

[Translation for Reference Purposes Only]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

This is an English translation of an original document in Japanese and is only being provided for convenience.
In all cases, the original Japanese version shall take precedence.

May 14, 2025

For Immediate Release

Company Name	Seibu Holdings Inc.
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Regarding the Progress in “FY2024-FY2026 Seibu Group’s Medium-term Management Plan” and Management Taking Into Account Capital Costs and the Stock Price

Seibu Group announced the “Seibu Group’s Long-term Strategy to 2035” and “FY2024-FY2026 Medium-term Management Plan” for the three-year period ending with FY2026 on May 9, 2024. In this regard, the Group is reporting on recent progress of the plan and announcing a revision to the plan targets for the fiscal year ending March 31, 2026.

During FY2024, the Group has marked the first step toward achieving sustainable growth centered on the Real Estate business, as one of the Seibu Group’s “Challenges,” by securitizing Tokyo Garden Terrace Kioicho to realize approximately ¥400.0 billion, an initiative the Group is leveraging as its greatest driving force. Additionally, in the Hotel and Leisure business, the Group continues to capture inbound demand and raise prices, while in the Urban Transportation and Regional business, we are steadily promoting initiatives aimed at increasing the value of areas along our railway lines, such as by advancing projects for continuous grade separation. In FY2025 and beyond, we aim to maximize revenue by starting a new 4-company structure in the Real Estate business segment and implementing capital recycling. In the Hotel and Leisure business, we continue our plans toward achieving a structure of 250 hotels in Japan and abroad, while in the Urban Transportation and Regional business, we will undertake various initiatives with safety and security as the core of our operations, in order to create railway corridors that people want to live in and want to visit.

After considering the initiatives in FY2024 and the plan for FY2025, we have revised respective plan targets for FY2025 announced on May 9, 2024. In FY2025, despite the reductions to operating profit due to rent loss in connection with the liquidation of Tokyo Garden Terrace Kioicho, operating profit overall has maintained the same level as a result of revenue-increasing factors, including revenue from the Hotel and Leisure business and fare income from the Urban Transportation and Regional business. In the Urban Transportation and Regional business, in order to ensure the sustainable railway business operations and provide high-quality, comfortable services, Seibu Railway Co., Ltd. has applied for approval to revise fares, scheduled for implementation in March 2026. However, the plan targets for FY2026 do not reflect the impact of the fare revision. Going forward, by steadily proceeding with various activities, we will continue to manage the business with an awareness of improving capital efficiency, while aiming to achieve operating profit of 100.0 billion yen or more in FY2035.

Please see the attachment to this release for details.

Plan targets for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

	Operating revenue	Operating profit	EBITDA	Ordinary profit	Profit attributable to owners of parent	Equity-to-asset ratio	Net interest-bearing debt/EBITDA ratio
Financial forecast (A) (Announced on May 9, 2024)	Millions of yen 504,000	Millions of yen 40,000	Millions of yen 101,000	Millions of yen 33,000	Millions of yen 25,000	26.0%	8.3
Revised forecast (B)	511,000	40,000	98,000	36,000	26,000	31.0%	6.1
Difference (B - A)	7,000	0	(3,000)	3,000	1,000	5.0pt	(2.2)
Change (%)	1.4%	0.0%	(3.0)%	9.1%	4.0%	—	—

(Note) 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 the currently announced plan.

Progress of the Seibu Group's Medium-Term Management Plan (FY2024–FY2026) and management taking into account capital costs and the stock price

May 14, 2025

Seibu Holdings Inc. (9024)

<https://www.seibuholdings.co.jp/en/>

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 - Reference: Review of key indicators (Trends in PER)
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- IR activities (Dialogue with investors)

【Appendix】 • Value Creation Narrative

01. Executive Summary

Investment highlights

Partially edited reproduction of materials disclosed on May 9, 2024 concerning “Seibu Group’s Long-term Strategy to 2035 and FY2024-FY2026 Seibu Group’s Medium-term Management Plan”

Seibu Group
Smiles ahead

01 Achieving Sustainable Growth Centered on the Real Estate Business

- (1) To pursuit capital efficiency, transitioning from a business model based on ownership to one that grows through both capital recycling* and ownership.
- (2) Implementing securitization without exceptions, starting with Tokyo Garden Terrace Kioicho, and optimizing the business portfolio through capital recycling.
 1. Generation of unrealized gains through securitization (all properties owned by the Seibu Group are subject to this)
 2. Reinvesting funds obtained through securitization to maximize real estate value (NAV growth)
 - Clarifying focus areas, collaborating with external partners, and inviting executive advisors
 - Redevelopment in urban areas (Takanawa, Shinagawa, Shibakoen)
 - Redevelopment along the Seibu Railway Line (Seibu-Shinjuku and Takadanobaba)
 - Full-scale resort development (Karuizawa, Hakone, Furano, Nikko, etc.)
 - Acquiring new properties
 3. Introducing Seibu ROIC as a measure of capital efficiency
 4. Enhancing asset management functions to cycle capital recycling

* A business model that grows by continuously reinvesting funds from securitization and reinvestment

02 Capturing inbound demand, continuing raising price, and building a structure of 250 hotels in Japan and abroad to Price Raising in Hotel and Leisure business

03 Prioritizing growth investments that lead to an increase in corporate value while ensuring stable and continuous enhancement of shareholder returns

1. Dividend policy: Introduced a progressive dividend with a lower limit of DOE 2.0% to achieve increased dividends through profit growth, in addition to stable dividends.
2. Share buybacks: Implemented flexibly based on the balance sheet situation

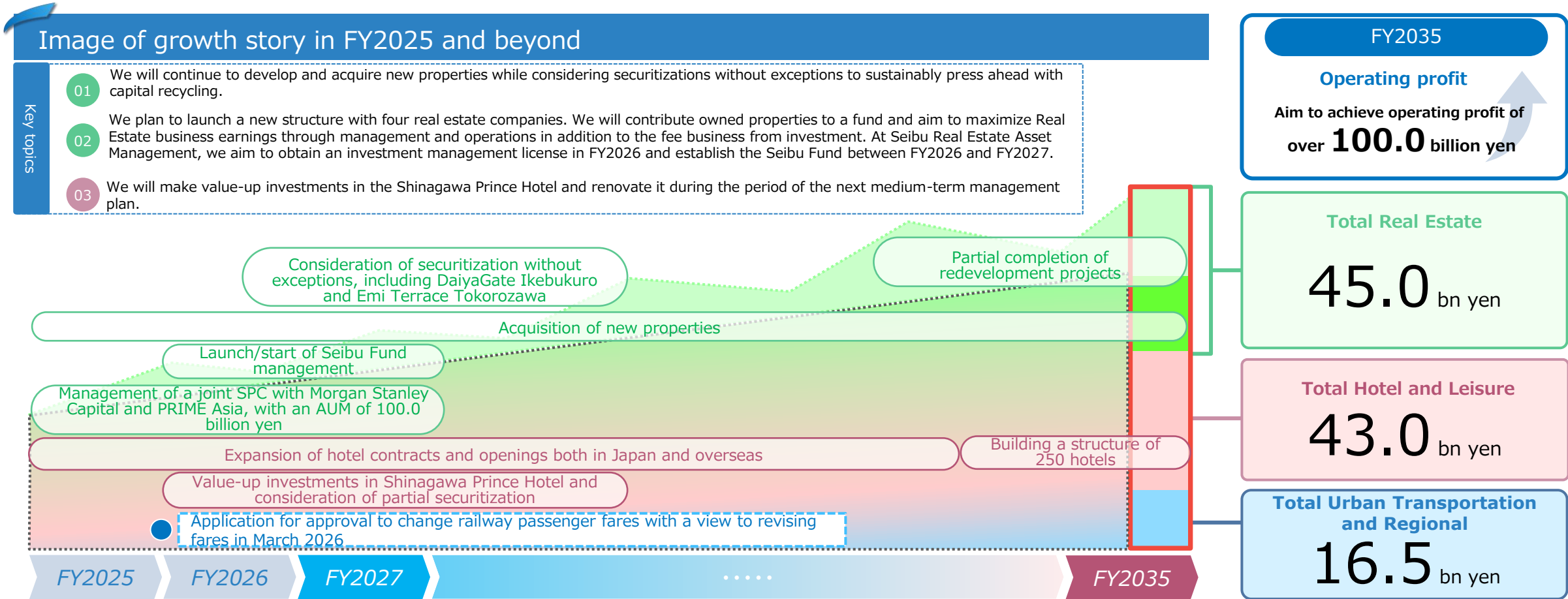
04 Strengthening corporate governance as a foundation for implementing new long-term strategies and medium-term management plans

Main initiatives in FY2024

Investment highlights	Main initiatives in FY2024
<div>01</div> <div>Achieving Sustainable Growth Centered on the Real Estate Business</div>	<ul style="list-style-type: none">• We carried out the securitization of Tokyo Garden Terrace Kioicho and also acquired five new properties as part of our capital recycling efforts.• We signed a basic agreement on a partnership with Morgan Stanley Capital and PRIME Asia.• We opened Emi Terrace Tokorozawa in September 2024.
<div>02</div> <div>Capturing inbound demand, continuing raising price, and building a structure of 250 hotels in Japan and abroad to improve profitability in Hotel and Leisure business</div>	<ul style="list-style-type: none">• We achieved a RevPAR growth rate that exceeded the STR Japan market. FY2024: +18.4% (vs +0.9pt in STR Japan market)• In progress toward establishing a network of 250 hotels in Japan and overseas, we signed two contracts and opened one hotel in Japan, and signed one contract and opened one hotel overseas.• In April 2024, we combined the domestic and international loyalty programs to establish the Seibu Prince Global Rewards program.
<div>03</div> <div>Prioritizing growth investments that lead to an increase in corporate value while ensuring stable and continuous enhancement of shareholder returns</div>	<ul style="list-style-type: none">• With a focus on providing long-term and continuous returns to shareholders, we raised our dividend for FY2024 to 40 yen per share annually (and maintained our progressive dividend policy).• In aiming to improve capital efficiency (BS control, improvements in ROE and EPS), we kicked off a 70.0 billion yen share buyback program in December 2024 (continuing through to December 2025).
<div>04</div> <div>Strengthening corporate governance as a foundation for implementing new long-term strategies and medium-term management plans</div>	<ul style="list-style-type: none">• To strengthen the structure of the Real Estate business, we appointed Masayuki Ishihara as a director effective June 21, 2024.• Also effective June 21, 2024, Yoko Kobayashi, Masami Takahashi, and Yuichi Ikeda were newly appointed as outside Directors, bringing the ratio of outside directors to 42.9%. We also reassessed the director skills matrix.• We took steps to make the Nomination Advisory Committee and the Remuneration Advisory Committee comprised entirely of independent outside Directors, thereby further enhancing transparency and fairness in order to achieve an effective corporate governance system.• NW Corporation eliminated its ability to exercise voting rights in the Company, and we are currently considering making it a wholly owned subsidiary in the future.

Growth story in FY2025 and beyond

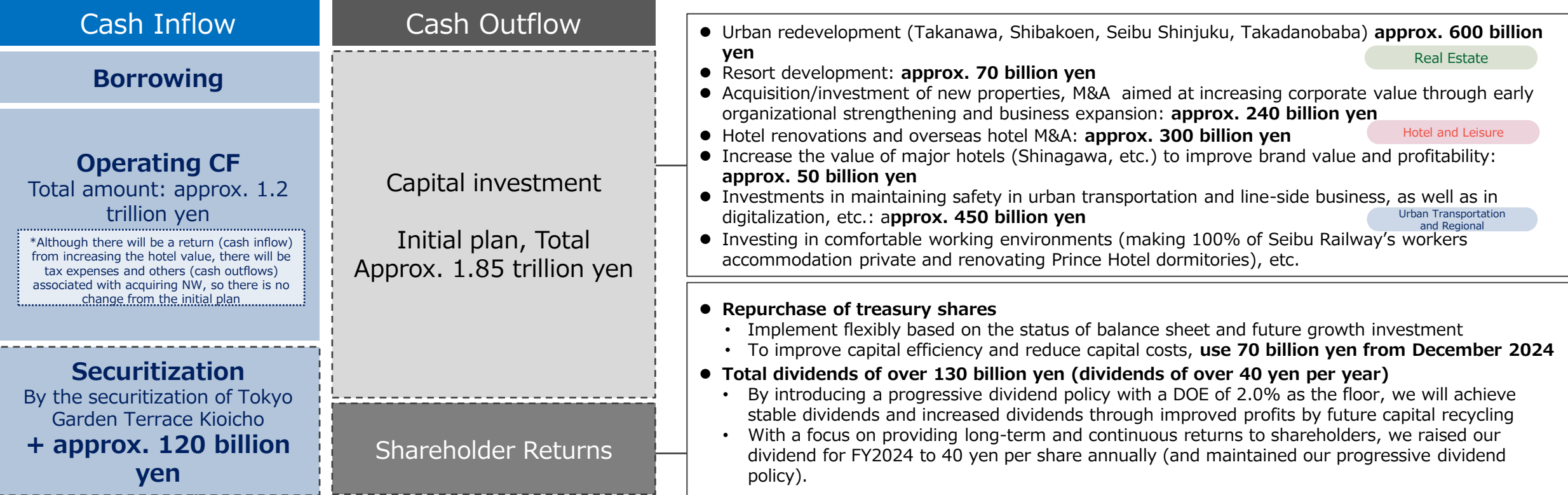
- In FY2024, we securitized Tokyo Garden Terrace Kioicho and acquired five new properties. We achieved capital recycling by allocating funds obtained from securitization to value-up investments in major hotels (such as Shinagawa Prince Hotel) and to redevelopment and resort development. We will further contribute to the development of local communities.
- In FY2025 and beyond, we will continue to promote a growth story centered on the Real Estate business. We will actively use funds obtained through continuous capital recycling for growth strategies, such as value-up investments, redevelopment, and resort development. By doing so, we will pursue steady growth in NAV and aim to improve the adjusted PBR and further enhance our share price, thereby creating sustainable corporate value.



Cash allocations from FY2024 to FY2035

Partially edited reproduction of materials disclosed on December 12, 2024 “Use of Funds from Liquidation of Tokyo Garden Terrace Kioicho”

- While prioritizing **growth investment**, we also expand **shareholder returns**.
- In addition to the investments planned in the long-term strategy, in order to deepen the strategy (capturing further inbound demand in the hotel and leisure business and continuing to raise prices), we will make **investments to increase the value of major hotels (Shinagawa, etc.)** for increasing the value of our brand and profitability (while adhering to investment discipline).
 - Accelerate investment in human resources, the source of growth (such as realizing the best treatment in the industry and unprecedented investment in education to improve service levels in order to achieve Seibu Group’s Long-term Strategy to 2035) as well. Also continue efforts for natural capital including forest conservation, as well as for social and relationship capital.
- **Implement share buybacks** with the aim of increasing future NAV through improved capital efficiency (B/S control, improved ROE and EPS) and the realization of long-term strategy effects. Also **increase dividends** based on the idea of providing continuous long-term returns to shareholders.



FY2025 earnings forecast assumptions

- Reflecting the following changes from the initial plan, we plan a consolidated operating profit of 40 billion yen. (The figures are at the same level as those in the “Seibu Group’s Long-term Strategy to 2035 FY2024-FY2026 Medium-term Management Plan” materials released on May 9, 2024)

Real Estate

There are some reductions in operating profit compared to the initial plan (in terms of properties owned, approx. 5.0 billion yen Tokyo Garden Terrace Kioicho), but we expect securitization of residences, as we work to hit the target AUM of 100 billion yen for a joint SPC with Morgan Stanley Capital K.K. and PRIME Asia.

Hotel and Leisure

Despite delays in construction work at Mauna Kea Beach Hotel leading to an extension in the period of closure, we expect initiatives to raise prices in the domestic hotel operations as a whole to result in earnings exceeding the initial plan.

Urban Transportation and Regional

Due to transportation sales at Seibu Railway and Seibu Bus exceeding forecasts, we expect earnings to overshoot the initial plan.

All businesses

We expect depreciation to increase as a result of the steady execution of capital investment. Personnel expenses are expected to rise as a result of wage increases of 5-7% (periodic increase/increase in basic wage) at the four main companies.

Investment highlights

(Quantitative targets / Medium-term management plan)



- Quantitative goals for the fiscal year 2035

PL	Operating profit	Management Indicators	ROE
	Over 100 billion yen		Over 10 %

- Projected Figures for FY2024-FY2026

***We will disclose any changes to the projected figures for FY2026 after the impact of the topics mentioned on P.54 has been fully scrutinized.**

The projected figures for FY2026 (disclosed in the materials dated May 9, 2024, titled 'Seibu Group Long-term Strategy to 2035 and Medium-term Management Plan (FY2024–FY2026)') include earnings from the securitized Tokyo Garden Terrace Kioicho. However, the impact of the fare revisions (scheduled for March 2026) currently under approval application by Seibu Railway is not reflected.

(billions of yen)

		FY2023 Results	FY2024 Results	FY2025 Budget	FY2026 Plan
PL	Operating profit	47.7	292.7	40.0	41.0
	EBITDA	101.8	347.1	98.0	106.0
	Profit attributable to owners of parent	26.9	258.1	26.0	22.0
BS	Total assets	1,635.0	1,834.1	1,702.0	1,823.0
	Total liabilities	1,202.8	1,267.0	1,168.0	1,346.0
	Total net assets	432.1	567.1	534.0	477.0
	Equity	426.7	561.5	528.0	471.0
	Net interest-bearing debt	730.6	384.2	596.0	888.0
Management Indicators	Seibu ROIC (%)	2.5	16.1	2.3	1.9
	ROE (%)	6.8	52.2	4.8	4.8
	ROA (%)	1.7	14.9	1.5	1.3

02. Growth story in FY2025 and beyond

Aims of the Seibu Group's Long-term Strategy to 2035

Reproduction of materials disclosed on December 12, 2024 "Use of Funds from Liquidation of Tokyo Garden Terrace Kioicho"

- In "Seibu Group's Long-term Strategy to 2035," we aim to achieve the outcome "Resilience & Sustainability - Creating irreplaceable space and time along with safety and security" and improve total stakeholder satisfaction.
- While continuing to implement sustainable capital recycling following the securitization of Tokyo Garden Terrace Kioicho, which serves as the greatest driving force, we will generate returns that exceed our capital costs and take on the next "challenge" to open up a new future.



Positioning of the current Medium-Term Management Plan

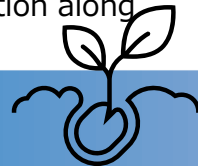
Partially edited reproduction of materials disclosed on May 9, 2024 concerning “Seibu Group’s Long-term Strategy to 2035 and FY2024-FY2026 Seibu Group’s Medium-term Management Plan”

Seibu Group Long-Term Strategy 2035

In the Seibu Group’s long-term strategy, the current Medium-Term Management Plan is positioned as a “seed-sowing” phase

I Seed-sowing

- Start of capital recycling business (Securitization of Kioicho and acquisition of new properties)
- Continued resort development
- Launch of full-scale roll-out to 250 hotels
- Enhanced capital investment for sustainable development of the railway business
- Continued value creation along railway lines



New Medium-Term Management Plan FY2024-FY2026

II Development

- Continuation of capital recycling business (Securitization of developed properties, acquisition and securitization of new properties)
- Redevelopment construction at full pace (Steady progress along the construction schedule)
- Partial completion of resorts and continued development
- Continued development of 250 hotels
- Continued value creation along railway lines



FY2027-FY2029

III Fruition

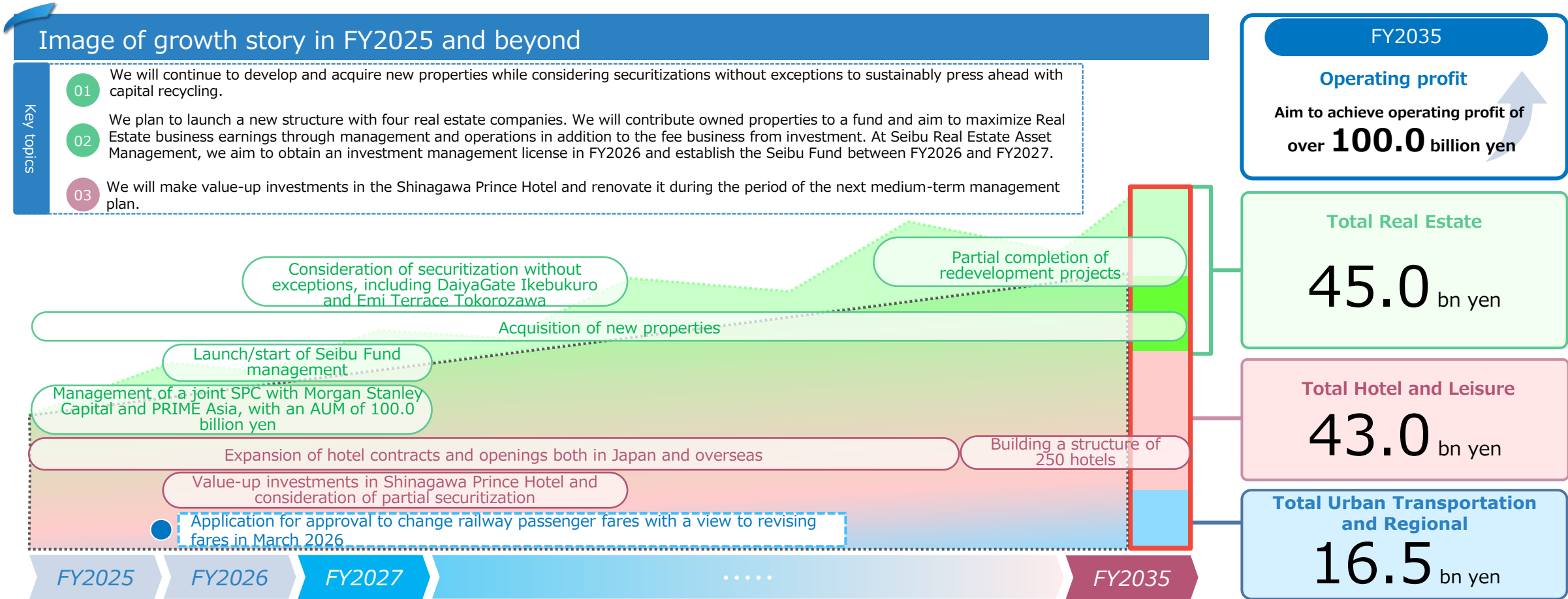
- Continuation of capital recycling business (Securitization of developed properties, acquisition and securitization of new properties)
- Profit contribution from redevelopment projects
- Partial completion of resorts and continued development
- 250 hotels achieved
- Continued value creation along railway lines



FY2030~

Growth story in FY2025 and beyond

- In FY2024, we securitized Tokyo Garden Terrace Kioicho and acquired five new properties. We achieved capital recycling by allocating funds obtained from securitization to value-up investments in major hotels (such as Shinagawa Prince Hotel) and to redevelopment and resort development. We will further contribute to the development of local communities.
- In FY2025 and beyond, we will continue to promote a growth story centered on the Real Estate business. We will actively use funds obtained through continuous capital recycling for growth strategies, such as value-up investments, redevelopment, and resort development. By doing so, we will pursue steady growth in NAV and aim to improve the adjusted PBR and further enhance our share price, thereby creating sustainable corporate value.



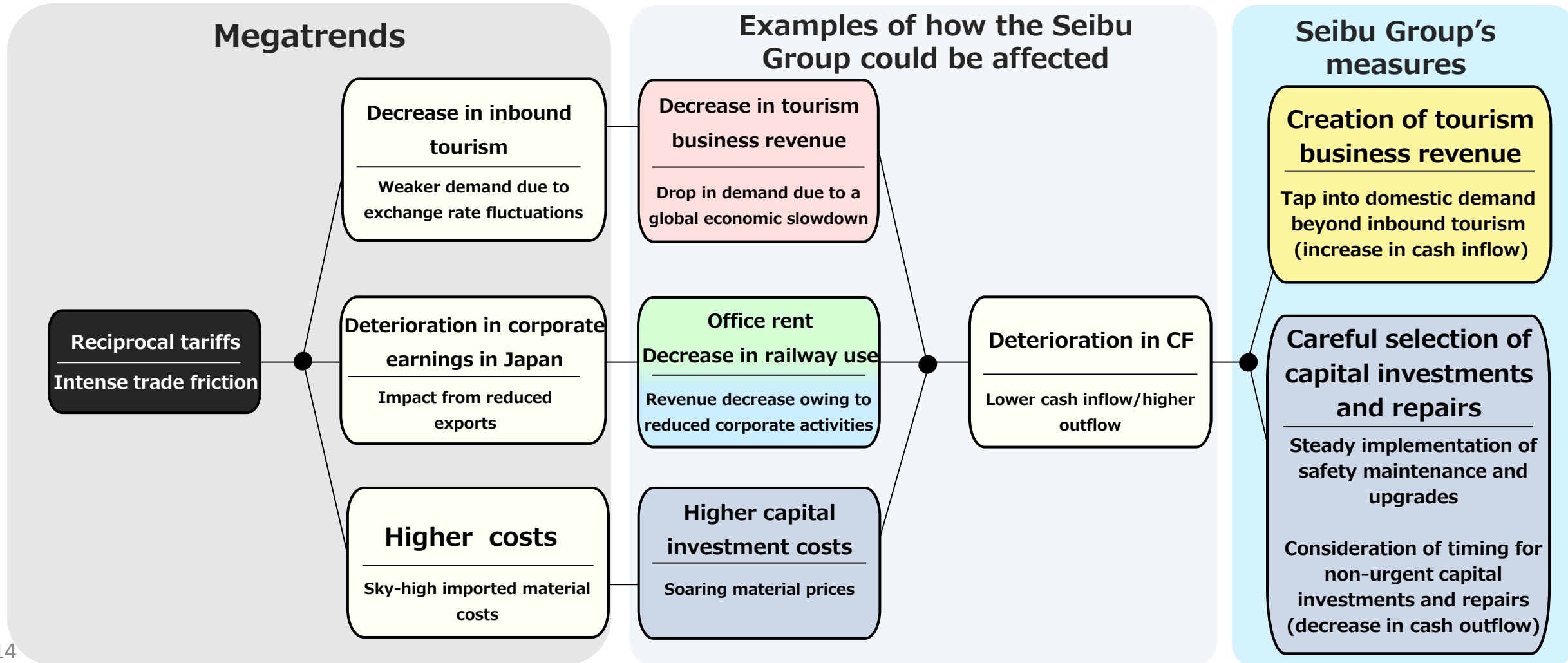
Addressing tariff risks

- The following impacts of the Trump administration's tariff policy on the Seibu Group have **not manifested at this point in time, but the outlook is unclear, so the situation will bear watching.**

(1) Decrease in inbound tourism; (2) Declines in share prices and deterioration in corporate earnings

(3) Ripple effects through export industries; (4) Impact on financial markets

To ensure stable cash flow, we will anticipate the risks that could arise and respond flexibly.



02. Growth story in FY2025 and beyond

Real Estate

Real Estate (Roadmap)

	FY2024	FY2025	FY2026	...	FY2030	...	FY2035
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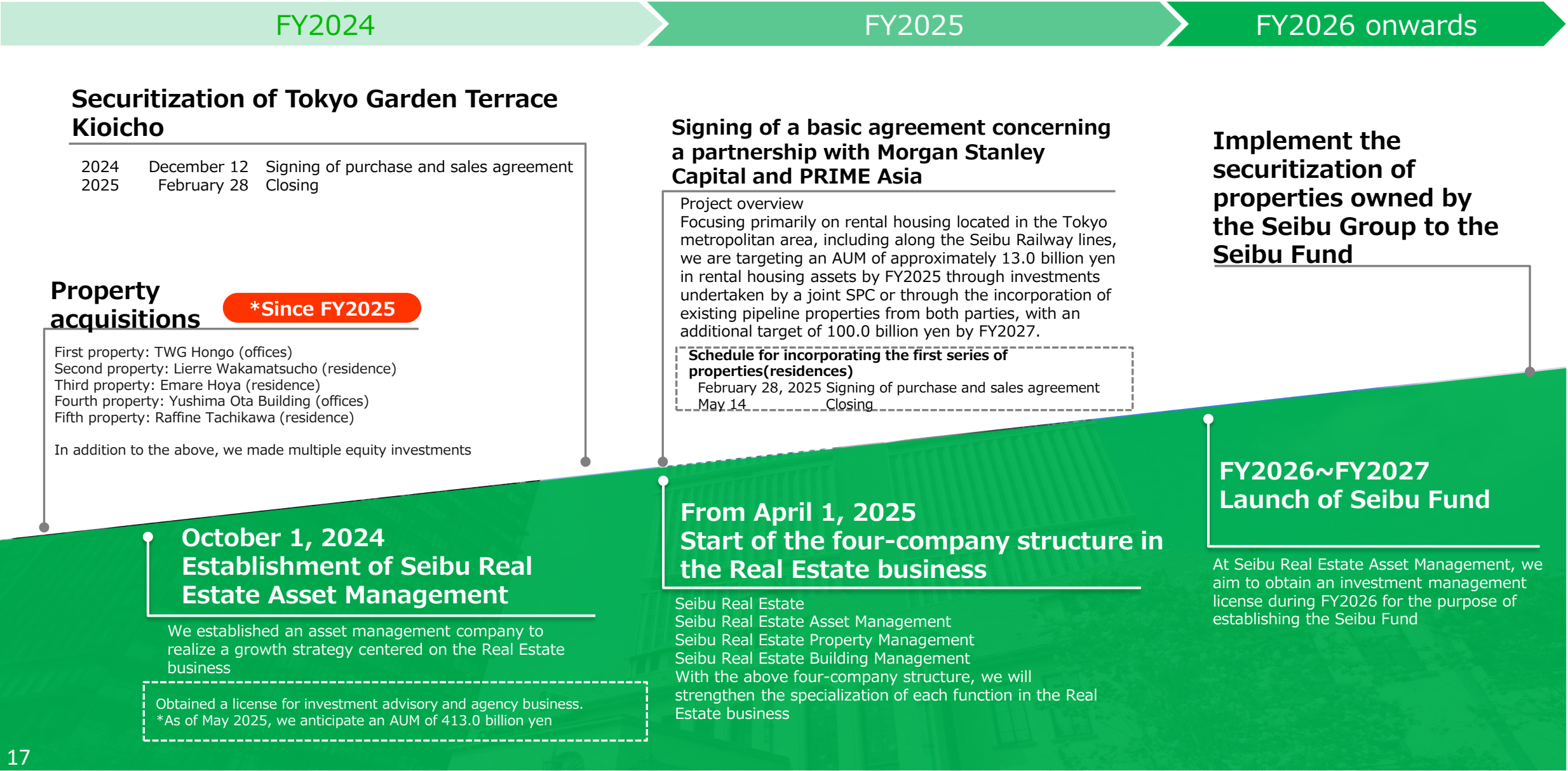
Securitization	Tokyo Garden Terrace Kioicho land area : 31,000 square meters Book value : 139.5 billion yen	★ Closing on February 28, 2025					
	residences	★ Establishment of a joint SPC with Morgan Stanley Capital and PRIME Asia On May 14, 2025, we will incorporate rental housing into the joint SPC, targeting an AUM of 100.0 billion yen by FY2027					
	DaiyaGate Ikebukuro land area : 4,000 square meter Book value : 30.0 billion yen	Emi Terrace Tokorozawa land area : 34,000 square meters Book value : 14.7 billion yen	Continue to consider securitization without exceptions				

Growth investment	Development along railway lines	Emi Terrace Tokorozawa	★ Opening on September 24, 2024 (tenants: 142 stores)			
		Shinjuku Takadanobaba area	Aim to embark on a full-scale redevelopment (commencement of urban planning procedures) during the period of the next medium-term management plan			Embark on full-scale redevelopment
			Scheduled closing of SEIBU HONKAWAGOE PePe in January 2026 Considering development plans that will contribute to increasing value along railway lines and of real estate			Seibu Railway line corridor redevelopment: Reconstruction of PePe and land utilization after project for elevation of tracks and establishment of underpasses on the Shinjuku Line
	Central Tokyo development	Takanawa area	★ Start of Takanawa area urban planning procedures (March)			Aiming to embark on construction of the Takanawa area over the duration of the next medium-term management plan
		Shinagawa area	Consideration of functional updates in response to the redevelopment of the Takanawa area			
		Shibakoen area (currently Tokyo Prince Hotel)	Redevelopment based on an urban development concept centered around Shibakoen			
	Resort development	Karuizawa area	★ Conclusion of a basic agreement with Nomura Real Estate Development Co., Ltd. for the joint development of the Karuizawa Sengataki District			
		Furano area	★ Reopening of the Seizan Golf Course (phase 1, designed by Shigeru Ban)			
		Hakone area	Reopening of “Hakone Komagatake Ashinosora” on April 25, 2025			 ★ Opening of PVC Hakone (slated to open in 2026/designed by Shigeru Ban) 
		Nikko area	Development of the former Nikko Prince Hotel			

Corporate value enhancement

NAV growth

Real Estate (Progress on capital recycling)

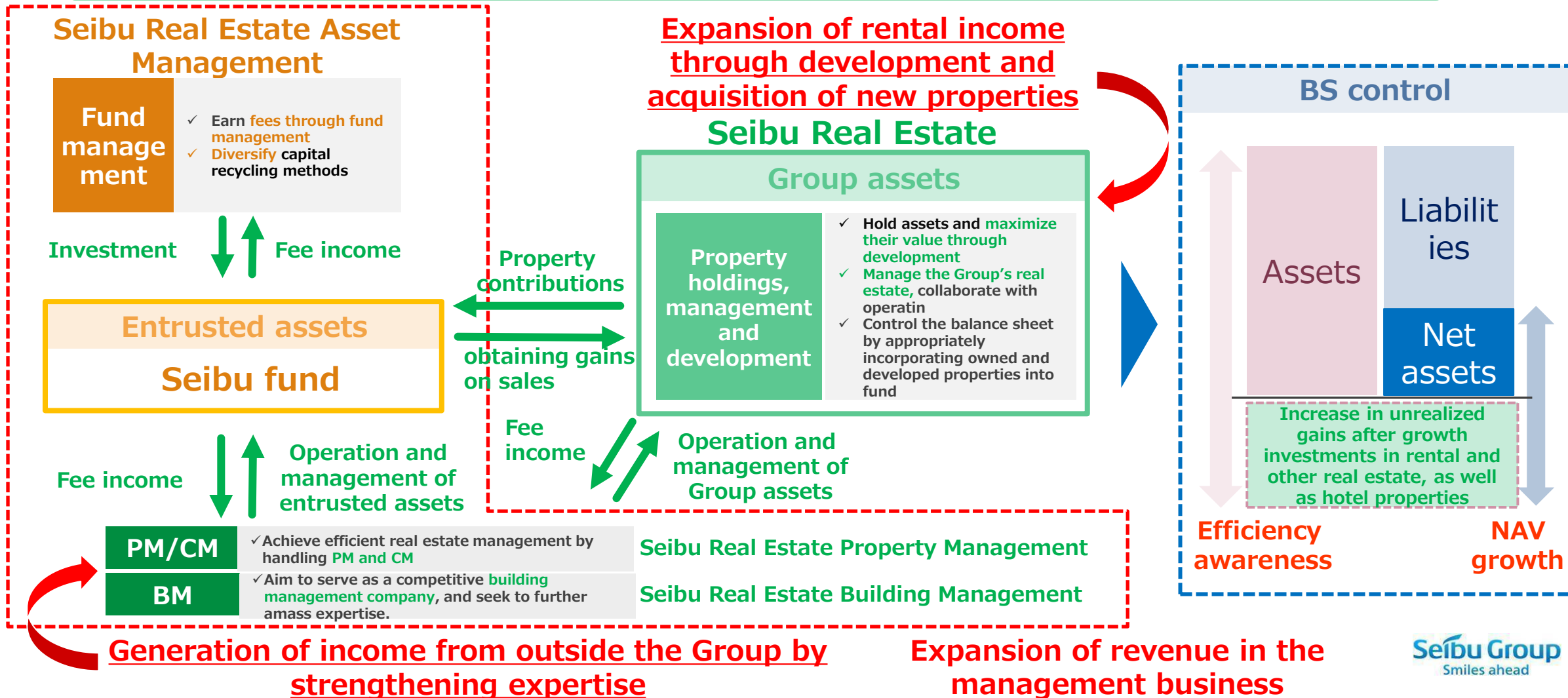


Real Estate (Securitization plans)



Real Estate (About the four-company structure)

We will build a system to efficiently maximize revenue from the entire business, thereby achieving capital recycling and NAV growth.



02. Growth story in FY2025 and beyond

Hotel and Leisure

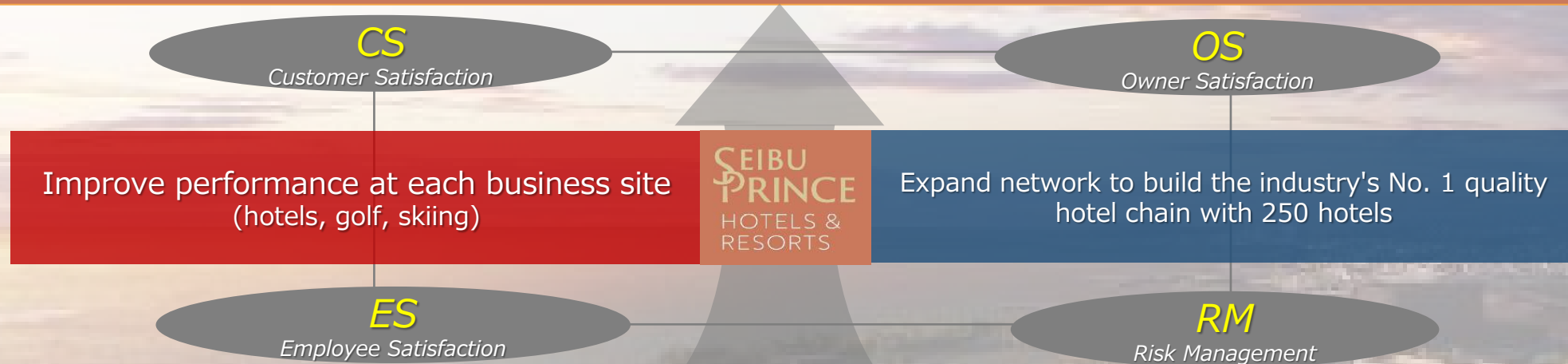
Hotel and Leisure (Vision for FY2035)

Reproduction of materials disclosed on May 9, 2024 concerning "Seibu Group's Long-term Strategy to 2035 and FY2024-FY2026 Seibu Group's Medium-term Management Plan"

Vision for
FY2035

SEIBU
PRINCE
HOTELS &
RESORTS

Global network of hotels that originated in Japan



Establish competitive advantage

[POP/Global Standardization] ~Point of Parity~

- ◆ Loyalty Program Integration –Seibu Prince Global Rewards–
- ◆ Adoption of a Central Reservation System (CRS)
- ◆ More Advanced Revenue Management (AI)
- ◆ Optimization of stores for enhancing brand value in the restaurant sector
- ◆ Develop Global Human Capital
- ◆ Revenue management based on the Uniform System of Accounts (U.S. hotel accounting standards)
- ◆ Improve profitability through strategic value enhancement

[POD/Differentiation] ~Point of Difference~

- ◆ Provide personalized, high quality hospitality to loyal customers through DX-driven operations
- ◆ Originating in Japan, Prince Hotels creates memorable trips that draw on the charms and experiences of their respective areas
- ◆ Full-service hotel operator with expertise in resort (hotels, ski, golf) and MICE operations
- ◆ Talent strength/Seibu Group's hiring power

(Value-up investment in Shinagawa Prince Hotel)

Shinagawa Prince Hotel value-up investment

- With the most number of rooms in the Group and a variety of restaurants and banquet halls, the Shinagawa Prince Hotel continues to **generate strong profitability**
- ROIC is at a high level, above both the business segment hurdle rate and the Company-wide hurdle rate.**
⇒ The scale of earnings at this hotel drives revenue growth in the Hotel and Leisure business and the Group’s overall growth. By carrying out value-up investments, we will aim to **expand NAV**.

Book value of Shinagawa Prince Hotel	
Approx. 110.0 billion yen	
ROIC is approximately 8 %, greater than the business segment hurdle rate	
(higher than the Company-wide hurdle rate)	
Appraised value	Unrealized gains
Approx.250.0 billion yen	+ Approx.140.0 billion yen

*The above appraised value and unrealized gains are based on real estate appraisal values judged from the current situation as of the end of FY2024.
(Hotel part: in the case the current situation continues to be used)

Key metrics	Shinagawa Prince Hotel
The number of rooms	3,554
ADR	18,058 yen
Occ	83.9%
RevPAR	15,144 yen

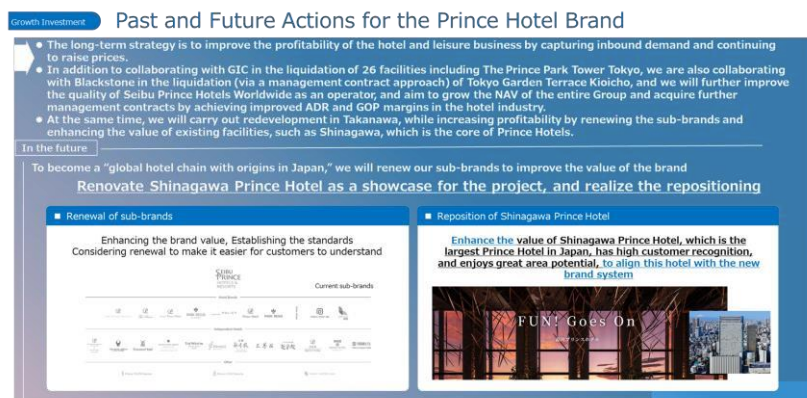
*Refer to FY2024 results
(excluding service fees)

Consider partial securitization following the completion of the value-add investment in the Shinagawa Prince Hotel

Hotel and Leisure (Initiatives for boosting profitability)

Regarding capital investments

Regarding the value enhancement of Shinagawa, we are currently in the stage of refining our plans. Decisions, including other growth investments, will take into account economic developments going forward.



Reproduction of materials disclosed on December 12, 2024 "Use of Funds from Liquidation of Tokyo Garden Terrace Kioicho"

For other investments, we have carried out room renovations (facility aesthetics and upgrades); we will gradually implement more in the future

~FY2024 (Main investments)

FY2025~ (Planning to implement)

Renovations centered around guest rooms



Shinjuku Prince Hotel

Utilization of digital technology (automated ski lift gates)



In addition to guest rooms, we also plan to renovate some ancillary facilities



Lake Biwa Otsu Prince Hotel



The Prince Hakone Lake Ashinoko

Improving performance

Data analysis

Realizing **more sophisticated analysis** with the use of a hotel and leisure-focused CRM system

Analyzing and utilizing consolidated data across businesses, incorporating it into **plans**, and aiming to **maximize sales** by increasing the intensity of initiatives in each field

Sales growth driven by SPGR* measures

*Seibu Prince Global Rewards

Improve our own ratio (KPI)

Target of 50% by FY2035 (currently around 30%)

Hotel and Leisure (Network expansion)

Participation in conferences in the Asia-Pacific region and top sponsorship

- 【Objectives】① Enhance recognition as a global hotel operator (leading to operator selection)
② Gain introductions to new developments and M&A opportunities

IHIF Asia (International Hospitality Investment Conference)

- Held in Hong Kong in September 2024
- Participated as a “Diamond Sponsor” alongside other hotel chains
- Gained introductions to opportunities in Singapore and Australia, and coverage in international media

HICAP (Hotel Investment Conference Asia Pacific)

- Held in Singapore in October 2024
- As the only sponsor among Japanese companies, we showcased our international strategy
- We built relationships with investors and developers interested in Japan

Hotels scheduled to open

FY2024

FY2025

FY2026

Next Medium-Term Management Plan and thereafter



Park Regis by Prince
Dubai Islands



Prince Smart Inn
Nagoya Sakae



Park Regis by Prince
Menteng



Mauna Kea Beach Hotel
Reopening after major
renovations



Momochihama, Sawara-
ku, Fukuoka
(Prince Hotel brand)



Park Proxi
El Hayat Sharm



The Prince Akatoki
Riverside Bangkok

250 hotels developed (20 contracted and opened)

250 hotels
developed

02. Growth story in FY2025 and beyond

Urban Transportation and Regional

Urban Transportation and Regional (Fare revisions for sustainable railway operations)

〈Future initiatives and vision for the railway business〉

■ Cornerstone of our business : Further pursuit of safe and secure services

- ✓ Installation of platform doors and other equipment
- ✓ Safety measures at railway crossings
- ✓ Safety and crime-prevention measures in trains and in other areas
- ✓ Measures to combat increasingly severe natural disasters



...etc.

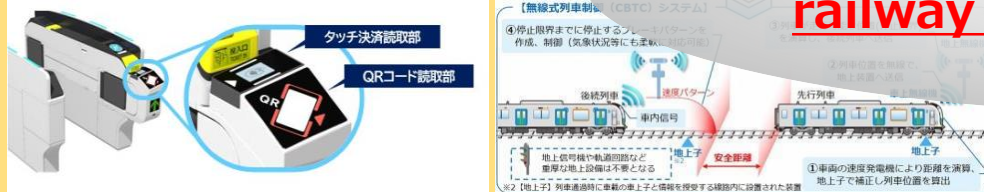
■ Key topic : Enhancing the value of areas along the railway lines

- ✓ Projects for continuous grade separation and new underground passage development plan at Seibu Shinjuku Station
- ✓ Overhauling of the Shinjuku Line paid seating service
- ✓ Upgrading of commuter trains and Yamaguchi Line trains
- ✓ Introduction of sustainable cars*

Sustainable cars is a proprietary name assigned by Seibu Railway to VVVF inverter-controlled railway carriages transferred from other companies



We will continue to invest over 40.0 billion yen annually to create railway lines where people want to live and visit



■ Key topic : Digitalization

- ✓ Abolition of magnetic tickets through the introduction of touch payments and QR code tickets.
- ✓ QR code* tickets * "QR Code" is a registered trademark of DENSO WAVE INCORPORATED
- ✓ Communications-based train control (CBTC) system
- ✓ More advanced and efficient railway operation

...etc.

■ Key topic : Improving job satisfaction

- ✓ Improvements in the workplace environment
- ✓ Rebuilding of worksite facilities
- ✓ Converting accommodation to private rooms



...etc.

To ensure sustainable railway business operations and provide high-quality, comfortable services to customers, we are applying for approval to change railway passenger fares, with the revisions planned for March 2026. (Revision rate of 10.7%)

Urban Transportation and Regional (Enhancing value along the railway lines)

Various measures are being implemented targeting areas along the Seibu Line, particularly the Shinjuku Line, with the aim of increasing value along the railway lines.

Working in cooperation with relevant government agencies, we will both increase the value of the areas along our railway lines and achieve sustainable development of the railway business.

Key points to enhancing value along the railway lines

Terminal development
Enhancing and improving
the network

Urban development in
conjunction with
continuous grade
separation projects

Suburban site
development

Expansion of passenger
services

Area management

Stakeholder consultations,
design, and procedures

Stakeholder consultations,
design, and procedures

Elevation of outbound trains on the Shinjuku Line near
Higashi-murayama Station

The east-west passage and new over-track station building at Iriso Station are now open to the public

Moving forward with projects for elevation of tracks near Higashi-murayama Station, between Nakai and Nogata Stations, between Iogi and Seibu-Yagisawa Stations, and between Nogata and Iogi Stations
Development of areas under elevated tracks and on the ground level

Opening of "Emi Terrace Tokorozawa"

★ Hosting of events at "TOKOROZAWA e-CUBE"
within Emi Terrace Tokorozawa

Development of key stations

• Urban development in collaboration with local governments along the railway lines and with station redevelopment projects
• Enhancing the appeal of tourist destinations along the railway lines (such as Chichibu, Kawagoe, and Hanno), and the reconstruction of PePe

★ Revamping of the passenger points
service

★ Expanding the services of multi-content lockers (Bopista)
→ Launch of the luggage delivery service pikuraku PORTER in Tokyo

New 西武の
乗車ポイント
2025年4月～

Overhauling of the Shinjuku Line paid seating service
(switching to liner-type trains and making changes to the operation format, including the stations serviced)

Launching new businesses to enhance lifetime value for residents along the railway lines

★ Signing of a collaboration agreement with "Hanno-shi and"
Moomin Monogatari" for regional revitalization

★ Implementation of the "Jiman wa Jiban" promotion

• Implementation of "soft" urban development measures aimed at creating related and permanent populations and revitalizing the area
• Promoting the railway line's strong foundation on the Musashino Plateau and aiming to become a company highly resilient to disasters by implementing various initiatives

Medium-term management plan period (FY2024-FY2026)

From the next Medium-Term Management Plan

FY2024

FY2025

FY2026

FY2027~



Urban Transportation and Regional (Enhancing value along the railway lines)

In addition to implementing “soft” urban development initiatives for revitalizing areas along the railway lines and measures to ensure safe and secure living, in FY2025, we aim to focus on area management with an emphasis on active collaboration with local communities and deepen cooperation with municipalities along the railway lines.

The keys to enhancing value along the railway lines

- ① Improve and enhance the network
- ② Improve living environments through continuous grade separation and station-front redevelopment
- ③ Develop gateways and local hubs along the railway lines
- ④ **Area management to revitalize communities**
- ⑤ Attract visitors to tourism destinations (high-value areas) and entice them to visit facilities
- ⑥ Increase the number of trains with paid seating and adjust timetables
- ⑦ Develop new businesses leveraging our reliability as an infrastructure provider
- ⑧ Strengthen disaster response measures and more vigorously promote the railway's strengths, such as the solid ground along the railway line

Direction of initiatives in FY2025

Going forward, we will implement “area management” geared towards actively collaborating with communities along the railway lines and further deepen our cooperation with local governments in these areas.

■ Examples of area management initiatives in regions along the railway lines

Tokorozawa-shi Initiatives aimed at enhancing the value of and revitalizing Tokorozawa area through the discovery and promotion of local attractions and the hosting of collaborative community events.



Hanno-shi Invigorate the area through initiatives such as the signing of a collaboration agreement with Hanno-shi and “Moomin Monogatari” for regional revitalization, as well as the “Han-Note” project aimed at promoting relocation to the Hanno area.



Kiyose-shi

Deepen collaboration on the occasion of the 100th anniversary celebration project (including a commemorative ceremony and the operation of a commemorative train) of Kiyose Station.



Chichibu-shi and Yokoze-shi

Attract visitors through active collaboration, such as the creation of content and mutual promotions



The Urban Transportation and Regional (Promotion of digitalization)

1. Promoting digitalization from both offensive and defensive perspectives to maintain safe and reliable transportation and to cope with anticipated personnel shortages in the future
2. Cultivating a mindset of digital transformation by implementing open programs to work on resolving business issues from a DX perspective, and other initiatives
3. Utilizing digital technology to further enhance customer services and improve operational efficiency

Offensive DX: examples of main initiatives

Shift to digital tickets

- ✓ In December 2024, we commenced proof-of-concept testing for a contactless payment-based boarding service with the use of credit cards and compatible smartphones, at 21 stations, including terminal stations and those located near tourism destinations.



→ Promote the digitization of tickets by expanding the scope of services that accept QR code-based tickets and contactless payment. Over the medium term, we will gradually abolish magnetic tickets, and over the very long term, we will transition to stations without ticket gates.

Renewal of passenger points service

- ✓ Passenger points service was refreshed on April 2025. Scope of point awards has been significantly broadened to enable eligibility for occasional passengers and those using PASMO commuter passes.

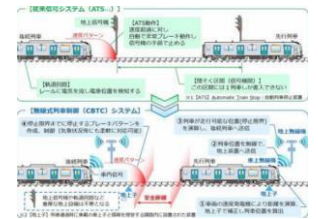


→ Seeking to expand SEIBU PRINCE CLUB customer base.

Defensive DX: examples of main initiatives

Communications-Based Train Control (CBTC) system

- ✓ Began proof-of-concept testing of communications-based train control systems in FY2023.
- ✓ Commenced operational testing in March 2024.
→ Aim is to introduce system to all lines in the 2030s, following decision on format based on validation through operational testing and situation at other railway companies.



Enhancements and efficiency improvements for railway operations

- ✓ Utilize digital technology to enhance and improve the efficiency of station and driving operations, facilities maintenance, etc.
- ✓ To address such issues as higher inspection costs owing to the aging of facilities and the increase in facilities owned, as well as shortages of technical staff, we will make use of digital technology to further streamline inspection work and other operations.

→ Further enhancements and improvements in operational efficiency to ensure continuous business operation.



Cultivating a mindset of digital transformation

02. Growth story in FY2025 and Beyond

Other

Other Lions
(Strengthening team skills / Measures to combat heat)

Overview of facilities

Strengthen team skills

(1) Prospi Training Center
Air conditioning
facilities/heat proofing



Source: SATAKE CORPORATION

Source: KIMURA KOHKI Co., Ltd.

(2) CAR3219 Field
Night game illumination



©SEIBU Lions

*Image for illustrative purposes only.

Measures to combat heat

(3) Large-scale misting facilities



©SEIBU Lions

*Image for illustrative purposes only.

Venue	Prospi Training Center	CAR3219 Field	Main concourse
Details	Air conditioning facilities/heat proofing	Night game illumination equipment	Equipment for misting facilities
Otcomes	Provision of an environment in which training/games can take place from daytime to nighttime		Cooling achieved by misting facilities fitted to the main concourse within the dome
Planned commencement of operations	March 2026 –	July 2027 –	July 2025 –

*Planning to implement other strengthening measures through activities at summer camp for the third team and so on.

*Other measures are also planned for gradual introduction.

Other Lions
(Measures to combat heat / Stadium DX)

Within the stands		Outside the stands		Free giveaways to audience	
Water events in customer seats		Splash stage	Attractions for children	Ice packs	Cooling towels
					


*Photo for illustrative purposes only

*Shows details of 2024 implementation


For 2025 we have scheduled cooling events using water in some areas of customer seats. Details are scheduled to be announced in a news release when finalized.

In a follow-on from 2024, we have scheduled cooling events using water both on stage and outside the stadium, mainly before the game.


Visitors are permitted to bring in ice packs. There are also goods for sale within the stadium. In 2025, we plan to install ice-making machines to double supply capacity.


Neck fans

On July 21 (Monday/national holiday) neck fans will be distributed to every audience.

● Initiatives to provide a stress-free spectating environment through the promotion of stadium DX



Introduction of cashless payments for all sellers

In accordance with Seibu Group policy, cashless payments will be introduced for all sellers to improve the level of service, primarily through an extension of PASMO payments.










Cash payments to sellers will be abolished in the second half of the season (aiming for Aug-Sep), resulting in complete cashless operation

To achieve closer compliance with Seibu Group policy and to simplify seller operations, we plan to introduce a shift to completely cashless operation for sellers.

Others New businesses

- Using the revised limits for investment in new businesses set in FY2024, we are actively investing in startups.
- Going forward, while managing our investment portfolio we will continue to accumulate new investment projects.
- In addition, while focusing on the ultimate exit, we will move forward with hands-on support [on the theme of generating specific synergies](#) through a combination of investment projects and existing businesses.

■ Main investment projects executed recently

	Investment target	Nature of business	Consolidated/non-consolidated
(1)		Development, manufacturer, and sale of SPACER smart locker	Non-consolidated
(2)		Support for opening lodging facilities, primarily resort hotels/glamping, and DX support for management contracts and marketing	Consolidated
(3)		Development of services and DX/OMO consulting for pet salons and owners	Consolidated
(4)		Development and operation, etc. of “Piazza” regional community app, and “Chirateji” AI flyer reading service	Non-consolidated
(5)		Provides “LUUP” electric micromobility sharing service.	Non-consolidated
(6)		Promotion of DX for the horticultural industry, primarily through operation of online foliage/flower stores	Non-consolidated
(7)		Develops and operates a platform to integrate all the elements of flying cars other than fuselage manufacture	Non-consolidated

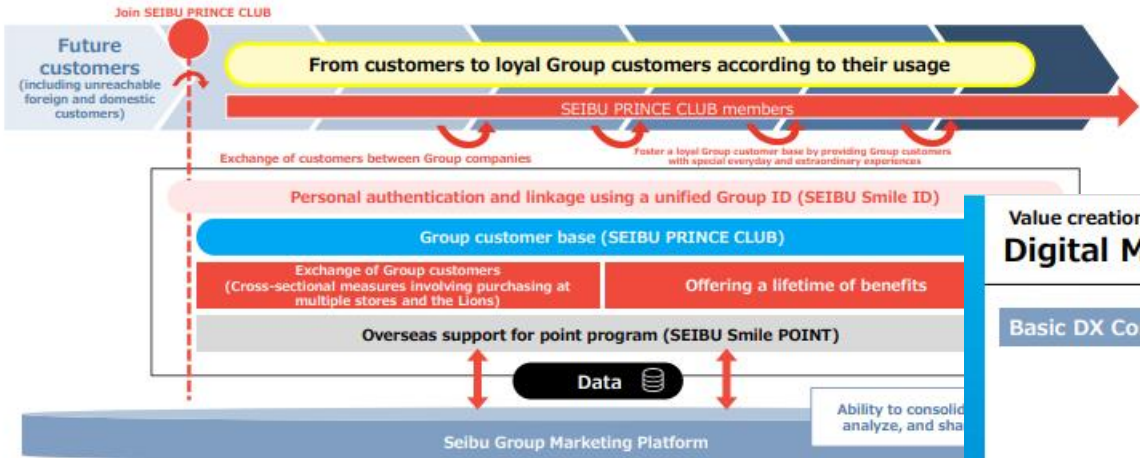
DX strategy (Group Marketing / Digital Management)

Reproduction of materials disclosed on May 9, 2024 concerning “Seibu Group’s Long-term Strategy to 2035 and FY2024-FY2026 Seibu Group’s Medium-term Management Plan”

Value creation narrative Group synergies (Group Marketing)

Seibu Holdings

- By leveraging cross-Group measures implemented through a Group customer base centered on the unified Group ID (SEIBU Smile ID) and SEIBU PRINCE CLUB and the Seibu Group marketing platform, we are cultivating loyal Group customers through providing special experiences in daily life and on extraordinary occasions to customers, including potential customers.



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Value creation narrative Digital Management

Seibu Holdings

Basic DX Concept

Digital < Transformation

Digital transformation at Seibu Group will place greater emphasis on transformation than on digital, and will bring about the transformation of the entire company.

Democratization of data

Implement effective measures using data, and make decisions quickly to not only develop human capital who can analyze and utilize data at a high level but also to enable all Group employees to use all types of data.

Creating unprecedented "new experiential value" for Seibu Group customers

DX Vision



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DX strategy (Group Marketing)

- In FY2025, we will leverage cross-sectional measures through the Group customer base, centered on the unified Group ID (SEIBU Smile ID) and the SEIBU PRINCE CLUB.
- Using the Seibu Group Marketing Platform, we will cultivate loyal Group customers by offering customers, including potential customers, special experiences in daily life and on extraordinary occasions.

Personal authentication and linkage using a unified Group ID (SEIBU Smile ID)

- In FY2024, in addition to the SEIBU PRINCE CLUB, we conducted collaborations with Seibu Prince Global Rewards, the Karuizawa Prince Shopping Plaza app, the Emi Terrace & Grand Emio Tokorozawa app, and the Seibu Lions Fan Club website.
- In FY2025 we plan to refresh the SEIBU Smile ID the website, and build a system to handle inquiries by mail (including those in English). We are also gradually increasing partners with the objective of hitting 2 million members in FY2026.

Group customer base (SEIBU PRINCE CLUB)

- The SEIBU PRINCE CLUB is targeting 2.6 million members and ¥110 billion in sales in FY2026.
- In FY2024, we implemented multiple cross-sectional measures to break through 2 million members, including those involving passenger points and Seibu Line Stamp Rally(Seibu Odekake Rally) for Emi Terrace.
- In FY2025, the Group will work together as one to achieve a multifaceted understanding of customers, providing support for and promoting the various plans of Group companies targeted at specific groups (children, seniors, pets, overseas customers, etc.) Additionally, we will also work on initiatives to improve the satisfaction of SEIBU PRINCE CUSTOMERS and acquire new members.
- In preparation for the renewal of SEIBU PRINCE CLUB services, in FY2025, we will also unearth issues and organize requirements, and commence development.

Points program (SEIBU Smile Point) upgraded for overseas compatibility
(SEIBU Smile Point can be used overseas)

↑↓ Data ↑↓ April 2024 Launch of Seibu Prince Global Rewards

SEIBU PRINCE GLOBAL REWARDS



Framework for use of data

- In FY2024 we formed the Seibu Data Lab as a data analysis organization within Seibu Holdings. **Analyzing data using the Seibu Group Marketing Platform to support customer initiatives.**
- In FY2025, as well as continuing to conduct **the data analysis work** begun in FY2024, it will deepen the sharing of knowledge and cooperation between operating companies, related to **data use**, etc..

Seibu Group Marketing Platform

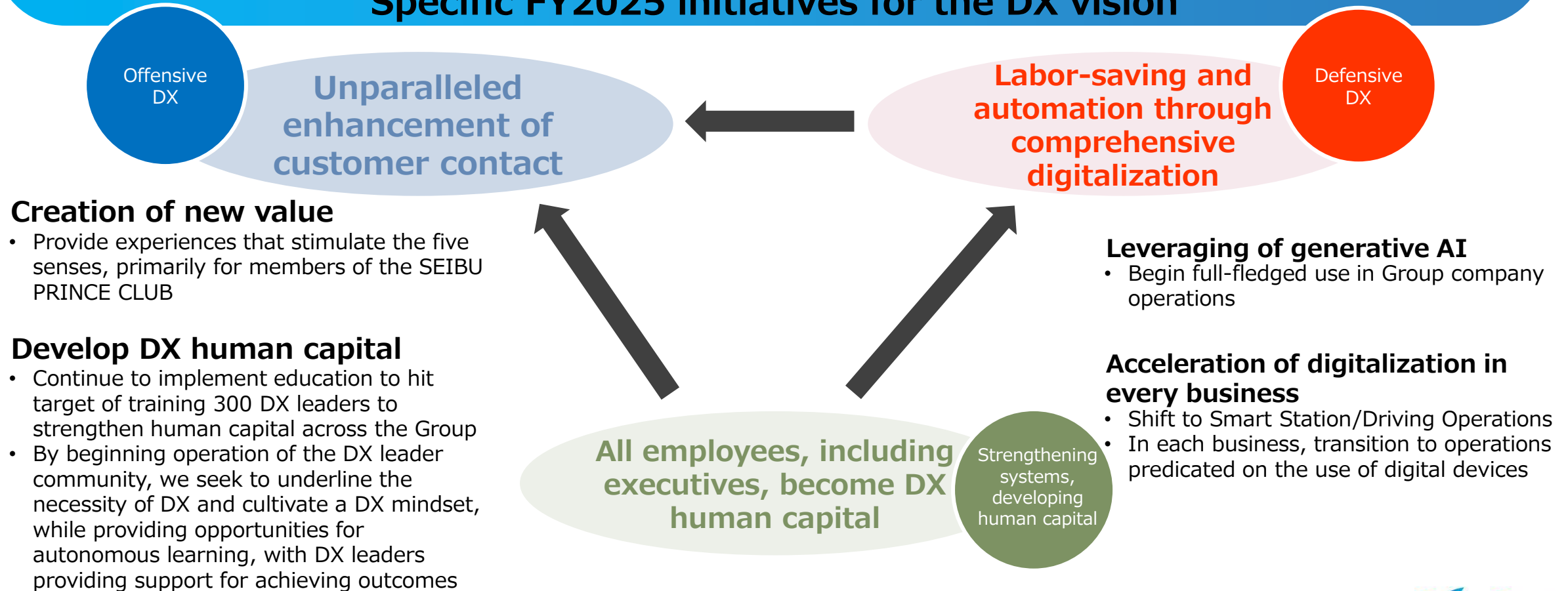
Ability to consolidate, integrate, analyze, and share Group data

DX strategy (Digital Management)

Basic DX Concept

Creating unprecedented “new experiential value” for Seibu Group customers

Specific FY2025 initiatives for the DX vision



Sustainability Actions (Progress, and direction in FY2025 and beyond)

- Starting from FY 2024, we have decided to replace the four areas and 12 agendas that we particularly need to address to our sustainability actions, with six materialities in order to achieve a balance between economic viability, growth potential, and sociality over the longer term, and to take materiality into consideration in all measures, including our long-term strategies.
- In addition to rolling out various measures, we have set non-financial KPIs linked to these materialities, and are monitoring initiatives to achieve these.

Schematic diagram of the Group's strategy



The vision for materialities and management plan initiatives

Materiality/key sustainability themes	Vision and direction	Initiatives in the management plan	Main non-financial KPIs and monitoring indicators
Growth	Decarbonization and effective use of resources We always consider the natural environment and the global environment, and contribute to the realization of a decarbonized society and resource-recycling society.	<ul style="list-style-type: none"> Promotion of energy saving and renewable energy at our facilities Maintaining, preserving, and utilizing forests and maintaining CO₂ capture capacity Optimizing resource use including water consumption volumes and waste materials Reducing food loss and building a resource circulation cycle 	Environmental impact reduction indicators <ul style="list-style-type: none"> CO₂ emission volume: net zero by FY2050, 46% reduction from FY2018 levels by FY2030, annual reduction target of 5% year on year Renewable energy introduction ratio: 100% by FY2050, 50% by FY2030 Year-on-year decrease in water consumption units (water consumption volume/operating revenue) Ratio of environmentally protected areas in company-owned land: 30% of all company-owned land by FY2030 (27 million m²)¹⁾ Asset and brand value improvement indicators <ul style="list-style-type: none"> Environmental certification acquisition ratio: 100%²⁾ Year-on-year reduction in food waste disposal volume base units
	Building towns people want to live in or visit We create towns people want to live in by brightening up various scenes of life. We promote town building that attracts diverse people and creates eager to visit.	<ul style="list-style-type: none"> Development to increase the value of railway lines Urban redevelopment and resort development that utilize the Group's strengths Cooperative measures with local communities Providing commercial facilities that guests want to visit Boosting the appeal for and sharing information on destination spots 	<ul style="list-style-type: none"> Monitoring indicator: number of guests visiting tourism locations (Chichibu, Kawagoe, Hanno, Karuzawa) Monitoring indicator: Population of the 28 regional government jurisdictions along Seibu railway lines
	Creation of experience that stimulates the five senses We provide fun, emotion, excitement and purpose in life, and create special moments for people to smile.	<ul style="list-style-type: none"> Creating experiential value unique to the Seibu Group Increasing the satisfaction level of hotel users and developing and providing exceptional experiences (amazing scenery) Providing a ballpark that everyone can enjoy, offering Saltama Seibu Lions content, and building a team that fans truly love Organizing events at parks and providing outdoor experiences 	<ul style="list-style-type: none"> 2.6 million SEIBU PRINCE CLUB members by FY2026 The overall hotel stay score 8.3 points³⁾ in FY2024 Year-on-year increase in number of ballpark visitors Visitors to parks managed by the Seibu Group increased by 1% year on year Monitoring indicator: Number of facilities awarded Five Stars by Forbes Travel Guide
Enhancing foundations	Provision of safe and secure services We promote all of our businesses and services always based on safety, and provide everyone with a secure daily life.	<ul style="list-style-type: none"> Investing in facilities to ensure safety, prevent disasters, and transition to barrier-free Disaster response policies undertaken through various exercises and agreements based on coordination with local governments Food safety management that complies with HACCP Education on information management and security 	<ul style="list-style-type: none"> Accidents caused by the Group's employees or facilities, incidents, railway operation accidents: 0 every fiscal year(Railway) Fatal accidents, accidents resulting in serious injury outside or inside the vehicle: 0 every fiscal year(Buses) Food poisoning accidents: 0 every fiscal year Number of serious accidents caused by the Group's employees or facilities related to maintenance and management of real estate facilities⁴⁾: 0 every fiscal year
	Development and advancement of diverse human capital By enhancing individual skills and creating an organization that provides job satisfaction, we will put a smile on our fellow employees' faces. We will increase the expertise of workers and develop professional human capital.	<ul style="list-style-type: none"> Enhancing skills of human capital by promoting self-driven, autonomous growth including strategic job assignments, open-application systems, and expansion of content for self learning and development Increasing employee job satisfaction through stronger internal communication, reforming human resource systems, improving workplace environments, and promoting health management Building an organization that values diversity and allows every individual to succeed to the greatest extent possible 	<ul style="list-style-type: none"> Human capital to strengthen the Group: DX Leaders: 300 people at the end of FY2026 Human capital to strengthen our four main companies (HD: 40 management planning human capital by FY2033, etc.)⁵⁾ Engagement score rating A58 or higher for each company, exceeding the previous year
	Compliance and collaboration We ensure compliance, and the soundness and transparency of management. We focus on dialogue with stakeholders and work on appropriate collaboration.	<ul style="list-style-type: none"> Building work environments and improving management based on the Corporate Governance Code Continuously holding compliance education Holding dialogues with diverse stakeholders including investors and partner companies Human rights due diligence 	<ul style="list-style-type: none"> Ratio of independent outside Directors: At least 1/3 Rate of response to supplier survey: 100% every fiscal year

¹⁾ Area figures are current as of February 2024.

²⁾ Environmental certifications include CASBEE and DEL. Covers large-scale office buildings (total floor area of 30,000m² and larger)

³⁾ For hotels, overall guest satisfaction with the hotel stay is rated on a 10-point scale separately from other individual items (questionnaires on check-in, check-out, breakfast and dinner, etc.). These are the scores in the guest questionnaires to be prioritized.

⁴⁾ These include ones caused by the Group, and do not include extreme weather events in principle, including hotels, commercial and rental facilities

⁵⁾ Seibu Holdings, Seibu Railway, Seibu Prince Hotels Worldwide, Seibu Realty Solutions

02. Growth story in FY2025 and beyond

Sustainability Actions

(Progress, and direction in FY2025 and beyond)

In FY2025, we will continue to be aware of non-financial KPIs while moving forward with various measures linked to materialities.

✓ Materialities/main non-financial KPIs



Decarbonization and effective use of resources

CO₂ emissions...Long-term target: Net zero in FY 2050,
Medium-term target: 46% reduction from FY2018 by FY 2030
Short-term target: 5% reduction on a year-over-year basis every fiscal year

Ratio of group-owned land to areas for environmental conservation
...30% (30 million m²) of all Group-owned land by FY2030



Building towns people want to live in or visit

Population of 28 municipalities along Seibu Railway...5.58 million people*
*Non-financial monitoring indicators, March 2025 achievements
Source: prepared by the Company based on public materials from the 28 municipalities along Seibu Railway



Creation of experience that stimulates the five senses

Number of SEIBU PRINCE CLUB members
...2.6 million people FY 2026



Provision of safe and secure services

•**Liable accidents, incidents (Seibu Railway)** ...0 cases every fiscal year
•**Incidents (Izuhakone Railway)** ...0 cases every fiscal year
•**Railway operation accidents (Ohmi railway)** ...0 cases every fiscal year
•**Fatal accidents.**
•**Serious injuries to persons outside and inside vehicles** ...0 cases every fiscal year*
*Applies to all group bus operating companies



Development and advancement of diverse human capital

Refer to P.39–P.41



Compliance and collaboration

Response rate of questionnaire survey to the business partners
...100% every fiscal year

✓ Direction of initiatives, etc. in FY2025

•**In addition to the hotels and golf courses (45 facilities)** owned by SEIBU REAL ESTATE, **commercial facilities along the Seibu Railway lines are also being gradually switched to renewable energy**
⇒The Group's **CO₂ emissions are expected to decrease by approximately over 60 compared to FY2018, making it likely that medium-term targets will be achieved**

•30% of Group-owned land, approx. 30 million m², is planned to be environmentally protected areas
Called "Seibu no Mori," these will be the area for the gradual introduction of environmental conservation activities Approx. 60% of the 50 million square meters of forest owned by our group

•We are rolling out measures to **enhance the value of areas along railway lines**, which include enhancing the network, developing terminals, implementing projects for continuous grade separation, developing suburban site and expanding passenger services
•Through **area management** we are strengthening initiatives to reinvigorate the areas along railway lines

•In addition to those being executed by operating companies, we are implementing **internal cross-sectional measures as well as collaborative initiatives with companies outside the Group**

•**The installation of platform doors, onboard security cameras, and systems for detecting anomalies at railway crossings** (Seibu Railway)
•Implementing BCP training, comprehensive recovery training, training to counter railway terrorism and strengthening station functions during disaster
•Continue to introduce vehicles equipped with advanced safety features and warning systems specifically for accidents involving large vehicles (Seibu Bus)

Refer to P.39–P.41

•**Intensify human rights due diligence inside and outside the Company**
•Continue to request completion of questionnaires by the business partners (An in-depth human rights risk assessment for suppliers conducted in FY2024 is scheduled to be implemented)

Seibu Group Human Capital Strategy

Partially edited reproduction of materials disclosed on May 9, 2024 concerning "Seibu Group's Long-term Strategy to 2035 and FY2024-FY2026 Seibu Group's Medium-term Management Plan"

- Formulate the Seibu Group Human Capital Strategy under the slogan, "Bringing smiles to both our customers and employees," which links to our management strategy to achieve the Seibu Group's Long-term Strategy to 2035 and the Seibu Group Medium-Term Management Plan 2024-2026 based on it.
- Based on the following strategy map, implement initiatives at each Group company to secure human capital skills and headcount, and create an inspiring place to work to support individual growth.



Progress of Seibu Group Human Capital Strategy (Investment in people)

- We are making steady progress in various initiatives based on the Seibu Group Human Capital Strategy.
- We had trained 180 “DX leaders,” who work to strengthen human capital across the Group, by the end of FY2024.
(Our target is to train up 300 by the end of FY2026)
- Based on the results of the previous fiscal year, we will continue to promote an action plan aimed at realizing the management strategy.



	FY2024 results	FY2025 – (new measures, etc.)	Vision
Secure human capital skills and headcount	<ul style="list-style-type: none"> Visualized employee skills (approx. 100 people in Seibu Holdings) Introduced/ utilized online video learning service (approx. 2,000 people in Group) Trained people to be human capital for strengthening Seibu Group (DX leaders; 180 across the Group) Introduced side business system Bolstered career recruitment (approx. 200 people at our four main companies) 	<ul style="list-style-type: none"> Visualize employee skills (four main companies) Aggressively expand SEIBU ACADEMY as a platform for common learning Establish system of allowances for qualifications (four main companies) Strengthen measures aimed at supporting career vision 	<ul style="list-style-type: none"> Enhanced skills for employees Attract and develop enhanced human capital (300 DX leaders, etc.) Organizational culture of independent learning
Enhanced engagement/job satisfaction	<ul style="list-style-type: none"> Held townhall meetings, roundtable discussions with President Implemented internal internships Introduced share-based benefit system (domestic Group companies) Promoted open career challenge (FA) system, attracting approx. 60 applicants within the Group Promoted health management (introduced health app) ...etc. 	<ul style="list-style-type: none"> Operate cafeteria system (six group companies) Begin operation of new evaluation system for general employees (Seibu Holdings, etc.) Establish facilities environment conducive to work (continuation from previous fiscal year) 	<ul style="list-style-type: none"> Be an inspiring place to work Engagement score A•58 *
Growth of the organization (DEI)	<ul style="list-style-type: none"> Strengthen communications/fostering of awareness by top management SEIBU Women's College (approx. 60 participants) Held team-building workshop (attended by approx. 100 people from Seibu Holdings) 	<ul style="list-style-type: none"> Hold lecture meetings for managers to promote DEI Hold DEI events for employees 	<ul style="list-style-type: none"> Foster an organization that leverages diversity
Other	<ul style="list-style-type: none"> Enhance disclosures regarding human capital (integrated reports, etc.) Expanded companies that have introduced talent management systems and promote usage (six Group companies) 	<ul style="list-style-type: none"> Enhance disclosures regarding human capital (integrated reports, etc.) Expand companies that have introduced talent management systems and promote usage 	<ul style="list-style-type: none"> Promote human capital management Improve labor productivity

* Indicators based on survey by Link and Motivation Inc.

Progress of Seibu Group Human Capital Strategy

(Investment in human capital)

- With the aim of providing the best conditions in the industry, we are accelerating investments in the human capital that are the driving force of growth
- We will achieve the Group's management strategy by realizing the "best conditions" and the "best performance."



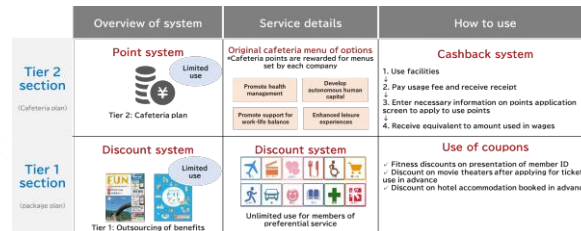
Best conditions



Best performance

Direct investment

- ✓ Increase in basic wage
- ✓ Revisions to starting wage
- ✓ Introduction of share-based benefit system
- ✓ Introduction of cafeteria system



Artist's impression of the cafeteria plan

Indirect investment

- ✓ Investment in education
 - expansion of SEIBU ACADEMY, etc.
- ✓ Establish facilities environment conducive to work
- ✓ Promote health management
- ✓ Implement measures to increase engagement



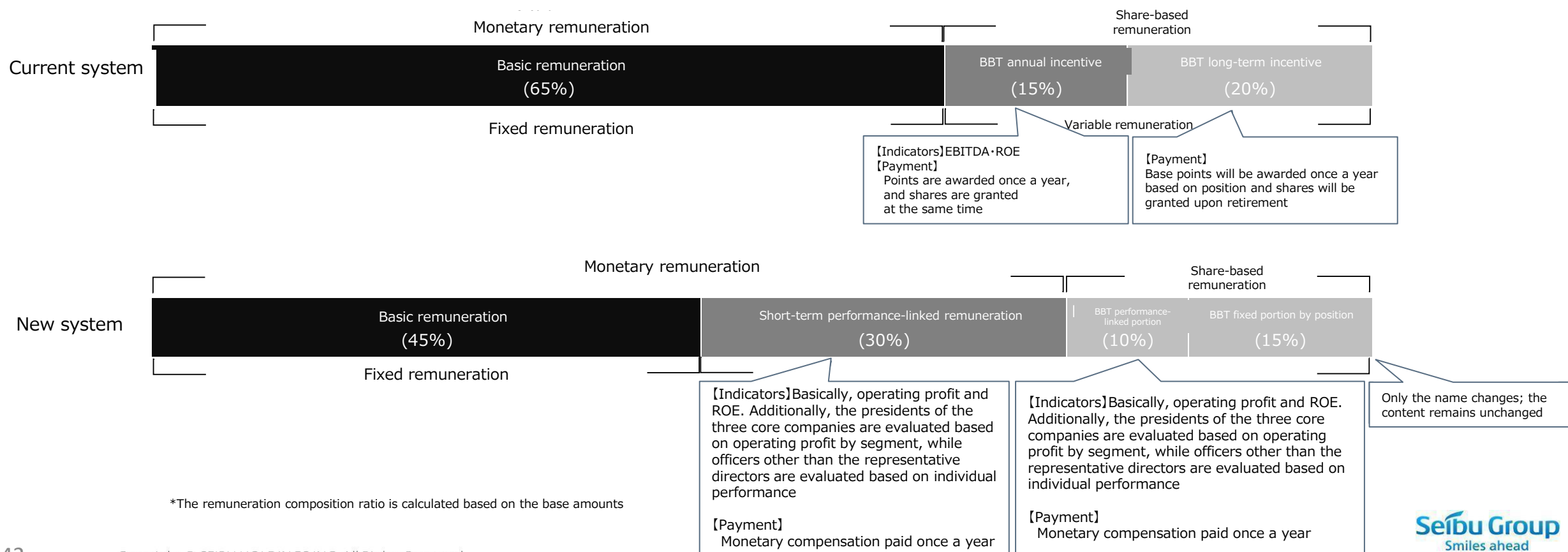
Seibu Railway head office cafeteria after renewal

Status of wage increases at each company	Seibu Holdings	Seibu Railway	Seibu Prince Hotels Worldwide	Seibu Real Estate
Rate of wage increases in FY2025 (increase in basic wage/periodic increase)	8%	6.9%	5.2%	6%

Revision of the Executive Compensation System

- To steadily advance toward the next stage of growth, we aim to enhance corporate governance by securing and retaining outstanding management talent, while also increasing their commitment and motivation toward achieving performance goals. To this end, we have revised our executive compensation system with the intention of transitioning to a performance-linked compensation structure that reflects competitive standards, taking into account other companies that compete with us in business and talent acquisition.
- Submit proposals for revising the amount of remuneration for Directors and partially revising the share-based remuneration scheme to the 20th Annual General Meeting of Shareholders to be held on June 24, 2025

Overview of the remuneration structure, evaluation indicators, and system



Funding Status

Financing policy

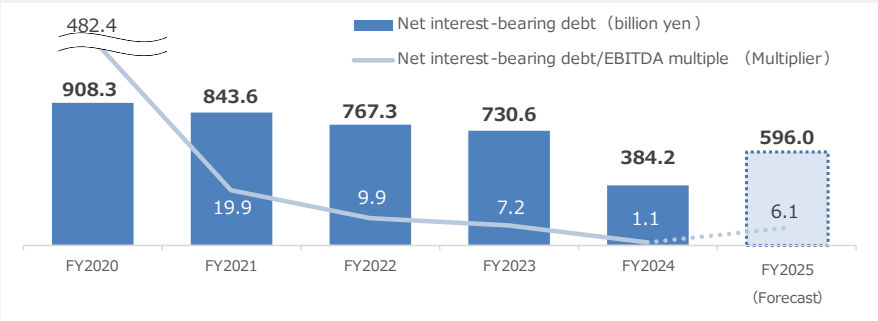
- Considering the business characteristic of having a high ratio of non-current assets, most of our borrowing is conducted with long-term, fixed interest rates
- For long-term borrowings, we procure funds with an awareness of leveling annual repayment amounts
- To further prepare for the risk of interest rate rises, we continue to diversify our fundraising methods and maintain or improve our external credit ratings

Credit ratings

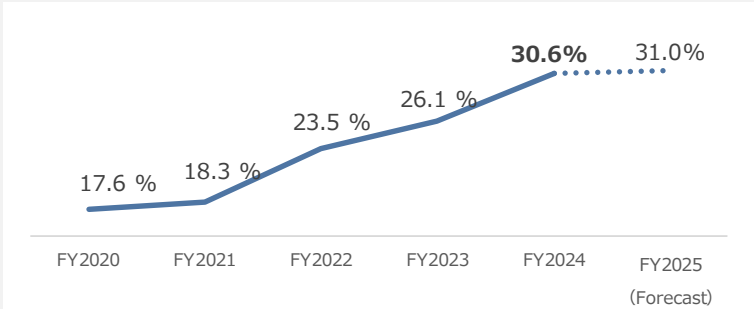
Rating agencies	Rating and Investment Information, Inc (R&I)	Japan Credit Rating Agency, Ltd (JCR)
Long-term	A-	A
Outlook	Stable	Stable

Financial indicators

Net interest-bearing debt
Net interest-bearing debt/EBITDA multiple

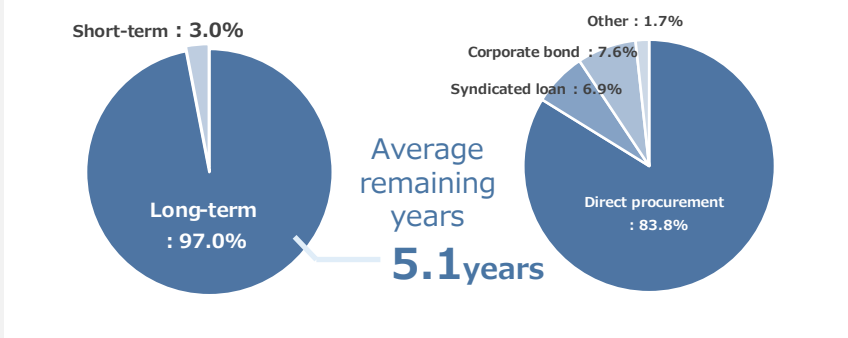


Equity ratio

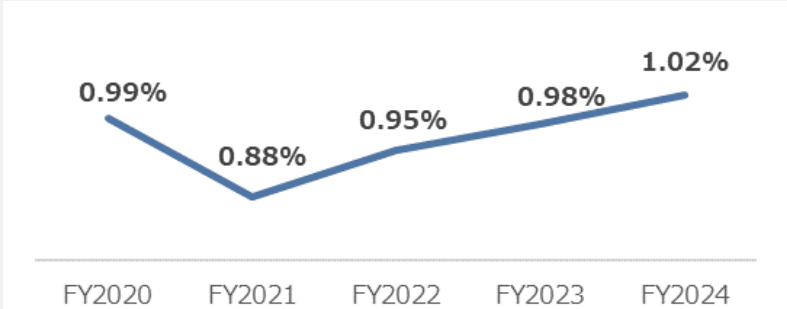


Interest-bearing debt data (Excluding lease liabilities and construction assistance fund receivables)

Breakdown of interest-bearing debt



Borrowing rate



03. Earnings Forecasts and Dividend Forecast for FY2025

FY2025 earnings forecast assumptions

- Reflecting the following changes from the initial plan, we plan a consolidated operating profit of 40 billion yen. (The figures are at the same level as those in the “Seibu Group’s Long-term Strategy to 2035 FY2024-FY2026 Medium-term Management Plan” materials released on May 9, 2024)

Real Estate

There are some reductions in operating profit compared to the initial plan (Lack of operating profit of Tokyo Garden Terrace Kioicho approx. 5.0 billion yen Tokyo Garden Terrace Kioicho), but we expect securitization of residences, as we work to hit the target AUM of 100 billion yen for a joint SPC with Morgan Stanley Capital K.K. and PRIME Asia.

Hotel and Leisure

Despite delays in construction work at Mauna Kea Beach Hotel leading to an extension in the period of closure, we expect initiatives to raise prices in the domestic hotel operations as a whole to result in earnings exceeding the initial plan.

Urban Transportation and Regional

Due to transportation sales at Seibu Railway and Seibu Bus exceeding forecasts, we expect earnings to overshoot the initial plan.

All businesses

We expect depreciation to increase as a result of the steady execution of capital investment. Personnel expenses are expected to rise as a result of wage increases of 5-7% (periodic increase/increase in basic wage) at the four main companies.

FY2025 consolidated earnings forecasts

		billions of yen				
		March 31, 2025	March 31, 2026 (forecast)	YoY change	March 31, 2026 (previous forecast)*2	Change from previous forecast
PL	Operating revenue	901.1	511.0	(390.1)	504.0	7.0
	Operating profit	292.7	40.0	(252.7)	40.0	0.0
	EBITDA*1	347.1	98.0	(249.1)	101.0	(3.0)
	Ordinary profit	287.6	36.0	(251.6)	33.0	3.0
	Profit attributable to owners of parent	258.1	26.0	(232.1)	25.0	1.0

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

*2 Plan announced on May 9, 2024

- Despite higher RevPAR due to an increase in hotel guests and a rise in ADR in the Hotel and Leisure business, operating revenue decreased year-on-year due to the impact of the securitization of Tokyo Garden Terrace Kioicho in the previous fiscal year (Operating revenue: Real Estate -397.1 billion yen; Hotel and Leisure +11.0 billion yen; Urban Transportation and Regional +2.2 billion yen; Other +2.5 billion yen)
- In addition to lower revenue, increases in various expenses, such as personnel expenses including wage increases and depreciation, are expected to cause a decrease in operating profit (Operating revenue: Real Estate -229.2 billion yen; Hotel and Leisure +4.7 billion yen; Urban Transportation and Regional -3.4 billion yen; Other -0.5 billion yen)

		billions of yen		
		March 31, 2025	March 31, 2026 (forecast)	Change
BS / Capital investment	Total assets	1,834.1	1,702.0	(132.1)
	Total liabilities	1,266.9	1,168.0	(98.9)
	Total net assets	567.1	534.0	(33.1)
	Equity	561.5	528.0	(33.5)
	Net interest-bearing debt	384.2	596.0	211.7
	Capital investment	103.2	154.0	50.7

		March 31, 2025	March 31, 2026 (forecast)	Change
Management Indicators	Seibu ROIC	16.1%	2.3%	(13.8pt)
	ROE	52.2%	4.8%	(47.5pt)
	ROA	14.9%	1.5%	(13.4pt)
	Equity-to-asset ratio	30.6%	31.0%	0.4pt
	Net interest-bearing debt / EBITDA ratio	1.1	6.1	5.0

FY2025 earnings forecasts (Real Estate)

billions of yen

	March 31, 2025	March 31, 2026 (forecast)	YoY change	Details	March 31, 2026 (previous forecast)*	Change from previous forecast	Details
Operating revenue	480.6	83.4	(397.1)	(-) Securitization of Tokyo Garden Terrace Kioicho in the previous fiscal year (-) Decrease in lease revenue due to the securitization of Tokyo Garden Terrace Kioicho (+) Securitization of residential properties (+) Occurrence of commissioning and contracting of property management operations, etc. due to internal reorganization of the Group (No impact of profit)	81.3	2.1	(+) Securitization of residential properties (+) Occurrence of commissioning and contracting of property management operations, etc. due to internal reorganization of the Group (No impact of profit) (-) Decrease in lease revenue due to the securitization of Tokyo Garden Terrace Kioicho
Operating profit	237.6	8.3	(229.2)	(-) Increase in registration and license tax and real estate acquisition tax due to transfer of properties within the Group (-) Increase in research expenses, etc. related to development (-) Increase in personnel expenses (+) Decrease in selling, general, and administrative expenses (In the previous fiscal year, enterprise tax (size-based tax) was incurred due to the acquisition of shares of NW Corporation)	10.9	(2.6)	(-) Higher selling, general, and administrative expenses (-) Registration and license tax and real estate acquisition tax due to transfer of properties within the Group (-) Higher research expenses, etc. related to development
EBITDA	248.1	17.5	(230.5)		22.9	(5.4)	
Capital investment	18.3	35.0	16.7	· Acquiring new properties, etc.	36.9	(1.9)	

* Plan announced on May 9, 2024

FY2025 earnings forecasts (Hotel and Leisure)

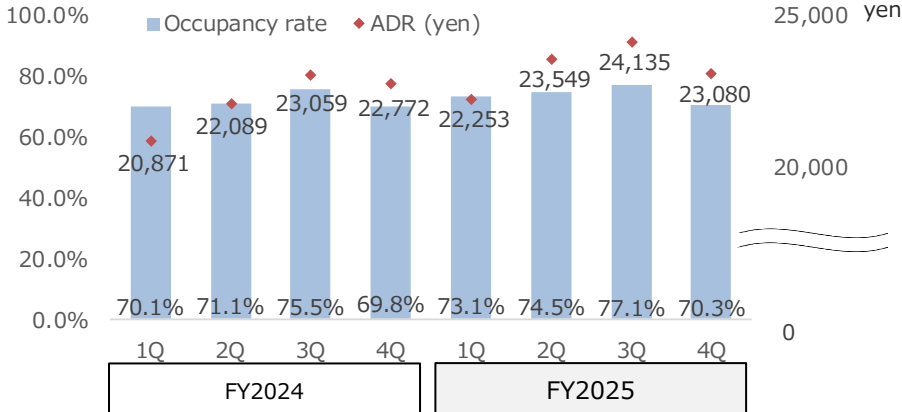
billions of yen

	March 31, 2025	March 31, 2026 (forecast)	YoY change	Details	March 31, 2026 (previous forecast) *	Change from previous forecast	Details
Operating revenue	241.2	252.3	11.0	(+) Increase in hotel guests and rise in ADR in the domestic hotels (Ownership / Lease) (+) Partial completion of renovations at Mauna Kea Beach Hotel (-) Decrease in revenue due to the securitization of The Prince Gallery Tokyo Kioicho	248.5	3.7	(+) Upswing in utilization at domestic hotels (Ownership / Lease) (-) Change in renovation plans for Mauna Kea Beach Hotel (-) Securitization of The Prince Gallery Tokyo Kioicho
Operating profit	18.6	23.4	4.7	(+) Increase in operating revenue (+) Decrease in repair expenses (-) Increase in personnel expenses, selling, general and administrative expenses (such as retirement benefit expenses), and depreciation	21.5	1.8	(+) Downswing in retirement benefit expenses (-) Higher outsourcing expenses, etc.
EBITDA	33.7	41.1	7.4		39.8	1.3	
Capital investment	35.5	60.0	24.4	·Mauna Kea Beach Hotel renovations	31.7	28.2	· Mauna Kea Beach Hotel renovations (extension of the construction period)

Estimates for indicators (Domestic hotel operations)

	FY24	FY25 (Forecast)	YoY
RevPAR (yen)	15,919	17,155	7.8%
Of the above, ownership/lease	16,852	17,711	5.1%
Average daily rate (yen)	22,221	23,272	4.7%
Of the above, ownership/lease	22,622	23,143	2.3%
Occupancy rate	71.6%	73.7%	2.1pt
Of the above, ownership/lease	74.5%	76.5%	2.0pt

ADR and occupancy rate trend (Domestic hotel operations) * Plan announced on May 9, 2024



Current reservation trend for accommodation (Domestic hotel operations)

- ✓ Preliminary figures for Apr. 2025: RevPAR is 120% of the same period last year, ADR is 114% of the same period last year and occupancy rate +4pt compared to the same period last year (actual value 75%)

FY2025 earnings forecasts
(Urban Transportation and Regional)



billions of yen							
	March 31, 2025	March 31, 2026 (forecast)	YoY change	Details	March 31, 2026 (previous forecast) ^{*2}	Change from previous forecast	Details
Operating revenue	152.6	154.9	2.2	(+) Increase in railway and bus transportation revenue (+) Increase in operating revenue of "TOMONY" in-station convenience stores	150.2	4.6	(+) Upswing in railway and bus transportation revenue
Operating profit	11.3	7.8	(3.4)	(-) Increase in personnel expenses, depreciation and non-current asset retirement costs	5.2	2.6	(+) Upswing in operating revenue (-) Higher personnel expenses and repair expenses
EBITDA	33.9	31.6	(2.2)		30.8	0.8	
Capital investment	44.2	50.5	6.2	• Installation of platform doors • New development of 40000 series train • Project on a continuous grade-separation work between Nakai and Nogata stations • Introduction of sustainable railway cars ^{*1}	49.9	0.5	

^{*1} A proprietary name assigned by Seibu Railway to VVVF inverter-controlled railway carriages transferred from other companies

^{*2} Plan announced on May 9, 2024

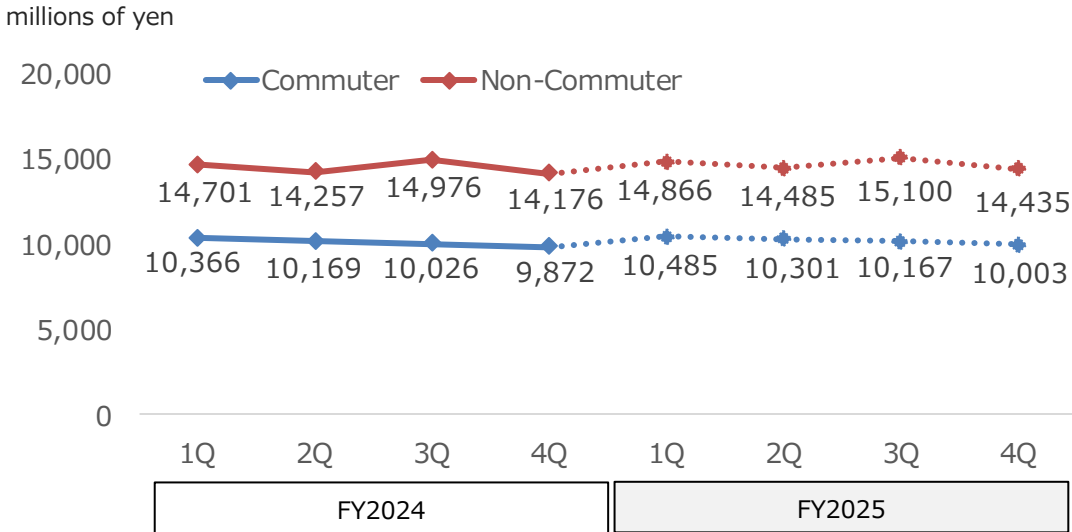
Estimates for the number of passengers and sales from railway transportation

		FY24	FY25 (Forecast)	YoY
Number of passengers (thousands of passengers)	Commuter	355,907	359,956	+1.1%
	Non-commuter	249,221	252,371	+1.3%
	Total	605,128	612,327	+1.2%
Sales from railway transportation (millions of yen)	Commuter	40,434	40,958	+1.3%
	Non-commuter	58,112	58,889	+1.3%
	Total	98,547	99,847	+1.3%

Current number of gate passage in railway operation (YoY)

	2025			
	January	February	March	April
Commuter passes	+3.2%	△1.8%	+1.9%	+2.0%
Non-commuter passes	+4.1%	△0.1%	+2.7%	+1.7%
Total	+3.6%	△0.9%	+2.3%	+1.9%

Sales from railway transportation trend (Quarterly)



FY2025 earnings forecasts by segment

billions of yen

Operating revenue

	FY2024	FY2025				FY2024 1H	FY2025 1H	
	Actual (March 31, 2025)	Forecast (March 31, 2026)	YoY	Previous forecast* ³ (March 31, 2026)	Change from previous forecast	Actual (March 31, 2025)	Forecast (March 31, 2026)	YoY
Real Estate	480.6	83.4	(397.1)	81.3	2.1	39.2	43.4	4.1
Hotel and Leisure	241.2	252.3	11.0	248.5	3.7	118.0	121.4	3.4
Urban Transportation and Regional	152.6	154.9	2.2	150.2	4.6	76.2	76.8	0.6
Other	51.2	53.8	2.5	51.4	2.3	30.7	32.6	1.8
Adjustments* ¹	(24.7)	(33.5)	(8.8)	(27.6)	(5.9)	(12.0)	(16.4)	(4.4)
Consolidated	901.1	511.0	(390.1)	504.0	7.0	252.2	258.0	5.7

*¹ Increase in the amount of eliminations mainly due to the occurrence of commissioning and contracting of operations due to the Group reorganization*³ Plan announced on May 9, 2024

Operating profit

	FY2024	FY2025				FY2024 1H	FY2025 1H	
	Actual (March 31, 2025)	Forecast (March 31, 2026)	YoY	Previous forecast* ³ (March 31, 2026)	Change from previous forecast	Actual (March 31, 2025)	Forecast (March 31, 2026)	YoY
Real Estate	237.6	8.3	(229.2)	10.9	(2.6)	5.8	7.2	1.4
Hotel and Leisure	18.6	23.4	4.7	21.5	1.8	13.4	8.8	(4.6)
Urban Transportation and Regional	11.3	7.8	(3.4)	5.2	2.6	10.0	7.5	(2.5)
Other	2.0	1.5	(0.5)	1.3	0.2	4.3	3.9	(0.3)
Adjustments* ²	23.0	(1.0)	(24.1)	1.0	(2.0)	0.0	(0.6)	(0.7)
Consolidated	292.7	40.0	(252.7)	40.0	0.0	33.7	27.0	(6.7)

*² For the FY2024 results, realization of unrealized income on a consolidated basis due to the securitization of Tokyo Garden Terrace Kioicho, and other factors*³ Plan announced on May 9, 2024

FY2025 earnings forecasts by segment

billions of yen

EBITDA

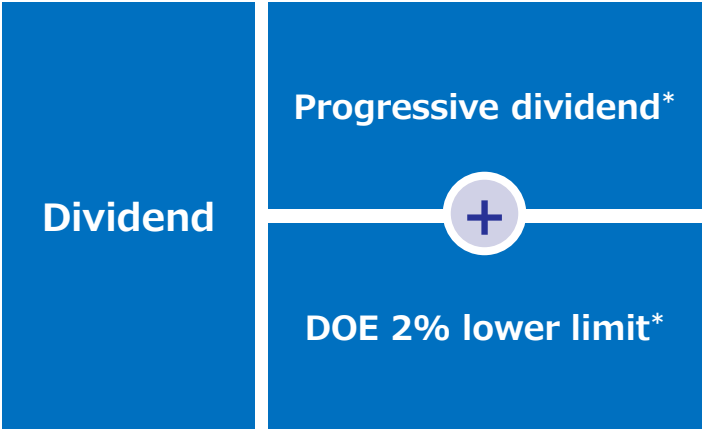
	FY2024	FY2025				FY2024 1H	FY2025 1H	
	Actual (March 31, 2025)	Forecast (March 31, 2026)	YoY	Previous forecast* (March 31, 2026)	Change from previous forecast	Actual (March 31, 2025)	Forecast (March 31, 2026)	YoY
Real Estate	248.1	17.5	(230.5)	22.9	(5.4)	11.5	12.0	0.4
Hotel and Leisure	33.7	41.1	7.4	39.8	1.3	20.8	17.2	(3.5)
Urban Transportation and Regional	33.9	31.6	(2.2)	30.8	0.8	20.9	18.8	(2.1)
Other	6.6	6.3	(0.2)	6.0	0.3	6.5	6.2	(0.2)
Adjustments	24.7	1.2	(23.4)	1.3	(0.1)	0.8	0.5	(0.3)
Consolidated	347.1	98.0	(249.1)	101.0	(3.0)	60.7	55.0	(5.7)

Capital investment

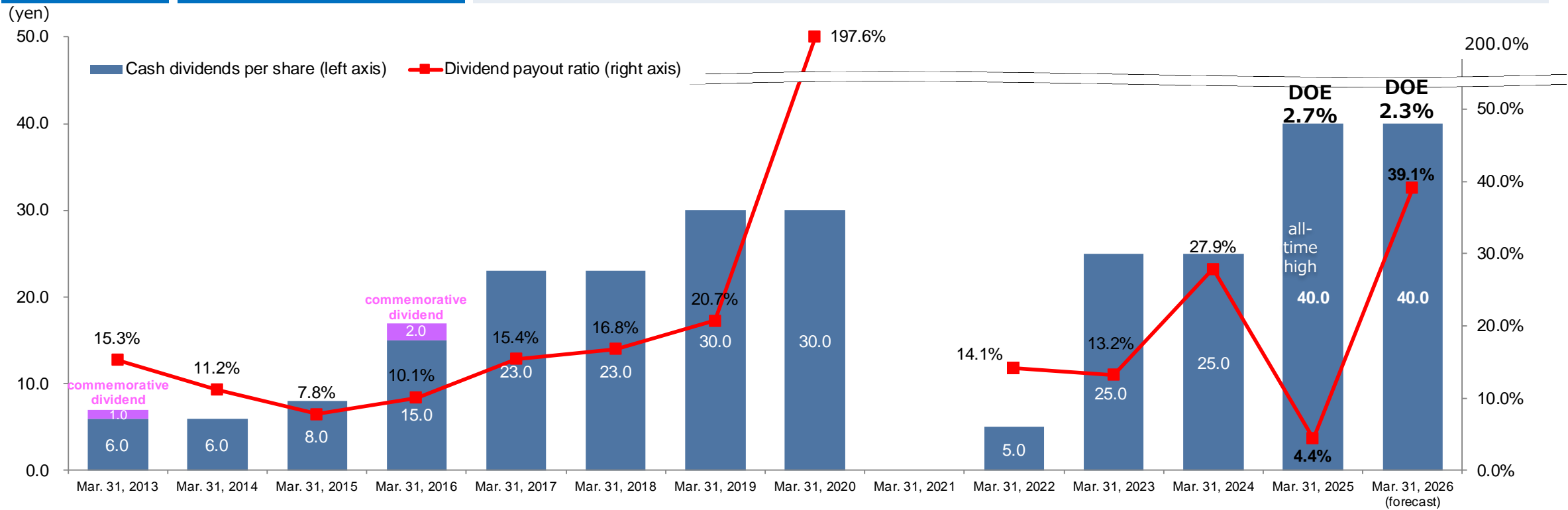
	FY2024	FY2025			
	Actual (March 31, 2025)	Forecast (March 31, 2026)	YoY	Previous forecast* (March 31, 2026)	Change from previous forecast
Real Estate	18.3	35.0	16.7	36.9	(1.9)
Hotel and Leisure	35.5	60.0	24.4	31.7	28.2
Urban Transportation and Regional	44.2	50.5	6.2	49.9	0.5
Other	3.5	6.6	3.0	5.6	0.9
Adjustments	1.4	1.8	0.3	1.6	0.1
Total capital investment	103.2	154.0	50.7	126.0	28.0

* Plan announced on May 9, 2024

Dividends for FY2024 and Dividends Forecast for FY2025



- By the progressive dividend policy with a minimum DOE of 2.0%, achieve stable dividends and increase dividends through improved profits
*Except when an event occurs that has a significant negative impact on business performance
- We plan to pay a dividend of 40 yen per share (interim dividend of 15 yen and year-end dividend of 25 yen) for the fiscal year ended March 31, 2025 with a focus on providing long-term and continuous returns to shareholders, by using part of the funds obtained in excess of our plans from the securitization of Tokyo Garden Terrace Kioicho
- We plan to pay a dividend of 40 yen per share, the same amount as the previous fiscal year (interim dividend of 20 yen and year-end dividend of 20 yen) for the fiscal year ending March 31, 2026 under our shareholder return policy of achieving progressive dividends with a minimum DOE of 2.0%



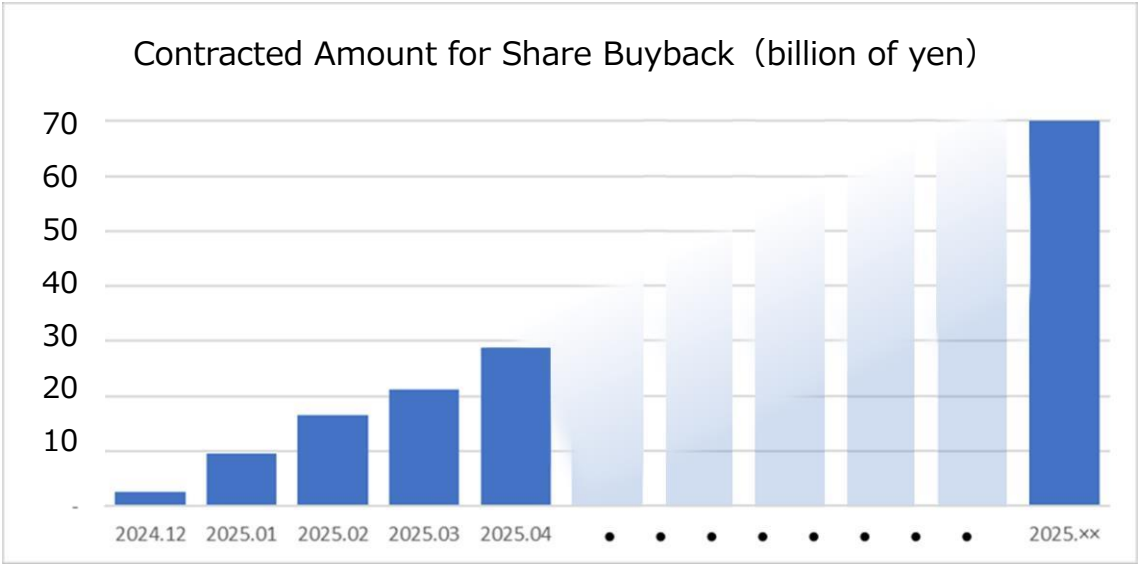
Reference: Purchase of treasury shares

- Based on the idea of increasing future NAV through higher capital efficiency (balance sheet control, enhanced ROE/EPS) and the manifestation of the results of the long-term strategy, we will use the funds derived from the securitization of Tokyo Garden Terrace Kioicho to purchase treasury shares.

Repurchase of treasury shares

- Implement flexibly based on balance sheet status
 - Currently conducting a share buyback worth 70 billion yen.
Acquisition Period: December 13, 2024 – December 12, 2025
Method: Market purchase based on a discretionary trading contract.
(equal to 8.66% of total issued shares excluding treasury shares held by the Company)
(Percentage of total issued shares excluding treasury stock held on a consolidated basis: 10.17%)
The Company plans to retire all of the treasury shares acquired through this repurchase, by a resolution at a meeting of the Board of Directors in accordance with the provision of Article 178 of the Companies Act

Progress



Period of purchase	Contract amount (yen) *cumulative amount	Purchase ratio (%)
Dec. 2024	2,503,042,200	3.58
Jan. 2025	9,608,191,100	13.73
Feb. 2025	16,635,296,500	23.76
Mar. 2025	21,281,829,400	30.40
Apr. 2025	28,813,638,450	41.16
	:	
2025.××	70,000,000,000	100

FY2026 plans

- We will disclose any changes to the targets for FY2026 once the impact of the following topics in each business has been fully scrutinized. The figures in the plans for FY2026 (disclosed in the “Seibu Group’s Long-term Strategy to 2035 FY2024-FY2026 Medium-term Management Plan” materials released on May 9, 2024) include the securitization of Tokyo Garden Terrace Kioicho. In addition, the impact of the Seibu Railway’s fare revisions currently under approval application is not reflected.

Topics for FY2026

Real Estate

Continuing into FY2025, there are some reductions in operating profit compared to the initial plan (in terms of properties owned, approx. 5.0 billion yen Tokyo Garden Terrace Kioicho), but we will begin operation of Seibu Fund in FY2026-FY2027 as well as expect securitization of residences, as we work to hit the target AUM of 100 billion yen for a joint fund with Morgan Stanley Capital K.K. and PRIME Asia.

Hotel and Leisure

Although operation of the restaurant building and “Hiten” banqueting hall of Grand Prince Hotel Shin Takanawa will cease due to development of the Takanawa area, we expect higher profits to be driven by the effects of the completed renovation of the Mauna Kea Beach Hotel, as well as price increases for the domestic hotel operations as a whole that exceed those implemented in FY2025. In order to enhance the future profitability of the Hotel and Leisure business, we will implement value-add investments at the Shinagawa Prince Hotel.

Urban Transportation and Regional business

Seibu Railway has submitted an application for approval to revise railway passenger fares (scheduled for implementation in March 2026, with an expected revenue increase rate of 8.4%)

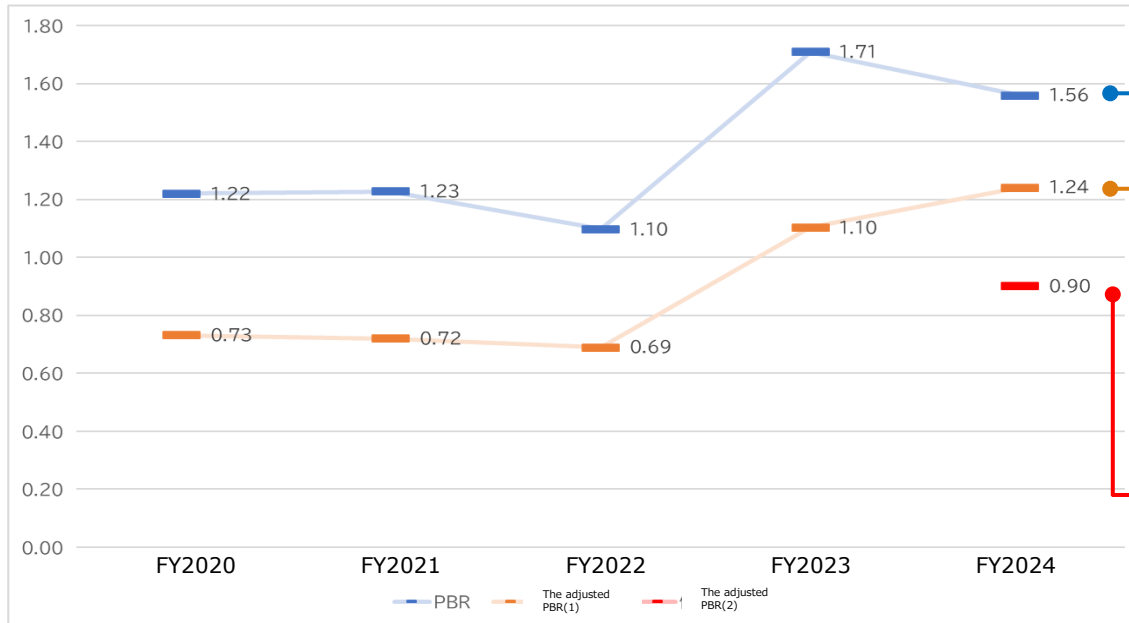
04. Management taking into account the cost of capital and stock price

Review of key indicators

(Trends in PBR and Adjusted PBR)

- In addition to unrealized gains from real estate for lease, etc., PBR that takes into account the redevelopment of scheduled areas (Takanawa and Shinagawa, etc.) going forward (adjusted PBR (2)) is below 1.0×
- By promoting the redevelopment of these real estate, with its hidden potential, **we aim to achieve further improvements in profitability and growth in NAV**, thereby creating sustainable corporate value.

Trends in PBR



PBR =

Market capitalization

Equity

The
adjusted=
PBR (1)

Market capitalization

Equity

+ Unrealized gains from real estate for lease,
etc. (after tax)The
adjusted=
PBR (2)

Market capitalization

Equity

+ Unrealized gains on real estate for rent and
others (after tax)
+ Unrealized gains for the redevelopment of
scheduled areas going forward (after tax)

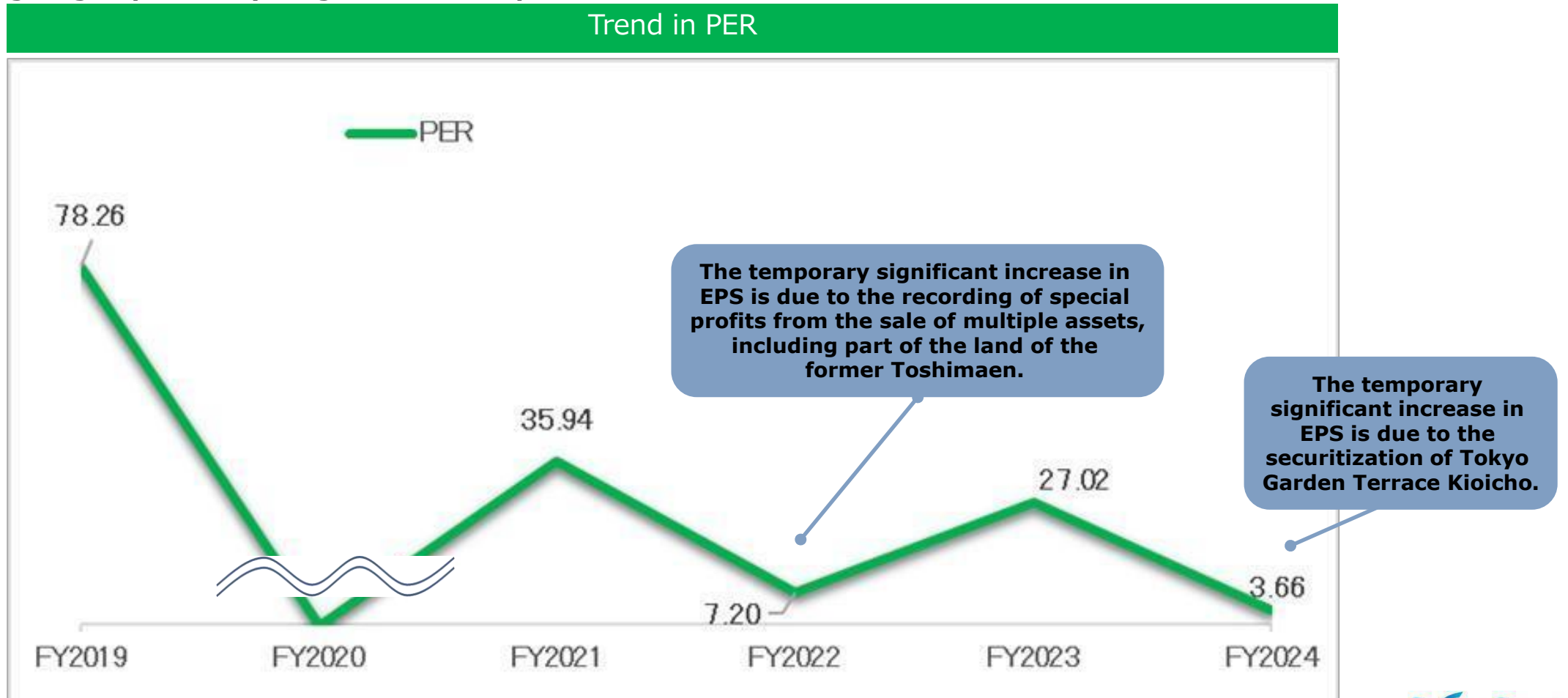
(Note 1) Adjusted PBR (1) has been calculated by adding to the net assets per share used for calculating PBR the unrealized gains from real estate for lease, etc. (after tax) as of the end of each fiscal year that are added to equity at the end of each fiscal year. Unrealized gains on rental properties in FY2024 (after tax) are based on the figures at the end of FY2024.

*Disclosed as "adjusted PBR" in the "Seibu Group's Long-term Strategy to 2035 FY2024-FY2026 Medium-term Management Plan" materials released on May 9, 2024.

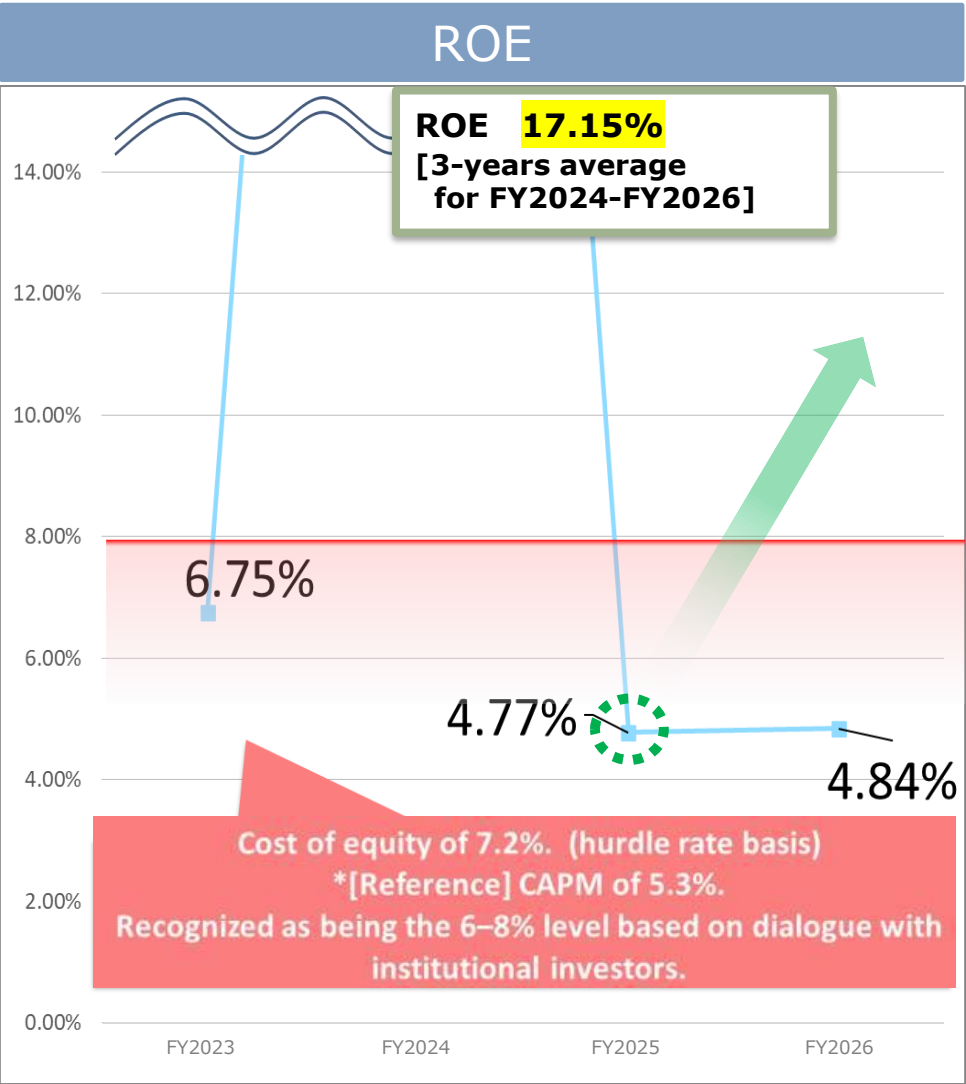
(Note 2) Adjusted PBR (2) has been calculated by adding to the net assets per share used for calculating PBR the unrealized gains from real estate for lease, etc. (after tax) and unrealized gains for the Takanawa area, the Shibakoen area (Tokyo Prince Hotel), Shinagawa area, and Karuizawa area as of the end of each fiscal year that are added to equity at the end of each fiscal year. The above unrealized gains are based on the real estate appraisal determined from the current status as of FY2024. *The hotel shall be a condition of continued use of the status quo.

Reference: Review of key indicators (Trends in PER)

- In FY2024, due to the securitization of Tokyo Garden Terrace Kioicho, EPS temporarily increased significantly, resulting in a decline in PER to approx 3.7x.
- Going forward, we aim to achieve an appropriate and sustainable PER level by demonstrating stable profit growth through ongoing capital recycling and value-up investments.



Awareness of circumstances around the hurdle rate and capital efficiency



*The figures for fiscal year 2026 do not yet reflect the various impacts mentioned on page 54. We will disclose the updated figures once the impact assessment for each topic has been completed.

Reference: Financial KPIs (About ROE)

Reproduction of materials disclosed on May 9, 2024 concerning “Seibu Group’s Long-term Strategy to 2035 and FY2024-FY2026 Seibu Group’s Medium-term Management Plan”

- Building a 250-hotel structure, and while working to increase profitability, achieve sustainable capital recycling through a capital recycling business, and redefine capital efficiency and optimized capital structure, as described below.
- The first step is to achieve a constant ROE of 8%, and aim for an ROE in excess of 10% in FY2035.

Outputs (Financial KPIs)

ROE

Consistently achieved 8%

(Aim for an ROE in excess of 10% in FY2035.)

Cost of equity perceived as 7.2%

I. Profitability (Net profit margin) of at least 9%

- Carry out capital recycling business, develop 250 hotels, etc.
- Business transformation through digital technology, etc.

FY2035 Operating profit
Over 100 billion yen

II. Efficiency (Total asset turnover) 0.3x or higher

- Carry out capital recycling business, achieve capital recycling
- Implement investment that takes into account the cost of capital, and ROIC management
-Hurdle rate set at 3.13% and business portfolio management

ROA
2.7% or greater

III. Financial soundness (Financial leverage) of around 3x

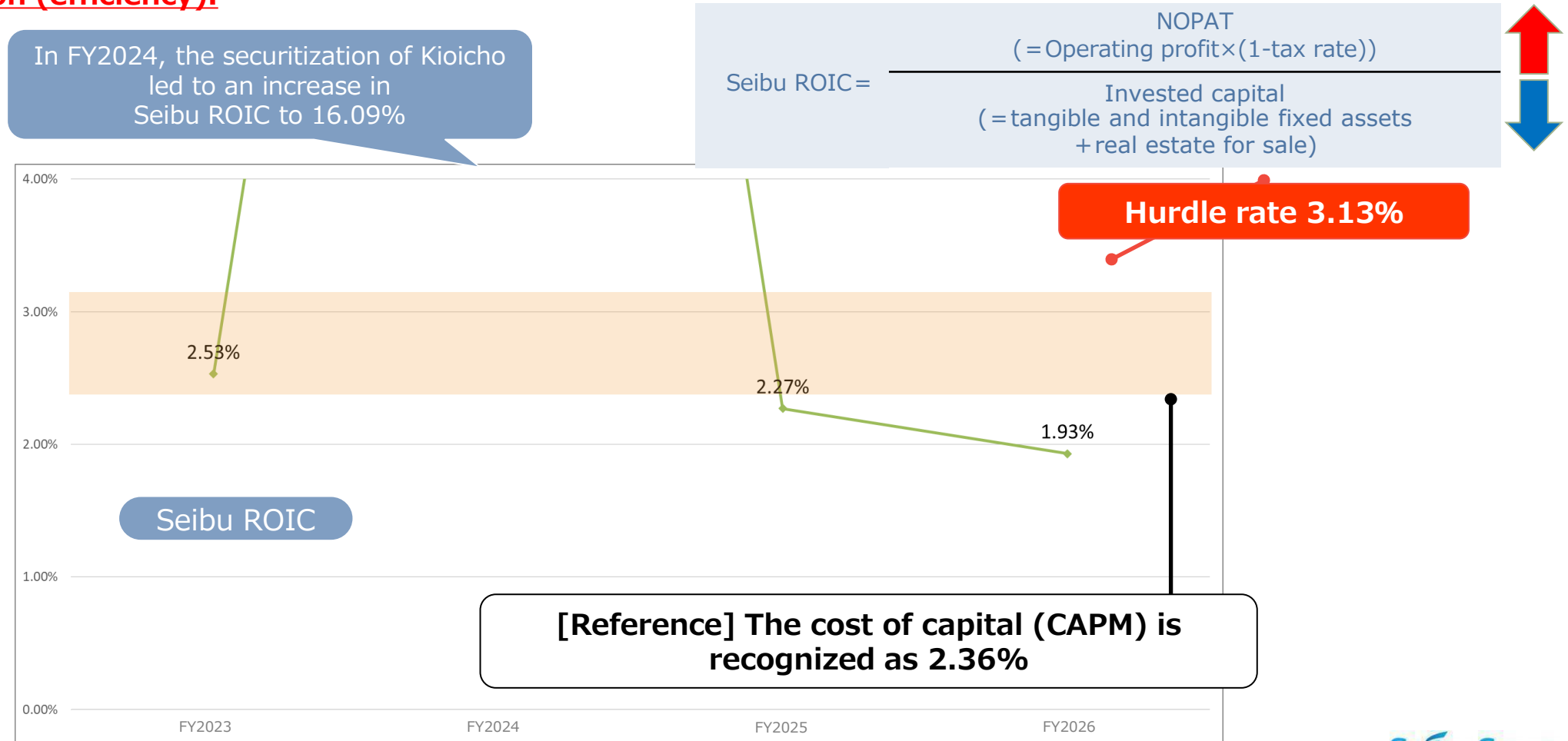
- Leverage a certain degree through large-scale development and acquisition of new properties, while reducing debt through securitization and careful selection of the above investments
- Raise funds other than through borrowing, such as JVs in resort development
- Control the balance sheet while giving due consideration to efficiency and safety, and implement flexible capital policies (dividend increases, purchase of treasury shares, etc.) as appropriate.

Equity-to-asset ratio
25-30%

Maintain "A" rating

Awareness of circumstances around the hurdle rate and capital efficiency

- The Seibu ROIC over the past five years, including the three-year medium-term plan, is not currently expected to exceed the hurdle rate, except for fiscal year 2024, when the impact of the Kioicho securitization will be reflected. To improve the Seibu ROIC, it is urgent to enhance the growth of operating profit (profitability) and the selection of asset composition (efficiency).



*The figures for fiscal year 2026 do not yet reflect the various impacts mentioned on page 54.
We will disclose the updated figures once the impact assessment for each topic has been completed.

Towards strengthening both profitability and efficiency

We will put the focus on strengthening both profitability and efficiency, and concentrate on resolving the following three points in particular.

- **Accelerate capital recycling business**

In FY2024 we securitized Tokyo Garden Terrace Kioicho and acquired five new properties. Going forward we will continue to clearly differentiate between properties that we will hold and properties that we will securitize, and implement capital recycling steadily and methodically.

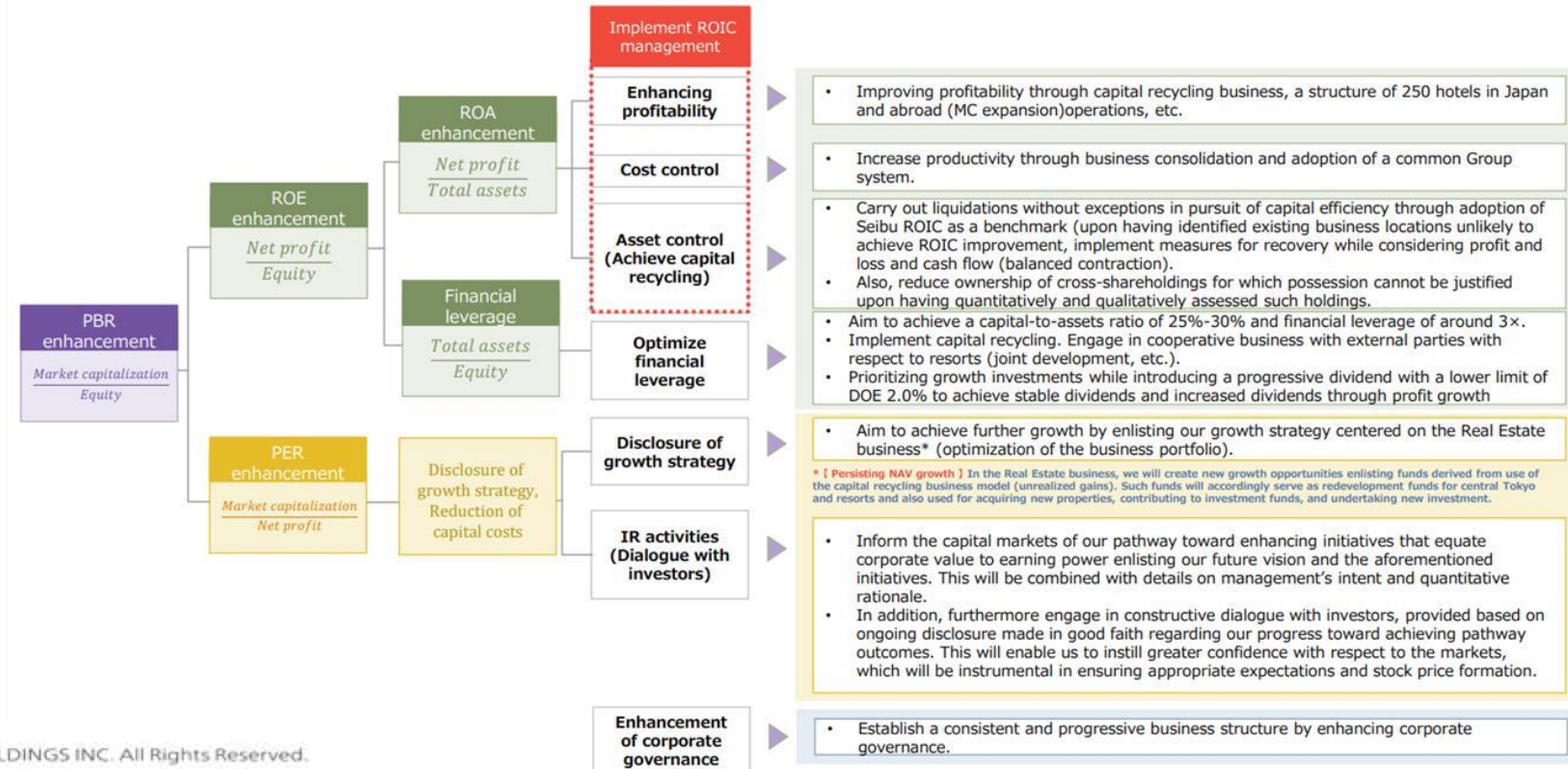
- **Enhance profitability in the Hotel and Leisure business**

Maximize profitability and efficiency by leveraging data, and increase the direct sales ratio by cultivating customer loyalty. Also, increase the number of hotels operated through M&A, etc.

The operating profit margin for FY2024 was approximately 7.7%, and by advancing the above initiatives, we aim to achieve approximately 11% for FY2026 (after deducting the impact of retirement benefits and the effects of temporary closures due to large-scale redevelopment projects in central urban areas).

- **Enhance profitability/capital efficiency at each business location**

Review the approach for each business location at which enhancements to profitability and capital efficiency cannot be expected, and allocate capital appropriately to businesses that are generating value.



Towards strengthening both profitability and efficiency

Accelerate capital recycling business

Enhancing profitability



- As well as acquiring new properties, we will work to enhance the profitability of properties by rolling out value-adding projects for those that we have acquired.
- By also raising rents at existing properties and investigating ways to maximize their effective use, we will strengthen the earnings base for the real estate business as a whole.

Cost control



- Based on the four-company real estate structure designed and established to strengthen specialization in the various functions of AM, BM, CM, and PM, we will pursue productivity improvements in each function.

Asset control
(Achieve capital recycling)



- After systematically organizing securitization, we will promote sustainable capital recycling.

Enhance profitability in the Hotel and Leisure business

Enhancing profitability



- In addition to opening new hotels in pursuit of the target of 250 sites in operation, we will seek to raise prices to reflect brand power improvements, thus enhancing profitability.

Cost control



- Through developing an SPGR app and websites for different business locations we will work to increase the direct sales ratio.

Asset control
(Achieve capital recycling)



- Through increases in fee income driven by higher numbers of MC contracts we aim to enhance the profitability of the Hotel and Leisure business, and achieve improvements in capital efficiency for the business as a whole.
- Through value-add investments, including the Shinagawa Prince Hotel, and brand-building initiatives, we will pursue increases in hotel assets with an eye on securitization.

Enhance profitability/capital efficiency at each business location

- By thoroughly monitoring business locations after the introduction of Seibu's ROIC, we will disseminate the concept within the Group and pursue profitability enhancements at each business location.
- We will review the approach taken by existing business locations for which improvements cannot be expected, and allocate capital appropriately to businesses that are generating value.

IR activities (Dialogue with investors)

We endeavor to achieve constructive dialogue with our shareholders and investors, recognizing the importance of taking their opinions seriously and applying them to management.

Status of dialogue implementation

Main dialogue opportunities	Main respondents	Number of times (FY2024)
General meetings of shareholders	All directors and Audit & Supervisory Board members	1
Financial results briefings / Conference calls (including earnings forecast revision, conference calls)	CEO, COO, Directors (Finance Director, IR Managing Officer)	6
Meetings and seminars by theme	COO, Directors, presidents of operating companies, persons in charge of business strategy departments	4
Securities analyst interviews	Directors (Finance Director, IR Managing Officer), General Manager of IR	36
Perception studies (survey of institutional investors awareness)	-	1 (10 target institutions)
Briefing for individual investors	Directors (Finance Director, IR Managing Officer)	3
Meetings with institutional investors	CEO, COO, Directors (Finance Director, IR Managing Officer), outside Directors, General Manager of IR	253 (144 institutions)

Domestic/Overseas

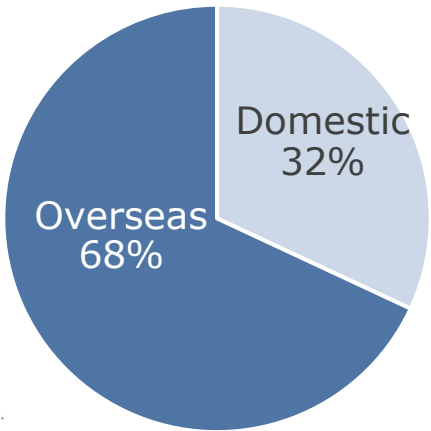
144 institutions

(Breakdown of meetings with institutional investors)

Reference

- Overseas**
- Overseas roadshows (Europe, Asia, North America*) 3
 - Conferences sponsored by securities firms 6
- *Online format

- Domestic**
- SR/ESG meetings 16



Main themes and interests of the dialogue

- Perception of current share price, perception of current NAV, growth potential going forward
- Time frame for executing capital recycling (real estate securitization, reinvestment in central Tokyo developments and resort developments) and approach to investment returns, capital allocation policy, time frame for achieving capital efficiency targets
- Improving profitability in the hotel business, enhancing brand value, strategies and initiatives for increasing the number of hotels operated
- Approach to fare revisions in the railway operations
- Impact of and response to changes in the macro environment (interest rates, exchange rates come etc.) and business environment (persistently high construction costs, labor shortages, etc.)
- Issues and expectations regarding corporate governance
- Attracting human capital and human capital (human capital) strategy, including development, and initiatives for natural capital

Internal feedback on dialogue content

Shared with	Frequency	Main contents
Board of Directors Management Council	2x / year	- Share price and relevant indicators, trends in capital markets, state of shareholders
		- Planning and progress of IR activities, assessments by third parties
	As appropriate	- Comments based on opinions, proposals, expectations, derived through dialogue
		- Reports on the implementation of overseas IR and perception studies
CEO/COO	12x / year	
Core company presidents	4x / year	- Share price and relevant indicators, trends in capital markets
		- Comments based on opinions, proposals, expectations, derived through dialogue

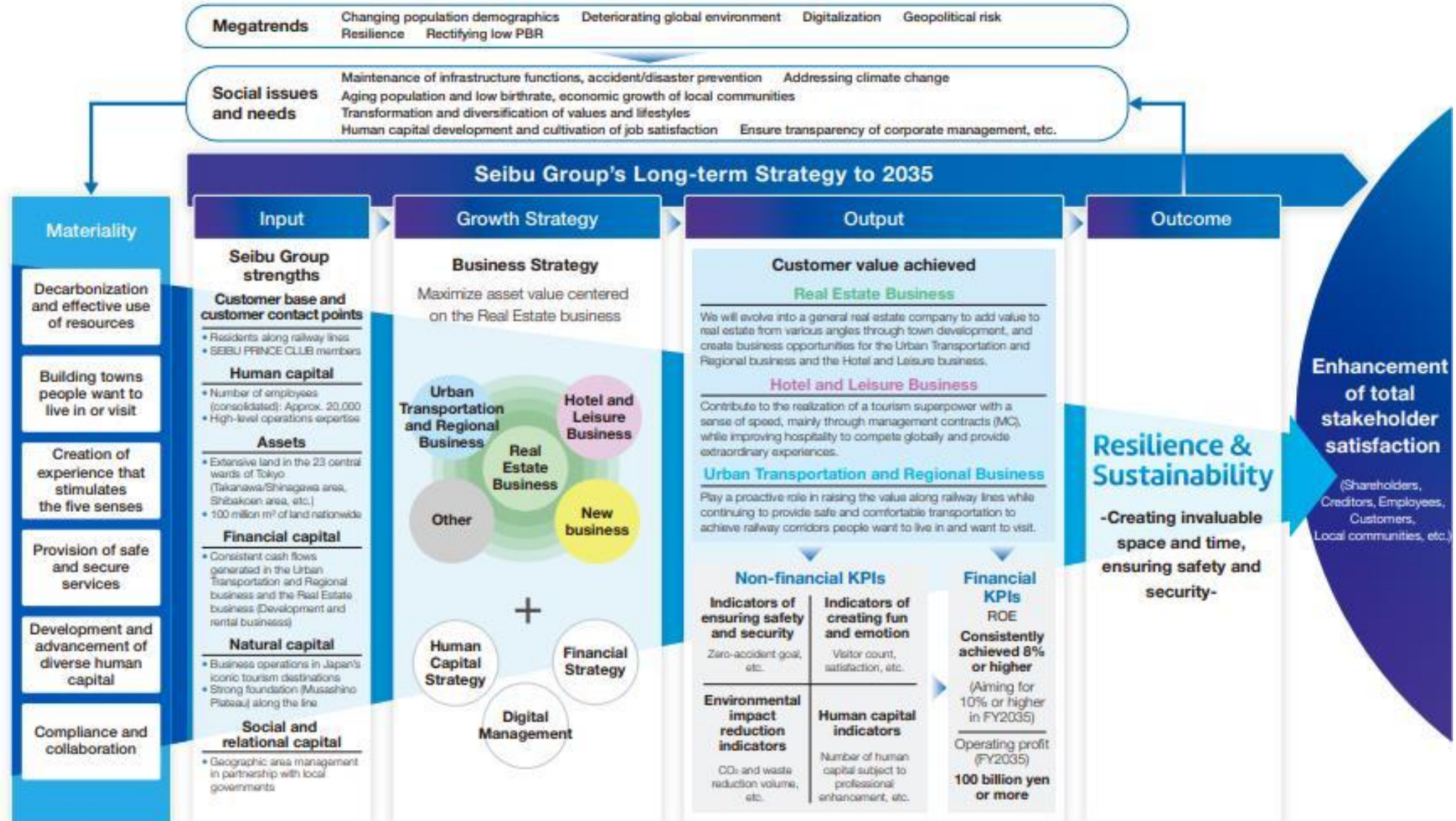
Main responses based on dialogue contents

Formulate management strategies/enhance disclosure in light of opinions received	Strengthening corporate governance
<ul style="list-style-type: none">• Execution of capital recycling, disclosure of progress, greater detail for plans• Updates to capital allocation plans (allocation between growth investment and shareholder returns)• Voluntary disclosure of information that takes into account unrealized gains and fair value of main assets other than investment and rental properties• Strengthened disclosure of initiatives for human capital and natural capital (integrated reports, etc.)	<ul style="list-style-type: none">• Re-examine the skills required of Directors of the Company, and review the skill matrix• Review the nature of the relationship with NW Corporation• Review of remuneration system for Directors

Appendix

Value Creation Narrative

- We will enhance total stakeholder satisfaction by providing customer value (output) and achieving the envisioned state (outcome) based on our growth strategy centered on the Real Estate business.



Disclaimer

The forward-looking statements, including earnings forecasts, contained in these materials are based on information available to the Company at the announcement of these materials and on certain assumptions pertaining to factors of uncertainty. These statements may differ from the actual business results.