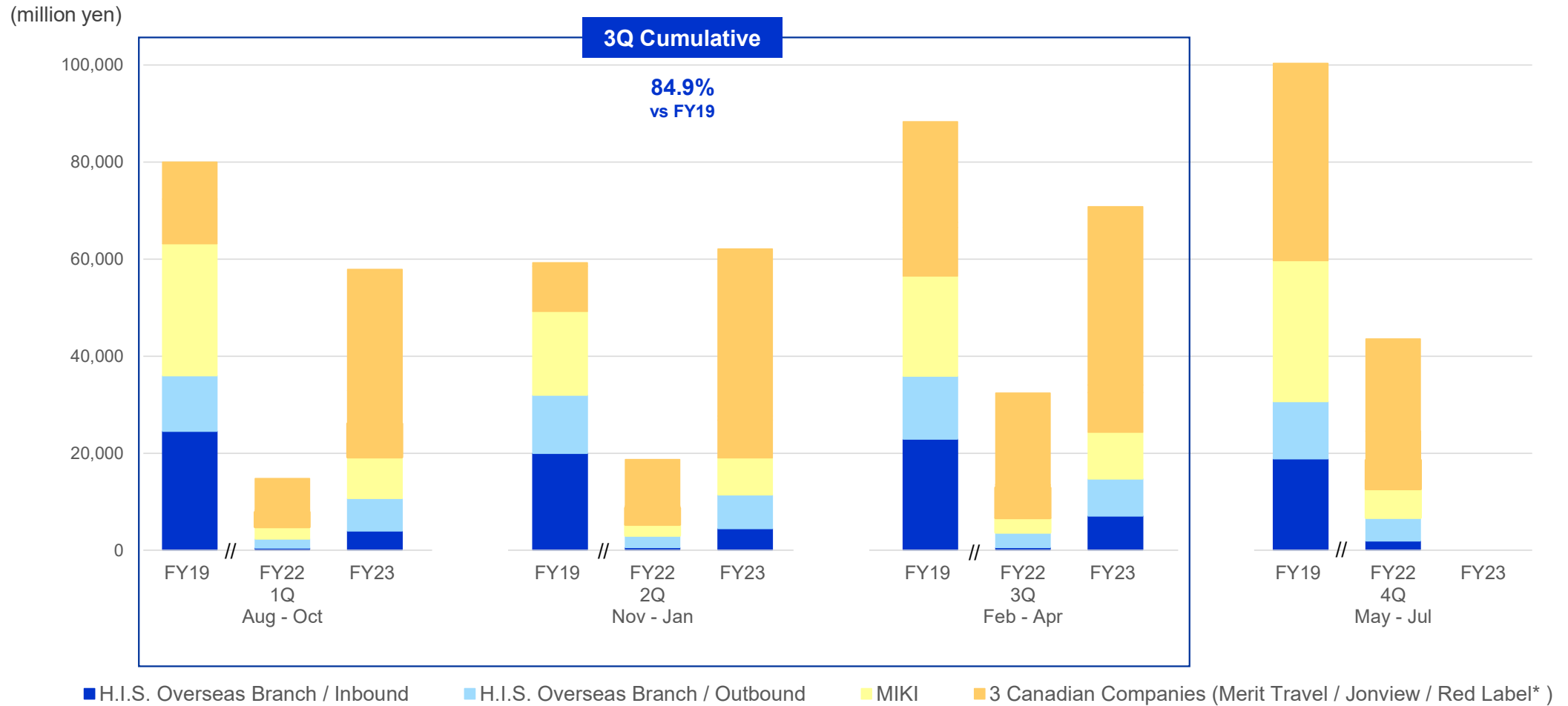
\*Total transaction volume after offsetting internal transactions of H.I.S. and its five group companies (Orion Tour, Qualita, Cruise Planet, Japan Holiday Travel, and H.I.S. Okinawa).

# [Supplementary Material] Transaction Amount of Inbound Travel to Japan



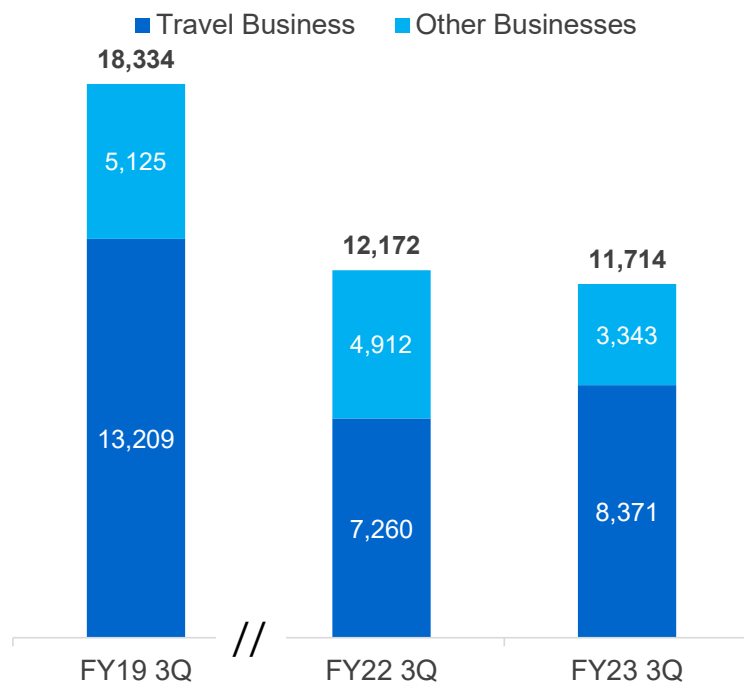
\*Total transaction volume after offsetting internal transactions of H.I.S. and its five group companies (Orion Tour, Qualita, Cruise Planet, Japan Holiday Travel, and H.I.S. Okinawa).

# [Supplementary Material] Transaction Amount of Overseas Subsidiaries (Reference Amount)

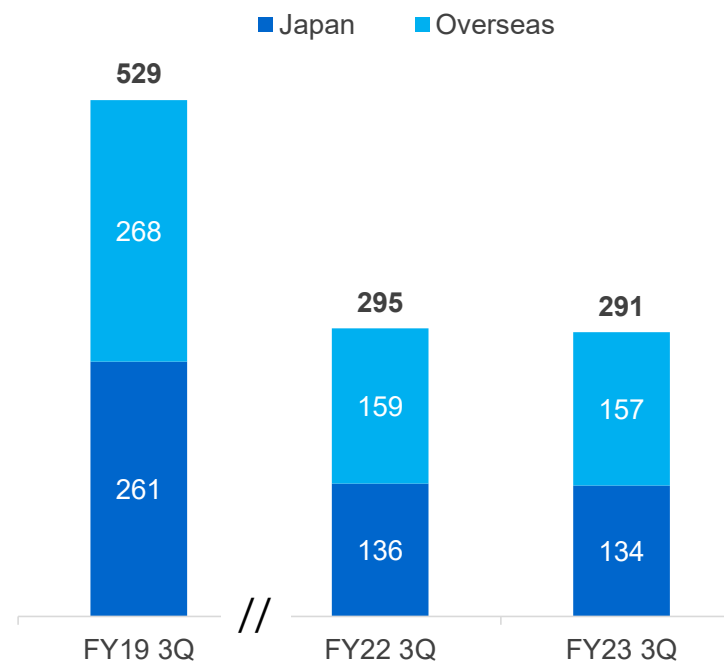


## [Supplementary Material] The Number of Employees and Sales Offices

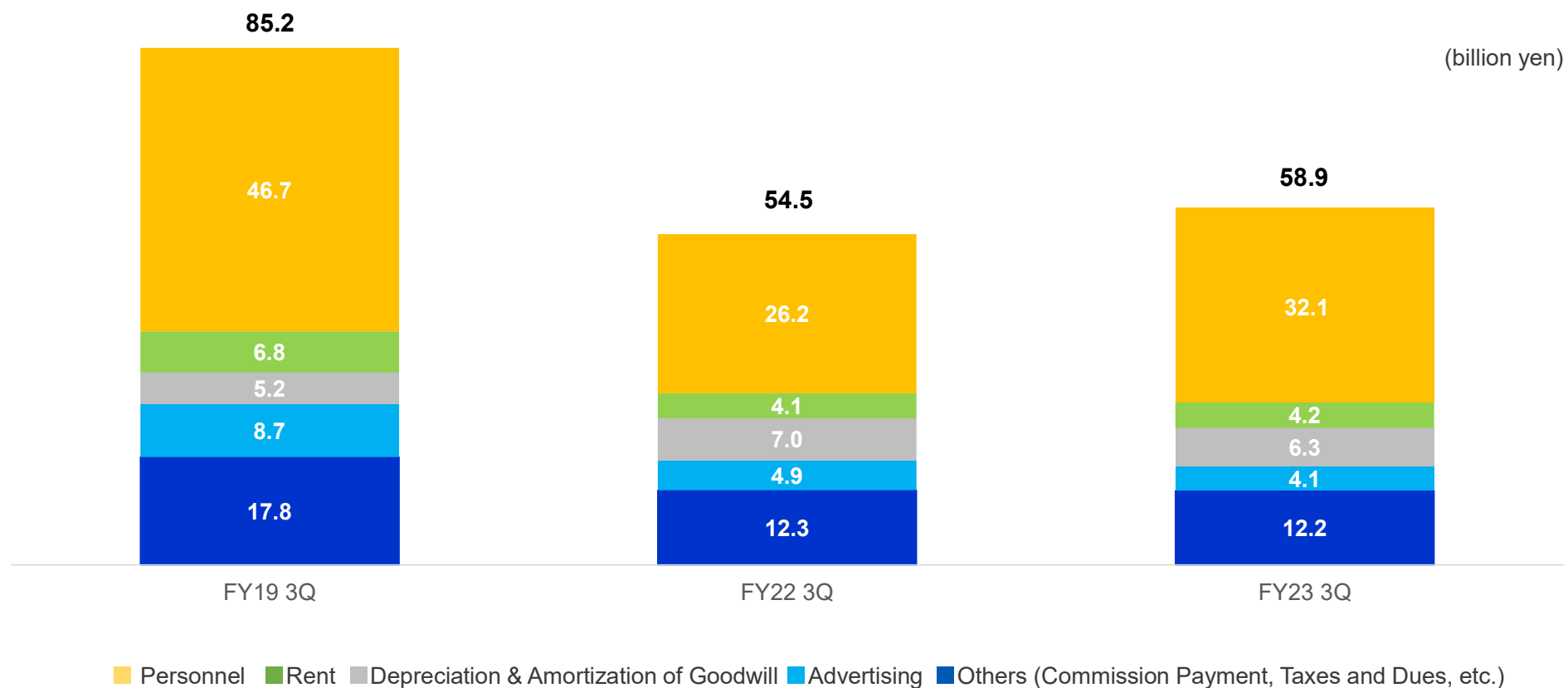
■ The Number of Group Employees



■ The Number of Sales Offices of the Travel Business



## [Supplementary Material] SG&A Expenses



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