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**FUJITA KANKO INC.**

# **Financial Results for the Three Months Ended March 31, 2025**

May 9, 2025  
(Code number: 9722)



# Consolidated Statements of Income

**Net sales and operating profit increased by ¥1.77 billion and ¥0.89 billion, respectively, year on year**

- The capture of inbound demand and improvement of product competitiveness drove a rise in sales per use
- Labor costs rose due to new recruitment and wage raise implemented in the previous year
- Net profit fell YoY due to recording of tax expenses resulting from elimination of loss carryforwards

Unit: Million yen	2025 1Q Actual	2024 1Q Actual	YoY
<b>Net sales</b>	<b>18,765</b>	16,985	+1,779
<b>Operating profit</b>	<b>2,954</b>	2,056	+897
<b>Ordinary profit</b>	<b>2,500</b>	2,177	+323
<b>Extraordinary income</b>	—	131	(131)
<b>Extraordinary losses</b>	—	367	(367)
<b>Income taxes</b>	<b>874</b>	271	+603
<b>Profit attributable to owners of parent</b>	<b>1,626</b>	1,669	(43)

# Net Sales & Operating Profit Breakdown by Business

Net sales increased year on year in all businesses

- Average daily rate (ADR) rose, mainly in the WHG Business
- The Luxury & Banquet Business's banquet segment performed strongly
- Resort Business profits fell due to increased labor costs and other factors

Unit: Million yen

	2025 1Q Actual	2024 1Q Actual	YoY
<b>Net sales</b>	<b>18,765</b>	16,985	+1,779
WHG Business	<b>11,670</b>	10,229	+1,441
Luxury & Banquet Business	<b>4,270</b>	4,045	+224
Resort Business	<b>2,530</b>	2,416	+114
Other (including adjustments)	<b>293</b>	293	(0)
<b>Operating profit (loss)</b>	<b>2,954</b>	2,056	+897
WHG Business	<b>2,782</b>	1,901	+880
Luxury & Banquet Business	<b>98</b>	48	+49
Resort Business	<b>81</b>	105	(23)
Other (including adjustments)	<b>(8)</b>	0	(8)

# Net Sales: Increase/Decrease by Business

**Increased average daily rate (ADR) drove a significant increase in net sales in the accommodation business**

Unit: Million yen

<b>2024 1Q Net sales</b>		<b>16,985</b>
WHG	Accommodation	+1,397
	Other	+44
Luxury & Banquet	Banquet	+139
	Accommodation	+23
	Restaurant	+3
	Wedding	(8)
	Other	+65
Resort	Accommodation	+107
	Day trip and leisure	+4
	Other	+1
Other (including adjustments)		(0)
<b>2025 1Q Net sales</b>		<b>18,765</b>

# Operating Profit: Increase/Decrease by Factor

**Profit rose YoY, buoyed by higher marginal profit from increased net sales**

- Despite impact of new recruitment, wage raise, and other increases to labor costs, each segment's marginal profit grew

Unit: Million yen

<b>2024 1Q Operating profit</b>		<b>2,056</b>
Increase of marginal profit due to the increase of net sales	WHG	+1,097
	Luxury & Banquet	+159
	Resort	+80
Increase in labor costs		(224)
Increase in land rent		(69)
Increase in depreciation		(65)
Increase in other costs		(79)
<b>2025 1Q Operating profit</b>		<b>2,954</b>

**Ratio of fixed operating costs (to net sales)**

2024 64.9%



2025 61.4%

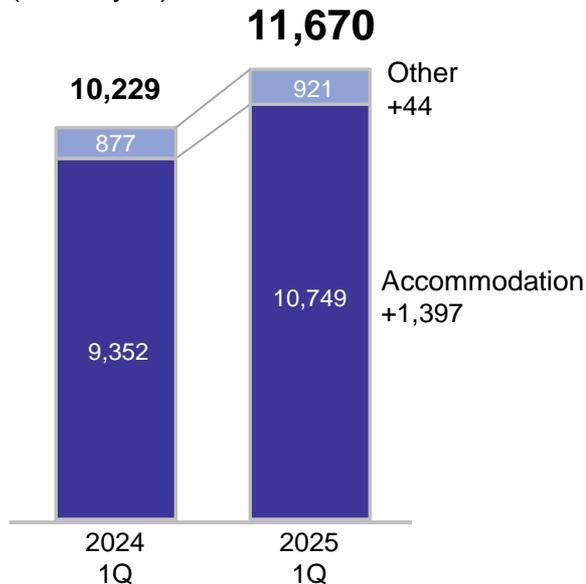
ADR rose 12% year on year by capturing inbound demand and strengthening product competitiveness

⇒ Net sales and operating profit increased by ¥1.44 billion and ¥0.88 billion, respectively, year on year, in the business as a whole

- Inbound visitor use grew, driven by new business development efforts (strengthening of sales to overseas agents) and capture of Chinese visitor demand during the Chinese New Year holiday period
- A portion of Hotel Gracery Shinjuku's single rooms were converted to doubles, and refurbishments were also made to guest rooms at other hotels

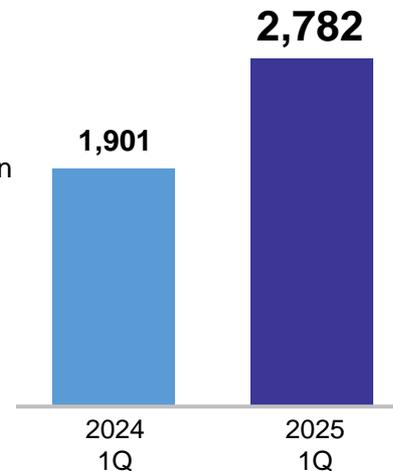
## Net sales

(Million yen)

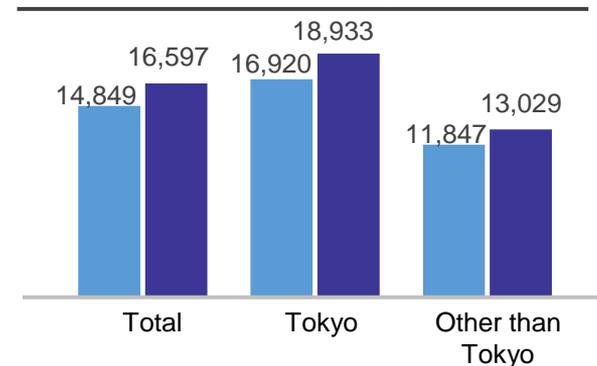


## Operating profit

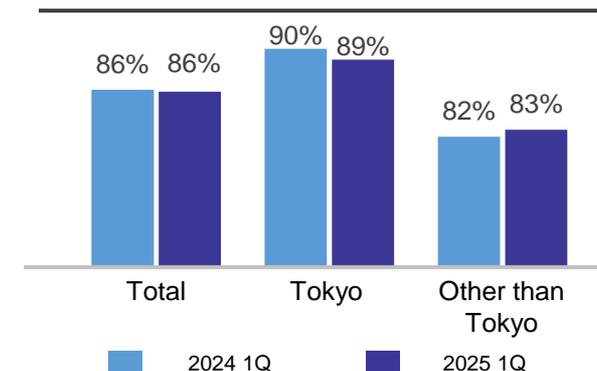
(Million yen)



## ADR (Yen)



## Occupancy Rate



\*Serviced apartments ISORAS CIKARANG is excluded for operational indicators

# Luxury & Banquet Business

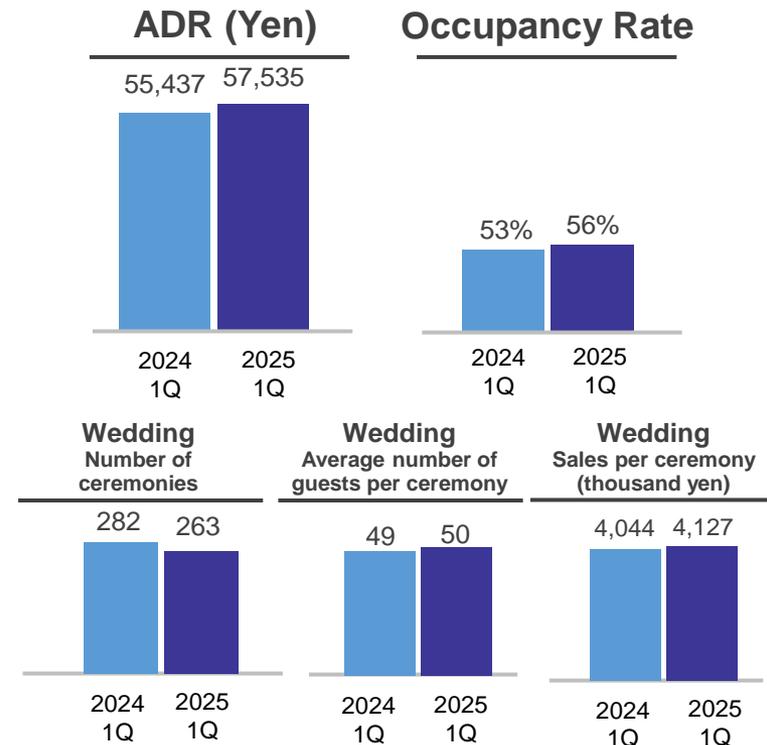
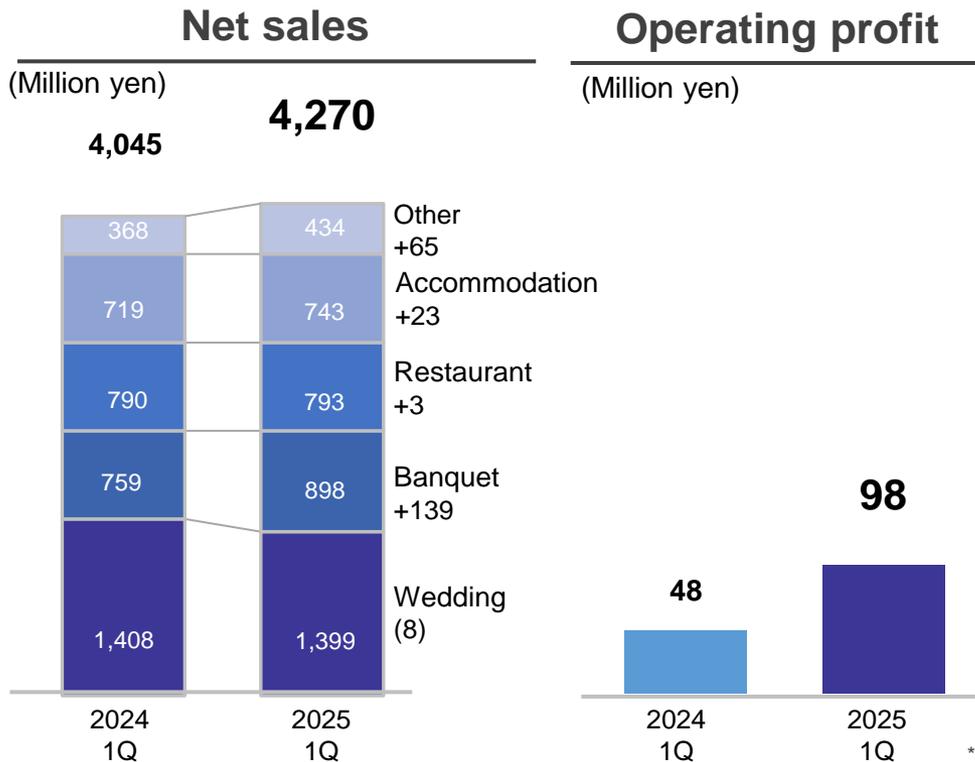
Sales grew, boosted largely by robust banquet sales

⇒ The business as a whole increased net sales by 220 million yen and operating profit by 40 million YoY

## Hotel Chinzanso Tokyo

- Banquet sales rose, buoyed by a higher number of large bookings such as appreciation parties
- Efforts were made to raise accommodation sales per use by enhancing the value added of products, especially suite rooms
- In the wedding business, sales per ceremony remained level, while number of ceremonies shrank

## Hotel Chinzanso Tokyo



\*Calculation of these three metrics did not include cases where only a ceremony was held 6

ADR and occupancy rate increased at Hakone Kowakien Ten-yu and Hakone Kowakien Hotel, contributing to higher sales

⇒ Net sales climbed by 110 million yen while operating profit declined by 20 million yen YoY for the business as a whole

Hakone Kowakien Ten-yu:

Focused on sales of high value added products; ADR remained high and occupancy rate rose

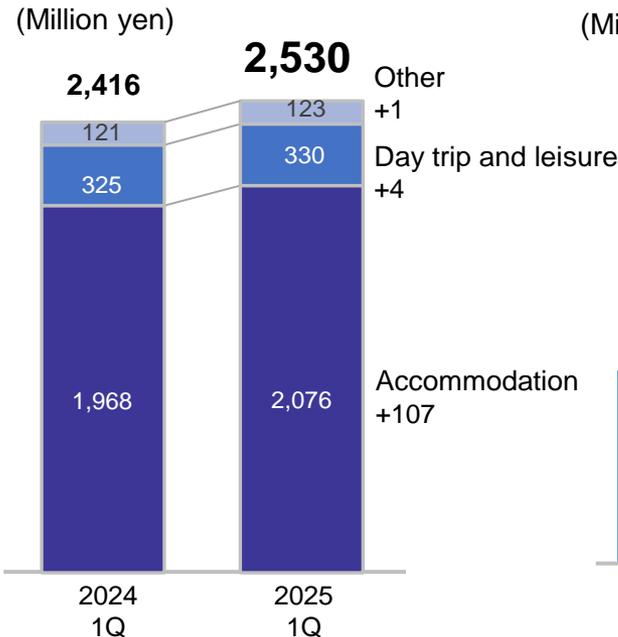
Hakone Kowakien Hotel:

Capture of weekday use by inbound visitors helped to raise ADR and occupancy rate

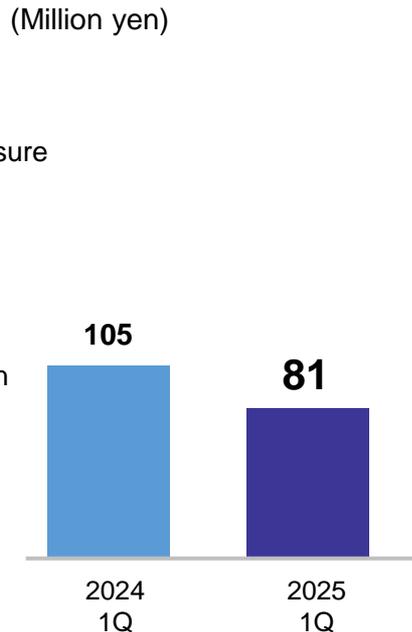
Hakone Kowakien Yunessun: Number of visitors fell YoY

Renovations were made to water slides and Mori No Yu to strengthen visitor attraction from Q2 onward

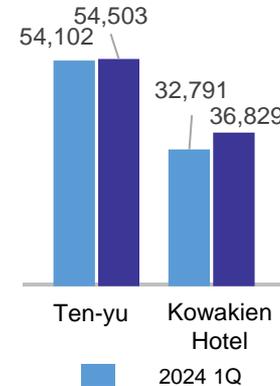
### Net sales



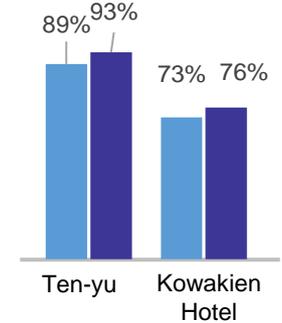
### Operating profit



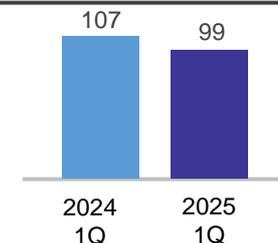
### ADR (Yen)



### Occupancy Rate



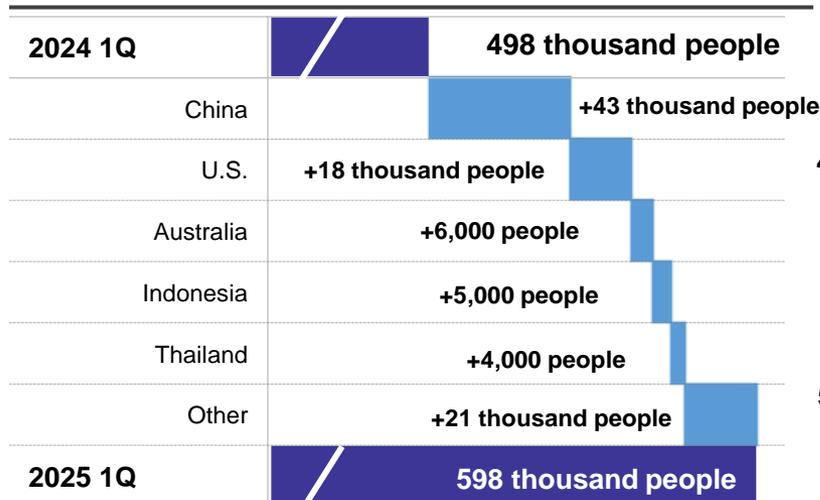
### Yunessun Visitors (thousand people)



# Status of Inbound Tourism

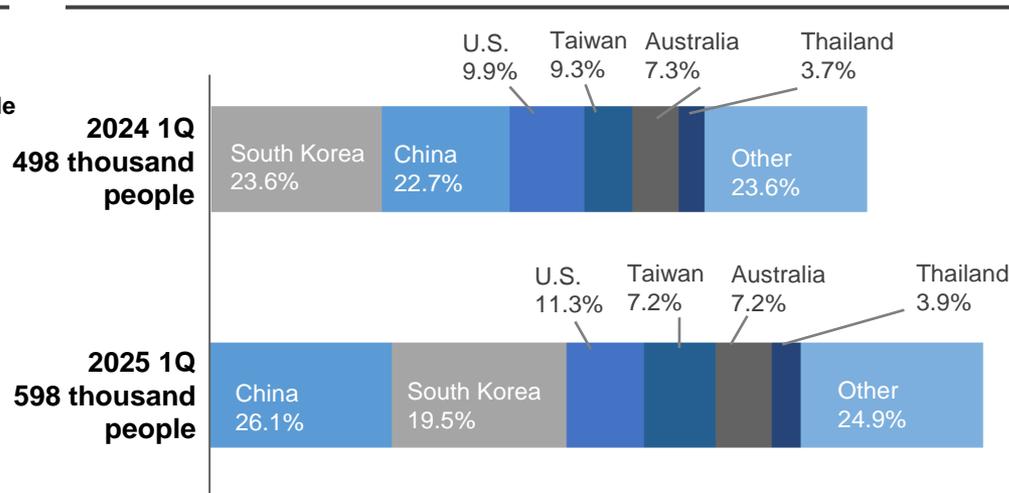
	2025 1Q Actual	YoY
Number of inbound accommodation guests (at domestic facilities only)	<b>598 thousand people</b>	+20.1%
Total number of accommodation guests (at domestic establishments only)	<b>1,065 thousand people</b>	+5.0%
Ratio of inbound guests	<b>56.1%</b>	+7.1%pt
WHG Total	<b>58.2%</b>	+6.9%pt
Hotel Gracery Shinjuku	<b>95.4%</b>	+2.1%pt
Shinjuku Washington Hotel (Main building and ANNEX)	<b>71.8%</b>	+5.2%pt
Hotel Chinzanso Tokyo	<b>29.5%</b>	+0.4%pt
Hakone Kowakien Ten-yu	<b>54.6%</b>	+13.3%pt
Hakone Kowakien Hotel	<b>22.0%</b>	+12.3%pt

Number of inbound accommodation guests  
Increase/Decrease by country



\*Figures for China include guests from Hong Kong

Number of inbound accommodation guests  
Breakdown by country



\*Set 498 thousand people and 598 thousand people as 100 percent for 2024 and for 2025, respectively

# Consolidated Balance Sheets

- Liabilities shrank by **4,850** million due to repayment of borrowings and other factors
- Net assets rose by **1,560** million yen YoY to **27,210** million yen

Unit: Million yen		End of March 2025	End of December 2024	Change
	<b>Current assets</b>	<b>20,295</b>	23,703	(3,407)
	<b>Non-current assets</b>	<b>70,451</b>	70,338	+113
	<b>Total assets</b>	<b>90,747</b>	94,041	(3,294)
	<b>Current liabilities</b>	<b>28,116</b>	31,217	(3,101)
	<b>Non-current liabilities</b>	<b>35,417</b>	37,172	(1,755)
	<b>Total liabilities</b>	<b>63,533</b>	68,389	(4,856)
	<b>Total net assets</b>	<b>27,214</b>	25,651	+1,562
	<b>Total liabilities and net assets</b>	<b>90,747</b>	94,041	(3,294)
	<b>Equity ratio</b>	<b>30.0%</b>	27.3%	+2.7%pt
	<b>Total borrowings</b>	<b>34,461</b>	37,429	(2,967)

## ➤ Hotel Chinzanso Tokyo is celebrating the Three-story Pagoda's relocation centennial

The Three-story Pagoda that overlooks Chinzanso Garden was relocated there from Chikurinji Temple in Higashihiroshima by Baron Fujita Heitaro in 1925.

This year is the centennial of the relocation and will be marked with a variety of commemorations, including "The Pagoda in the Clouds," delightfully magical scenery in which the pagoda will appear to hover above "The Tokyo Sea of Clouds" created in the garden.

Special website

<https://hotel-chinzanso-tokyo.com/page/100th-anniversary/>



## ➤ Renovations to Hakone Kowakien Yunessun

Two types of water slides have been added. Also, Mori No Yu, a full-scale hot spring spa for day visitors, now features renovations to the lobby and rest space that enable guests to enjoy even more relaxation after soaking in the baths.



A Line includes a 360° turn



B Line offers the new sensation of sliding through light hoops



Rest space at Mori No Yu

# Operational Indicators

		2024				2025
		1Q	2Q	3Q	4Q	1Q
WHG Total	Occupancy Rate	86%	86%	87%	90%	86%
	ADR	14,849	15,774	15,375	17,303	16,597
WHG Tokyo	Occupancy Rate	90%	88%	88%	91%	89%
	ADR	16,920	17,791	16,884	19,544	18,933
WHG other Than Tokyo	Occupancy Rate	82%	83%	86%	89%	83%
	ADR	11,847	12,728	13,158	14,038	13,029
Hotel Chinzanso Tokyo	Occupancy Rate	53%	70%	59%	72%	56%
	ADR	55,437	54,705	53,747	56,064	57,535
Hakone Kowakien Ten-yu	Occupancy Rate	89%	87%	85%	97%	93%
	ADR	54,102	53,113	55,218	55,085	54,503
Hakone Kowakien Hotel	Occupancy Rate	73%	81%	92%	79%	76%
	ADR	32,791	30,371	39,721	35,772	36,829
Hotel Chinzanso Tokyo	Wedding: number of ceremonies	282	385	263	563	263
	Wedding: sales per ceremony	4,044 thousand	3,868 thousand	3,894 thousand	3,934 thousand	4,127 thousand
	Wedding: average number of guests per ceremony	49	48	46	46	50
Hakone Kowakien Yunessun	Visitors	107 thousand people	97 thousand people	204 thousand people	90 thousand people	99 thousand people

# List of Facilities (As of May 9, 2025)

WHG Business				Resort Business		Luxury & Banquet Business	
<b>&lt;&lt;Lodging facilities&gt;&gt; 35 properties, 11,041 rooms</b>				<b>&lt;&lt;Lodging facilities&gt;&gt; 11 properties, 553 rooms</b>		<b>&lt;&lt;Lodging facilities&gt;&gt; 1 property, 265 rooms</b>	
<b>■ Washington Hotel</b> (20 properties, 6,619 rooms)		<b>■ Hotel Gracery</b> (10 properties, 3,198 rooms)		Hakone Kowakien Ten-yu	150 rooms	Hotel Chinzanso Tokyo 265 rooms	
Sendai	223 rooms	Sapporo	440 rooms	Hakone Kowakien Hotel	150 rooms	<b>&lt;&lt;Weddings&gt;&gt; 2 properties</b>	
Shinjuku (Main building, ANNEX)	1,617 rooms	Ginza	270 rooms	Hakone Kowakien Mikawayaya Ryokan	25 rooms	Remercier Motoujina (Hiroshima Pref.)	
Akihabara	369 rooms	Tamachi	216 rooms	Hakone Kowakien Miyama Furin	15 rooms	The South Harbor Resort (Hiroshima Pref.)	
Tokyo Bay Ariake	830 rooms	Asakusa	125 rooms	Ito Kowakien	50 rooms	<b>&lt;&lt;Leisure facilities&gt;&gt; 1 property</b>	
Yokohama Sakuragicho	553 rooms	Shinjuku	970 rooms	Ito Ryokuyu	7 rooms	Camellia Hills Country Club (Chiba Pref.)	
Urawa (scheduled to cease operation on August 31, 2025)	140 rooms	Kyoto Sanjo (North/South)	225 rooms	Fujino Kirameki Fuji Gotemba	24 rooms	<b>&lt;&lt;Restaurants&gt;&gt; 2 properties</b>	
Hiroshima	266 rooms	Osaka Namba	170 rooms	Hakujukan, Shinzen-no-yado, Eiheji Temple	18 rooms	University of Tokyo Ito International Research Center Restaurant [MC]	
Canal City, Fukuoka	423 rooms	Naha	198 rooms	Yugawara Onsen Chitose [MC]	38 rooms	Meiji University Shikonkan Foresta Chinzanso [MC]	
Yamagata Nanokamachi [FC]	213 rooms	Seoul	336 rooms	Hotel Yamanami [MC] (Yamanashi Pref.)	26 rooms	FC: Franchising model Ownership, management and operation all belong to owner companies. The Company licenses the brand usage rights and gives instruction on facility operation.  MC: Management contracting model Ownership and management belong to owner companies. The Company is entrusted with facility operation.	
Yamagata Eki Nishiguchi [FC]	100 rooms	Taipei	248 rooms	Towada Hotel [Business alliance]	50 rooms		
Aizu Wakamatsu [FC]	154 rooms			<b>&lt;&lt;Restaurants&gt;&gt; 3 properties</b>			
Koriyama [FC]	184 rooms	<b>■ Hotel Fujita</b> (1 property, 354 rooms)		Akashiatei (Akita Pref.)			
Iwaki [FC]	148 rooms	Fukui [FC]	354 rooms	Hakone Kowakien Soba Kihinkan			
Tachikawa [FC]	170 rooms			Hakone Kowakien Teppan Shabu Geihinkan			
Kisarazu [FC]	146 rooms	<b>■ HOTEL TAVINOS</b> (3 properties, 656 rooms)		<b>&lt;&lt;Leisure facilities&gt;&gt; 5 properties</b>			
Tsubame Sanjo [FC]	103 rooms	Hamamatsucho	188 Rooms	Hakone Kowakien Yunessun			
Kansai Airport [FC]	504 rooms	Asakusa	278 rooms	Hakone Kowakien Mori No Yu			
Kanku Izumiotsu [FC]	151 rooms	Kyoto	190 rooms	Hakone Kowakien Camp & Spa Yama No Ne			
Takarazuka [FC]	135 rooms			Fuji Camp Base Kirameki (within premises of Fujino Kirameki Fuji Gotemba)			
Sasebo [FC]	190 rooms	<b>■ Serviced apartments</b> (1 property, 214 rooms)		Shimoda Aquarium			
		ISORAS CIKARANG (Indonesia)	214 rooms				

# Company Overview

Listed exchange	Tokyo Stock Exchange Prime Market	
Company name	FUJITA KANKO INC.	
Stock code	9722	
Share unit	Ordinary shares: 100 shares	
	Class A preferred shares: 1 share	
Fiscal year	January 1 to December 31 of each year	
Record date	December 31	
Ex-dividend dates (ordinary shares)	December 31, and June 30 when interim dividends are issued	
Annual shareholders meeting	March of each year	
Total number of issued shares	Ordinary shares: 12,207,424 shares	Total: 12,207,444 shares
	Class A preferred shares: 20 shares	
Total number of authorized shares	Ordinary shares: 44,000,000 shares	Total: 44,000,150 shares
	Class A preferred shares: 150 shares	
Fiscal term	December 31 of each year	