

[Translation for reference only]

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

This is an English translation of the original Japanese-language document and is provided for convenience only. In all cases, the Japanese-language original shall prevail.



May 14, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 <under Japanese GAAP>

Company name: **Seibu Holdings Inc.**
Listing: Tokyo Stock Exchange
Securities code: 9024
URL: <https://www.seibuholdings.co.jp/en/>
Representative: NISHIYAMA Ryuichiro, President and Representative Director, COO
Inquiries: TATARA Yoshihiro, Managing Officer,
General Manager of Corporate Communication
Tel: +81-3-6709-3112

Scheduled date of annual general meeting of shareholders: June 24, 2025
Scheduled date to commence dividend payments: June 25, 2025
Scheduled date to file annual securities report: June 23, 2025
Preparation of supplementary results briefing material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Note: Millions of yen with fractional amounts truncated, unless otherwise noted)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	901,131	88.7	292,735	513.6	287,639	568.9	258,182	856.6
March 31, 2024	477,598	11.5	47,711	115.4	43,000	113.6	26,990	(52.4)

Note: Comprehensive income

For the fiscal year ended March 31, 2025: ¥274,564 million [324.1%]

For the fiscal year ended March 31, 2024: ¥64,741 million [(0.3)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	901.99	901.67	52.2	16.6	32.5
March 31, 2024	89.65	89.62	6.8	2.7	10.0

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2025: ¥36 million

For the fiscal year ended March 31, 2024: ¥(70) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	1,834,120	567,128	30.6	2,117.32
March 31, 2024	1,635,019	432,133	26.1	1,417.30

Reference: Equity (Net assets – Share acquisition rights – Non-controlling interests)

As of March 31, 2025: ¥561,577 million

As of March 31, 2024: ¥426,713 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	474,378	(93,692)	(136,394)	276,953
March 31, 2024	91,975	(43,933)	(42,438)	31,830

2. Cash Dividends

	Cash dividends per share					Total cash dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend on equity ratio* (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	–	12.50	–	12.50	25.00	8,082	27.9	2.2
March 31, 2025	–	15.00	–	25.00	40.00	12,769	4.4	2.7
Fiscal year ending March 31, 2026 (Forecast)	–	20.00	–	20.00	40.00		39.1	

* From the fiscal year ended March 31, 2025, the Company has disclosed the dividend on equity ratio (DOE) based on the shareholder return policy (the ratio of dividends to net assets was disclosed until the previous fiscal year).

**3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026
(from April 1, 2025 to March 31, 2026)**

(Percentages indicate year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ending September 30, 2025	258,000	2.3	27,000	(20.1)	25,000	(17.2)
Fiscal year ending March 31, 2026	511,000	(43.3)	40,000	(86.3)	36,000	(87.5)

	Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Yen
Six months ending September 30, 2025	16,000	(79.2)	62.05
Fiscal year ending March 31, 2026	26,000	(89.9)	102.30

*** Notes**

(1) Significant changes in scope of consolidation during the period: Yes

Newly included: 7 companies (SEIBU REAL ESTATE ASSET MANAGEMENT INC., etc.)

Excluded: 2 companies (Kawana Hotel Co., Ltd., etc.)

Note: For details, please refer to page 15 of the Attached Materials, “Notes on change in scope of consolidation or application of the equity method” of “(5) Notes to consolidated financial statements” under “3. Consolidated Financial Statements and Significant Notes Thereto.”

(2) Changes in accounting policies, changes in accounting estimates, and restatements of prior period financial statements

- | | |
|---|------|
| a. Changes in accounting policies due to revisions to accounting standards and other regulations: | Yes |
| b. Changes in accounting policies due to other reasons: | None |
| c. Changes in accounting estimates: | None |
| d. Restatements of prior period financial statements: | None |

Note: For details, please refer to page 15 of the Attached Materials, “Notes on changes in accounting policies” of “(5) Notes to consolidated financial statements” under “3. Consolidated Financial Statements and Significant Notes Thereto.”

(3) Number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	323,462,920 shares
As of March 31, 2024	323,462,920 shares

b. Number of treasury shares at the end of the period

As of March 31, 2025	58,232,238 shares
As of March 31, 2024	22,388,184 shares

c. Average number of outstanding shares during the period

Fiscal year ended March 31, 2025	286,238,172 shares
Fiscal year ended March 31, 2024	301,058,059 shares

- Notes: 1. The Company’s shares held by the share-based benefit trusts are included in the number of treasury shares at the end of the period (3,521,400 shares as of March 31, 2025 and 197,400 shares as of March 31, 2024). Also, the Company’s shares held by the share-based benefit trusts are included in treasury shares that are deducted for calculation of the average number of outstanding shares during the period (1,057,990 shares for the fiscal year ended March 31, 2025 and 212,585 shares for the fiscal year ended March 31, 2024).
2. The portion attributable to the Company of the treasury shares (shares of the Company) held by a consolidated subsidiary (which was an equity-method associate in the fiscal year ended March 31, 2024 but became a consolidated subsidiary with a deemed acquisition date of September 30, 2024) is included in the number of treasury shares at the end of the period (48,037,414 shares as of March 31, 2025 and 21,998,594 shares as of March 31, 2024). Furthermore, the portion attributable to the Company of the treasury shares (shares of the Company) held by a consolidated subsidiary (which was an equity-method associate in the fiscal year ended March 31, 2024 but became a consolidated subsidiary with a deemed acquisition date of September 30, 2024) is included in treasury shares that are deducted in the calculation of the average number of outstanding shares during the period (34,983,786 shares for the fiscal year ended March 31, 2025 and 21,998,594 shares for the fiscal year ended March 31, 2024).
3. For further details about the number of shares as a basis of calculation of basic earnings per share (consolidated), please refer to page 20 of the Attached Materials, “Notes on per share information” of “(5) Notes to consolidated financial statements” under “3. Consolidated Financial Statements and Significant Notes Thereto.”

(Reference) Overview of Non-Consolidated Financial Results

Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2025
(from April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	35,787	132.0	19,939	681.2	20,283	520.3	19,906	697.1
March 31, 2024	15,423	(65.1)	2,552	(92.0)	3,270	(89.9)	2,497	(92.0)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	61.97	61.95
March 31, 2024	7.73	7.73

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	955,362	345,364	36.1	1,101.91
March 31, 2024	1,021,232	365,929	35.8	1,132.08

Reference: Equity (Net assets)

As of March 31, 2025:

¥345,191 million

As of March 31, 2024:

¥365,744 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special notes

The business forecasts, targets, plans, forecasts and other forward-looking information of the Group contained in this material should be regarded as the judgment and thoughts of the Company at the present point in time, that have been created based on information currently available as of the release of this material. Actual results of earnings, financial position, etc. of the Group may differ significantly from the content of this material or the content surmised from this material due to various factors of uncertainty at the time of this material's preparation, including fluctuations in the state of domestic and global politics, economies and financial conditions, and the status of measures aimed for in "Overview of financial results for the fiscal year ended March 31, 2025" announced separately today.

About the matters regarding earnings forecasts (consolidated earnings forecasts for the fiscal year ending March 31, 2026), please refer to page 5 of the Attached Materials, "(4) Future outlook" under "1. Review of Operating Results and Others."

Contents of Attached Materials

1. Review of Operating Results and Others.....	2
(1) Review of operating results for the fiscal year ended March 31, 2025	2
(2) Review of financial position for the fiscal year ended March 31, 2025	3
(3) Review of cash flows for the fiscal year ended March 31, 2025	3
(4) Future outlook.....	5
(5) Basic policy on profit distribution and dividends for the current period and the following period	5
2. Basic Rationale for Selecting the Accounting Standard	6
3. Consolidated Financial Statements and Significant Notes Thereto.....	7
(1) Consolidated balance sheet	7
(2) Consolidated statements of income and comprehensive income.....	9
Consolidated statement of income.....	9
Consolidated statement of comprehensive income	10
(3) Consolidated statements of changes in equity	11
(4) Consolidated statements of cash flows	13
(5) Notes to consolidated financial statements	15
Notes on premise of going concern.....	15
Notes on change in scope of consolidation or application of the equity method	15
Notes on changes in accounting policies	15
Additional information.....	16
Notes on consolidated statement of income	16
Notes on significant changes in the amount of shareholders' equity.....	16
Notes on segment information, etc.	16
Notes on per share information	20
Notes on significant events after the reporting period	21

1. Review of Operating Results and Others

(1) Review of operating results for the fiscal year ended March 31, 2025

To summarize our management results for the fiscal year ended March 31, 2025, such factors as capturing firm inbound tourist demand in domestic hotel operations, favorable sales from non-commuter passes in railway operations, and the securitization of Tokyo Garden Terrace Kioicho, leading to operating revenue of ¥901,131 million, up ¥423,532 million, or 88.7%, year on year. Operating profit was ¥292,735 million, an increase of ¥245,023 million, or 513.6%, year on year, due to increased revenue. EBITDA was ¥347,125 million, an increase of ¥245,257 million, or 240.8%, year on year.

Ordinary profit was ¥287,639 million, an increase of ¥244,639 million, or 568.9%, year on year, and profit attributable to owners of parent was ¥258,182 million, an increase of ¥231,191 million, or 856.6%, year on year, due to increased revenue and the acquisition of additional shares of NW Corporation (hereinafter “NW”), making it a consolidated subsidiary of the Company.

Operating results for the fiscal year ended March 31, 2025, in each segment were as follows.

Reportable segments were changed from the fiscal year ended March 31, 2025.

(Millions of yen)

Segment	Operating revenue			Operating profit			EBITDA		
	For the year ended March 31, 2025	Change from previous year	Change (%)	For the year ended March 31, 2025	Change from previous year	Change (%)	For the year ended March 31, 2025	Change from previous year	Change (%)
Real Estate	480,608	401,528	507.8	237,617	224,900	–	248,118	223,882	923.8
Hotel and Leisure	241,259	13,149	5.8	18,640	(840)	(4.3)	33,708	(1,359)	(3.9)
Urban Transportation and Regional	152,667	3,841	2.6	11,315	(1,977)	(14.9)	33,962	(683)	(2.0)
Other	51,297	6,423	14.3	2,064	627	43.6	6,625	962	17.0
Total	925,832	424,942	84.8	269,637	222,709	474.6	322,415	222,801	223.7
Adjustments	(24,701)	(1,409)	–	23,097	22,314	–	24,709	22,455	996.4
Consolidated	901,131	423,532	88.7	292,735	245,023	513.6	347,125	245,257	240.8

Notes: 1. Adjustments mainly consist of elimination of inter-company transactions.

2. EBITDA is calculated by adding depreciation and amortization of goodwill to operating profit.

3. From the fiscal year ended March 31, 2025, to remodel the pet business together with DAY ONE INC., which was made a consolidated subsidiary in April 2024, the segment of Seibu Pet Care Co., Ltd. was changed from “Hotel and Leisure” to “Other.” To facilitate year-on-year comparison, the figures for the previous fiscal year have been restated to conform with the changed segment structure.

Real Estate

Operating revenue in the Real Estate business was ¥480,608 million, an increase of ¥401,528 million, or 507.8%, year on year, due to the securitization of Tokyo Garden Terrace Kioicho. Operating profit was ¥237,617 million, an increase of ¥224,900 million, year on year (compared with the operating profit of ¥12,716 million for the previous fiscal year), due to increased revenue. EBITDA was ¥248,118 million, an increase of ¥223,882 million, or 923.8%, year on year.

Hotel and Leisure

Operating revenue in the Hotel and Leisure business was ¥241,259 million, an increase of ¥13,149 million, or 5.8%, year on year, as the business captured firm inbound tourist demand in domestic hotel operations as well as worked to increase prices. Operating profit was ¥18,640 million, a decrease of ¥840 million or 4.3% year on year, despite increased revenue, due to repairs and other measures aimed at maintaining and improving the functionality of our buildings, using the funds from the securitization of Tokyo Garden Terrace Kioicho. EBITDA was ¥33,708 million, a decrease of ¥1,359 million or 3.9% year on year.

Urban Transportation and Regional

Operating revenue in the Urban Transportation and Regional business was ¥152,667 million, an

increase of ¥3,841 million, or 2.6%, year on year, as the business promoted non-commuter-pass use and the use of leisure facilities. Operating profit was ¥11,315 million, a decrease of ¥1,977 million, or 14.9%, year on year due to an increase in depreciation caused by higher capital investments and rises in electric power and personnel expenses. EBITDA was ¥33,962 million, a decrease of ¥683 million, or 2.0%, year on year.

Other

Operating revenue in the Other business was ¥51,297 million, an increase of ¥6,423 million or 14.3% year on year, as plans to enhance digital advertisement, starting in FY2024, led to the operations of Seibu Railway Co., Ltd.'s advertising business getting transferred to Blue Muse Co., Ltd. (company name changed to Seibu Media Communications Co., Ltd. on April 1, 2025), which runs Seibu Group's content business. In addition, there was an increase in the number of spectators for the professional baseball team Saitama Seibu Lions. Despite an increase in expenses associated with the transfer mentioned above, higher operating revenue at Seibu Lions, Inc. and other factors resulted in segment operating profit of ¥2,064 million, an increase of ¥627 million, or 43.6%, year on year, and EBITDA was ¥6,625 million, an increase of ¥962 million, or 17.0%, year on year.

For detailed review of the Group's operating results, please refer to our Overview of financial results, which was posted today (May 14, 2025) on both TDnet and the Company's website (<https://www.seibuholdings.co.jp/en/>).

(2) Review of financial position for the fiscal year ended March 31, 2025

Assets

Total current assets as of March 31, 2025 stood at ¥359,816 million, up ¥258,553 million from the previous fiscal year-end. The increase was due mainly to an increase in cash and deposits of ¥202,327 million.

Total non-current assets amounted to ¥1,474,304 million, down ¥59,452 million from the previous fiscal year-end. The decrease was due mainly to a decrease in property, plant and equipment of ¥83,202 million.

As a result of the above, total assets stood at ¥1,834,120 million, up ¥199,101 million from the previous fiscal year-end.

Liabilities

Total current liabilities as of March 31, 2025 stood at ¥430,079 million, up ¥44,973 million from the previous fiscal year-end. The increase was due mainly to an increase in income taxes payable of ¥81,892 million.

Non-current liabilities amounted to ¥836,912 million, up ¥19,133 million from the previous fiscal year-end. The increase was due mainly to an increase in deferred tax liabilities of ¥58,642 million.

As a result of the above, total liabilities stood at ¥1,266,992 million, up ¥64,106 million from the previous fiscal year-end.

Net assets

Total net assets as of March 31, 2025 stood at ¥567,128 million, up ¥134,994 million from the previous fiscal year-end. The increase was due mainly to the recording of profit attributable to owners of parent of ¥258,182 million and an increase in treasury shares of ¥132,479 million.

Equity-to-asset ratio stood at 30.6%, up 4.5 percentage points from the previous fiscal year-end.

(3) Review of cash flows for the fiscal year ended March 31, 2025

Cash and cash equivalents (hereinafter "cash") as of March 31, 2025 increased ¥245,123 million compared to the end of the previous fiscal year to ¥276,953 million.

Cash flows from operating activities

Net cash provided by operating activities was ¥474,378 million after recording profit before income taxes of ¥349,813 million and making adjustments for depreciation, decrease in inventories, and income taxes paid, and cash inflow increased by ¥382,402 million compared with the previous fiscal year.

Cash flows from investing activities

Net cash used in investing activities was ¥93,692 million, and cash outflow increased by ¥49,758 million compared with the previous fiscal year. The increase was due mainly to an increase in purchase of property, plant and equipment and intangible assets.

Cash flows from financing activities

Net cash used in financing activities was ¥136,394 million, and cash outflow increased by ¥93,956 million compared with the previous fiscal year. The increase was due mainly to an increase in repayment of borrowings and an increase in purchase of treasury shares.

The Group's cash flow indices were as follows.

	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2025
Equity-to-asset ratio (%)	18.3	23.5	26.1	30.6
Equity-to-asset ratio based on market value (%)	22.4	25.8	44.6	47.7
Interest-bearing debt to cash flow ratio (Years)	15.9	11.8	8.3	1.4
Interest coverage ratio (Times)	6.4	8.7	12.3	62.2

- Notes: 1. Equity-to-asset ratio: Equity / Total assets
2. Equity-to-asset ratio based on market value: Market capitalization / Total assets
3. Interest-bearing debt to cash flow ratio: Interest-bearing debt / Operating cash flow
4. Interest coverage ratio: Operating cash flow / Interest payments
5. The above indices are calculated based on consolidated financial figures.
6. Market capitalization is calculated as follows: Final stock price at end of period x Total number of issued shares at end of period (excluding treasury shares).
7. The figure for operating cash flow is "net cash provided by operating activities" on the consolidated statement of cash flows. Interest-bearing debt refers to all debt posted on the consolidated balance sheet for which interest is paid. Furthermore, regarding the interest payments, we use "interest paid" on the consolidated statement of cash flows.

(4) Future outlook

The fiscal year ending March 31, 2026 is the second year of the FY2024-FY2026 Seibu Group's Medium-term Management Plan, based on the "Seibu Group's Long-term Strategy to 2035." The consolidated earnings forecast for the fiscal year is for operating revenue of ¥511.0 billion, a decrease of 43.3% from the fiscal year ended March 31, 2025, mainly due to the absence of the securitization of Tokyo Garden Terrace Kioicho that was carried out in the fiscal year ended March 31, 2025, despite factors including the increasing RevPAR driven by price increases in the Hotel and Leisure business and the increase in passenger transportation sales in the Urban Transportation and Regional business. In addition to the decrease in operating revenue, operating profit is forecast to be ¥40.0 billion, a decrease of 86.3% from the previous fiscal year, mainly due to increases in personnel expenses including wage increases, as well as in expenses associated with increased capital investments for enhancing safety and security. We expect EBITDA to be ¥98.0 billion (down 71.8% year on year).

Forecasts for operating revenue, operating profit, and EBITDA by segment are as follows.

	Operating revenue													
	Real Estate		Hotel and Leisure		Urban Transportation and Regional		Other		Total		Adjustments		Consolidated earnings forecast	
Six months ending September 30, 2025	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%
Fiscal year ending March 31, 2026	43.4	10.6	121.4	2.9	76.8	0.9	32.6	6.1	274.4	3.8	(16.4)	—	258.0	2.3
	83.4	(82.6)	252.3	4.6	154.9	1.5	53.8	5.0	544.5	(41.2)	(33.5)	—	511.0	(43.3)

Note: Adjustments mainly consist of elimination of inter-company transactions.

	Operating profit													
	Real Estate		Hotel and Leisure		Urban Transportation and Regional		Other		Total		Adjustments		Consolidated earnings forecast	
Six months ending September 30, 2025	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%
Fiscal year ending March 31, 2026	7.2	24.1	8.8	(34.2)	7.5	(24.8)	3.9	(8.0)	27.6	(18.0)	(0.6)	—	27.0	(20.1)
	8.3	(96.5)	23.4	25.6	7.8	(30.6)	1.5	(26.8)	41.0	(84.8)	(1.0)	—	40.0	(86.3)

Note: Adjustments mainly consist of elimination of inter-company transactions.

	EBITDA													
	Real Estate		Hotel and Leisure		Urban Transportation and Regional		Other		Total		Adjustments		Consolidated earnings forecast	
Six months ending September 30, 2025	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%	Billion yen	%
Fiscal year ending March 31, 2026	12.0	4.1	17.2	(17.1)	18.8	(10.0)	6.2	(3.5)	54.4	(9.1)	0.5	(37.2)	55.0	(9.5)
	17.5	(92.9)	41.1	22.0	31.6	(6.7)	6.3	(3.9)	96.7	(70.0)	1.2	(94.8)	98.0	(71.8)

Note: Adjustments mainly consist of elimination of inter-company transactions.

Ordinary profit is expected to be ¥36.0 billion, down 87.5% year on year. Profit attributable to owners of parent is expected to be ¥26.0 billion, down 89.9% year on year. For more details, please refer to "Regarding the Progress in "FY2024-FY2026 Seibu Group's Medium-term Management Plan" and Management Taking Into Account Capital Costs and the Stock Price" announced separately today.

(5) Basic policy on profit distribution and dividends for the current period and the following period

In terms of our shareholder return policy in the "Seibu Group's Long-term Strategy to 2035" disclosed on May 9, 2024, while prioritizing growth investment that leads to an increase in corporate value, we

have set forth stable and continuous enhancement of shareholder returns as goals. As the dividend policy, we will adopt a progressive dividends approach with a minimum DOE of 2.0% starting with this plan, thereby aiming to deliver stable dividend payments and raise dividends through higher earnings. We will also conduct purchases of treasury shares flexibly taking our balance sheet into account.

Regarding the year-end dividends for the fiscal year ended March 31, 2025, we are increasing our dividends by using part of the funds obtained in excess of our plans from the securitization of Tokyo Garden Terrace Kioicho and have decided to pay a year-end dividend of ¥25 per share (annual dividend of ¥40 yen per share including the interim dividend of ¥15 yen per share).

Regarding the annual dividend for the fiscal year ending March 31, 2026, after giving comprehensive consideration to the consolidated earnings forecasts for the fiscal year ending March 31, 2026 and to the status of funds described in “(4) Future outlook,” we plan to pay a dividend of ¥40 per share (interim dividend ¥20, year-end dividend ¥20).

2. Basic Rationale for Selecting the Accounting Standard

Although the Group is preparing its consolidated financial statements in accordance with the accounting principles generally accepted in Japan, it is deliberating over future application of international financial reporting standards (IFRSs) while keeping track of trends inside and outside Japan.

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	32,996	235,323
Notes and accounts receivable - trade, and contract assets	33,461	31,238
Securities	—	49,954
Real estate for sale	4,866	6,924
Merchandise and finished goods	1,134	1,164
Costs on construction contracts in progress	104	115
Raw materials and supplies	3,738	4,354
Other	25,061	30,833
Allowance for doubtful accounts	(100)	(93)
Total current assets	101,263	359,816
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,228,769	1,160,393
Accumulated depreciation and impairment	(743,255)	(732,212)
Buildings and structures, net	485,513	428,181
Machinery, equipment and vehicles	310,295	317,487
Accumulated depreciation and impairment	(248,174)	(249,688)
Machinery, equipment and vehicles, net	62,120	67,798
Land	650,787	587,248
Leased assets	18,808	19,831
Accumulated depreciation and impairment	(4,375)	(4,666)
Leased assets, net	14,433	15,164
Construction in progress	150,465	177,661
Other	89,400	94,215
Accumulated depreciation and impairment	(71,807)	(72,558)
Other, net	17,592	21,656
Total property, plant and equipment	1,380,913	1,297,711
Intangible assets		
Leased assets	17	15
Other	23,412	30,614
Total intangible assets	23,430	30,629
Investments and other assets		
Investment securities	86,710	86,672
Long-term loans receivable	267	264
Retirement benefit asset	29,158	38,003
Deferred tax assets	2,653	2,380
Other	10,897	18,998
Allowance for doubtful accounts	(275)	(356)
Total investments and other assets	129,412	145,963
Total non-current assets	1,533,756	1,474,304
Total assets	1,635,019	1,834,120

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,065	19,810
Short-term borrowings	136,202	67,315
Lease liabilities	1,149	1,176
Income taxes payable	7,600	89,492
Advances received	118,841	136,569
Provision for bonuses	6,327	5,799
Other provisions	1,855	2,250
Asset retirement obligations	45	57
Other	93,019	107,609
Total current liabilities	385,106	430,079
Non-current liabilities		
Bonds payable	50,000	50,000
Long-term borrowings	560,271	535,064
Long-term accounts payable to Japan railway construction, transport and technology agency	4,020	3,464
Lease liabilities	11,088	11,649
Deferred tax liabilities	117,205	175,848
Deferred tax liabilities for land revaluation	7,760	7,986
Provision for retirement benefits for directors (and other officers)	424	390
Provision for share awards for directors (and other officers)	342	651
Other provisions	115	2,232
Retirement benefit liability	17,556	15,319
Asset retirement obligations	1,056	924
Liabilities from application of equity method	14,905	—
Other	33,030	33,381
Total non-current liabilities	817,778	836,912
Total liabilities	1,202,885	1,266,992
Net assets		
Shareholders' equity		
Share capital	50,000	50,000
Capital surplus	96,261	97,139
Retained earnings	258,479	508,816
Treasury shares	(53,011)	(185,490)
Total shareholders' equity	351,730	470,465
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27,783	25,994
Revaluation reserve for land	11,454	11,300
Foreign currency translation adjustment	20,327	29,780
Remeasurements of defined benefit plans	15,418	24,036
Total accumulated other comprehensive income	74,983	91,112
Share acquisition rights	184	173
Non-controlling interests	5,235	5,377
Total net assets	432,133	567,128
Total liabilities and net assets	1,635,019	1,834,120

(2) Consolidated statements of income and comprehensive income**Consolidated statement of income**

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Operating revenue	477,598	901,131
Operating expenses		
Operating expenses and cost of sales of transportation	388,551	556,821
Selling, general and administrative expenses	41,335	51,574
Total operating expenses	429,887	608,396
Operating profit	47,711	292,735
Non-operating income		
Interest income	23	332
Dividend income	1,157	1,323
Subsidy to keep a bus on a regular route	955	1,059
Share of profit of entities accounted for using equity method	–	36
Foreign exchange gains	750	–
Other	1,606	1,527
Total non-operating income	4,494	4,278
Non-operating expenses		
Interest expenses	7,561	7,674
Share of loss of entities accounted for using equity method	70	–
Other	1,573	1,699
Total non-operating expenses	9,205	9,373
Ordinary profit	43,000	287,639
Extraordinary income		
Gain on sale of non-current assets	7,465	4,881
Contribution received for construction	2,450	2,466
Subsidy income	108	291
Gain on sale of investment securities	1,162	757
Income related to transfer of leasehold interests in land	*1 10,800	–
Gain on bargain purchase	–	*2 54,096
Gain on step acquisitions	–	*3 11,628
Other	1,411	1,819
Total extraordinary income	23,398	75,939
Extraordinary losses		
Impairment losses	17,278	7,221
Loss on sale of non-current assets	25	396
Loss on retirement of non-current assets	1,934	2,165
Tax purpose reduction entry of contribution for construction	2,442	2,463
Loss on tax purpose reduction entry of non-current assets	103	240
Loss on sale of investment securities	35	–
Loss on valuation of investment securities	0	210
Other	936	1,068
Total extraordinary losses	22,756	13,765
Profit before income taxes	43,642	349,813
Income taxes - current	9,684	89,324
Income taxes - deferred	6,426	2,034
Total income taxes	16,111	91,359
Profit	27,530	258,453
Profit attributable to non-controlling interests	540	271
Profit attributable to owners of parent	26,990	258,182

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	27,530	258,453
Other comprehensive income		
Valuation difference on available-for-sale securities	19,555	(1,788)
Revaluation reserve for land	—	(169)
Foreign currency translation adjustment	4,915	9,453
Remeasurements of defined benefit plans, net of tax	12,739	8,615
Total other comprehensive income	37,210	16,110
Comprehensive income	64,741	274,564
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	64,148	274,313
Comprehensive income attributable to non-controlling interests	593	251

(3) Consolidated statements of changes in equity

Previous fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	50,000	96,519	241,154	(53,174)	334,499
Changes during period					
Dividends of surplus			(9,791)		(9,791)
Profit attributable to owners of parent			26,990		26,990
Reversal of revaluation reserve for land			126		126
Disposal of treasury shares		(0)		163	162
Change in ownership interest of parent due to transactions with non-controlling interests		(257)			(257)
Net changes in items other than shareholders' equity					
Total changes during period	-	(257)	17,325	163	17,230
Balance at end of period	50,000	96,261	258,479	(53,011)	351,730

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	8,227	11,580	15,431	2,711	37,951	193	4,988	377,633
Changes during period								
Dividends of surplus								(9,791)
Profit attributable to owners of parent								26,990
Reversal of revaluation reserve for land								126
Disposal of treasury shares								162
Change in ownership interest of parent due to transactions with non-controlling interests								(257)
Net changes in items other than shareholders' equity	19,555	(126)	4,895	12,706	37,031	(8)	246	37,269
Total changes during period	19,555	(126)	4,895	12,706	37,031	(8)	246	54,500
Balance at end of period	27,783	11,454	20,327	15,418	74,983	184	5,235	432,133

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	50,000	96,261	258,479	(53,011)	351,730
Changes during period					
Dividends of surplus			(7,847)		(7,847)
Profit attributable to owners of parent			258,182		258,182
Reversal of revaluation reserve for land			1		1
Purchase of treasury shares				(31,847)	(31,847)
Disposal of treasury shares		(10)		276	265
Change in ownership interest of parent due to transactions with non-controlling interests		888			888
Change in treasury shares arising from change in equity in consolidated subsidiaries				(100,908)	(100,908)
Net changes in items other than shareholders' equity					
Total changes during period	-	878	250,336	(132,479)	118,735
Balance at end of period	50,000	97,139	508,816	(185,490)	470,465

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	27,783	11,454	20,327	15,418	74,983	184	5,235	432,133
Changes during period								
Dividends of surplus								(7,847)
Profit attributable to owners of parent								258,182
Reversal of revaluation reserve for land								1
Purchase of treasury shares								(31,847)
Disposal of treasury shares								265
Change in ownership interest of parent due to transactions with non-controlling interests								888
Change in treasury shares arising from change in equity in consolidated subsidiaries								(100,908)
Net changes in items other than shareholders' equity	(1,788)	(153)	9,453	8,617	16,128	(11)	141	16,259
Total changes during period	(1,788)	(153)	9,453	8,617	16,128	(11)	141	134,994
Balance at end of period	25,994	11,300	29,780	24,036	91,112	173	5,377	567,128

(4) Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	43,642	349,813
Depreciation	53,538	53,688
Impairment losses	17,278	7,221
Amortization of goodwill	618	702
Retirement benefit expenses	(2,869)	(2,466)
Increase (decrease) in provision for bonuses	437	(544)
Increase (decrease) in retirement benefit liability	(583)	(405)
Decrease (increase) in retirement benefit asset	1,695	1,217
Increase (decrease) in allowance for doubtful accounts	(24)	69
Interest and dividend income	(1,181)	(1,655)
Interest expenses	7,561	7,674
Share of loss (profit) of entities accounted for using equity method	70	(36)
Contribution received for construction	(2,450)	(2,466)
Subsidy income	(108)	(291)
Loss (gain) on sale of investment securities	(1,126)	(757)
Loss (gain) on valuation of investment securities	0	210
Loss (gain) on sale of non-current assets	(7,439)	(4,484)
Loss on retirement of non-current assets	1,934	2,165
Tax purpose reduction entry of contribution for construction	2,442	2,463
Loss on tax purpose reduction entry of non-current assets	103	240
Gain on bargain purchase	—	(54,096)
Loss (gain) on step acquisitions	—	(11,628)
Other extraordinary loss (income)	(181)	617
Decrease (increase) in trade receivables	(3,264)	2,357
Decrease (increase) in inventories	(180)	139,040
Decrease (increase) in accounts receivable - other	(2,543)	(930)
Increase (decrease) in trade payables	2,328	(523)
Increase (decrease) in advances received	1,791	3,354
Increase (decrease) in accrued consumption taxes	(4,565)	4,909
Other, net	(1,255)	(6,961)
Subtotal	105,669	488,497
Interest and dividends received	2,354	1,647
Interest paid	(7,454)	(7,625)
Income taxes refund (paid)	(8,594)	(8,141)
Net cash provided by (used in) operating activities	91,975	474,378

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Payments into time deposits	(1,038)	(119)
Proceeds from withdrawal of time deposits	120	116
Purchase of investment securities	(375)	(2,822)
Proceeds from sale of investment securities	2,828	1,105
Purchase of property, plant and equipment and intangible assets	(70,381)	(107,958)
Proceeds from sale of property, plant and equipment and intangible assets	10,268	6,833
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(37)	(5,907)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	298
Proceeds from contribution received for construction	16,879	15,471
Other, net	(2,197)	(710)
Net cash provided by (used in) investing activities	(43,933)	(93,692)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(12,395)	(53,935)
Proceeds from long-term borrowings	30,176	25,751
Repayments of long-term borrowings	(45,984)	(66,128)
Repayments of accounts payable to Japan railway construction, transport and technology agency	(2,252)	(617)
Repayments of lease liabilities	(1,327)	(1,412)
Dividends paid	(9,770)	(7,835)
Dividends paid to non-controlling interests	(41)	(39)
Purchase of treasury shares	—	(31,847)
Proceeds from sale of treasury shares	143	254
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(562)	(148)
Other, net	(424)	(436)
Net cash provided by (used in) financing activities	(42,438)	(136,394)
Effect of exchange rate change on cash and cash equivalents	486	831
Net increase (decrease) in cash and cash equivalents	6,089	245,123
Cash and cash equivalents at beginning of period	25,741	31,830
Cash and cash equivalents at end of period	31,830	276,953

(5) Notes to consolidated financial statements**Notes on premise of going concern**

Not applicable.

Notes on change in scope of consolidation or application of the equity method**Significant changes in the scope of consolidation**

Because SEIBU REAL ESTATE ASSET MANAGEMENT INC. and SEIBU REAL ESTATE PROPERTY MANAGEMENT INC. were newly established in the current fiscal year, they have been included in the scope of consolidation.

Because the Company acquired shares in DAY ONE INC., Oku Japan KK, and OXALIS HOLIDAYS LIMITED, they have been included in the scope of consolidation.

Because the Company newly invested in Blue Thunder Limited Liability Anonymous Partnership in the current fiscal year, it has been included in the scope of consolidation.

Because Kawana Hotel Co., Ltd. and Shimoda Prince Hotel, Inc. were merged with our consolidated subsidiary SEIBU PRINCE HOTELS WORLDWIDE INC. in the current fiscal year, they have been excluded from the scope of consolidation.

Because the Company acquired additional shares in NW Corporation in the current fiscal year, it has been removed from the application of equity method and included in the scope of consolidation.

Significant changes in the scope of application of equity method

Because the Company acquired additional shares in NW Corporation during the current fiscal year, it has been removed from the application of equity method and included in the scope of consolidation.

Notes on changes in accounting policies**Application of “Accounting Standard for Current Income Taxes” and other relevant ASBJ regulations**

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) and other relevant ASBJ regulations from the beginning of the fiscal year ended March 31, 2025.

Previously, calculated amounts of corporate taxes, inhabitants taxes and enterprise taxes on earnings, etc. (“current income taxes”) were recorded in profit or loss in accordance with laws and regulations. Moving forward, current income taxes on earnings will be recorded in profit or loss, shareholders’ equity, or other comprehensive income according to the transaction, etc. from which those taxes were incurred. Concerning current income taxes recorded in accumulated other comprehensive income, when a transaction, etc., which is the reason for said current income taxes to be applied, is recorded in profit or loss, the corresponding amount of tax will be recorded in profit or loss. Additionally, if the transaction, etc. subject to taxation is related to shareholders’ equity or other comprehensive income in addition to profit or loss, and it is difficult to calculate the amount of current income taxes to be applied to shareholders’ equity or other comprehensive income, the amount of such taxes will be recorded in profit or loss.

In addition, concerning the treatment of tax effects in the event that a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, previously, when a company that sold the aforementioned shares of subsidiaries, etc. recorded deferred tax assets or deferred tax liabilities in relation to temporary differences of the gain or loss on sale of the aforementioned items in its financial statements, the Company did not adjust the amounts of deferred tax assets or deferred tax liabilities relating to the aforementioned temporary differences in preparing consolidated settlement of accounts. However, the Company now reverses the deferred tax assets or deferred tax liabilities relating to the aforementioned temporary differences.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Application Guidance of 2022”). This has no effect on the consolidated financial statements.

In addition, for revisions related to the review of the treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Company has applied the Revised Application Guidance of 2022 from the beginning of the fiscal year ended March 31, 2025. The change in the accounting policy has been applied retrospectively. Therefore, the new accounting policy was reflected in the consolidated financial statements for the previous fiscal year. This has no effect on the consolidated financial statements.

Additional information

Change in holding purpose

As of March 31, 2025, ¥141,708 million of property, plant and equipment and intangible assets have been transferred to real estate for sale as a result of a change in purpose for holding.

A portion of the assets transferred in the fiscal year ended March 31, 2025 was sold, and ¥139,540 million was recorded as cost of sales.

Notes on consolidated statement of income

***1. Income related to transfer of leasehold interests in land**

Income related to transfer of leasehold interests in land recorded in the fiscal year ended March 31, 2024 was income related to transfer of leasehold interests in land that arose when there was a change of lessee of land owned by Seibu Railway Co., Ltd., a consolidated subsidiary of the Company.

***2. Gain on bargain purchase**

A gain on bargain purchase was recorded in the fiscal year ended March 31, 2025 in conjunction with NW Corporation, which had been an equity-method associate, becoming a consolidated subsidiary.

***3. Gain on step acquisitions**

A gain on step acquisitions was recorded in the fiscal year ended March 31, 2025 in conjunction with NW Corporation, which had been an equity-method associate, becoming a consolidated subsidiary.

Notes on significant changes in the amount of shareholders' equity

The Company's consolidated subsidiary SEIBU REALTY SOLUTIONS INC. (currently SEIBU REAL ESTATE INC.) acquired additional shares of NW Corporation, an equity-method associate of the Company (hereinafter “NW”) on August 2, 2024 and September 26, 2024 by way of transfer from shareholders of NW, and on August 2, 2024, NW became a consolidated subsidiary of the Company. In conjunction with this, the portion attributable to the Company of the treasury shares (shares of the Company) held by NW has changed. As a result, treasury shares increased by ¥132,479 million during the fiscal year ended March 31, 2025, resulting in treasury shares of ¥185,490 million as of March 31, 2025.

Notes on segment information, etc.

(a) Segment information

The business segment information for the Company and its consolidated subsidiaries for the years ended March 31, 2024 and 2025 was as follows:

1. Overview of the reportable segments

The reportable segments of the Group are components for which discrete financial information

is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and to assess performance.

The Group operates its business in Japan and overseas. Considering the characteristics of each business, significance and size, the Group has developed three reportable segments: “Real Estate,” “Hotel and Leisure,” and “Urban Transportation and Regional.”

From the fiscal year ended March 31, 2025, to remodel the pet business together with DAY ONE INC., which was made a consolidated subsidiary in April 2024, the segment of Seibu Pet Care Co., Ltd. was changed from “Hotel and Leisure” to “Other.” Accordingly, the figures for the fiscal year ended March 31, 2024 have been restated to conform with the changed segment structure.

The reportable segments, and their respective principal business operations are as follows:

- | | |
|---|--|
| (i) Real Estate | Development and rental business, Investment management business, Management business, etc. |
| (ii) Hotel and Leisure | Domestic hotel operations (ownership / lease), Domestic hotel operations (MC / FC), Overseas hotel operations (ownership / lease), Overseas hotel operations (MC / FC), Sports operations (ownership / lease), Sports operations (MC / FC), etc. |
| (iii) Urban Transportation and Regional | Railway operations, Bus operations, Lifestyle service operations along railway lines, Sports operations, etc. |

2. Method for calculating the amounts of operating revenue, profit (loss), assets and other items by reportable segment

With regard to the currency translation of revenues and expenses of overseas subsidiaries, etc. into Japanese yen, the Group uses the assumed exchange rate that was used in budget-making. Inter-segment operating revenue and transfer are based on the prevailing market prices. Segment profit is substantially the same as operating profit.

3. Information about operating revenue, profit (loss), assets and other items by reportable segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Real Estate	Hotel and Leisure	Urban Transportation and Regional	Other (Note 1)	Total	Adjustments (Note 2)	Amount in the consolidated financial statement (Note 3)
Operating revenue							
Operating revenue from external customers	68,309	224,935	144,541	39,811	477,598	—	477,598
Inter-segment operating revenue and transfer	10,770	3,174	4,284	5,063	23,291	(23,291)	—
Total	79,079	228,109	148,826	44,874	500,890	(23,291)	477,598
Segment profit	12,716	19,481	13,292	1,437	46,927	783	47,711
Segment assets	413,369	577,383	606,154	68,470	1,665,378	(30,358)	1,635,019
Other items							
Depreciation	11,519	15,587	21,353	4,226	52,686	851	53,538
Increase in property, plant and equipment and intangible assets	11,923	14,477	32,087	2,227	60,716	592	61,309

(Notes) 1. “Other” consists of the Izuhakone business, Ohmi business, Sports business and New businesses.

2. Details of adjustments are as follows:

- (1) Adjustments for operating revenue of ¥(23,291) million mainly consist of elimination of inter-company transactions.

- (2) Adjustments for segment profit of ¥783 million mainly consist of elimination of inter-company transactions.
- (3) Adjustments for segment assets of ¥(30,358) million mainly consist of elimination of inter-company transactions. The amount of corporate assets which are not allocable to the reportable segments, such as surplus funds (cash and deposits), is ¥12,308 million.
- (4) Adjustments for increase in property, plant and equipment and intangible assets of ¥592 million are mainly due to elimination of inter-company transactions.
3. Segment profit has been reconciled with operating profit in the consolidated statement of income.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Real Estate	Hotel and Leisure	Urban Transportation and Regional	Other (Note 1)	Total	Adjustments (Note 2)	Amount in the consolidated financial statement (Note 3)
Operating revenue							
Operating revenue from external customers	468,672	239,881	146,461	46,116	901,131	—	901,131
Inter-segment operating revenue and transfer	11,935	1,377	6,206	5,181	24,701	(24,701)	—
Total	480,608	241,259	152,667	51,297	925,832	(24,701)	901,131
Segment profit	237,617	18,640	11,315	2,064	269,637	23,097	292,735
Segment assets	255,628	606,918	637,657	79,247	1,579,452	254,668	1,834,120
Other items							
Depreciation	10,490	15,068	22,647	4,534	52,740	947	53,688
Increase in property, plant and equipment and intangible assets	18,318	35,570	44,294	3,597	101,780	1,471	103,251

- (Notes) 1. “Other” consists of the Izuhakone business, Ohmi business, Sports business and New businesses.
2. Details of adjustments are as follows:
- (1) Adjustments for operating revenue of ¥(24,701) million mainly consist of elimination of inter-company transactions.
- (2) Adjustments for segment profit of ¥23,097 million mainly consist of elimination of inter-company transactions.
- (3) Adjustments for segment assets of ¥254,668 million mainly consist of elimination of inter-company transactions. The amount of corporate assets which are not allocable to the reportable segments, such as surplus funds (cash and deposits), is ¥258,878 million.
- (4) Adjustments for increase in property, plant and equipment and intangible assets of ¥1,471 million are mainly due to elimination of inter-company transactions.
3. Segment profit has been reconciled with operating profit in the consolidated statement of income.

(b) Impairment losses on non-current assets or goodwill, etc. by reportable segment

Impairment loss on non-current assets

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Real Estate	Hotel and Leisure	Urban Transportation and Regional	Other	Unallocated amount and elimination	Total
Impairment losses	2,063	15,097	—	117	—	17,278

- (Note) The amount in “Other” consists of an amount relating to Izuhakone business and Ohmi business.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Real Estate	Hotel and Leisure	Urban Transportation and Regional	Other	Unallocated amount and elimination	Total
Impairment losses	4,399	2,807	–	14	–	7,221

(Note) The amount in “Other” consists of an amount relating to Izuhakone business, Ohmi business, and New businesses.

Significant gain on bargain purchase

The Company’s consolidated subsidiary SEIBU REALTY SOLUTIONS INC. (currently SEIBU REAL ESTATE INC.) acquired additional shares of NW Corporation, and negative goodwill arose in conjunction with the said company becoming a consolidated subsidiary of the Company. The amount of gain on bargain purchase recorded due to this event was ¥54,096 million for the fiscal year ended March 31, 2025.

Gain on bargain purchase is recorded as an extraordinary income, but is not allocated to the reportable segment.

Notes on per share information

(Yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Net assets per share	1,417.30	2,117.32
Basic earnings per share	89.65	901.99
Diluted earnings per share	89.62	901.67

(Notes) 1. The basis for calculation of net assets per share is as follows:

	Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Total net assets (Millions of yen)	432,133	567,128
Amounts deducted from total net assets (Millions of yen)	5,420	5,550
[Of the above, share acquisition rights (Millions of yen)]	[184]	[173]
[Of the above, non-controlling interests (Millions of yen)]	[5,235]	[5,377]
Net assets related to common shares (Millions of yen)	426,713	561,577
Number of common shares used to calculate net assets per share (share)	301,074,736	265,230,682

2. The basis for calculation of basic earnings per share and diluted earnings per share is as follows:

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	26,990	258,182
Amounts not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent related to common shares (Millions of yen)	26,990	258,182
Average number of outstanding common shares during period (share)	301,058,059	286,238,172
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (Millions of yen)	—	—
Increase in the number of common shares (share)	103,848	100,641
[Of the above, share acquisition rights (share)]	[103,848]	[100,641]
Overview of potential shares not included in the calculation of diluted earnings per share because of having no dilutive effect	—	—

3. Shares of the Company retained in trust and recorded as treasury shares under shareholders' equity are included in treasury shares deducted from total number of issued shares at end of period when calculating net assets per share. Moreover, in calculating basic earnings per share, they are included in the number of treasury shares deducted from the average number of outstanding shares during period.

The number of treasury shares at end of period deducted in calculating net assets per share for the fiscal year ended March 31, 2024 was 197,400, and for the fiscal year ended March 31, 2025 was 3,521,400. The average number of treasury shares during period deducted in calculating the basic earnings per share for the fiscal year ended March 31, 2024 was 212,585, and for the fiscal year ended March 31, 2025 was 1,057,990.

4. The portion attributable to the Company of the treasury shares (shares of the Company) held by a consolidated subsidiary (which was an equity-method associate in the fiscal year ended March 31, 2024 but became a consolidated subsidiary with a deemed acquisition date of September 30, 2024) and recorded as treasury shares under shareholders' equity is included in the number of treasury shares that are deducted from total number of issued shares at end of period when calculating net assets per share. Moreover, in calculating basic earnings per share, it is included in treasury shares that are deducted in the calculation of the average number of outstanding shares during the period.

The number of treasury shares at end of period deducted in calculating net assets per share for the fiscal years ended March 31, 2024 was 21,998,594, and for the fiscal year ended March 31, 2025 was 48,037,414. The

average number of treasury shares during period deducted in calculating the basic earnings per share for the fiscal years ended March 31, 2024 was 21,998,594, and for the fiscal year ended March 31, 2025 was 34,983,786.

Notes on significant events after the reporting period

Significant reorganizations

The Company resolved at the Board of Directors meeting held on December 12, 2024 to transfer a part of the Real Estate business of its consolidated subsidiary, Seibu Railway Co., Ltd. ('SR') to another consolidated subsidiary of the Company, SEIBU REALTY SOLUTIONS INC. ('SRS'; currently SEIBU REAL ESTATE INC.) through an absorption-type company split effective April 1, 2025, and concluded an absorption-type company split agreement on the same day.

In addition, the Company resolved at the Board of Directors meeting held on the same day to transfer a part of the Real Estate business of SRS to its consolidated subsidiary, SEIBU REAL ESTATE PROPERTY MANAGEMENT INC. ('SPM') through an absorption-type company split effective April 1, 2025, and concluded an absorption-type company split agreement on the same day.

The details are as follows.

(1) Background and objectives of the Company split

"Seibu Group's Long-term Strategy to 2035" announced on May 9, 2024, sets out a "Growth strategy centered on the Real Estate business" that leverages the Group's strengths in light of the rapidly changing external environment surrounding the Group and ongoing changes in society. In our core Real Estate business, we have shifted to a direction that aims for profitable growth based on both an "ownership model (a model to earn rental revenue premised on ownership)" and a "capital recycling model (a model to grow by continuously securitizing real estate and reinvesting funds from securitization)." As part of our efforts to develop a structure to achieve this capital recycling model, we will reorganize our organization to strengthen the expertise of each function in the Real Estate business, with the aim of making a leap forward to become a general real estate company.

As part of this effort, a portion of the real estate owned by SR was transferred to SRS through an absorption-type company split on April 1, 2025, in order to realize real estate value by consolidating the real estate owned by the Group in SRS. In addition, the property management ('PM')/construction management ('CM') function of SRS was transferred to SPM through an absorption-type company split on April 1, 2025.

With this move, we are aiming to achieve our growth strategy by improving the expertise and strengthening competitiveness, with SRS as the developer responsible for ownership, management, and development, and SPM as a real estate management company responsible for PM/CM, respectively.

(2) Overview of the Company split

(i) Schedule

Execution of absorption-type company split agreement: December 12, 2024

Effective date of absorption-type company split agreement: April 1, 2025

(ii) Method of the Company split

Company split in which SR is the splitting company and SRS is the successor company in an absorption-type split

Company split in which SRS is the splitting company and SPM is the successor company in an absorption-type split

(iii) Details of allocation of the company split

Not applicable.

(3) Overview of accounting treatment adopted

In accordance with the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, January 16, 2019) and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, January 16, 2019), the Company accounted for the business combination as a transaction under common control.