Nishitetsu Group Integrated Report 2025

Let's draw dreams
in the town.

Nishitetsu Group

Nishitetsu Group Corporate Philosophy

Basic Philosophy

The NNR Group will keep providing confidence, comfort, and enjoyment through our businesses which connect people and carry their expectations, walk hand in hand with communities, and develop together.

Management Philosophy

Management to bring out the best in people

We create the vibrant corporate climate where people are respected for their humanity; the best in people is brought out, and they are fostered.

Creation of our customers' expectations

We put ourselves in our customers' shoes, respond to their expectations, and provide products and services which create their expectations.

Creation of new business values

We accurately ascertain the demands of the present age and create new business values that we can share with society.

Harnessing the Group's collective strength

We respect independence and individuality, cooperate with each other, and harness the NNR Group's collective strength.

Code of Conduct

The joy of our customers is our joy.

We put ourselves in our customers' shoes.

We value can-do spirit.

We act positively with originality and ingenuity.

We are proud to be members of the Nishitetsu Group.

We improve ourselves, play our roles, and take responsibility.

We create vibrant workplaces.

We talk with our colleagues and deepen mutual trust and partnership.

Corporate Message

Let's draw dreams in the town.

〜Connecting your Dreams〜

People's thoughts create the future.
The Nishitetsu Group believes so.
Creation of new goods and services,
enrichment of lives and creation of an ideal town.
All things start with people's thoughts.
That is why we hope to create a future, valuing the thought of each customer and each employee.
Let's draw dreams in the town.
This corporate message expresses the sense of expectancy and the sense of scale
for the future expansion of businesses which the Nishitetsu Group engages in.
"Town" may be a town where we live with local residents
or a town that we will encounter in a new world.
Growing together, sharing dreams at various life stages
of our customers and local residents.
That is the image of a corporate group that we aim at.
Free dreams that our customers have, rich dreams that local residents have
of and big dreams that each employee of the Nishitetsu Group thinks of.
Let's envision a new town by collecting dreams filled with various thoughts.

Editorial Policy

Based on the basic stance for providing values in the Nishitetsu Group CYD Vision 2035, "create and support warm-heartedly and jointly," our group aims to realize "happy and prosperous society." This report is designed to help all our stakeholders including shareholders and investors understand more deeply that "the Nishitetsu Group will take on challenges for the creation of values in local communities and society and aim to achieve sustainable growth through the practice of its corporate philosophy."

Referenced Guidelines

"International Integrated Reporting Framework (IIRC)" issued by the IFRS Foundation and "Guidance for Collaborative Value Creation" issued by the Ministry of Economy, Trade and Industry were referenced.

Scope of Report

Scope of Entities Covered by Report: Nishi-Nippon Railroad Co., Ltd. and the Nishitetsu Group
Period Covered by Report: FY2024 (April 1, 2024 - March 31, 2025); provided, however, that matters in some periods outside the period are also included in the report.
Time of Issue: October 2025

* Unless otherwise noted, figures in this report are the actual results for FY2024 or the figures as of the end of FY2024.

Caution Regarding Future Prospects

This report contains statements regarding future performance. Such statements are not guarantees of future performance and involve risks and uncertainties. Please note that future performance may differ from the targets due to change in the business environment or any other factor.

For the latest information about our company, please refer to the following website.
https://www.nishitetsu.co.jp/

ONE FUKUOKA BLDG.

Busiest downtown area in Kyushu, Fukuoka Tenjin.
The center of this area is the Tenjin 1-chome intersection,
and “ONE FUKUOKA BLDG.,” which had taken six years to build,
was opened at this section on April 24, 2025.
This is where the Nishitetsu Group, which has grown together
with Tenjin for over 50 years, is headquartered.

New “Tenjin” that Starts with ONE FUKUOKA BLDG.

On April 24, 2025 long-awaited ONE FUKUOKA BLDG. opened. This edifice is the culmination of the “Fuku Building Block Reconstruction Project,” which took six years, and the icon of the Tenjin Big Bang. The office area is one of the largest in western Japan with one entire pillar-less floor of 4,600 sqm and ceilings 3.0 meters high. The building boasts specifications befitting a new era from earthquake resistance to BCP to security to environmental performance to infectious disease prevention. A lifestyle hotel, “ONE FUKUOKA HOTEL,” is located on the top floor that offers spaces that can satisfy business and tourism needs, and even MICE (meetings, incentive trips, conventions and events/exhibitions). The shop and restaurant floors on B2F to 5F is filled with world’s class fine-dining restaurants and fashion-brand flagship stores, and a food zone where people can experience the Fukuoka culinary culture. The concept is “Intersection of Creation.” Work styles and life styles, at work and off work, global and local, and Asia and Fukuoka .... A venue where diverse values meet, and happenstance and diversity create something new. ONE BLDG., as a base that drives Kyushu, will bring a new wave to the town.

[Location] 1-11-1, Tenjin, Chuo-ku, Fukuoka City [Site area] approx. 8,600 m^2
[Total floor space] approx. 147,000 m^2 [Number of floors] 19 above ground, 1 tower and 4 basement floors
[Building height] approx. 97m [Usage] Office, commerce, hotel and, conference

Nishitetsu Head Office

“ONE BLDG.” Set in Motion.


Scene of the demolition of Fuku Bldg. (November 2020)

Grow and prosper together with the region

Tenjin "Intersection of Creation," brought into reality by the 100 years old bond.

"ONE FUKUOKA BLDG. (ONE BLDG)" was completed on December 27, 2024 after about six years (2,098 days) of work that started on April 1, 2019 when the "Fukuoka Bldg.," where the Group had been headquartered, drew the curtain down on its 57-year history. During that period, a maximum of 1,500 people per day, consisting of a wide range of people from different companies and with different nationalities, had been engaged in the construction, giving their best efforts. This project mobilized the sweat and passion of people whose cumulative number reached tens of thousands and their power of giving shape to dream.

Tenjin, which used to prosper as the castle town of Fukuoka Castle, saw the door opened to becoming a modern town when the Fukuhaku Electric Railway, which operated tramcars, started a business in 1910 toward the end of the Meiji Period. In the next year, 1911, Hakata Electric Railway entered into rail service. Thus, the Tenjin-cho electric train station was established in the place where Meiji Street and Watanabe Street crossed, and developed into a spot where cities' pulses met. The location where ONE BLDG. stands at present is the very node of their histories. In 1957, an unprecedented initiative called the "Triangular Exchange Plan*" was pulled off, in which Fukuoka Building, Fukuoka Central Post Office, and Bank of Fukuoka Head Office exchanged their land blocks, and then Fukuoka Building was completed with commercial facilities on the basement and the first floor in 1961. At that time, the new building was called the "most luxurious building in western Japan." Tenjin enthralled people as the symbol of a new era.

Before proceeding with the development project of ONE BLDG., we embraced all from the history and analyzed the uniqueness of Tenjin as a city, exhaustively. We sorted out strengths as a city and envisioned its future shape, thereby forging the core concept. Creators who hailed from Fukuoka, active on the frontline of industries, joined the discussion. What is Fukuoka's uniqueness? We asked questions, one after another, leaving no stone unturned in our discussions.

The answer we reached was that we should blur the boundaries between being at work and off work and connect them seamlessly just because working and living were closer in Fukuoka. There, unexpected encounters take place, different values cross each other, and unbounded inspiration is set free. Creation sprouts from the interaction between working and living, Fukuoka and Asia, and diverse people and goods. When that future shape was condensed, there came the concept of "Intersection of Creation."

Integrated development of the "FUKU BLDG TOWN DISTRICT," where Fukuoka Bldg., Tenjin Core Bldg. and Tenjin Dai-Ichi Meiten Bldg. (Tenjin VIVRE) converge. This grand undertaking would not have materialized without the deep understanding and strong cooperation of generations of tenants and landowners of the respective buildings. The Nishitetsu Group pushed forward with this gigantic redevelopment as "Fuku Building Block Reconstruction Project." All employees of the Group, led by the members leading the project (in the photo), made an united effort.

What our efforts were crystalized into: ONE BLDG., Tenjin's new door, connecting the 100 years old bond to the future, was opened on April 24, 2025.

* The plan of 1957 is to relocate Fukuoka Post Office (currently, Fukuoka Central Post Office), which was located where ONE BLDG. would be later constructed, to its current place; move Bank of Fukuoka Head Office, which was originally planned to be constructed in that vacant site, to its present site, and furthermore, transfer the tenants of the former Tenjin-cho Market, which was situated where the current Bank of Fukuoka Head Office is located, to Fuku BLDG that would be constructed (the place where ONE BLDG. is located at present). For details, please access this.

Leaders of the Fuku Building Block Reconstruction Project

Intersection that brings a new surge to the town.

New movement originated from "Co-creation" [X to 1]

To have customers feel ONE BLDG.'s concept "Intersection of Creation," we send out messages on initiatives and events where goods, people and corporations cross one another in the venue called ONE BLDG., from the platform "X to 1." "X to 1" reveals stories, such as the secret behind the development of original beer "ONE Craft," which was developed jointly with a local brewery, to commemorate the opening of ONE BLDG. Food, culture, music, art, business, and people... Elements of each inspire one another, fuse, and condense into one. Such a new value is being created in ONE BLDG.

Here for detailed information on X to 1.

A venue that connects you with the world [CIC Fukuoka]

"CIC: The Cambridge Innovation Center" is an organization from Boston that operates an international innovation campus, providing abundant resources, communities and flexible offices to assist start-ups. The seventh floor of ONE BLDG. is fully equipped with private offices, co-working space, meeting rooms, and a variety of amenities. A sister organization "Venture Café" connects innovators with communities around the world by hosting social and educational events in Sky Lobby on the 6th floor every Thursday.

◀ Ceremony of the collaboration agreement with CIC, Fukuoka Prefecture, and Fukuoka City, held in April 2025 From right to left: CIC Japan Chairman Umezawa, Fukuoka Prefecture Governor Hattori, CIC Founder and CEO Timothy Lowe, Fukuoka City Mayor Takashima, and Nishitetsu Group President Hayashida

Support the eating of workers! [Tenjin Fuku Shokudo]

A lack of places for taking lunches is expected due to an increase in the number of Tenjin workers when Tenjin Big Ban is completed. Additionally, there have been a number of occasions that we feel the lack of communication after the COVID-19 pandemic. As a venue that can solve such a feeling of being stuck, "Tenjin Fuku Shokudo" was opened. This eatery that was originated from ideas from employees offers a menu of lunch for 1,000 yen or less and a venue that accommodates a variety of purposes, including meals, rest and meetings. Furthermore, all bills are settled by completely cashless payments. With advanced DX utilization and new imagination unprecedent in Tenjin, the establishment supports the health of workers and also is taking up the challenge of solving issues in the region.

ONE BLDG. "Disaster Prevention Center" to protect the community

ONE BLDG. also functions as a disaster prevention center in case of disasters. The building is equipped with spaces for people who cannot return home to evacuate, a 72-hour independent power supply, and a stockpile of water, food and blankets for 555 people as well as sanitation equipment that can operate for three days, unaffected by an outage of the public water supply system. ONE BLDG. is also earthquake-resistant with vibration-control HiDAX-e* and flood-resistant with water-stop panels. Moreover, the building can keep functioning in case of a blackout and becomes a disaster prevention center that protects the community and contributes to swift restoration.

*Equipment that ensures safety by absorbing earthquake energy effectively with oil dumpers to minimize vibration.

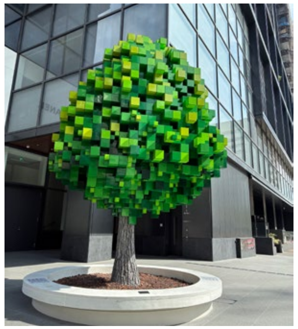
Tenjin, a town of creativity where the arts mingle

Intersection of Creation, which is the concept of ONE BLDG., contains the wish to excite and thrill visitors all the time and make the building a venue that keeps creating something new.

By applying elements of the arts to ONE BLDG., which is located at the Tenjin intersection and will become a venue where a number of people come and mingle, we hope to prepare a place where visitors to the town and people working in the building can enjoy the arts casually, and offer catalysts for new discovery and creative inspiration.

We will create the occasion for lots of people to be exposed to the arts in the town of Tenjin with ONE BLDG. as the starting point, whereby we expect the appeal of the entire town to be enhanced alongside the region.

Tap here for detailed information on Tenjin, a town of creativity where the arts mingle.



At <Cross Garden (9th floor)> an area for networking for people including employees of the Group

From this intersection, “your sparkle” begins.

Nishitetsu Head Office

“ONE BLDG.,” Set in Motion. **Change!**

General Affairs Department
Responsible for work-style reform promotion
Ms. **Mai Higuchi**

Our company transferred head office functions to ONE BLDG. on May 26, 2025. About six years have passed since we left Tenjin, where we had been headquartered for more than half a century, in conjunction with the “Fuku Building Block Reconstruction Project.” We have been back to Tenjin, the place where our group has grown.

The head office is located on the 9th and 10th floors of ONE BLDG. Roughly 700 employees work in an office of approximately 6,900 sqm. Our previous office used to be divided into multiple floors, making it hard for us to interact beyond organizational boundaries. However, by integrating our working spaces into two floors and installing an internal staircase in the center, our office has currently become a workplace that enables all members to work in one large space and connect with one another easily. The working area in which we can get its full view due to the absence of thick pillars and walls creates unexpected encounters, initiating new conversations every day.

We have worked on this relocation of the head office as a management strategy toward achieving the long-term vision “Nishitetsu Group CYD Vision 2035,” which was announced in 2022. For formulating the plan, we involved the top management and employees at various levels and engaged in a series of discussions in a future-looking manner. Our aim was the materialization of “Intersection of Creation,” which is the concept of ONE BLDG. To this end, we thought that we were going to need an office that encouraged <the fostering of oneness as a group>, <deeper cooperation> and <the nurturing of a workplace culture that keeps upgrading value to offer>. To bring them into reality, we hold up the concept “X Terminal (Cross Terminal). An office where “sparkles in life” come and mingle.” Diverse people gather, discuss their dreams and thoughts, thereby creating new value and further grow the business that we have built up to today. We aim at making the head office a terminal of value creation where sparkles in life come and mingle.

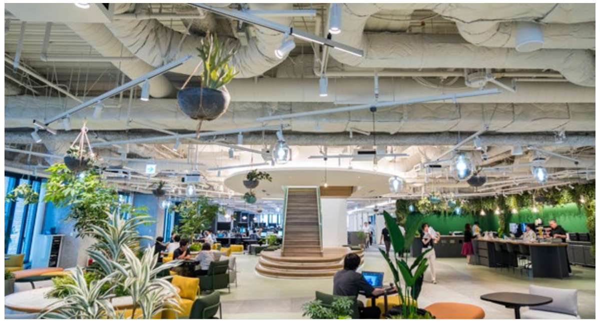
Intersection of Value Creation in Head Office

People Coming Together. Communication Spreading

We have located “X GARDEN (Cross Garden),” which is an area to interact, at the center of the work area as the base where “employees X employees” come and mingle. The airy space of about 530 sqm, spreading from where you step down the internal staircase that connects the floors, is characterized as having an atmosphere that does not feel like an office. With the concept of a “park” where people gather, the garden engenders a relaxing and comfortable space with lots of green installed and natural aroma adopted. This Cross Garden forms an environment that is intended to prepare a venue that allows anyone in the Group to interact in a casual manner and becomes the center of internal communities.

Employees may use the area for any everyday purpose, including meetings, working alone, one-on-one meetings, eating and refreshing. The Garden, equipped with mobile furniture and fixtures, is capable of changing its configurations flexibly according to purposes and even holding an internal event for a maximum of 100 participants. This space not only offers “watering holes” like copy machines, cafes and service counters, but also allows group employees to enter freely and use as a touchdown office, creating a lot traffic of various people throughout the day.

This venue to which people gravitate facilitates informal communication between employees who happen to meet each other, helping foster new trusted relations through chats and conversations. This set-up leads to enhancing employee engagement and activates collaboration beyond organizations, thereby boosting the team work that maximizes organizational performance.



(Upper) <Cross Garden> creating unexpected encounters (9th floor)
(Lower) Internal staircase connecting the floors. It is designed to avoid communication from being cut by different levels of floors and allow employees to come and go between offices as if moving around on the same floor.

Employees × Officers

Head Office × Group Companies

Nishitetsu × Society

Distance Shrinking and Thoughts Brought Together

In the new office, officers' (directors) desks are placed at the center of the employee desk arrangement. The former office used to have officers' private closed-space offices. Prior to the relocation, employee workshops were held. There, a number of employees expressed their opinions, saying "I want to feel closer to officers," and "I wish to hear officers' thoughts firsthand." Accordingly, the new layout reflects their opinions.

With physical and psychological distance between officers and employees shrinking, informal communication has multiplied, deepening mutual understanding. Additionally, officers themselves talk about their visions in an open space, which leads the entire organization to the same direction, also helping enhancing the engagement of each employee.

Connectedness brings out the Group's comprehensive power

Taking advantage of this relocation, we have organized the role of the head office in the Group as "the venue where people can mingle regardless of their organization or position," and that becomes the center of the Group. The new office enables even Group employees to work on the same floor and offers an environment where all Group employees come and talk.

Inside the office are installed several spaces that Group employees can use as their second office. In front of the spaces, a sign informs that "This area is open to all Nishitetsu Group employees." Our intent is to foster interaction with Group employees who visit ONE BLDG., typically to use this space, promote collaboration beyond organizations and help unleash the Group's comprehensive power.

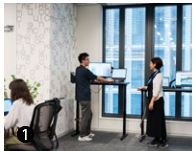
Office open to the local community

Aiming at "Office open to the local community," we have a visitor area in place to offer an environment where anyone can feel free to drop in. Visitors can reach the area without going through a security gate and may use the lounge with tables and chairs as a work space without permission.

Moreover, we not only use this area to communicate messages on the Group's history and ongoing initiatives through the "Brand Share Space" with signage and exhibits on display, but we also take advantage of the space that can accommodate a maximum of 100 people to hold events that solidify relationships with a wide range of stakeholders. We are resolved to form new partnerships originating in this venue and embody "Intersection of Creation," the concept of ONE BLDG.

In June 2025, we hosted "KYUSHU JOB FES!," an event that appealed to job-seeking students about the advantages of working in Kyushu as a joint effort by a total of 60 employees from 12 companies operating in Fukuoka. With the aim of assisting students in figuring out who they were and providing an environment where they met their future colleagues and senior members, events for students were held and created interactions (290 students visited).

ABW that enables people to choose seats from a wide selection to perform their tasks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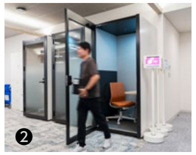
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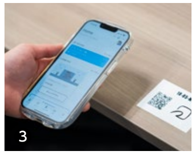
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In the new office, we have adopted Activity Based Working (ABW), a way of working in which employees themselves can choose where to work according to the nature of tasks at hand. The work area is equipped with seats suitable to various needs in an effort to maximize performance, such as height adjustable desks that can change their height to meet tasks (1), work booths for web meetings (2) and spaces for team work). Seats can be readily booked and checked in through a dedicated app (3). The whereabouts of employees are also easily located. The problem of “being unable to figure out where someone you need is,” caused by ABW, has been solved by the introduction of an app. Scores of employees express “The new office has got easier to work in.” with the installation of these various seats.

Space for a variety of meetings to satisfy specific purposes


4


5


6

A variety of meeting spaces are ready to enhance teamwork. Depending on the nature of meetings, users can choose between closed (4), semi-closed, and open spaces (5), and each area is outfitted with a large monitor screen and micro speakers for web conferencing.
The top surfaces of cabinets separating the aisles from the work spaces are also utilized as meeting desks (6) to conduct small meetings effectively in a short time.

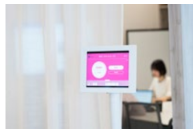
Space providing healing and concentration at the same time


7


8

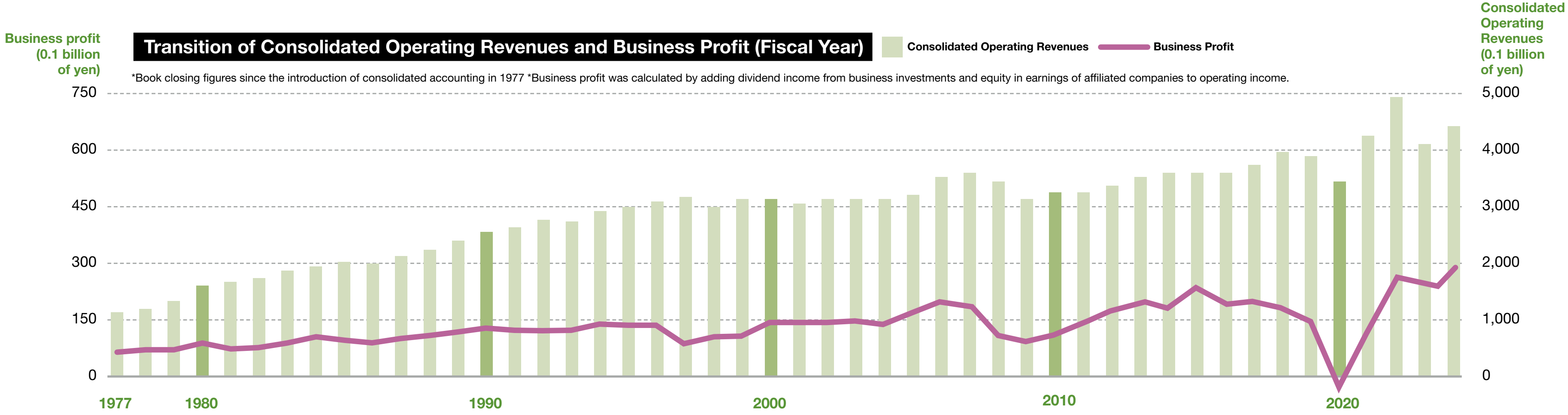

9

A space where high levels of concentration and relaxing exist together is set up on a corner of the office. It is a space with enough green in which people feel natural healing (9). A concentration zone (7) provides a visual barrier and the users can be immersed in their tasks with no one talking to them.
A relaxation zone (8) is of service when employees need to think up ideas while relaxing or recharge themselves to enhance productivity before taking on the next task.



Grow and prosper together with the region

Since our establishment in 1908, we have grown and prospered with the region mainly in railway/bus transportation businesses, based in Fukuoka, for more than 100 years.
We are also expanding our business outside of the region based on our brand locally cultivated, aiming at growth.
We will continue to take on challenges to create a society that is happy and prosperous by taking various issues that local communities and people face as our own and working with our stakeholders to solve those issues.



1908	1942	1950s	1960s to 1970s	1980s	1990s to 2000s	From 2010s	2024

Establishment

The predecessor company, Kyushu Denki Kido K.K., was established in Kitakyushu City. It supported the development of Kitakyushu through track, electricity and land reclamation businesses.

Establishment of Nishitetsu

Five railway track companies merged to form Nishi-Nippon Railroad. We relocated our head office from Kitakyushu City to Fukuoka City and integrated bus companies in Fukuoka Prefecture to establish the current business foundation.

Development of bus business

We started operation of charter buses and expanded our express bus route network. We responded to diversifying leisure demand and developed a network of bus routes connecting Fukuoka to major cities in neighboring prefectures.

Development of real estate and retail businesses

In response to the population growth and purchasing demand associated with postwar economic development, we contributed to the development of local communities in terms of management of commercial facilities, housing supply and distribution.

Growth of global logistics business

In response to a rapid growth in air cargo volume, we satisfied demand by positively expanding our domestic and international networks.

Tenjin town development

We promoted town development in Tenjin through the Tenjin Solaria Project, building up our track record as a developer.

Expansion of global business

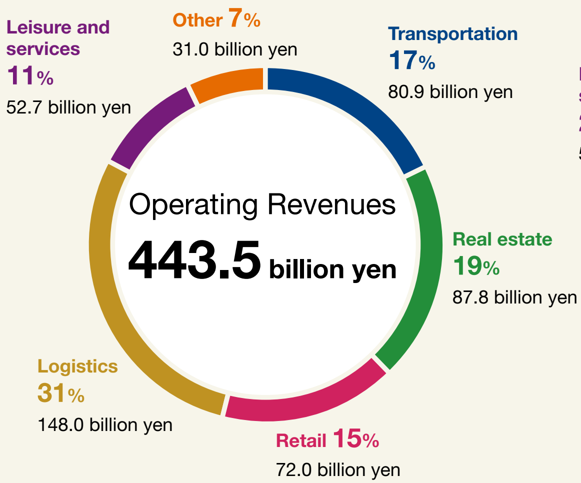
Hotel business extended operation overseas for the first time. We are also expanding our operation overseas in the development of housing and income-producing real estate by utilizing know-how cultivated in Japan.

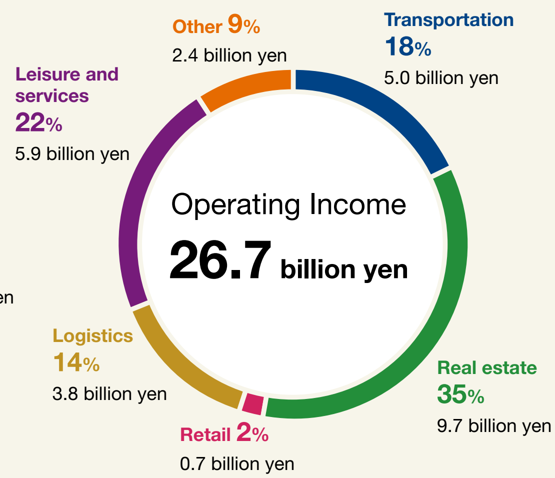
ONE FUKUOKA BLDG. Completed

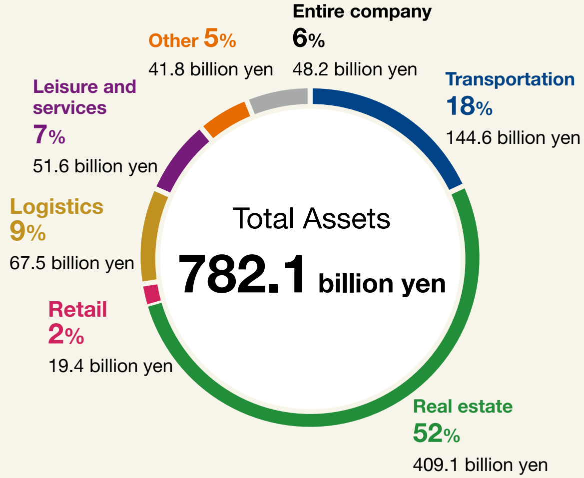
02 Overview of Nishitetsu Group's Businesses

The Nishitetsu Group consists of the Company, 81 subsidiaries, 46 affiliates and 1 incorporated educational institution in the segments of transportation, real estate, retail, logistics, leisure and services and others (as of the end of March 2025).

FY2024 Results by Segment







Transportation
[19 companies]

- Railway
- Bus
- Taxi
- Transportation related

Real estate
[12 companies]

- Leasing
- Housing
- Other real estate

Retail
[2 companies]

- Supermarkets/liquor stores
- Sales of miscellaneous everyday items

Logistics
[26 companies]

- Global logistics
- Domestic logistics

Leisure and services
[18 companies]

- Hotel
- Facility outline
- Advertising
- Travel
- Food and beverage
- Other services

Others
[9 companies]

- IC card
- Vehicle maintenance related
- Construction related
- Metal recycling

The number of companies in each of "transportation, real estate, logistics, leisure and services and Others" includes the Company, which is counted as one company in each business.

Main affiliated companies


Fukuoka International Airport Co., Ltd.


Next Mobility Co., Ltd.


Kyushu Kyuko Bus Company, Limited.


NNR Shizen Energy G.K.


K.K. Dazaifuen

03

Nishitetsu Group in Numbers

Since the establishment in 1908, we have supported people's lives through town development by operating various businesses including not only railway and bus but also leasing, housing, supermarkets/liquor stores, global logistics and hotel.

(Results in FY2024 and as of the end of FY2024)

Establishment
1908

Consolidated Number of Employees
18,956 persons

Consolidated Operating Revenues
443,495 million yen

Capital (Nishitetsu)
26,157 million yen

Mobility Services

Railway

Operating kilometers and number of stations
(Nishitetsu)*1
106.1 km, 73 stations

Number of train cars
(Nishitetsu)*1
298 cars

Number of passengers
(Nishitetsu)*1
103.01 million persons

Bus

Number of buses [transit + charter]
(Nishitetsu Group)*2
2,606 buses

Kilometers travelled [transit buses]
(Nishitetsu Group)*2
100.05 million km

Number of passengers [transit buses]
(Nishitetsu Group)*2
207.47 million persons

B to B Logistics Services

Global/Domestic Logistics

Countries and regions of operation
World: 28 countries Regions: 119 cities

Volume/number of air freight handled
Air export 103 thousand tons Air import 321 thousand tons*5

Volume of ocean freight handled
Ocean export 112 thousand TEUs Ocean import 146 thousand TEUs*5

Real Places Offering Services

Leasing

Leasable areas of 12 office buildings*3
Approx. 65 thousand m^2

Leasable area of 6 major commercial buildings*4
Approx. 70 thousand m^2

Sales of 6 major commercial buildings*4
52.3 billion yen

Housing

Number of condominiums sold
695 units

Number of detached housing lots sold
175 lots

Number of rental condominiums supplied
10 buildings
937 units

Number of condominiums for seniors
11 buildings
1,527 rooms

Leisure and services

Number of hotels opened
23 hotels

Annual number of visitors to Marine World
Approx. 1.13 million persons

BtoC Product Sales Services

Number of supermarket stores
Number of stores: 64
Number in Fukuoka Prefecture: 60

Number of stores selling miscellaneous everyday items (INCUBE)
Number of stores: 18
Number in Fukuoka Prefecture: 8

Others

Cumulative number of transportation IC cards "nimoca" issued
Approx. 5.70 million cards

*1 Total of Tenjin-Omuta Line and Kaizuka Line *2 The Nishitetsu Group refers to Nishitetsu and 10 group bus companies (Nishitetsu Kanko Bus Co., Ltd., Nishitetsu Bus Kitakyushu Co., Ltd., Nishitetsu Bus Kurume Co., Ltd., Nishitetsu Bus Saga Co., Ltd., Nishitetsu Bus Omuta Co., Ltd., Nishitetsu Bus Chikuho Co., Ltd., Nishitetsu Bus Munakata Co., Ltd., Nishitetsu Bus Futsukaichi Co., Ltd., Hita Bus Co., Ltd. and Kamenoi Bus Co., Ltd). Figures for [transit buses] do not include those of Nishitetsu Kanko Bus Co., Ltd. Nishitetsu Bus Futsukaichi Co., Ltd. and Nishitetsu Bus Munakata Co., Ltd. were absorbed by and merged into Nishi-Nippon Railroad Co., Ltd, in October 2025. *3 12 office buildings refer to ND building, Nishitetsu Otemon Building, Nishitetsu Yakuin Building, Nishitetsu Akasaka Building, Nishitetsu Watanabe-dori 2-chome Building, Nishitetsu Watanabe-dori Building, Nishitetsu Hakata Ekimae Building, Nishitetsu Imaizumi Building, Nishitetsu Yakuin Eki Building, Nishitetsu Chiyo Kenchoguchi Building, Nishitetsu Tenjin Building and Mainichi Fukuoka Kaikan.*4 6 major commercial buildings refer to Solaria Plaza, Solaria Stage, Rairia Ohashi, Rairia Kurume, Chacha Town Kokura and Takamiya Nishitetsu Meitengai.*5 TEU is a unit for measuring the amount of cargo, based on 20-foot ocean transport container.

04 Nishitetsu Group's Business Areas

We have developed businesses closely linked to the lives of local residents mainly in the regions along our railway lines and bus routes since our establishment and are now expanding our businesses globally by utilizing the know-how and strengths that we have cultivated in the regions along our railway lines and bus routes.

Tenjin and Regions along Railway Lines and Bus Routes

Wide-ranging business development closely linked to local lifestyles, centered on Tenjin, Fukuoka

Based in Fukuoka Prefecture, we are operating a wide range of businesses closely linked to local lifestyles, including real estate, retail and leisure and services, using an extensive transportation network formed by railways, buses, etc. as a business foundation.

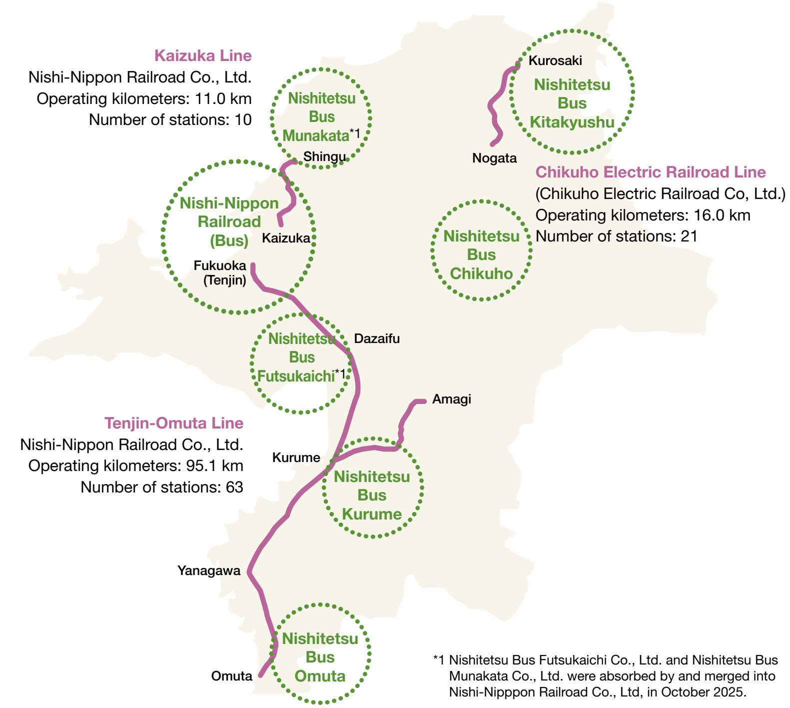
Outside of Regions along Railway Lines and Bus Routes (Japan/ Overseas)

Business development utilizing know-how and strengths cultivated in regions along railway lines and bus routes Business development centered on global logistics utilizing global network

Based on the Nishitetsu brand cultivated in the regions along our railway lines and bus routes, we are expanding our businesses, including global logistics, housing and hotel, outside those regions, aiming at the growth of the Group.

Tenjin and Regions along Railway Lines and Bus Routes



*1 Nishitetsu Bus Futsukaichi Co., Ltd. and Nishitetsu Bus Munakata Co., Ltd. were absorbed by and merged into Nishi-Npppon Railroad Co., Ltd, in October 2025.




Japan (Excluding Fukuoka)

Transportation

Bus
- AI-based on-demand bus "Knowroute" (54 areas across Japan / as of April 2025)

Real estate

Housing (Tokyo metropolitan area, Kansai area, Kyushu, etc.)

Retail

Supermarket business
- Nishitetsu Store, Uncle Yume Ichiba (4 stores in Saga)

Sales of miscellaneous everyday items
- INCUBE (10 stores in Kanto, Kansai, Kyushu, etc.)

Logistics

Global/domestic logistics (business bases across Japan)

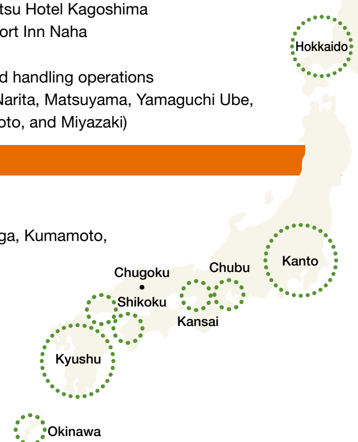
Leisure and services

Hotel
- Solaria Nishitetsu Hotel Sapporo
- Solaria Nishitetsu Hotel Ginza
- Nishitetsu Inn Nihonbashi
- Nishitetsu Inn Shinjuku
- Nishitetsu Hotel Croom Nagoya
- Solaria Nishitetsu Hotel Kyoto Premier Sanjo Kamogawa
- Nishitetsu Inn Kochi Harimayabashi
- Nishitetsu Resort Inn Beppu
- Solaria Nishitetsu Hotel Kagoshima
- Nishitetsu Resort Inn Naha

Other services
- Aviation ground handling operations (Shinchitose, Narita, Matsuyama, Yamaguchi Ube, Saga, Kumamoto, and Miyazaki)

Others

IC card
- Nimoca (Hakodate, Saga, Kumamoto, Oita, Miyazaki, and Nagasaki)



Overseas

Overseas network in global logistics

119 cities in 28 countries/regions

Number of hotels opened

5 hotels in 3 countries (South Korea, Taiwan, and Thailand)

*As of March 2025

Records of overseas real estate projects [Housing, income-producing real estate]

25 projects in 5 countries (Vietnam, Indonesia, Thailand, Philippines, and U.S.A.)

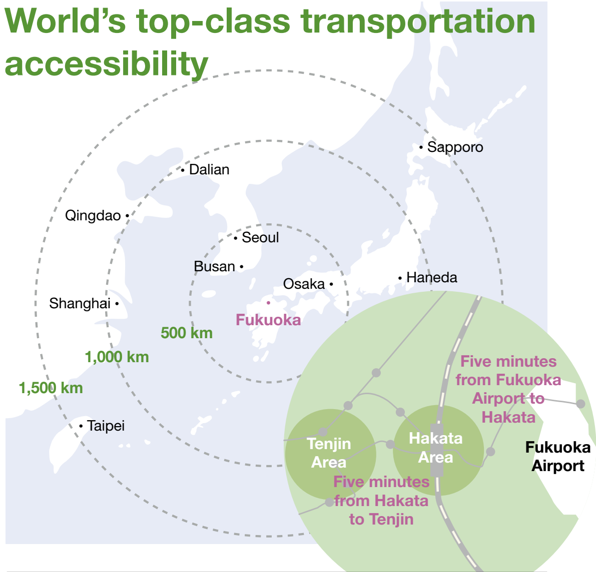
*As of March 2025

Strengths of Fukuoka

05

Strengths of Fukuoka/Kyushu

World's top-class transportation accessibility



World's shortest access time from airport to city center

Short access time to airport

Among 48 cities in the world

No. 1

No. 1	Fukuoka	[8 minutes]
	Boston (USA)	[8 minutes]
No. 3	Geneva (Switzerland)	[10 minutes]
	Zurich (Switzerland)	[12 minutes]
No. 5	Frankfurt (Germany)	[16 minutes]

*Source: "Fukuoka Facts (GPCI 2024)"

Well-developed domestic and international transportation network

International air routes (from/to Fukuoka Airport) *As of FY2024 **906** flights/week

Annual number of passengers on domestic air routes (FY2024)

Fukuoka-Tokyo (Haneda) route
9.06 million persons
No. 2 in Japan

Fukuoka-Naha route
2.18 million persons
No. 6 in Japan

Number of Shinkansen departures and arrivals (from/to Hakata Station)
* July 2024 (number of services on weekdays excluding temporary extra services)

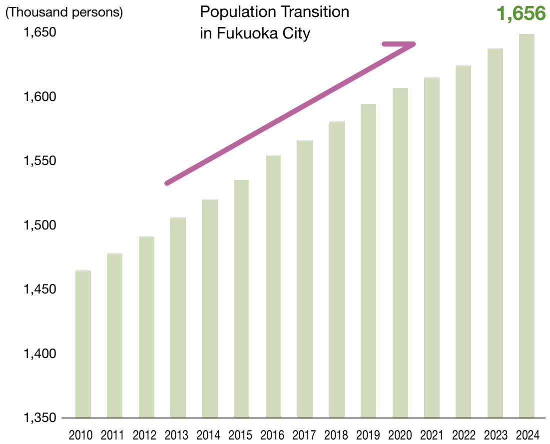
For Tokyo/Shin-Osaka regions **166** services/day

For Kagoshima region **93** services/day

Number of express bus departures and arrivals (Tenjin BT)
* October 2025 (number of services on Sundays and holidays)
857 services/day

*Source: "Annual Report on Air Transport Statistics (FY2024)"
*Source: "Fukuoka Facts (Annual Report on Air Transport Statistics [Ministry of Land, Infrastructure, Transport and Tourism], Kyushu Economic Research Center)"

Fukuoka City, a vibrant city with a growing population



*Source: "Fukuoka City Statistical Report 2024 (Annual Report)" The population in each year is the estimated population as of October 1.
The population in a census year is that as of October 1 according to the census report.

Consistent population growth since 1985, expected to increase through 2035

* Number and rate of increase from Oct. 2015 to Oct. 2020

Cities in which the number and rate of increase in population are high

Among ordinance-designated cities

No. 1

*1 Estimates by the National Institute of Population and Social Security Research

Number of Increase		Rate of Increase	
No. 1	Fukuoka	No. 1	Fukuoka
No. 2	Kawasaki	No. 2	Saitama
No. 3	Osaka	No. 3	Kawasaki
No. 4	Saitama	No. 4	Osaka
No. 5	Yokohama	No. 5	Nagoya

*Source: "Fukuoka Facts (2020 Census)"

Vibrant city with top youth rate

Percentage of youth (teens and 20s) in the population

Among ordinance-designated cities

No. 1

		Youth Rate
No. 1	Fukuoka	22.08%
No. 2	Kawasaki	21.39%
No. 3	Sendai	20.92%
No. 4	Okayama	20.78%
No. 5	Kyoto	20.76%

*Source: "Fukuoka Facts (2020 Census)"

Good place to live, Fukuoka City

Compact city with excellent urban transportation system and of the shortest commuting time in Asia

Short commuting to work and school

Among 13 Asian cities

No. 1

No. 1	Fukuoka
No. 2	Taipei (Taiwan)
No. 3	Osaka
No. 4	Kuala Lumpur (Malaysia)
No. 5	Hong Kong (China)

*Source: "Fukuoka Facts (GPCI 2024)"

Highly rated for transportation access and convenience of living

Ranking of towns people want to live in

Among 13 Asian cities

No. 1

No. 1	Fukuoka
No. 2	Naha
No. 3	Yokohama
No. 4	Sendai
No. 5	Sapporo

*Source: "Fukuoka Facts (Daito Trust Construction Co., Ltd. "e-heya.net 2025 Ranking of Towns People Want To Live In")"

Fukuoka with rich tourism resources

Fukuoka attracting everyone, whether Japanese or foreigner

Total number of overnight stays in Fukuoka Prefecture
2024 Japanese: 16.56 million overnight stays
Foreigners: 7.39 million overnight stays

23.95 million overnight stays

Number of foreigners who entered Fukuoka Prefecture
2024 Total of Fukuoka Airport, Hakata Port and Kitakyushu Airport

3.96 million persons

*Source: Source: "Lodging Travel Statistics Survey (Japan Tourism Agency), Transition of Number of Foreign Visitors to Kyushu (Kyushu District Transport Bureau, Ministry of Land, Infrastructure, Transport and Tourism)"

Fukuoka city selected as one of the world's recommended tourist destinations by foreign media

Lonely Planet
Tourist destinations to visit in 2023 [food]

Best in Travel 2023

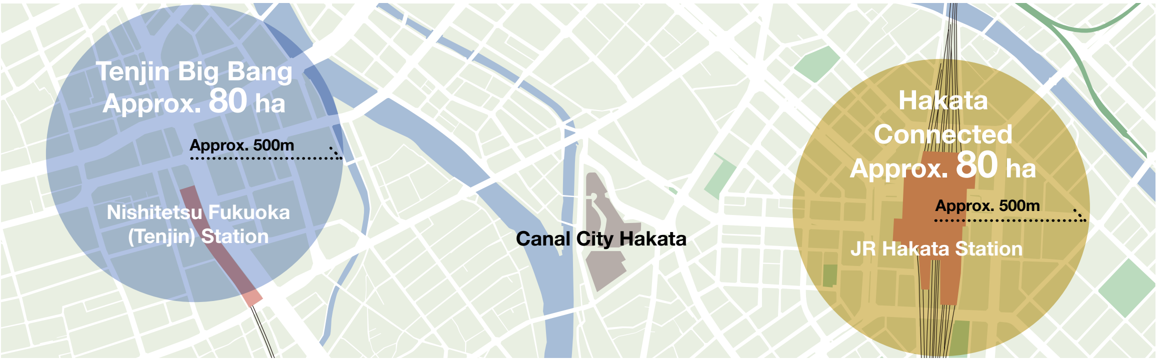
The New York Times
- 52 places to go in 2023-

52 Places to Go in 2023

*Source: "Fukuoka Facts"

In our main business area, Fukuoka/Kyushu, expectations for further growth are increasing.

Redevelopment Project in Central Fukuoka City for Further Growth



Tenjin Big Bang

In 2015, Fukuoka City launched "Tenjin Big Bang," a project to create new space and employment, utilizing deregulation, etc. as a national strategic special zone. The city is significantly improving Tenjin's urban functions by the promotion of reconstruction to advanced earthquake-resistant buildings based on approval on the special exception for each height-restricted area under the Civil Aeronautics Act, the city's own deregulation, etc. as well as the enhancement of an underground network.

● Covered area: **Covered area: Approx. 500 m radius from Tenjin Intersection, approx. 80 ha**

● Economic Effects (Estimate)

Total floor space: Approx. 1.7 times 444,000 m² => 757,000 m² (+ 313,000 m²)	**Number of employed persons** Approx. 2.4 times 39,900 persons => 97,100 persons (+ 57,200 persons)
Construction investment effect Approx. 290.0 billion yen	**Ripple effect on economic activities after completion of reconstruction (net increase):** Approx. 850.0 billion yen a year

*From Fukuoka City release (Induced rebuilding of 30 buildings in 10 years)

Hakata Connected

In 2019, Fukuoka City launched the project "Hakata Connected" to take advantage of the expansion of its transportation infrastructure, including the opening of the Kyushu Shinkansen service, the extension of the Nanakuma subway line and the redevelopment of Hakata Ekimae-dori. The city is improving urban functions centered on Hakata Station by rebuilding into advanced, earthquake-resistant buildings, expanding a pedestrian network and enhancing accessibility to and from the historic old Hakata town area.

● Covered area: **Covered area: Approx. 500m radius from Hakata Station, approx. 80 ha**

● Economic Effects (Estimate)

Total floor space: Approx. 1.5 times 341,000 m² → 498,000 m² (+ 157,000 m²)	**Number of employed persons** Approx. 1.6 times 32,000 persons => 51,000 persons (+ 19,000 persons)
Construction investment effect Approx. 260.0 billion yen	**Ripple effect on economic activities after completion of reconstruction (net increase):** Approx. 500.0 billion yen a year

*From Fukuoka City release (Induced rebuilding of 30 buildings in 10 years)

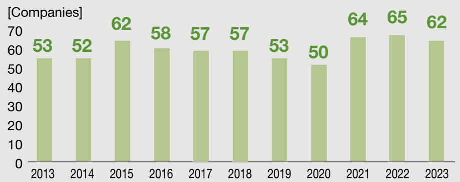
Strengths of Fukuoka City in the Economic and Industrial Fields

Number of companies whose headquarter functions or growing areas were established

11 consecutive years
50 or more companies

More than 630 companies in 11 years!! The number of employed persons exceeded 18,900!

Transition of number of companies whose headquarter functions or growing areas were established in Fukuoka City



City of high startup rate:
No. 1 for six consecutive years

No. 1	Fukuoka
No. 2	Nagoya
No. 3	Saitama
No. 4	Yokohama
No. 5	23 wards of Tokyo
	Chiba

*Source: "Fukuoka Facts"

Strengths of Kyushu

Attractive Tourism Resources with Nature, History, Culture, etc.

Kyushu attracting tourists with its attractive tourism resources

Total number of overnight stays in Kyushu 2024 — **62.33 million overnight stays**
Japanese: 50.20 million overnight stays
Foreigners: 12.13 million overnight stays

Number of foreigners who entered Kyushu 2024 — **5.01 million persons**

*Source: "Lodging Travel Statistics Survey (Japan Tourism Agency), Transition of Number of Foreign Visitors to Kyushu (Kyushu District Transport Bureau, Ministry of Land, Infrastructure, Transport and Tourism)"

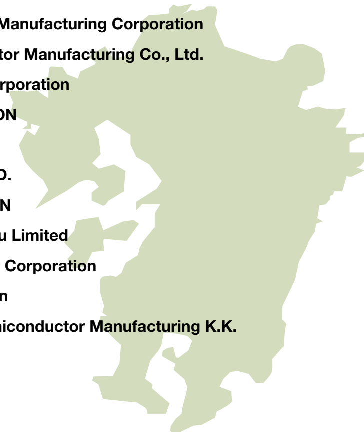
New Silicon Island "Kyushu"

Numerous semiconductor-related capital investments are expected to have ripple effects on various industries.

Semiconductor-related capital investment in Kyushu
2021-2030 201 cases
Total **6.2 trillion yen**

Economic ripple effects to Kyushu, Yamaguchi and Okinawa
2021-2030
23.0 trillion yen
(Production of related properties and services [first indirect effects] and consumption activities [secondary indirect effects])

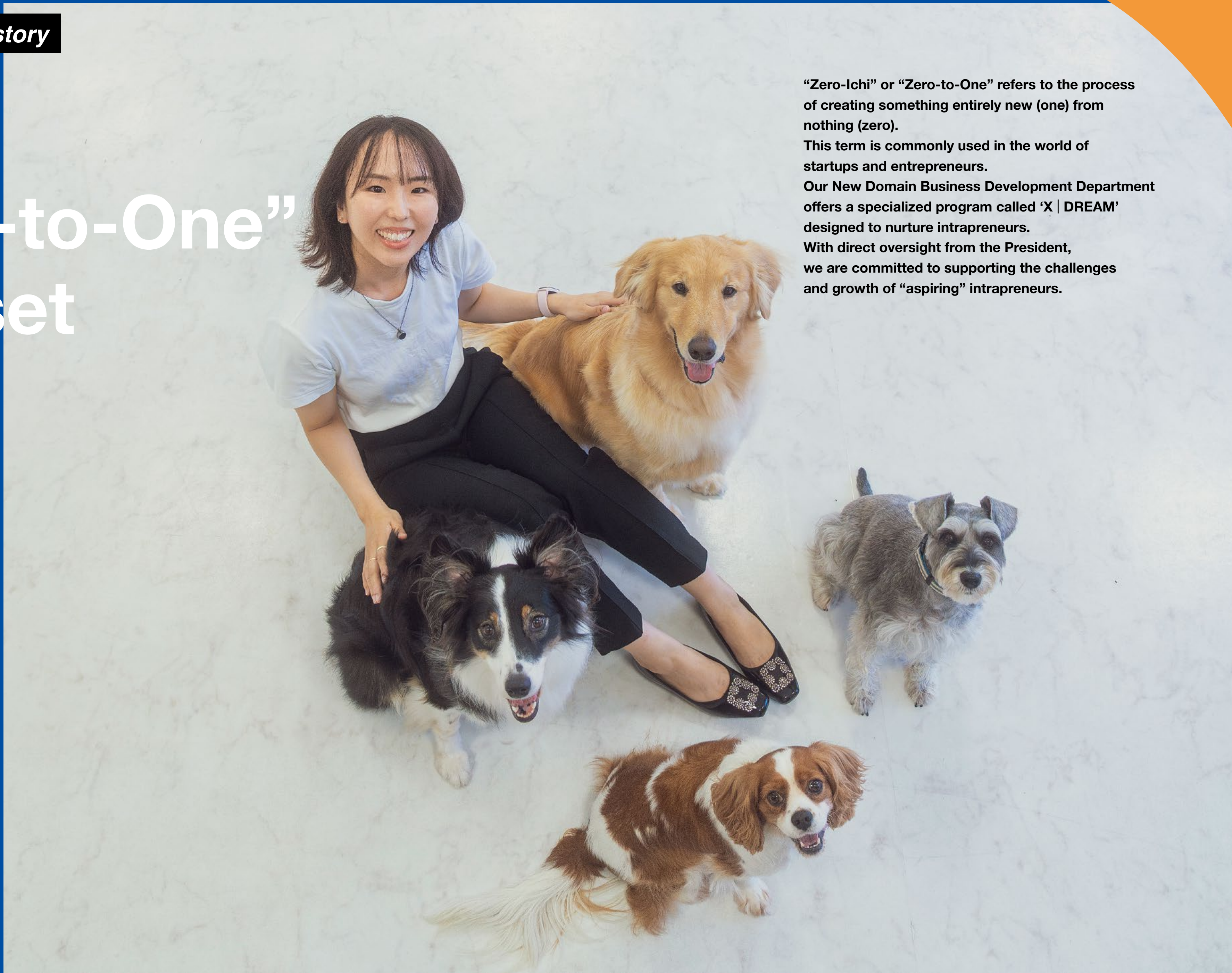
*Source: Kyushu Economic Research Center, "Update on the Economic Ripple Effects of Semiconductor-related Capital Investment in the Kyushu Region (Kyushu, Okinawa, and Yamaguchi)" (December 2024)



- Sony Semiconductor Manufacturing Corporation
- Renesas Semiconductor Manufacturing Co., Ltd.
- Mitsubishi Electric Corporation
- SUMCO CORPORATION
- ROHM Co., Ltd.
- ROHM Apollo CO., LTD.
- EBARA CORPORATION
- Tokyo Electron Kyushu Limited
- Japan Semiconductor Corporation
- KYOCERA Corporation
- Japan Advanced Semiconductor Manufacturing K.K.

NISHITETSU side story

The “Zero-to-One” Mindset



“Zero-Ichi” or “Zero-to-One” refers to the process of creating something entirely new (one) from nothing (zero).
This term is commonly used in the world of startups and entrepreneurs.
Our New Domain Business Development Department offers a specialized program called ‘X | DREAM’ designed to nurture intrapreneurs.
With direct oversight from the President, we are committed to supporting the challenges and growth of “aspiring” intrapreneurs.

Individuals who Pursue Zero-to-One Opportunities

❶The backyard of the supermarket has become Ms. Miyano's "small lab of dreams"!
❷The newly created prototype! It features four flavors: two pork and two fish. Ms. Miyano and her team have continuously refined these recipes based on feedback from her taste testers. They faced numerous challenges along the way, particularly in eliminating allergenic substances.
❸To recruit testers, they showcased her creations at the dog festival "DOG EXPO FUKUOKA 2024." The eye-catching face in the hole boards of the Nishitetsu train and bus garnered much attention at the event.

NISHITETSU side story

"I want to help dogs with food allergies!"

New Domain Business Development Department
Ms. Nana Nishino

**"Contributing to the resolution of social and community issues by harnessing the diverse perspectives of our employees truly embodies our corporate philosophy," stated President Hayashida.
In FY2023, we received 30 project proposals, and 2 of these successfully made it through the final selection process.
One of the recipients is Ms. Nana Miyano.**

A diverse business background to draw upon. The project embodies the strength of "All Nishitetsu"!

Standing here is Ms. Nana Miyano, a dedicated intrapreneur who has been developing prototypes of handmade dog food in the backyard of Nishitetsu Store Hanabatake. She is joined by four staff members from Nishitetsu Willact Co., Ltd. Together, they are creating safe and secure food specifically designed for dogs with food allergies. This product is crafted with only human-grade ingredients, avoiding additives and ingredients often found in commercial pet foods. It serves as a well-rounded nutritional solution tailored to meet a dog's diathesis, representing a true endeavor to achieve the concept of "Zero-to-One."

"I'm not someone who started with special skills; I just grew into my role. At first, I didn't even know how to build a team, but I was lucky to get help from many mentors," says Ms. Miyano. While gathering individuals with shared goals, veterinarians, dogs for taste testing, and various collaborators both inside and outside the Company, she has also embraced the challenge of crowdfunding.

For Ms. Miyano and other dedicated intrapreneurs, taking on new businesses requires a keen perspective on the issues present in our society and a reflection on whether they recognize these issues in their daily lives. This perspective has always been one that Nishitetsu has valued. The "seeds" of business can indeed be discovered in our everyday experiences.

The Cross Dream Project is now in its fourth year and is increasingly attracting candidates from within our Group companies. Support from both internal and external sources has grown, creating an opportunity for everyone in the Nishitetsu Group to engage in new challenges.

01

President's Message

"Create and Support Warm-heartedly and Jointly - Grow in harmony with you..."

Representative Director, President and CEO, Nishi-Nippon Railroad Co., Ltd. **Koichi Hayashida**

Progress of the 16th Mid-term Management Plan (2023-2025)

FY2024 was the second year of our 16th Mid-term Management Plan, which prioritizes our Group's sustainable growth with the local community in a post-COVID society. Building on the last fiscal year's success, we continued to adapt to trends in the movement of people and goods after the pandemic, including rising inbound tourism demand. As a result, we achieved record-high operating income and ordinary income.

Revision of Fares for Bus and Railway Businesses

In the Transportation segment, we anticipate that demand for daily use is unlikely to return to pre-COVID levels. This shift is driven by lifestyle changes stemming from population decline, the rise of online meetings, and the increasing popularity of shared mobility. Also, efforts to adjust schedules in response to crew shortages and changes in customer usage patterns will support this transformation. Moreover, operating costs are rising due to soaring fuel prices, increased personnel expenses necessary to secure human resources, investments in safety, and initiatives toward carbon neutrality. These factors are making our operational environment more challenging. To fulfill its mission of maintaining public transportation, our bus business revised fares in January 2024, the first change in about 25 years. For the same reason, in September 2025, we sought approval to change the maximum fares for our railway business. We believe these fare updates are essential to maintain safe, secure, and sustainable operations in our public transportation business, and we appreciate your understanding and support.

Opening of ONE FUKUOKA BLDG.

ONE FUKUOKA BLDG. (commonly known as "ONE BLDG") was completed in December 2024 and officially opened in April 2025. ONE BLDG stands as a testament to the ongoing commitment to the future, embodying the vision and legacy passed down from previous generations involved in the development of Fukuoka and Tenjin. The opening of the new building signifies more than just the opening of a building as part of a redevelopment project. We see it as the start of our journey to bring our concept of "Intersection of Creation" to life. This vision aims to present the diverse values our society cherishes as the city's charm, creating an inviting space for individuals with differing perspectives to come together, engage in discussion, and collaborate.

Our head office has moved to ONE BLDG, marking our return to Tenjin after nearly six years. As a corporate group engaged in various urban development businesses, we have a deep affection for Tenjin above all other companies. As we grow together in this vibrant area, we believe it is time to showcase our collective strengths and maximize the energy of Tenjin. We are committed to sharing the captivating charm of Tenjin, Fukuoka, and Kyushu with the world. Together, we continue to embody our corporate message: "Let's draw dreams in the town."

Our Commitment to Realizing the Long-Term Vision for 2035

Value We Desire to Provide in 2035

In our long-term vision, "Nishitetsu Group CYD Vision 2035," our Group outlined the value it desires to provide to our stakeholders by 2035, guided by our corporate philosophy. For customers, local communities, and society, we strive to provide "sustainable and well-being towns and regions" and "B to B logistics that is sustainable and considerate of customers" through our products and services. For employees and business partners, we strive for the "establishment of relationships for co-creation and mutual growth" and "sound and equal partnership." For shareholders and investors, we pledge "high capital efficiency and stable return of profits." By delivering these values, we declare our commitment to helping create a "happy and prosperous society."

Our basic stance for delivering these values is defined as "Create and support warm-heartedly and jointly - Grow in harmony with you -." We fully embrace the challenges encountered by our communities, society, and individuals as our own, building a corporate culture dedicated to addressing these issues through heartfelt, compassionate actions and the power of partnerships with our stakeholders. As a unified group, we will collaborate, aligned in our direction, to realize our vision.

Basic Strategy Leveraging the Nishitetsu Brand

To consider our Group's strengths in formulating strategies to achieve our long-term vision, I believe our most valuable brand asset is the sense of unity we share with the people of Fukuoka. In the eyes of the local community, we are seen as a familiar presence, always accessible and ready to listen to their concerns. Transportation modes such as railways and buses evolve over time, changing their roles. Sometimes, it means we have to make difficult decisions, like reducing the frequency of bus and railway services. Navigating these challenges while adapting to shifting environments will remain demanding. However, if we were to abandon public transportation services in Fukuoka, we would lose the close relationship with the community. We are dedicated to steadfastly maintaining Fukuoka's public transportation, which is essential to our Group's brand value. By leveraging this brand power, we aim to build a portfolio that maximizes synergies with our other businesses, ultimately enhancing our corporate value. We believe that through this approach, we can achieve our long-term vision of "contributing to the creation of a happy and prosperous society."

We, the town development company, aim to leverage the brand power of our Group as we lead urban development in Fukuoka, including Tenjin, by co-creating with our stakeholders and maximizing the potential of our partnerships. Furthermore, based on a strategy for further growth, we will harness the passion for town development we have built over the years in Tenjin and Fukuoka, where we have diligently engaged with local communities, and our technology and expertise in creating high-quality products to focus on expanding our urban development solutions business both domestically and internationally, extending beyond our railway network. Our vision is to create a cycle of growth, in which profits and new insights from ventures outside our railway operations are reinvested in the town development of Fukuoka.

Fukuoka is thriving as redevelopment projects in the city center advance, following the opening of ONE BLDG and the commencement of operations for the expanded runway at Fukuoka Airport. It is expected to see an increase in visitor arrivals from both domestic and international locations. The effect is likely to attract a wave of new businesses in the area and grow the tourism sector. Furthermore, Kyushu stands out as one of Japan's most dynamic regions, drawing substantial investments from both local and global sources. Its appeal stems not only from its historical strengths in agriculture, fishery, and automobile manufacturing, but also from the recent concentration in semiconductor-related business. By exploring opportunities in these sectors, we can identify numerous business opportunities along railway lines and bus routes and throughout Kyushu, where we can leverage our Group's brand power built over more than 100 years of continuous operation. Together, we can grow towards realizing sustainable, well-being towns and regions.

Promotion of Sustainable Management

Human Resource Development and Retention

To achieve a long-term vision, the foundation for creating value and sustainable growth within a company lies in its expertise and intellectual property, which cannot be easily replicated by others. The true driving force behind them is the human resources that create these assets. As competition among companies to secure talent intensifies, we are witnessing accelerated wage increases and enhanced benefits. However, it's essential not only to improve employment conditions but also to focus on the development and retention of talent.

Retaining talent hinges on enhancing engagement with the organization. We believe the key lies in providing a workplace environment that fosters sound and positive partnerships and work opportunities that offer fulfillment through career growth and development. Following last fiscal year's update to "Ideal employee of the Nishitetsu Group", which defined them as "Human resources who create the future of the Nishitetsu Group on their own," we will continue planning and implementing talent strategies that emphasize communication, including strengthening 1-on-1 meetings, to enhance engagement further.

Our Ongoing Efforts to Achieve Carbon Neutrality

In the environmental field, our 16th Mid-term Management Plan outlines greenhouse gas reduction targets aligned with our long-term vision of achieving carbon neutrality by the Year 2050. We are primarily on track to meet our target of a 38% reduction from the FY2013 baseline by FY2025. However, the Japanese government has set new targets of a 60% reduction by FY2035 and a 73% reduction by FY2040 compared to FY2013 levels, as outlined in the "Plan for Global Warming Countermeasures" established this past February. Our Group is currently reassessing its roadmap in light of these new goals.

As part of our efforts to achieve carbon neutrality, we are advancing the introduction of retrofitted buses by converting older diesel buses into electric vehicles. While introducing electric buses is a critical challenge for our bus business, given that our bus operations contribute nearly half of our Group's greenhouse gas emissions, we are determined to go further. Recently, we have been working to expand this initiative into a business opportunity, targeting other companies and leveraging our technical expertise. We consider this a unique aspect of our Group's effort: enhancing corporate value by addressing environmental challenges while discovering new business avenues that contribute to profitability, ultimately fostering sustainable town development.

Toward the 17th Mid-term Management Plan (2026-2028)

FY2025 marks the year for developing our next mid-term management plan. Under the current plan, we have been advancing structural reforms to achieve sustainable growth in a post-COVID society. As we look ahead to the next mid-term plan, we recognize the need to create more concrete plans that align with our long-term vision and set clear steps toward its realization.

Consistent Development of an Attractive Town

In our upcoming mid-term management plan, we will continue to make steady progress on several large-scale projects, including the redevelopment of the Tenjin city center, scheduled after opening of ONE BLDG, as well as mixed-use developments on the former Kyushu University Hakozaki Campus site and the former Fukuoka Family Court site. Another key initiative is Fukuoka Airport, the project we participate in, which is crucial for further enhancing Fukuoka's appeal as a vibrant city in Asia. The commencement of operations for the expanded runway in March 2025 is expected to drive further passenger growth. By enhancing the airport's functionality, we aim to attract more visitors to Fukuoka, thereby boosting both regional travel and the local population. This project will eventually support the growth of our Group, which operates businesses closely tied to daily life. Furthermore, our Group believes we can contribute by leveraging our expertise in the transportation business to enhance secondary transportation connections. While access from Fukuoka Airport to central areas like Tenjin and Hakata Station is already very efficient, we see room to expand the transportation network throughout Fukuoka Prefecture and across Kyushu. We will promote "MaaS" initiatives by not only enhancing our own services but also by effectively cooperating with other transportation operators. This will enable international visitors to Fukuoka to reach every corner of Kyushu, whether for business or tourism.

Advancing Growth Strategies by Leveraging Expertise Cultivated Through Fukuoka's Town Development Initiatives

As a strategy for further growth, we plan to expand our business beyond our railway lines, utilizing the expertise we have developed at our Fukuoka base while carefully evaluating our competitiveness. In the realm of overseas real estate development, starting with Vietnam, we have built approximately 10 years of experience and successful outcomes through joint ventures with local developers in Southeast Asia and the United States. Our partner companies value our financial strength as a Japanese firm, as well as our ability to deliver high-quality, respectful products and services that resonate with local communities. This recognition of our capabilities is gradually gaining traction. We will grow our solution-oriented business by tapping into the unique expertise in town development that our Group has to offer.

Support for Industries in Fukuoka and Kyushu

As part of our long-term vision to explore new business fields, we are stepping up our initiatives in the agriculture and fishery sectors. A prime example of our efforts in FY2025 is the acquisition of a stake in Hinomaru Holdings Co., Ltd., which has since became a subsidiary of our Group in this October. Hinomaru specializes in wholesale operations in agriculture, primarily in the Kyushu region. As the Group integrates the company with strong relationships in Kyushu, backed by extensive agricultural knowledge and advanced technical capabilities, we anticipate further growth through collaboration with diverse businesses, including logistics and product sales, such as supermarkets. By supporting agriculture, a vital industry for Kyushu, we aim to contribute to the revitalization of local communities along railway lines and bus routes and bolster the regional economy, ultimately promoting sustainable town development.

Regarding our global logistics business, which is a cornerstone supporting various industries, we are committed to enhancing our services. This includes expanding our global network to further contribute to the revitalization of industries in Kyushu.

The above are a few examples of our growth strategies that capitalize on our Group's unique strengths and expertise, and these initiatives need to boost profitability through synergies and improve efficiency by enhancing business portfolio management. This involves clearly defining our capital allocation strategy, determining where to allocate management resources, and prioritizing specific business areas, alongside policies for shareholder returns. Setting clear financial targets and disclosing non-financial information are also essential. We are dedicated to developing our next mid-term management plan, which aims to enhance sustainable corporate value and fulfill the expectations of our stakeholders.

Value Creation Processes

Corporate Philosophy

The Nishitetsu Group will keep providing confidence, comfort, and enjoyment through our businesses which connect people and carry their expectations, walk hand in hand with communities, and develop together.

Corporate Message

Let's draw dreams in the town.

Nishitetsu Group CYD Vision 2035

The meaning of existence of the Nishitetsu Group is

its corporate philosophy itself.

Practice of corporate philosophy
=
Sustainable Management

Current Social Issues

- Spread of infectious diseases
- Population decline
- Population growth in emerging countries
- Increase in natural disasters
- Rapid growth of technology
- Geopolitical risk (war, etc.)
- Diversification of people's needs

Nishitetsu Group's Vision of Future Society

People
Solution of social issues drawing keen attention

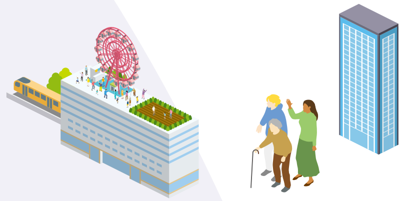
Town
Expansion of and integration with the digital world

Company
Corporate management based on social good

Society
Structure in which no one is left behind

Society the Nishitetsu Group Desires to Realize

"Contributing to the creation of a happy and prosperous society"



Financial Indices		Target for FY2035
Growth of profitability	Consolidated business profit[*1]	37 billion yen
	Consolidated EBITDA	66 billion yen
Capital efficiency	ROE	Approx. 8%
Financial soundness	Net interest-bearing debt to EBITDA ratio	5x level

*1 Business profit = Operating income + Dividend income from business investments and equity in earnings of affiliated companies

Key Issues in Sustainable Management

E	Promotion of business activities in harmony with the environment
S	Pursuit of safety and security
S	Contribution to the development of sustainable and vibrant towns
S	Improvement of Customer Satisfaction
S	Creation of pleasant and satisfying workplaces
S	Respect for Human Rights
G	Corporate governance
G	Compliance

Environment • Social • Governance

Corporate Growth

Present

2035 and beyond

Long-term Vision Formulation Policy

Meaning of Existence of Nishitetsu Group and Society It Desires to Realize

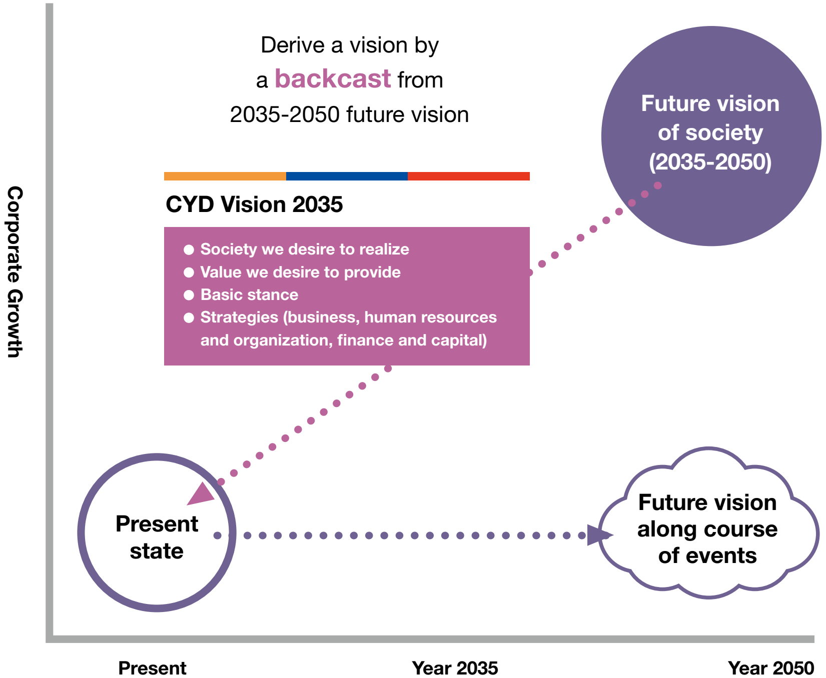
Long-term Business Environment

We believe that trends such as a declining population in Japan, a growing world population mainly in emerging countries, rapid advance in technology, changes in the social structure and customer needs in connection with globalization and climate change/global warming will accelerate.

CYD Vision 2035

(published on November 10, 2022)

In order to grow sustainably even in times of uncertainty, we have developed a long-term vision that is not an extension of our business model but is a backcast from our envisioned future.



We have reaffirmed that the meaning of existence of the Nishitetsu Group is the corporate philosophy itself.

Corporate Philosophy = Meaning of Existence	The Nishitetsu Group will keep providing confidence, comfort, and enjoyment through our businesses which connect people and carry their expectations, walk hand in hand with communities, and develop together.

Practice of corporate philosophy = Sustainable Management

E	● Promotion of business activities in harmony with the environment
S	● Pursuit of safety and security ● Contribution to the development of sustainable and vibrant towns ● Improvement of customer satisfaction ● Creation of pleasant and satisfying workplaces ● Respect for Human Rights
G	● Corporate governance ● Compliance

"Contributing to the creation of a happy and prosperous society"

Future Vision of Society (4 Changes)

People — Solution of social issues drawing keen attention

With social issues such as climate change and biodiversity becoming more familiar than ever, respective persons will think more deeply about the sustainability of society in relation to "themselves" when making choices and actions.

Town — Expansion of and integration with the digital world

While the world is becoming more rationalized and optimized with a further merge between the real and digital worlds, there will arise a desire for change and expectation for new encounter. Provision of incidental encounter will create a new excitement in life.

Company — Corporate management based on social good

In corporate management, a major criterion for decision-making will be whether or not it leads to social good, and it will be an important role of a company to lead toward a socially good society.

Society — Structure in which no one is left behind

It will be necessary to have structure in which no one is left behind by being considerate of people so that a prosperous life can be led in the entire society.

Value We Desire to Provide in 2035

Value We Provide through Products/Services

- Sustainable and well-being "towns and regions"
- "B to B logistics" that is sustainable and considerate of customers

◎ Workplace that makes the most of each individual's ability and individuality
◎ Systems for various work styles
◎ Creation of worthwhile life through work
◎ Challenge for self-fulfillment

Establishment of relationships for co-creation and mutual growth
(Sound and equal partnership)

◎ Realization of innovation through alliance and co-creation
◎ Fair and just transactions and fair trade

High capital efficiency and stable return of profits

◎ Capital efficiency in excess of capital cost
◎ Sound finance and ensuring stable profits
◎ Timely and appropriate information disclosure

Contribution to creation of a happy and prosperous society

Basic Stance for Provision of Value

"Create and support warm-heartedly and jointly"

- Grow in harmony with you -

"Warm-heartedly" refers to a cordial, warm-hearted behavior.
We will take actions, taking issues that local communities and people face as our own.
"Jointly" refers to solving issues through co-creation with stakeholders with the power of internal and external partnerships.
We will create a society that is happy and prosperous by "Growing in harmony with you."

Be more considerate of local communities and individual persons than anyone else

- Face respective local communities and persons and find the issues they have.
- Provide personalized services through the use of digital technology, etc. for solution of issues.

Have an open mind to accept different culture

- Expand collaboration with partner companies to incorporate new technologies, mechanisms and ideas.
- Each employee communicates vertically, horizontally and diagonally to realize a corporate culture that is full of ideas and allows employees to enjoy doing what they like.

Lead the development of community

- Develop a community for solution of issues and become a leader in our own right.
- Take the initiative to actively disseminate information and carry out the creation of a community with a concept for each region.

Challenge and accept failure

- Become a company that makes decision with its will and takes on challenge.
- Foster a corporate culture in which the challenge itself is praised and utilized in the next approach even if an approach is not successful as a result.

Value We Desire to Provide in 2035 - Sustainable and Well-being “Towns and Regions” -

Tenjin

To be a town in which various people gather and have mutual interaction and which is filled with creativity in business, culture, art and academia!

How?!

Connect people to people and people to companies!

▲ Exchange and creation functions

▲ Transportation services easy to use for everyone

▲ Global standard buildings and environment

▲ Stimulation and bustle that adds color to a town

▲ Development of a unique town by making the most of regionality, such as history and culture

Areas along Railway Lines and Bus Routes

To be unique towns with compact urban function concentration and a sustainable mobility system and making the most of their local attractions!

How?!

Lead town development by co-creation with local communities and various partners and DX!

▲ Metaverse, tourism DX

▲ Town development by combination of compact urban function concentration and mobility

▲ Personalized housing and regional experiential hotels/workcation

▲ Farm restaurant in harmony with nature

Kyushu

Toward the development of a vigorous Kyushu that grows sustainably through intra-regional cooperation and by capturing the vitality of Asia!

How?!

Build a network to strengthen cooperation in Kyushu and provide solutions for the vitalization of Kyushu!

▲ Reinforcement of Fukuoka Airport’s functions in conjunction with the other airports in Kyushu

▲ Further automation across the entire Kyushu

▲ Contribution to the environment and a decarbonized society

▲ Vitalization of industries

▲ Discovery and refining of regional resources

Southeast Asia

Challenge for the development of sustainable towns which are of Japanese quality in terms of security and comfortableness in Southeast Asia, across the sea, by making a full use of know-how of development along railway lines and bus routes!

How?!

Manage the development of high value-added living environment (hardware) and the operational management of businesses and facilities (software)!

▲ Hotels, service apartments

▲ Provision of zero-carbon buildings and IoT homes

▲ Development of power sources such as solar power generation

▲ Management of senior business

▲ Seamless mobility network

◀ Service development in the wellness field

04

Value Creation Processes

Realize a “society that is happy and prosperous” through business that “creates encounters and delivers expectations”

Corporate Philosophy	The Nishitetsu Group will keep providing confidence, comfort, and enjoyment through our businesses which connect people and carry their expectations, walk hand in hand with communities, and develop together.
Corporate Message	Let’s draw dreams in the town.

Realize a “society that is happy and prosperous”
through continuous cycle of this process

Input

Human capital
- Human resources highly specialized in mobility, town development, global logistics, etc.
- Human resources who can understand the thoughts of and be considerate of local communities and customers
- Human resources with strong attachment to their local towns and Nishitetsu

Financial Capital
- Stable financial base
- Broad and balanced business portfolio

Equipment Capital
- High-security transportation infrastructure assets
- Real estate assets, mainly in Tenjin, that generate stable cash
- Global network in logistics cultivated through aggressive challenge

Intellectual Capital
- High awareness of safety and security and technological capability cultivated through more than 100 years of operation
- Know-how cultivated through the development of a global network in global logistics
- Nishitetsu Brand in Fukuoka established through town development business

Social/Relational Capital
- Trust relationship with local communities, municipalities, companies, etc. along railway lines and bus routes
- Kyushu where business/tourism exchange between domestic and overseas parties is on the rise

Natural Capital
- Fukuoka where nature and urban areas are in compact harmony
- Kyushu that is rich in attractive tourism resources and nature-based energy resources

×

Strengths of Nishitetsu Group
- Ability to increase the attractiveness and value of towns by being considerate of local communities including “Tenjin” as a town development company
- Ability to take on challenges in new scenes, including global logistics, hotel and real estate
- Creditworthiness based on safety and security cultivated in the mobility business

Business Model Output

Key Issues in Sustainable Management (P37)

Promotion of business activities in harmony with the environment | Pursuit of safety and security
Contribution to the development of sustainable and vibrant towns
Improvement of Customer Satisfaction | Creation of pleasant and satisfying workplaces
Respect for Human Rights | Corporate governance | Compliance

“Connect people and carry their expectations” Business evolution

Mobility Services
(rail/bus/taxi)
Realize a safe, secure and sustainable next-generation mobility network

Service of providing “real places”
(office/SC/housing/hotel/leisure)
Development of a town development solution that proposes the creation of well-being places

BtoC Product Sales Services
(store/household goods)
Provide new encounter and purchasing experience by serving as a hub for local communities

BtoB Logistics Services
(global logistics/domestic logistics)
Develop dense logistics by expansion to a business scale that enables competition in the world and advanced expertise

Pursuit of competitive advantage and growing markets

Co-creation with partners
Pursuit of overwhelmingly easy-to-use services and improvement of experience value
Promotion of solutions
Use of DX and new technologies

Transformation of human resources and organization

“Connect people and carry their expectations” Challenges in new fields

Environmental resources
Realize sustainable town development through use of renewable energy and circular economy

Agriculture and fishery
Realize vitalization and branding of regional industries through food business

Wellness
Realize a society where people can be themselves and healthy by a new business for the extension of healthy lifespan

Regional solutions
Create new local values by means of solutions tailored to regional issues, environment and regional resources

[Value Provision Stance]
Create and support warm-heartedly and jointly
- Grow in harmony with you -

Numerical Targets (FY2035)

Consolidated business profit	37 billion yen
Consolidated EBITDA	66 billion yen
ROE	Approx. 8%
Net interest-bearing debt to EBITDA ratio	5x level

Outcome

Customers | Local Communities/Society

Sustainable and well-being “towns and regions”

“Global supply chain” that is sustainable and considerate of customers

Employees | Business connections

Establishment of relationships for co-creation and mutual growth
(Sound and equal partnership)

Shareholders/Investors

High capital efficiency and stable return of profits

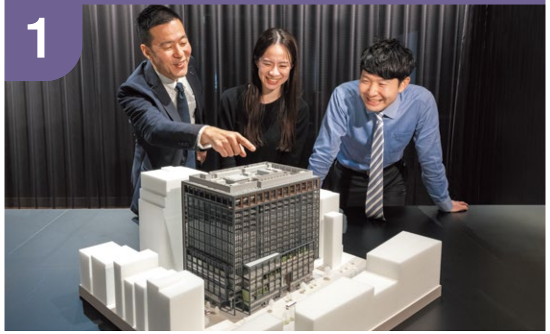
05

Nishitetsu Group's Strengths and Management Resources

By utilizing the Nishitetsu Group's strengths, we will accelerate the creation of values in local communities and society through the evolution of our business of "connect people and carry their expectations" and the challenges in new fields.

Strengths of Nishitetsu Group

Strength 1



Ability to increase the attractiveness and value of towns

by being considerate of local communities including "Tenjin" as a town development company

Based on an extensive transportation network formed by railways, buses, etc., the Nishitetsu Group operates businesses closely linked to regional lives, including commercial and office buildings, condominiums and detached houses, supermarkets and leisure facilities, mainly in regions along its railway lines and bus routes.

With a corporate message, "let's draw dreams in town" set as a slogan, various businesses that support people's lives have increased the attractiveness and values of towns, producing synergistic effects through efforts for the town development and generation of bustle in consideration of local communities and developing trust relationship with stakeholders.

Particularly for "Tenjin," we have supported its growth as the top commercial center in Kyushu while maximizing its strength as a transport hub through the Tenjin Solaria Project, the Fuku Building Block reconstruction project, etc.

We will continue to grow together with respective local communities by being considerate of local communities and developing towns, making the most of their respective characteristics.

Strength 2

Ability to take on challenges in new scenes,

including global logistics, hotel and real estate

Since the start of air cargo agency business in 1948, our global logistics has been committed to the realization of a society in which all people have access to safe, secure and reliable delivery services by ensuring to provide services considerate of our customers' desire, based on a mission in logistics of "conveying the sender's thought to the recipient."

Our network, which has expanded to 119 cities in 28 countries and regions around the world at present, is not a result of establishment of offices and placement of employees only, but is a product of the challenge we have taken on, warm-heartedly considering locality and people who live there in order to develop businesses that are deeply rooted in each country and region.

The "ability to take on challenge" developed through this business has supported the expansion of each of our businesses outside of the Fukuoka region, including the development of housing and hotel stores and the development of mobility tools and know-how.

Strength 3

Creditworthiness based on safety and security

cultivated in the mobility business

We believe that "safety and security" that we have developed with know-how obtained through our operation mainly in mobility business based in Tenjin/Fukuoka since our establishment is the foundation for the Nishitetsu Group's all businesses, is instilled into human resources as a corporate culture and is the source of the Nishitetsu brand. The creditworthiness based on the safety and security has driven the development of the Nishitetsu Group's town development business to date.

In all of the group's businesses including the transportation division, we have devised various safety-related approaches and have steadily spiraled up through the development of a safety management structure and the establishment of a PDCA cycle.

In order to continue to be a corporate group selected by customers, we will be committed to a further pursuit and ensuring of "safety and security."

Major Management Resources (Inputs / FY2024 Results, as of the End of FY2024)

Human capital

- Human resources highly specialized in mobility, town development, global logistics, etc.
- Human resources who can understand the thoughts of and be considerate of local communities and customers
- Human resources with strong attachment to their local towns and Nishitetsu

Consolidated number of employees 18,956 persons

[Breakdown]

Transportation (19 companies)	6,460 persons
Real estate (12 companies)	2,140 persons
Logistics (26 companies including 23 overseas subsidiaries)	4,111 persons [including 2,276 overseas employees]
Retail (2 companies)	2,296 persons
Leisure and services (18 companies including 3 overseas subsidiaries)	2,704 persons [including 283 overseas employees]
Others (9 companies)	1,245 persons

The number of companies in each of "transportation, real estate, logistics, leisure and services and Others" includes the Company, which is counted as one company in each business.

Financial Capital

- Stable financial base
- Broad and balanced business portfolio

Total assets 782.1 billion yen; Equity ratio 31.8%

EBITDA 48.6 billion yen EBITDA = Business profit + Depreciation + Amortization of goodwill

[(Composition) Transportation 24%, Real Estate 38%, Retail 3%, Logistics 13%, Leisure and Services 15%, Others 7%]

In the final year of CYD Vision 2035 (FY2035) 66.0 billion yen

Net interest-bearing debt to EBITDA ratio 6.5x

In the final year of CYD Vision 2035 (FY2035) 5x level

Equipment Capital

- High-security transportation infrastructure assets
- Real estate assets, mainly in Tenjin, that generate stable cash
- Global network in logistics cultivated through aggressive challenge

Total investment during the 16th Mid-term Management Plan period 332.5 billion yen (FY2023-2025)

[Major Equipment Capital]

Number of stations, operating kilometers and number of train cars (Railway*1)	73 stations, 106.1 km, 298 cars
Kilometers travelled and number of vehicles used for actual service (Bus*2)	100,050,000 km, 2,606 vehicles
Rental condominiums	10 buildings
Condominiums for seniors and serviced housing for seniors	11 facilities
Major commercial facilities	6 facilities [Fukuoka Prefecture]
Office buildings	12 facilities [Fukuoka Prefecture]
Supermarkets	64 stores [Fukuoka Prefecture, etc.]
Hotel	23 hotels [Fukuoka Prefecture 8, outside Fukuoka 10, overseas 5]
Countries and regions of operation (global logistics)	28 countries and regions, 119 cities

*1 Railway data is non-consolidated data of Nishitetsu. *2 Bus data is the group total. Kilometers travelled show the data of transit buses, and the number of vehicles shows the data of transit buses plus charter buses.

Intellectual Capital

- High awareness of safety and security and technological capability cultivated through more than 100 years of operation
- Know-how cultivated through the development of a global network in global logistics
- Nishitetsu Brand in Fukuoka established through town development business

Nishitetsu brand providing security backed by the safety that has been cultivated since the establishment.

[History of Major Businesses]

Railway	1924 Opened "Tenjin-Omuta Line and Kaizuka Line" (101st anniversary)
Bus	1927 Started "bus transportation operation" (98th anniversary)
Global logistics	1948 Started "air cargo agency business" (77th anniversary)
Housing	1954 Started "full-scale housing lots sales business (Nishitetsu Fudosan Co., Ltd.)"
Leasing (commercial)	1961 Opened "Nishitetsu Meitengai (Nishitetsu's first full-scale commercial facility)"
Hotel	1969 Opened "Nishitetsu Grand Hotel" (56th anniversary)
Supermarket	1969 Opened "Nishitetsu Store Asakura-Gaido Shop" (56th anniversary)

Social/Relational Capital

- Trust relationship with local communities, municipalities, companies, etc. along railway lines and bus routes
- Kyushu where business/tourism exchange between domestic and overseas parties is on the rise

[Connection between Local Community and Nishitetsu Group]

Population of Fukuoka Prefecture	5,090,000 persons*1
Population of Fukuoka City	1,668,000 persons*1
Annual Ridership	(Railway*2) 103,010,000 persons (Bus*2) 207,470,000 persons
Number of visitors per year (Commercial facilities in Tenjin District)	Approx. 45,230,000 persons
Cumulative number of units sold	(Condominiums) 16,529 units (Detached houses) 14,849 lots
Number of nimoca cards issued	Approx. 5,700,000 cards
Number of Unite card members (Nishitetsu Store)	Approx. 481,000 cards
Number of point members (Nishitetsu Hotels)	Approx. 67,000 persons*3
Fukuoka Airport passenger volume	27,120,000 persons [domestic flights 18,610,000 persons, international flights 8,510,000 persons]
Number of foreigners who entered Kyushu	5,010,000 persons*4

*1 As of July 1, 2025 *2 Railway data is non-consolidated data of Nishitetsu. Bus data is the group total.
*3 As of September 30, 2025 *4 Results for the year 2024 (January-December)

Natural Capital

- Fukuoka where nature and urban areas are in compact harmony
- Kyushu that is rich in attractive tourism resources and nature-based energy resources

Attractive nature, history and culture of Fukuoka/Kyushu

- Natural and historical regions along railway lines and bus routes such as Dazaifu and Yanagawa
- Abundant natural resources in Kyushu which attract many tourists, including hot springs and scenery
- Ratio of carbon-free power sources to the amount of generated and purchased electric power (Kyushu Electric Power): Approx. 60%
- Probability of being hit by a tremor of seismic intensity 6 or higher in the next 30 years (Fukuoka City): 2.6%

("2020 National Ground Motion Prediction Map" by the Headquarters for Earthquake Research Promotion)

Sunao Ohkaku

Senior Managing Executive Officer
In charge of Corporate Planning
Department and DX/ICT
Promotion Department

Progress of the 16th Mid-term Management Plan (2023-2025)

For FY2024, our consolidated business profit reached a record high of 28.4 billion yen. This growth was primarily fueled by an increase in ADR in the hotel business, driven by a surge in inbound demand, as well as fare adjustments made in the bus business in January 2024. By segment, although some businesses, such as real estate, experienced profit declines due to expenses associated with completing the ONE BLDG project, we believe these results highlight our group's successful efforts to adapt to the changing business landscape.

For FY2025, we anticipate an increase in revenue, driven by a higher volume of units sold and the inauguration of ONE BLDG, which will positively influence our housing business. However, we project a year-on-year decline in profit, primarily due to costs associated with business growth and ongoing maintenance. These costs include investments in human resources, such as enhanced compensation, as well as expenses related to safety, maintenance and renewal. As such, we forecast a consolidated business profit of 26.3 billion yen, surpassing the target of 25.0 billion yen outlined in our Mid-term Management Plan. (As of September 2025)

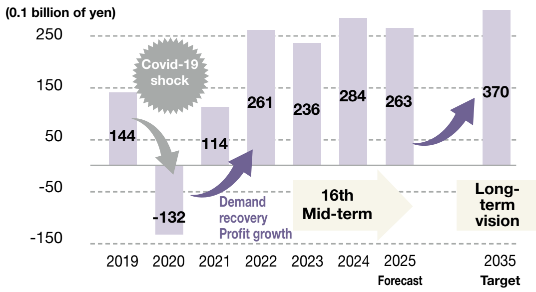
FY2025 marks the final year of the 16th Mid-term Management Plan. Despite the uncertain outlook due to rising prices and U.S. tariff policies, we will consistently achieve our medium-term goals and strive for further growth.

Realizing Management Focused on Capital Costs and Stock Price

Under the theme of "Challenge for Sustainable Growth," as outlined in the 16th Mid-term Management Plan, we have made progress in implementing structural reforms and growth strategies. As a result, profits have steadily recovered to levels exceeding our targets since the pandemic, and ROE has been trending upward. However, we also recognize that our PER remains low and our PBR is below 1.0.

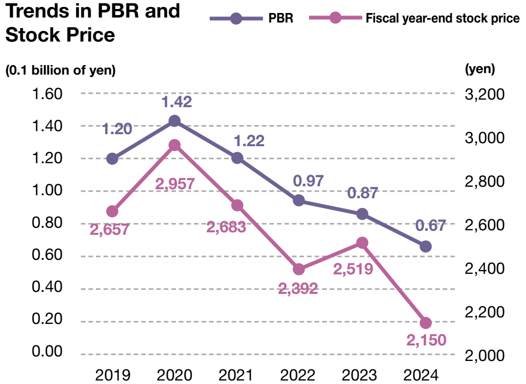
In light of this, we believe that our next mid-term management plan must implement management that focuses even more on capital efficiency and seeks to enhance the stock market's valuation of our Group's future growth potential.

Business Profit Trend



* Business profit = Operating income + Dividend income from business investments and equity in earnings of affiliated companies, etc.

Trends in PBR and Stock Price

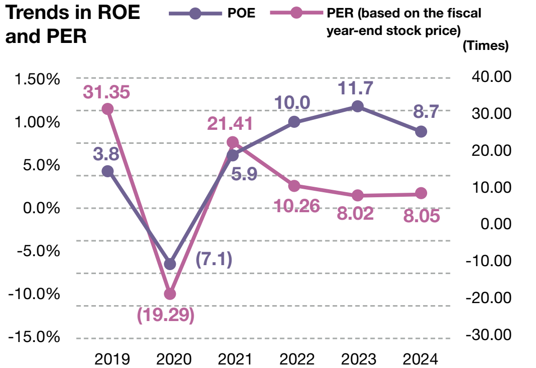


Growing Profit and Improving Productivity

To enhance our PBR, we believe that expanding our earnings to improve ROE should be our top priority. In central Fukuoka, ongoing redevelopment is increasing visitor numbers to commercial facilities, particularly attracting inbound tourists, and drawing workers to the area's office clusters. The ONE BLDG, which opened in April 2025, attracted over 5 million visitors by August, showing its vibrancy. Additionally, we are seeing an accelerating year-on-year increase in ridership on our railway and bus services in the Tenjin area. We are committed to working together as a unified group to convert this growing demand into profit growth.

We will continue to make growth investments to enhance our future earnings. Our plans include several large-scale projects, such as the Tenjin redevelopment, the development of the former Fukuoka Family Court site, and the Former Kyushu University Hakozaki Campus Development Project. Although these medium- to long-term projects are set to be completed with launch in the 2030s, we are focused on expanding our earnings as Fukuoka City continues to flourish. At the same time, as part of a group-wide initiative, we will promote productivity improvements and streamline our operational processes by leveraging DX and ICT tools, including generative AI and robotics.

Trends in ROE and PER



Capital Investment Plan and Financial Soundness

The capital investment plan amounts to 174.5 billion yen over the three-year mid-term management period (from 2023 to 2025), with around 64.5 billion yen specifically designated for the ONE BLDG project. Consequently, interest-bearing debt has risen to approximately 360 billion yen. Looking ahead, while capital investments in FY2025 are expected to decline following the completion of ONE BLDG, the next mid-term management plan will necessitate funding for other significant projects. Although these upcoming large-scale initiatives are likely to be pursued as joint ventures, reducing the financial outlay compared to the fully financed ONE BLDG, it is essential to maintain our focus on financial soundness. Our efforts include utilizing external capital through real estate securitization and actively seeking early capital recovery via a revolving scheme. We remain committed to increasing revenue through growth investment while efficiently managing the interest-bearing debt.

In terms of real estate securitization, we have established private funds with a total asset value of around 22 billion yen. This initiative began with our first fund launched in March 2024 and continued through to our third fund in August 2025. We aim to establish a private REIT during the upcoming mid-term management plan period, while also working to enhance our expertise in asset management operations.

Improving Capital Efficiency

As part of our efforts to improve capital efficiency, we are reviewing our business portfolio. For instance, regarding investment projects, we establish target a ROIC for each business segment, guiding our investment decisions accordingly. In assessing the viability of a business, we determine if it can consistently generate cash flow that exceeds our target. If a segment does not meet this threshold, we develop measures for improvement, and if those efforts still fall short, we explore options, including the possibility of exiting the business. In response to various challenges faced by our group bus business companies, such as crew shortages and declining ridership on suburban routes, we have decided to merge these operations back into the parent company. This consolidation will facilitate more efficient management and enable us to address these challenges more swiftly.

We aim to enhance capital efficiency and boost the ROE by reevaluating our traditional asset-heavy business model and placing greater emphasis on our solution business. Although our long-term vision sets an ROE target of 8%, we are committed to pursuing further improvements in ROE, especially in response to current changes in the business environment.

Investment Plan for the 16th Mid-term Management Plan

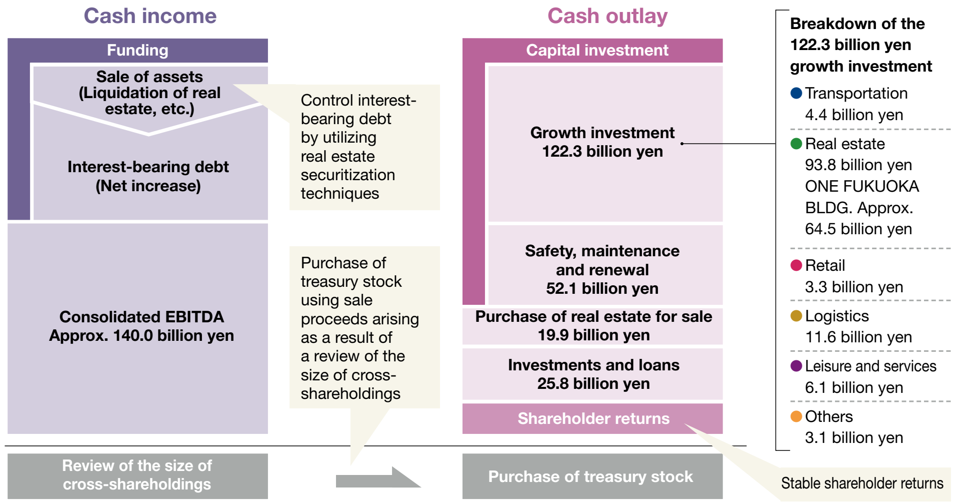
(0.1 billion of yen)

	Results in FY2023	Results in FY2024	Results in FY2025	Total (2023-2025)
Capital investment	681	618	446	1,745
Growth	525	458	240	1,223
Safety	69	57	48	174
Maintenance & renewal	87	103	157	347
Purchase of real estate for sale*1	342 (33)	416 (119)	470 (48)	1,227 (199)
Investments and loans	122 (101)	34 (7)	197 (149)	353 (258)
Overseas development business*2	50 (37)	22 (2)	84 (37)	156 (76)
Total amount invested*3	1,144 (815)	1,068 (743)	1,113 (643)	3,325 (2,201)

• Simple aggregation: amounts below 100 million yen are rounded to the nearest hundred million yen.
*1 The figures in parentheses indicate the net investment amount, factoring in the recovery of costs associated with the purchase of real estate for sale.
*2 The figures in parentheses indicate the net investment amount, factoring in capital recovery. Overseas development projects refer to the development of residential and income-generating real estate abroad.
*3 The figures in parentheses indicate the net investment amount, factoring in the recovery of costs for purchasing real estate for sale, as well as the recovery of capital.

(Reference) Funds Distribution Approach

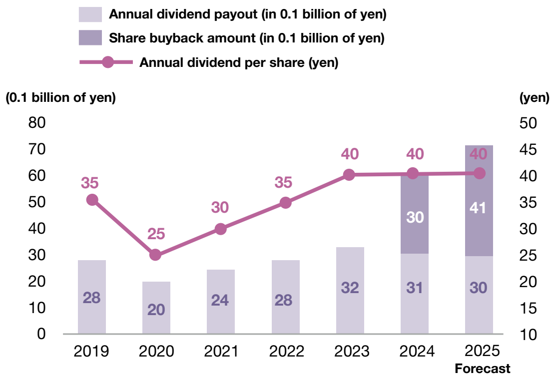
Ensure financial soundness while executing growth investments that form the foundation for realizing our long-term vision, including the ONE BLDG project (3-year cumulative graph)



Shareholder Return Policy

Regarding shareholder returns, our policy is to pay dividends on a steady and continuous basis while emphasizing stable profit returns to shareholders as well as strengthening our financial position and operating foundation by securing an optimal level of retained earnings. For FY2024, we initially anticipated an annual dividend of 35 yen per share; however, given our performance trends and other factors at the time, we decided to increase this to 40 yen per share. We also intend to maintain an annual dividend of 40 yen per share for FY2025. Continuing from last fiscal year, we are repurchasing treasury stock using the proceeds from our divestment of cross-shareholdings, following a review of the scale of those holdings.

We will continue to examine ways to enhance the transparency of our dividend policy, which may include the introduction of relevant financial metrics.



Sustainable Management Initiatives

As part of our sustainability efforts aimed at enhancing corporate value, we are committed to achieving carbon neutrality. This initiative includes promoting energy conservation, shifting away from fossil fuels, reducing overall energy consumption, and transitioning to renewable energy sources. We invest in energy-efficient railway vehicles, converting our office buildings to meet Zero Energy Building (ZEB) standards, and utilizing non-fossil fuel certificates within our hotel operations. Additionally, we have started partial disclosure of Scope 3 emissions, those occurring throughout our entire supply chain, beginning in FY2025. Moving forward, we will continue to develop our systems to expand our disclosure.

We have identified eight key challenges that are crucial for sustainable management. To effectively monitor our progress toward each target goal, we are engaging in internal discussions to establish KPIs aligned with our business strategy. We aim to deepen stakeholders' understanding and enhance corporate value.

Strengthening Engagement with Stakeholders

We view dialogue with our stakeholders, including shareholders and investors, as essential for promoting sustainable growth and enhancing the corporate value of our Group. We actively share the diverse opinions and feedback we receive with our management team and incorporate them into our business operations. Looking ahead, we aim to further improve our information disclosure and dialogue initiatives, particularly by increasing opportunities for engagement with top management, to help nurture expectations for our Group's continued growth.

Message from Human Resources Officer

Tetsuji Yoshida

Executive Officer in charge of Human Resources Department
General Manager,
Human Resources Department

Our Human Capital Management

To achieve our CYD Vision 2035, our Group launched the "Human Capital Management Project" in FY2023. This initiative aims to strengthen the alignment between our management strategy and human capital strategy, facilitating collaboration between the teams responsible for both management strategy and human resources areas in strategy development. We have been working on formulating a human capital portfolio and pinpointing human resource challenges essential for achieving our vision. In FY2024, we identified four key human resources issues as materiality factors. We proposed to management the development of leaders who can enhance team performance and growth while meeting organizational goals, the transformation of businesses to realize our vision, and the intentional cultivation of advanced management talent to generate cross-functional value. In FY2025, we established the "Human Capital Strategy Council" to specifically address human resources challenges and solutions across various business domains, together with the human resources department. Our discussions focus on fostering an environment that nurtures the talent essential for shaping the future of the Nishitetsu Group, while also working towards building an organization with high levels of engagement. Additionally, we are exploring a succession plan aimed at systematically developing human resources that will guide the Nishitetsu Group in continuing to create value beyond 2035.

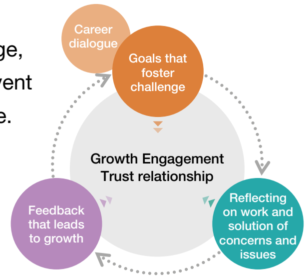
Employees' Autonomous Growth

The source of corporate value is "people," and the driving force behind sustainable growth is each employee's wisdom, ambition and ability to take action. Our Group boasts a diverse range of talent, including experts in fields such as mobility, town development, and global logistics, individuals eager to contribute to the advancement of local communities, and those with strong ties to their hometowns. We are committed to enhancing each employee's skills through internal training, external assignments, self-study programs, and assistance in obtaining qualifications. Our Group has traditionally focused on uniform human resources management, placing a strong emphasis on internal fairness. However, in recent years, we have renewed our commitment to fostering autonomous growth and actively supporting initiatives while balancing necessary standardization. We are dedicated to creating an environment that motivates employees to take charge of their own development.

Reinforcement of Management Human Resources

Managers play a vital role in uniting individuals, utilizing their strengths, and guiding them toward achieving organizational goals. They communicate the vision to each employee in their own words, acting as a bridge between the organization and its people. Additionally, they are essential in supporting employees' autonomous growth. We hold 1-on-1 meetings at least six times a year to ensure dedicated support for each team member. To foster a positive feedback loop for goal setting, progress tracking, workplace implementation, and feedback, we also conduct regular training programs for managers. Starting in FY2025, we are implementing a 360-degree survey that allows managers to receive feedback on their management style from supervisors, colleagues, and subordinates. This initiative aims to help managers identify gaps in their self-perception, encourage meaningful behavioral change, and proactively work to prevent harassment in the workplace.

Image of desired outcomes achieved through 1-on-1 meetings ▶



Creation of Organization with Diversity

Our Group operates in 28 countries and regions around the world, and we define "diversity" to include not just race, gender, and age, but also the variety of values, experiences, and skills that each individual brings. We believe that fostering a workplace culture where people from diverse backgrounds having different values come together to share ideas freely and embrace challenges, rather than shying away from failure, catalyzes innovation and drives the creation of new business value. The Group not only works for the promotion of women's active participation and the enhanced employment of experienced personnel but also endeavors to secure various human resources by appointing core personnel according to their individual abilities, regardless of gender, nationality or whether they are new graduates or mid-career workers.

We believe it is essential to promote initiatives that embrace diversity in self-selection, including career aspirations and the scope of personnel transfers. By doing so, we can create an environment where diverse talents can truly thrive.

◀ Scene of dialogue meeting on human resources strategy

NISHITETSU side story

Keep Growing and Become Legend.

Its name is "Hakata-go."
On October 12, 1990, the first "Hakata-go" bus departed for Tokyo.
Carrying passengers for 1161.8 kilometers in 15 hours and 15 minutes and operating two round trips a day, the unparalleled scale for the time, the 23-seat deluxe bus with a salon was equipped with curtained seats to create a private space for each seat, and even a snack service. It was called the "King of Late-Night Buses."
In 2025, the "Hakata-go" celebrates its 35th anniversary and continues to run today!

The "Pioneer" of Overnight Buses: 35 Years of History

"Cherish the "reassuring feeling that helps passengers sleep""

Hakata Bus Service Office
Satoru Kiba
Driving experience: 21 years

""We will return home with no accidents" as the motto"

Hakata Bus Service Office
Shogo Yamauchi
Driving experience: 10 years

NISHITETSU side story

Japan's Top "Steering Wheel" Continues to Run in Japan Today!

The challenge of express buses began in 1973 with the Fukuoka - Kumamoto route bus "Hinokuni-go."
At its peak, the bus had grown to operate 50 domestic routes.
Annual ridership exceeds 6.05 million.
This is supported by a select group of elite drivers.

Ace and Pioneer! The Birth and History of "Hakata-go"

"Are you kidding me?" When the idea of the "Hakata-go" overnight express bus was first discussed, such scorn was heard from both inside and outside our company. Confronting numerous challenges in terms of profitability, driver fitness, and safety, we collaborated with Kurume University to scientifically measure driver fatigue and made repeated appeals to the then Ministry of Transportation. It took two years to realize the idea. This passion will eventually change the culture of mobility in Japan.

After its debut, the Hakata-go quickly gained popularity and continued service on weekends has become the norm. In 1996, an average of 120 people a day used the service, and during Golden Week and Obon holiday, tickets were sold out in just 30 minutes. "These aren't concert tickets!" The complaints were so loud that they would reach us.

Leaving Fukuoka at midnight and arriving in Tokyo in the morning. The overnight trip has captured the hearts and minds of many as a new transportation experience that combines comfort and efficiency. Surrounded by powerful enemies in the form of air, railway, and private cars, the Hakata-go never stops evolving. In 2010, we introduced a double-decker bus with premium seats, and Japan's first private room seats in 2014, perfecting the art of sleep travel.

Even in 2020, when the service was temporarily suspended due to the Covid-19 pandemic, there were constant requests to "ride the bus even under these circumstances." More than just a means of transportation, riding the Hakata-go is a journey in itself —— it continues to carry people's thoughts and feelings as it travels through the night.

01

Sustainable Management in the Nishitetsu Group

The Nishitetsu Group is committed to sustainable management under its corporate philosophy in order to grow and develop sustainably together with local communities.

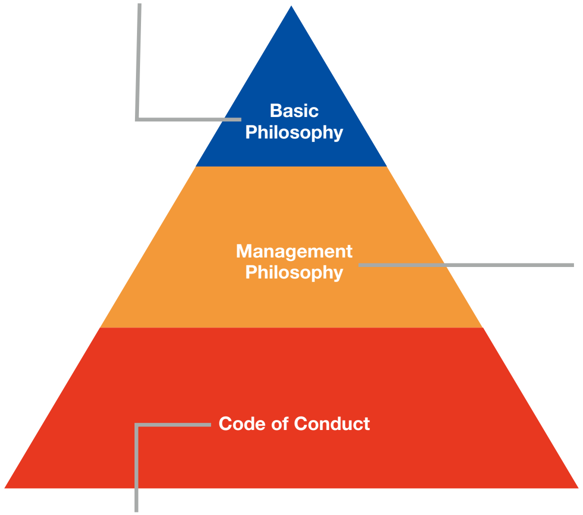
Sustainable Management Policy

For the Group, sustainable management means "practice of corporate philosophy." We believe that it means continuing to be a company that is of use to society and is trusted by society under our corporate philosophy, in other words, contributing to the sustainable development of local communities as a "good corporate citizen."

In the course of our business activities, it means continuing to satisfy the expectations of our many stakeholders, including local communities, customers and employees, and we have provided for a code of conduct (rules) for the Group's all employees in the "Nishitetsu Group's Compliance Policy" and have also established policies respectively on the other important themes and have put them into practice in our business activities.

Nishitetsu Group's Corporate Philosophy

The Nishitetsu Group will keep providing confidence, comfort, and enjoyment through our businesses which connect people and carry their expectations, walk hand in hand with communities, and develop together.



- **The joy of our customers is our joy.** We put ourselves in our customers' shoes.
- **We value can-do spirit.** We act positively with originality and ingenuity.
- **We are proud to be members of the Nishitetsu Group.** We improve ourselves, play our roles, and take responsibility.
- **We create vibrant workplaces.** We talk with our colleagues and deepen mutual trust and partnership.

- **Management to bring out the best in people**
We create the vibrant corporate climate where people are respected for their humanity; the best in people is brought out, and they are fostered.
- **Creation of our customers' expectations**
We put ourselves in our customers' shoes, respond to their expectations, and provide products and services which create their expectations.
- **Creation of new business values**
We accurately ascertain the demands of the present age and create new business values that we can share with society.
- **Harnessing the Group's collective strength**
We respect independence and individuality, cooperate with each other, and harness the NNR Group's collective strength.

Sustainable Management Promotion Structure

The Group has established a "Compliance Policy" as a basic policy for sustainable management, which sets forth action guidelines in the Group, including "compliance with laws and regulations, social norms, etc.," "provision of safe and reliable products and services" and "approaches toward environmental issues" and has also established policies on the other important themes, such as the "Nishitetsu Group's Environmental Policy" and the "Nishitetsu Group's Basic Policy on Safety" and has put them into practice in the course of business activities.

In addition, we have developed a structure for promoting sustainable management by establishing the ESG Promotion Committee which discusses on important policies and directions in sustainable management, such as "environmental measures," including climate change, which is one of the materiality issues of ESG, and assists the President Executive Officer in decision-making, as well as the Executive Committee and various committees.

The "ESG Promotion Committee" holds meetings chaired by the President and Chief Executive Officer and receives reports on activities related to sustainable management from committees, departments and companies to confirm the status of activities. If necessary, the Board of Directors receives reports on important matters discussed at the ESG Promotion Committee to ensure appropriate supervision.

Sustainable Management Promotion Structure

Basic Policy for Sustainable Management

Compliance Policy
Environmental Policy, Basic Policy on Safety, Basic CS Policy, Ideal Image of Employees Working in the Nishitetsu Group, Human Rights Policy, Basic Procurement Policy, Health Management Policy

Processes for Identifying Key Issues in Sustainable Management

The Group has, under its corporate philosophy, contributed to the sustainable development of local communities in order to continue to be a company that is of use to and trusted by society.

In order for the Group to address social issues and grow and develop sustainably together with local communities in the future, we have identified key issues that make a significant contribution to society and have a significant impact on corporate value through discussions at the ESG Promotion Committee, etc., as follows. By addressing key issues, we hope to contribute to the achievement of the "sustainable development goals (SDGs)."

Processes for Identifying Key Issues

STEP 1	STEP 2	STEP 3
Analyze global megatrends, socioeconomic conditions, SDGs, guidelines of international organizations, evaluation items of ESG assessment organizations, industry trends, characteristics of respective businesses, trends of other companies, etc. and consider candidate key issues.	Evaluate and select the company's key issues, considering the degree of importance for us based on the situation in which the Group is placed, our corporate philosophy, the Nishitetsu Group's CYD Vision 2025 and the 15th Mid-term Management Plan as well as the degree of importance to our stakeholders.	Identify key issues through discussions at a management meeting and a meeting of ESG Promotion Committee.

Key Issues in Sustainable Management

	Important Issue	Description	Related SDGs	Indices of Focus
E	Promotion of business activities in harmony with the environment	Through business activities in harmony with the environment, we will reduce our environmental impact and contribute to the realization of a sound material-cycle society and the control of global warming.	12, 13	- Reduction of CO_2 emissions [Scope 1 + 2]
S	Pursuit of safety and security	We will provide products/services that all customers can use with the sense of security by placing the top priority on "ensuring safety."	3, 11	- Number of serious accidents of responsibility [accidents for which the Group is responsible under the accident reporting rules] - Number of Incidents [events that are recognized as having the potential to cause a railway operation accident]
S	Contribution to the development of sustainable and vibrant towns	We will value our relationship with local communities and contribute to the sustainable development of local communities through our business activities.	9, 11	- Population trends in the municipalities along our railway lines and bus routes [degree of natural and social increase/decrease]
S	Improvement of Customer Satisfaction	We will positively listen to our customers, provide products and services that satisfy their potential needs and engage in activities for improving them, aiming to become the Nishitetsu Group that our customers continue to choose.	11	- Analysis and utilization of customers' voice
S	Creation of Pleasant and Satisfying Workplaces	We will respect the diversity of our employees and conduct "management that makes the most of people" so that they can take pleasure in their work and find their lives worth living. We will work to develop and promote the success of our human resources so that each and every one of them can be motivated and demonstrate their abilities to bring new values and innovation.	3, 5, 8, 10	- Ratio of female managers - Wage difference between men and women - Percentage of male employees taking childcare leave - Amount of investment in human capital - Composition of Directors and Executive Officers - Survey on employee engagement and compliance awareness
S	Respect for Human Rights	We will deepen proper understanding of human rights issues and the responsibilities that a company should fulfill and promote our business activities that respect human rights by having dialogue with various stakeholders and providing human rights training for employees.	5, 10	
G	Corporate Governance	Taking into consideration our business characteristics centered on "provision of transportation services" that are safe and secure and "town development" that contributes to regional development under the "Nishitetsu Group's Corporate Philosophy," we will endeavor to ensure and enhance an effective mechanism for transparent, fair, prompt and decisive decision-making in management to carry out business management satisfying the expectations of our stakeholders, including customers, local communities and shareholders and will aim to achieve sustainable growth and increase our corporate value over a medium to long term.	16	
G	Compliance			

The Group established the “Nishitetsu Group’s Environmental Policy” in April 2005 to reduce its environmental impact and contribute to the realization of a sound material-cycle society and the control of global warming through business activities in harmony with the environment.

Environmental Management Structure

In order to contribute to the realization of a sustainable society and be a company that is trusted by society and continues to develop over a long term, the Group carries out activities for the reduction of its environmental impact, recognizing the preservation of the global environment as an important issue.

While the environmental managers and promoters of the Company and group companies promote approaches based on an environmental impact reduction plan, the ESG Promotion Committee chaired by the President is supposed to discuss and deliberate on, and manage the progress of, matters related to environmental management for the entire group.

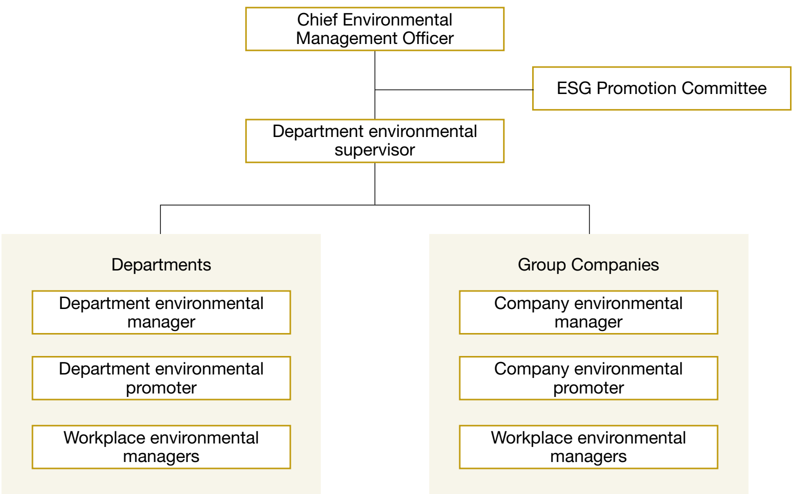
Nishitetsu Group’s Environmental Policy (established on April 28, 2005)

We recognize that preserving the global environment is an important issue, and through business activities that take place in harmony with the environment, we will reduce our environmental impact and help to bring about a recycling-oriented society and the control of global warming.

(1) Raise environmental awareness
(2) Ensure proper understanding and compliance with laws and regulations
(3) Efficiently use resources and energy, and reduce emissions
(4) Promote the use of energy-efficient public transportation
(5) Provide products and services with environmental quality

Based on the foregoing policies, we will continuously improve our environmental approaches.

Nishitetsu Group’s Management Structure



Compliance with Various Laws and Regulations

Compliance with the Energy Saving Act

The Company and some of its group companies, which are designated as specified business operators or specified transportation operators under the Energy Saving Act, prepare medium- to long-term plans and periodic reports every year and submit them to the Regional Bureau of Economy, Trade and Industry, etc. in each region.

Compliance with the CFC Emission Control Act

The CFC Emission Control Act, which was enforced in April 2015, made it mandatory to inspect commercial refrigeration and air conditioning equipment, record maintenance history and report the amount of CFC leaks. The Company and its group companies are working to ensure compliance with the law and are trying to prevent CFC leakage and reduce environmental impact.

Established the GX Committee

In April 2025, the “Nishitetsu Group GX Committee” was newly established to accelerate and promote GX (Green Transformation) initiatives in the Group.

Participation in Initiatives, etc.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TCFD (Task Force on Climate-related Financial Disclosures)
Expressed an endorsement of TCFD recommendations (March 2022)

CDP DISCLOSURE INSIGHT ACTION

CDP
Started to provide response in FY2021

GX League

GX League
Participated in FY2024

Disclosure of Information Based on TCFD recommendations (1)

The Group regards the issue of climate change which is one of the key issues as an important agenda for meetings of ESG Promotion Committee. At those meetings, the President and CEO acts as a chairperson, confirms the progress of the "Environmental Impact Reduction Plan" which outlines voluntary targets and environmental impact reduction activities aimed at solving the issue of climate change, and instructs the committee to consider countermeasures. The Group endorsed the TCFD recommendations in March 2022 and have conducted scenario analysis based on the TCFD recommendations in its railway, bus, leasing, housing, supermarkets/liquor stores, global logistics and hotel businesses and have conducted scenario analysis in departments and group companies that account for approximately 90% of the Group's CO_2 emissions.

Companies Covered in Scenario Analysis

Outline of Business		Company Name
Transportation	Railway	Our company
	Bus	Our company and subsidiaries and affiliates engaging in Bus
Real estate	Leasing	Our company
	Housing	Our company
Retail	Supermarkets/liquor stores	Nishitetsu Store Inc.
Logistics	Global logistics	Our company
Leisure and services	Hotel	Nishitetsu Hotels Co., Ltd.

Strategy

Risks and Opportunities

The risks posed by climate change have two aspects, risks associated with the transition to a decarbonized society (transition risks) and risks associated with physical impacts (physical risks), and also have an aspect of "opportunities" for growth for the Group.

We quantitatively evaluate the impact of these risks and opportunities to the extent possible and evaluate the degree of importance from two axes of perspective, likelihood of occurrence and impact to determine the need for countermeasures.

We conducted the evaluation by setting the following time frames: short-term (approx. 3 years, the same as the mid-term management plan), mid-term (2030, the same as the target set by the Japanese government), long-term (2050, the year for which the decarbonization target is set).

Transition Risks Common Across the Nishitetsu Group

Type	Description	Business	Degree of Importance (Mid- to Long-term)	Measures (Direction)
Policies, Laws and Regulations	Increase in energy procurement cost due to introduction and strengthening of carbon tax (Scope1,2)	Railway	High	Decrease in energy consumption by the introduction of environmentally friendly vehicles/equipment
		Bus	High	Reduction of fuel procurement cost by the introduction of EV buses, etc.
		Leasing	High	Further energy saving (introduction of energy-saving equipment, including upgrade to high-efficiency equipment)
		Hotel	High	
		Supermarkets/liquor stores	High	
Market	Increase in electricity procurement cost due to expanded introduction of renewable energy	All businesses	High	Check the transition of electricity prices and consider the timing, ratio, etc. of the introduction of renewable energy power.

Physical Risks Common Across the Nishitetsu Group

Type	Description	Business	Degree of Importance (Mid- to Long-term)	Measures (Direction)
Chronic	Increase in non-life insurance premiums due to change in precipitation patterns, etc.	All businesses	High	- Company-wide BCP check - Check of the increase in insurance amount and consideration of review of insurance coverage as needed
	Increase in cooling cost and capital investment cost due to higher average temperature, etc.	Leasing	Medium	- Cost reductions through further energy saving (replacement with high-efficiency air-conditioning equipment at the time of facility renewal)
		Housing	Medium	
		Supermarkets/liquor stores	Low	- Cost reductions through further energy saving (replacement with high-efficiency air-conditioning equipment at the time of facility renewal) - Promotion of the use of energy management systems based on AI prediction
Acute	Increase in facility damage and decrease in sales due to increasingly serious abnormal weather (Repair cost, business suspension)	Railway	Medium	- Development of vehicles and facilities resistant to wind and flood damage
		Bus	Medium	- Development of a disaster-resistant operation system, including the assumption of multiple turnaround routes, in case of traffic stoppages on roads, tunnels, etc.
		Leasing	Medium	- Periodic review and implementation of BCP that consists of hardware and software <Hardware> - Continuous inspection of disaster prevention equipment - Consideration of installation of disaster prevention/mitigation equipment, etc. <Software> - Periodic review of BCP manual - Further information sharing with persons concerned - Securing of alternative personnel and development of systems in preparation for disaster - Selection of alternative routes, etc.
		Housing	Medium	
		Supermarkets/liquor stores	Low	
		Global logistics	Medium	
		Hotel	Medium	

Disclosure of Information Based on TCFD recommendations (2)

Opportunities Common Across the Nishitetsu Group

Type	Description	Measures (Direction)
Market	Securing of human resources through active disclosure of environmental approaches	- Promotion of a long-term vision, "Nishitetsu Group CYD Vision 2035" - Consideration and implementation of effective appeal using the website and an integrated report - Consideration of effective appeal methods suited to the times
	Expansion of green Investment	- Disclosure of information on carbon neutrality progress - Issuance of green bonds - Endorsement of TCFD recommendations and information disclosure

Scenario Analysis

We conducted analysis for the medium term (2030), using, from among scenarios which show the rise in global average temperature compared to the times before the Industrial Revolution as assumed by the specialized institutions such as IPCC (Intergovernmental Panel on Climate Change) and IEA (International Energy Agency), the external scenario of 1.5°C, in which the rise is limited to less than 1.5°C through a system transition based on the Paris Agreement (1.5°C scenario) and the external scenario of 4°C, in which a rise of around 4.0°C is expected by the end of the 21st century without the introduction of new policies and systems (4°C scenario) as a guide.

Scenario Analysis Common Across the Nishitetsu Group

The results of scenario analysis revealed as a common matter for the Group that, in terms of transition risk, a significant cost increase due to the introduction of carbon tax was feared, and the cost of procuring electricity would increase due to the expanded introduction of renewable energy, despite ongoing energy conservation measures and replacement of vehicles with more environmentally friendly ones.

In terms of physical risks, it was found that damage to facilities and vehicles caused by heavy rain, etc. associated with change in precipitation patterns would increase, resulting in higher non-life insurance premiums. Comparing the 1.5°C scenario and 4°C scenario, the impact of the carbon tax in the 1.5°C scenario is significantly large, which indicates that the impact of the carbon tax is the greatest risk and need to be addressed as a top priority issue toward the realization of a decarbonized society.

We will actively disclose information on our carbon neutral approaches, aiming for a decarbonized society, and promote approaches toward the realization of a 1.5°C world in order for the Group to remain a corporate group that is trusted by society and continues to develop over a long term and realize a sustainable society in which no one is left behind.

List of Parameters Used

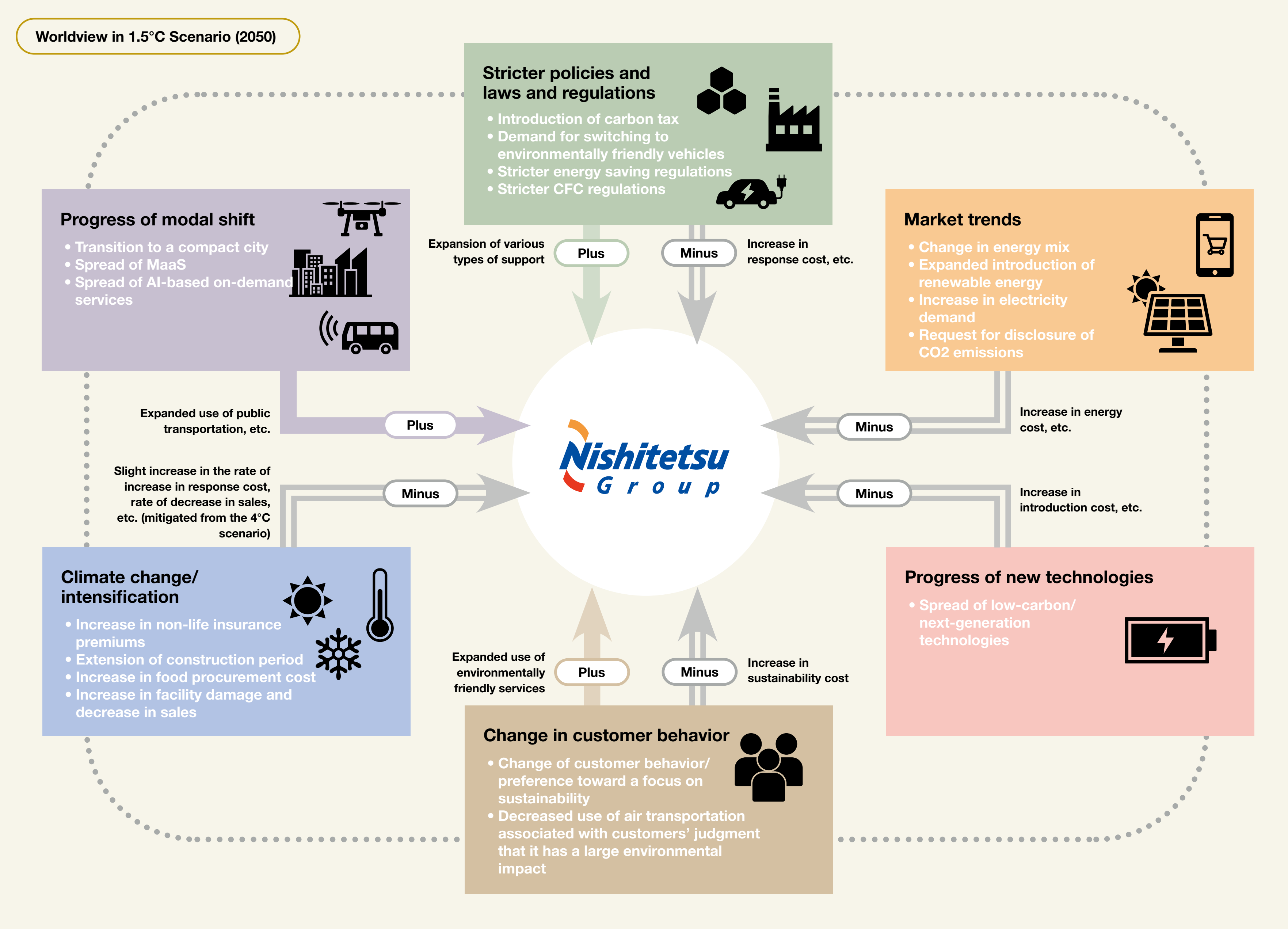
Important Item	Assumed Parameter	Parameter Target Region	Unit	BAU	Year 2030 4°C	Year 2030 1.5°C	Source
National carbon emission targets/ policies	Carbon tax	Advanced nations	yen/t CO2	-	5,880	19,600	- IEA WEO2023
	Environmentally friendly vehicles	World	%	-	2	23	- IEA WEO2020 - IEA NZE2050
Japan's energy reduction targets/ policies	Energy saving targets	Japan	%	-	13	16.5	- Status and Future of Energy Saving Measures in the 2030 Energy Mix
Change in energy mix	Fuel price change rate	World	%	-	21	-5	- IEA WEO2020 - IEA NZE2050
	Electricity price	Japan	yen/ MWh	-	29,120	32,340	- IEA WEO2018
Progress of Next-generation technologies	Change in the number of passengers between private cars and buses	World	%	-	-	-	- IEA NZE2050 - 4°C scenario, equivalent to current level
Increase in average temperature	Average temperature	Fukuoka Prefecture	°C	0°C	+0.3	+0.2	- Climate Impact Explorer, "Japan"
Flood damage	Depth of flooding	Japan (each location)	m	-	-	-	- Hazard maps published by local governments

* The exchange rate used in calculation is 140 yen/dollar.

Financial Impact Assessment Common Across the Nishitetsu Group (Change in Expected Cost per Year 2030)

Risk Item		Assumed Events	Impact 4°C	Impact 1.5°C
Transition risk	Introduction and raise of a carbon tax (Scope1,2)	(4°C) Carbon tax is introduced. [The tax amount is small.] (1.5°C) Carbon tax is introduced. [The tax amount is large.]	▲▲▲	▲▲▲
	Expanded introduction of renewable energy	(4°C) Electricity prices increase. [The rate of increase is low.] (1.5°C) Electricity prices increase. [The rate of increase is high.]	▲▲	▲▲▲
Physical risk	Change in precipitation patterns	(4°C) Damage to business facilities, vehicles, etc. due to heavy rain, etc. increases, resulting in higher non-life insurance premiums (1.5°C) Damage to business facilities, vehicles, etc. due to heavy rain, etc. slightly increases, resulting in higher non-life insurance premiums	▲	▲

Disclosure of Information Based on TCFD recommendations (3)



Disclosure of Information Based on TCFD recommendations (4)

Risk Management

The Group formulated a group-wide plan based on “environmental impact reduction plans” prepared by respective departments and group companies and including CO2 emission reduction targets at a meeting of the ESG Promotion Committee chaired by the President and CEO. The Company is carrying out the PDCA cycle for risk management by monitoring the progress of plans and instructing respective departments and group companies to modify their plans with an aim to achieve the targets, considering the order of priority of risks and opportunities. The Group has established its reduction targets for the amount of Scope 1 and Scope 2 CO2 emissions under the GHG Protocol. The amount of Scope 3 CO2 emissions is grasped in some of its businesses and will be grasped across the Group in the days ahead.

* Scope 1: Amount of direct emissions resulting from the use of a business operator’s own fuels; Scope 2: Amount of indirect emissions resulting from the use of electricity, heat and steam supplied by any other companies; and Scope 3: Amount of emissions related to a business operator’s activities other than Scope 1 and Scope 2.

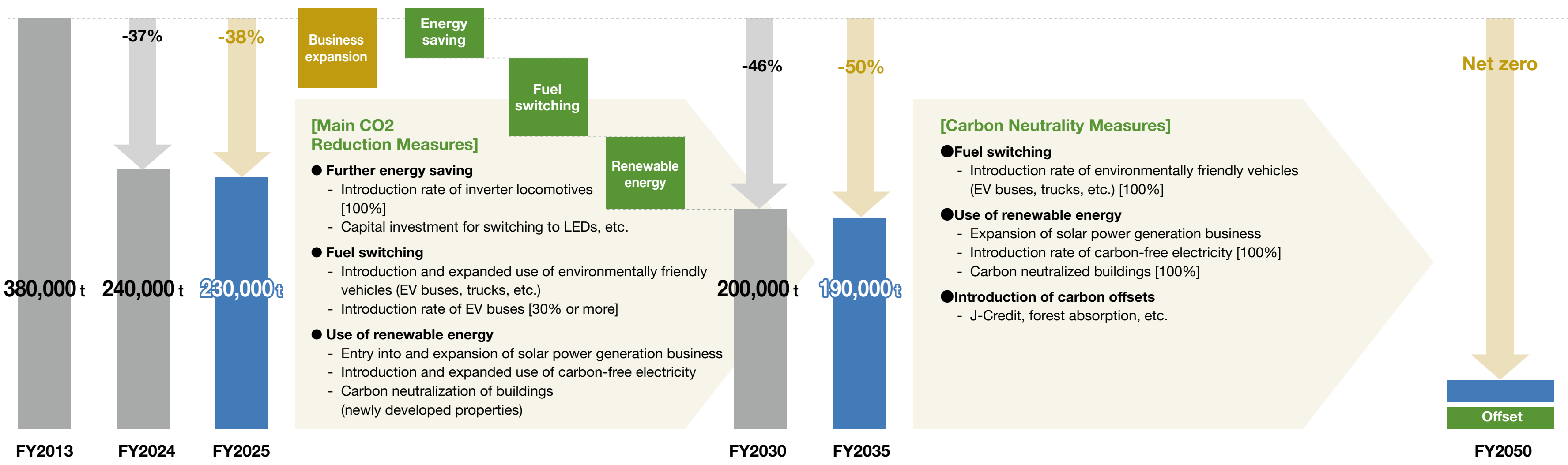
Indices and Targets

In November 2022, the Group formulated its long-term vision, the “CYD Vision 2035” with the target year of FY2035 and manifested a roadmap, “Toward Carbon Neutrality (2050)” (see the figure below). We also established our reduction targets in the 16th Mid-term Management Plan (FY2023-2025) in line with the roadmap.

By setting CO2 reduction targets as
- 38% reduction from the FY2013 level in FY2025 (16th Mid-term Management Plan)
- 50% reduction from the FY2013 level in FY2035 (long-term vision),

we will achieve the national target of “46% reduction from the FY2013 level in the amount of CO2 emission in FY2030” and aim for carbon neutrality in 2050 as the entire Group. The Group’s reduction targets in response to the new national targets set forth in the “GX2040 Vision” will be discussed in the next mid-term management plan.

Toward Carbon Neutrality (2050)



Environmental Impact Reduction Plan

In an environmental impact reduction plan, each department/company establishes reduction targets for the 16th mid-term management plan period (FY2023-2025) based on a roadmap toward carbon neutrality by 2050 and takes specific measures to achieve the targets.

The progress of evaluation by reference to the targets and implementation of specific measures is confirmed at a meeting of the ESG Promotion Committee on a semi-annual basis.

Overview of Environmental Impact Reduction Plan in 16th Mid-term Management Plan Period

For the status of achievement of targets by department/company, please refer to the "Environmental Impact Reduction Plan" on the sustainable management promotion page of the Group's website.

Scan the code for detailed information on the Environmental Impact Reduction Plan in the 16th Mid-term Management Plan Period.

Achievement of the Group's targets in the16th Mid-term Management Plan Period

(◎: Target achieved; ○: Target not achieved but reduction made from the base year)

Entire Nishitetsu Group's Target	Target Value for FY2025 (Final Year of 16th Mid-term Management Plan)	Results in FY2024	Outcome
Reduction of CO_2 emissions (total amount) (*1, 2)	-25% (compared to FY2013)	-26.3%	◎
Reduction of copy paper usage (*3)	-25% (compared to FY2014)	-30.4%	◎
Reduction of water consumption	-15% (compared to FY2014)	-10.0%	○

*1 In the calculation of CO_2 emissions from electricity, the emission factor published in the "Low Carbon Society Action Plan in Electricity Industry" by the Federation of Electric Power Companies of Japan, etc. in July 2015 (0.37kg-CO_2/kWh) is used as a control value. *2 For the calculation of CO_2 emissions from energy sources other than electricity, refer to the "Greenhouse Gas Emissions Calculation and Reporting Manual" by the Ministry of the Environment for the base year (FY2013). *3 The number of sheets of copy paper used is calculated on a purchase basis (without distinction by size).

Third-party Verification of Scope 1 and 2

To improve the reliability of the Group's greenhouse gas (GHG) emissions data, we conducted third-party verification of our GHG emissions (Scope 1 and 2) in FY2024. The verification was conducted in accordance with the international standard "JIS Q 14064-3:2023 (ISO 14064-3:2019)" by SOCOTEC Certification Japan.

- Scope of verification
  - Scope: Nishitetsu and its subsidiaries and certain affiliates in Japan
  - Period: From April 1, 2024 to March 31, 2025
- GHG emissions
  - Scope 1 (direct emissions): Energy-related CO_2 130,681 t-CO_2e
  - Scope 2 (indirect emissions): 106,076 t-CO_2e by market standard

Approaches for Realization of Decarbonized Society (1)

Approaches in Railway Business

Approaches for Reduction of Electricity Consumption

▲9000 type car (inverter car)

On the Tenjin-Omuta Line, we are promoting the introduction of new-type cars equipped with power-efficient inverter controller, power regenerative brake, etc. (VVVF cars), in an effort to reduce the consumption of power for operation. With respect to incidentally used power, we are promoting energy-saving, for example, by the use of LEDs for station lighting, traffic signals and railroad crossing warning lights. As for the Tenjin-Omuta Line, 168 cars out of all cars (282 cars) were inverter cars as of the end of March 2025, and power consumption is on a downward trend.

Approaches in Bus Business

Introduction of environmentally friendly vehicles, etc., Approaches for Improvement of Fuel Efficiency

In addition to new, low-pollution vehicles that meet the latest emission regulations and emit almost no harmful substances such as nitrogen oxides and particulate matters, we are introducing electric buses and retrofit electric buses to reduce CO_2 emissions.

In addition, through thorough implementation of eco-driving and operation management using digital tachographs, fuel efficiency of general route buses in FY2024 was 2.0% higher than in FY2004 in which digital tachographs were yet to be introduced.

Retrofit Electric Buses

48 vehicles* introduced

We are introducing "retrofit electric buses" converted from 13 to 15 years old used buses and electrified. These buses will not only reduce CO_2 emissions by 33% to 57% (estimated value) compared to diesel buses but are also expected to be used as emergency power source in the case of a disaster.

Hybrid Buses

20 vehicles* introduced

We have introduced "hybrid buses" in which a diesel engine and an electric motor is combined to use the energy stored during deceleration at the times of start and acceleration when the load is heavy.

Idling Stop Systems

1,319 vehicles* introduced

While we are promoting idling stop to save fuel and reduce exhaust emissions, our buses are equipped with a device that allows cooling and ventilation while idling is stopped (automatic idling stop system).

* The number of vehicles/units introduced is the Group's total as of the end of FY2024.

Approaches for Realization of Decarbonized Society (2)

Approaches in Retail

Nishitetsu Store Inc. switched lighting in refrigerated display cases to LEDs at 55 stores by FY2024, saving 1,385,441 kWh (equivalent to 578 t-CO2). In addition, an electricity consumption visualization system has been introduced at 51 supermarkets as an effort for demand management to carry out energy saving activities.

Approaches in Hotel

Switch to Electricity Derived from CO2-free Renewable Energy Sources

At Nishitetsu Hotels Co., Ltd., we have been promoting the use of CO2-free electricity from April 2024. From April 2024, we have completed the introduction of CO2-free renewable energy at all 18 hotels in Japan, in cooperation with NNR Shizen Energy G.K. and by utilizing FIT non-fossil certificates. The CO2 emissions reduction effect of this power greening process is approximately 12,900 t-CO2 per year, which is equivalent to approximately 7,500 average households(*).

* Calculated on the basis that the annual CO2 emissions per household (electricity) is 1.72 t-CO2.

Approaches for Eco-cleaning, Reduction of Plastic Amenities

The Nishitetsu Hotel Group asks guests staying for consecutive nights to cooperate in eco-cleaning. With the understanding of guests, it is trying to reduce the amount of drainage containing detergents, etc. used for linens such as bed sheets and nightwear by limiting the number of times of cleaning to once in two days during stay in principle.


▲Amenity bar

At 17 hotels in Japan (Solaria, Croom, Inn brands), an amenity bar has been made available at the front desk space instead of providing amenities in guest rooms at all times. We are promoting the reduction of plastic waste by changing the materials used for amenities to environmentally friendly ones (e.g., partially using bamboo and straw), replacing mini bottles of bath amenities in some rooms with pump bottles, switching straws and glass caps to paper ones, and encouraging guests to bring their own toothbrush sets.

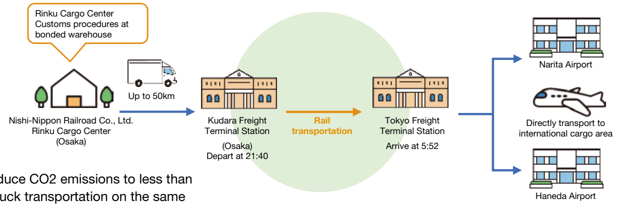
Approaches in Logistics (1)

Approaches for “environmentally friendly transportation” that has less environmental impact than the conventional transportation methods, so-called “green logistics,” is drawing attention in the logistics industry in recent years. The Global Logistics Division is working with customers to develop a sustainable logistics system by reducing environmental impact and improving logistics productivity through the provision of “green logistics” such as modal shift to rail transport, container round use, truck delivery by shared network and use of reusable packaging materials.

Approaches for Modal Shift

We are proposing to our customers to switch from truck transportation to rail transportation* for domestic transportation, particularly for long-distance transportation. In FY2024, we were able to reduce CO2 emissions by approximately 70% by combining rail transportation with truck-only transportation. We will continue to promote modal shift in order to contribute to the reduction of CO2 emissions.

Image of Parallel Use of Rail Transportation through Modal Shift (Example)



* Rail transportation is expected to reduce CO2 emissions to less than one-eleventh of those generated by truck transportation on the same route (according to estimates for FY2023 by the Ministry of Land, Infrastructure, Transport and Tourism).

Introduction of Solar Power Generation

In the global logistics business, we are introducing solar power generation using the roofs of our own facilities. In FY2022, NNR GLOBAL LOGISTICS (MALAYSIA) SDN.BHD. has started using solar power generation at its Penang office and warehouse. Starting with this, solar power generation was introduced in FY2024 at the Kanto Logistics Center, Rinku Logistics Center, Narita Logistics Center, and the Bangkok warehouse of NNR GLOBAL LOGISTICS (THAILAND) CO., Ltd. We are also introducing electricity from renewable energy sources, and in FY2024, we switched approximately 12% of our Global Logistics Division’s electricity consumption to renewable energy sources.

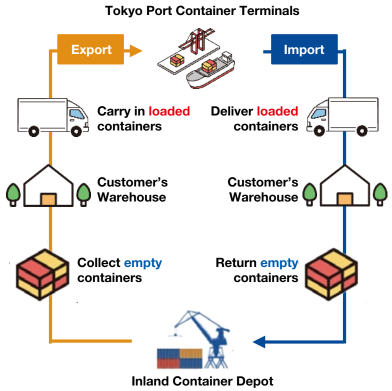
Approaches for Realization of Decarbonized Society (3)

Approaches in Logistics (2)

Container Round Use Approach with Inland Container Depot

After delivery of import container cargo, empty containers are not returned to the port but to the nearest container depot (transportation base), thereby shortening the transportation distance of empty containers. In exporting, empty containers are collected from an inland container depot, thereby shortening the transportation distance of empty containers as in the case of importing. This is called "container round use (CRU)." Such approach is expected to reduce CO2 emissions, alleviate labor shortage, and address the 2024 problem in the import/export processes. The business division conducted 1,718 TEUs of container round use in FY2024, 40% more than in the previous fiscal year. The handling volume is expected to be increased in FY2025 and after that.

Image of Container Round Use



Promotion of SAF Introduction

The aviation industry is introducing "SAF*," a sustainable aviation fuel, as one of the initiatives to achieve carbon neutrality by 2050. Currently, from the standpoint of operational safety, SAF is specified to be mixed with conventional fuel up to a maximum of 50%, but aircraft manufacturers have announced a goal of being able to use 100% SAF by 2030. The Japanese government has set a target of 10% domestic SAF supply by 2030, and demand for SAF is increasing around the world. In July 2023, the Global Logistics Division joined All Nippon Airways' SAF Flight Initiative Program to reduce CO2 emissions from air cargo transportation. In August 2023, the program was used for shipments to Shanghai, China. Through use of the program, we received a CO2 reduction certificate certified by a third-party organization.

* SAF (Sustainable Aviation Fuel): Sustainable aviation fuel made from plants and waste oil. CO2 emissions can be reduced by up to 80% compared to existing jet fuel.

Approaches for Use of Renewable Energy

Entry into Electric Power Development Business (On-site PPA)

NNR Shizen Energy G.K. is, through its on-site PPA business, further promoting decarbonization and enhancement of disaster reduction capability through the use of solar power and other renewable energy sources and is collaborating in regional development measures with renewable energy.

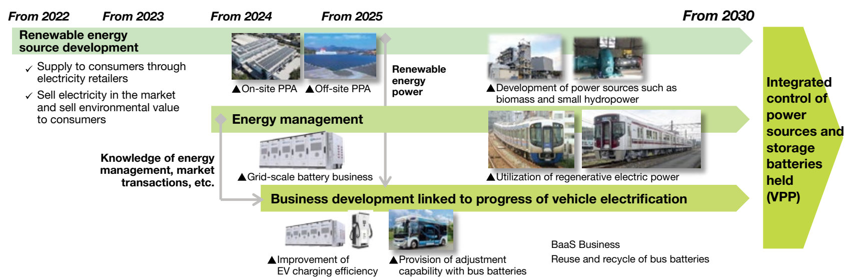

▲On-site PPA in Nogata City

Entry into Grid-scale Battery Business

NNR Shizen Energy G.K. has entered the grid-scale battery business with an aim to supply adjustment capability for the increasing renewable energy. The power storage plants, "Battery Hub Umi" and "Battery Hub Iizuka" began operation in FY2024. These plants supply a storage capacity of 4.659 MWh (output: 1.92 MW) and the ability to maintain a balance between supply and demand for the amount of electricity equivalent to the daily usage of approximately 400 average households. Through an energy management approach utilizing storage batteries, we will contribute to the efficient use and stable supply of renewable energy and help realize a sustainable, decarbonized society.


▲Battery Hub Umi

Topics: Roadmap in Energy Field (Image)



Approaches for Realization of Circular Society

Approaches at Kyushu Metal Industry Co., Ltd.

Automobile Recycling Business

Kyushu Metal Industry Co., Ltd., one of the group companies, has been certified by automobile manufacturers as an ASR* recycling business operator and started its automobile recycling business on October 1, 2012. By developing our existing end-of-life vehicle recycling business (shredding, etc.), we have established one of the most advanced sorting technologies in Japan, recovering almost all metals contained in ASR and converting them into products and recycled resources.

In addition, after recovering metals from ASR, all dust is used by cement companies as fuel and cement raw materials, and 100% of the end-of-life vehicles handled are recycled.

From March 2024 to January 2025, we participated in a technology pilot project for automobile parts disassembly process promoted by the Ministry of the Environment, aiming to expand the use of recycled materials in automobile recycling.

We will continue to contribute to the realization of a circular economy in the automotive industry.

▲Aluminum sorting by continuous mixed metal sorting machine

▲Steel to be reused from shredded end-of-life vehicles

Scan the code for detailed information on the pilot project.

* Automobile Shredder Residue (ASR): Waste (shredder dust) remaining after end-of-life vehicles are shredded and metals are recovered.

Initiatives in Commercial Facilities

Introduction of “PASSTO” Clothing Collection Box

At commercial facilities operated by our company (Solaria Plaza, Solaria Stage, Rairia Ohashi, Rairia Kurume and Chacha Town Kokura), we have installed “PASSTO,” a clothing collection box since December 2023.

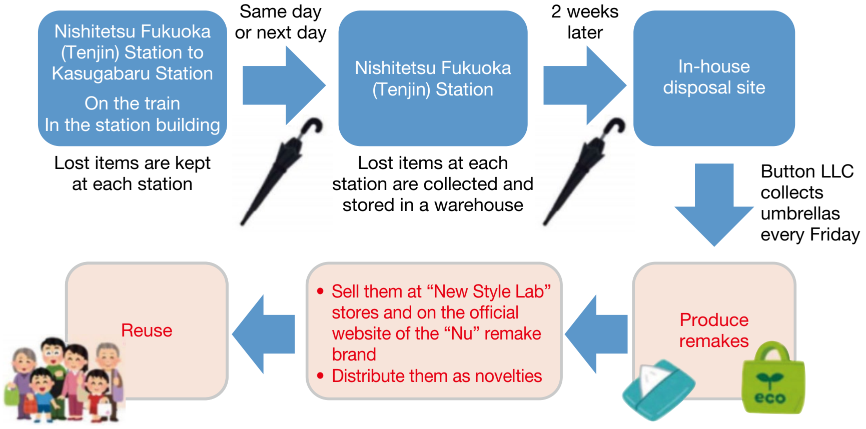
PASSTO is a “reuse and recycle” system that collects unwanted items, selects the best use for them, and reuses them. After the collected clothing and miscellaneous goods are sorted, about 10% of them are reused in Japan and about 80% are exported overseas.

▲PASSTO

Initiatives at Nishitetsu Train

Remake Production Using Items (umbrellas) Left on the Train

Since July 2024, as part of efforts to reduce environmental impact and create work opportunities for people with disabilities, we have been working with Button LLC to produce and redistribute remake products such as eco bags using umbrellas that were found at our railroad facilities and on the train and were left behind after their owners could not be found and their storage period had expired.



Pursuit of safety and security

Ensuring safety is the highest priority for the Nishitetsu Group. We believe that we must continue our efforts to ensure that all stakeholders use our products and services "safely and securely."

Safety Management Structure

We have established a cross-sectional organization, the Nishitetsu Group Safety Management Committee, to deliberate and make decisions on matters related to the safety of the Nishitetsu Group in accordance with the "Nishitetsu Group Basic Policy on Safety," and to improve the safety of the entire business.

The Committee has three subcommittees for each field, the General Safety Subcommittee that functions across the organization, and 10 Expert Committees under them.

In addition, the Nishitetsu Safety Promotion Conference is held annually, attended by the President and CEO and representatives from each department and Group Company, to raise safety awareness among all employees and to promote the sharing of safety-related information.

● Nishitetsu Group Basic Policy on Safety (Established on September 21, 2006)

In the Nishitetsu Group Corporate Philosophy, our primary mission is to ensure safety. Each of us must be aware of our responsibilities and roles, and be committed to fulfilling our social responsibilities by earning the trust of our customers.

(1) Build an organization and culture that prioritize safety above all else
(2) Establish and continuously improve the safety management system
(3) Improve employees' abilities to support safety and ensure their health
(4) Provide products and services that put customer safety first
(5) Promote safety-related communication with customers
(6) Ensure implementation of measures based on the basic policy and compliance with laws and regulations

Based on the above policy, we will make constant efforts to "ensure safety."

Nishitetsu Group Safety Management Structure

Safety Management Committee *Administrative Office: Safety Relief Promotion Department

Chairperson: Representative Director, Executive Vice President, Vice Chairperson:
General Manager of the Safety Relief Promotion Department, Members: Members of each subcommittees,
Supporting members: General Managers of related departments

Transportation Subcommittee

Expert Committees
- Railroad Specialty Group
- Bus Specialty Group
- Taxi Specialty Group
- Cargo Specialty Subcommittee

Building Subcommittee

Expert Committees
- Sales Facilities Subcommittee
- Lodging and Residential Facilities Subcommittee
- Facility Construction Subcommittee
- Company Facilities Subcommittee

Food Subcommittee

Expert Committees
- Food Specialty Subcommittee

General Safety Subcommittee

Expert Committees
- Special Interest Groups

Efforts to Eradicate Drunk Driving

The safety of our customers is the primary mission of the Group, which is responsible for public transportation, including buses and railways.

As traffic professionals, we have established the "Pledge of "Three No's" to Drunk Driving" to not only avoid driving under the influence of alcohol ourselves, but also to actively work to prevent drunk driving in our surroundings. The first day of each month is designated as a day to emphasize the eradication of drunk driving, and the Pledge of "Three No's" is chanted at all workplaces of the Group during the working day. During the chanting of the Pledge, employees' efforts to eradicate drunk driving are introduced to raise a sense of ownership.

Alcohol check system


▲Alcohol check by supervisor

We conduct alcohol checks on drivers and conductors in the Transportation Department in the presence of a supervisor at the time of arrival and departure roll call, and the supervisor checks the detection record (face photo and measurements). All offices other than the Transportation Department also require alcohol checks before driving on business. In addition, in order to prevent drunk driving during commuting, we lend crew members of the Bus and Railway Department portable alcohol detectors and instruct them to conduct self-detection at home.

In-house education and awareness-raising system


▲Nishitetsu Group Convention to Eradicate Drunk Driving

We hold the "Nishitetsu Group Convention to Eradicate Drunk Driving" every year, attended by the President and CEO and representatives from each department and Group Company, to build momentum for the eradication of drunk driving.

In addition, we strive to raise awareness through the use of videos created in-house to raise awareness of the need to eradicate drunk driving, as well as handbooks containing information on the severe penalties for drunk driving and the time it takes for alcohol to break down in the body.

Initiatives to Protect Safety (Railway)

Scan the code for detailed information on our safety initiatives in Railway Business.

Safety Targets and Key Safety Measures for FY2025

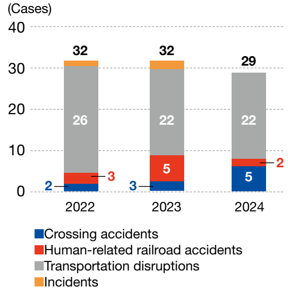
Safety Targets

1. Put safety first and act accordingly
2. Zero liability accidents, zero liability incidents
3. Zero transportation disruptions caused by railway personnel
4. Prevention and reduction of transportation disruptions caused by train cars and railway facilities

Key Safety Measures

1. Spread of safety awareness
2. Prevention of human errors, accidents and breakdowns
3. Strengthening of collection and use of near miss information
4. Development of human resources to support safety
5. Disaster and terrorism preparedness and response
6. Reinforcement of safety measures through facilities and equipment

Railroad Accidents and Transportation Disruptions



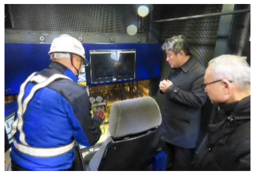
Safety Management

Safety management by PDCA cycle

To ensure implementation and continuous improvement of key safety measures, we conduct safety management using the PDCA cycle. In addition to discussions and information sharing at Safety Promotion Meetings and other meeting bodies, we conduct safety audits by supervisors as stipulated in the Safety Management Regulations to check whether the safety management system is properly operated and functions effectively, thereby enhancing its effectiveness.

Workplace inspections by the President and CEO and Chief Safety Management Officer

The President and CEO and the Chief Safety Management Officer visit workplaces to ensure compliance with relevant laws and regulations and to make sure that safety is given top priority, and check the implementation of safety-related initiatives at the respective workplaces.


▲Workplace inspection by the President and CEO

Transportation safety management assessment

Transportation safety management assessment by the Ministry of Land, Infrastructure, Transport and Tourism was conducted in September 2022. The top management (President and Chief Safety Management Officer) and all employees were highly evaluated for their concerted efforts.

Safety Education

Comprehensive drill for the entire Railway Group

To ensure prompt recovery and accurate information gathering in the event of an emergency, and confirmation and familiarization with the chain of command for recovery, the entire Railway Division, including group companies, conducts comprehensive drill at Nishitetsu's Chikushi Rail Yard.


▲Large-scale Earthquake Response Drill (Passenger Evacuation Guidance)

Education by driving simulator

At the train driving school, we use driving simulators to train crews in various abnormal situations, such as what to do when a car entering a railroad crossing and driving in bad weather. Also, we use conductor simulators newly installed in FY2024 to train crews in situations like passenger-train contact on the platform.


▲Training with simulator

Safety investment

Capital investment in FY2024

In FY2024, we made a capital investment of approximately 6.6 billion yen. Safety investments such as the purchase of train cars (Model 9000), train car overhaul (Model 7000 and Model 7050), and installation of platform doors at Nishitetsu Fukuoka (Tenjin) Station amounted to approximately 4.8 billion yen, while service improvement investments such as replacement of automatic ticket gates amounted to approximately 600 million yen, the continuous grade separation project amounted to approximately 300 million yen, and other investments such as those related to the introduction of long rails totaled approximately 800 million yen.

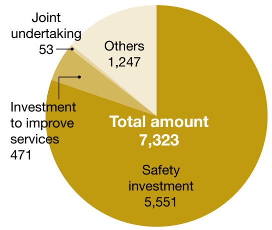

▲Platform doors of Nishitetsu Fukuoka (Tenjin) Station

FY2025 Capital Investment Plan

In FY2025, we plan to make a capital investment of approximately 7.3 billion yen. The plan includes the safety investment of approximately 5.6 billion yen such as the purchase of train cars (Model 9000), train car overhaul (Model 7000 and Model 7050), and the installation of platform doors at Nishitetsu Fukuoka (Tenjin) Station.

FY2025 Investment Plan

(Millions of yen)



Initiatives to Protect Safety (Bus)

Scan the code for detailed information on our safety initiatives in Bus Business.

Safety Targets and Key Safety Measures for FY2024

Safety Targets

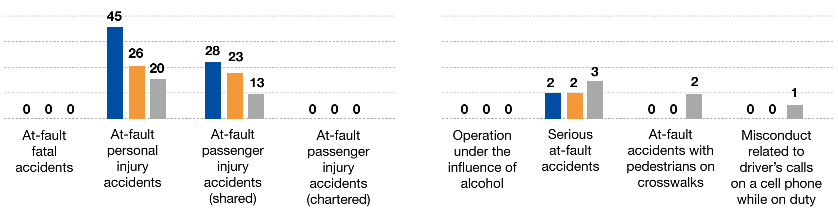
1. Reduction in the number of at-fault accidents (Nishitetsu Bus Group as a whole: 213 or less)
2. Achievement of goals based on the Comprehensive Safety Plan in the Bus Business

1 At-fault fatal accidents	0
2 At-fault personal injury accidents	37 or less
3 At-fault passenger injury accidents	(Shared) 10 or less (Chartered) 0
4 Operation under the influence of alcohol	0
5 Serious at-fault accidents	6 or less (especially passenger injury accidents)
6 At-fault accidents with pedestrians on crosswalks	0
7 Misconduct related to driver's calls on a cell phone while on duty	0

Key Safety Measures

1. Raising the level of safety structure
2. Proactive development of Perfect Transportation Campaign
3. Continuous guidance, education, and improvement checks by management based on the characteristics of the business offices
4. Prevention of accidents caused by crew's health condition

Nishitetsu Bus Group's Comprehensive Safety Plan Initiatives



Safety Management

Development of annual schedule and safety management system to ensure transportation safety

To improve the transportation safety of the entire Nishitetsu Bus Group, we have established an annual schedule of joint training sessions and drills, and are working on various initiatives. In addition, we have created various committees and meeting bodies under the Bus Specialty Group to ensure transportation safety.

Workplace inspections by the Chief Safety Management Officer

The Chief Safety Management Officer visits all workplaces, including those of group companies and affiliated companies, to improve communication, ensure compliance with relevant laws and regulations and the principle of safety first, and check the implementation of safety-related initiatives at the respective workplaces.

Check of the implementation of transportation safety management through internal audits

We conduct internal audits on the Chief Safety Management Officer and managers of all 16 service offices, to check the implementation of transportation safety management, including whether the safety management system is functioning effectively. Audit results are fed back to each business office to further strengthen the safety management system.

Safety Education

Joint training and drills throughout the Bus Group

We hold various training sessions, such as bus hijacking response drills, to improve response capabilities in the event of abnormalities or emergencies and to strengthen cooperation with related agencies.


▲Bus hijacking response drill

Instruction and education at bus training centers and service offices

In order to improve the technical skills of our drivers, we have various training programs at our bus training centers. At our service offices, to check the implementation of yellow stop (stopping at yellow light), stopping when turning right or left at intersections, the 3-second rule, etc., we use drive recorder videos, reinforce on-street guidance, and provide guidance tailored to the driving characteristics of individual drivers.

Proactive development of Perfect Transportation Campaign

Since 1969, we have been implementing the "Perfect Transportation Campaign," a small group activity aimed at achieving zero accidents. In this campaign, crew members are divided into small groups to hold discussions, in which they themselves point out problems in dealing with customers and safety, think of solutions, implement them, and check them themselves in order to come up with better measures. We also aim to improve customer satisfaction through the "Perfect Transportation Campaign" to get customers to their destinations "safely, reliably, and kindly."

Safety investment

Status of vehicle maintenance to ensure transportation safety

We promote initiatives to ensure transportation safety from the hardware side as well, such as the installation of various safety devices in our vehicles. Specifically, we are introducing "collision damage mitigation brakes," "driver monitors," "Emergency Driving Stop System (EDSS)," and so on.

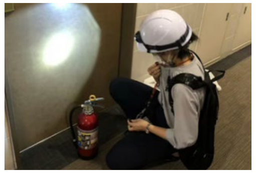
Initiatives to Protect Safety (Buildings)

Initiatives of the Building Subcommittee of the Nishitetsu Group Safety Management Committee

Building fires, earthquakes, and other disasters can cause serious damage once they occur. The Building Subcommittee of the Safety Management Committee works to ensure thorough safety management of buildings by conducting inspections, training, and information sharing for proper building management.

Initiatives to Raise Awareness of Safety Management in Emergency Situations

Fire and disaster prevention drills are conducted at commercial facilities, office buildings, and amusement facilities where many customers visit. At each facility under the Group's management, we conduct annual drills in cooperation with tenants, employees, and property management companies to prepare for emergencies such as fires and earthquakes.


▲Fire drill [Nishitetsu Inn Tenjin]


▲Escape from a stopped park ride [Dazaifu Amusement Park]

Prevention of Human Errors

We share accident cases and analyze their causes to prevent recurrence. The departments and companies responsible for construction conduct safety patrols with partner companies and shares the results of these patrols at safety and health conventions. Safety procedures are reviewed by all parties concerned to prevent accidents.


▲Safety patrols by the Building Subcommittee [New condominium construction site] (Checking the scaffolding and crane operations)

Facility patrol inspections

The Group has established internal rules for the management of its facilities, and conducts patrol inspections at each facility in accordance with these rules. We are working daily to ensure safety based on lessons learned from past accidents, mainly at the Group's facilities. In addition, top management from each division and company conducts inspection tours to identify facility issues and promote efforts to create and improve a culture of safety at the facility.

Initiatives to Protect Safety (Food)

To Protect the "Food Safety" of the Nishitetsu Group

They conduct monthly voluntary hygiene inspections to strengthen hygiene management at each office. "Hygiene management incorporating the HACCP concept," which was introduced in 2021, is being implemented throughout the Company. They also visit outside suppliers and subcontractors to check the hygiene management and exchange information with those in charge, thereby enhancing safety awareness.

Hygiene Management in Stores

Thorough hand washing

Hand washing, which is the basis of hygiene management, is conducted according to a manual with hygienic procedures for the purpose of eliminating bacteria. In addition, staff frequently wash their hands to prevent cross-contamination of food ingredients and cooking utensils.

Cleaning and disinfection of cooking utensils

To prevent contamination via food ingredients, knives, cutting boards, dusters (dishcloths) are color-coded and used according to their intended purpose. Furthermore, knives and cutting boards are thoroughly disinfected with alcohol after cleaning.

Food quality control

We strive to provide safe food products by thoroughly checking the expiration dates of the food ingredients used, as well as setting and managing our own expiration dates after opening the package.

Kitchen hygiene inspections by outside agency

We have experts inspect kitchens and food plants to check hygiene conditions and provide guidance for improvement.

04

Promotion of the Development of Sustainable and Vibrant Towns

The Nishitetsu Group will value our relationship with the local community and contribute to the sustainable development of the local community through our business activities.

Realization of “Fukuoka,” the Most Creative City in Asia

The Nishitetsu Group participates in and promotes various development projects to enhance the value of the Tenjin Area and other areas in central Fukuoka. In the Tenjin area in particular, we are promoting community development in terms of “liveliness” and “comfort” in cooperation with the “We Love Tenjin Council,” an area management organization.

Major Development Projects

1

Mixed-use Development Project of Former Site of Fukuoka Family Court

- ☐ Scheduled to open in 2030
- ☐ Number of floors: 23 above-ground floors and 1 underground level
- ☐ Total floor space: 48,400 m²

* On January 18, 2024, a group of companies consisting of Nomura Real Estate Development Co., Ltd,, Tokyo Tatemono Co., Ltd., Kyudenfudousan Co., Ltd., and the Company won the “Two-stage General Bidding for National Property (Former site of Fukuoka Family Court)” conducted by the Fukuoka Local Finance Bureau of the Ministry of Finance.

2

Tenjin 2-chome South Block Station Front East-West Area Project (Tentative name)

- ☐ Project in progress to open around FY2030
- ☐ Approx. 2.2 ha (Area of east-west city block)

3

Tenjin 1-chome 15-16 Area Plan (Tentative name)

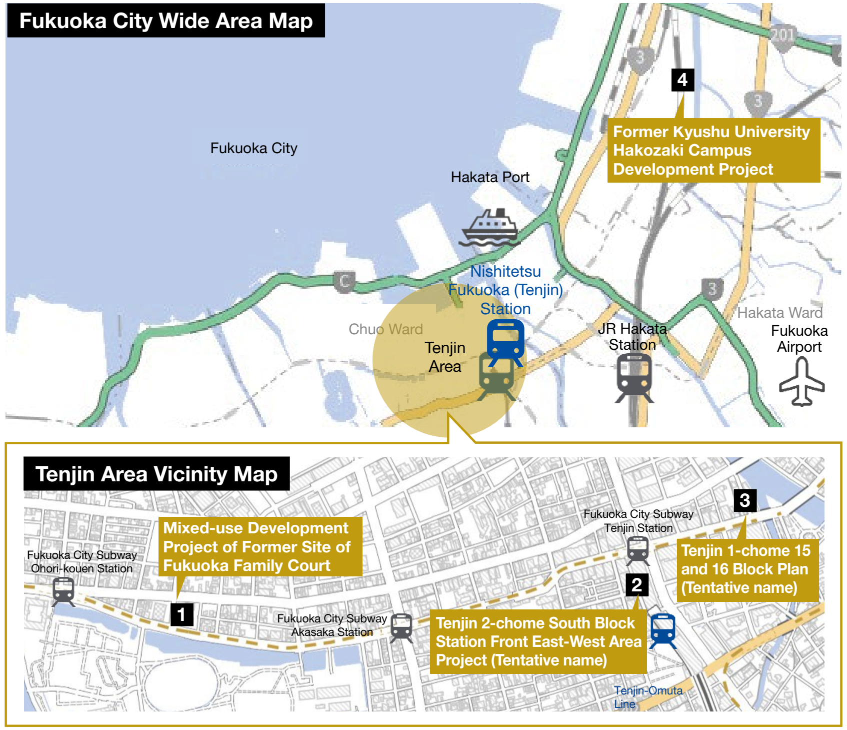
- ☐ Targeting the opening after 2030
- ☐ Approx. 2.5 ha (Site area: Approx. 1.2 ha)

4

Former Kyushu University Hakozaki Campus Development Project

- ☐ Approx. 28.5 ha (Including general fixed-term leased land)

* On April 18, 2024, a group of eight companies including the Company, represented by Sumitomo Corporation, was selected as the preferred bidder in the “Former Kyushu University Hakozaki Campus Development Project.”



* Processed by the Nishitetsu Group based on the GSI map

“Creating liveliness” and “pursuing comfort” in Tenjin Area

Tenjin Resting Time and Space Project

In the Tenjin Area, where large-scale redevelopment is underway, we are studying the possibilities for future outdoor space utilization, using benches and tables in an open outdoor space with a sense of openness by turning the road into a pedestrian-only street.

TENJIN SHOWTIME

Taking advantage of the unique characteristics of the Tenjin Area, which has an expansive area, various locations in the city are used as stages for musical performance and street entertainment, allowing not only the performers but also visitors to have an extraordinary time in Tenjin.

Drill for opening and operating an evacuation shelter

using temporary accommodation facilities for people who have difficulty returning home

In the event of a disaster in the Tenjin Area, we conducted a drill at Solaria Plaza (commercial facility) for the opening and operation of an evacuation shelter using temporary accommodation facilities for people who have difficulty returning home.

Tenjin Omotenashi MAP

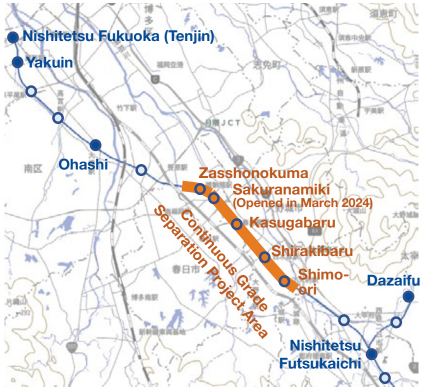
We have created a digital map “Tenjin Omotenashi MAP” that includes information on the locations of “diaper changing stations” and “baby rest rooms” at commercial facilities in the Tenjin Area.

Community Development along the Nishitetsu Line with Full of Individuality Based on Regional Characteristics

Community development on the occasion of continuous grade separation project

(Sakuranamiki Station, Kasugabaru Station, Shirokibaru Station, under the elevated tracks)

In August 2022, approximately 20 years after construction began in 2003, the 5.2-km section from Zasshonokuma Station to Shimo-ori Station got elevated, enabling integrated community development of the areas along the line. In addition, a new station, Sakuranamiki Station, opened in March 2024. We will continue to promote vibrant community development to enhance the attractiveness of the areas along the line.



▲Nishitetsu Tenjin-Omuta Line route map (Created based on the GSI map)

▲Shops at Sakuranamiki Station

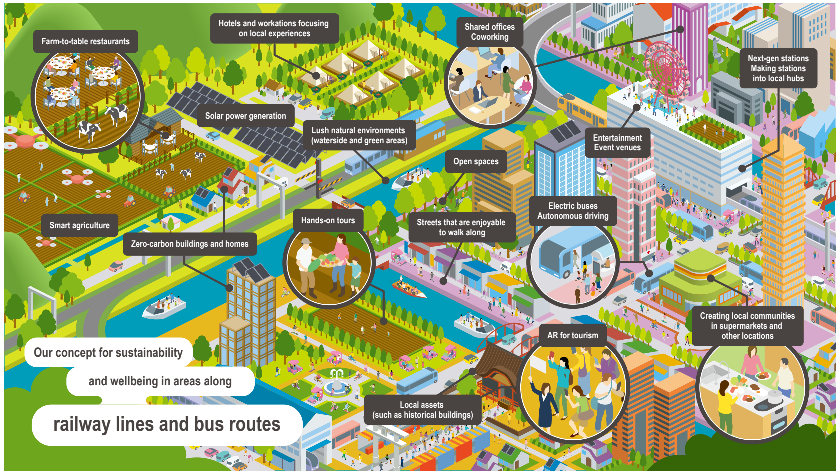
▲Image of Kasugabaru station shops

Development of commercial facilities

SPINA Co., Ltd. has opened Sarakura Terrace in Yahatahigashi-ku, Kitakyushu City. The concept of this facility is “a place where you can find fun, deliciousness, and relaxation in your daily life,” and we have a lineup of stores that people can visit on a daily basis. We will continue to provide comfortable living to residents in the Kitakyushu area and contribute to the revitalization and liveliness of the region.

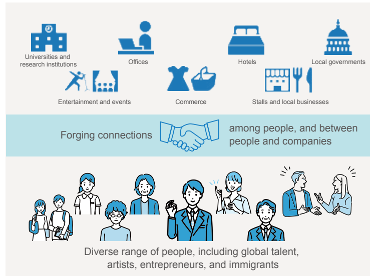
Image of Community Development along the “Areas along Railway Lines and Bus Routes” (CYD Vision 2035)

We support local community development by co-creating a compact concentration of urban functions and a sustainable mobility system with local and diverse partners, finding value in the uniqueness of the local culture and nature, and utilizing local characteristics (localization).



Tenjin Area

A town in which various people gather and have mutual interaction and which is filled with creativity in business, culture, art and academia!



Areas along Railway Lines and Bus Routes

Unique towns with compact urban function concentration and a sustainable mobility system and making the most of their local attractions

Discovery and Refinement of Tourism Resources in Areas along the Line

Sightseeing train service

We operate “THE RAIL KITCHEN CHIKUGO,” a train that travels to taste the regional food, “Tabito,” a sightseeing train for Dazaifu, and “Suito - City of Water -,” a sightseeing train for Yanagawa. We aim to revitalize and enhance the value of the areas along the Nishitetsu Tenjin-Omuta Line by discovering and communicating the tourism resources and attractions of the areas along the line through sightseeing trains.

▲THE RAIL KITCHEN CHIKUGO

▲Yanagawa Tourist Train “Suito - City of Water -”

Topics **THE RAIL KITCHEN CHIKUGO and Community Relations**

● **Operation of special route for the Chikugo River Fireworks Festival**

We operate a special route service during nighttime hours for the Chikugo River Fireworks Festival held every year in August. The train stops at the Chikugo River bridge, where passengers can enjoy the fireworks reflected on the river surface while enjoying the food in the comfort of the train.

FUKUOKA OPEN TOP BUS service

We operate double-decker buses without roofs that travel between major sightseeing spots in Fukuoka City and areas such as Tenjin Area, Hakata Area, and Seaside Area. The view from approximately 3.2 meters offers a different view of Fukuoka, allowing visitors to fully enjoy urban sightseeing while feeling nature and the breeze. The buses are like attractions that can be enjoyed just by riding them, and we are working to improve the attractiveness of Fukuoka as a new urban tourism resource.

▲FUKUOKA OPEN TOP BUS

Establishment of Good Local Kyushu Co., Ltd.

On April 1, 2025, Nishitetsu, Fukuoka Financial Group, Inc., NTT WEST, Inc., Mitsubishi Estate Company, Limited, and LOVE FM International Broadcasting Co., Ltd. established “Good Local Kyushu Co., Ltd.” It is a joint venture established for town development by the five companies with different know-how and resources for the mission, “With people and with the city, we will create a locality where hope continues to emerge.” We aim to increase the value of the region and create a sustainable community through the synergistic effects of the exchange creation business, which supports local industries, improves the wellbeing of local residents, and solves other local issues, and our base operation business, which develops and operates local base facilities. We will contribute to the sustainable development of Kyushu regions by developing community-based businesses in cooperation with local governments, related organizations, businesses, and residents who are working to revitalize the regions.

Scan the code for detailed information on “Good Local Kyushu Co., Ltd.”

HOTEL CULTIA Dazaifu

By renovating and utilizing old private houses in the vicinity of Dazaifu Tenmangu Shrine and turning them into atmospheric, high-quality dining and lodging facilities, the project aims to increase the time spent in the town and improve navigability based on the facility. In addition, we work to improve the Dazaifu brand and create further liveliness by implementing experience programs exclusively for hotel guests in cooperation with surrounding facilities.

▲HOTEL CULTIA Dazaifu (Kokouan Building)

Development of Sustainable Transportation Network

MaaS initiatives (Mobility as a Service)

▲Kyushu MaaS

Maas is a service that links trains, buses, airplanes, ships, and all kinds of transportation services, allowing you to search for the best route, book, and pay all at once. The Nishitetsu Group participates in “Kyushu MaaS,” in which Kyushu as a whole promotes MaaS measures. Our goal is to provide seamless transportation services that go beyond the various boundaries of public, private, and businesses, and that are tailored to the various usage by our customers on a sustained basis.

AI-based On-demand Bus “Knowroute”


▲AI-based on-demand bus “Knowroute”

“Knowroute” is a new public transportation service that enables customers to quickly travel the route they want to travel at the timing they want to travel by using artificial intelligence (AI) to calculate routes in response to customer requests. In addition to the feature that AI learns efficient operation routes by accumulating usage data, it also has features such as the ability to dispatch cars via apps or phone, and the ability to set up meeting points (bus stops) in detail. It is a new mode of transportation that offers both convenience and operational efficiency even in areas with scattered travel needs.

Demonstration experiments for social implementation of self-driving buses


▲Demonstration experiment of self-driving bus

To address the shortage of crews and to ensure a future means of transportation, we have been conducting demonstration experiments of self-driving buses since 2020. The current level of self-driving functionality is “Level 2(*),” but we will continue our research toward a future in which fully automated buses are running around the streets of Fukuoka.

* The gas pedal, brake and other functions are automatically controlled under certain conditions, and the driver is in the driver’s seat at all times to check for safety and intervene as necessary.

Initiatives to promote the use of public transportation

▲Free bus for children for elementary school students and younger

In order to provide sustainable public transportation services, we are striving to create opportunities to go out with family and friends and to create future fans of Nishitetsu by offering “Free Bus for Kids” in the Bus Business and “Kids nimoca-only Train Fare 100% Point Reward Campaign” in the Railway Business.

Development of sustainable business operation structure

Expansion of centralized station management system

We have introduced a centralized station management system in which station attendants patrol the stations to support customers while monitoring station safety from the support center.

From April 2025, three new stations on the Tenjin-Omuta Line and five stations on the Kaizuka Line are added to the centralized station management system. As a result, 37 of the 63 stations on the Tenjin-Omuta Line and 5 of the 10 stations on the Kaizuka Line are now covered.

Reorganization of bus and taxi group companies

The reorganization is being implemented in order to respond quickly to various issues such as crew shortages, declining transport capacity, and flexible response to tourism demand.

Timing	Company	Details of agreement reorganization
June 2025	Kitakyu-Nishitetsu Transport Co., Ltd. [former Kitakyu-Nishitetsu Taxi Co., Ltd.]	Discontinuation of the taxi business and other
October 2025	Nishitetsu Bus Munakata Co., Ltd., Nishitetsu Bus Futsukaichi Co., Ltd.	Merger with Nishitetsu
April 2026 (planned)	Nishitetsu Kanko Bus Co., Ltd.	Merger with Nishitetsu

Strengthening Cooperation with Municipalities along the Railway Line

We have signed comprehensive partnership agreements and community development agreements with municipalities along the line, and are promoting initiatives that contribute to community development.

Party to agreement

Municipality	Date of signing	Agreement
Saga Prefecture	Signed in October 2016	Comprehensive partnership agreement
Kurume City, Fukuoka Prefecture	Signed in July 2018	Comprehensive partnership agreement on town development
Dazaifu City, Fukuoka Prefecture	Signed in September 2020	Comprehensive partnership agreement on town development
Kasuga City, Onojo City, Fukuoka Prefecture	Signed in May 2021	Public-Private Partnership Community Development Agreement on the Occasion of the Continuous Grade Separation Project
Kitakyushu City, Fukuoka Prefecture	Signed in May 2022	Comprehensive partnership agreement

Topics **Initiatives to Support People with Shopping Difficulties in Yahatahigashi Ward, Kitakyushu City**

● Mobile supermarket “At Spina” (Nishitetsu Store Inc.)

In Yahatahigashi Ward, Kitakyushu City, we sell approximately 300 items, including fresh produce, delis, and daily sundries necessary for daily life, in a mobile vending vehicle that travels to various locations in the community.

The vehicle comes once a week from 10:00 a.m. to 4:00 p.m., except on Thursdays and Sundays, to a location near the home of the customer who wishes to use the service.

We will continue to fulfill our role as a regional supermarket and provide assistance to those who have difficulty shopping.

▲Departure ceremony for “At Spina” mobile supermarket

Creating a Community Where Diverse Generations Live Together

We facilitate community development that connects various generations by utilizing our expertise in transportation, housing development, and commercial facility management.

Next Generation Community Town “Asumi”

In November 2015, a new town, Asumi, was created on the west side of Mikunigaoka Station on the Nishitetsu Tenjin-Omuta Line. The 12.6-hectare town spreads out in front of the station, which is conveniently located about 30 minutes by express train to Tenjin. The site includes detached houses, condominiums, and senior apartments, and is home to a multi-generational population ranging from young parents to middle and senior citizens.

▲Asumi

With “Connected Town” as a keyword, we are promoting integrated community development in collaboration with residents, emphasizing town management to maintain and develop both the revitalization of multi-generational communities and the realization of a safe and secure living environment.

New type of senior apartments in a multi-generational exchange center (Island City Suncarna Kashii Teriha)

This is our community development project that integrates commercial, transportation, and residential development in Island City, based on Fukuoka City’s “Healthy Next Town Plan for a Super-Aging Society.”

Starting with the completion of the “Center Marks Tower” condominium, the Nishitetsu Bus “Island City Bus Service Office” and the “Lacleis Kashii Teriha” apartment, as well as supermarkets and restaurants, are opening one after another.

Among these, the “Suncarna Kashii Teriha” condominium for senior citizens is designed to serve as a town hub for multi-generational exchange, with a community garden, restaurant, library, and other common facilities connecting the condominiums to create a place for interaction among multiple generations, including seniors and families with children.

▲Suncarna Kashii Teriha and other

Let’s draw dreams in the foreign town.

Starting with the first project in Vietnam in 2015, the “Overseas Development Division” of Nishitetsu has worked with local developers in each country and steadily built a track record for 10 years now. That is based on the visions of “enhancing the brand value of Nishitetsu as a global company in order to expand its business” and “contributing to a sustainable development of local communities through the local development of quality real estate.” We are developing our business according to the characteristics of <emerging countries (ASEAN)> and <advanced country (U.S.A.)>. In ASEAN, we are focusing on the condominium business with intensive involvement and a strong local presence, and in the U.S.A., we are mainly expanding our income-producing real estate business.

What the Overseas Development Division creates are not “buildings.” But “towns (townships).” We will continue to provide the Nishitetsu (NNR) brand of “security,” “reliability,” and “high quality” and promote further “community development” by leveraging our expertise overseas, which has always grown together with the “local” community.

As of March 2025

Major Development Projects Overseas (As of March 2025)

<Vietnam> Waterpoint

☐ Location: Long An
☐ Type: Condominiums for sale, Detached houses for sale
☐ Total number of units: 6,224 units, 2,615 units
☐ Completion: 2020 -

<Indonesia> Zora

☐ Location: South Tangerang
☐ Type: Detached houses for sale
☐ Total number of units: 582 units
☐ Completion: 2020 -

<Thailand> The Crest

☐ Location: Bangkok
☐ Type: Condominiums for sale
☐ Total number of units: 418 units
☐ Completion: 2022

<Philippines> Midori Terraces

☐ Location: Antipolo
☐ Type: Condominiums for sale
☐ Total number of units: 462 units
☐ Completion: 2024 -

<U.S.A.> Charlotte

☐ Location: Charlotte, North Carolina
☐ Type: Apartment
☐ Total number of units: 389 units
☐ Completion: 2026 - (planned)

We, at the Nishitetsu Group, will positively listen to our customers, provide products and services that satisfy their potential needs and engage in activities for improving them, aiming to become the Group that our customers continue to choose.

Improvement of Customer Satisfaction (CS)

The Nishitetsu Group is united in its efforts to improve customer satisfaction based on the "Nishitetsu Group Basic CS Policy." We believe that positively listening to our customers, providing products and services that satisfy their potential needs, and engaging in activities for improving them will lead to the true "customer satisfaction" we aim to achieve.

Nishitetsu Group's Basic CS Policy (Established on October 30, 2008)

The Nishitetsu Group aims to be the company of first choice by taking the perspective of customers and practicing the principle of "setting high expectations" through the lens of "the customers' joy is our joy."

1. **Establish and continuously improve the customer satisfaction promotion system**
2. **Build relationships of trust through proactive communication with customers**
3. **Create products and services that exceed customer expectations**
4. **Independently identify problems and devise initiatives to resolve them to improve customer satisfaction**

Nishitetsu Group CS Improvement Initiatives

Expansion of Information Services at the Desk, by Phone, and by e-mail, Initiatives in Response to Customer Feedback

Since the establishment of the General Information Center in 1966, it has not only served to improve customer convenience, but has also served as a place to receive valuable feedback, requests, and compliments from customers.

We promptly report customer feedback to the relevant department or Group Company to investigate the facts of the matter. We respond to customers as necessary, and also take steps for improvement and provide guidance and education to our employees. Customer feedback that should be made known is shared on the intranet monthly to raise awareness of the issues related to CS promotion.

▲Nishitetsu Customer Center

▲Nishitetsu Information Center

CS Survey at Nishitetsu Group Customer Information Desk

We conduct a monitoring survey twice a year to check the level of hospitality at each passenger service desk, and quantify and rank the results, with the top desk receiving an award. Based on the results of the survey, we hold joint level-specific training sessions for trainers, service representatives, and other staff to improve CS awareness and skills.

Nishitetsu Hotel Group "National Hospitality Contest"

The Nishitetsu Hotel Group holds the "National Hospitality Contest" in which representatives from each hotel compete in the spirit and level of hospitality. The top winners are appointed as "Hospitality Meister," to create hotels that provide a space and service where customers can spend their time comfortably, with the Meisters playing a central role.

Nishitetsu Train Membership Monitoring System "Monitasu"

We have established a system to grasp needs and requests for Nishitetsu trains in a timely manner by conducting surveys, holding events and roundtable discussions for web monitor members. We also work to create opportunities for people to enhance their understanding of Nishitetsu trains by holding events such as train driving school tours.

Topics: Upgrade of lost and found management system

We introduced a lost and found management system utilizing LINE in January 2025.

Lost and found items left on the bus, train, and six commercial facilities (from April 2025 for ONE BLDG.) are registered and managed using image data. In response to inquiries from customers, operators check lost and found items by looking at the images, thereby reducing inquiry time and improving the return rate. Customers can also inquire via LINE, and the increased communication channels have led to the improved service.

The Nishitetsu Group respects the diversity of our employees and aims for "management that makes the most of people" so that employees can experience the joy of working and fulfillment of their lives. We are developing an environment where we provide support for employees' autonomous growth and where diverse human resources are able to play an active role.

Human Resource Development Policy

The Nishitetsu Group defines the "ideal employee of the Nishitetsu Group" as "human resources who create the future of the Nishitetsu Group on their own," defines the actions required of such human resources, and makes efforts to secure and nurture such human resources. In addition, we are reforming our systems and implementing various human resource development initiatives to realize the image of employees continuing to learn autonomously.

What We Expect Our Employees to Be Like

● Human resources who create the future of the Nishitetsu Group

Realize, think, and act on one's own

What is the essence of the matter, what should be done to achieve our vision, objectives, and goals, what is necessary for one's own growth, and what can be contributed to those around us? An attitude of self-discipline, in which one becomes aware of one's own goals, thinks backward from one's future, and acts independently. Let's practice it daily as the cornerstone of what we want to be.

Act with spirit and passion

"We want to create a better society for our customers and the people around us today than we did yesterday." The accumulation of small challenges, one day at a time, with an awareness of the future we are aiming for, makes big challenges possible. Let's realize the future we are aiming for by raising each other up, boldly taking on challenges with a positive attitude without fear of failure, and working through them.

Work with diverse values

Interaction with people of different ages, genders, and from different industries, both inside and outside the department, who have different values and experiences, is an opportunity to discover new ways of looking at things and new ways of thinking. Through active interaction and dialogue with diverse people, let's respect, draw out, and utilize each other's diversity, while increasing empathy for our vision and creating new value.

Pursue the value demanded by society and customers

We provide attentive services that are close to society, the community, and customers. To this end, we must understand and share the vision we are aiming for, increase our sensitivity to information on a daily basis, discover the issues facing society, the community, and our customers, and accept these issues as our own. Then, by thinking and conceptualizing outside the box, we should work to solve the issues.

Change with flexibility and speed

In today's rapidly changing world, old values no longer apply. In order to anticipate and respond to the diversifying needs of society and our customers, we will change our own ideas and actions without being bound by precedent or convention, and grow independently, flexibly adapting to changes in the environment.

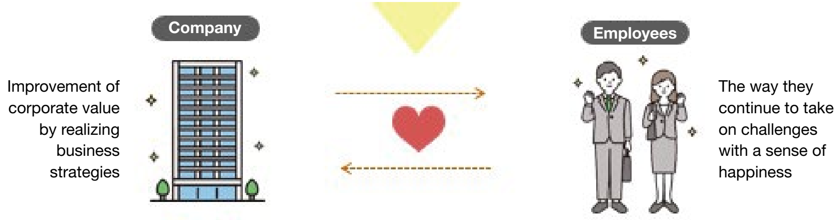
Policy for Development of In-house Environment

In order to achieve sustainable growth, the Nishitetsu Group respects diverse experiences and values and actively utilizes them. We are working to create an environment and foster a culture in which each and every employee works energetically and achieves maximum performance by continuously securing diverse human resources and improving the job satisfaction of our employees.

Three Points and Four Key Issues of Human Capital Strategy (1)

The "CYD Vision 2035" defines three key points regarding human resources and organizational strategies. In addition, we have identified four key issues that we must focus on in order to realize the CYD Vision 2035. We will steadily promote initiatives to realize these goals.

POINT1	POINT2	POINT3
Optimal human resource management to maximize performance	Reform of systems to realize personal growth and take on challenges	Development of a vibrant work environment that improves job satisfaction



Four Key Issues in Nishitetsu Human Capital Management

1	Creation of managers who can draw out the success and growth of members and achieve organizational goals
2	Systematic creation of high-level management personnel who can transform businesses to realize the vision and create value across businesses
3	Systematic creation of human resources with a focus on the realization of the CYD Vision 2035 and the continuation and expansion of businesses
4	Balance between autonomous career development for employee and placing the right talent in the right place for the organization

Three Points and Four Key Issues of Human Capital Strategy (2)

POINT 1 (Explanation)

Optimal human resource management to maximize performance

1-on-1 meetings

We conduct 1-on-1 meetings between supervisors and members at least six times a year. The purpose of the 1-on-1 meetings is to provide an opportunity for supervisors to communicate the vision for the organization and to think about the meaning of work and careers together with members, and to build a relationship of trust and respect between supervisors and members.

Development of managers (Training)

Managers play an important role in bringing out the best in our employees and their growth. We provide training for new hires as well as for managers every year and work on their development. In FY2025, we continue to provide training to enhance interviewing skills in 1-on-1 meetings.

Introduction of talent management system

In September 2024, we introduced a talent management system to centrally manage human capital information (abilities, skills, career aspirations, etc.) and use it for employee development and placement. By enabling employees to view their colleagues' registered photographs, self-introductions, and work histories, the system will also help to stimulate communication among employees.

Topics **Future Initiatives**

● Consideration of next generation management personnel development program (succession plan)

We will study the introduction of a succession plan with the aim of systematically developing human resources who can take charge of management in the future.

POINT 2 (Explanation)

Reform of systems to realize personal growth and take on challenges

Specific initiatives for the development of mechanisms for autonomous career development and support for self-development are as follows.

Career training Career interview	We offer career training for third- and sixth-year employees. The training is designed for participants to look back on their past experiences, recognize their own values and strengths and the roles expected of them by the Company, deepen their self-understanding, create a concrete action plan to realize their future aspirations, and develop their own abilities and motivation. They will then meet with the head of the Human Resources Department and others to discuss their career.
Support for self-development • e-learning • Participation in external training • Support for employees to get qualifications	We provide full subsidies for employees to use the video content service (GLOBIS unlimited learning), full tuition subsidies for external public training (Recruit Management School, etc.), and subsidies for correspondence course fees. In addition, we promote learning outside the Company by sending employees to various external training programs through open submission or recommendation. We have also introduced a system to support employees studying to get qualifications as part of our support for employees' career development, subsidizing the cost of getting qualifications and providing congratulatory money when they get qualified.
Publicly advertised intrapreneurs	This is a system for fostering in-house entrepreneurs who propose new businesses on their own and work independently to make them a reality. We provide input of expert knowledge and support the development of an organization when starting a business. As of September 2025, four projects are being prepared for commercialization.
Life career leave system	In April 2023, we introduced a leave of absence system for studying at school, obtaining qualifications, or studying abroad. This leave system can be used when a spouse relocates for work or during infertility treatment, and is intended to promote and support diverse career paths and enable employees to continue working with peace of mind regardless of various life events.
Career development allowance	We believe that learning on one's own and acquiring a broad range of knowledge will lead to autonomous career development. We aim to create self-directed human resources who are able to autonomously plan their careers, learn, and grow, and have introduced a career development allowance in FY2025 to support their growth.

Three Points and Four Key Issues of Human Capital Strategy (3)

POINT 3 (Explanation)

Development of a vibrant work environment that improves job satisfaction

We not only work for the promotion of women's active participation and the enhancement of employment of experienced personnel but also endeavor to secure various human resources by appointing core personnel according to their individual abilities, regardless of gender, nationality or whether they are new graduates or mid-career workers. We also support diverse work styles by introducing flextime, shorter working hours that exceed legal requirements, leave and vacation systems for childcare and nursing care purposes, and other measures to increase the rate of employees taking childcare leave, as well as encouraging employees to take annual paid leave. In addition, we will work to expand other measures that cater to diverse values and life stages.

* On December 7, 2021, we received the third level of "Eruboshi" certification from the Minister of Health, Labor and Welfare, which recognizes companies that have made excellent efforts to promote the advancement of female employees.

女性が活躍しています！

Support of female workers playing an active role

With the increase in the number of female employees in recent years, the number of female managers has also increased, expanding the scope of their activities. As of April 2025, we have two female managers, 24 section managers, and 59 assistant managers, for a total of 85 female employees in management positions. We will continue to formulate and carry out action plans to improve the ease of work and create an environment in which female employees play an active role.

Nishi-Nippon Railroad Co., Ltd. Fourth Action Plan

Period	From April 1, 2023 Through March 31, 2028 (five years)	
Plan details	Provision of opportunities related to professional life for female workers	Development of employment environment conducive to a balance between work and family life
Target	Increase the ratio of women in management positions (section chiefs and above) to at least 10%	Increase the number of female employees with at least three full years of service by 5%

Percentage of women employed (Non-consolidated)

Fiscal year	2022	2023	2024
All departments	40%	38%	35%
(excluding crew members)	(49%)	(55%)	(54%)
Local market departments	24%	23%	20%
(excluding crew members)	(34%)	(45%)	(40%)
Global logistics departments	57%	64%	66%

FY2024 Ratio of female employees in managerial positions and gender wage gap (Non-consolidated)

Percentage of women in management positions (*1)	Gender wage gap (*2)		
	All employees	Full-time regular employees	Part-time and fixed-term employees
6.4%	74.3%	77.5%	66.3%

*1 Figures were calculated based on the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 64, 2015).
*2 Gender wage gap comes from differences in the number of years of service, work arrangements such as the use of the reduced working hour system, and the composition of the workforce by employment type, etc. Pay differences are not based on gender.

Hiring of foreigners

We have been actively recruiting foreigners since 2005. As of April 2025, 16 foreign employees work in the Company, and five have been promoted to section manager positions. In addition, our overseas subsidiaries, which are the overseas bases of the Group, hire locally and actively promote non-Japanese to management and supervisors.

Hiring of people with disabilities

In January 2011, Nishitetsu Willact was established as a special subsidiary to provide outsourcing services for clerical work, various printing and bookbinding, and cleaning. As of June 2025, the employment rate of persons with disabilities in the Company (including Nishitetsu Willact) is 2.52% (statutory employment rate: 2.5%).

Systems to support diverse work styles (Excerpts from major systems that exceed legal requirements in the Company)

Flextime with no core hours	Employees can flexibly set working hours in accordance with the busyness of work and other conditions to shorten working hours and maintain balance with personal life.
Shorter working hours for childcare and family care	Employees can choose shorter working hours and reduced working days depending on circumstances such as childcare and nursing care. If the reason is childcare, crew employees can use the system until the end of junior high school (until the end of elementary school for other employees).
Preserved annual leave for childcare and nursing care of family members	Employees who are pregnant, have a child(ren) who has not yet entered junior high school, or have a family member in need of nursing care can save up to 50 days of expired annual paid leave and use it for maternity checkups, childcare, or family care.
Nursing care leave system	A total of 1,095 days (3 years) can be taken.
Career return system	Re-entry system for employees who left the Company due to marriage, child rearing, nursing care, and so on
Life career leave system	Employees who have been with the Company for at least three years may take up to one year for infertility treatment. Employees can also use this system when studying and preparing to get qualifications.

Raising of retirement age

The retirement age has been raised to 65 years old in April 2025 for the purpose of further increasing the number of employees over 60 years old in the Company.

Creation of Pleasant Workplaces

Initiatives to Improve Engagement

We have been conducting an engagement survey since FY2023 in order to understand the status of employee engagement and use the results for PDCA to improve it. These results are shared within the Company, and activities are planned and implemented throughout the Company and in each organization. We will conduct the engagement survey annually to continue efforts to improve engagement.

Raising of wage levels

In anticipation of business expansion, we believe it is necessary to continuously secure diverse human resources that will contribute to the enhancement of our corporate value. In FY2024, we raised the starting salary for college graduates in career-track positions to 260,000 yen (those joined in FY2025).

We also raised the starting salaries for bus and train crews and newly established and revised various allowances, which results in a doubling of the number of applicants and hires for bus crews compared to the previous year, strengthening the competitiveness of the recruitment process.

Improvement of crew's work comfort

In order to reduce the burden during driving, we have made the wearing of hats optional for bus drivers, and are testing the use of polarized sunglasses. In addition, we started an initiative in FY2024 to require railway conductors to be seated in the crew room to the extent that it does not interfere with their duties. We are also improving the environment in terms of facilities, such as rebuilding service offices and crew stations and expanding rest areas.

Implementation of Health Management Promotion Plan

In September 2022, we established the "Nishitetsu Group Health Declaration" based on the belief that employee health is the most important factor for employees to work energetically and practice our corporate philosophy, and we promote health management by establishing a promotion system under the President and CEO. We are working to ensure that employees take follow-up exams after medical examinations, motivate them to quit smoking, prevent, detect, and treat stress-related diseases, promote exercise opportunities, and improve their drinking and eating habits.

In March 2024, we received the "Excellent Health Management Corporation 2024 (Large-Scale Corporation Category)"" certification, jointly selected by the Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi, in recognition of our excellent "health management" initiatives that consider and strategically implement employee health management from a management perspective.

● Nishitetsu Group Health Declaration (Established in September 2022)

In order for the Nishitetsu Group to build on the "safety and security" that is the foundation of our business and to achieve sustainable growth and development together with the local community, it is of utmost importance that our employees, with their diverse abilities and personalities, work in a healthy and energetic manner both physically and mentally.

The Nishitetsu Group hereby declares that it will support all employees in taking a high interest in their own health and working to maintain and promote their health, and will strive to create a workplace where employees are able to work comfortably and are rewarded for their efforts.

Main Indicators and Targets (KPIs) of the Company

Indicator	Target	Results in FY2024
Percentage of women in management positions	10% by FY2035	6.4%
Percentage of male workers taking childcare leave *	95% or more	98.6%
Annual paid leave utilization rate	80% or more	88.5%
Percentage of workers who had a follow-up exam after a physical checkup	80% or more (FY2024) 85% or more (FY2025)	74%

* Percentages of employees who have taken "childcare leave and childcare-purpose leave" as defined in Article 71-6 (ii) of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ministry of Labor Ordinance No. 25, 1991) were used to calculate the results for the percentage of male employees who have taken childcare leave.

07

Respect for Human Rights

We, at the Nishitetsu Group, will deepen proper understanding of human rights issues and the responsibilities that a company should fulfill and promote our business activities that respect human rights by having dialogue with various stakeholders and providing human rights training for employees.

Human Rights Promotion System

In July 2010, the Nishitetsu Group established the "Nishitetsu Group Committee for the Promotion of Human Rights and Inclusion Issues" to strengthen its human rights promotion initiatives. This Committee is positioned as an advisory body to the ESG Promotion Council and has restructured the employee training system. We promote education and awareness-raising among employees, while deepening their understanding of the correctness of human rights and Dowa issues and the social responsibility that companies should fulfill.

In March 2022, we also established the "Nishitetsu Group Human Rights Policy," declaring that we respect the human rights of all people involved in our business activities and that we will not engage in any business activities that lead to any form of discrimination or infringement of human rights.

Nishitetsu Group Human Rights Promotion Organization

Nishitetsu Group Committee for the Promotion of Human Rights and Inclusion Issues

[Chairperson] Representative Director, Executive Vice President
[Vice Chairperson] Officer in charge of General Affairs [Members] General Managers of each department

Departments and Divisions

Human rights promotion education leaders and sub-leaders

Group Companies

Human rights promotion education leaders and sub-leaders

Administrative Office

- Office Director: General Manager of Legal Affairs, General Affairs Department
- Administrative Office: Compliance and Human Rights Promotion Section, General Affairs Department

Initiatives for Promotion of Human Rights

Training for human rights education promotion leaders and level-specific training programs

The "Human Rights Education Promotion Leader Training" is conducted to foster leaders of training on human rights and Dowa issues. In addition, training by leaders who have taken this training course is held annually at each workplace to raise awareness. In FY2024, approximately 800 leaders and sub-leaders of divisions and companies provided training to 20,000 employees of the Group on workplace human rights issues, including harassment, people with disabilities, and LGBTQ+, as well as Dowa issues. In addition to this, we also provide training for management, new employees, and different levels of employees, working to foster awareness of human rights in conjunction with educational activities such as the Human Rights Newsletter.

Number of human rights training participants

FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
20,899 persons	19,816 persons	19,799 persons	20,548 persons	18,722 persons	19,178 persons

LGBTQ+ initiatives

In November 2024, we received "Silver" certification in the PRIDE Index established by the voluntary organization "work with Pride" in recognition of our commitment to sexual minorities, including LGBTQ+.

Nishitetsu Group Human Rights Policy

(Established on March 1, 2022)

The Nishitetsu Group respects the human rights of all people inside and outside the Group. In addition, we will not engage in any business activities that lead to any kind of discrimination or infringement of human rights. The Nishitetsu Group hereby establishes the Nishitetsu Group Human Rights Policy to respect the human rights of all persons involved in its business activities.

1. Basic Concept

(1) Respect for human rights	The Nishitetsu Group respects human rights in all its business activities in accordance with international norms.
(2) Scope of application	This policy applies to all officers and employees of the Nishitetsu Group. The Nishitetsu Group works to ensure that its stakeholders understand and comply with this policy.
(3) Prohibition of discrimination	The Nishitetsu Group does not tolerate discrimination of any kind on the basis of race, creed, religion, gender, sexual orientation, gender identity, age, nationality, social status, family origin, language, ethnicity, disease, appearance, marriage, disability, and other factors.
(4) Prohibition of harassment	The Nishitetsu Group does not tolerate harassment related to sexuality, pregnancy, childbirth, childcare, or nursing care, power harassment, or any other behavior that is harmful to human rights.
(5) Remedies and corrections	The Nishitetsu Group strives to ensure that the human rights of all persons involved in its business activities are not violated, and in the event of any negative impact on human rights, the Nishitetsu Group will take prompt and appropriate action to remedy and correct the situation, including preventing recurrence, while protecting the privacy of the parties involved.
(6) Prohibition of child labor and forced labor	The Nishitetsu Group does not tolerate child labor, forced labor, or other unfair labor practices, whether direct or indirect.
(7) Respect for basic labor rights	The Nishitetsu Group complies with labor-related laws and regulations and respects the fundamental rights of its employees.

2. Initiatives for Respect for Human Rights

(1) Education and training	The Nishitetsu Group provides appropriate education and training to all officers and employees to ensure that this policy is understood and that the human rights of all people are respected. In order to fulfill its responsibility to respect human rights, the Group engages in awareness-raising activities to deepen awareness and understanding of human rights issues, including Dowa issues and harassment.
(2) Human rights due diligence	In order to fulfill its responsibility to respect human rights, the Nishitetsu Group continuously conducts human rights due diligence and works to avoid or reduce negative impacts on human rights.
(3) Information disclosure	The Nishitetsu Group discloses its efforts to respect human rights on its website and in other appropriate ways.
(4) Dialogue with stakeholders	The Nishitetsu Group engages in dialogue with relevant stakeholders regarding the impact of its business activities on human rights.
(5) Pleasant work environment	The Nishitetsu Group builds a workplace environment in which employees can work safely, securely, and energetically, in good mental and physical health, and promotes a work-life balance.
(6) Open workplace culture	The Nishitetsu Group respects diversity and strives to foster open workplace culture. In addition, through active communication within the Nishitetsu Group, we build a sense of unity and cooperative relationships.
(7) Challenge and growth	At the Nishitetsu Group, each employee takes pride and responsibility in his or her work, challenges his or her own goals, and realizes personal growth.

Our basic approach to corporate governance is to strive to ensure and enhance an effective framework for transparent, fair, prompt, and decisive management decision-making, with the aim of achieving sustainable growth and increasing corporate value over the medium to long term.

Governance Structure

We have introduced a company with Audit and Supervisory Committee system since June 2016, based on the belief that strengthening the Board of Directors' supervisory function over business execution while realizing swift decision-making through delegating decisions on a wide range of business execution to the President and CEO,and increasing the effectiveness of audits by having Audit and Supervisory Committee members with voting rights at Board of Directors meetings perform audits will be effective in enhancing the Company's corporate value.

On this basis, we ensure the appropriateness of the business execution function by strengthening the supervisory function through the appointment of highly independent Outside Directors who meet the Company's standards for independence.

Board of Directors

The Board of Directors consists of 12 directors, including six Outside Directors (Five of whom are directors who are also members of the Audit and Supervisory Committee). In principle, the Board of Directors meets once a month to make decisions on important matters stipulated by laws and regulations, the Articles of Incorporation, and the Board of Directors' Regulations such as basic management policies and selection of executive officers with title, and to be briefed on the status of business execution. As such, the Board of Directors supervises business execution.

The Board of Directors is composed of a diverse range of directors with different backgrounds in terms of expertise and experience, based on the characteristics of the Company's business and the skills they should possess in light of the Company's management strategy, while maintaining an appropriate number of directors to enable the Board to function most effectively and efficiently.

In addition, in order to contribute to the supervisory function of the Board of Directors, at least one-third of the directors must be independent Outside Directors, including those with management experience at other companies.

Audit and Supervisory Committee

The Audit and Supervisory Committee consists of five members, four of whom are outside Audit and Supervisory Committee members. Each Audit and Supervisory Committee member audits the execution of duties by directors by attending the Board of Directors meetings and other important meetings and by examining the status of operations and assets, including those of subsidiaries, in accordance with the policies established by the Audit and Supervisory Committee.

Nominating and Remuneration Advisory Committee

In order to strengthen the independence and objectivity of the Board of Directors' functions regarding the nomination of candidates for directors, the selection and dismissal of executive officers with title, and remuneration of directors and executive officers with title, as well as to improve accountability, the Nominating and Remuneration Advisory Committee serves as an advisory body to the Board of Directors. The Committee, which consists of the President and CEO, the Chairman of the Board, and independent Outside Directors, deliberates on the selection and dismissal of representative directors, nomination of candidates for directors, selection and dismissal of executive officers with title, and succession planning for the President and CEO, as well as the fairness and appropriateness of remuneration of directors and executive officers with title.

Members of the Nominating and Remuneration Advisory Committee (as of July 1, 2025)

Title	Name
Representative Director, Chairman of the Board	Sumio Kuratomi
Representative Director, President and CEO and Chairperson of the Nominating and Remuneration Advisory Committee	Koichi Hayashida
Director (Outside Director)	Kikuyo Tsuno
Director, Audit & Supervisory Committee Member (Outside Director)	Toru Kawaharabata
Director, Audit & Supervisory Committee Member (Outside Director)	Kyoko Matsuoka

Executive Committee

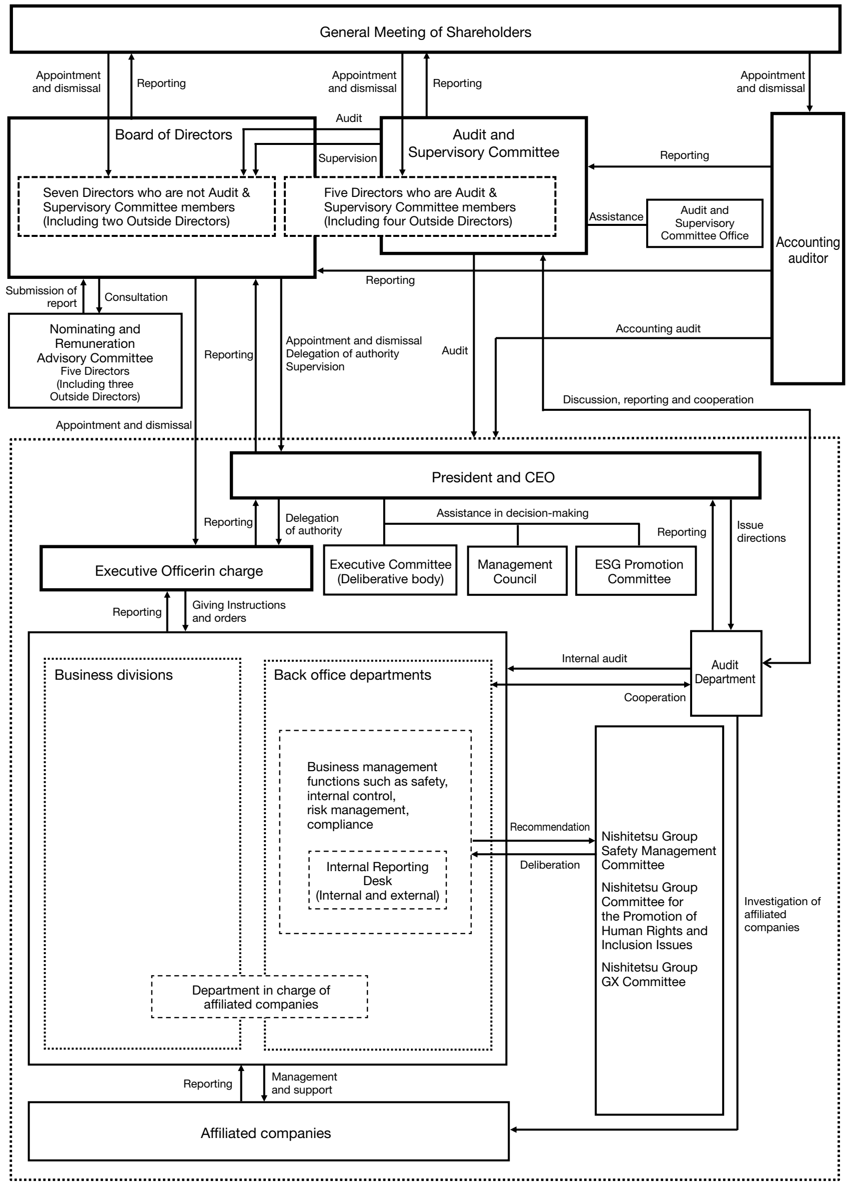
We have established the Executive Committee, the Management Council, and the ESG Promotion Committee to assist the President and CEO in decision-making. The Executive Committee, consisting of the President and Executive Officer and the executive officers in charge of each department, meets once a week in principle to discuss matters requiring approval of the President and CEO and matters to be proposed to the Board of Directors, as well as to understand and supervise the status of business execution by each department.

The Management Council, consisting of the President and CEO and executive officers in charge of related departments, meets once a week in principle to discuss policies and directions for management strategies and important executive matters.

The ESG Promotion Committee, consisting of the President and CEO and other executive officers, meets as necessary to discuss the direction of the Nishitetsu Group with respect to ESG, the establishment of important themes, and measures related to important themes.

Full-time Audit and Supervisory Committee member attend these meetings to gather internal information.

Schematic Diagram of Corporate Governance Structure (as of July 1, 2025)



Assessment of Effectiveness of the Board of Directors

The "Basic Policy on Corporate Governance" stipulates that the effectiveness of the Board of Directors shall be analyzed and evaluated annually, thereby working to improve the supervisory and decision-making functions of the Board of Directors.

In the evaluation of the effectiveness of the Board of Directors to date, we assessed that the Board of Directors as a whole functions well, but we believe it necessary to continue our efforts such as further revitalization of deliberations and deepening of business understanding in order to further improve the effectiveness of the Board.

Summary of analysis and evaluation results for FY2024

We send a survey to all directors and executive officers to analyze and evaluate the scope and content of matters to be discussed and the appropriateness of information provision, and the Board of Directors discusses improvement plans based on the results.

The survey results indicate that the Board of Directors generally functions well as a whole, and with regard to the issues identified in FY2023, the evaluation indicates that steady progress is being made toward improvement.

Based on these results, we confirmed that we will continue to review our operations to further improve its effectiveness by continuing efforts to deepen business understanding, discussing the direction of company-wide strategies for the development of the 17th Mid-term Management Plan scheduled in FY2025, and holding deeper discussions on sustainability and ESG issues.

Audits

Audit by the Audit and Supervisory Committee

In accordance with the audit standards, audit policy, and segregation of duties established by the Audit and Supervisory Committee, members of the Audit and Supervisory Committee conduct audits of the status of execution of duties by directors and employees by attending Board of Directors meetings and other important meetings and receiving reports on the status of business execution as appropriate.

Full-time Audit and Supervisory Committee members attend meetings of the Executive Committee, Management Council and other important meetings to collect information from business divisions on a daily basis while conducting audits of the Company as well as group companies by making visits to their sites, receiving reports on the status of execution of duties by directors and employees(including those of group companies) and exchanging opinions as appropriate. In addition, they receive reports on the status of audits from the Internal Audit Department and audit reports from the Accounting Auditors as appropriate, and exchange opinions, including discussions on key audit matters (KAMs).

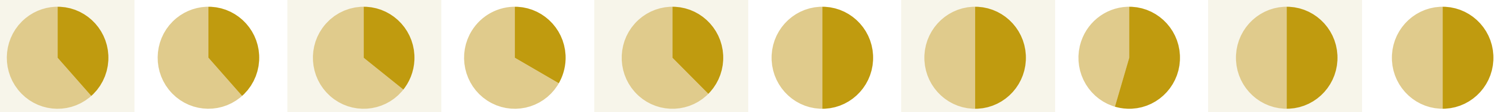
Internal audit

To ensure the adequacy and effectiveness of the internal control system and to establish the legality and reasonableness of various business activities, the Audit Department has 19 staff members who conduct internal audits, evaluate internal control over financial reporting, support internal control and internal audits at group companies, and work with the Internal Control Department to improve the effectiveness of internal control. In order to improve the effectiveness of audits of the entire Group, the Audit Department staff members concurrently serve as corporate auditors of group companies to link with the audit functions at the respective company.

Internal audits include audits of group companies based on the audit plan, and the Internal Audit Department checks the progress of improvement on a regular basis by requesting the heads of applicable departments to report on the status of improvement with respect to the findings of internal audits.

The audit plan is risk-based and formulated based on the instructions of the President and CEO as well as requests from the Audit and Supervisory Committee and the Board of Directors, and is reported to the Board of Directors and the ESG Promotion Committee. The audit results are reported to the President and CEO, the Audit and Supervisory Committee, the Board of Directors, and the ESG Promotion Committee. The Internal Audit Department also works to conduct efficient audits through close collaboration such as exchanging information on results of internal audits and audits by the Audit and Supervisory Committee at monthly meetings for audit collaboration.

Transition of Governance Structure

FY	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Institutional design	Company with Audit and Supervisory Committee									
Board of Directors Outside/Total	5 directors/ 13 directors	5 directors/ 13 directors	5 directors/ 14 directors	5 directors/ 15 directors	6 directors/ 16 directors	5 directors/ 10 directors	5 directors/ 10 directors	6 directors / 11 directors	5 directors/ 10 directors	6 auditors/ 12 auditors
										
	Outside Director 38.5%	Outside Director 38.5%	Outside Director 35.7%	Outside Director 33.3%	Outside Director 37.5%	Outside Director 50.0%	Outside Director 50.0%	Outside Director 54.5%	Outside Director 50.0%	Outside Director 50.0%
Director and Audit & Supervisory Committee Member Outside/Total	3 auditors/ 4 auditors	3 auditors/ 4 auditors	3 auditors/ 4 auditors	3 auditors/ 4 auditors	4 auditors/ 5 auditors	4 auditors/ 5 auditors	5 auditors/ 6 auditors	5 auditors/ 6 auditors	4 auditors/ 5 auditors	4 auditors/ 5 auditors
Independent officers	3 officers	3 officers	3 officers	3 officers	5 officers	4 officers	4 officers	4 officers	4 officers	5 officers
Female Directors					1 director	1 director	1 director	2 directors	2 directors	3 officers
Term of Office Directors	1 year									
Term of Office Director and Audit & Supervisory Committee Member	2 years									
Nominating and Remuneration Advisory Committee				Established						
Assessment of effectiveness of the Board of Directors	Started in 2015									
Executive Remuneration System	System change *									
Policy on large-scale acquisitions of the Company's shares			Updated			Updated			Updated	

* In addition to short-term performance, medium-term performance has been incorporated as a performance-linked bonus, and a stock grant trust was established as a stock-based remuneration system. See Page 67 for details.

Executive Remuneration System (1)

Basic policy and levels

Our basic policy on remuneration for directors and executive officers with title is as follows, and we pay remuneration in accordance with this policy.

- **Remuneration must contribute to the stable and sustainable enhancement of corporate value through the realization of the Nishitetsu Group's Corporate Philosophy.**
- **Remuneration must be appropriate for recruiting and retaining excellent human resources.**
- **Remuneration system must be transparent, fair, and accountable to stakeholders.**

Remuneration levels will be set to provide appropriate incentives to improve performance, taking into consideration the business environment, employee salaries, and the levels of other companies.

Remuneration system for directors who are not Audit and Supervisory Committee members (excluding Outside Directors) and executive officers with title

Classification	Composition ratio*1	Overview and purpose	Amount	Payment rate
Basic remuneration	60%	Monthly fixed remuneration	Determined according to position and responsibilities	Fixed
Short-term-performance-linked bonus	13%	• Remuneration for business execution in each fiscal year • The objective is to properly motivate officers to continuously improve performance	Base amount × Payment rate (Range of fluctuation 0.00 to 2.00)	It varies depending on the valuation of the following in each fiscal year. (1) Evaluation of the Group's performance (Overall evaluation) Percentage of achievement of consolidated business profit*2, consolidated ROA, and consolidated ROE targets in the mid-term management plan (2) Performance evaluation of the department or affiliated company in charge (Department evaluation) It is determined based on the performance evaluation system*3 that comprehensively assesses quantitative evaluations such as operating revenues and qualitative evaluations such as the implementation status of respective policies. (3) Evaluation of the status of execution of duties
Medium-term-performance-linked bonus	12%	• Remuneration for business execution over three fiscal years • The objective is to contribute to the enhancement of corporate value over the medium to long term	Base amount × Payment rate (Range of fluctuation 0.75 to 1.35)	It fluctuates according to the rate of increase in consolidated EBITDA*4 compared to the three fiscal years prior.
Stock-based remuneration	15%	• A system whereby points held at the time of retirement are converted through a trust at a ratio of one share of the Company's common stock per point • The objective is to share a sense of profit with shareholders and to further increase their willingness to contribute to the enhancement of corporate value and share price appreciation through the implementation of the management plan	Base point x Payment rate (Range of fluctuation 0.75 to 1.35)	It varies according to the percentage of achievement of consolidated business profit, consolidated ROA, and consolidated ROE targets in the medium-term management plan. However, since the judgment is made at the end of the mid-term management plan period (three years in principle), base points are awarded each year of the mid-term management plan period except the final year, and in the final year, in addition to the base points, changes to the total base points during the mid-term management plan period are awarded (deducted when the changes are negative).

*1 Percentage of performance-linked remuneration is based on the base amount (variable rate of 1.00x). *2 Business profit is calculated by adding dividend income from business investments and equity in earnings of affiliated companies to operating income.
*3 The performance evaluation system is used annually for each department and affiliated company, and is also applied to the assessment of employee bonuses. *4 EBITDA is calculated as Business profit + Depreciation + Amortization of goodwill (operating expenses).

Executive Remuneration System (2)

Remuneration for directors who are Audit and Supervisory Committee members and Outside Directors

Based on the nature of the duties, only the basic remuneration (monthly fixed remuneration) shall be paid.

Resolution of the General Meeting of Shareholders concerning executive remuneration

At the 176th Annual General Meeting of Shareholders (held on June 29, 2016), the Company resolved to pay remuneration for directors who are not Audit and Supervisory Committee members of 470 million yen or less in total annually (including 40 million yen or less as remuneration for Outside Directors) and remuneration for directors who are Audit and Supervisory Committee members of 120 million yen or less in total annually. At the 181st Annual General Meeting of Shareholders (held on June 29, 2021), the Company resolved to contribute up to 580 million yen per subject period (each mid-term management plan period) for stock-based remuneration and up to 116,000 points per year as the total number of points to be awarded (however, the total number of points to be awarded in each year except the final year of the subject period shall not exceed 57,000 points per year) to directors who are not Audit and Supervisory Committee members (excluding Outside Directors) and executive officers with title.

Process for determining remuneration

The Nominating and Remuneration Advisory Committee, the majority of whose members are Outside Directors, has been established to periodically check the appropriateness and reasonableness of the remuneration system and remuneration levels, and to deliberate on other matters as necessary.

Remuneration for directors shall be within the limit approved at the General Meeting of Shareholders and shall be determined based on the following process.

The details of individual remuneration for directors who are not Audit and Supervisory Committee members and executive officers with title shall be determined by the Board of Directors, respecting the results of deliberations by the Nominating and Remuneration Advisory Committee. The specific amount of individual's remuneration shall be determined based on the payment standards. However, some authority may be delegated to the President and CEO by resolution of the Board of Directors to determine the amount of base remuneration to be paid to each director and the evaluation of business execution and execution of duties for short-term-performance-linked bonuses. The Chairperson of the Board of Directors and the Representative Directors confirm the results of the exercise of delegated authority, and the Board of Directors receives reports on the results.

The details of remuneration for each director who is a member of the Audit and Supervisory Committee shall be determined through consultation among the directors who are members of the Audit and Supervisory Committee.

FY2024 Remuneration by officer category

Officer category	Total amount of remuneration (Millions of yen)	Total amount of remuneration by type (Millions of yen)				Number of eligible officers (officers)
		Basic remuneration	Performance-linked bonus		Stock-based remuneration*	
			Short-term	Medium-term		
Directors who are not Audit and Supervisory Committee members (excluding Outside Directors)	246	135	38	35	36	4
Directors who are Audit and Supervisory Committee members (excluding Outside Directors)	35	35	-	-	-	2
Outside officers	70	70	-	-	-	7

* The stock-based remuneration is a provision of reserve for stock-based remuneration for stock delivery points (one point is one share of the Company's stock).

Shareholdings

Criteria and concept for classification of investment stocks

We classify our investments into two categories: “investment shares held for pure investment”, which we exclusively benefit from changes in the value of the shares or from dividends on the shares, and “shares held for purposes other than pure investment.”

Investment stocks whose purpose of holding is other than pure investment (Cross-shareholdings)

Based on the characteristics of the Company’s business, we hold shares for policy purposes if it is deemed to contribute to the enhancement of our corporate value from the perspective of maintaining and developing good business relationships, maintaining stable and continuous financial relationships, collaborating in local economic activities, and the mission and role of the Group in the local community.

We review the appropriateness of cross-shareholdings in a comprehensive manner for each issue after analyzing the impact on management, taking into account the purpose of holding, benefits and risks considering the cost of capital, and future prospects, and confirm annually at the Board of Directors’ meeting.

Investment stocks at the end of FY2024

	Number of issues (issues)	Total amount on balance sheet (Millions of yen)
Unlisted stocks	65	2,585
Stocks other than unlisted stocks	37	27,844
(Reference) Deemed stock holdings	(5)	(12,524)

(Reference) Cross-shareholdings as a percentage of consolidated net assets 11.9% (16.8% when including deemed stock holdings)

(Reference) Investment stocks at the end of FY2023

	Number of issues (issues)	Total amount on balance sheet (Millions of yen)
Unlisted stocks	65	2,834
Stocks other than unlisted stocks	39	31,844
(Reference) Deemed stock holdings	(5)	(11,324)

(Reference) Cross-shareholdings as a percentage of consolidated net assets 14.7% (19.5% when including deemed stock holdings)

Communication with Shareholders and Investors

We actively communicate with shareholders and investors to contribute to the sustainable growth of the Group and to enhance our corporate value over the medium to long term. We report valuable opinions and requests collected through the dialogue to the President and CEO and the Board of Directors.

Regular informational meetings for individual investors	● Timing	Four times a year between August 2024 and February 2025
	● Contents	Management strategies and major initiatives, income/expense projections, shareholder returns and shareholder benefits
	● Participants	Individual investors
	● Presenter	General Manager of Corporate Planning Department
	* Schedules and materials are available on the company website.	
Regular informational meetings for analysts and institutional investors	● Timing	Twice a year on a regular basis in May (annual closing) and November (second quarter closing)
	● Contents	Summary of financial results, progress of management plan, and income/expense projections
	● Participants	Analysts, fund managers and other
	● Number of participants	112 person in total
	● Presenter	Representative Director, President and CEO
Posting of IR materials on website	● URL	https://www.nishitetsu.co.jp/ir/
	● Information posted	Financial results information, news releases (matters subject to timely disclosure other than financial results), IR briefing materials, Nishitetsu Report (business report), outline of shareholder special benefit plan, and so on
Establishment of a department for IR	● Department in charge	Corporate Planning Department (in charge of corporate planning and IR)
	● Officer in charge	Executive Officer in charge of Corporate Planning Department

▲Financial results briefing for individual investors

▲Materials for financial results briefing

Please refer to the “IR Library” on the Nishitetsu Group website for details on financial results briefing materials and other IR-related materials. https://www.nishitetsu.co.jp/ja/ir/library.html

Basic Policy Concerning the Person(s) Who Controls Decisions on the Company's Financial and Business Policies

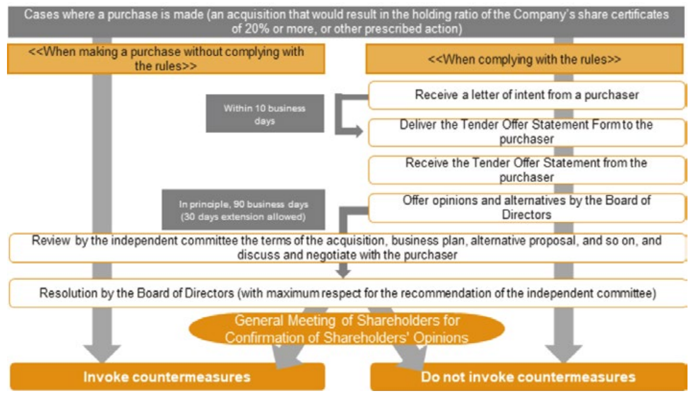
Outline of basic policy

We believe that a large-scale purchase of the Company's shares should not be generally rejected if it contributes to the Company's corporate value and, in turn, the common interests of our shareholders, and that the final decision should be made based on the will of all shareholders. In order for shareholders to make the best choice when they receive a proposal for a large-scale acquisition from an outside acquirer, it is necessary to appropriately understand the tangible and intangible elements that constitute the Company's corporate value, and to determine the impact of such large-scale acquisition based on an understanding of the acquirer's information including attributes, purpose of the acquisition, management policy of the Company after the acquisition, methods to avoid conflicts of interest with existing shareholders, and policies toward employees and other stakeholders. In the event that a large-scale acquisition is carried out without such information being disclosed, there is a possibility that our corporate value and, in turn, the common interests of our shareholders may be damaged. We believe that anyone who conducts such a large-scale acquisition that does not contribute to our corporate value and, in turn, the common interests of our shareholders is inappropriate as a person who controls decisions on the Company's financial and business policies, and that it is necessary to secure our corporate value and, in turn, the common interests of our shareholders by taking necessary and reasonable countermeasures against such large-scale acquisition by such a person.

Outline of specific initiatives

At the Board of Directors meeting held on May 10, 2024, we resolved to renew the "Countermeasure Policy Against Large-Scale Acquisitions of Company Shares" subject to approval by our shareholders, and obtained approval to renew said policy at the 184th Annual General Meeting of Shareholders held on June 27, 2024 (The renewed policy is hereinafter referred to as the "Plan"). The purpose of the Plan is to deter a large-scale purchase by a person who is inappropriate as the one that controls decisions on the Company's financial and business policies, and to enable the Board of Directors to propose an alternative plan to our shareholders and to secure necessary information and time for our shareholders to decide whether or not to accept the large-scale purchase when such purchase is made, as well as to enable the Board of Directors to negotiate for the benefit of our shareholders. The Plan sets forth the necessary procedures for achieving the plan above, such as demanding prior provision of information from an acquirer when such persons appear with the intent of acquiring 20% or more of the Company share certificates, etc. If the Board of Directors decides not to trigger the Plan pursuant to the procedures of the Plan, the acquirer may conduct a large-scale purchase of Company share certificates, etc. only after the time of that decision. In cases such as if the acquirer does not comply with the procedures set forth in the Plan or if the intended large-scale purchase of Company share certificates, etc., has the risk of impairing the Company's corporate value and the common interest of its shareholders, and provided that the predetermined requirements for triggering the Plan are satisfied, the Company shall implement an allotment of share options without contribution in relation to Company share options with conditions for exercise that the acquirer, etc. would not be allowed to exercise the rights as a general rule and with conditions for acquisition that the share options may be acquired by the Company in exchange for Company shares from anyone other than the acquirer, etc. as well as other reasonable measures that may be taken under laws and regulations and the Articles of Incorporation. If an allotment of share options without contribution is implemented according to the Plan, and Company shares are delivered to shareholders other than the acquirer upon the exercise of the share options or acquisition of thereof by the Company, the percentage of voting rights held by the acquirer may be diluted to approximately one-half. In order to eliminate arbitrary decisions by Directors in deciding on the implementation or non implementation of an allotment of share options without contribution, or acquisition of share options, etc. according to the Plan, the Company has established an Independent Committee consisting solely of Outside Directors, etc. who are independent of the Company's management team so as to make the decision subject to its objective judgment. Additionally, the Board of Directors shall, in principle, convoke a general meeting of shareholders to confirm the intent of shareholders when an allotment of share options without contribution is to be implemented according to the Plan. The Company ensures transparency in these procedures by appropriately disclosing information to its shareholders. The effective period of the Plan will, in principle, end at the conclusion of the annual general meeting of shareholders relating to the final fiscal year ending within three years after the conclusion of the 184th Annual General Meeting of Shareholders.

Outline of procedures under the Plan



Directors

Sumio Kuratomi

Representative Director, Chairman of the Board

Chairperson of the Board of Directors

Koichi Hayashida

Representative Director, President and CEO

All affairs
In charge of Audit Department

Yoshito Matsumoto

Representative Director, Executive Vice President

Assistant to President (all affairs)
In charge of Automotive, General Manager, Automotive Division

Sunao Ohkaku

Director and Senior Managing Executive Officer

In charge of Corporate Planning Department and DX/ICT Promotion Department

Number of Board of Directors meetings and Audit & Supervisory Committee meetings attended

(FY2024)
16 times/16 times (100%)

(FY2024)
16 times/16 times (100%)

Significant concurrent positions

Outside Director, THE TORIGOE CO., LTD.
Outside Director, The Bank of Fukuoka, Ltd.

Outside Director, RKB Mainichi Holdings Corporation

Outside Corporate Auditor, Krosaki Harima Corporation

Reason for appointment

Mr. Kuratomi has participated in the Company's management for 17 years since his appointment as Director and Executive Officer in June 2008, and has extensive experience and knowledge in corporate management.

He was appointed President in June 2013 and Representative Director, Chairman of the Board in April 2021, and is responsible for the management of the Company and oversees the overall management of the Company as Chairperson of the Board of Directors.

Based on this wealth of experience and knowledge, we believe that, as Chairperson of the Board of Directors, he will be able to strengthen the supervisory and decision-making functions of the Board of Directors by ensuring the appropriate management of the proceedings of the Board.

Mr. Hayashida has participated in the Company's management for seven years since his appointment as Director in June 2018, and has extensive experience and knowledge in corporate management. In April 2021, he was appointed President and CEO, overseeing all aspects of the Company's operations.

With this wealth of experience and knowledge, as President and CEO with the highest responsibility for business execution, he deals with the turbulent global situation and other major changes in the business environment, while strongly leading the initiatives such as value creation and revitalization of the region triggered by the opening of "ONE FUKUOKA BLDG." and ongoing big projects. As such, we believe that he will be able to achieve sustainable growth of the Group, which is committed to taking on the challenge for sustainable growth, and improving our corporate value over the medium to long term.

Since joining the Company in 1991, Mr. Matsumoto has been engaged in the Automotive Business and currently serves as Executive Vice President in charge of the Automotive Division, bringing with him a wealth of experience and achievements in the Company.

With this experience and knowledge, we believe that he will be able to strengthen the supervisory and decision-making functions of the Board of Directors, assist the President and Chief Executive Officer as Executive Vice President, who leads the transportation and community development business and the global business, and continue to lead and supervise the automotive business, thereby achieving sustainable growth of the Group, which is committed to taking on the challenge for sustainable growth, and improving our corporate value over the medium to long term.

Since joining the Company in 1985, Mr. Ohkaku has been engaged in accounting and currently serves as Senior Managing Executive Officer in charge of the Corporate Planning Department and DX and ICT Promotion Department, bringing with him a wealth of business experience and achievements at the Company.

He has also served as Full-time Audit and Supervisory Committee member for two years since June 2018, auditing and supervising management.

Based on this wealth of experience and knowledge, we believe that he will be able to strengthen the supervisory and decision-making functions of the Board of Directors, and that by utilizing his experience and knowledge in overseeing the Corporate Planning Department and DX and ICT Promotion Department, he will contribute to the sustainable growth of the Group, which is committed to taking on the challenge for sustainable growth, and the improvement of our corporate value over the medium to long term as an executive member of the management team.

Brief personal record

April 1978	Joined the Company
June 2008	Director and Executive Officer of the Company
June 2011	Director and Managing Executive Officer of the Company
June 2013	President of the Company
June 2016	President and CEO of the Company
April 2021	Representative Director, Chairman of the Board of the Company (to present)

April 1988	Joined the Company
June 2016	Executive Officer of the Company
April 2018	Senior Executive Officer of the Company
June 2018	Director and Senior Executive Officer of the Company
April 2020	Director and Senior Managing Executive Officer of the Company
April 2021	President and CEO of the Company (to present)

April 1991	Joined the Company
July 2015	General Manager of Marketing Planning Department, Bus Transportation Division of the Company
July 2017	General Manager of Community Development and Transportation Planning Department, Community Development Promotion Division of the Company
April 2019	Executive Officer, Deputy General Manager of Urban Development Division and General Manager of Community Development Promotion Department of the Company
April 2020	Managing Executive Officer of the Company
April 2024	Senior Managing Executive Officer of the Company
April 2025	Executive Vice President of the Company
June 2025	Representative Director, Executive Vice President of the Company (to present)

April 1985	Joined the Company
July 2006	General Manager of CV Management Office, Corporate Planning Division of the Company
June 2009	General Manager of Corporate Management Department of the Company
June 2012	General Manager of Accounting Department of the Company
June 2015	Director, Executive Officer and General Manager of Accounting Department of the Company
June 2016	Senior Executive Officer of the Company
June 2018	Director and Full-time Audit & Supervisory Committee Member of the Company (full-time)
June 2020	Director and Senior Managing Executive Officer of the Company
June 2021	Senior Managing Executive Officer of the Company
June 2025	Director and Senior Managing Executive Officer of the Company (to present)

Directors

Satoru Matsufuji

Director and Managing Executive Officer

Railway Transportation Business Division
General Manager of Railway Transportation Business Division

Number of Board of Directors meetings and Audit & Supervisory Committee meetings attended

(FY2024)
16 times/16 times (100%)

Significant concurrent positions

Outside Director, Fuji P.S. Corporation

Reason for appointment

Since joining the Company in 1987, Mr. Matsufuji has been engaged in the Railway Business and currently serves as Managing Executive Officer in charge of the Railway Division, bringing with him a wealth of experience and achievements in the Railway Business.

Based on this experience and knowledge, we believe that he will be able to strengthen the supervisory and decision-making functions of the Board of Directors from the perspective of ensuring safety in transportation services as the Chief Safety Management Officer of the Railway Business, and that by utilizing his experience and knowledge in overseeing the Railway Business, he will contribute to the sustainable growth of the Group, which is committed to taking on the challenge of sustainable growth, and the improvement of our corporate value over the medium to long term as an executive member of the management team.

Brief personal record

April 1987	Joined the Company
July 2012	Representative Director and President, Nishitetsu Station Service Co., Ltd.
July 2015	Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department of the Company
April 2018	Executive Officer, Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department of the Company
June 2020	Director and Executive Officer of the Company Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department
April 2021	Director and Executive Officer of the Company Deputy Director of Railway Transportation Business Division, General Manager of Planning Department
April 2023	Director and Managing Executive Officer of the Company (to present)

Kikuyo Tsuno

Outside Director (Independent)

Number of Board of Directors meetings and Audit & Supervisory Committee meetings attended

(FY2024)
12 times/12 times (100%)

Significant concurrent positions

Executive Officer, Kyushu Electric Power Co. Inc.

Reason for appointment

Ms. Tsuno has extensive experience and insight in human resource management and labor relations and corporate planning through her work experience as Executive Officer and General Manager in charge of Human Resource Vitalization Division at Kyushu Electric Power Company, Inc. In addition, as Outside Director who is not a member of the Audit and Supervisory Committee of the Company since June 2023, she has provided useful opinions based on her experience and insight.

Accordingly, as Outside Director with no vested interest in the Company, we believe that she will be able to strengthen the supervisory and decision-making functions of the Board of Directors and help the Board of Directors have lively discussions on initiatives to reinforce human resources that support sustainable growth.

Brief personal record

July 2017	Deputy General Manager of Human Resource Vitalization Division, Business Solution Headquarters; General Manager of Planning Group, Kyushu Electric Power Co., Inc.
June 2018	General Manager of Corporate Strategy Division , Kyushu Electric Power Co., Inc. (Group organizational strategy)
July 2020	General Manager of Human Resource Vitalization Division, Business Solution Headquarters (Labor relations), Kyushu Electric Power Co., Inc.
June 2022	Specially Appointed Audit & Supervisory Board Member, Kyushu Electric Power Co., Inc.
June 2023	Executive Officer, General Manager of Human Resource Vitalization Division, Business Solution Headquarters, Kyushu Electric Power Co., Inc. (to present)
June 2023	Director of the Company (to present)

Mie Matsuo

Outside Director (Independent)

Significant concurrent positions

Sumitomo Mitsui Trust Asset Management Co., Ltd.
Outside Director
External Director, Kurita Water Industries Ltd.

Reason for appointment

Ms. Matsuo is a licensed tax accountant and a U.S. certified public accountant. At IBM Japan Ltd., she specialized in providing consulting services to improve efficiency and sophistication of accounting and finance and back-office operations in general, and supervised the Business Transformation Services Division utilizing advanced technologies such as AI as Managing Partner. Through her business experience, she has extensive knowledge of IT, digital, global business management, and financial accounting.

She has also served as full-time corporate auditor at IBM since October 2023 and has extensive experience and insight in corporate governance.

As Outside Director with no vested interest in the Company, we believe that she will be able to strengthen the supervisory and decision-making functions of the Board of Directors as she is expected to provide useful opinions based on her experience and insight and help the Board of Directors have lively discussions on initiatives to expand growing businesses, create new profit center, strengthen governance of overseas businesses, and promote DX.

Brief personal record

July 2009	Executive Officer, IBM Business Consulting Services, Inc.
April 2010	Director and Partner, IBM Japan, Ltd.
January 2018	Senior Partner, IBM Japan, Ltd.
January 2019	IBM Global Services Pte.Ltd. Managing Partner, Asia Pacific
April 2022	Managing Partner, IBM Japan, Ltd.
October 2023	Audit and supervisory board member, IBM Japan, Ltd.
June 2025	Director of the Company (to present)

Directors who are Audit & Supervisory Committee members

Tetsuya Nagasao

Director and Full-time Audit & Supervisory Committee member

Chairperson of the Audit & Supervisory Committee

Number of Board of Directors meetings and Audit & Supervisory Committee meetings attended

(FY2024*1)
Board of Directors meeting: 12/12 (100%)
Audit & Supervisory Committee meeting: 12/12 (100%)

Significant concurrent positions

Reason for appointment

Since joining the Company in 1986, Mr. Nagasao has been mainly engaged in urban development business and general affairs and public relations. He has served as Representative Director and President & CEO of Fukuoka International Airport Co., Ltd., and has extensive business experience and achievements in the Company and as an executive of an airport management company.

Leveraging this experience and knowledge, we believe that he will be able to strengthen the audit and supervisory functions of the Company as Director who is a full-time member of the Audit and Supervisory Committee.

Brief personal record

April 1986	Joined the Company
June 2007	General Manager of Project Planning & Development Department, Urban Development Business Division of the Company
July 2010	General Manager of Distribution and Leisure Department, Urban Development Business Division of the Company
July 2012	General Manager of Public Relations Office of the Company
July 2015	General Manager of General Affairs & Public Relations Department of the Company
June 2016	Executive Officer, Deputy Director of Business Creation Division and General Manager of Business Development Department of the Company
February 2017	Representative Director and Senior Managing Director, Fukuoka Airport Holdings Co., Ltd.
April 2018	Senior Group Director of the Company
July 2018	Fukuoka International Airport Co., Ltd. Representative Director, President and CEO
April 2020	Senior Managing Executive Officer of the Company
June 2024	Director and Full-time Audit & Supervisory Committee Member of the Company (to present)

Toru Kawaharabata

Outside Director (Independent)

Director and Audit & Supervisory Committee Member

Number of Board of Directors meetings and Audit & Supervisory Committee meetings attended

(FY2024*1)
Board of Directors meeting: 12/12 (100%)
Audit & Supervisory Committee meeting: 12/12 (100%)

Reason for appointment

A former employee of the Ministry of Land, Infrastructure, Transport and Tourism, Mr. Kawaharabata has extensive knowledge and diverse work experience in the Group's main businesses, such as Railway and Bus, as well as aviation and logistics.

Leveraging these experience and achievements, we believe that he will be able to strengthen the audit and supervisory functions of the Company as Outside Director who is a full-time Audit and Supervisory Committee member with no vested interest in the Company by, for example, bringing a sense of urgency to management's business execution.

Brief personal record

April 1990	Joined the Ministry of Transport (currently Ministry of Land, Infrastructure, Transport and Tourism, MLIT)
April 2011	Director-General, Planning and Tourism Department, Kyushu District Transport Bureau, MLIT
September 2012	Director, Port Management and Operation Division, Ports and Harbours Bureau, MLIT
July 2014	Director, Air Navigation Services Planning Division, Air Navigation Services Department, Civil Aviation Bureau, MLIT
July 2016	Executive Director, National Agency for Automobile and Land Transport Technology, MLIT
July 2018	Director, General Affairs Division, Road Transport Bureau, MLIT
July 2019	Director-General, Air Navigation Services Department, Civil Aviation Bureau, MLIT
July 2020	Director-General, Chugoku District Transport Bureau, MLIT
July 2021	Director-General, Kyushu District Transport Bureau, MLIT
December 2022	Advisor, Nippon Life Insurance Company
June 2024	Director and Audit & Supervisory Committee Member of the Company (to present)

Takashige Shibato

Outside Director

Director and Audit & Supervisory Committee Member

Number of Board of Directors meetings and Audit & Supervisory Committee meetings attended

(FY2024)
Board of Directors meeting: 15/16 (94%)
Audit & Supervisory Committee meeting: 13/14 (93%)

Significant concurrent positions

Representative Director and Chairman, Fukuoka Financial Group, Inc.
Representative Director and Chairman, The Bank of Fukuoka, Ltd.
Outside Director, Dai-Ichi Kotsu Sangyo Co., Ltd.
Outside Director, RKB Mainichi Holdings Corporation

Reason for appointment

Mr. Shibato has extensive experience and insight in corporate management, including serving as Representative Director, Chairman of the Board of Fukuoka Financial Group, Inc. and Representative Director, Chairman of the Board of The Bank of Fukuoka, Ltd. He also has a wealth of knowledge in finance and accounting through his work experience. In addition, as Outside Director who is a member of the Audit and Supervisory Committee of the Company since June 2020, he conducts audits based on his experience and insight, and provides useful opinions at meetings of the Board of Directors and the Audit and Supervisory Committee.

We believe that he will be able to strengthen the audit and supervisory functions of the Company and enhance the effectiveness of the Board of Directors as Outside Director who is a full-time member of the Audit and Supervisory Committee, being expected to contribute to lively discussions at the Board of Directors based on his experience and insight, in addition to meaningful audits using his knowledge.

Brief personal record

June 2003	Director, The Bank of Fukuoka, Ltd. (BOF)
April 2005	Managing Director, BOF
April 2007	Senior Managing Executive Officer, Member of the Board, BOF
April 2007	Director, Fukuoka Financial Group Inc. (FFG)
April 2010	Representative Director & Deputy President, BOF
April 2012	Representative Director & Deputy President, FFG
June 2014	Representative Director and President, FFG
June 2014	Representative Director and President, BOF
April 2019	Representative Director and Chairman & President, FFG
April 2019	Chairman and President, BOF
June 2020	Director and Audit & Supervisory Committee Member of the Company (to present)
April 2022	Representative Director and Chairman, FFG (to present)
April 2022	Representative Director and Chairman, BOF (to present)

Kyoko Matsuoka

Outside Director (Independent)

Director and Audit & Supervisory Committee Member

Number of Board of Directors meetings and Audit & Supervisory Committee meetings attended

(FY2024)
Board of Directors meeting: 16/16 (100%)
Audit & Supervisory Committee meeting: 14/14 (100%)

Significant concurrent positions

Representative Director and President, Daio Co., Ltd.

Reason for appointment

Ms. Matsuoka has long been involved in community development as an architect, mainly in Fukuoka, and also has experience and insight in corporate management, including serving as Representative Director and President of Daio Co., Ltd. In addition, as Director who is not a member of the Audit and Supervisory Committee of the Company since June 2020 and as Director who is a member of the Audit and Supervisory Committee of the Company since June 2022, she has provided useful opinions based on her experience and insight. We believe that she will be able to strengthen the audit and supervisory functions of the Company and enhance the effectiveness of the Board of Directors as Outside Director who is a member of the Audit and Supervisory Committee with no vested interest in the Company, being expected to contribute to lively discussions of the Board of Directors by providing useful opinions on urban management undertaken by the Company and to conduct effective audit based on her knowledge, in addition to adding the perspective based on her expertise and experience to the Board of Directors.

Brief personal record

December 1993	Representative Director, Matsuoka One Architects (currently Spinglass Architects) (to present)
April 2007	Associate Professor, Department of Architecture, School of Science and Technology for Future Life, Tokyo Denki University
October 2012	President, NPO Fukuoka Architecture Foundation (to present)
November 2016	Representative Director and President, Daio Co., Ltd. (to present)
June 2020	Representative Director, Community Design in City Center (to present)
June 2020	Director of the Company
June 2022	Director and Audit & Supervisory Committee Member of the Company (to present)

Osamu Nagata

Outside Director (Independent)

Director and Audit & Supervisory Committee Member

Reason for appointment

Mr. Nagata has extensive experience and insight as an executive of global companies, including managing overseas entities and subsidiaries and serving as Executive Vice President and Member of the Board of Toyota Motor Corporation, and serving as President of Toyota Motor Kyushu, Inc. He also has a wealth of knowledge in finance and accounting through his work experience.

We believe that he will be able to strengthen the audit and supervisory functions of the Company and enhance the effectiveness of the Board of Directors as Outside Director with no vested interest in the Company, being expected to contribute to lively discussions at the Board of Directors based on his experience and insight, in addition to meaningful audits using his knowledge.

Brief personal record

June 2009	Managing Officer, Toyota Motor Corporation
April 2013	Executive Vice President, Toyota Motor North America; President & CEO, Toyota Motor Engineering & Manufacturing North America, Inc.
April 2015	Senior Managing Officer; Deputy Chief Officer, North America Region, Toyota Motor Corporation; Chief Administrative Officer, Toyota Motor North America Chief Administrative Officer
April 2017	Executive Vice President and Chief Financial Officer, Toyota Motor North America
June 2017	Director, Toyota Motor North America
June 2018	Representative Director and President, Toyota Motor Kyushu, Inc.
June 2024	Resigned as Representative Director and President, Toyota Motor Kyushu, Inc.
June 2025	Director and Audit & Supervisory Committee Member of the Company (to present)

*1 Attendance at Board of Directors meetings and Audit & Supervisory Committee meetings held since their appointment on June 27, 2024.

Directors' Skill Matrix

Regarding skills to be possessed in light of business characteristics and management strategy, the Board of Directors of the Company identified "skills to be possessed by the Board of Directors" and listed them on a skills matrix as follows according to a long-term vision of "CYD Vision 2035" and critical strategies in the mid-term management plan.

We have introduced an executive officer system, whereby the entire Company, including the executive officers in charge, is equipped with the necessary skills in each business field of the entire Nishitetsu Group. Each executive officer attends Board of Directors meetings to support the Board's decision-making, thereby strengthening the Board's functions.

Name	Position in the Company		Skills to be possessed by the Board of Directors in light of business characteristics and management strategy									
			Corporate Management	Human Resources and Labor Management	Finance and Accounting	IT and Digital	Global	Sustainability and Local Contribution	Internal Control, Legal Affairs and Safety	Mobility	Real Estate and Community Development	Logistics
Sumio Kuratomi	Representative Director, Chairman of the Board		●		●	●		●	●		●	
Koichi Hayashida	President and CEO		●			●	●	●	●		●	
Yoshito Matsumoto	Representative Director, Executive Vice President								●	●	●	
Sunao Ohkaku	Directors Senior Managing Executive Officer		●		●	●		●	●			
Satoru Matsufuji	Directors Managing Executive Officer								●	●		
Kikuyo Tsuno	Directors	Outside Director / Independent	●	●				●	●			
Mie Matsuo	Directors	Outside Director / Independent	●		●	●	●		●			
Tetsuya Nagasao	Directors Full-time Audit and Supervisory Committee member		●				●	●	●		●	
Toru Kawaharabata	Audit and Supervisory Committee members	Outside Director / Independent	●					●	●	●	●	●
Takashige Shibato	Audit and Supervisory Committee members	Outside Director	●		●		●	●	●			
Kyoko Matsuoka	Audit and Supervisory Committee members	Outside Director / Independent	●			●	●	●	●		●	
Osamu Nagata	Audit and Supervisory Committee members	Outside Director / Independent	●		●		●	●	●			

Executive Officer

President and CEO	Koichi Hayashida	All affairs In charge of Audit Department
Executive Vice President	Yoshito Matsumoto	Assistant to President (all affairs) In charge of Automotive, General Manager, Automotive Division
Senior Managing Executive Officer	Nobuhiko Shimizu	Community Development, Transportation and Tourism Promotion Department, in charge of Kitakyushu Group General Manager, Fukuoka Airport Private Outsourcing and affiliated with Community Development, Transportation and Tourism Promotion Department
	Sunao Ohkaku	In charge of Corporate Planning Department and DX/ICT Promotion Department
	Shinji Tagawa	President and CEO, Fukuoka International Airport Co., Ltd.
	Keiichi Utaka	In charge of Global Logistics Division General Manager, Global Logistics Division
Managing Executive Officer	Kimitoshi Sato	In charge of Construction Engineering Management Department and Overseas Business Development Department General Manager, Construction Engineering Management Department and General Manager, Overseas Business Development Department
	Soichi Akizawa	In charge of Group Sales Planning Department and New Domain Business Development Department
	Satoru Matsufuji	Railway Transportation Business Division Director of Railway Transportation Business Division
	Toru Shigemizu	In charge of Real Estate Business Division General Manager and Supervisory Manager, Real Estate Business Division
	Shinji Mori	In charge of Safety Relief Promotion Department, General Affairs Department and Public Relations & CS Promotion Department

Executive Officer	Kazutoshi Shoyama	President, Nishitetsu Agency Co., Ltd.
	Kinya Higashi	General Manager affiliated with Automotive Division
	Toru Yoshida	President, Nishitetsu Bus Kitakyushu Co., Ltd. President, Kitakyu-Nishitetsu Transport Co., Ltd.
	Hitoshi Kubota	President and CEO, Nishitetsu Store Inc.
	Kentaro Yasuda	President, Nishitetsu M-Tech Co., Ltd.
	Takehide Nozaki	In charge of Tenjin Development Division General Manager, Tenjin Development Division
	Kazuhiko Koyanagi	President, Nishitetsu Travel Co., Ltd.
	Takane Ishikawa	In charge of Railway Line Area Development Division General Manager, Railway Line Area Development Division
	Tatsuya Toyofuku	President, Nishitetsu Hotels Co., Ltd.
	Satoshi Nakayama	President, NNR Global Logistics USA Inc.
	Kenji Takamatsu	President, Nishitetsu Building Management Co., Ltd.
	Yasuhiko Tsukamoto	Deputy Director of Railway Transportation Business Division, General Manager of Planning Department
	Hiroshi Takahashi	Deputy General Manager, Global Logistics Division and General Manager, East Japan Sales Department
	Tetsuji Yoshida	In charge of Human Resources Department General Manager, Human Resources Department
	Eijiro Kawashimo	Deputy General Manager, Automotive Division and General Manager, Sales Department
	Hisanaru Nagashima	Deputy General Manager, Railway Line Area Development Division and General Manager, Building and SC Business Department
	Kenichi Akahoshi	In charge of Accounting Department General Manager, Accounting Department
	Kiyoshi Ueno	President, Nishitetsu Real Estate Co., Ltd.

Dated June 27, 2025

It is the policy of the Nishitetsu Group not to seek any profit from violations of law or unethical conduct, and to correctly understand and comply with all applicable laws and regulations, industry standards, and social norms in the countries and regions where we do business.

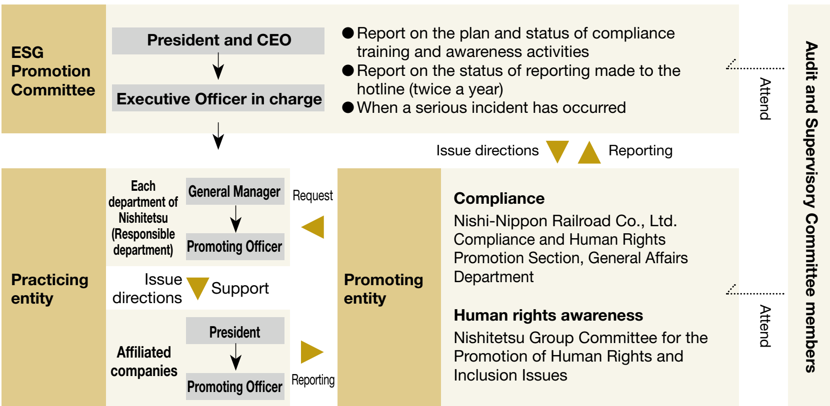
Compliance System

At the Nishitetsu Group, the ESG Promotion Committee and the Compliance and Human Rights Promotion Section of the General Affairs Department act as facilitators to support the initiatives of the entire Group with respect to overall compliance.

Each department and affiliated company takes the initiative in practicing compliance, and the representative (General Manager or President) of each is responsible for compliance and works to improve problems in the workplace. The Compliance and Human Rights Promotion Section requests each department and affiliated company to conduct investigations and initiatives and disseminate information as necessary. At that time, executive officers in charge give instructions to each department and affiliated company on the business execution line in order to ensure thorough implementation of initiatives.

In addition, we have established the “Nishitetsu Group Compliance Policy” to foster compliance awareness, and have created the “Nishitetsu Group Compliance Manual” as a concrete expression of the basic policy and standards of judgment and action in implementing this Policy, thereby familiarizing employees with this Policy.

Compliance Promotion System



Internal Reporting System

We have also created the “Nishitetsu Group Hotline,” which is available to all officers, employees, and business partners of the Group, as a system for internal reporting of acts in violation of compliance. In addition, an internal hotline has been established within the Compliance and Human Rights Promotion Section of the General Affairs Department of the Company, and an external hotline has been established at an external consultation service company. In operating the hotline, we have regulations in place to ensure the proper handling of reports and protection of those who have made reports.

Number of reports made to the Nishitetsu Group Hotline

FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
325 cases	236 cases	277 cases	229 cases	284 cases	257 cases

Initiatives to Promote Compliance

Initiative through Compliance Self-check (employee survey)

Since 2004, the Nishitetsu Group has continuously conducted the “Compliance Self-check,” a questionnaire survey of all employees. The results of the survey are reported at the ESG Promotion Committee meeting and shared at each workplace. Employees at the respective workplaces come up with specific measures to solve the issues and challenges identified through the survey.

Number of responses to Compliance Self-check

October 2021 (Previous survey)	17,166 (78% of total)
September 2024	17,653 (80% of total)

Training and other activities to raise compliance awareness

We provide compliance training in conjunction with various training programs. We also work to raise Group employees awareness through regular information dissemination via the company intranet and compliance newsletters (Kabe Shimbun).

Risk Management Structure

Risk management in the Group is carried out through repeated implementation and evaluation of risk management plans formulated in the management plan.

In addition, important matters related to risk management, such as measures to address new material risks, are regularly reported and discussed at the ESG Promotion Committee chaired by the President and CEO.

Business and Other Risks

Operating a wide spectrum of businesses, the Nishitetsu Group formulates risk management plans for each business with an eye to avoiding risks. Its assets and funds are held and controlled by Nishi-Nippon Railroad to manage group-wide risks. However, in light of the nature of our businesses and management policies, risks that we believe could have a significant impact on our financial position and operating results primarily include those listed below.

We determined these risks to be material based on information available as of March 31, 2025.

Risks that may affect our business operations

1. Natural disasters and spread of infectious diseases
2. Social conditions overseas
3. Diplomatic relations and other international situations
4. Accidents, legal violations, scandals, etc.
5. Social conditions, legal regulations, etc. in Japan
6. Financial conditions and stock price/exchange rate fluctuations

Risks that may affect our mid- to long-term business strategies

1. Declining population, falling birthrate, and aging population in Japan
2. Social implementation of ICT, digitalization, and labor-saving technologies
3. Climate change
4. Respect for human rights and diversity, equity, and inclusion (DEI)

* See “Business and Other Risks” in the Annual Securities Report for more information.

11

Outside Directors —Roundtable Discussion—

Outside Director
Kikuyo Tsuno

Outside Director and Audit & Supervisory Committee member
Takashige Shibato

Outside Director and Audit & Supervisory Committee member
Kyoko Matsuoka

Outside Director and Audit & Supervisory Committee member
Toru Kawaharabata

Theme 1 Assessment of Our Companys Characteristics and Governance

Tsuno: The source of our competitiveness lies in our culture. Of particular importance is the coexistence of a “culture of integrity and trust” and a “culture of coexistence.” The DNA we have developed over many years of operating in the transportation business has earned us the trust as a company that is loved by everyone in the community.
Another strength is the coexistence of diverse businesses, including global logistics. The recent completion of ONE BLDG. embodies this culture of coexistence. I look forward to further enhancing these cultures in order to advance the “CYD Vision” to an effective stage.
One another strength we have is the “diversity of our businesses.” Many of our businesses are rooted in the local community, a feature not found in other companies. I believe there is great potential to leverage this synergy and create new value.
As for governance, the institutional design and operation are well developed, and effectiveness assessment is carefully carried out. I feel that everyone’s sincerity has led to a better governance system. In the future, it is important to have a holistic perspective, not only focusing on individual issues. I think the challenge is to take a total view on the overall strategy as well as risk and fulfill a role.

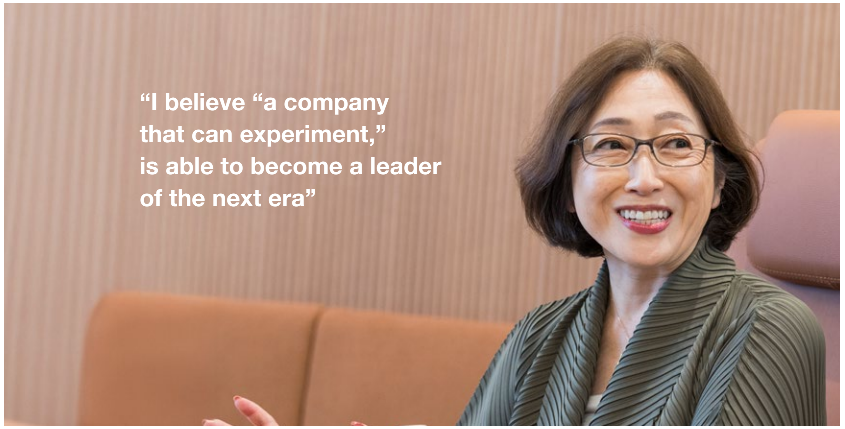
Kawaharabata: We have a strong history of “providing safety and security with railway and bus as our founding business. The brand power of “If it’s handled by Nishitetsu, we can rest assured” has taken root. Over time, streetcars disappeared and buses went from a two-man operation to a one-man operation, but in the process, Nishitetsu has diversified and built the broad portfolio it has today.
Although we faced a difficult situation during the pandemic, global logistics was profitable and we were able to secure profits in a way that complemented each other as a whole, which is the strength of our “comprehensive capabilities.”
However, the transportation sector requires a lot of manpower, and there are concerns about supply shortages and shrinking demand due to the declining population. I have an impression that we tend to lean more toward providing services that meet demand and are less willing to step forward.
In terms of governance, the head office is very solid, but the challenge is to ensure thorough internal control as we have many group companies and are expanding overseas. Regarding improvements in internal control, I feel that we need to establish a mechanism for horizontal development not only in one’s own department and company, but also in other departments.

Shibato: In terms of governance, the status of execution and progress are reported in a timely manner, and on-site visits by Audit and Supervisory Committee members are implemented to provide visibility. In addition, when engaging in new business, we control risk by acquiring human resources and good partners who are familiar with the region, based on risk and return.
While risk management is thorough at the individual business level, I feel that challenges remain in overall risk preparedness. It is especially important to be prepared for headwinds such as Covid-19 pandemic. In the future, it will be necessary to clarify which areas to focus on and to work on these areas intensively.
Matsuoka: Our greatest strength is that we are "based in Fukuoka." Fukuoka is an important region with high growth potential and backed by the expanse of Kyushu. On this foundation, we have built a history of more than 100 years of honest business and trust.
Each department is highly specialized, but its completeness can be a "shell" that prevents new movements and changes. In the future, instead of thinking of railway and bus separately, we should consider wide variations based on the "movement of people." It is important to be able to take on experimental challenges while maintaining safety and security.
I rate "ONE BLDG." very highly. It is not just about the size of the building, but a strong message of creating a new world while respecting the history of Tenjin and the Fukuoka building. We expect that the environment in which employees can work freely and exchange ideas easily will trigger the creation of new areas of business. The social issues facing Japan today cannot be solved by one company alone. Having a real place to work and easily contact with people outside the company is a big advantage.

Theme 2 Expectations for the Next Mid-term Management Plan

Tsuno: It is important to clearly position the next three years as the stage for the realization of the "CYD Vision." Since our business requires a long period of time, it is essential to achieve profit targets on a three-year basis, but at the same time, we need to build a foundation to realize the Vision.
Since this is the second mid-term management plan under the "CYD Vision," it is essential to improve the clarity of the Vision and discuss the positioning of this stage. Progress over the past three years should be examined and organized in terms of both backcasting and forecasting.
Especially with regard to "human capital," we should discuss to which stage to raise and set a direction accordingly. In an age when people are questioning how to deal with the unexpected, company's capabilities are required to bring together people with diverse values and make the most of them. The Vision calls for "human capital management," and I look forward to seeing the company grow by clarifying concrete measures to implement and leveraging the power of its people.
DX and ICT initiatives are also important. The key is what type of business we envision in the face of declining birthrates and a shrinking population. With a sense of urgency that the current staffing structure cannot cope, we should review our business processes to sort out what is necessary and what is not. It is important to change the way we do our work and our culture, and to be clear about where we want to focus our people's capabilities. I also expect to materialize our sustainability efforts in the region and elevate them to the next stage.
Kawaharabata: I used to work in the Ministry of Land, Infrastructure, Transport and Tourism, so I am interested in the transportation field. Faced with labor shortages

and declining demand, I would like to see the Company firmly establish a policy of securing sustainable regional mobility in cooperation and collaboration with local governments and other transportation operators, rather than going it alone. As the bus business group with the largest number of buses owned in Japan, I look forward to the company's efforts to take the lead in resolving regional issues in Kyushu and Fukuoka. The introduction and expansion of new technologies such as labor-saving and automation is also essential. By developing "Knowroute", expanding sales of "retrofit buses," demonstrating self-driving buses on specific routes, using AI to monitor station crossings, and promoting cashless operations, we will continue to grow in the bus and railway sector as well. It is also important to streamline the system in a way that does not compromise the convenience of the elderly and students who depend on public transportation.
I also believe that we can contribute to solving regional issues, such as providing shopping support to the elderly, for example, because we have both transportation and distribution divisions. While ensuring business viability is a prerequisite, I believe that approaching regional issues along the rail line based on a relationship of trust with the local government is the essence of Nishitetsu.
Shibato: I think Nishitetsu is a company that has aimed for sustainable growth while balancing "solving local issues and pursuing public interest" with "returns as a company." We have laid the groundwork in many directions that have great potential, but at the same time, many projects are time-consuming and require selection and focus.
New challenges such as "MaaS," "Knowroute," and the solar power generation business continue to be taken on, and a climate of challenge is certainly being fostered compared to the past. It is important to successfully convert unrealized gains into a source of funds that can be used to win the game. I hope that NIshitetsu will focus on using its brand power in Kyushu and Fukuoka to realize its vision.
Matsuoka: It is important to approach planning with the mindset of "creating something new." There is not much time left until 2035. I don't think we can afford to repeat the same thing in the meantime. The mid-term management plan should be "developed in a completely different way from the previous one, with an eye on the ideal we aim to realize."
Tsuno: We need to add clarity and focus to management. I want to see the enthusiasm and power in our management, saying "We will definitely accomplish this!" In future discussions, we need to really think about where to focus our efforts. However, there are also the thoughts and feelings of those who are responsible for the business involved. I think the big challenge is how to overcome that barrier and make decisions.
Matsuoka: I think that is exactly the role of outside directors.
Kawaharabata: Recently, compensation improvements and various training programs have been actively implemented, which shows the efforts of the Human Resources Department. On the other hand, there are challenges in terms of human resource utilization. It would be good to have a system that allows for the utilization of a wide range of human resources within the Group.
Tsuno: It is important to develop a system whereby personnel decisions are not made at the initiative of the company, but rather at the will of employees. I believe that having a wide range of business areas and opportunities to take on challenges is a great advantage, and that we can bring out the best in our employees by creating an environment that encourages them to "give it a try."



Message from New Outside Directors

Outside Director
Mie Matsuo

I had the impression that the Nishitetsu Group is an irreplaceable company that supports the city of Fukuoka through a wide range of businesses, including bus and railway operations, real estate, distribution, and tourism. Upon assuming the position of Outside Director, I understood that the Nishitetsu Group is promoting reform as a company that develops diversified businesses not only in Fukuoka, but also in various regions throughout Japan and overseas, and realizes a "happy and prosperous society." In order to effectively promote diversified businesses, it is important for each and every one of us to understand the answer to "Why are we doing this business? What is the synergy of the Group?" The Nishitetsu Group has established the "CYD Vision 2035" and is growing its business with this vision as the target that the Group should aim for, and will continue to promote management with an awareness of business efficiency and sustainability.

Japan is now facing challenges it has never experienced in the past, such as labor shortages, population decline, and an aging population. The Nishitetsu Group also needs to solve problems and realize the CYD Vision through a management approach that is not a continuation of the past. And I expect that experience to be a differentiating factor for the business in Asia and other countries that will face the same challenges.

To solve these problems, it is essential to make operations more sophisticated and efficient, and we need to be more active in adopting digital technology. We also have a policy to expand our business by taking on the challenge of global expansion of our business. I myself have many years of experience in promoting business transformation through DX at a global IT company. Based on this global management experience, I would like to contribute to discussions and decision-making at the Board of Directors and work to enhance the corporate value of the Nishitetsu Group.

Outside Director and Audit & Supervisory Committee member
Osamu Nagata

The Nishitetsu Group is working with sincerity to ensure that our customers can trust us with the services they need in their daily lives, including transportation, logistics, clothing, food, and housing. In addition to maintaining and improving comfort and convenience, "preparedness and prevention measures against disasters, accidents, and crimes" are serious issues considering the recent situation and security in Japan and abroad. We are committed to providing even greater "safety and security" by enhancing our full range of preparedness and prevention measures so that our customers can say, "Nishitetsu is the most prepared and secure company in the world."

Also, our desire to contribute to the development of Tenjin, Fukuoka, and Kyushu is becoming stronger, and we are sincerely committed to improving the corporate value of the Nishitetsu Group. Meanwhile, the overseas business that we have been strategically promoting is steadily growing, and young staff have more and more opportunities to play an active role globally. However, the expansion of business areas and regions increases various risks in terms of business. Political and economic developments in the countries and regions where we do business, changes in international trade rules, and other factors that cannot be assumed to be a continuation of what has happened in the past may arise. What we need is increased sensitivity to changes in the business environment and rapid response.

Furthermore, in order to live up to the trust and expectations of our stakeholders, we must be able to properly execute corporate governance and ensure compliance. I will share my experience and learnings with the members of the Nishitetsu Group companies and overseas entities, and will put my efforts to make Nishitetsu continue to be a "sincere" and "trustworthy" company.

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Message from Expert

SDG Partners, Inc.
CEO
Mr. Kazuo Tase

This is a third-party opinion based on my review of the "FY2025 Integrated Report" of Nishi-Nippon Railroad Co., Ltd., and I hold this report in high regard overall. First, I would like to emphasize that this report clearly outlines the company's management philosophy and long-term vision, and integrates sustainability into its management strategy. In his top message, President Hayashida clearly states the company's philosophy of "Create and support warm-heartedly and jointly" and its commitment to solving social issues through their business, which shows the firm will of the management team. This conveys the value the company seeks to provide to its diverse stakeholders, including not only shareholders and investors, but also local communities and employees.

Second, it is worth noting that the value creation model and important issues (materiality) are organized, and very specific initiatives are presented, as well as a description of the challenges and the desired state of the company. This is expected to make the company's sustainability measures more than just a philosophy or declaration; they can function as a mechanism to improve people's lives in a sustainable manner. In particular, the approach of viewing important issues in terms of both financial and social impacts is directly related to the concept of "double materiality," which is increasingly being discussed in Europe, and is more consistent with global standards. This is an advanced attempt among domestic peer companies, and I highly evaluate it as contributing to the enhancement of corporate value in the future.

Third, this report is structured in a way that allows readers to see the characters of the board members, employees, and stakeholders, as well as their respective intentions, which I believe is desirable because it gives readers a sense of the "people" involved. In addition, the effective use of design and visually clear, easy-to-understand content are also commendable. While integrated reports sometimes tend to focus on formal disclosures only, this report conveys the attitude and motivation of the people actually in charge of management, and thus helps us understand the corporate culture itself. I believe that such transparency and design will greatly contribute to building trust both internally and externally.

Finally, I would like to make one suggestion for improvement. Although the current priority issues are clearly organized, in order to further evolve them in the future, it is necessary to make creative efforts to provide a more integrated presentation of "mid- to long-term targets" and "short-term progress." For example, by showing the degree of achievement and the gap between the long-term targets for 2030 or 2050 every year, both consumers and investors will be able to monitor progress with greater confidence. By reinforcing these points, I believe the effectiveness of the integrated report will be further enhanced.

In general, I rate the Integrated Report of Nishi-Nippon Railroad Co., Ltd. as a high-quality report that demonstrates the results of advanced practice in integrating sustainability into management strategies, and that it has great potential for further evolution in the future.

Biography

Born in Fukuoka City, Fukuoka Prefecture in 1967. He holds a bachelor's degree in nuclear engineering and management from the University of Tokyo and dropped out of the Faculty of Economics at the same institution. He joined the Ministry of Foreign Affairs in 1992 and served in the United Nations Policy Section, New York University School of Law as a visiting scholar, Human Rights and Refugees Section, Africa II Section, United Nations Administration Section, and First Secretary at the Permanent Mission of Japan to the United Nations, before retiring from the Ministry in November 2005. After working for the United Nations Secretariat and as Executive Officer of Deloitte Tohmatsu Consulting LLC, he founded SDG Partners in 2017. He leads the development and implementation support of overall corporate sustainability policies, SDG implementation support, ESG and information disclosure support, and SDG strategy development and implementation support to local governments and SMEs.

Social Contribution Activities

True to its corporate philosophy, the Nishitetsu Group is actively involved in various social contribution activities that make it both a trusted and productive member of society.

Promoting Social Contribution Activities

The Nishitetsu Group works on social contribution activities across the group. Some of the activities in FY2024 included the Nishitetsu Kids Work Experience School, a running class by the Track & Field Club, cleanup and greening activities, Bus Day events, the collection and donation of used books, etc., a blood drive, and food drive.

Nishitetsu Social Contribution Month (every September)

Nishitetsu Kids Work Experience School

Since 2009, we have hosted the Nishitetsu Kids Work Experience School to provide a work experience program for elementary school students of the next generation, who will shape the future, an opportunity to experience various jobs in the Nishitetsu Group.

▲ Train operation experience program by Chikuho Electric Railroad Co., Ltd.

Holding a running class as part of the Nishitetsu Kids Sports Class

In fiscal 2023, we started holding the Nishitetsu Kids Sports Class to introduce children to the appeal and fun of sports and conducted a running class in collaboration with the Nishitetsu Track & Field Club. We will continue to do our part in educating the next generation through our sports programs.

▲Running class

Cleanup and greening activities

▲Railway Transportation Business Division, Nishi-Nippon Railroad Area near the Chikushi Plant

▲INCUBE Nishitetsu Co., Ltd. Area around Nishitetsu Fukuoka (Tenjin) Station

▲Global Logistics HQ, Nishi-Nippon Railroad Makuhari no Hama

Other activities

Scan the code for detailed information on promoting social contribution activities.

Participating in local festivals

As a member of the community, we actively participate in traditional events held in the region, such as the Hakata Gion Yamakasa festival (Fukuoka City), the Hakata Dontaku Port Festival (Fukuoka City), and the Wasshoi Hyakuman Summer Festival (Kitakyushu City), while continuing to support local revitalization efforts.

▲Operating Nishitetsu Flower Floats (Hakata Dontaku Port Festival)

▲Nishitetsu Dontaku team (Hakata Dontaku Port Festival)

▲Participating in the Wasshoi Hyakuman dance (Wasshoi Hyakuman Summer Festival)

Tree-planting activities overseas

For more than 20 years, we have been sending our employees to the Philippines, Malaysia, Fiji, Thailand, and Indonesia to support the activities of “Wings of Love Green,” an organization dedicated to the reforestation and conservation of tropical rainforests.

In FY2024, we participated in reforestation activities (7,000 trees) for the regeneration and conservation of mangrove forests in Ranong Province, Thailand.

▲Tree-planting activities in Thailand in FY2024

Overseas social and community contribution activities

We also conduct various types of social and community contribution activities at our overseas subsidiaries.

▲Supporting young people and children with Down syndrome through soccer by NNR Global Logistics UK Limited

▲Mangrove planting by PT.NNR RPX Global Logistics Indonesia

▲Donation of used clothing by NNR GLOBAL LOGISTICS MEXICO, S.A.DE C.V. to reduce environmental impact

NISHITETSU side story

Work Ethos in Narita

Pride. "Wings" of NNR

The year 1948 --- The moment that Nishitetsu acquired the airline agent license, its "Global logistics" started. Logistic routes connecting with the world are spreading as an extension of bus and railway services that have supported mobility in the region.
One of its bases is the Narita Airport Sales Office. This sales office, which started its journey alongside the opening of the Narita International Airport in 1978, has radiated presence with the "Nishitetsu quality." Great fortitude to follow anything through to the end. That is nothing but pride, beating the wings of NNR hard.

Aim to be an international enterprise spreading its wings to the world

Global Logistics HQ, Nishi-Nippon Railroad
Narita Airport Sales Office
Mr. Tetsuro Seo / right
Mr. Ryohei Tanaka / left

NISHITETSU side story

"Pioneer in International Logistics"
Strong Presence at Narita!
"B to B Logistics."

Our business was launched alongside the opening of Narita International Airport in 1975.
Narita Airport Sales Office, Global Logistics HQ, Nishi-Nippon Railroad
Although hailing from Kyushu, Nishitetsu has grown into a presence that is also highly acknowledged by globally renowned Japanese competitors.

"Horses? You must go to "Nishitetsu." We undertake the transportation of living animals in an integrated way!

One of the strengths of Nishitetsu's Global logistics is to transport "living creatures." Especially, the international transport of thoroughbreds is a field where we garner a reputation for being told "We (clients) can entrust it to nobody but Nishitetsu." It is our experience and knowledge that support the performance of procedures that need attention almost simultaneously such as coordination with quarantine officers and customs and prior preparations around aircraft. The environment during transit for race horses that can earn prizes of hundreds of millions of yen may affect the win or loss of a race. Therefore, the attitude of taking up the challenge with the preparedness to undertake the best moment of that horse is Nishitetsu's pride.

Mr. Tetsuro Seo, responsible for the transportation of race horses says "It is a proof of trust (given to our company) that I am able to handle the transportation for international equestrian events, including the transportation for Japan's first International G1 Japan Cup. I have been involved in customs clearance and transportation of over 300 race horses and harness that arrived from all over the world, fortunately propping up the history of great race horses. I usually work from mid-night to early morning when temperatures are lower to ensure little burden on race horses. When the aircraft will arrive and where it will be parked are confirmed at the 11th hour, so we have to coordinate the work with all related parties in parallel. "In the transportation of international race horses, things do not turn out the way the manual says. Should the unexpected occurs, we have to fight a lone battle and get the job done completely," says Mr. Ryohei Tanaka, responsible for transporting race horses like Mr. Seo. No way but to see things through! === That is the frontlines in which living animals are transported.

Mr. Seo says, "We always should be ahead of things and sharp enough to take anticipatory steps. I have learned that by watching how generations of senior members handle situations." The spirit that has been passed down from generation to generation is a genuine symbol of "Nishitetsu made up of dedicated people" Scenes of aircraft carrying our cargo departing Narita inspire the pride of a forwarder, self-respect, strongly.

01 Transportation

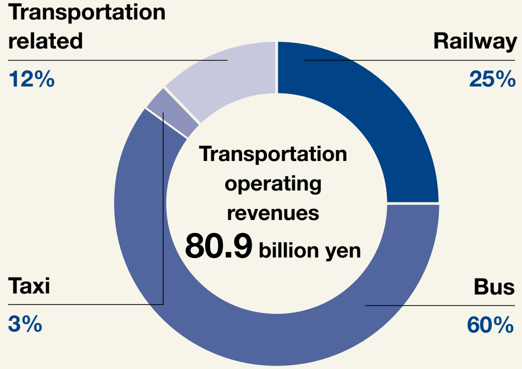
Our transportation business is engaged in railway, bus, taxi, and transportation-related operations, providing safe and reliable public transportation services for everyone from commuters to tourists.

The railway business mainly consists of the Tenjin-Omuta Line, which runs the 74.8-kilometer stretch between Fukuoka (Tenjin) and Omuta via Futsukaichi, Kurume, Yanagawa, and other cities in about 64 minutes (by limited express train), the Kaizuka Line, which operates in eastern Fukuoka City and also connects to the Fukuoka City Subway, and the Chikuho Electric Railroad, which travels 16 kilometers from Kurosaki-Ekimae Station in Kitakyushu City's Yahatanishi Ward to Chikuho Nogata Station in Nogata City in about 35 minutes.

The bus business consists of the transit bus business and tourist bus business. Our transit bus business is divided into two: general-route bus services, which play an important role in supporting the lives of local residents; and highway bus services, which directly connect cities mainly in each prefecture of Kyushu. The tourist bus business operates community-based services while also attracting customers from outside the prefecture.

Business Overview

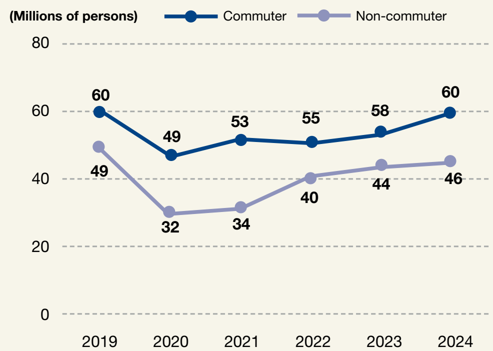
Operating Revenue Mix for the Segment in FY2024



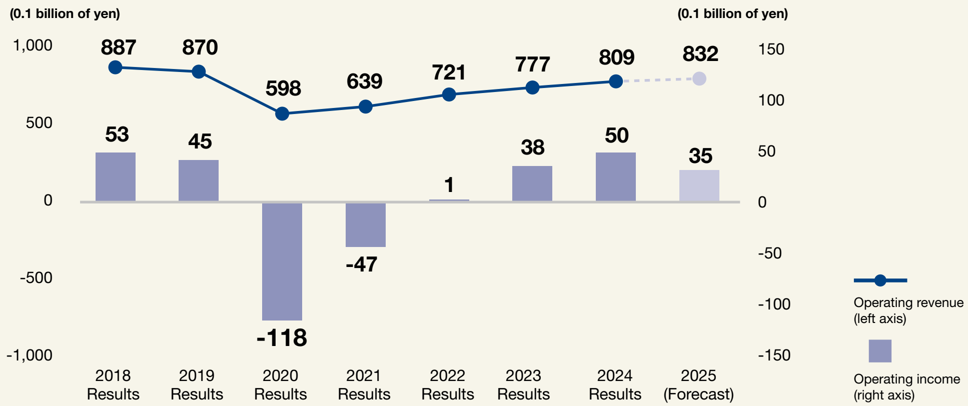
In fiscal 2024, the transportation business saw operating income increase by 1.2 billion yen year on year to 5.0 billion yen. This growth is primarily due to the effect of a fare revision in the bus business (implemented in January 2024) and a recovery in the number of passengers in the railway business.

In fiscal 2025, operating income is expected to decrease by 1.5 billion yen to 3.5 billion yen mainly due to increases in personnel expenses and depreciation in the railway business and a rise in personnel expenses in the bus business.

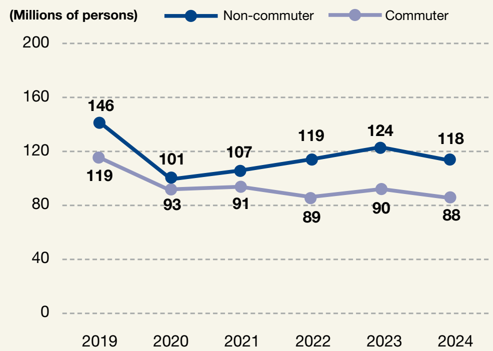
Railway Business: Ridership



Trend in Operating Revenue and Operating Income



Bus Business: Ridership



Initiatives in FY2024

The railway business saw the year 2024 mark the 100th anniversary of the opening of the Nishitetsu Tenjin-Omuta and Nishitetsu Kaizuka Lines. In order for the Nishitetsu Train to become more beloved as a local transportation means, we enlisted new official mascots "*Gatanko and Gotonko* (clickety-clack)" and took a range of measures such as running wrapped trains, airing TV commercials and selling Nishitetsu merchandise. Furthermore, we advanced the continuous grade separation project between Zasshonokuma Station and Shimo-ori Station and opened a new station building, Kasugabaru Station. In order to provide safer and more reliable transportation services, we proceeded with the installation of platform doors at Nishitetsu Fukuoka (Tenjin) Station and seismic reinforcement work around Takamiya Station. Additionally, we advanced a labor-saving effort by revising the station operation system through measures such as applying a centralized station management system to Kaizuka Line and increasing applicable stations in Nishitetsu Tenjin-Omuta Line. In the bus business, Nishitetsu Bus Omuta Co., Ltd., Nishitetsu Bus Kurume Co., Ltd. and Nishitetsu Bus Saga Co., Ltd. revised their fares in order to provide a sustainable public transportation network. In addition, toward ensuring service punctuality and easing burden on operators, we took part in the completely cashless bus operation demonstration, led by the Ministry of Land, Infrastructure, Transport and Tourism. We used to offer the "50-yen bus for children" in the limited period of long holiday seasons and have just extended the applicable period to all Saturdays, Sundays and national holidays in an effort to promote the use of public transportation systems. Moreover, to achieve carbon neutrality, we made progress in the production and introduction of retrofit electric buses.

Topic 1

About contactless payments at Nishitetsu Train and Nishitetsu Bus

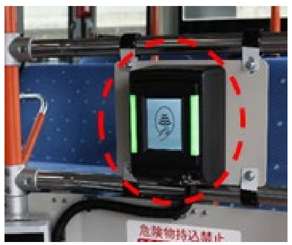
We have adopted a touchless payment service on the Nishitetsu Train and the Nishitetsu Bus. We will take measures for enhancing convenience, including touchless payment, toward realizing a sustainable public transportation system.

Nishitetsu Train

We started a demonstration operation in some stations in July 2022 and completed the installation in all the stations of Tenjin-Omuta and Kaizuka Lines in November 2024. The number of usages a day as of March 2025 grew steadily about 1.7 times that of November 2024, when all stations adopted the system, showing more and more passengers become aware of the service. In expectation of a further expansion in usage, we have started a full-scale introduction since April 2025.

Nishitetsu Bus

We have expanded applicable routes on a rolling basis since July 2023, and demonstration operations are under way in five routes in Fukuoka and Kitakyushu areas. We have started a completely cashless payments on the Fukuoka BRT (bus rapid transit) between Fukuoka Station and Fukuoka International Airport since December 2024, and the ratio of touchless payments has increased steadily from 4% prior to the demonstration to 5% in December. With an eye to introducing the system broadly to other routes down the road, we will extend the period of the demonstration operation of the touchless payment service to March 31, 2026 to acquire further knowledge of the service.



Topic 2

100th Anniversary of Our Railway Business

Nishitetsu Tenjin-Omuta and Nishitetsu Kaizuka Lines celebrated 100 years in service in 2024. We thank everyone for your patronage over the years. As we move toward the next 100 years, we aim to make the Nishitetsu Train more beloved as a transportation means serving the local communities.

Topic 3

Installation of platform doors

In order to improve safety on the platform, we started installing platform doors at Nishitetsu Fukuoka (Tenjin) Station in fiscal 2023, and plan to complete installation on all platforms by the end of fiscal 2025. We will keep striving to enhance safety and convenience in the railway business and offer safe and comfortable service.

02

Real estate

The real estate business segment includes our leasing and housing businesses. While engaging in community development mainly in areas along our railway lines, we are working to add value to the communities.

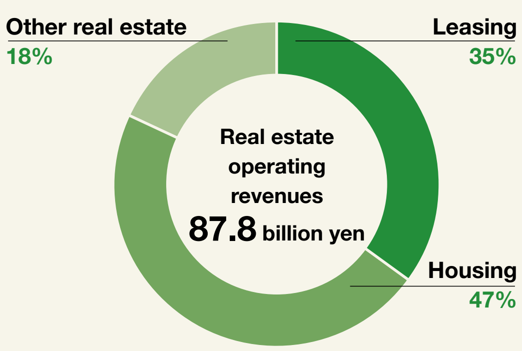
The leasing business operates not only office buildings mainly in Fukuoka City but also commercial buildings in Tenjin, including the Solaria Plaza Building, the Solaria Terminal Building, and the Solaria Stage Building, as well as Chacha Town Kokura, a commercial facility in Kitakyushu City.

In the housing business, we are developing detached houses mainly in the areas along our railway lines and condominiums for sale under the Sunriant brand, etc. primarily in Fukuoka, Kansai and the Tokyo metropolitan area, as well as the Lacleis series of rental condominiums and the Suncarna series of senior condominiums (i.e., fee-based nursing homes for the elderly).

In addition to that, we have expanded into overseas markets, starting with our first project in Ho Chi Minh City, Vietnam in 2015, and are engaged in residential and other real estate development projects in Southeast Asia and the United States.

Business Overview

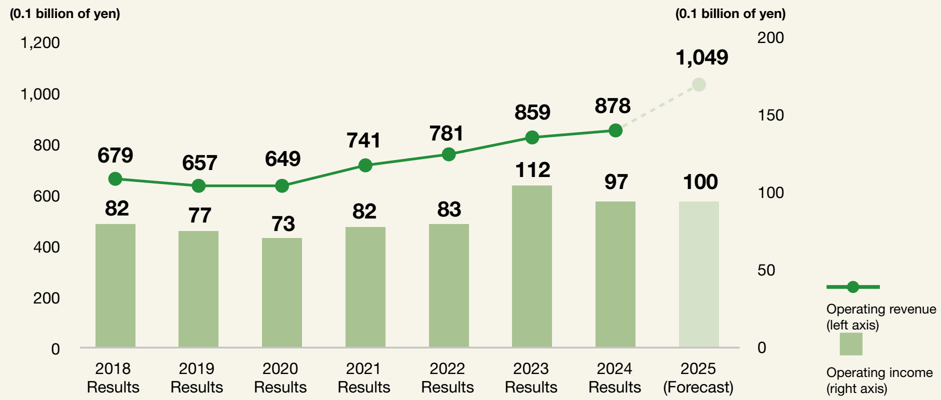
Operating Revenue Mix for the Segment in FY2024



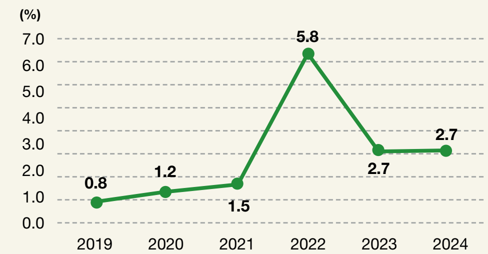
In the real estate business for fiscal 2024, although the housing business saw an increase in the number of units/plots sold, the unit selling price declined from the previous fiscal year. In the leasing business, despite the completion of ONE FUKUOKA BLDG. (December 2024) and a rise in leasing income in commercial facilities, expenses occurred from items related to the completion of ONE FUKUOKA BLDG. As the result, operating income decreased by 1.4 billion yen year on year to 9.7 billion yen.

In fiscal 2025, we expect operating income to reach 10 billion yen, an increase of 0.3 billion yen, due in large part to an increase in the number of units/plots sold in the housing business despite rises in a range of taxes in the leasing business.

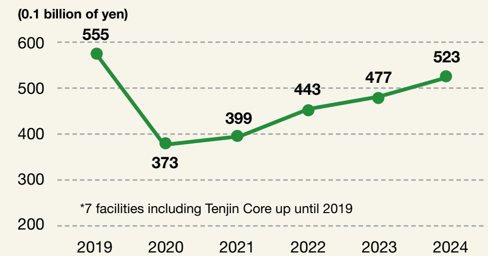
Trend in Operating Revenue and Operating Income



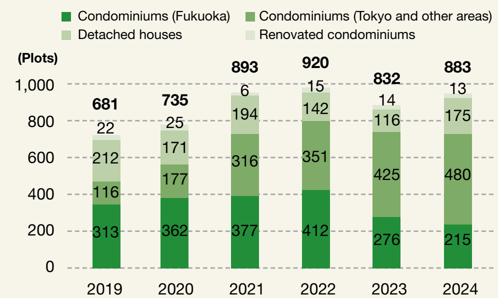
Vacancy Rate of Major Office Buildings in Fukuoka City



Sales of 6 major commercial buildings



Housing Business: Number of Units Sold



Initiatives in FY2024

In the leasing business, we strove to invite attractive tenants, such as shops expanding into Kyushu for the first time, in preparation for the opening of ONE FUKUOKA BLDG. (opened in April 24, 2025) in the Fuku Building Block Reconstruction Project. We endeavored to revitalize areas along the railway and expand revenue by carrying out projects such as the development of areas and stores around the stations in connection with the continuous grade separation project between Zasshonokuma Station and Shimo-ori Station, in addition to renovating the commercial facilities inside Nishitetsu Kurume Station Building “emax Kurume” as “Rairia Kurume. Moreover, we renovated the Stage Square Vision on the first floor of the Solaria Stage Building and restarted its operation under the new name of SOLARIA DAIGAMEN. In addition, we made steady progress in undertakings, such as joint projects in central Fukuoka with landowners, including the Tenjin 2-Chome South Block Station East-West Area Ekimae Project and the Tenjin 1-Chome 15 and 16 Block Plan.

In the housing business, we were engaged in supplying and selling condominiums, including Wellith Yachiyo Murakami and Tsukuba Grand Villa. We also sought to expand the real estate business overseas through joint housing development projects with local developers in Southeastern Asia and the U.S.A. In other real estate business, we established Nishitetsu Asset Management Co., Ltd., pushing the efforts to enhance capital efficiency by real estate securitization and create business opportunities.

Topic 1

Grand Opening of Commercial Complex, Rairia Kurume

With the completion of renewal construction of Nishitetsu Kurume Station Building, the commercial facility was renamed to Rairia Kurume and held a grand opening ceremony. This time round, holding up “an oasis space in a town where people coming and going can take a breather” as the concept, we took two years to renovate the facility in stages from 2022.

Topic 2

SOLARIA DAIGAMEN, Debuted as New Landmark

This vision is an information hub located in the center of Tenjin and has become popular as a famous rendezvous spot. A massive vision, 8 meters wide and 9 meters high, was newly installed in February 2025 and has became one of the largest in Kyushu inside station buildings. The place will be transformed as a landmark in Tenjin, offering content that people enjoy while waiting. With this, we will strive to enhance the name recognition of Tenjin, Fukuoka, and bring vibrancy to the town.

Topic 3

Expansion of Condominium and Other Development Business Outside Fukuoka Prefecture

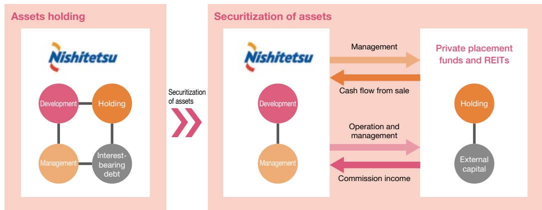
In the housing business, proceeding with expanding the condominium-sales business outside Fukuoka Prefecture, we are supplying and selling them in the Tokyo metropolitan area and the Kansai region.

◀Sunriant Gifu Grand Condo (Gifu City, Gifu Prefecture)

Topic 4

Nishitetsu Asset Management Co., Ltd. Established

We established Nishitetsu Asset Management Co.. Ltd. on October 1, 2024. The newly established subsidiary plays a central role in forming and managing funds in preparation for an expansion in the use of real estate securitization schemes. The Group will drive town-making in Fukuoka and areas along its rail lines through the creation of business opportunities and improvement of capital efficiency by making better use of real estate securitization schemes.



03 Retail

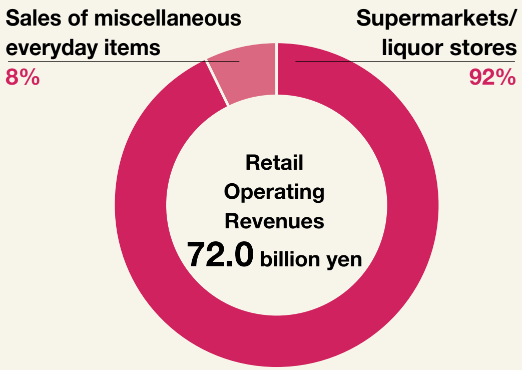
In the retail business, we operate supermarkets and liquor stores as well as we sell miscellaneous everyday items tailored to local characteristics and customer needs.

The supermarkets/liquor stores business operates a total of 111 stores (as of March 31, 2025) in Fukuoka and Saga prefectures, including Nishitetsu Store, Reganet, Spina, and Uncle Yume Ichiba, which are all supermarkets, and liquor stores, as well as directly-managed and franchised grocery stores.

In sales of miscellaneous everyday items, we operate a total of 18 stores (as of June 30, 2025) not only in Fukuoka Prefecture but also in other prefectures in Kyushu and Honshu, including our flagship INCUBE Tenjin store.

Business Overview

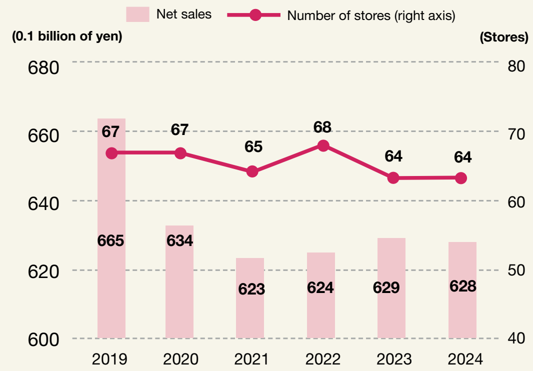
Operating Revenue Mix for the Segment in FY2024



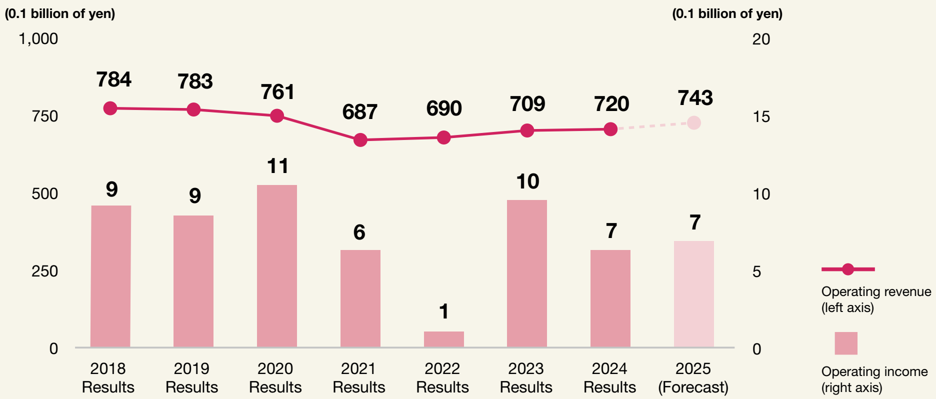
In fiscal 2024, operating income in retail decreased by 0.3 billion yen to come down to 0.7 billion yen due to an increase in personnel expenses and others in supermarkets/liquor stores whereas stores that had been renovated in the previous fiscal year mainly contributed to a sales increase, and Aeon Mall Nogata was opened in sales of miscellaneous everyday items (April 2024).

In fiscal 2025, we expect operating income to reach 0.7 billion yen, a similar level to the previous fiscal year, primarily due to an increase in expenses despite a projected sales increase in supermarkets/liquor stores.

Supermarket Business: Net Sales and Number of Stores



Trend in Operating Revenue and Operating Income



Initiatives in FY2024

In supermarkets/liquor stores, we endeavored to boost earning power through initiatives such as the opening of Reganet Sunatsu after renovation. In June 2025, we renovated Reganet Tenjin at the timing of the opening of ONE FUKUOKA BLDG. Reganet Tenjin has enhanced delis assortment, and produces “Fresh just from the kitchen” and “The fun of choosing” through face-to-face selling in an effort to increase customers’ willingness to buy them.

In sales of miscellaneous everyday items, we strove to expand earnings through actions such as the opening of INCUBE Aeon Mall Nogata Store.

Topic 1

Reganet Tenjin reopened after renovation

~ Daily New Discovery (Find something new every day) ~ Turn everyday shopping from a routine to enjoyment.

We aim to create “wow” moment stores by having customers encounter new products.

Daily New Discovery (Find something new every day)

With creating a sales floor where you can discover something new every day in mind, we welcome you with a broad lineup of products.

JUST IN TIME

The deli section was extensively renovated! We deliver the pleasure of choosing freshly prepared food anytime.

CHEF’S CRAFT

The talk of the town. High-quality evolutionary frozen foods
You can enjoy delicious meals readily even on a busy day.

Topic 2

INCUBE takes a new look through relocation and renovation

INCUBE Aeon Mall Chiba-Newtown Store located on the first floor of Aeon Mall Chiba-Newtown, a commercial complex in Inzai City, Chiba Prefecture, was opened after relocation in November 2024. The relocated store is made up of sections centered on cosmetics with a total of about 11,000 items including home goods, proposing new encounters “Make your everyday life a little bit more enjoyable.” Besides, INCUBE Sunlive City Kokura Store, which had undergone its first large-scale renovation since the opening of 2014, was reopened on April 18, 2025. This renovation has broadened an assortment of beauty products that are in high demand. Introducing new cosmetics brands and expanding offerings of skin-care cosmetics, the reopened store aims to raise the capture rate of young customers including existing ones. The exterior of the store is more welcoming with the wall removed from its entrance, which makes the store interior more visible, resulting in the store transforming into a more inviting one.

▲INCUBE
Aeon Mall Chiba-Newtown Store

▲INCUBE
Sunlive City Kokura Store

04

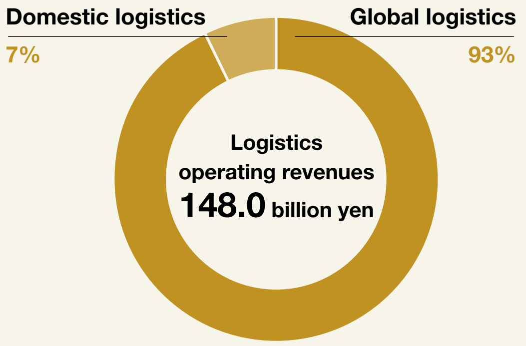
Logistics

The logistics business involves global and domestic logistics operations.

Operating in 119 cities in 28 countries and regions (as of March 31, 2025), our global logistics business provides comprehensive global logistics services to meet every customer need. As an air cargo agent and ocean freight forwarder (NVOCC), we provide air and ocean import/export cargo transportation as well as inventory management and other logistics services.

Business Overview

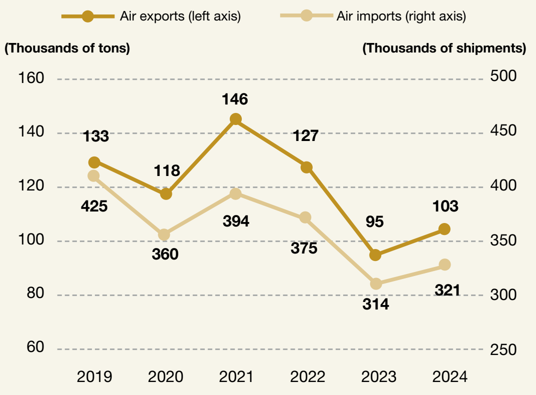
Operating Revenue Mix for the Segment in FY2024



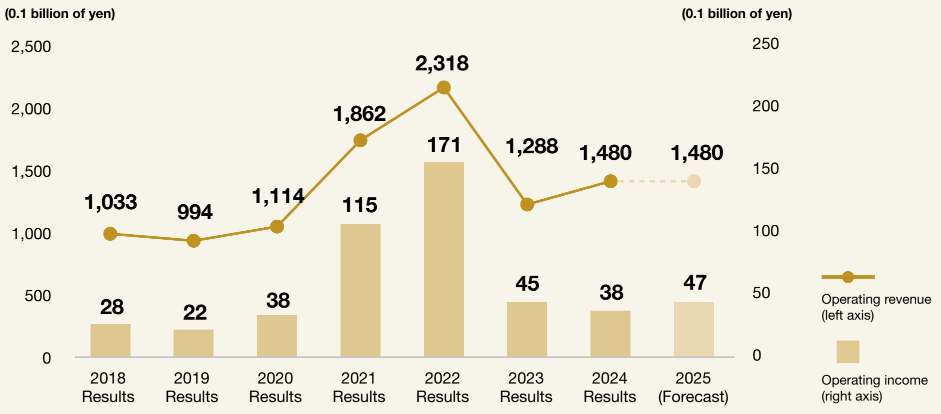
In fiscal 2024, operating income for the logistics business decreased by 0.7 billion yen year on year to total 3.8 billion yen. This drop was mainly due to a rise in purchasing prices despite an increase in transaction volumes by the recovery of cargo traffic and higher converted value in yen terms thanks to foreign currency rate fluctuations in the global logistics business.

In fiscal 2025, operating income is expected to increase by 0.9 billion yen to total 4.7 billion yen, mainly due to an increase in gross profit in the global logistics business.

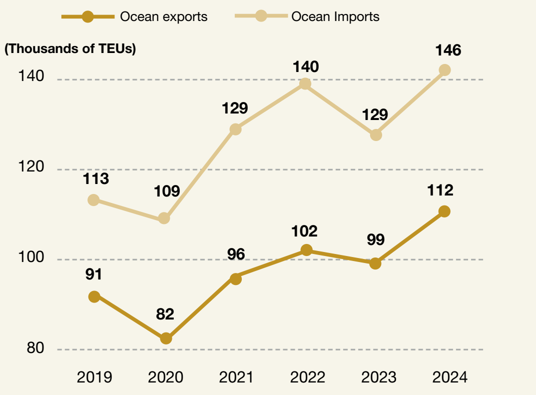
Air Export Volume and Air Import Shipments



Trend in Operating Revenue and Operating Income



Ocean Export and Ocean Import volume



* TEU is a unit for measuring the amount of cargo, based on 20-foot ocean transport container.

Initiatives in FY2024

In the global logistics business, we expanded our overseas network by opening new locations in Indonesia, Vietnam, and the U.S. In the Kumamoto area, where the semiconductor industry has been increasing its concentration, we began handling import/export cargo to/from Aso Kumamoto Airport to increase earnings. We also focused on timely bidding and our procurement strategy (cost reduction through centralized purchasing) to boost our earning power. In addition, according to our basic policy on sustainable management, we released the NNR CO2 Calculator, a tool for calculating CO2 emissions, on the Global Logistics website for customers. With additional actions, we advanced initiatives that led to decarbonization.

Topic 1

Expansion of Logistics Business

The Kanto Logistics Center, which was one of our largest centers in Japan, went into operation on July 1, 2024. Taking advantage of its favorable location within 40 km of a major port and rail freight terminal, the center is proceeding with enhancing services and improving quality. The center acquired the necessary permits*1 to handle cosmetics and quasi-drugs, made registrations, assigned a managing pharmacist, and expanded into a new field in November 2024.

Besides, NNR GLOBAL LOGISTICS TAIWAN INC., a Nishitetsu overseas subsidiary in Taiwan, opened a Taoyuan logistics center and started service on November 1, 2024. Taoyuan City, where the center is located, is close to Taoyuan International Airport, Taiwan Port, and Keelung Port, and is also within an hour's drive of the Hsinchu Science Park, the center of Taiwan's high-tech industry, making it an ideal location for a distribution base. The center is outfitted with multiple dock levelers*2 and is capable of loading to and unloading from containers for ocean freight. The center is also equipped with an air-conditioned area and is suitable to management of inventories of precision devices such as semiconductors. The logistics center manages all cargoes including those to be transported inland and helps optimize supply chains.

*1 Manufacturing license for quasi drugs (packaging/labeling/storage category), manufacturing license for cosmetics (packaging/labeling/storage category) *2 A device that removes the height difference between the floor surface of a building and the bed of a truck, etc. when loading and unloading in warehouses and other places.

Kanto Logistics Center
[Location] 2-4 Akanehama, Narashino City, Chiba Prefecture, Japan
[Site area] 8,844 m²
[Floor space] 19,343 m² (warehouse)
[Building structure] Steel frame, 4 stories in steel framed reinforced concrete structure and designed to be earthquake-resistant, ceiling on each floor 5.5m high and floor load of 1.5t/m² (warehouse)
[Warehouse specifications] 1st floor: room-temperature warehouse, refrigerated warehouse (constant temperature and humidity). 2nd to 4th floors: air-conditioned warehouse

Taoyuan Logistics Center
[Name] NNR Global Logistics Taiwan Inc. Taoyuan Logistics Center
[Location] No.25, Ln.37, Haishan E. St., Luzhu Dist., Taoyuan City (338016), Taiwan, R.O.C.
[Site area] 6,027.22 m²
[Floor space] 4,219.04 m² (warehouse)
[Building structure] Steel construction (S structure) and ceiling in the warehouse 9.5m high
[Warehouse specifications] 1F: room-temperature area (2,811.71 m²) and air-conditioned area (1,407.33 m²)

Topic 2

Expanding into Semiconductor-related Industries

Semiconductor-related businesses are agglomerating In Kyushu including the Kumamoto region. Global Logistics HQ set up a semiconductor specialized section and a Kyushu business development section anew in April 2025 to reinforce its approach to the semiconductor industry in cooperation with the Kumamoto Sales Office.

Topic 3

Sustainable Management Initiatives

As was the case in fiscal 2023, the global logistics business publicized the NNR Global Logistics Sustainability Report 2024. This report gives specific and detailed explanations on sustainable activities in which the said business division is engaged, and their achievements.

In addition, the NNR CO2 Calculator was improved by linking with our own systems, which made the CO2 emissions report easier-to- read and enables us to provide customers with easy-to-understand contents. The report has become an effective means for customers to grasp their own CO2 emissions, playing a role in advancing the provision of sustainable logistics services.

05

Leisure and services

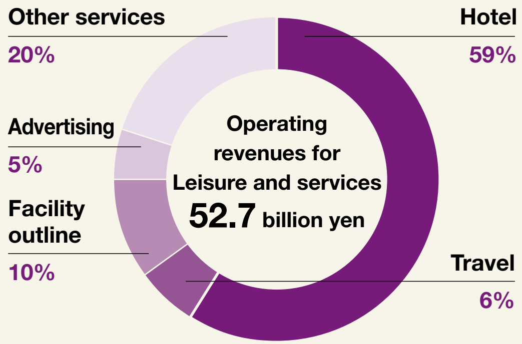
In the leisure and services business segment, we are engaged in the hotel, travel, facility outline, food and beverage, advertising, and other service businesses, and strive to provide diverse functions and added value through a wide range of services.

In the hotel business, we operate two city hotels, the Nishitetsu Grand Hotel, which opened in 1969 in Tenjin, the heart of Fukuoka, and the Solaria Nishitetsu Hotel Fukuoka, located adjacent to Nishitetsu Fukuoka (Tenjin) Station. We also operate a total of 16 limited-service hotels in major cities across Japan and five in South Korea, Thailand, and Taiwan under the Solaria, Croom, and Nishitetsu Inn brands.

The travel business offers a wide variety of travel services, including business support for professional soccer, baseball, basketball, and other athletic teams as well as individual, group, business, and MICE travel services. In the facility outline business, we operate the Marine World aquarium and Dazaifu Amusement Park.

Business Overview

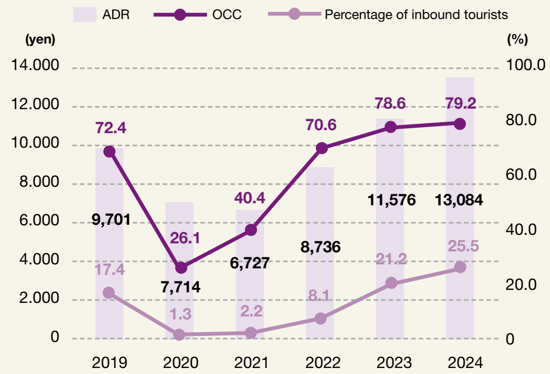
Operating Revenue Mix for the Segment in FY2024



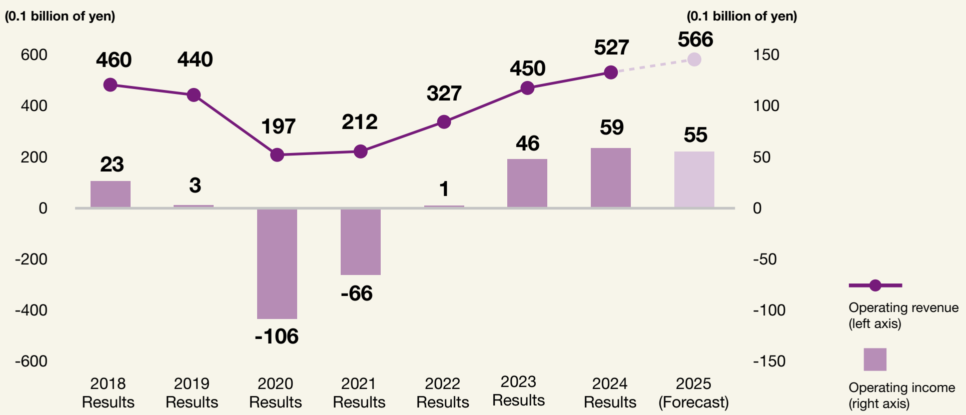
In fiscal 2024, the leisure and services business segment saw operating income for the hotel business rise by 1.3 billion yen year on year to reach 5.9 billion yen mainly due to a rise in average daily rate (ADR) and Solaria Nishitetsu Hotel Taipei Ximen, opened in the previous fiscal year (August 2023), contributing to the segment's results.

In fiscal 2025, operating income is expected to decrease by 0.4 billion yen to come down to 5.5 billion yen in the hotel business, primarily due to the occurrence of expenses related to the opening of ONE FUKUOKA HOTEL, which already started business (April 2025).

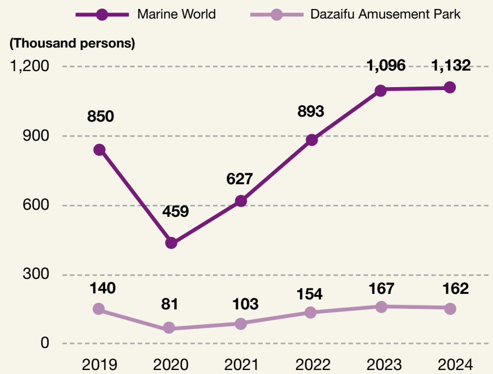
Average Daily Rate (ADR), Occupancy Rate (OCC), and Percentage of Inbound Tourists for Limited-service Hotels in Japan

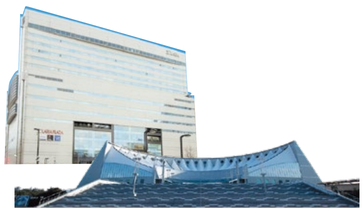


Trend in Operating Revenue and Operating Income



Number of Visitors to Marine World and Dazaifu Amusement Park





Initiatives in FY2024

The hotel business strove to expand revenue through measures such as opening Nishitetsu Hotel Croom Bangkok Silom, which is our second hotel in Bangkok, Thailand. In addition, Nishitetsu One Style Co., Ltd. was established as the management company for ONE FUKUOKA HOTEL to facilitate the preparations for its opening.

The food and beverage business made progress in preparing for the opening of Tenjin Fuku Shokudo inside ONE FUKUOKA BLDG.

Topic 1 Steady progress in new hotel plans

The hotel business saw profits recover above the pre-pandemic level. We will continue to open new hotels in areas with high demand for business and tourism both in Japan and overseas to further expand our operations with an eye to enhancing the value of the Nishitetsu brand.

Solaria Nishitetsu Hotel Taipei Ximen

[Opened in August 2023]

This is the first Japanese-affiliated hotel in the Ximending area, a trend-setting area for food, fashion, and culture. It is within walking distance of Taipei Station, the center of Taiwan, offering excellent access to transportation.

Solaria Nishitetsu Hotel Osaka Honmachi (tentative name)

[Scheduled to be opened in the winter of FY2026]

We will rent the hotel portion of the mid-rise building of the Honmachi 4-chome Project (tentative name) to open a new hotel. Conveniently located on Midosuji Avenue and directly connected to Honmachi Station, a junction for the Osaka Metro Midosuji, Yotsubashi, and Chuo Lines, the hotel is expected to attract business travelers, tourists, and inbound travelers looking for accommodation.

Nishitetsu Hotel Croom Bangkok Silom

[Opened in September 2024]

This is the second hotel we opened in Bangkok, following the Solaria Nishitetsu Hotel Bangkok, and the first overseas location for the Croom brand. Located in a business district where many Japanese-affiliated companies operate, the hotel is staffed by Japanese-speaking personnel and can accommodate demand for medium- to long-term stays.

Solaria Nishitetsu Hotel Fukuoka Airport (tentative name)

[Scheduled to open around the summer of 2027]

We will open a hotel that is directly connected to an airport in the complex that is scheduled to start business in the domestic flight district of Fukuoka Airport, the first kind for the Nishitetsu Group. We endeavor to capture accommodation demand from business persons and domestic and foreign tourists who use early-morning flights by opening a hotel in Fukuoka Airport, which boasts high traffic accessibility as a base of tourism and global business.

Topic 2

Establishment of Nishitetsu One Style

Nishitetsu One Style Co., Ltd. was established as the management company of ONE FUKUOKA HOTEL on May 27, 2024. We aim at the creation of a comfortable venue full of happy feelings through providing diverse value in the place of Tenjin, which leads the vibrancy of Fukuoka.

We present a moment that embraces all – the usual and the extraordinary, urbanity and nature, business and leisure, and interactions and rest – in a civilized manner from ONE FUKUOKA HOTEL located on the top floor of ONE BLDG., towering above the center of Tenjin, Fukuoka.

06 Others

Our other businesses include the IC card, vehicle maintenance-related, construction-related, and metal recycling businesses.

The IC card business offers nimoca IC card ticketing and electronic money services.

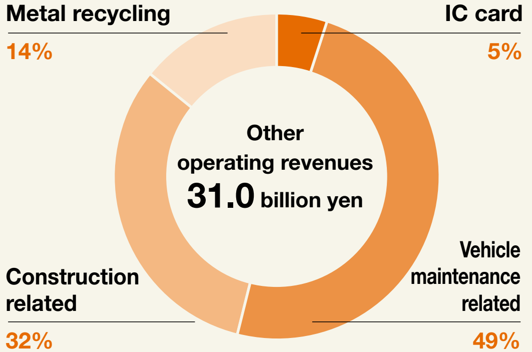
The vehicle maintenance-related business encompasses the maintenance and repair of buses and general vehicles, vehicle modifications, and sales of forklifts.

The construction-related business includes the construction of condominiums, office buildings, stores, and other structures, as well as the development of infrastructure such as railroad tracks, roads, and water and sewage systems.

The metal recycling business is engaged in the processing and trading of shredded scrap metal, etc.

Business Overview

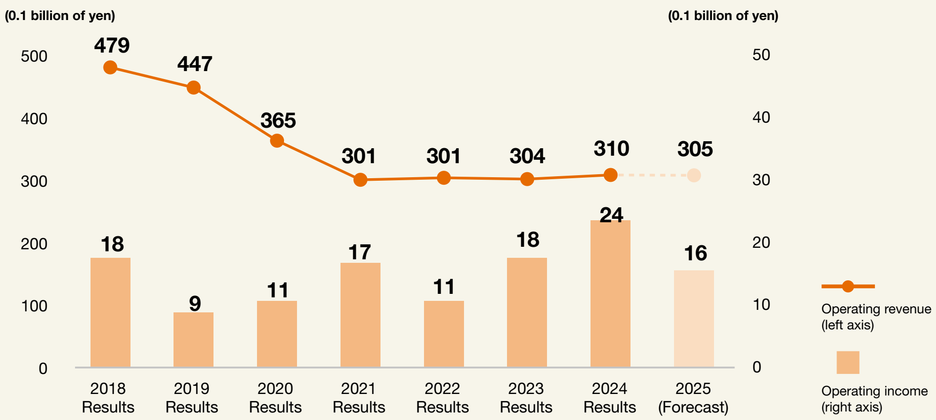
Operating Revenue Mix for the Segment in FY2024



In fiscal 2024, operating income for our other businesses increased by 0.6 billion yen year on year to total 2.4 billion yen, mainly due to an increase in orders received in the vehicle maintenance-related business.

In fiscal 2025, operating income is expected to decrease by 0.8 billion yen to total 1.6 billion yen, primarily due to a drop in gross profit in the construction-related business.

Trend in Operating Revenue and Operating Income



Initiatives in FY2024

In the IC card business, we worked to support transportation operators who had adopted the nimoca IC card in making a shift to a cashless payment system. In the construction-related business, we strove to expand earnings through measures such as active approach to design firms, existing customers, construction companies and others to win new construction orders and participation in bidding on public works projects, which led us to win a contract for building a new swimming pool facility at an elementary school in the Island City area.

Topic 1

Retrofitting Buses to Make Them Electric

The Nishitetsu Group not only operates and manages buses, but also repairs, renews, and remodels buses. Nishitetsu Auto Body Tech Co., Ltd. manufactures retrofit electric buses to which the company converts old buses in its own fleet. Not only do they emit less CO2 because they are powered by storage batteries, but they can also be built for about half the cost of purchasing a new electric bus. Leveraging its technological capabilities, the Nishitetsu Group aims to add 30 retrofitted electric buses to its fleet each year as it works toward realizing a decarbonized society.

NISHITETSU side story

skill

Technological Inheritance.

The professionals, or “engineers,” support the safe operation of the railroads.
The group company “Nishitetsu Engineering” was founded in 1968, but in 2019, following the restructuring of the Railway business, the previous four group companies and divisions were reintegrated into the current form of organization.
The objective was to unite dispersed technologies and experiences into one to ensure greater railroad safety.
The challenge was to “work together with one heart”—
It was also a fresh restart to connect different expertise with “like-mindedness.”

The tracks,
the thoughts,
endlessly.

Nishitetsu Engineering Co., Ltd.
From left to right
Yukitoshi Tobimatsu (area chief)
Hideo Ide
Tomotaka Noritomi
Kenji Kawakami

NISHITETSU side story

The tracks, one by one. Technology, step by step.

The track maintenance site at the Miyanojin Maintenance Area (Kurume City, Fukuoka Prefecture).
Workers check for abnormalities during daytime patrols and leave marks on sleepers and rails with chalk.
Then, late at night after the last train has passed, they go back to the site with their tools in hand.
They work silently, tracing the marks one by one.

Follow the distortion of just "1 millimeter" with their eyes.

The four men in the photo are the elite who "do not overlook even the slightest millimeter of distortion" at the front lines of the field. Their partner is a large maintenance machine, the "Multiple Tie Tamper" (see photo)," also known as "Marutai," the doctor of the tracks! It corrects slight sinking or misalignment of the rails and feeds crushed stone into the gap.

However, no matter how precise the machine, it is the human senses that are relied upon in the end. They lightly tap the bolts of the rails to distinguish looseness by sound, and read the inclination and float of the sleepers by the subtle feel of the soles of their feet. "That sense of discomfort is ingrained in my body," said Area Chief Yukitoshi Tobimatsu (left), a 33-year veteran of the track maintenance. No two sites are the same, as the condition of the tracks varies with temperature, humidity, and time of day.

Work begins at midnight after the last train has passed and continues until the first train departs. In the limited time available, they build up precision by mobilizing all of their senses - their eyes, ears, hands, feet, and entire body. As the final step, they take the first train to check the "riding comfort" (shaking and noise). The work through the night ends at 7:00 a.m., when they finally leave the site quietly.

After repeated inspections and repairs, trains continue to run on these rails today.

01 Financial Data

	(Unit)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
[Consolidated]											
Operating Revenues	(Millions of yen)	361,465	358,273	375,153	396,835	389,446	346,121	427,159	494,643	411,649	443,495
Operating Income	(Millions of yen)	23,342	19,354	20,430	20,171	16,411	(9,501)	10,451	26,150	25,877	26,655
Ordinary income	(Millions of yen)	22,580	19,155	20,704	19,271	14,322	(9,639)	13,953	27,901	24,538	28,739
Profit attributable to owners of parent	(Millions of yen)	15,194	12,179	11,562	6,330	6,678	(12,074)	9,873	18,368	24,723	20,810
Business profit	(Millions of yen)	23,342	19,354	20,430	18,858	14,414	(13,182)	11,385	26,070	23,596	28,403
Total Assets	(Millions of yen)	491,675	523,179	568,703	622,816	667,150	707,804	734,500	685,795	727,002	782,126
Liabilities	(Millions of yen)	340,772	355,632	387,317	441,232	486,600	537,858	555,416	483,913	491,163	526,086
Net assets	(Millions of yen)	150,902	167,547	181,385	181,512	180,549	169,946	179,084	201,881	235,839	256,039
Shareholders' equity	(Millions of yen)	147,424	164,032	177,505	175,985	174,887	164,157	172,593	194,793	229,032	249,033
Earnings per share (EPS)*1	(%)	192.4	154.4	146.7	80.3	84.8	(153.3)	125.3	233.1	314.0	267.2
Return on assets (ROA)*2	(%)	5.0	4.0	4.0	3.4	2.4	(2.1)	1.8	3.9	3.4	3.8
Return on equity (ROE)	(%)	10.6	7.8	6.8	3.6	3.8	(7.1)	5.9	10.0	11.7	8.7
Equity ratio	(%)	30.0	31.4	31.2	28.3	26.2	23.2	23.5	28.4	31.5	31.8
Price-to-earnings ratio (PER)	(Times)	19.1	15.2	19.0	33.4	31.4	-	21.4	10.3	8.0	8.1
Price-to-book ratio (PBR)	(Times)	1.97	1.13	1.23	1.20	1.20	1.42	1.22	0.97	0.87	0.67
Cash flows from operating activities	(Millions of yen)	26,979	21,083	27,409	22,377	18,207	(9,939)	30,591	43,775	62,213	15,611
Cash flows from investing activities	(Millions of yen)	(22,322)	(30,272)	(41,596)	(58,385)	(42,744)	(29,245)	(10,344)	(24,600)	(42,028)	(74,546)
Cash flows from financing activities	(Millions of yen)	5,053	3,772	14,273	30,064	32,339	56,751	(1,676)	(19,164)	(25,959)	(39,228)
Cash and cash equivalents at end of year	(Millions of yen)	37,924	32,038	32,275	26,075	33,794	51,045	70,612	72,559	68,745	50,441
Capital investment	(Millions of yen)	25,790	32,518	40,080	44,216	37,316	26,236	16,043	26,613	68,070	61,786
EBITDA	(Millions of yen)	42,663	38,666	40,990	39,263	36,217	7,900	30,965	44,598	41,940	48,578
Interest-bearing debt	(Millions of yen)	189,217	197,421	215,802	248,161	285,279	345,446	347,793	334,875	316,838	366,160
Net interest-bearing debt to EBITDA ratio	(Times)	3.5	4.3	4.5	5.5	6.9	37.2	8.9	5.9	5.9	6.5
[Non-consolidated]											
Capital	(Millions of yen)	26,157	26,157	26,157	26,157	26,157	26,157	26,157	26,157	26,157	26,157
Dividend per share*1	(Yen)	35.0	35.0	21.0	35.0	35.0	25.0	30.0	35.0	40.0	40.0

*1 The reverse stock split was implemented on October 1, 2017, at a ratio of 1 share for every 5 shares of common stock. The amounts shown in this table take into account the reverse stock split.
*2 ROA was calculated by excluding the amount equivalent to advances received for contracted railroad construction from total assets. Business profit was calculated by adding dividend income from business investments and equity in earnings of affiliated companies to operating income.

01

Consolidated Operating Results

In fiscal 2024, the Japanese economy showed signs of a gradual recovery partly due to improved employment and income and an increase in inbound tourism demand. At the same time, prospects for the future remained uncertain due to the effects of U.S. trade policies, in addition to the continuing price hikes.

Working against this backdrop, the Nishitetsu Group implemented various measures to achieve the goals set under the 16th Mid-term Management Plan (FY2023 - FY2025), the first step toward realizing its long-term vision known as CYD Vision 2035.

As a result, the group's consolidated operating revenue for the fiscal year came to 443,495 million yen (up 7.7% year on year), while operating income totaled 26,655 million yen (up 3.0% year on year). The factors for this increase include a rise in the import and export transaction volume experienced by the logistics business segment's global logistics operations, higher room rates in the hotel business in the leisure and services business segment, and the effect of fare revisions in the bus business in the transportation business segment.

Ordinary income totaled 28,739 million yen (up 17.1% year on year) due partly to improved share of gain of entities accounted for using equity method.

Profit attributable to owners of the parent totaled 20,810 million yen (down 15.8% year on year) partly due to a decline in gain on the sale of fixed assets.

Financial Position

Assets as of March 31, 2025 rose 55,123 million yen from the end of the previous fiscal year to 782,126 million yen mainly due to an increase in property, plant and equipment while cash and deposits decreased.

Liabilities rose 34,922 million yen from the end of the previous fiscal year to 526,086 million yen mainly due to an increase in interest-bearing debt while notes and accounts payable - trade decreased.

Net assets rose 20,200 million yen from the end of the previous fiscal year to 256,039 million yen mainly due to an increase in retained earnings chiefly owing to the posting of profit attributable to owners of parent which offset a decrease from the acquisition of treasury stock.

Cash Flows

Cash and cash equivalents as of the end of the fiscal year ended March 31, 2025 decreased 18,303 million yen from the end of the previous fiscal year to 50,441 million yen.

Net cash provided by operating activities totaled 15,611 million yen, a decrease of 46,602 million yen from the previous fiscal year, mainly due to profit before income taxes of 30,888 million yen, depreciation of 20,132 million yen, and an increase (expenditure) in inventories of 12,164 million yen.

Net cash used in investing activities totaled 74,546 million yen, an increase of 32,517 million yen from the previous fiscal year, mainly due to the purchase of fixed assets of 83,252 million yen and sale of investment securities of 5,352 million yen.

Net cash provided by financing activities totaled 39,228 million yen, an increase of 65,187 million yen from the previous fiscal year, mainly due to a net increase in borrowings of 27,784 million yen and a net increase in bonds payable of 20,000 million yen.

Shareholder returns

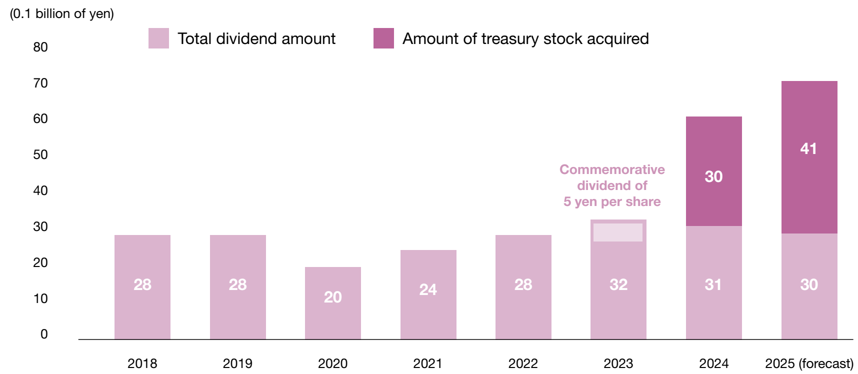
Our profit sharing policy is to pay dividends on a steady and continuous basis while emphasizing stable profit returns to shareholders as well as strengthening our financial position and operating foundation by securing an optimal level of retained earnings.

We will use retained earnings for safety measures, capital expenditures for the group's growth, and repayment of borrowings.

Dividends from surplus are paid twice a year: an interim dividend, which is subject to approval of the Board of Directors, and the year-end dividend, which is subject to approval of the General Meeting of Shareholders. Our company's Articles of Incorporation stipulate that the we may, by resolution of the Board of Directors, pay interim dividends with a record date being September 30 of each year.

For fiscal 2024, we decided to pay an annual dividend of 40 yen per share (including an interim dividend of 17.50 yen per share) in light of our business performance.

For fiscal 2025, we plan to pay a dividend of 40 yen per share (including an interim dividend of 20.00 yen per share). In addition to this, we have repurchased 2 million shares of our own stock for approximately 4.1 billion yen based on a resolution passed at the Board of Directors meeting held on May 9, 2025. After reviewing the amount of our cross-shareholdings, we sold some off and purchased treasury shares with funds from their sale. We will conduct a share buyback as appropriate in response to changes in our business environment and financial performance with capital efficiency in mind.



	2018	2019	2020	2021	2022	2023	2024	2025 (forecast)
Annual dividend (yen)	35.0	35.0	25.0	30.0	35.0	40.0	40.0	40.0

Including commemorative dividend of 5 yen (2023)

Railway	(Unit)	2022	2023	2024
[Nishi-Nippon Railroad Co., Ltd.]				
Operating kilometers	-	106.1	106.1	106.1
Tenjin-Omuta Line		95.1	95.1	95.1
Kaizuka Line		11.0	11.0	11.0
Car-kilometers	(Tens of thousands)	3,833	3,808	3,831
Tenjin-Omuta Line		3,706	3,681	3,703
Kaizuka Line		127	127	127
Ridership	(Tens of thousands)	9,250	9,904	10,301
Tenjin-Omuta Line		8,483	9,097	9,446
Kaizuka Line		766	806	855
Number of stations	-	72	73	73
Tenjin-Omuta Line		62	63	63
Kaizuka Line		10	10	10
Number of cars	-	297	298	298
Tenjin-Omuta Line		281	282	282
Kaizuka Line		16	16	16
Peak-hour congestion rate	(%)	-	-	-
Tenjin-Omuta Line (Hirao ⇒ Yakuin)		127	137	139
Kaizuka Line (Najima ⇒ Kaizuka)		154	158	164
[Chikuho Electric Railroad Co, Ltd.]				
Operating kilometers	-	16.0	16.0	16.0
Car-kilometers	(Tens of thousands)	141	140	133
Ridership	(Tens of thousands)	385	401	399
Number of stations*1	-	21	21	21
Number of cars	-	25	22	22
Peak-hour congestion rate (Hagiwara ⇒ Kumanishi)	(%)	99	113	116

*1 Nishi-Kurosaki Station has been out of operation since October 2021 due to the construction of the Kurosaki Bypass on Route 3.

Bus	(Unit)	2022	2023	2024
[Nishi-Nippon Railroad Co., Ltd. and its group companies*2]				
Bus-kilometers (transit buses)	(Tens of thousands)	10,862	10,524	10,005
Nishi-Nippon Railroad Co., Ltd.		7,302	6,959	6,581
Group Companies		3,560	3,565	3,423
Ridership (transit buses)	(Tens of thousands)	20,993	21,678	20,747
Nishi-Nippon Railroad Co., Ltd.		15,100	15,075	14,669
Group Companies		5,832	6,603	6,078
Number of buses (transit buses)	-	2,430	2,425	2,389
Nishi-Nippon Railroad Co., Ltd.		1,572	1,546	1,512
Group Companies		858	879	877
Number of buses (tourist buses)	-	237	206	217
Nishi-Nippon Railroad Co., Ltd.		27	22	22
Group Companies		210	184	194

*2 Group companies are Nishitetsu Kanko Bus Co., Ltd., Nishitetsu Bus Kitakyushu Co., Ltd., Nishitetsu Bus Kurume Co., Ltd., Nishitetsu Bus Saga Co., Ltd., Nishitetsu Bus Omuta Co., Ltd., Nishitetsu Bus Chikuho Co., Ltd., Nishitetsu Bus Munakata, Co., Ltd., Nishitetsu Bus Futsukaichi Co., Ltd., Hita Bus Co., Ltd., and Kamenoi Bus Co., Ltd. (10 companies in total). Figures for transit buses do not include Nishitetsu Kanko Bus Co., Ltd.

Leasing	Size	Total floor space (m²)	Leasable area (m²)	Completion
[11 office buildings] *1				
ND Building	8 above-ground floors and 1 underground level	6,894	4,604	1974
Nishitetsu Otemon Building	4 above-ground floors and 1 underground level	8,620	4,320	1976
Nishitetsu Yakuin Building	7 above-ground floors	3,200	2,373	1981
Nishitetsu Akasaka Building	11 above-ground floors and 1 underground level	11,834	6,639	1983
Nishitetsu Watanabe-dori 2-chome Building	6 above-ground floors	3,998	2,817	1984
Nishitetsu Watanabe-dori Building	7 above-ground floors	6,077	4,019	1988
Nishitetsu Imaizumi Building	6 above-ground floors	4,369	2,767	1992
Nishitetsu Yakuin Eki Building	14 above-ground floors	28,348	15,977	2003
Nishitetsu Chiyo Kenchoguchi Building	10 above-ground floors and 1 underground level	8,371	4,244	2008
Nishitetsu Tenjin Building	8 above-ground floors and 1 underground level	8,636	5,994	1982 *2
Mainichi Fukuoka Kaikan	16 above-ground floors and 1 underground level	22,075	3,657	1969 *3
[8 commercial buildings]				
Rairia Kurume	4 above-ground floors	14,521	9,134	1969
Rairia Ohashi	2 above-ground floors and 1 underground level	11,711	5,987	1978
Takamiya Nishitetsu Meitengai	1 above-ground floor	2,918	2,398	1978
Solaria Plaza Building	17 above-ground floors and 3 underground levels	63,345	20,235	1989
Solaria Terminal Building	9 above-ground floors and 3 underground levels	81,378	50,256	1997
Solaria Stage Building	6 above-ground floors and 2 underground levels	40,906	11,159	1999
Chacha Town Kokura	4 above-ground floors	47,546	22,084	2000
Spina Garden Otemachi	2 above-ground floors	6,906	5,930	2007

*1 Properties sold to the second fund formed in April 2025 are excluded.
*2 Acquired in December 2010
*3 Acquired in June 2016

Housing				
[Number of units/plots sold]	(Unit)	2022	2023	2024
Condominiums	(Units)	763	701	695
Detached houses	(Plots)	142	116	175
Renovated condominiums	(Units)	15	14	13

[8 rental condominiums] *1	Size	Number of units	Completion
Lacleis Hirao Station	17 above-ground floors	209	2006
Lacleis Nishijin	16 above-ground floors	122	2007
Lacleis Kenchoguchi	16 above-ground floors	126	2008
Lacleis Ohashi	8 above-ground floors	35	2009
Lacleis Minami-Shinagawa	5 above-ground floors	24	2010 *2
Lacleis Takamiya	14 above-ground floors	86	2015
Lacleis Kashii Teriha	12 above-ground floors	116	2019
Lacleis Kashii Ekimae	14 above-ground floors	100	2023

[11 condominiums and serviced housing for seniors]	Size	Total floor space (m²)	Number of rooms	Year opened
Suncarna Hakata no Mori	9 above-ground floors	12,441	100	2003
Suncarna Hakata no Mori Care Stage	5 above-ground floors	4,026	78	2005
Suncarna Futsukaichi	9 above-ground floors	12,420	162	2011
Suncarna Kokura Otemachi	14 above-ground floors	11,068	143	2013
Suncarna Fukuoka Jonan	9 above-ground floors	11,991	136	2014
Suncarna Terrace Mikunigaoka Ekimae	6 above-ground floors	10,371	138	2017
Suncarna Kashii Teriha	12 above-ground floors	12,891	160	2019
Carnas Befu	6 above-ground floors	3,690	69	2019
Carnas Jono Ekimae	5 above-ground floors	4,958	102	2020
Suncarna Kurume	14 above-ground floors	25,481	306	2020
Suncarna Nishijin	14 above-ground floors	12,228	133	2021

*1 Properties sold to the second fund formed in April 2025 are excluded.
*2 Completed in 1970 and renovated in 2010

Overseas Development	Location	Type	Total number of units	Completion
[8 projects in Vietnam]				
Flora Anh Dao *Completed	Ho Chi Minh City	Condominium	500	2016
Fuji Residence *Completed	Ho Chi Minh City	Condominium Detached house	789 84	2017
Kikyo Residence *Completed	Ho Chi Minh City	Condominium Detached house	234 110	2018 2017
Mizuki Park	Ho Chi Minh City	Condominium Detached house/ townhouse	4,231 96	2018 or later
Akari City	Ho Chi Minh City	Condominium	3,583	2021 or later
Waterpoint	Long An	Condominium Detached house/ townhouse	6,674 2,165	2020 or later
TBD	HAI PHONG	Detached house	369	2026 or later (planned)
Paragon	Dong Nai	Detached house	583	2027 or later (planned)
[4 projects in Indonesia]				
Zora	South Tangerang	Detached house/ shop house	578	2020 or later
Sayana Apartments	Bekasi	Condominium	590	2021 or later
The Veranda	South Jakarta	Condominium	178	2025 or later (planned)
Asera Nishi	Bekasi	Detached house	397	2022 or later

Overseas Development	Location	Type	Total number of units	Completion
[9 projects in the U.S.A.]				
Alexan Legacy Central *Completed	Plano, Texas	Apartment	385	2020
Veterans Point *Completed	Chicago, Illinois	Logistics warehouse	4 buildings	2020
Alexan LC2 *Completed	Plano, Texas	Apartment	310	2021
Parkside Residences at Discovery Green	Houston, Texas	Apartment	307	2023
Alexan Main Street	Bothell, Washington	Apartment	369	2024
The Monroe	Monrovia, California	Apartment	232	2025 (planned)
Range West	Saginaw, Michigan	Apartment	261	2025 (planned)
Charlotte (tentative)	Charlotte, North Carolina	Apartment	389	2026 (planned)
Haltom City (tentative)	Haltom City, Texas	Apartment	312	2026 (planned)
[1 project in Thailand]				
The Crest	Bangkok	Condominium	418	2022
[3 projects in the Philippines]				
Midori Terraces	Antipolo	Condominium	462	2024 or later
Tanauan Park Place Phase4	Tanauan	Detached house Townhouse	760 206	2024 or later
Richdale West	Cavite	Detached house Condominium	2,073 1,080	2025 or later (planned)

*As of March 2025

Retail	Year opened
[45 Nishitetsu Stores (supermarkets)]	
Fukuoka Prefecture	
Nishitetsu Store Nanakuma (Jonan Ward, Fukuoka City)	1977
Nishitetsu Store Takamiya (Minami Ward, Fukuoka City)	1978
Nishitetsu Store Befu (Jonan Ward, Fukuoka City)	1979
Nishitetsu Store Miyanojin (Kurume City)	1989
Nishitetsu Store Meiji-cho (Okawa City)	1991
Nishitetsu Store Susenji (Nishi Ward, Fukuoka City)	1992
Reganet Josei (Sawara Ward, Fukuoka City)	1996
Reganet Tenjin (Chuo Ward, Fukuoka City)	1999
Nishitetsu Store Umi (Umimachi, Kasuya-gun)	2002
Reganet Dazaifu (Dazaifu City)	2003
Nishitetsu Store Arita (Sawara Ward, Fukuoka City)	2003
Reganet Yanagawa (Yanagawa City)	2004
Nishitetsu Store Hanabatake (Kurume City)	2006
Reganet Chihaya (Higashi Ward, Fukuoka City)	2006
Nishitetsu Store Kashii Hanazono (Higashi Ward, Fukuoka City)	2010
Reganet Minami-Nagazumi (Minami Ward, Fukuoka City)*1	2010
Nishitetsu Store Kashii (Higashi Ward, Fukuoka City)	2012
Nishitetsu Store Mizuma (Kurume City)	2012
Reganet Iikura (Sawara Ward, Fukuoka City)*2	2012
Reganet Hakomatsu (Higashi Ward, Fukuoka City)*2	2013
Reganet Fukutsu (Fukutsu City)*2	2014
Reganet Marche Nagazumi (Minami Ward, Fukuoka City)*2	2014
Reganet Asakura Gaido (Chikushino City)*2	2014
Reganet Jigyo (Chuo Ward, Fukuoka City)	2014
Reganet Cute TERASO (Hakata Ward, Fukuoka City)	2014
Reganet Cute Hakata Bus Terminal (Hakata Ward, Fukuoka City)	2014
Reganet Cute Akasakamon (Chuo Ward, Fukuoka City)	2014
Reganet Misuzu no Mori (Ogori City)	2015
Reganet Marche Shikata (Sawara Ward, Fukuoka City)*2	2015
Reganet Cute Nakasu-Kawabata (Hakata Ward, Fukuoka City)	2015

	Year opened
Reganet Ogori (Ogori City)*2	2015
Reganet Togo (Munakata City)*2	2015
Reganet Marche Yakuin (Chuo Ward, Fukuoka City)*2	2016
Reganet Cute Riverwalk (Kokurakita Ward, Kitakyushu City)	2016
Reganet Cute Solaria Stage (Chuo Ward, Fukuoka City)	2018
Reganet Meinohama (Nishi Ward, Fukuoka City)*2	2018
Reganet Nakama (Nakama City)*2	2018
Reganet Ohashi (Minami Ward, Fukuoka City)*2	2018
Reganet Ushikubi (Onojo City)*2	2019
Reganet LaLaport Fukuoka (Hakata Ward, Fukuoka City)	2022
Reganet Marche Shimoori Station (Onojo City)	2022
Reganet Kurume Tammy (Kurume City)*2	2024
Reganet Sunatsu (Kokurakita Ward, Kitakyushu City)*2	2024
Saga Prefecture	
Nishitetsu Store Kitashigeyasu (Miyaki-gun, Saga Prefecture)	1998
[14 Spina stores (supermarkets)]*3	
Fukuoka Prefecture	
Spina Tobata (Tobata Ward, Kitakyushu City)	1983
Spina Mart Sakura-dori (Yahatahigashi Ward, Kitakyushu City)	1988
Spina Hobashira (Yahatahigashi Ward, Kitakyushu City)	1989
Spina Mart Sayagatani (Tobata Ward, Kitakyushu City)	1992
Spina Byoin (Yahatahigashi Ward, Kitakyushu City)	1993
Spina Edamitsu (Yahatahigashi Ward, Kitakyushu City)	1994
Spina Kobai (Yahatahigashi Ward, Kitakyushu City)	1996
Spina Mart Nakai (Kokurakita Ward, Kitakyushu City)	2000
Spina Mart Ano (Yahatahigashi Ward, Kitakyushu City)	2000
Spina Lazolir Takami (Yahatahigashi Ward, Kitakyushu City)	2002
Spina Takamidai (Yahatanishi Ward, Kitakyushu City)	2007
Spina Mart Otemachi (Kokurakita Ward, Kitakyushu City)	2007
Spina Ano Chuo (Yahatanishi Ward, Kitakyushu City)	2012
Spina Itozu (Kokurakita Ward, Kitakyushu City)*4	2015

	Year opened
[6 Uncle Yume Ichiba stores (supermarkets)]*5	
Fukuoka Prefecture	
Uncle Yume Ichiba Kurume (Kurume City)	2000
Uncle Yume Ichiba Mizuma (Kurume City)	2003
Uncle Yume Ichiba Amagi (Asakura City)	2005
Saga Prefecture	
Uncle Yume Ichiba Kubota (Saga City)	2004
Uncle Yume Ichiba Tosu Yayoigaoka (Tosu City)	2006
Uncle Yume Ichiba Kashima (Kashima City)	2011
[25 Uncle Fujiya stores (liquor stores)]*5	
Fukuoka Prefecture	
Uncle Fujiya Kurume Higashi (Kurume City)	1992
Uncle Fujiya Kurume Minami (Kurume City)	1993
Uncle Fujiya Maebaru (Itoshima City)	1995
Uncle Fujiya Kurume (Kurume City)	2000
Uncle Fujiya Nakagawa (Nakagawa City)	2000
Uncle Fujiya Mizuma (Kurume City)	2003
Uncle Fujiya Amagi (Amagi City)	2004
Uncle Fujiya Kashii (Higashi Ward, Fukuoka City)	2012
Uncle Fujiya Takamidai (Yahatanishi Ward, Kitakyushu City)	2018
Saga Prefecture	
Uncle Fujiya Saga Hokubu (Saga City)	1990
Uncle Fujiya Karatsu (Karatsu City)	1991
Uncle Fujiya Takeo (Takeo City)	1992
Uncle Fujiya Imari (Imari City)	1993
Uncle Fujiya Saga Honten (Saga City)	1995
Uncle Fujiya Kashima (Kashima City)	1997
Uncle Fujiya Saga Tobu (Saga City)	1997
Uncle Fujiya Kamimine (Kamimine-cho, Miyaki-gun)	1998
Uncle Fujiya Kawasoe (Saga City)	1998
Uncle Fujiya Arita (Arita-cho, Nishimatsuura-gun)	1999
Uncle Fujiya Ogi (Ogi City)	1999

	Year opened
Uncle Fujiya Tara (Tara-cho, Fujitsu-gun)	1999
Uncle Fujiya Kubota (Saga City)	2004
Uncle Fujiya Tosu (Tosu City)	2004
Uncle Fujiya Karatsu Nishi (Karatsu City)	2005
Uncle Fujiya Yayoigaoka (Tosu City)	2009
[18 INCUBE stores]	
Kyushu	
Tenjin (Fukuoka Prefecture)	1999
Kurume (Fukuoka Prefecture)	2009
Konoha Mall Hashimoto (Fukuoka Prefecture)	2011
Park Place Oita (Oita Prefecture)	2013
Sasebo Gobangai (Nagasaki Prefecture)	2013
Sunlive City Kokura (Fukuoka Prefecture)	2014
Aeon Mall Kashiihama (Fukuoka Prefecture)	2015
Aeon Mall Kumamoto (Kumamoto Prefecture)	2018
Aeon Mall Kagoshima (Kagoshima Prefecture)	2020
Across Mall Kasuga (Fukuoka Prefecture)	2021
Aeon Mall Fukutsu (Fukuoka Prefecture)	2022
Aeon Mall Nogata (Fukuoka Prefecture)	2024
Chugoku	
Onoda Sunpark (Yamaguchi Prefecture)	2014
Kansai	
Aeon Mall Kyoto Katsuragawa (Kyoto Prefecture)	2014
Aeon Mall Kusatsu (Shiga Prefecture)	2017
Kanto	
Aeon Mall Yachiyo Midorigaoka (Chiba Prefecture)	2016
Aeon Mall Chiba-Newtown (Chiba Prefecture)	2017
Unimo Chiharadai (Chiba Prefecture)	2019

*1 Renovated the year it opened and rebranded from Daikus Minami-Nagazumi
*2 Renovated or rebuilt the year it opened and rebranded from Nishitetsu Store to the name noted
*3 Spina transferred its business to Nishitetsu Store Inc. in April 2009 through a company split.
*4 Renovated the year it opened and rebranded from Nishitetsu Store to Spina
*5 Uncle Yume Ichiba and Uncle Fujiya were merged into Nishitetsu Store Inc. in April 2017.

Hotel	Business floors	Total floor space (m²)	Number of rooms	Year opened
[2 city hotels]				
Nishitetsu Grand Hotel	1st to 14th above-ground floors and 1 underground level	24,018	279	1969
Solaria Nishitetsu Hotel Fukuoka	1st above-ground floor, 6th to 17th above-ground floors	14,429	160	1989
[21 limited-service hotels]				
Nishitetsu Inn				
Nishitetsu Inn Tenjin	1st to 12th above-ground floors	3,359	163	1999
Nishitetsu Inn Kokura	(Main wing) 1st to 11th above-ground floors (New wing) 1st to 13th above-ground floors	12,169	570	(Main wing) 1999 (New wing) 2008
Nishitetsu Inn Kurosaki	9th to 12th above-ground floors and 1 underground level	3,969	187	2001
Nishitetsu Resort Inn Beppu	1st to 10th above-ground floors	3,752	184	2003
Nishitetsu Inn Nihonbashi	1st to 12th above-ground floors	5,641	261	2003
Nishitetsu Inn Shinjuku	1st to 14th above-ground floors and 1 underground level	8,061	300	2005
Nishitetsu Inn Fukuoka	1st to 13th above-ground floors	12,212	272	2007
Nishitetsu Inn Kochi Harimayabashi	1st to 14th above-ground floors	6,382	248	2008
Nishitetsu Resort Inn Naha	12 above-ground floors	5,949	250	2011
Nishitetsu Hotel Croom				
Nishitetsu Hotel Croom Hakata	14 above-ground floors	13,194	503	2006
Nishitetsu Hotel Croom Nagoya	14 above-ground floors	6,603	242	2019
Nishitetsu Hotel Croom Hakata Gion Kushida Jinja-mae	13 above-ground floors	7,832	275	2023
Nishitetsu Hotel Croom Bangkok Silom	1st to 8th above-ground floors and 1 underground level	7,572	172	2024
Solaria Nishitetsu Hotel				
Solaria Nishitetsu Hotel Ginza	1st to 13th above-ground floors	6,281	207	2011
Solaria Nishitetsu Hotel Kagoshima	1st and 7th to 14th above-ground floors	6,779	230	2012
Solaria Nishitetsu Hotel Seoul Myeongdong	1st and 7th to 22nd above-ground floors	13,170	312	2015
Solaria Nishitetsu Hotel Busan	1st and 4th to 16th above-ground floors	6,916	203	2017
Solaria Nishitetsu Hotel Kyoto Premier Sanjo Kamogawa	1st to 5th above-ground floors and 1 underground level	9,353	200	2017
Solaria Nishitetsu Hotel Bangkok	1st to 27th above-ground floors	16,357	263	2020
Solaria Nishitetsu Hotel Sapporo	1st and 2nd and 5th to 14th above-ground floors	11,910	318	2021
Solaria Nishitetsu Hotel Taipei Ximen	1st and 6th to 28th above-ground floors	18,884	298	2023
[1 other hotel]				
ONE FUKUOKA HOTEL	18th and 19th above-ground floors	7,056	41	2025

Railway	(Unit)	2022	2023	2024
[Nishi-Nippon Railroad Co., Ltd.]				
Barrier-free facility expenses*1	(Millions of yen)	307	1,125	1,417
Railroad accidents*2	(Cases)	5	8	7
Incidents*3	(Cases)	1	2	0
Transportation disruptions*4	(Cases)	26	22	22

Bus	(Unit)	2022	2023	2024
[Nishi-Nippon Railroad Co., Ltd.]				
Automobile accidents*5	(Cases)	0	1	3
[Bus group companies]*6				
Automobile accidents (*5)	(Cases)	2	3	1

*1 We have been using the railway station barrier-free fare system since March 27, 2023 in order to make steady progress with making our stations barrier-free. The entire fare amount has been allocated to the cost of installing barrier-free facilities at stations, etc.
*2 Railroad accidents refer to seven types of accidents: collision, derailment, fire, crossing accident, road accident, accident resulting in injury or death, and accident resulting in property damage.
*3 Incidents refer to situations that may result in a railroad accident.
*4 Transportation disruptions refer to situations other than a railroad accident in which trains are delayed or suspended for 30 minutes or more.
*5 Automobile accidents refer to the number of serious accidents as defined in Article 2 of the Automobile Accident Reporting Regulations and include both at-fault and no-fault accidents.
*6 Bus group companies are Nishitetsu Kanko Bus Co., Ltd., Nishitetsu Bus Kitakyushu Co., Ltd., Nishitetsu Bus Kurume Co., Ltd., Nishitetsu Bus Saga Co., Ltd., Nishitetsu Bus Omuta Co., Ltd., Nishitetsu Bus Chikuho Co., Ltd., Nishitetsu Bus Munakata, Co., Ltd., Nishitetsu Bus Futsukaichi Co., Ltd., Hita Bus Co., Ltd., Kamenoi Bus Co., Ltd., and Kyushu Kyuko Bus Co., Ltd. (11 companies in total).

Employees	(Scope)	(Unit)	2022	2023	2024
Number of employees	(Consolidated)	(Persons)	18,456	18,687	18,956
	(Non-consolidated)		4,502	4,502	4,586
Average age		(Years old)	46.2	46.4	46.3
Average years of service		(Years)	18.9	18.6	18.5
Average annual salary (yen)		(Yen)	5,748,590	6,111,690	6,339,000
Percentage of women in management positions*1			4.9	5.1	6.4
Percentage of women employed [all positions]			40	38	35
(excluding crew members)			(49)	(55)	(54)
Local market departments			24	23	20
(excluding crew members)	(Non-consolidated)		(34)	(45)	(40)
Global logistics departments			57	64	66
Percentage of foreign nationals employed [all positions]			1	1	1
(excluding crew members)		(%)	(1)	(1)	(1)
Local market departments			1	1	1
(excluding crew members)			(3)	(2)	(2)
Global logistics departments			0	0	1
Percentage of people with disabilities employed	(Nishitetsu and special subsidiaries)		2.72	2.83	2.52
Gender wage gap [all positions]*2			74.5	73.2	74.3
Full-time regular employees	(Non-consolidated)		80.5	77.8	77.5
Part-time and fixed-term employees			64.5	64.4	66.3
Average overtime hours per month [all positions/employees]		(Hours)	20.7	21.3	19.9
Annual paid leave utilization rate [all positions/employees]			87.0	89.3	88.5
Percentage of male workers taking childcare leave*3			30.0	54.4	98.6
Percentage of female workers taking childcare leave*3		(%)	100.0	100.0	100.0
Percentage of workers who had a follow-up exam after a physical checkup			48	75	74
Smoking rate			32	30	30
Percentage of workers who had a stress check			97	98	99
Number of accidents [work-related accidents + commuting accidents]	(Consolidated)	(Cases)	350	329	347
Number of human rights training participants		(Persons)	20,548	18,722	19,178

*1 Figures were calculated based on the provisions of the Act on Promotion of Women's Participation and Advancement in the Workplace (Act No. 64, 2015).
*2 Differences in wages between male and female workers are due to differences in the number of years of service, work arrangements such as the use of the reduced working hour system, and the composition of the workforce by employment type, etc. Pay differences are not based on gender.
*3 Percentages of employees who have taken "childcare leave and childcare-purpose leave" as defined in Article 71-6 (ii) of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ministry of Labor Ordinance No. 25, 1991) were used to calculate the results.

Environmental Data	Scope	(Unit)	2022	2023	2024
[Total energy use]	*1	GJ	4,753,228	4,352,823	4,388,774
City gas	*1	m³	2,266,095	2,360,790	2,464,972
Propane gas	*1	m³	329,677	311,751	571,898
Autogas	*1	L	1,336,963	1,230,511	1,147,288
Gasoline	*1	L	1,125,128	1,106,976	1,067,525
Diesel fuel	*1	L	45,614,935	45,871,811	44,918,006
Fuel oil	*1	L	446,185	472,129	477,144
Kerosene	*1	L	244,424	214,520	261,901
Heat source	*1	MJ	32,482,163	34,023,277	34,298,446
Electricity Total	*1	kWh	275,640,392	269,349,835	279,929,481
Electricity (fossil-based power)	*1	kWh	-	-	248,532,567
Electricity (non-fossil-based power*3)	*1	kWh	-	-	30,922,761
Electricity (in-house power generation)	*1	kWh	-	-	474,154
[Total water consumption]	*1	m³	1,912,754	1,976,200	-
Tap water	*1	m³	-	-	1,381,007
Recycled water	*1	m³	-	-	203,652
Well water	*1	m³	-	-	238,067
Industrial water	*1	m³	-	-	57,237
Sewage	*1	m³	-	-	1,717,427
[Copy paper]	*1	Sheets	59,648,797	57,876,693	56,378,505
[CO2 emissions]					
Scope1*4	*1	tCO2	131,565	133,707	130,681
Scope2*4	*1	tCO2	109,076	129,295	106,076
Scope3*5	*2	tCO2	1,225,916	583,470	903,783
Category 1 Products and services purchased	*2	tCO2	102,192	103,377	110,951
Category 2 Capital goods	*2	tCO2	379,914	150,545	385,222
Category 3 Fuel and energy related activities	*2	tCO2	23,570	19,594	19,754
Category 4 Transportation, delivery (upstream)	*2	tCO2	689,393	285,093	360,977
Category 6 Business trip	*2	tCO2	569	794	956
Category 7 Commuting to work	*2	tCO2	1,093	1,088	1,107
Category 11 Use of products sold	*2	tCO2	2,542	2,321	3,498
Category 13 Leased assets (downstream)	*2	tCO2	26,642	20,659	21,318

*1 Our Company, consolidated subsidiaries (Japan), and some affiliates (Kyushu Kyuko Bus Company, Limited. and K.K. Dazaifuen) *2 Our Company only *3 Non-fossil-based power includes power purchased with non-fossil certificates. 4 Third-party verification of actual results has been conducted since FY2024. 5 Categories 5, 8, 9, 10, 12, 14, and 15 are not included in light of the materiality.

03

Company Profile and Stock Information

Company Profile

Trade name
Nishi-Nippon Railroad Co., Ltd.

Date of establishment
December 17, 1908

Date of foundation
September 22, 1942

Head office location
1-11-1 Tenjin, Chuo-ku, Fukuoka City

Capital
26,157.29 million yen

Representative
Koichi Hayashida, President and CEO

Lines of business
Railroad and motor vehicle transportation, freight forwarding, air transportation agency, customs brokerage, real estate sales and rentals, hotel, and other businesses

Number of employees
18,956 (consolidated), 4,586 (non-consolidated)
*As of March 31, 2025, excluding employees seconded to other companies, etc.

Accounting auditor
Ernst & Young ShinNihon LLC

Stock Information (as of March 31, 2025)

Stock exchange listings
Tokyo Stock Exchange Prime Market, Fukuoka Stock Exchange

Securities code
9031

Date of foundation
September 22, 1942

Number of shares authorized to be issued
200,000,000

Number of shares outstanding
79,360,186 shares (Including 1,499,257 shares of treasury stock)

Number of shareholders
23,207 persons

Status by Shareholder

Classification	Status of shares (100 shares per unit)								Number of shares constituting less than one unit
	National government and local governments	Financial institutions	Financial instruments business operators	Other corporations	Foreign corporations, etc. Non-individual	Foreign corporations, etc. Individual	Individuals and others	Total	
Number of shareholders	-	44	24	239	162	17	16,444	16,930	-
Number of shares held (unit)	-	294,569	11,093	66,461	88,026	129	330,741	791,019	258,286
Percentage of shares held (%)	-	37.24	1.40	8.40	11.13	0.02	41.814	100.00	-

* Of the 1,499,257 shares of treasury stock, 14,992 units are included in "Individuals and others" and 57 shares in "Number of shares constituting less than one unit."
* The "Number of shares constituting less than one unit" includes 6 shares in the name of Japan Securities Depository Center, Inc.

Major Shareholders

Shareholder Name	Number of shares held (in thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	7.357	9.45
The Bank of Fukuoka, Ltd.	3,861	4.96
The Nishi-Nippon City Bank, Ltd.	3,009	3.87
Nippon Life Insurance Company	2,235	2.87
Meiji Yasuda Life Insurance Company	1,889	2.43
Custody Bank of Japan, Ltd. (trust account)	1,540	1.98
Mizuho Bank, Ltd.	1,122	1.44
The Dai-ichi Life Insurance Company, Limited	1,051	1.35
JP MORGAN CHASE BANK 385781	1,031	1.32
Sompo Japan Insurance Inc.	952	1.22

* Shareholding ratio is calculated excluding treasury stock (1,499,257 shares).

Rating Information

Rating Agency Name	Rating
Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer Rating A+ (Stable)
Rating and Investment Information, Inc. (R&I)	Issuer Rating A (Stable)

Group Companies (as of October 1, 2025)

Subsidiaries (85 companies)

Transportation (16 companies)

Railway (1 company)
- Chikuho Electric Railroad Co, Ltd.

Bus (9 companies)
- Kamenoi Bus Co., Ltd.
- Hita Bus Co. Ltd.
- Nishitetsu Kanko Bus Co., Ltd.
- Nishitetsu Bus Kitakyushu Co., Ltd.
- Nishitetsu Bus Saga Co., Ltd.
- Nishitetsu Bus Kurume Co., Ltd.
- Nishitetsu Bus Omuta Co., Ltd.
- Nishitetsu Bus Chikuho Co., Ltd.
- Kitakyu-Nishitetsu Transport Co., Ltd.

Taxi (3 companies)
- Fukuoka Nishitetsu Taxi Co., Ltd.
- Munakata Nishitetsu Taxi Co., Ltd.
- Kurume Nishitetsu Taxi Co., Ltd.

Transportation related (3 companies)
- Nishitetsu Ticket Service Co., Ltd.
- Nishitetsu Station Service Co., Ltd.
- Nishitetsu Engineering Co., Ltd.

Real estate (11 companies)

Leasing (3 companies)
- Hakata Bus Terminal Co., Ltd.
- Fukuoka Central Children's Hall Renovation Project Co., Ltd.
- Spina Corporation

Housing (4 companies)
- NNR Realty Investments USA
- Southgate Urban Development Co., Ltd.
- Paragon Urban Development Co., Ltd.
- QEYSTONE INVESTMENTS PTE LTD.

Other (4 companies)
- Nishitetsu Building Management Co., Ltd.
- Nishitetsu Real Estate Co., Ltd.
- Nishitetsu Care Service Co., Ltd.
- Nishitetsu Asset Management Co., Ltd.

Retail (2 companies)

Supermarkets/liquor stores (1 company)
- Nishitetsu Store Inc.

Sales of miscellaneous everyday items (1 company)
- INCUBE Nishitetsu Co., Ltd.

Logistics (25 companies)

Global logistics (23 companies)
- NNR Global Logistics USA Inc.
- NNR GLOBAL LOGISTICS KOREA CO.,LTD.
- NNR GLOBAL LOGISTICS (HK) LIMITED.
- NNR GLOBAL LOGISTICS (SHANGHAI) CO.,LTD.
- NNR Global Logistics (Beijing) Company Limited.
- NNR Global Logistics (GUANGZHOU) CO.,Limited.
- NNR Global Logistics Australia Pty Ltd.
- NNR GLOBAL LOGISTICS NEW ZEALAND Limited
- NNR GLOBAL LOGISTICS FRANCE SAS
- NNR GLOBAL LOGISTICS TAIWAN INC.
- NNR GLOBAL LOGISTICS UK LIMITED
- NNR Global Logistics Germany GmbH
- NNR Global Logistics Hungary Kft
- PT.NNR RPX Global Logistics Indonesia
- NNR GLOBAL LOGISTICS (S) PTE LTD
- NNR GLOBAL LOGISTICS (THAILAND) CO.,LTD.
- NNR International Logistics (Shanghai) Company Limited.
- NNR Global Logistics India Private Limited
- NNR GLOBAL LOGISTICS (VIETNAM) CO.,LTD.
- NNR GLOBAL LOGISTICS (PHILIPPINES) INC.
- NNR Global Logistics Netherlands B.V.
- NNR GLOBAL LOGISTICS MEXICO, S.A.DE C.V.
- NNR Global Logistics Middle East FZCO.

Domestic logistics (2 companies)
- Nishitetsu-unyu Co., Ltd.
- Nishitetsu Logistics Co., Ltd.

Leisure and services (17 companies)

Hotel (5 companies)
- Nishitetsu Hotels Co., Ltd.
- NNR Hotels International Korea Co.,Ltd.
- NNR Hotels International (Thailand) Co., Ltd.
- NNR Hotels International Taiwan Co.,Ltd.
- Nishitetsu One Style Co., Ltd.

Travel (1 company)
- Nishitetsu Travel Co., Ltd.

Facility outline (3 companies)
- Nishitetsu Wellness Co., Ltd.
- Uminonakamichi Kaiyo Seitai Kagakukan Co., Ltd.
- Marine World PFI Co., Ltd.

Advertising (1 company)
- Nishitetsu Agency Co., Ltd.

Other services (7 companies)
- Nishitetsu Air Service Co., Ltd.
- NJ Agri Support Co., Ltd.
- Love FM International Broadcasting Co., Ltd.
- Nishitetsu Information System Co., Ltd.
- Nishitetsu Accounting Service Co., Ltd.
- Nishitetsu Jinji Service Co., Ltd.
- Nishitetsu Willact Co., Ltd.

Others (14 companies)

IC card (1 company)
- Nimoca Co., Ltd.

Vehicle maintenance related (3 companies)
- Nishitetsu M-Tech Co., Ltd.
- Fukuoka Komatsu Forklift Corporation
- Nishitetsu Auto Body Tech Co., Ltd.

Construction related (3 companies)
- Nishitetsu Construction Co., Ltd.
- Nishitetsu C.E. Consultant Co., Ltd.
- Nishitetsu Green Doboku Co., Ltd.

Metal recycling (1 company)
- Kyushu Metal Industry Co., Ltd.

Agriculture related (6 companies)
- Hinomaru Holdings Co., Ltd.
- Hinomaru Co., Ltd.
- Taihaku Co., Ltd.
- Sanken Sangyo Co., Ltd.
- Kyushu Nozai Co., Ltd.
- Marutaka Shoji

Affiliated companies (50 companies)

- Kyushu Kyuko Bus Company, Limited.
- K.K. Dazaifuen
- NNR-MC Airport Management Co., Ltd.
- NNR GLOBAL LOGISTICS (M) SDN.BHD.

and 46 other companies

Educational corporation (1 company)

- Nishitetsu Gakuen

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Nishitetsu Group

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