



HIS

Presentation Materials for the 2nd Quarter of Fiscal Year Ending October 31, 2024 Financial Results (6 Months Ended April 30, 2024)

**H.I.S. Co., Ltd.
June 14, 2024
Prime Market of TSE: 9603**

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Financial Summary

Consolidated Financial Summary



Net sales increased by 58.2 billion yen, 156% year-over-year, due to steady business performance of the Travel Business and the Hotel Business, and were in line with the forecasts

Operating profit improved due to steady business accumulation in international travel from Japan in March and April. In addition, overseas travel business, especially in Europe, performed better than expected. The Hotel Business performed better than expected due to improved profitability, such as an increase in the unit price of guest rooms due to an increase in the number of inbound visitors to Japan. As a result, operating profit was better than forecasts by 2.4 billion yen

(million yen)	FY23 2Q	FY24 2Q	YoY	vs Previous Period	vs Plans	Main Changes for Increase/Decrease vs Previous Period
Net Sales	102,913	161,173	156%	+58,259	+1,173	Travel +51,952, Hotel +3,241
Gross profit	34,256	53,443	156%	+19,186		
Operating Profit	△3,358	5,759	-	+9,118	+2,459	Travel +8,427, Hotel +1,721
EBITDA	1,886	11,360	602%	+9,473		
Non-Operating Income	1,211	1,839	151%	+627		Foreign Exchange Gain +361
Non-Operating Expenses	1,414	1,515	107%	+100		
Ordinary Profit	△3,561	6,082	-	+9,644	+2,982	
Extraordinary Gain	900	666	74%	△233		
Extraordinary Loss	950	385	40%	△564		Impairment Loss +385
Profit before Income Taxes	△3,611	6,363	-	+9,974		
Income Taxes	1,040	1,838	176%	+798		
Net Profit Attributable to Non-Controlling Shareholders	157	646	410%	+489		
Net Profit Attributable to Parent Company Shareholders	△4,809	3,877	-	+8,687	+2,377	

Operating Results by Business Segment

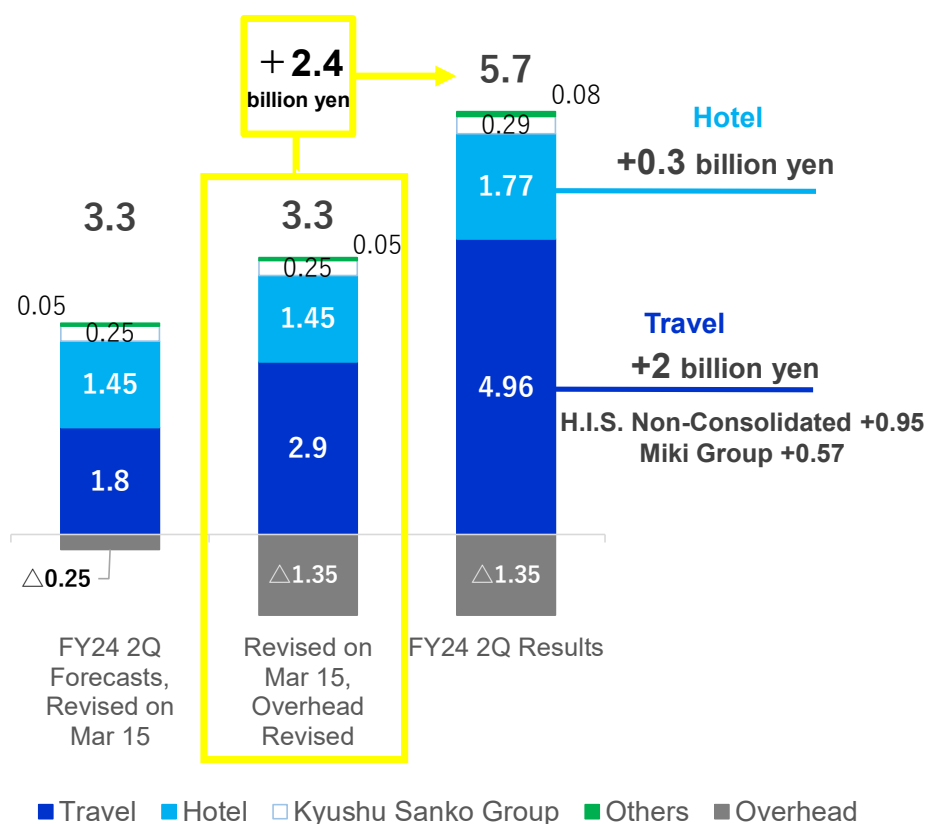


(million yen)		FY23 2Q	FY24 2Q	YoY	vs Previous Period	vs Plans
Net Sales	Travel Business	79,654	131,606	165.2%	+51,952	+1,106
	Hotel Business	8,226	11,468	139.4%	+3,241	△32
	Kyushu Sanko Group	10,739	11,957	111.3%	+1,218	+457
	Others	5,082	7,620	149.9%	+2,537	+520
	Adjustments, Eliminations, etc.	△788	△ 1,479	-	△690	△879
	Total	102,913	161,173	156.6%	+58,259	+1,173
Operating Profit	Travel Business	△3,458	4,968	-	+8,427	+3,168
	Hotel Business	50	1,771	3,539.3%	+1,721	+321
	Kyushu Sanko Group	107	293	272.9%	+185	+43
	Others	△226	81	-	+308	+31
	Adjustments, Eliminations, etc.	168	△ 1,356	-	△1,524	△1,106
	Total	△ 3,358	5,759	-	+9,118	+2,459
EBITDA	Travel Business	△1,574	7,074	-	+8,649	
	Hotel Business	2,079	3,783	181.9%	+1,704	
	Kyushu Sanko Group	963	1,170	121.5%	+207	
	Others	34	383	1,111.2%	+349	
	Adjustments, Eliminations, etc.	383	△ 1,052	-	△1,436	
	Total	1,886	11,360	602.2%	+9,473	

※ Effective from the 1Q of the current fiscal year, the business segments have been changed from the previous 4 segments of "Travel Business", "Theme Park Business", "Hotel Business", and "Kyushu Sanko Group" to 3 segments of "Travel Business", "Hotel Business" and "Kyushu Sanko Group". Accordingly, Laguna Ten Bosch Co., Ltd. has been changed from "Theme Park Business" to "Others". Comparisons with the 1H 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 (4) Notes to the Quarterly Consolidated Financial Statements (Segment Information, etc.) in the Kessan Tanshin (Consolidated Financial Results Brief Report)

Factors for Upward Revision of Operating Profit

Operating Profit: Difference vs Forecasts (billion yen)



Hotel

- <Hotels in Japan> High occupancy rates continued, mainly due to visitors to Japan. Unit price per room also increased. In addition, cost management, which has been a focus during Covid-19 Pandemic contributed to profit increase
- <Green World Hotels> Both occupancy rates and unit price per room increased due to a recovery in tourism demand. In addition, the shift to attracting customers mainly through online reservations was also successful

Travel

- <H.I.S. Non-Consolidated> The business accumulation in March and April was better than expected. Operating profit increased due to higher gross profit on higher net sales
- <MIKI GROUP> Gross profit increased with the recovery of business in Europe. In addition, costs decreased due to collection of allowance for doubtful accounts

Quarterly Consolidated Financial Results



(million yen)	FY23					FY24				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Net Sales	46,143	56,770	61,067	87,885	251,866	80,520	80,652	-	-	-
YoY	137.4%	162.7%	194.2%	205.1%	176.4%	174.5%	142.1%	-	-	-
Cost of Sales	30,724	37,932	40,569	59,863	169,089	53,736	53,993	-	-	-
Gross Profit	15,419	18,837	20,498	28,021	82,777	26,784	26,659	-	-	-
GP Margin	33.4%	33.2%	33.6%	31.9%	32.9%	33.3%	33.1%	-	-	-
SG&A Expenses	18,858	18,756	21,341	22,423	81,380	23,335	24,348	-	-	-
Operating Profit	△3,439	80	△842	5,598	1,397	3,448	2,310	-	-	-
YoY	-	-	-	-	-	-	2,860.8%	-	-	-
Operating Margin	-	0.1%	-	6.4%	0.6%	4.3%	2.9%	-	-	-
EBITDA	△829	2,715	1,862	8,632	12,381	6,260	5,099	-	-	-
Non-Operating Income	450	761	1,127	621	2,961	604	1,234	-	-	-
Non-Operating Expenses	834	580	674	823	2,912	676	839	-	-	-
Ordinary Profit	△3,823	261	△388	5,396	1,446	3,376	2,706	-	-	-
YoY	-	-	-	-	-	-	1,034.4%	-	-	-
Net Profit	△3,571	△1,237	△825	3,016	△2,618	2,582	1,295	-	-	-
YoY	-	-	-	12.7%	-	-	-	-	-	-

Quarterly Operating Results by Business Segment

(million yen)		FY23					FY24				
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Travel	Net Sales	34,533	45,121	49,166	73,188	202,008	65,820	65,786	-	-	-
	YoY	346.5%	335.7%	306.1%	259.3%	298.4%	190.6%	145.8%	-	-	-
	Operating Profit	△3,176	△282	△660	4,921	803	2,600	2,368	-	-	-
	YoY	-	-	-	-	-	-	-	-	-	-
Hotel	Net Sales	4,022	4,203	4,669	5,041	17,937	5,811	5,657	-	-	-
	YoY	219.3%	241.9%	183.8%	162.9%	194.8%	144.5%	134.6%	-	-	-
	Operating Profit	△46	96	207	320	577	1,035	735	-	-	-
	YoY	-	-	-	-	-	-	765.1%	-	-	-
Kyushu Sanko Group	Net Sales	5,487	5,251	5,342	5,594	21,676	6,002	5,954	-	-	-
	YoY	115.9%	136.1%	115.0%	118.5%	120.7%	109.4%	113.4%	-	-	-
	Operating Profit	32	74	△55	6	58	230	62	-	-	-
	YoY	-	-	-	-	-	702.9%	83.7%	-	-	-
Others	Net Sales	2,438	2,643	2,399	4,508	11,989	3,610	4,009	-	-	-
	YoY	13.9%	16.2%	27.8%	60.5%	24.0%	148.0%	151.7%	-	-	-
	Operating Profit	△203	△22	△38	742	476	107	△25	-	-	-
	YoY	-	-	-	-	-	-	-	-	-	-

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Travel Business / Quarterly Operating Results by Sub-Segment



(million yen)	FY19					(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	
International Travel from Japan / Transaction Amount	87,899	110,754	86,748	116,545	401,948	25,190	44,582	51,064	81,320	202,158	58,844	69,451	-	-	-						
YoY	106%	114%	98%	97%	103%	1,188%	1,406%	527%	393%	567%	233%	155%	-	-	-						
Fuel Surcharge (included in the transaction amount above)	6,030	8,005	4,308	6,957	25,302	4,415	7,243	6,619	8,575	26,853	6,584	9,045	-	-	-						
Domestic Travel in Japan / Transaction Amount	11,941	18,154	13,693	18,044	61,833	13,438	16,498	13,718	16,184	59,840	10,357	14,276	-	-	-						
YoY	101%	106%	99%	99%	101%	154%	216%	134%	106%	143%	77%	86%	-	-	-						
Inbound Travel to Japan / Transaction Amount	7,116	8,075	8,375	6,464	30,032	1,023	2,302	2,255	2,866	8,448	2,247	3,405	-	-	-						
YoY	119%	105%	88%	87%	96%	3,583%	3,109%	2,761%	1,360%	2,138%	219%	147%	-	-	-						

※ 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)					FY23					(Reference Amount *)					
	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	54,059	34,389	40,965	51,247	180,663	18,149	12,076	17,689	32,024	79,939	40,035	24,778	-	-	-						
YoY	122%	104%	107%	99%	108%	558%	385%	428%	231%	328%	220%	209%	-	-	-						
Overseas Subsidiaries / Outbound Transaction Amount	17,860	18,761	38,857	39,868	115,347	36,432	46,824	50,096	38,859	172,213	44,515	48,181	-	-	-						
YoY	95%	93%	183%	203%	144%	349%	324%	187%	134%	213%	122%	107%	-	-	-						

※FY23 and thereafter 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)

※As the overseas travel business closes its fiscal year in July, FY23 2Q shows the transaction amount (reference amount) from November 2023 to January 2024, and the transaction amount of non-travel businesses such as CCEL (language school) is excluded.

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



	(million yen)				(million yen)		
	FY23	FY24 2Q	Increase /Decrease		FY23	FY24 2Q	Increase /Decrease
Cash and Deposits	157,571	140,969	△16,601	Operating Accounts Payable	10,122	11,222	1,099
Notes & Accounts Receivable and Contract Assets	24,814	26,980	2,166	Pre-Travel Payments Received	29,659	36,842	7,183
Operating Accounts Receivable	656	630	△26	Bonds and Convertible Bonds Payable	45,018	30,009	△15,008
Pre-Travel Payments	8,418	10,458	2,039	Borrowings	206,857	204,245	△2,612
Others	26,065	35,009	8,944	Others	91,538	88,363	△3,175
Total Current Assets	217,526	214,048	△3,477	Total Liabilities	383,196	370,683	△12,513
Property, Plant and Equipment	167,682	165,500	△2,182	Capital	100	100	—
Intangible Fixed Assets	14,472	14,189	△282	Capital Surplus	27,770	27,761	△9
Goodwill	2,092	2,093	0	Earned Surplus	23,755	27,627	3,871
Investments and Other Assets	39,479	38,238	△1,241	Treasury Shares	△13,046	△13,015	31
Total Fixed Assets	223,727	220,022	△3,705	Cumulative Other Comprehensive Income	10,236	11,484	1,247
Deferred Assets	92	73	△18	Non-Controlling Shareholder Equity	9,166	9,307	140
Total Assets	441,346	434,143	△7,202	Total Net Assets	58,149	63,460	5,311
				Total Liabilities and Net Assets	441,346	434,143	△7,202

Financial Forecasts for FY Oct 2024

[Revised] Financial Forecasts



The full-year forecasts were revised upward, taking into account the Q2 results, despite a delay in the recovery of demands for international travel departing from Japan

(million yen)	1H	2H Announced on Mar 15	2H Revised on Jun 14	Difference	FY24 Announced on Mar 15	FY24 Revised on June 14	Difference
Net Sales	161,173	190,000	198,800	8,800	350,000	360,000	10,000
Travel Business	131,606	157,600	165,400	7,800	288,100	297,000	8,900
Hotel Business	11,468	12,500	12,530	30	24,000	24,000	-
Kyushu Sanko Group	11,957	12,000	12,000	-	23,500	24,000	500
Others	7,620	8,900	10,400	1,500	16,000	18,000	2,000
Adjustments, Eliminations, etc.	△1,479	△1,000	△1,530	△530	△1,600	△3,000	△1,400
Operating Profit	5,759	6,700	5,240	△1,460	10,000	11,000	1,000
Travel Business	4,968	6,200	4,980	△1,220	8,000	9,980	1,980
Hotel Business	1,771	1,050	1,530	480	2,500	3,300	800
Kyushu Sanko Group	293	50	60	10	300	350	50
Others	81	550	290	△260	600	370	△230
Adjustments, Eliminations, etc.	△1,356	△1,150	△1,620	△470	△1,400	△3,000	△1,600
Ordinary Profit	6,082	5,900	4,900	△1,000	9,000	11,000	2,000
Net Profit Attributable to Parent Company Shareholders	3,877	4,500	3,120	△1,380	6,000	7,000	1,000
Dividend (Plan)	-	-	-	-	10 yen	10 yen	-

Factors for Upward Revision of Financial Forecasts

Slow Recovery in International Travel in Summer

The reservation trend for the number of summer travelers, which was initially expected to be around 80% (compared to 2019), is currently at around 60%. H.I.S. Group will focus on building up the number of reservations through the "Super Summer Sale Final" and other events

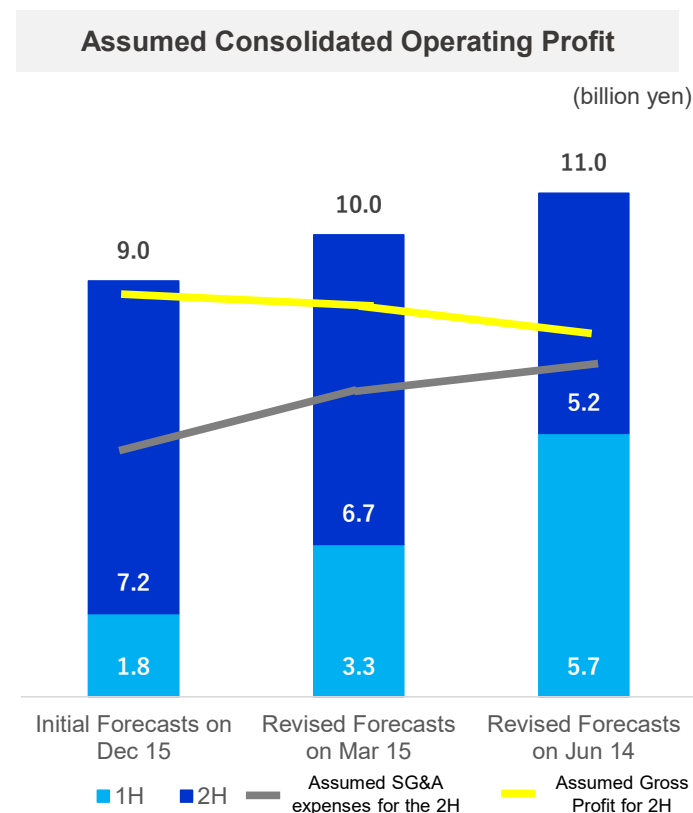
Increase in SG&A Expenses

As the Travel Business recovers, compensation improvements, advertising, and sales office opening expenses are expected to increase

Upward Revision of 1.0 Billion Yen for the Full Year

The full-year forecasts were revised upward, taking into account the strong business performance up to the 1H. Existing businesses are expected to recover to 95% of pre-Covid-19 levels

※FY19 operating profit of existing business: 11.5 billion yen

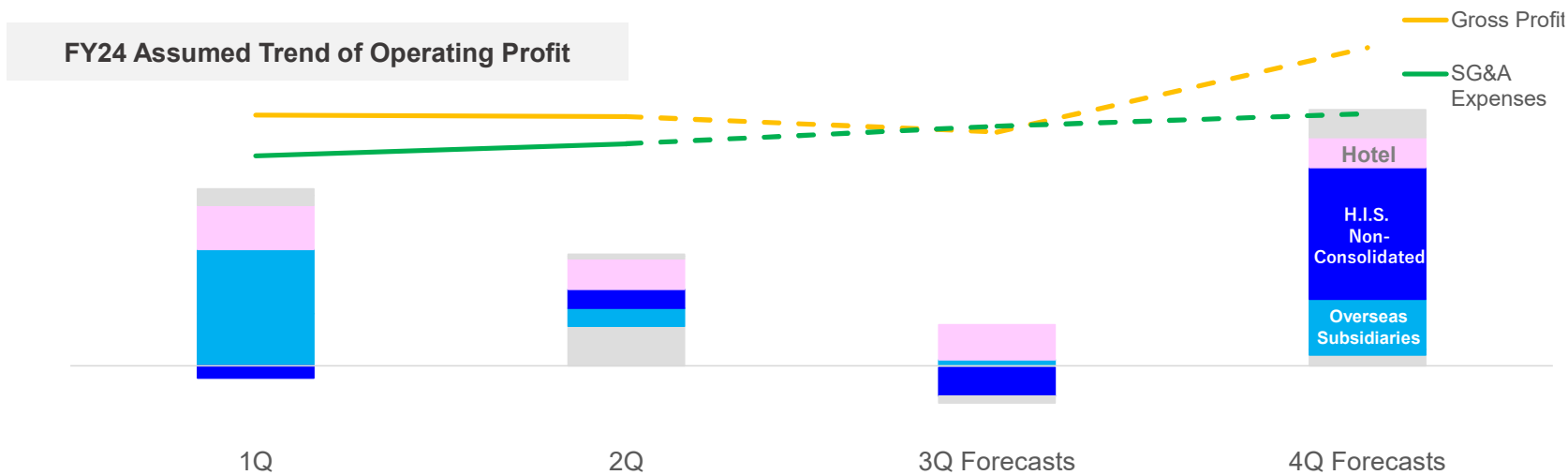


Fiscal Year and Seasonality by Business (Reference)



	1Q			2Q			3Q			4Q		
H.I.S. Non-Consolidated	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Overseas Subsidiaries	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Hotel (Japan, Taiwan)	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Hotel (Overseas)	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Kyushu Sanko Group	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep

Off-Season
 Normal Season
 On-Season

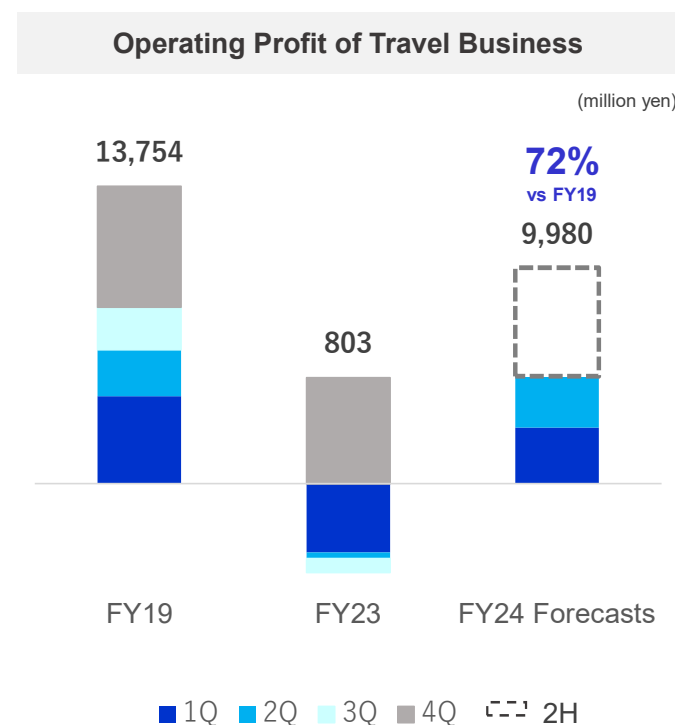


Initiatives for the 2nd Half of Fiscal Year ending October 2024

Major Initiatives for the 2nd Half: Travel Business



Recovery to 72% vs the same period in 2019 due to global growth and improved profitability



International Travel

Revitalizing the international travel market as recovery continues to slow

Domestic Travel

Improving profitability with competitive products

Inbound Travel to Japan

Strengthening ties with H.I.S. international network

Overseas Subsidiaries

Accelerating development of global markets
Improving profitability through more efficient operations

Major Initiatives for the 2nd Half: International Travel Business



Strengthening Summer Customer Attraction

Additional advertising expenditures to revitalize the international travel market, which continues to experience a slow recovery



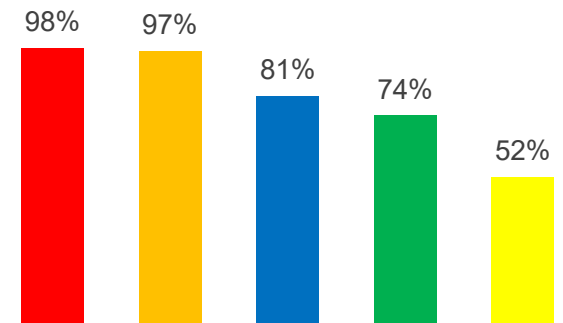
Advertising expenditures are made in the 3Q to further generate demands for international travel. For the core target of family and group travelers, H.I.S. Group will uncover demands for travel to Hawaii and Micronesia by enhancing plans that include meals after landing

Summer Booking Trends

Jul-Sep 77% vs FY19

International Travel Volume by Destination Area: vs FY2019

As of Jun 9 (Comparison based on previous accounting standards)



- Europe / Middle East / Africa
- North America/Latin America
- Oceania / South Pacific
- Asia
- Hawaii / Micronesia

Relocation of the flagship store “Shinjuku Head Sales Office”

On June 28, 2024, the 31-year-old flagship Shinjuku Head Sales Office will be relocated and reopened as “Travel Wonderland Shinjuku”, being moved from Shinjuku New South Exit to a new location 1 minute walk from West Exit.

1F: 118.9 tsubo, 3F: 216.1 tsubo, Total area: 335 tsubo (approximately 1,107 square meters)

Major Initiatives for the 2nd Half: Domestic Travel Business

Differentiation through original content: Competitive products to improve profitability

Okinawa

- "HIS LeaLea Yomitan Shuttle", new free service for summer only
- Local support at "HIS LeaLea Lounge OKINAWA"
- HIS LeaLea Chatan Shuttle" will continue to operate free of charge
- Giveaway "Fireworks Set" and "Original Gacha Experience" to guests staying at applicable hotels

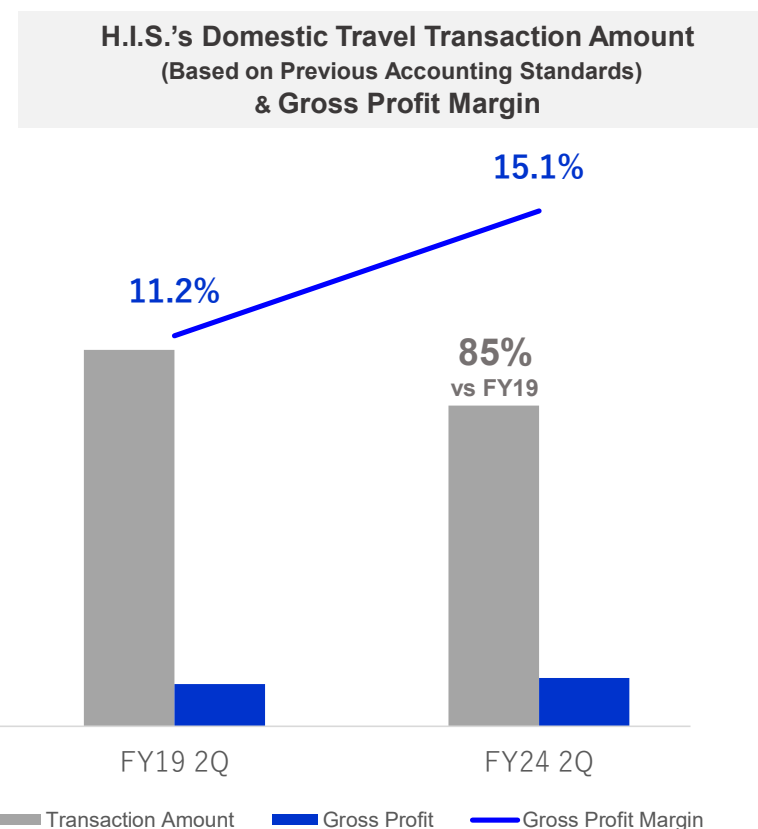
Hokkaido

- Official sponsorship project with the Hokkaido Nippon-Ham Fighters "ES CON FIELD Summer Camp for Parents and Children, Empty-Handed" official tour on sale



*Photographs are from last year's event ©H.N.F.

- New free service of H.I.S. original one-day sightseeing bus in Hokkaido
- Doh-Oh (Central Hokkaido) and Doh-Toh (Eastern Hokkaido) tours using direct FDA charter flights to/from 5 cities in Japan

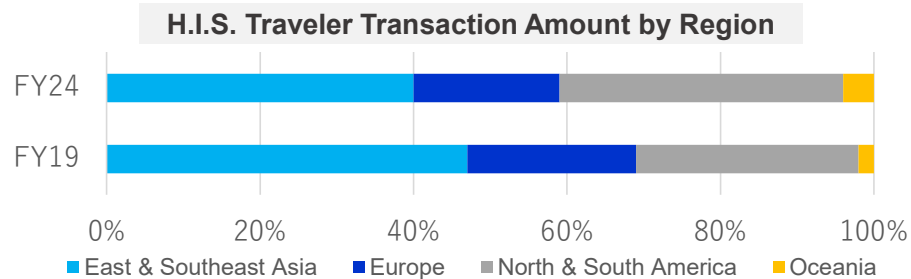


Major Initiatives for the 2nd Half: Inbound Travel Business (to Japan)



Strengthening ties with H.I.S. overseas network

The ratio of transaction amount before the Covid-19 Pandemic was 5:5 between “Europe, the U.S., Australia” vs Asia, but now it is 6:4 due to expanding demands from Europe and the U.S. with long stays and high unit prices. Through H.I.S. overseas network, H.I.S. Group will grasp the characteristics from each region, expand its product lineup, and continue to strengthen B2B sales to local travel agencies, including RED LABEL VACATIONS, the outbound division of HIS Canada to maximize group synergies



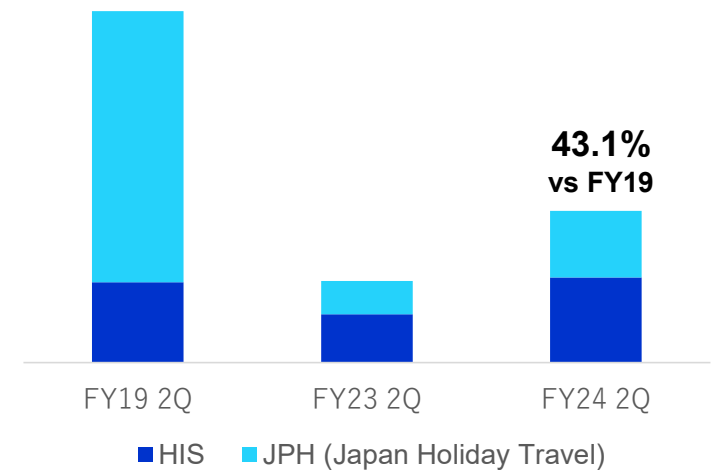
Reinforcement of group tours from outside of China

Japan Holiday Travel, a group company, was developing its business mainly by receiving customers from the Chinese market before the Covid-19 Pandemic, but is now strengthening its sales activities to capture group travel demands from Southeast Asia, as the market is undergoing a gradual recovery

Transaction Amount of Inbound Travel Business to Japan

HIS 105.9%
JPH 24.5%

vs same period of FY2019
(*Comparison based on previous accounting standards)



* 2Q: H.I.S. Nov-Apr, JPH Oct-Mar

Major Initiatives for the 2nd Half: Travel Business Overseas



Accelerating global market developments that are recovering quickly

Strong European traffic to Canada for the high summer season



While the Japanese market is taking time to recover for June to September season, when inbound demands peak, "JONVIEW" in Canada is performing well, exceeding the 2019 numbers, by strengthening initiatives to receive customers from Europe

Developing new destinations

New opening of HIS BOLIVIA in June 2024
Procurement of popular hotels in "Salar de Uyuni" is strengthened to increase the number of global customers



Salar de Uyuni (Image)



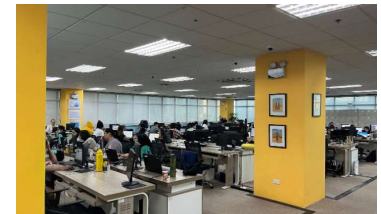
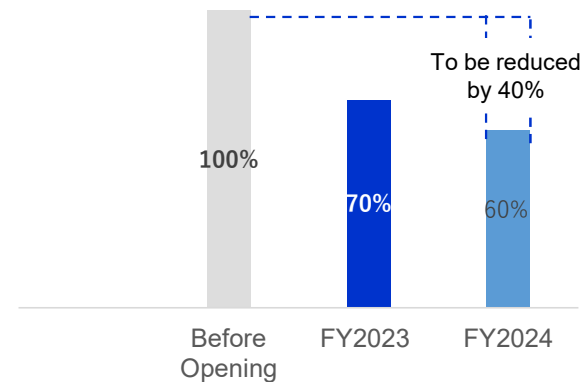
HIS BOLIVIA TURISMO SA Office (Image)

Improving profitability by streamlining operations

Expansion of SSC (Shared Service Centers) introduction areas

Established in Manila to consolidate arrangement and other operations in the travel business overseas with the aim of improving work efficiency and creating a foundation for the global development of H.I.S. travel products. Currently, SSC has been introduced in 16 countries and regions, including Hawaii and Guam. SSC has also contributed to profitability in Hawaii and Guam, where recovery in the number of Japanese customers has lagged behind

Workload of Reservations Overseas



Manila SSC Office (Image)

Major Initiatives for the 2nd Half: Hotel Business

Improving profitability by promoting rebranding and reinforcing categories

In order to increase the unit price of rooms amidst active inbound demands, premiering at "Henn na Hotel" has been implemented. In addition, starting "resort operations" at some facilities is also planned



Vison Hotels, which operates in Mie Prefecture, is to expand its suite and Jacuzzi rooms. Promotion to be strengthened to attract more guests from Japan and abroad

(◀ HOTEL VISON: Family suite room with open-air bath, image)

Green World Hotels to Exceed Pre-Covid-19, Improvement in Guam



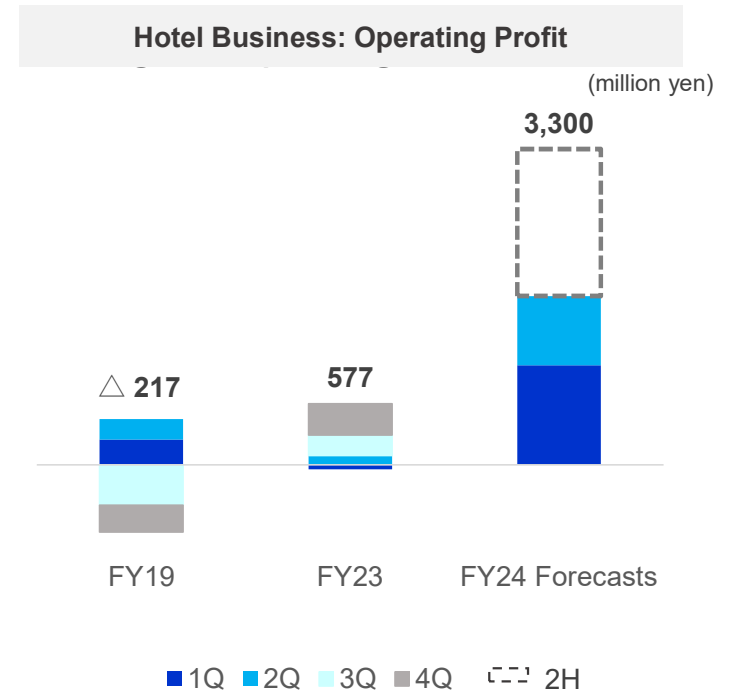
Green World Hotels Taiwan led operating profit of overseas hotel operations, exceeding pre-Covid-19 profits, as domestic and international leisure demands revitalized

(◀ Exterior View of Green World Grand Nanjing Hotel, Image)



Guam, which has been taking time to reopen its leisure market, also reduced its deficit by more than 200 million yen by taking various measures

(◀ Exterior view of Guam Reef Hotel, Image)



Major Initiatives for the 2nd Half: Kyushu Sangyo Kotsu Group

Bus Business: Start of “Kumamon” wrapped bus operation to attract more customers in Japan and overseas

Start of operation of wrapped buses with designs of Kumamon and Kumamoto's famous specialties and landmarks
 Designs that please both domestic and international customers are developed on five chartered buses



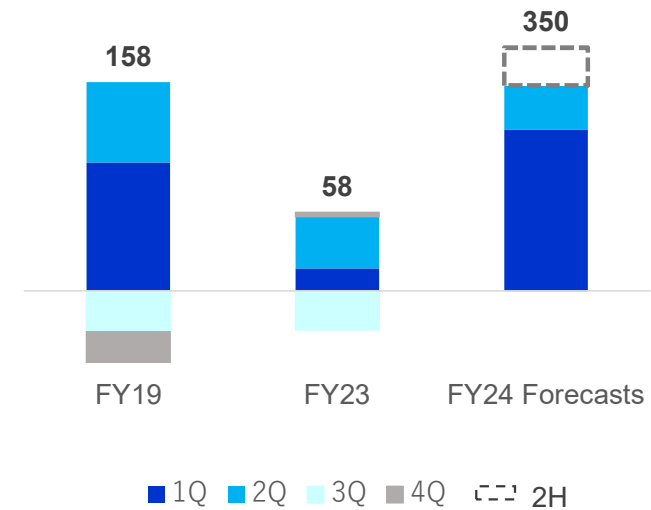
Retail Business (Food&Beverage, Product Sales): Expansion into new business categories

2 new stores opened (Food & Beverage: 22 stores)
 “Kakunoshin Hamburger Steak” Aso Kumamoto Airport Branch on April 25
 “Ajisen x Keika Ramen” Sakuramachi Branch on April 26



Kyushu Sangyo Kotsu Group: Operating Profit

(million yen)



Supplementary Material

[Supplementary Material] Definitions Regarding 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. In "arranged travel," where only travel products such as airline tickets and hotels are provided, the gross profit amount is recorded as sales on the date of completion of the arrangement

Major Changes in the Travel Business (Reiterated)

	① Amount of Net Sales Recognition		② Timing of Net Sales Recognition	
	Previous Standard	New Standard	Previous 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

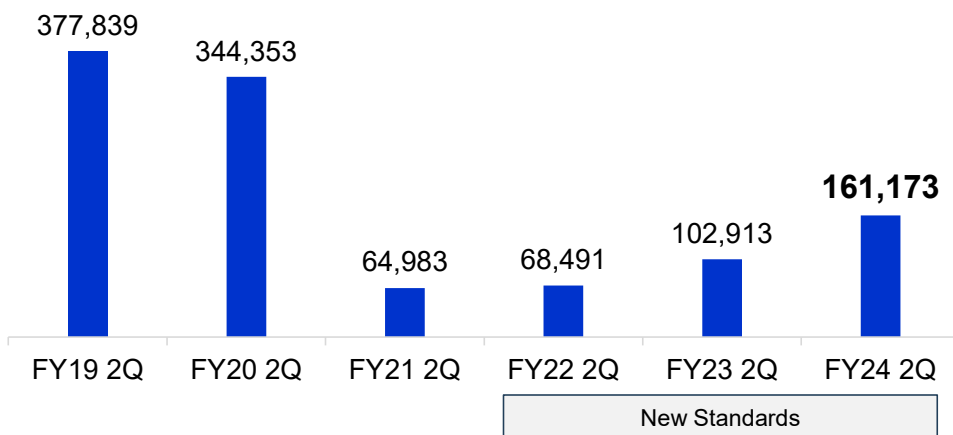
※4. Incentives are treated as "arrangement sales" for arranged travel and as "purchase rebates" for planned travel

※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

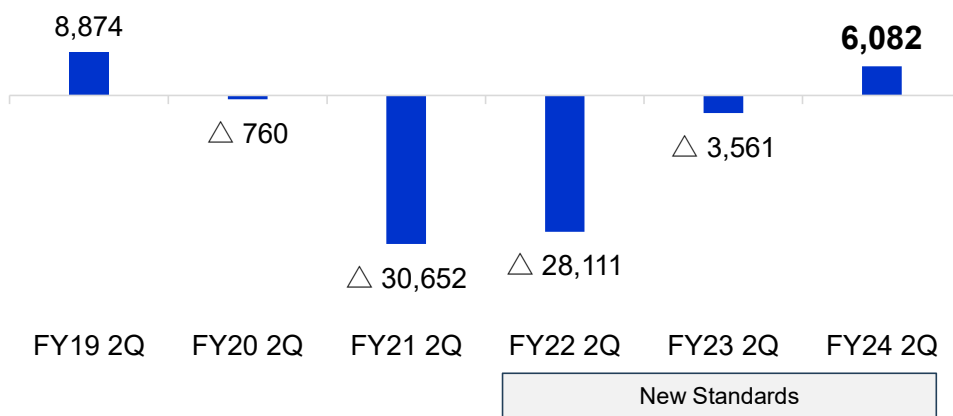
[Supplementary Material] Consolidated Financial Results



Net Sales

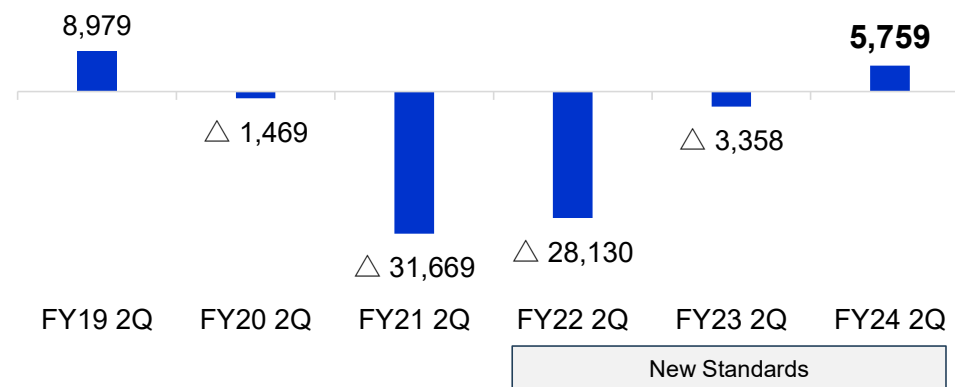


Ordinary Profit

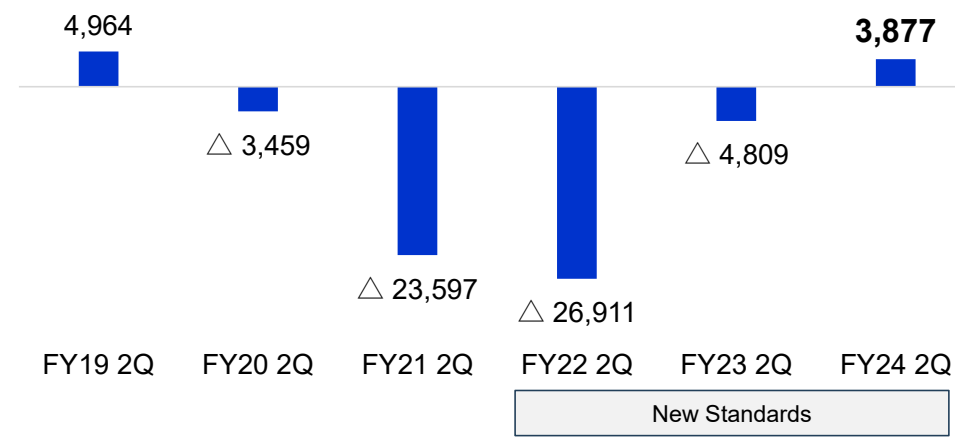


Operating Profit

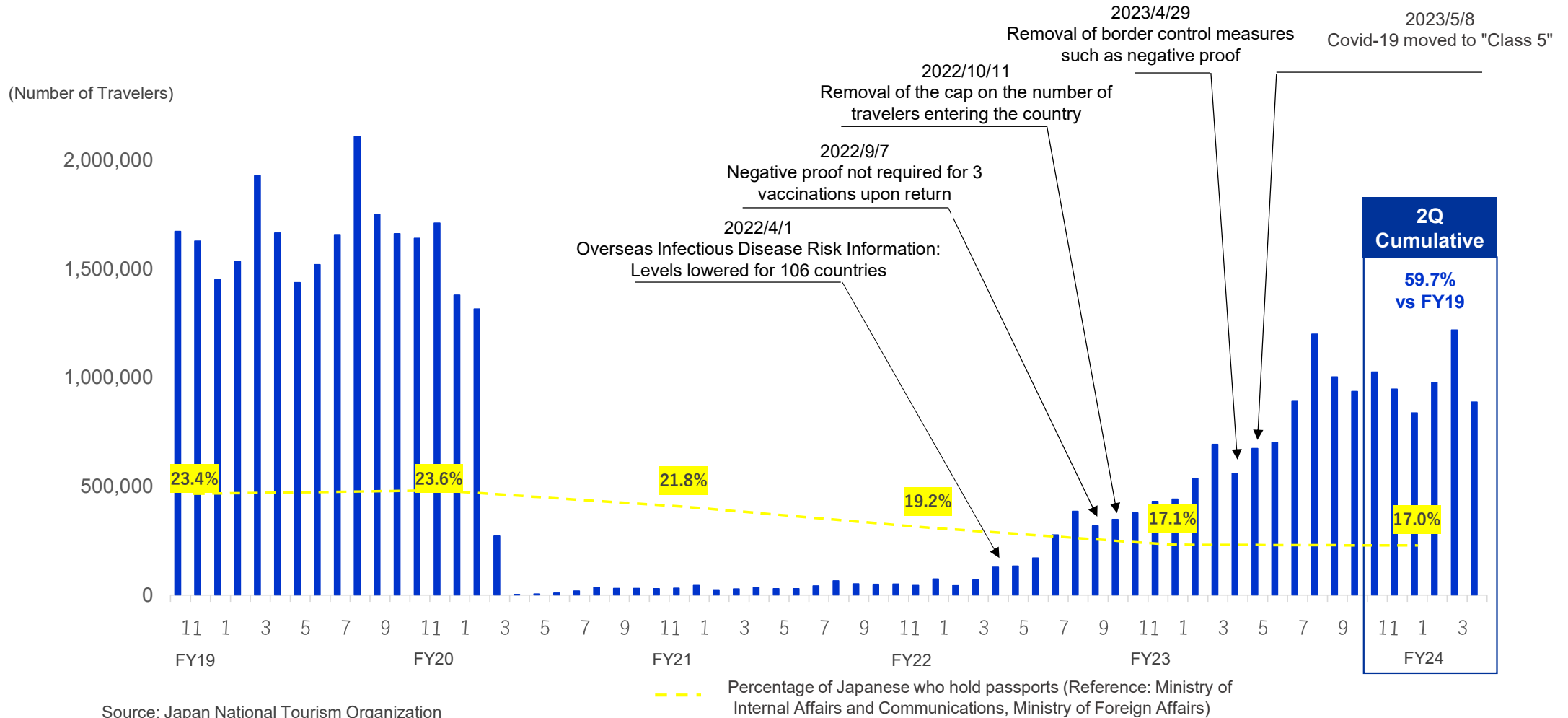
(million yen)



Net Profit Attributable to Parent Company Shareholders



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

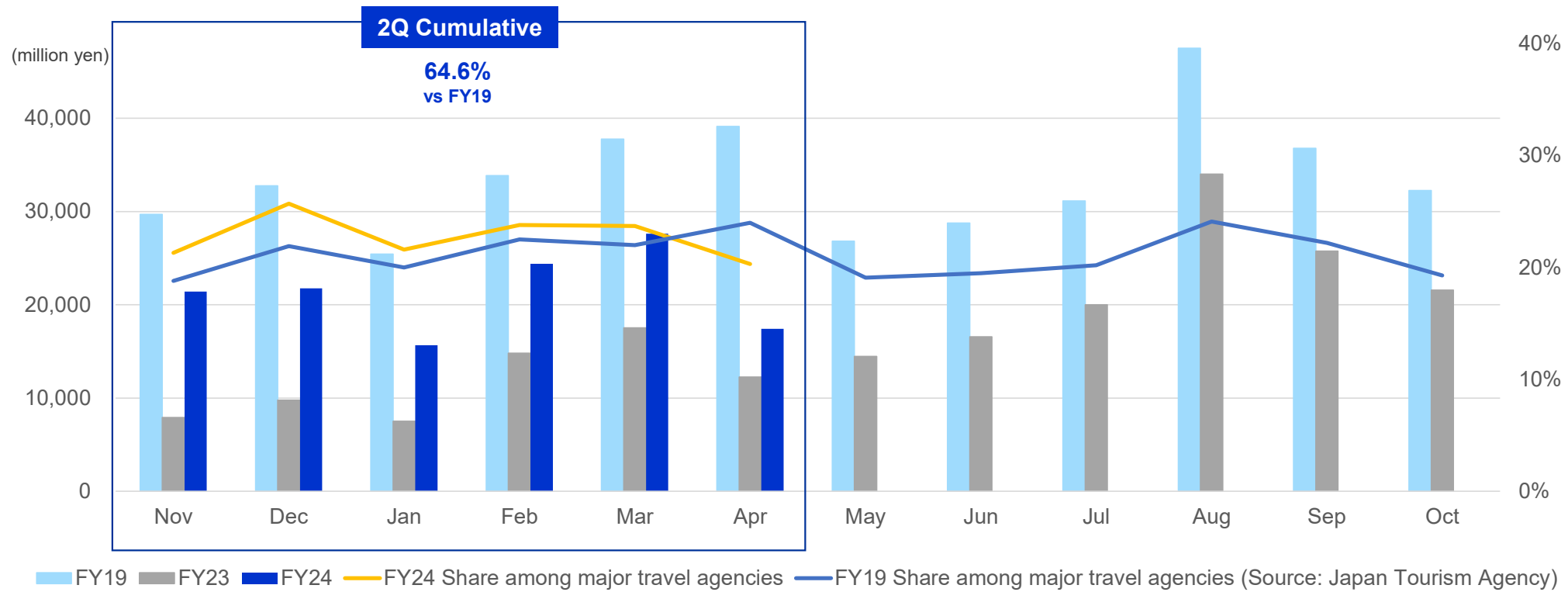


Source: Japan National Tourism Organization

[Supplementary Material] International Travel Transaction Amount



※Previous Accounting Standards



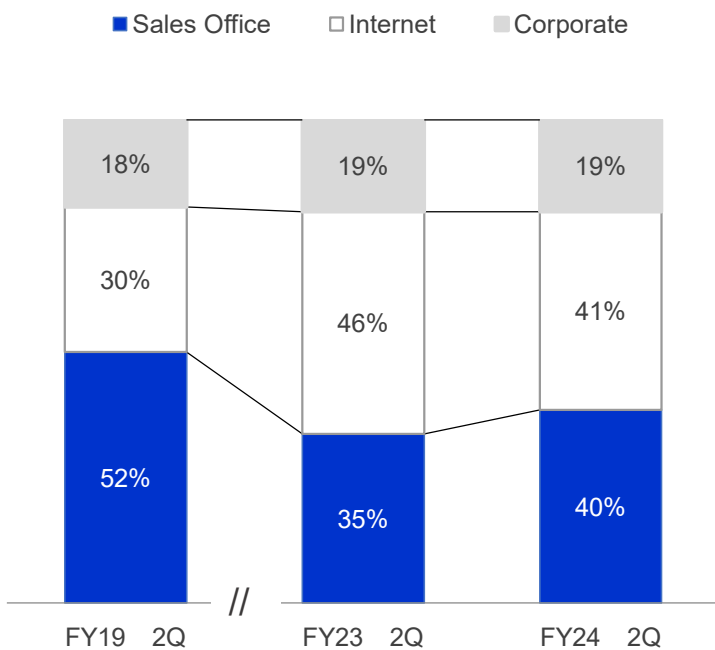
* Total transaction amount after offsetting internal transactions of H.I.S. and its five group companies (Orion Tour, Qualita, Cruise Planet, Japan Holiday Travel, and H.I.S. Okinawa)

[Supplementary Material] International Travel Composition

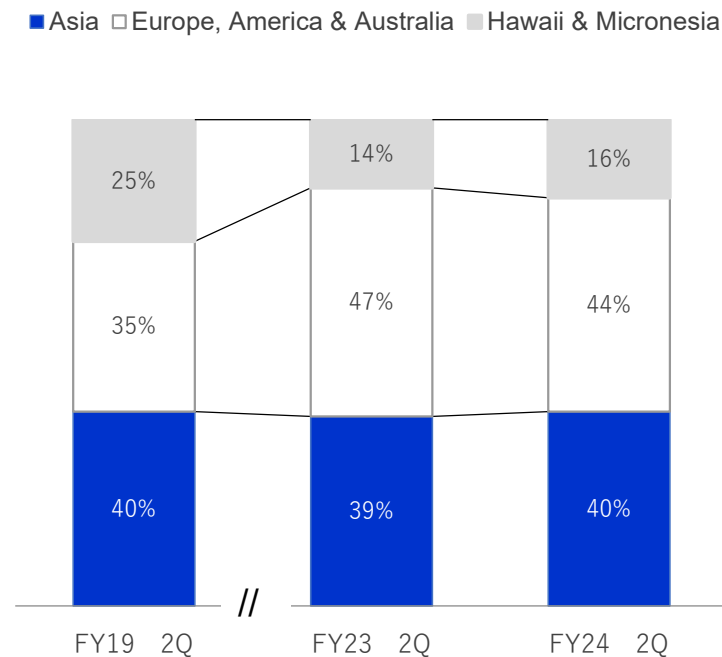


※Previous Accounting Standards

Net Sales of International Travel by Sales Channel



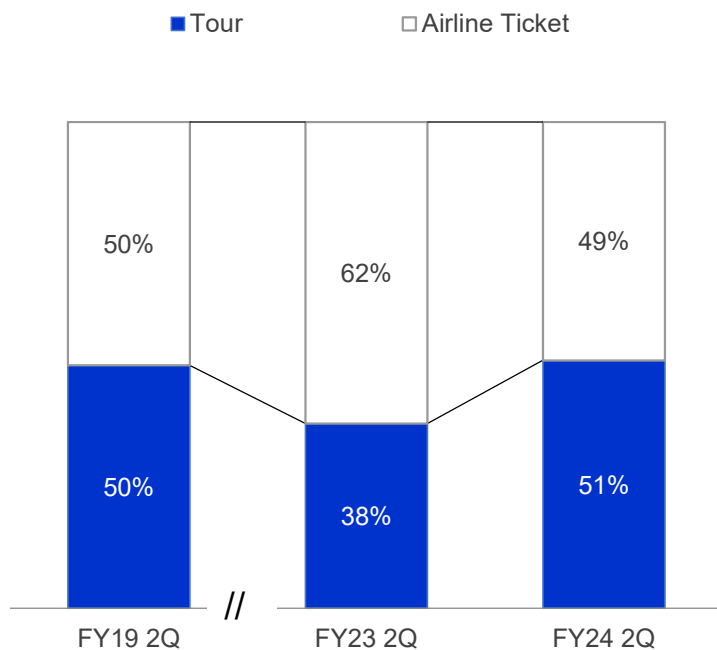
Net Sales of International Travel by Destination



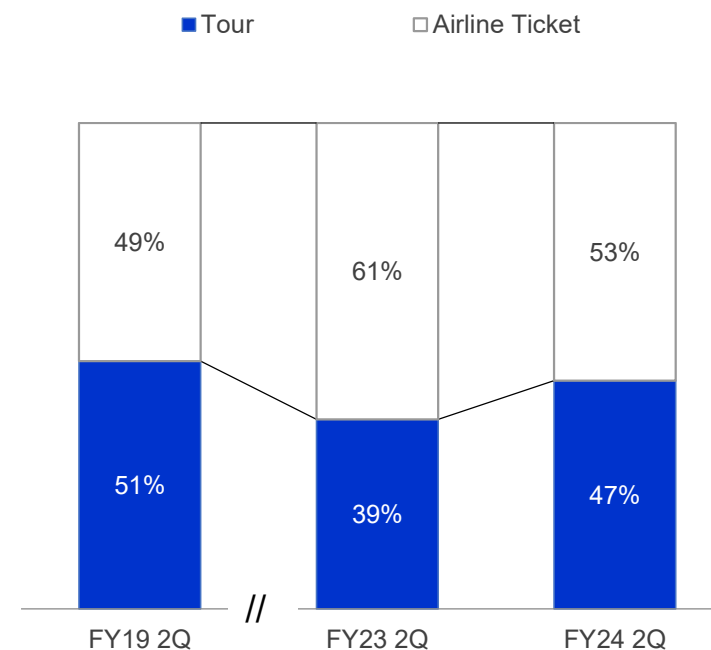
[Supplementary Material] International Travel Composition

※Previous Accounting Standards

Net Sales of International Travel by Product Type



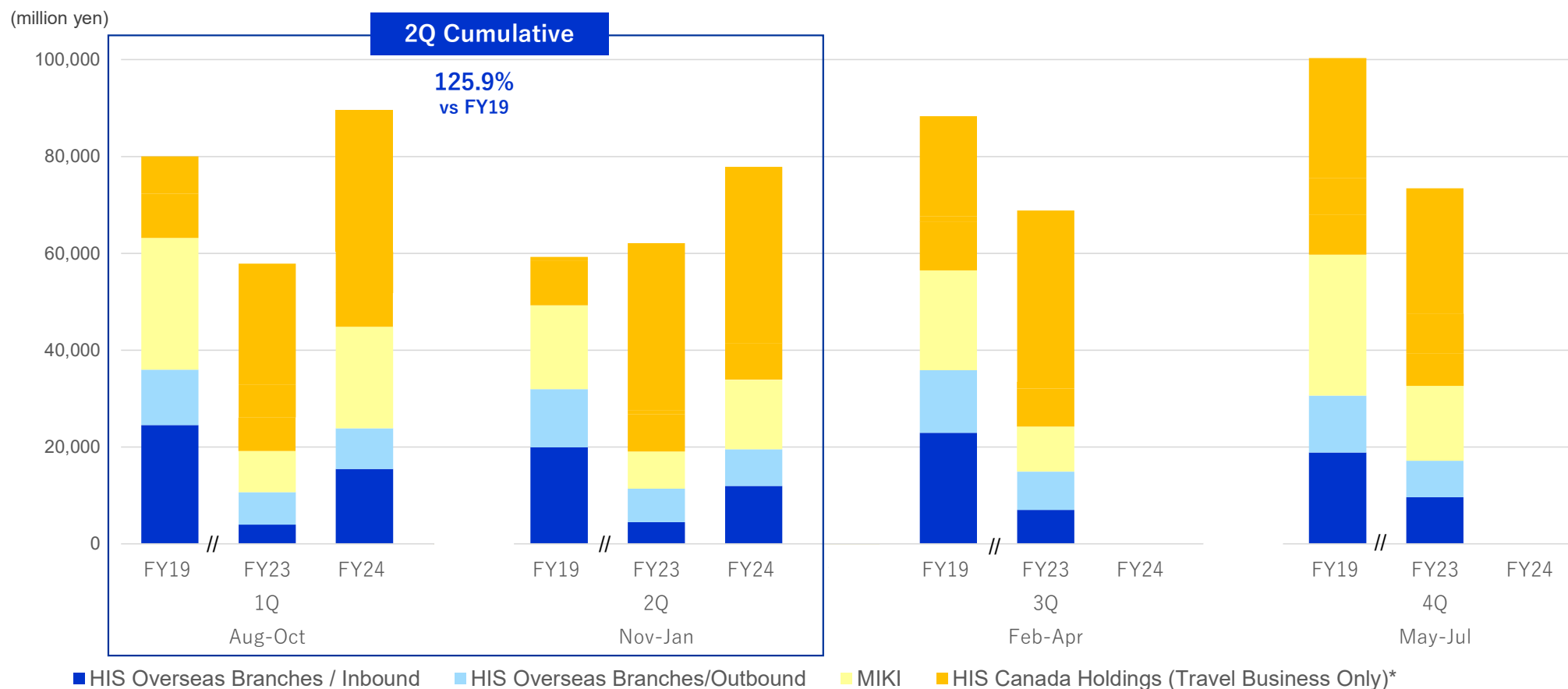
Number of Travelers of International Travel by Product Type



*Tour: Including agent-organized air + hotel

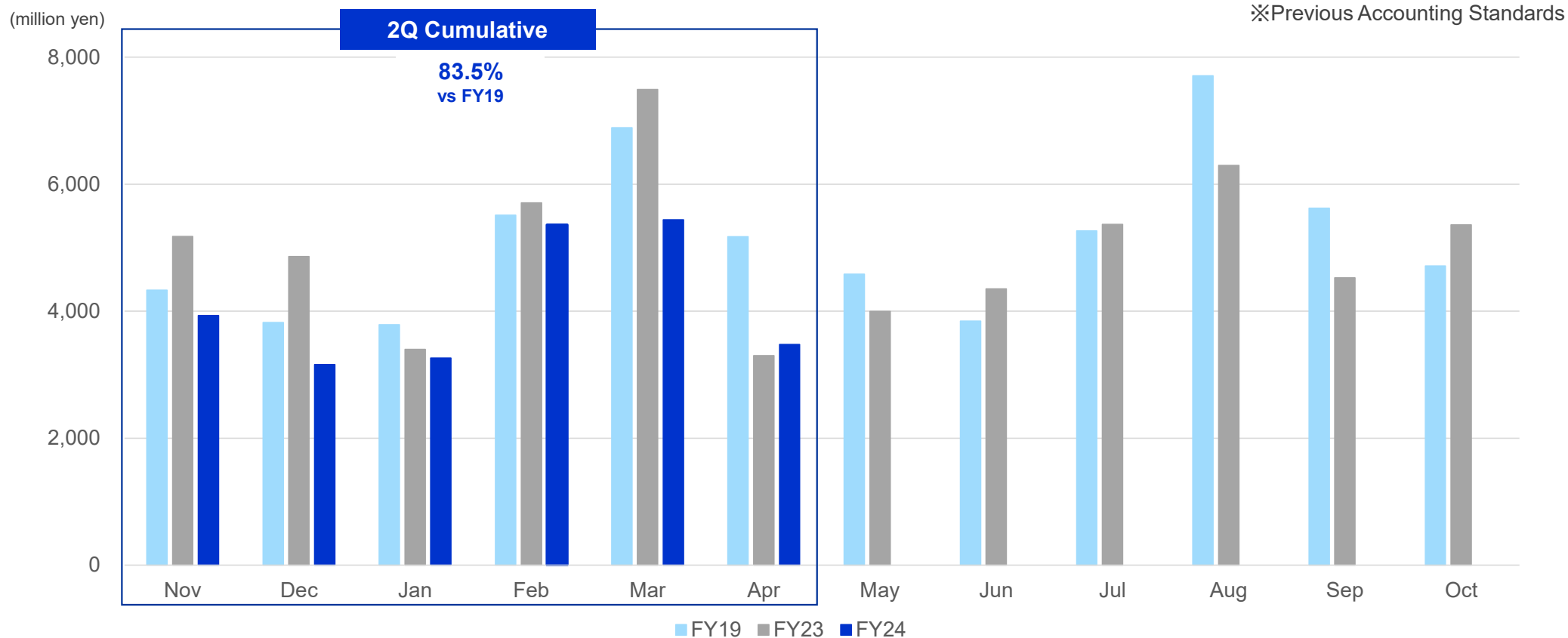
[Supplementary Material] Transaction Amount of Overseas Subsidiaries *HIS*

※Previous Accounting Standards, Reference Amount



* HIS Canada Travel (JONVIEW, RED LABEL VACATIONS (*FY19 3Q-), merged with HIS Canada Inc., MERIT TRAVEL

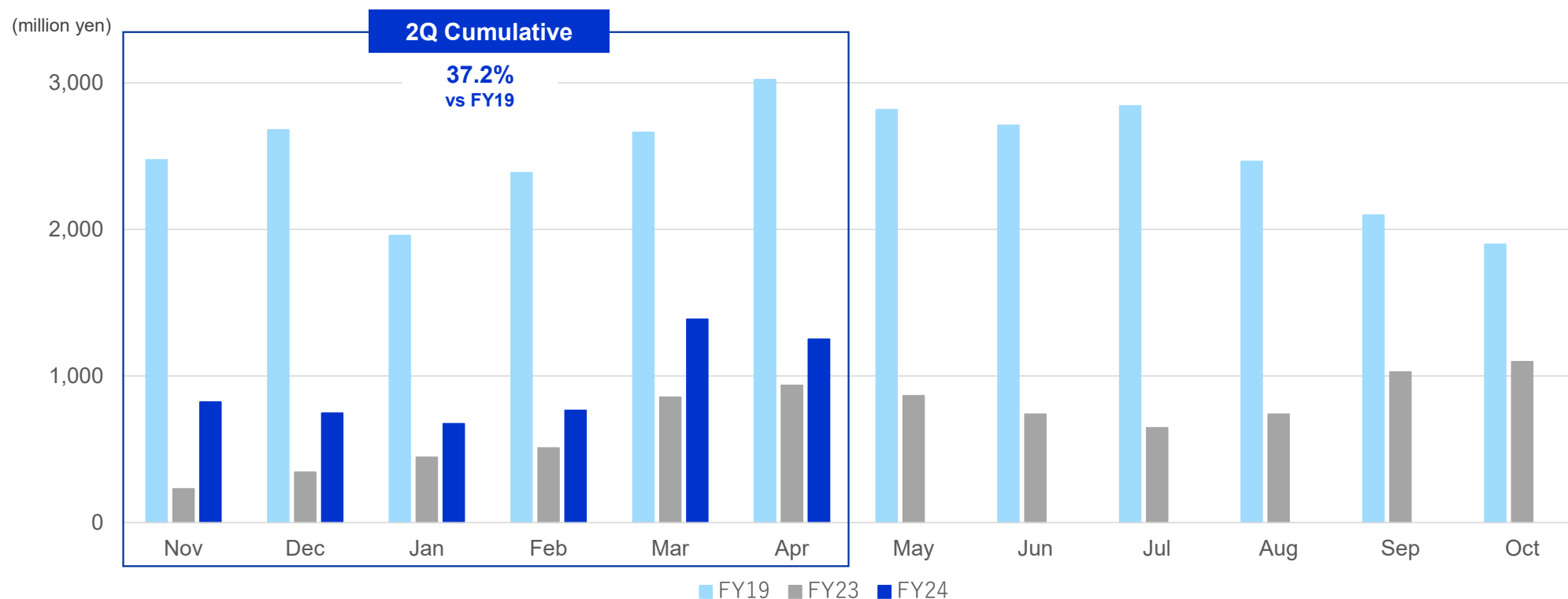
[Supplementary Material] Domestic Travel Transaction Amount



* 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)

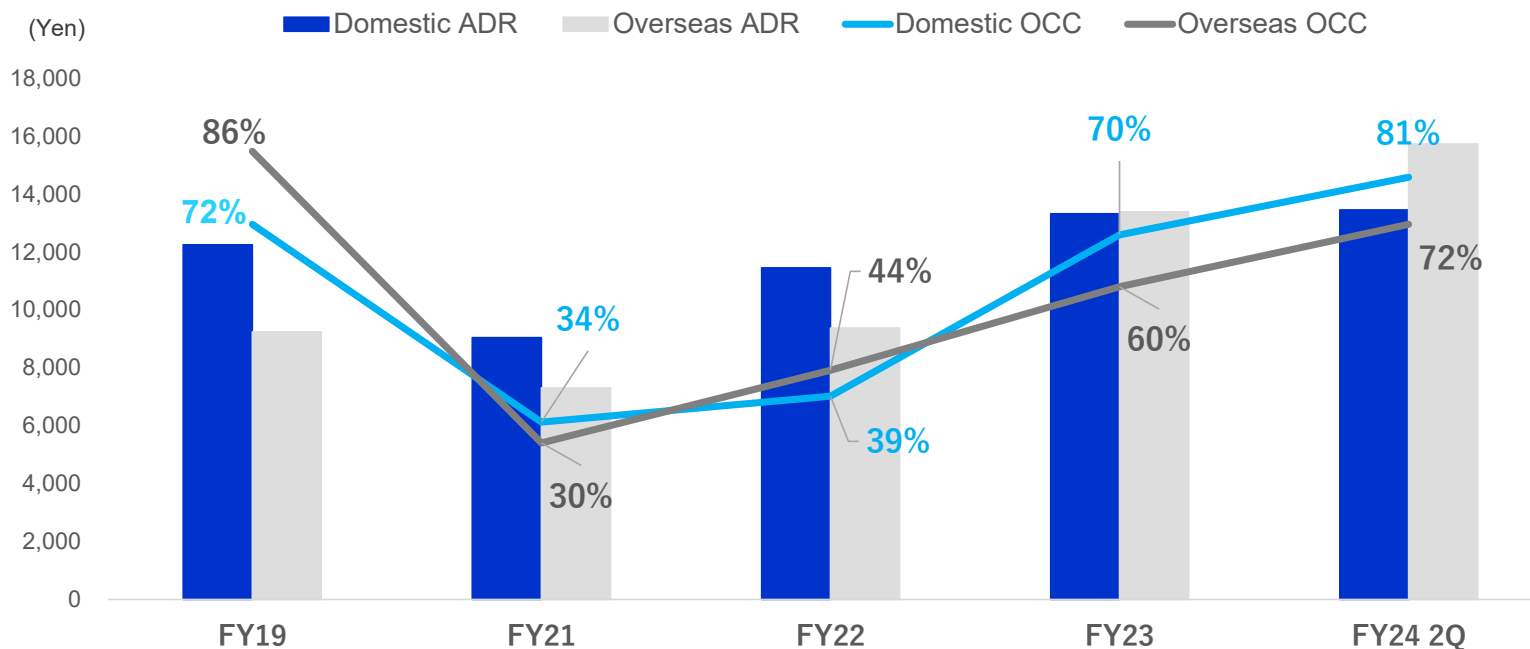
[Supplementary Material] Transaction Amount of Inbound Travel to Japan *HIS*

※Previous Accounting Standards



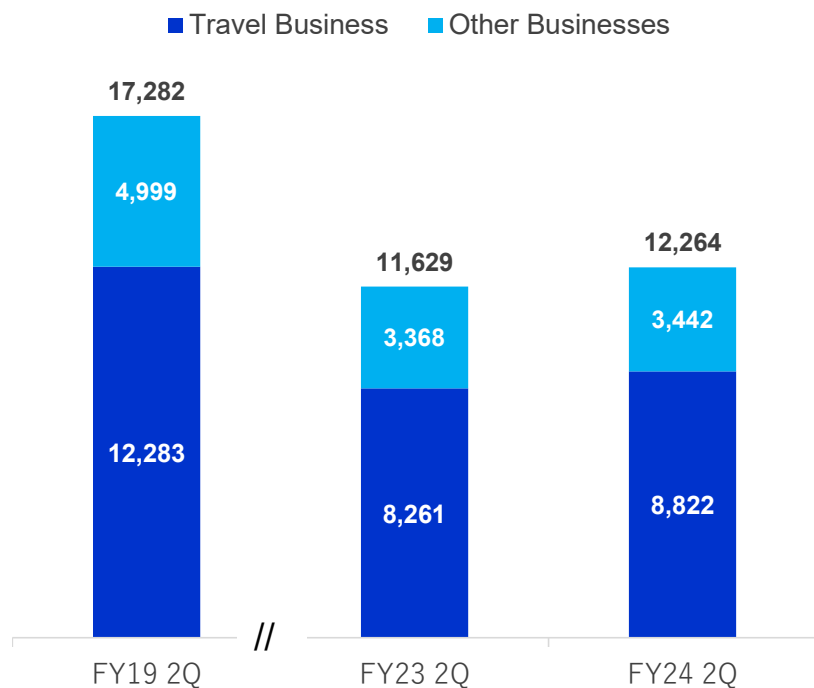
* Total transaction amount after offsetting internal transactions of H.I.S. and its five group companies (Orion Tour, Qualita, Cruise Planet, Japan Holiday Travel, and H.I.S. Okinawa)

[Supplementary Material] Hotel Business: ADR and OCC Trends

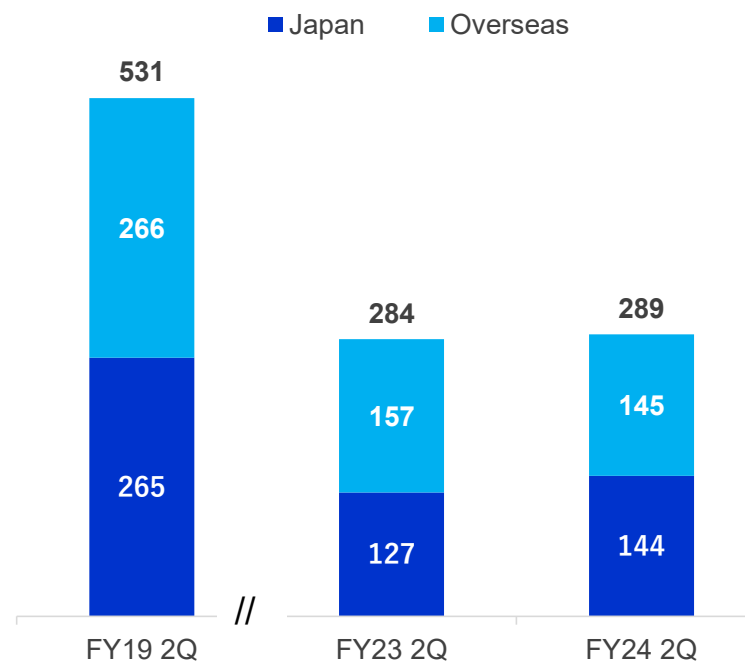


Number of Hotels	Domestic	12	21	22	24	24
	Overseas	15	15	18	18	18
	Total	27	36	40	42	42
Number of Rooms	Domestic	1,479	2,594	2,644	2,844	2,844
	Overseas	1,870	1,870	2,062	2,202	2,202
	Total	3,349	4,464	4,706	5,046	5,046

| Number of Group Employees



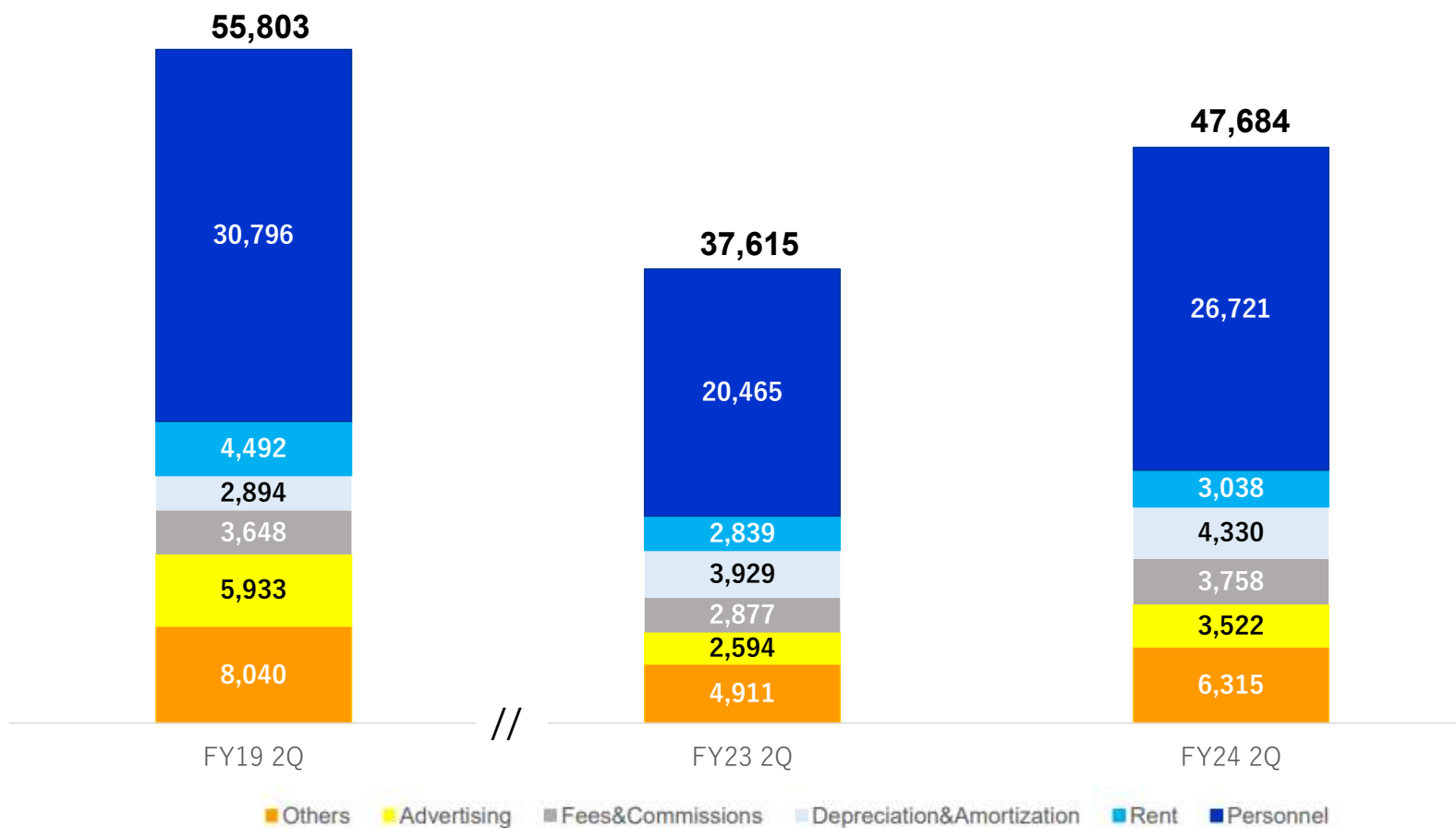
| Number of Sales Offices of the Travel Business



[Supplementary Material] Trends in SG&A Expenses



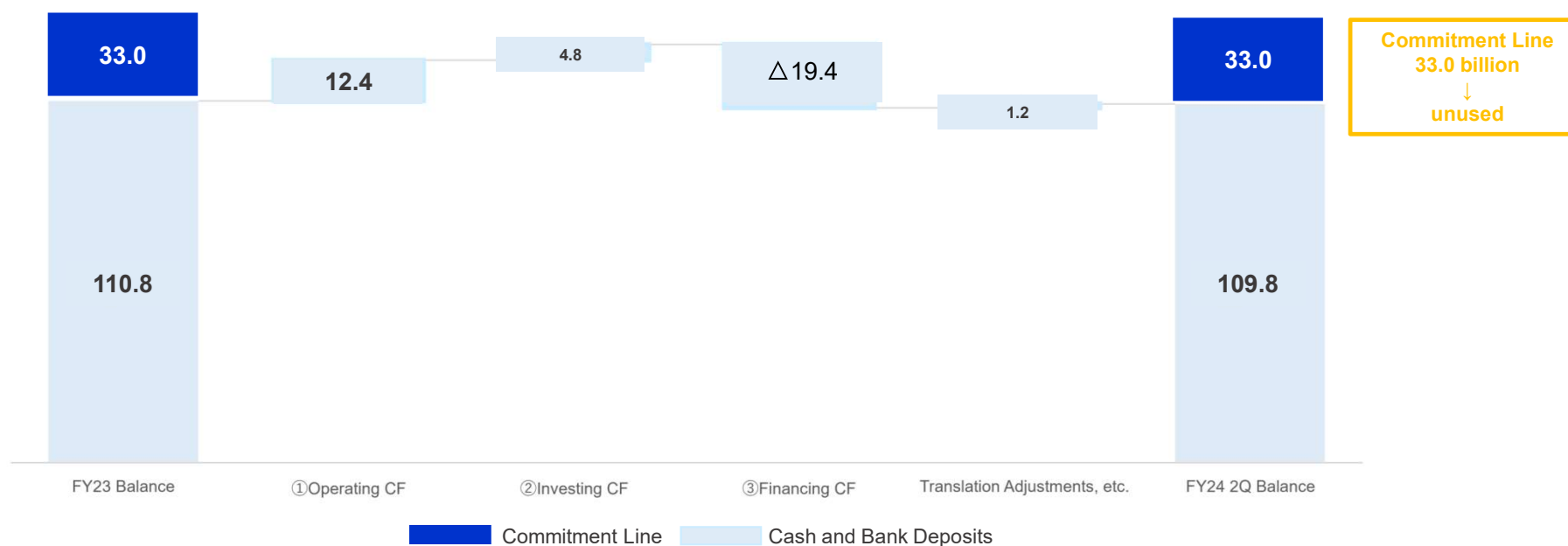
(million yen)



[Supplementary Material] Liquidity on Hand



(billion yen)



(1) Operating CF		(2) Investing CF		(3) Financing CF	
Income before income taxes	6.3	Proceeds from withdrawal of time deposits	27.6	Proceeds from loans payable	94.4
Depreciation and amortization	5.4	Payments into time deposits	Δ11.6	Repayment of loans payable	Δ97.0
Increase in travel advance received	6.9	Payments for purchases of marketable securities	Δ10.1	Payments for redemption of bonds	Δ15.0
Increase in travel advance payments	Δ1.9				
Increase in trade receivables and contract assets	Δ1.7				

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The logo for H.I.S. Co., Ltd. consists of the letters 'HIS' in a bold, blue, sans-serif font. The letters are slightly italicized and have a modern, clean appearance.

Please contact IR Office of H.I.S. Co., Ltd. for questions regarding this material