Seibu Group
Smiles ahead



SEIBU HOLDINGS INC.

Integrated Report 2025

Seibu Holdings

Group Vision

Slogan

Smiles ahead









The Group Philosophy

The Seibu Group's unchanging basic stance

All of us at the Seibu Group work to help develop the local communities, as well as society at large, to protect the environment, and to provide safe, pleasant services for memorable experiences.
We also proudly and responsibly meet the challenge of creating the kind of new services that will move customers.

The Group Declaration

Action Guidelines on how to promote customers' activities for rich experiences

Our aim is to be professionals promoting customers' activities for rich experiences.

1. Be earnest

2. Walk together

3. Meet challenges

The Group Vision is what all of us in the Seibu Group strive for. It is our compass and the starting point for everything we do.

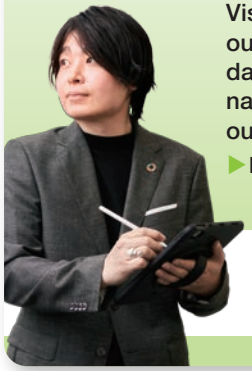
In 2006, we refined its phrasing through repeated discussions considering opinions gathered from many of our employees. Every year, we engage in various initiatives to connect our vision to the actions of each individual.

For that reason, it continues to be the common global concept for our Group, even now after 19 years, and a vision that lives within us.

Every step we take with this vision etched in our hearts and minds is a step toward business value creation.

Materiality (key topics)

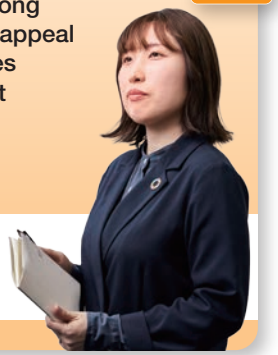
Pursuing various initiatives based on our six material issues (key topics), we will achieve sustainable and robust growth for the Seibu Group while providing new value to customers and creating a sustainable society.



Visualizing the value of our natural capital through data analysis and achieving nature positive through our business activities

▶P.48

TOKUNAGA Ryo
Business Development Department
Seibu Landscape



Offering fulfilling experiences for visitors and residents along railway lines alike and new appeal centered on our railway lines through urban development centered around Emi Terrace Tokorozawa

▶P.54

MIYAZAKI Moe
Railroad Corridor Development Department
SEIBU REAL ESTATE

Outcome

Resilience & Sustainability

– Creating invaluable space and time, ensuring safety and security –



Materiality (key topics)



Lasting memories of travel enjoyment and captivating customer experiences at hotels and leisure facilities throughout Japan and around the world

▶P.55

KATO Shoma
Sales & Marketing Department
SEIBU PRINCE HOTELS WORLDWIDE

Unwavering safety and reassurance for customers and communities though enhanced safety of railway transportation and disaster response capabilities

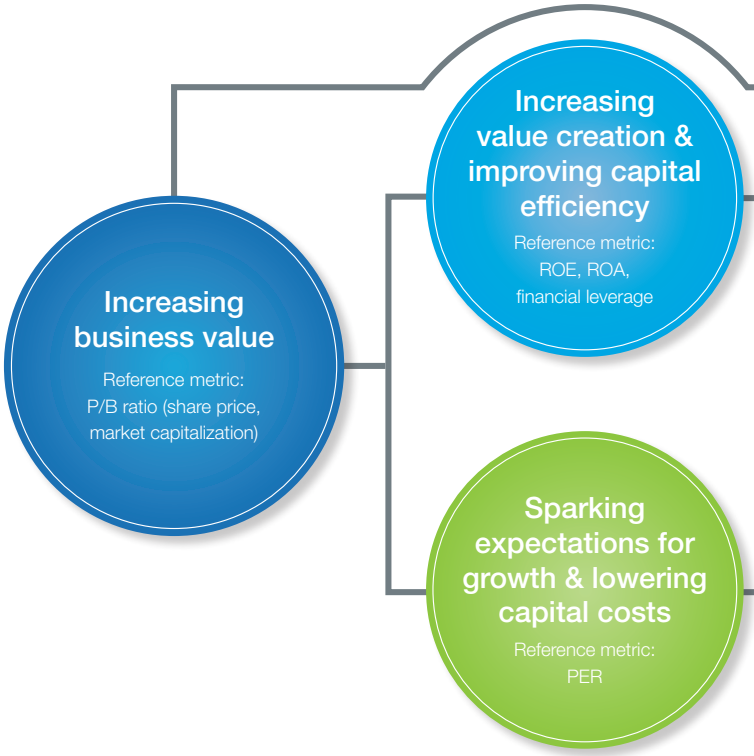
▶P.56

MOHRI Masayuki
Safety Advancement Department
Seibu Railway



Index & Editorial Policy

The Seibu Group aims to maintain increasing business value by boosting value creation and improving capital efficiency, sparking expectations for growth, and lowering capital costs.
Using a logic tree structure focused on those areas, this report shows how the messages and initiatives in each chapter are linked to business value.



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Index & Editorial Policy

Highlights



Message from the CEO ▶P.12

As CEO, he shares his thoughts on the unique social and economic value provided by the Seibu Group, as well as the sustainable improvement of corporate value.



Message from the COO ▶P.13

He shares his thoughts and ideas about shifting to a growth strategy based on the business environment, investments in people and business to achieve this strategy, and Seibu's unique ways of increasing business value.



Financial Strategy ▶P.21

In addition to the path toward improving capital efficiency, the managing officer in charge of finance also elaborates our long-term policy for cash allocation and shareholder returns.



Feature #1: Our Pursuit of Capital Recycling (Tokyo Garden Terrace Kioicho) ▶P.25

As an example of capital recycling*, we illustrate the trajectory of improving the value of real estate through the development and management of Tokyo Garden Terrace Kioicho, along with our thinking about securitization.

* A business model that drives growth by continuously recycling capital through securitization and reinvestment.



Feature #2: Real Estate Business Management Round-table Discussion ▶P.27

Four directors and presidents of our business companies who play leading roles in our Real Estate business sat down to discuss how we should envision ourselves as a general real estate company, along with action strategies to achieve growth.



Feature #3: Three-Way Discussion Between Outside Directors ▶P.60

Three Outside Directors who assumed their roles in June 2024 discussed their thoughts on issues involved in strengthening governance and their approaches based on their own knowledge and experience.

Editorial Policy

The Seibu Group considers it important to present initiatives for long-term, sustainable growth in a comprehensive way that enables all stakeholders to gain a clear understanding. This includes presenting financial information, including overviews of performance and business activities, as well as management strategies, in addition to nonfinancial information, including that relating to human capital, local communities, the environment, safety and security, and governance. Based on this approach, while providing enhanced and integrated financial and nonfinancial information, this report has been prepared based on the International Integrated Reporting Framework provided by the International Financial Reporting Standards Foundation, and the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation formulated by Japan's Ministry of Economy, Trade and Industry. Accordingly, this report compiles and presents highly important information for understanding the Seibu Group. For further details, please refer to our corporate website and other communication media.

Environment Social Governance
Guidance for Collaborative Value Creation

Investor Relations
https://www.seibuholdings.co.jp/en/ir/

Annual Securities Report
https://www.seibuholdings.co.jp/en/ir/ir_material/financial_report/

Corporate Governance Report
https://www.seibuholdings.co.jp/en/ir/management/governance/report/

Fact Book
https://www.seibuholdings.co.jp/en/ir/ir_material/factbook/

Non-Financial Data Book
https://www.seibuholdings.co.jp/en/sustainability/esg_data/

Period Covered

April 1, 2024 through March 31, 2025 (Fiscal Year 2024)
Please note that some matters that fall outside this period are also reported on.

Publication date

September 2025 (published annually)

Proper Use of the Integrated Report 2025

The business forecasts, targets, plans, forecasts and other forwardlooking information of the Group contained in this report should be regarded as the judgment and thoughts of the Company at the present point in time, that have been created based on information currently available as of the release of this report. Actual results of earnings, financial position, etc. of the Group may differ significantly from the content of this report or the content surmised from this report due to various uncertain factors at the time of this report's preparation, including fluctuations in the state of domestic and global politics, economies and financial conditions, the status of the intended measures in the announced plan.

History of the Seibu Group

Through the businesses and services we have operated to suit the needs of the changing times and markets over more than a century, the Seibu Group has become a familiar presence in many different life settings. As we have driven advancements in society and the creation of new culture, we have also built various unique strengths.

1912–
» Expanded business as a company that enriches lifestyles, primarily in railways, hotels, and real estate

2006–
» Established a leaner company structure and overcame a crisis through differentiation and concentration

2024–
» Shifted to a business model centered on the Real Estate business

2004 Seibu Railway delisted from stock market
2006 Established Seibu Holdings
2020~ COVID-19 pandemic

1912
Established Musashino Railway (predecessor of Seibu Railway)



Photographer: Masao Sonoda from Neko Publishing Co., Ltd."100 Years of Seibu Railway in Pictures"

1919
Began Sengataki Resort property sales, began developing Hakone Resort



1947
Opened Prince Hotel in Karuizawa



1947–
Acquired land for real estate development in prime city center and resort locations from branches of the Japanese imperial family and others



1953–
Opened Prince Hotels in Takanawa, Akasaka, and Tokyo, operating as full-service hotels

1957–
Opened leisure facilities at Oiso Long Beach, Naeba Ski Resort, and other locations

1978
The Seibu Lions are born, becoming the flagbearer of the Group

©SEIBU Lions

1988
Acquired Mauna Kea Resort in Hawaii, went into full-scale operation in overseas hotels



1995
Opened Karuizawa Prince Shopping Plaza



1998
Opened mutual through train service between the Ikebukuro Line and Eidan Yurakucho Line, expanded rail network



2012
Launched the Seibu Group's loyalty program Seibu Prince Club



2016
Opened Tokyo Garden Terrace Kioicho on the former site of Grand Prince Hotel Akasaka



2016
The Prince Gallery Tokyo Kioicho opened for business



2019
Opened DaiyaGate Ikebukuro on the site of the former Seibu Railway head office building



2022
Specialized in operations as SEIBU PRINCE HOTELS WORLDWIDE to boost competitiveness

2023
Served as the venue operator for the G7 Hiroshima Summit held at Grand Prince Hotel Hiroshima

2024
Opened Emi Terrace Tokorozawa in the Tokorozawa Station West Side, a culmination of development in the Tokorozawa area



Honed strengths

1 Abundant and highly rare asset holdings in city center and resort areas

2 High-level operations expertise in a diverse array of asset types focused on hotels

3 Robust customer base and strong financial foundation centered on Seibu Railway lines

4 Wide-ranging customer contact points and brand power through diverse business activities

History of the Seibu Group https://www.seibuholdings.co.jp/en/group/history/

Strengths of the Seibu Group

We possess abundant and highly rare asset holdings, high-level operations expertise, a robust customer base, and a strong financial foundation, as we engage in diverse business activities that combine these assets. In doing so, we are cultivating wide-ranging customer contact points and brand power.

1 Abundant and highly rare asset holdings in city center and resort areas

We own over 100 million m² of land nationwide, alongside an abundance of assets with plenty of room for development and increased value, located in prime city center locations including the Takanawa, Shinagawa, and Shibakoen areas, and also in some of Japan's premiere resort areas such as Karuizawa, Hakone, and Furano.



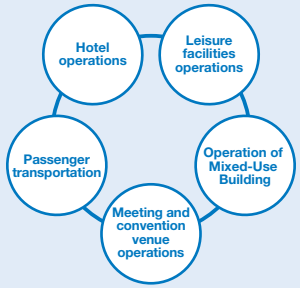
Within the five central wards of Tokyo:approx.
190,000 m²
of land and main facilities

Over **100** million m²
of land nationwide

Note: "The five central wards" refers to Chiyoda, Chuo, Minato, Shinjuku, and Shibuya Wards

2 High-level operations expertise in a diverse array of asset types focused on hotels

Through our facility operations in Japan and overseas, we have honed our operations capabilities in full-service hotels, leisure facilities, shopping centers, and offices, while also establishing our Group's distinctive operations expertise by managing businesses in railways, buses, a professional baseball team, and more.



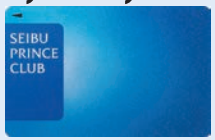
3 Robust customer base and strong financial foundation centered on Seibu Railway lines

Over the years, we have been providing services and operating businesses rooted in communities, with a close presence to customers. In doing so, we have built a robust customer base for Seibu Railway lines and the Seibu Group as a whole, along with the ability to generate stable cash flow accordingly.



Residents near railway lines:
5,580,000

Number of Seibu Prince Club members:
2,310,000



Note: As of March 2025 "Residents near railway lines" is aggregated based on publicly available data from municipalities along Seibu Railway lines.

4 Wide-ranging customer contact points and brand power through diverse business activities

We have expanded our contact points with customers by combining the Seibu Group's holdings of appealing assets located throughout Japan with the Group's high-level operations expertise in many different asset types. This enables us to offer services that enliven all types of settings in customers' lives, particularly for our Seibu Prince Club members, and to design new activities that give them rich experiences. Through our business activities over the years, customers and society increasingly put their trust in us, building the brand power of the Seibu Group and of each individual business and service. These wide-ranging customer contact points and this brand power are fundamental to our Group's businesses and services. We will further strengthen them through our high added-value business activities and services.

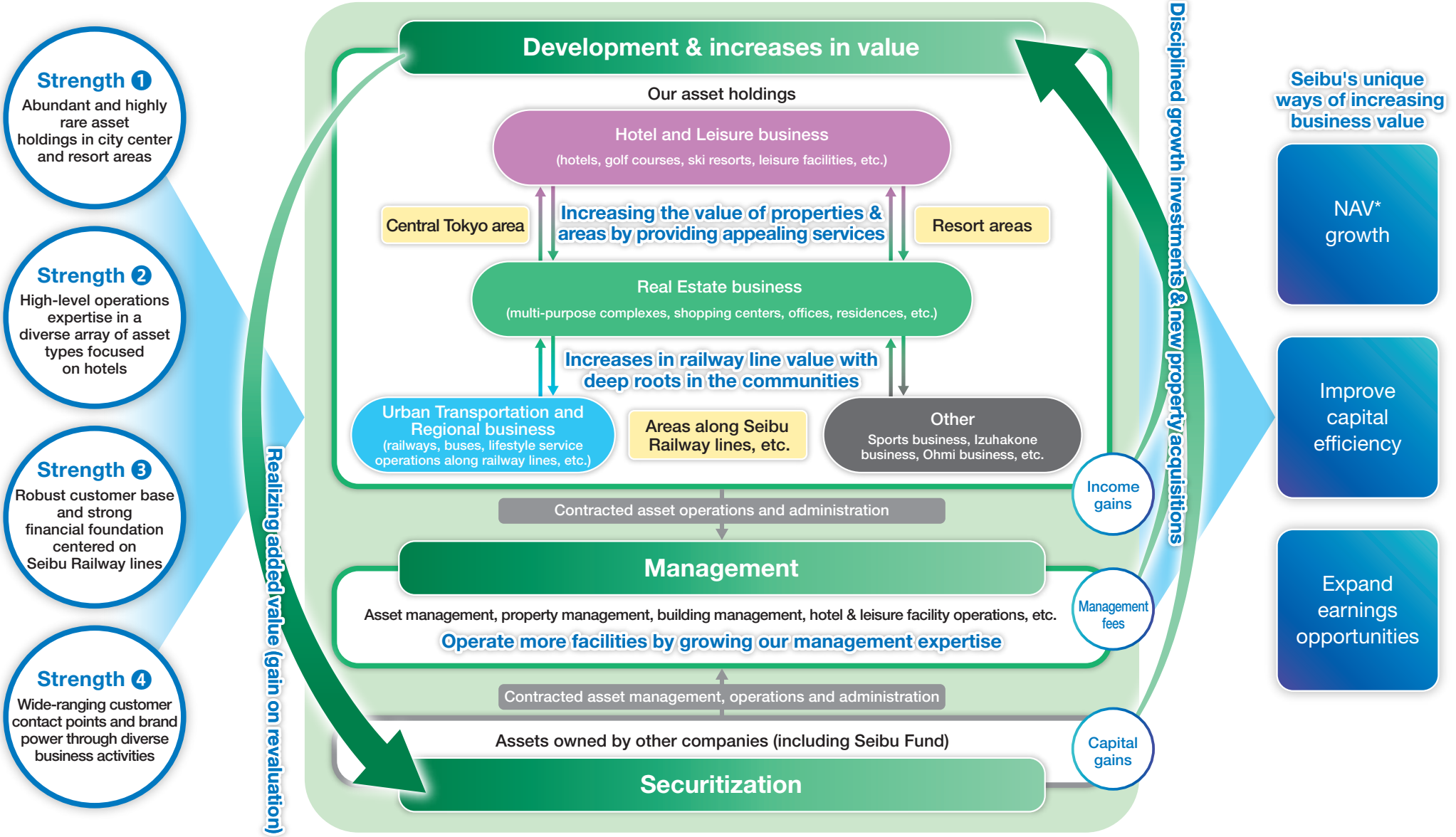


Seibu Group
Smiles ahead

SEIBU REAL ESTATE
SEIBU RAILWAY
SEIBU PRINCE HOTELS & RESORTS
伊豆箱根鉄道
OHMI RAILWAY
Lions

Business Model Centered on the Real Estate Business

Based on the Seibu Group's unique strengths, we will harness Group synergies in a wide array of businesses by building a business model that balances the three elements of development & increases in value, securitization, and management —all centered on the Real Estate business. Doing so, we will increase our business value in ways unique to Seibu by growing our net asset value (NAV), improving capital efficiency, and expanding earnings opportunities.



* NAV (net asset value) indicates net assets based on market value

At a Glance

In the Seibu Group, we will continuously grow our businesses while providing value to customers and society by operating a diverse array of businesses and services.

Operating revenue:	Operating profit:	ROE:	Number of Seibu Prince Club members:	Number of Group companies*1:	Number of employees (consolidated) :
¥901.1 billion	¥292.7 billion	52.2%	2,310,000	88	approx. 20,000

*1 Includes two equity-method affiliates and two non-consolidated subsidiaries not accounted for using the equity method.

Real Estate

Area of main land ownership in the five central wards of Tokyo*2:	approx. 190,000 m²
Number of commercial tenant stores:	approx. 1,100
Managed asset balance in asset management business*3	¥413.0 billion



*2 "The five central wards" refers to Chiyoda, Chuo, Minato, Shinjuku, and Shibuya Wards. Aggregated area of land owned at business locations with more than ¥1 billion in book value *3 As of May 14, 2025

Hotel and Leisure

Hotels:	86
Total hotel rooms:	24,153
Golf courses:	31



Urban Transportation and Regional

Operating length:	176.6 km
Number of stations:	92
Average passengers per day:	1,650,000



Other

Izuhakone Railway Operating length:	29.4 km
Ohmi Railway Operating length:	59.5 km
Yearly ballpark attendance to regular season baseball games (2024 season):	1,550,000



Note: Figures are either from FY 2024 or current as of March 31, 2025 (excluding entries with special notes)

Value Creation Process

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

Megatrends
Changing population demographics　Deteriorating global environment　Digitalization　Geopolitical risk
Resilience　Rectifying low PBR

Social issues and needs
Maintenance of infrastructure functions, accident/disaster prevention　Addressing climate change
Aging population and low birthrate, economic growth of local communities
Transformation and diversification of values and lifestyles
Human capital development and cultivation of job satisfaction　Ensure transparency of corporate management, etc.

Seibu Group's Long-term Strategy to 2035

Materiality

- Decarbonization and effective use of resources
- Building towns people want to live in or visit
- Creation of experience that stimulates the five senses
- Provision of safe and secure services
- Development and advancement of diverse human capital
- Compliance and collaboration

Input

Seibu Group strengths

Customer base and customer contact points
- Residents along railway lines
- SEIBU PRINCE CLUB members

Human capital
- Number of employees (consolidated): Approx. 20,000
- High-level operations expertise

Assets
- Extensive land in the 23 central wards of Tokyo (Takanawa/Shinagawa area, Shibakoen area, etc.)
- 100 million m² of land nationwide

Financial capital
- Consistent cash flows generated in the Urban Transportation and Regional business and the Real Estate business (Development and rental businesss)

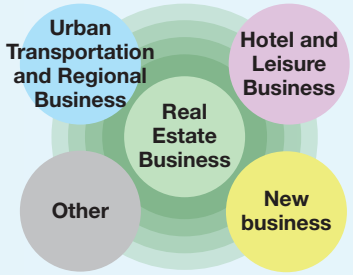
Natural capital
- Business operations in Japan's iconic tourism destinations
- Strong foundation (Musashino Plateau) along the line

Social and relational capital
- Geographic area management in partnership with local governments

Growth Strategy

Business Strategy

Maximize asset value centered on the Real Estate business



+

- Human Capital Strategy
- Financial Strategy
- Digital Management

Output

Customer value achieved

Real Estate Business

We will evolve into a general real estate company to add value to real estate from various angles through town development, and create business opportunities for the Urban Transportation and Regional business and the Hotel and Leisure business.

Hotel and Leisure Business

Contribute to the realization of a tourism superpower with a sense of speed, mainly through management contracts (MC), while improving hospitality to compete globally and provide extraordinary experiences.

Urban Transportation and Regional Business

Play a proactive role in raising the value along railway lines while continuing to provide safe and comfortable transportation to achieve railway corridors people want to live in and want to visit.

Non-financial KPIs

Indicators of ensuring safety and security	Indicators of creating fun and emotion
Zero-accident goal, etc.	Visitor count, satisfaction, etc.
Environmental impact reduction indicators	**Human capital indicators**
CO_2 and waste reduction volume, etc.	Number of human capital subject to professional enhancement, etc.

Financial KPIs

ROE
Consistently achieved 8% or higher
(Aiming for 10% or higher in FY2035)

Operating profit (FY2035)
100 billion yen or more

Outcome

Resilience & Sustainability

-Creating invaluable space and time, ensuring safety and security-

Enhancement of total stakeholder satisfaction

(Shareholders, Creditors, Employees, Customers, Local communities, etc.)

Total Stakeholder Satisfaction

The Seibu Group places heavy emphasis on the interests of all stakeholders and aims to meet all of their expectations through sustainable growth.



Life with Seibu. Safe, secure railway lines for which people feel attachment and pride. The energy and excitement of the Lions' young phenom players. Prince's extraordinary views and hospitality that create lifelong memories. The redevelopment that finally moves forward, giving venerable old cityscapes a new look. All of these energize our tomorrows.

Opportunities for dialogue
- Communication through our business activities
- Customer satisfaction surveys
- Each Group company's website & social media
- Each Group company's contact points for inquiries



Understand the path to the increased business value that Seibu indicates, and recognize us as an investment expected to achieve continuous growth. Engage in ongoing discussions based on trusting relationships. These details are diligently considered in management, leading to the formulation and execution of even more robust strategies.

Opportunities for dialogue
- General meetings of shareholders & IR briefings
- Our website
- Meetings with institutional investors: 253 in FY2024
- Briefings for individual investors



Provide highly transparent financial reports and information for more in-depth understanding of the progress of the strategy, and to maintain trust. Contribute to the advancement of social sustainability by financing Seibu, which operates businesses with high social value.

Opportunities for dialogue
- Financial results briefings for creditors
- Regular discussions & communication with financial institutions & ratings agencies

Enhancement of total stakeholder satisfaction



Benefit from sustainable advancements beyond just convenience and prosperity through Seibu's services and social contribution activities. Local communities where Seibu is present are always full of enthusiasm and peace of mind, brimming with hope that is bright enough to share with the next generation.

Opportunities for dialogue
- Communication through our business activities
- Collaboration with the communities through area management
- Kodomo (Kids) Support Project
- L-FRIENDS social contribution activities by the Lions



Strive together with the company and workplaces toward becoming our ideal selves. Pursue enjoyment in our work along with feelings of fulfillment, job satisfaction, and personal growth on a daily basis. Turn the slogan of our human capital strategy "Bringing smiles to both our customers and employees" into a reality.

Opportunities for dialogue
- Exchanges of opinions with management (town hall meetings)
- Engagement surveys
- In-house consultation contact points
- Company newsletter

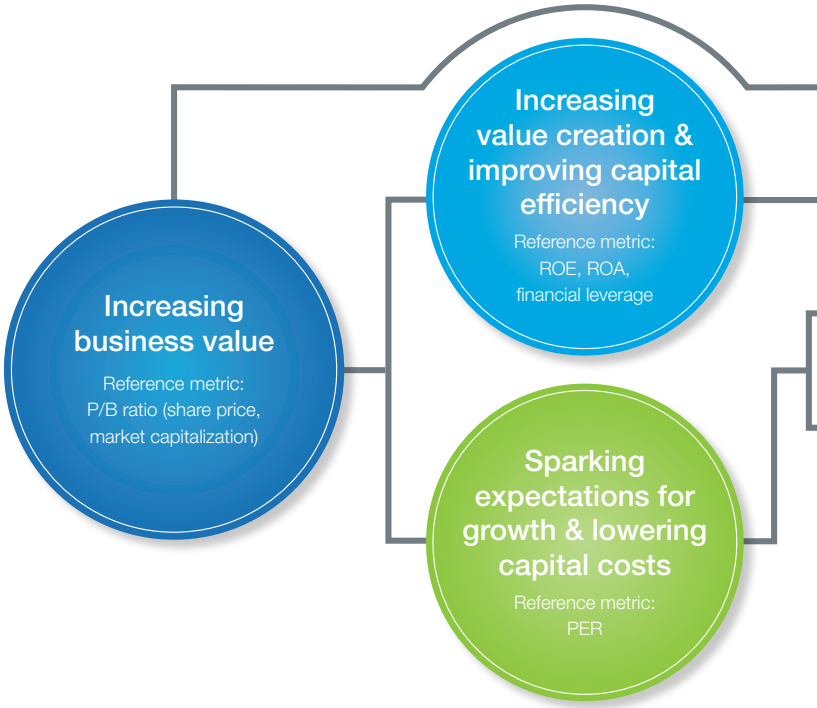


Maintain long-term business based on fairness and integrity. Get a feel for how we are bringing about added value for society through our business activities while achieving mutual sutainable growth and putting our corporate philosophy into practice.

Opportunities for dialogue
- Establishing the Seibu Group Sustainable Procurement Policy and Seibu Group Supplier Guidelines, and communication based on them
- Consultation contact points for business partners

Chapter 2

Increasing Business Value



Chapter 1: Introduction

Value Creation

Chapter 2 : Increasing Business Value

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Chapter 3 : Continuous Growth Centered on the Real Estate Business

Chapter 4 : Our Initiatives for Materiality (Key Topics)

Chapter 5 : Corporate Governance Efforts

Chapter 6 : Corporate Data

Message from the CEO

Value that only the Seibu Group can offer - creating invaluable space and time, ensuring safety and security



GOTO Takashi
Chairman and Representative Director,
Chairman and CEO
Seibu Holdings

Last year we formulated a long-term strategy with the Real Estate business as the centerpiece while also defining the resulting outcomes for the Seibu Group. The outcome “Creating invaluable space and time, ensuring safety and security” expresses how the Seibu Group joins together in prioritizing safety and security as our most important value standard, while providing services that brighten up customers’ everyday lives and special events. It also illustrates how we leverage our unrivaled business infrastructure consisting of abundant and rare real estate assets, operations of hotels and leisure facilities in Japan and abroad, and Seibu Railway lines to provide value that only the Seibu Group can offer.

When I think about Japan’s future growth, it seems to me that tourism-related industries including public transport will be the key. Since the end of the pandemic, the number of foreign visitors to Japan has been continuously soaring higher and higher. While this has also raised the issue of overtourism, tourism-related industries will undoubtedly be playing a more important role than ever as Japan aims to become a tourism-oriented country. That only supports my enduring belief that the Seibu Group must become Japan’s undisputed leader in tourism-related business.

With the determination to provide that value, we are implementing a long-term strategy that aims to create both social and economic value. Our efforts are particularly focused on net asset value (NAV) growth and improving profitability and capital efficiency through capital recycling, which we have positioned as a key management policy.

At the same time, the external environment is not entirely a positive factor. The uncertainties ahead only grow larger. The declining population, labor shortages, global economic trends, the financial climate, geopolitical risk, technological innovation, and people’s diversifying values are all examples of the changing environmental factors that significantly impact the business of our Group. Achieving a balance of both resilience (endurance, ability to bounce back) and sustainability (continued growth) will be extremely important. My role is to navigate us through the rough seas of unpredictability and turn that voyage itself into a new driving force. In other words, this means preparing for risks, flexibly adapting to changes in the environment, and turning them into opportunities. Seibu Group employees have experienced the hardships of the pandemic. Through the transformation of our business model, their spirit to face challenges has only grown stronger. Alongside our trustworthy employees, I look forward to delivering the Seibu Group’s unique brand of stakeholder value and continuous business value growth.

Growth Strategies that Seek Competitive Strength in Each Business, with Real Estate as the Centerpiece

Here I will discuss why we changed course and also our investments in businesses and people.



NISHIYAMA Ryuichiro
President and Representative Director,
President and COO
Seibu Holdings

Formulating a long-term strategy according to the business environment

Over a year has passed since we announced the Seibu Group's Long-term Strategy to 2035 and our Medium-term Management Plan (FY2024-2026) in May 2024. After the significant losses we incurred when the COVID-19 pandemic struck in FY2020, we have achieved a steady recovery by implementing management reforms such as going asset light. Why did we set out on a new Real Estate business-centric growth strategy called "capital recycling?" Here I will once again share the background and aims behind that decision.

When looking at the external environment surrounding our company, we can see the changes in the world around us happening faster than ever. From Japan's aging society to global warming, digitalization, and geopolitical risk, the uncertainty only grows. Furthermore, the Japanese economy as a whole is likely to face yet another crisis beyond our control. It could be an earthquake, pandemic, or something like the 2008 financial crisis. Even if a business is currently performing well, there is no guarantee that it will continue that way forever. For that reason, we focused on making our moves and charting a new growth trajectory as quickly as possible before the current business environment peaks out. Based on the reorganizations and business structure changes we have implemented in our management reforms thus far, we embarked on a long-term strategy targeting continuous growth and expansion into the future.

Message from the COO

As our long-term strategy, we have set out a growth strategy centered on the Real Estate business targeting growth through capital recycling that leverages the strengths of the Seibu Group. These Group strengths are the roughly 190,000 m² of land that we own in prime city center locations such as Takanawa, Shinagawa, Shibakoen, Seibu Shinjuku, and Takadanobaba, and other resort areas with enormous potential that we own in Karuizawa, Hakone, Furano, and other resort areas throughout Japan. Looking beyond just the Real Estate business, our extensive development pipeline also includes the Hotel and Leisure business operating one of Japan's largest hotel chains Prince Hotels, and our Urban Transportation and Regional business with Seibu Railway lines as the focal points. With so many people possessing many high-level skills in these fields, our Group is particularly positioned to deliver unique value that others cannot imitate. Leveraging strengths such as these, we made the decision to pursue competitive strength in each business with a focus on the Real Estate business, based on the idea that no growth comes without investment. This included the specific aims of acquiring new properties, actualizing unrealized gains by strategically reshuffling our real estate, raising the absolute value of our profits, and improving our capital efficiency.

Securitizing Tokyo Garden Terrace Kioicho

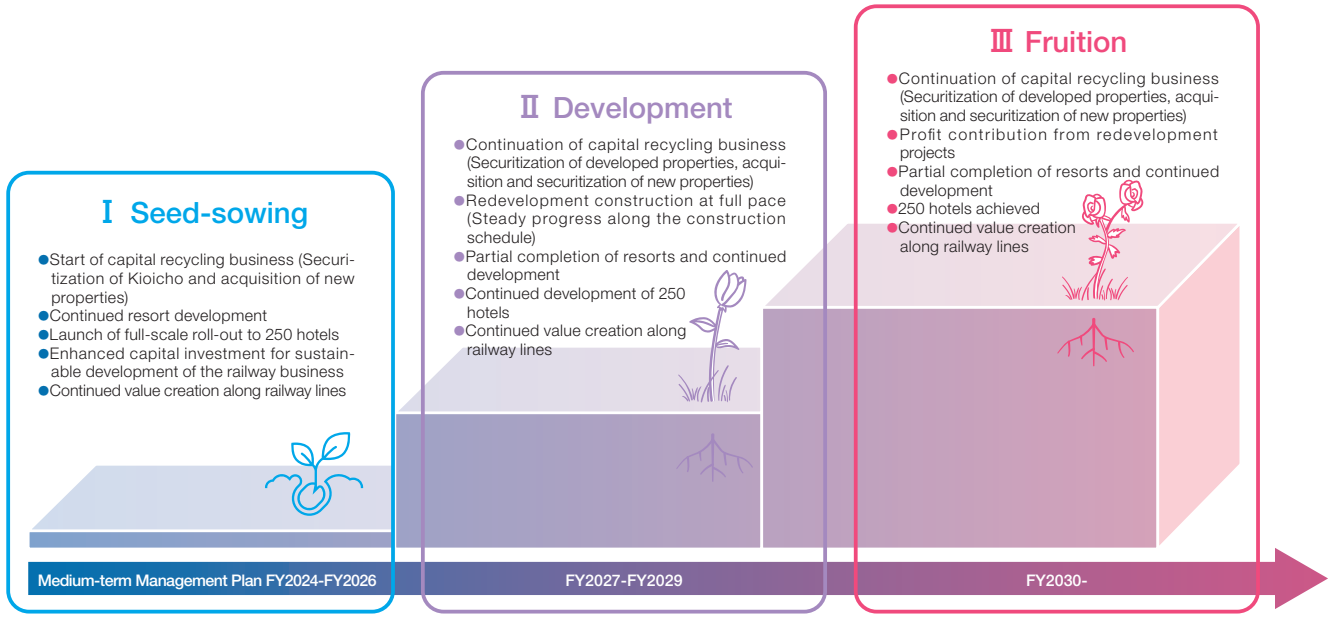
Our current Medium-term Management Plan started off with this future concept. This plan positions the three years starting in FY2024 as the seed-sowing period for the growth of our Group, with the Real Estate business as the focus. I believe that we fully displayed our strong determination to make capital recycling a success to our stakeholders during the first year of that plan in FY2024. Our securitization of Tokyo Garden Terrace Kioicho is symbolic of those efforts. In this transaction, we redeveloped and increased the value of real estate that we ourselves own. We significantly boosted profitability through this facility while also raising its value as real estate. This symbolic facility, which has been beloved by customers, employees, clients, and many others over its illustrious history since opening in 1955 as Akasaka Prince Hotel, attracted an exceptional closing transfer price of roughly ¥400 billion with approximately ¥260 billion in transfer profits, the largest amounts ever for a real estate investment transaction in Japan. In my opinion, this turned out to be the best possible securitization transaction, including the timing with favorable interest rates and economic conditions, and elevated sentiment for investment both domestically and internationally.

Laying the groundwork for capital recycling

Despite this being a seed-sowing period, it is definitely not a phase to rest easy. We will need to lay solid groundwork to connect it with the development and fruition periods. Therefore, this fiscal year we are engaged in efforts with the theme of laying the groundwork to further accelerate the capital recycling momentum set into motion by Tokyo Garden Terrace Kioicho.

One of these efforts is the reorganization into a four-company arrangement in the Real Estate business, which we initiated in April 2025. To shift our management focus from real estate development to general real estate business that handles everything from ownership to leasing, asset management, and operations and management, we will need a variety of functions and must also work toward making them more sophisticated and specialized. In October of last year we established a new company called SEIBU REAL ESTATE ASSET MANAGEMENT specifically for conducting asset management (AM) business which we had never done before. Currently, the company acquired licenses for investment advisory and agency services. Going forward, we will work on acquiring an investment management business license with the aim of forming the Seibu Fund for which that company will be the main asset manager.

In the materials showing Medium-term Management Plan progress disclosed in May, we also disclosed our plans for securitization candidate properties and securitization schedules in capital recycling, including for the next Medium-term Management Plan and onward. As part of those efforts, in November 2024 we signed a basic agreement with Morgan Stanley Capital and PRIME Asia to form a real estate investment



Message from the COO

business partnership aimed at residential assets. Focusing on rental apartments in the Tokyo area --including around Seibu Railway lines --as the primary investments, we will invest through a joint special purpose company (SPC) or incorporate properties from the existing pipelines of both parties. Our total assets under management (AUM) for rental apartments were around ¥13.0 billion as of May 2025, but we aim to raise that to ¥100.0 billion by FY2027.

Meanwhile, in the Hotel and Leisure business, we plan to invest in increasing the value of our major hotels as part of our growth investments using the funds from securitizing Tokyo Garden Terrace Kioicho. For example, at Karuizawa Prince Hotel, we are upgrading the cottage area into a villa for a large-scale increase in value. Shinagawa Prince Hotel is one of our highest-potential hotels which was high in profitability to begin with and has approximately ¥140.0 billion yen in unrealized profit. By investing in such a hotel, we are also working to improve short- to medium-term profitability until these earnings are realized through capital recycling.

Becoming an organization where every individual exercises leadership

As already mentioned, we have taken a smooth first step in our growth strategy centered on the Seibu Group's distinctive Real Estate business. However, there are still issues to address.

Among those, the most important topic is our people. We will need to invest more in our people than ever in order to strengthen our knowledge and expertise in business areas where we have expanded such as real estate. This is what is referred to as investing in human capital. As a prerequisite to that, I consider it critically important to open up lines of communication with each individual employee in the Group to share our future vision and path forward with them. As we work on new business models such as capital recycling in this time of transition, I think the most important role we can play as management is to share our thirst for challenges with our employees and arouse the same spirit in them. We have to get it across that "it may be difficult now, but do your best and see what happens." I believe that significant progress was made in understanding and instilling our growth strategy by increasing opportunities for direct dialogue with employees and communicating my ideas as president and the direction of our strategy. However, as turbulent changes in the business environment continue, it will be important to repeatedly engage in such dialogues moving forward.

Sharing our aspirations for the future will also likely inspire individual employees to exercise leadership. This relates to "leveraging human spontaneity" which I am constantly talking about. If they can see the path forward, they will each harness their individual expertise and other abilities, and think and act flexibly according to the circumstances. That is what I believe. Concurrently, we can delegate authority to them and create mechanisms for them to exercise leadership on their own. Doing so, we will aim to be an organization where every employee exercises leadership.

As we conduct our existing employee training and development programs, we are also dedicating efforts to hiring experienced professionals to build even higher levels of expertise. For example, we brought aboard real estate investment veteran Masayuki Ishihara as a director as part of our efforts in capital recycling. In the Hotel and Leisure business, we are aiming to expand to 250 hotels, primarily through management contracts (MC). To implement this strategy, we are hiring and developing general manager-level human resources who are capable of handling the actual operation of hotels and delivering owner satisfaction.

At the same time, wage levels as a direct investment in human capital is also a key point in securing and developing human resources. With the aim of providing employees the best conditions in the industry, we raised base pay including for starting salaries and wages that we offer to new graduates. The driving force for the growth we seek is the virtuous cycle achieved by accelerating investments in human capital, offering the best pay and other conditions from the employee's perspective which leads to them harnessing their peak performance toward achieving our business strategy. We will continue investing in human capital in order to establish this cycle and channel it into growth.



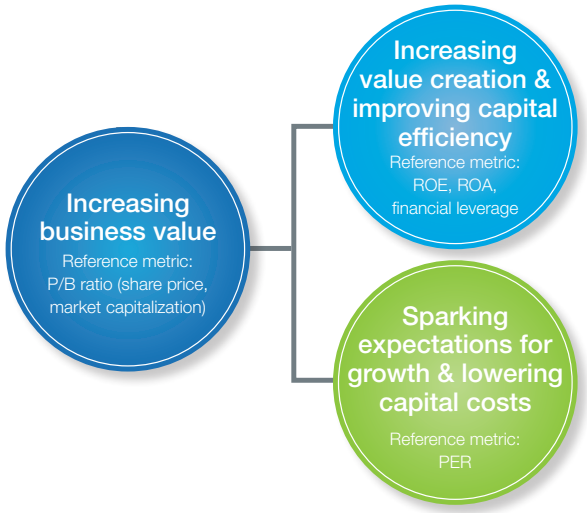
Creating business value originating in PBR

To implement business management with a focus on capital costs and stock price, our Group has made it a focus of our business management to increase business and shareholder value by growing net asset value (NAV) and improving capital efficiency. As part of that, we are bolstering efforts that emphasize price-to-book (P/B) ratio (market price per share divided by book value per share) as a business metric. Organizing the chapters of the report according to a logic tree using P/B ratio as the origin point for increasing our business value, we are aiming to achieve these increases with financial KPIs (key performance indicators) such as ROE, ROA, and equity-to-asset ratio in mind. This fiscal year we are also arranging the categories of the logic tree in our integrated report and indicating how the messages and initiatives in each part are linked to increased business value.

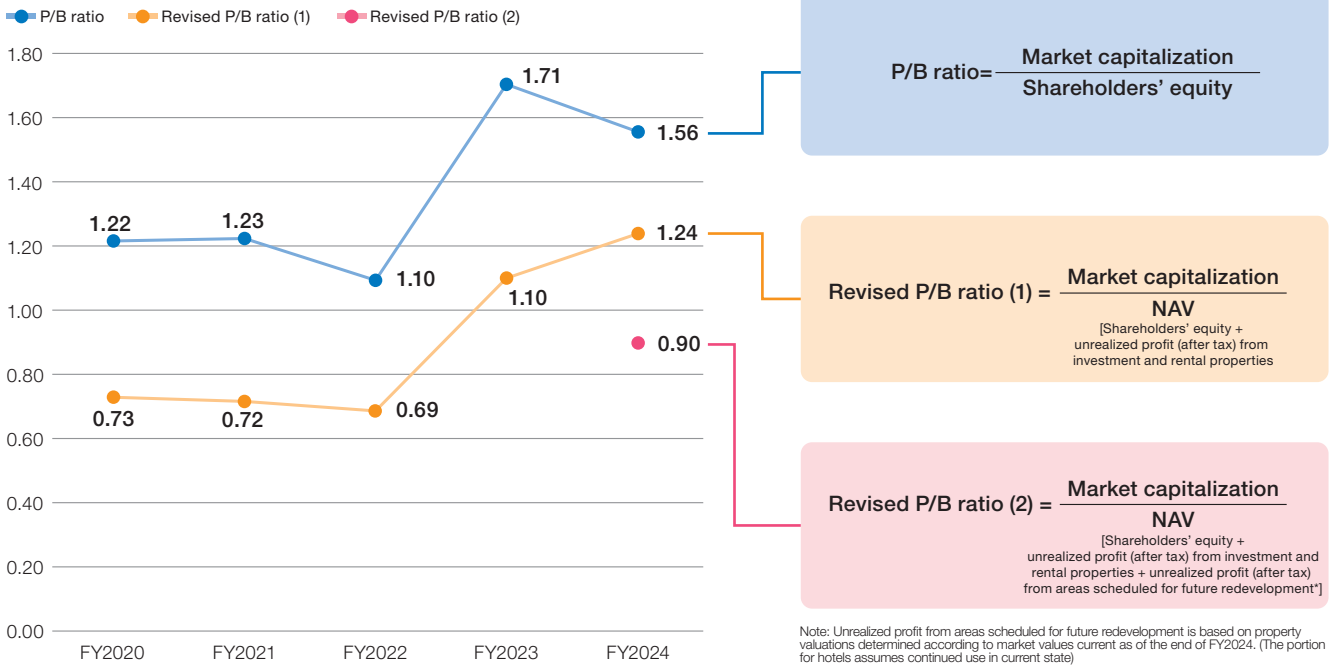
I have always made it a point to hear the voice of capital markets directly through IR, having actively arranged opportunities for dialogues with investors, from briefings and small meetings to one-on-one discussions. Even when the recommendations or assessments regarding the Seibu Group or myself have been direct or harsh, I have listened to them and utilized them in business management. Based on those discussions with investors that touched on our future growth potential, we have now disclosed revised P/B ratio (2) as a

Message from the COO

Logic Tree for Increasing Business Value



P/B ratio and revised P/B ratio by year



Note: Unrealized profit from areas scheduled for future redevelopment is based on property valuations determined according to market values current as of the end of FY2024. (The portion for hotels assumes continued use in current state)

metric in materials explaining the progress of our Medium-term Management Plan. This revised P/B ratio (2) is a metric that calculates net assets per share used in calculating P/B ratio by adding the unrealized profit (after tax) from investment and rental properties and unrealized profit (after tax) from areas scheduled for redevelopment* to shareholders' equity. The unrealized profits from areas scheduled for redevelopment are based on property valuations of current facilities. In other words, these are "as-is" values. They do not reflect the effects of upcoming redevelopment or investments to increase value. Our intention in disclosing this revised P/B ratio (2) metric was to show our unrealized value and future growth potential. Going forward, we aim to continuously generate business and shareholder value by working out more specific redevelopment plans or plans for investments to increase value, then actually raise profitability by executing those plans and achieving growth in NAV.

Boosting total stakeholder satisfaction

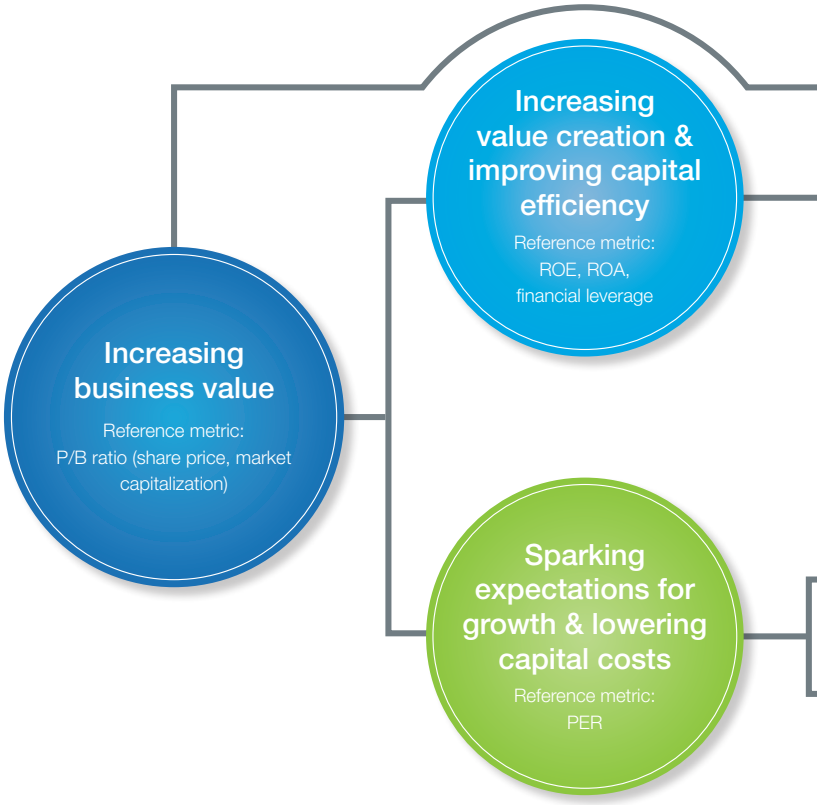
Just to reiterate, as the focus of our long-term strategy, we believe that capital recycling will not only drive the growth of our Group but will ultimately also lead to social value creation. That is because we will acquire real estate in new locations with the funds obtained through securitization in capital recycling, which we will then securitize again after increasing their value. Since the continuation of this pattern will lead to growth, this business model can also be considered a proverbial cycle of contributing to communities through business.

Next year will mark 20 years since formulating the Group Vision that comprises our Group's Action Guidelines and also represents an important commitment to society and our customers. We will continue improving our business and shareholder value while also generating social value through capital recycling which leverages our strengths and advantages. At the same time, we will raise the satisfaction levels of all the stakeholders involved in our business --including our employees. This business model is distinctively Seibu, and we will continue working tirelessly to implement it.

* Areas scheduled for redevelopment: The Takanawa, Shibakoen (Tokyo Prince Hotel), Shinagawa, and Karuizawa areas.

Chapter 3

Continuous Growth Centered on the Real Estate Business



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Chapter 2 : Increasing Business Value

Growth Strategy

Chapter 3 : Continuous Growth Centered on the Real Estate Business

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Chapter 5 : Corporate Governance Efforts

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Long-term Strategy to 2035 & Medium-term Management Plan

By organically combining our abundant and unique real estate with our operational expertise in hotels and railways, we aim to maximize real estate value and improve capital efficiency through capital recycling.

Overview of the Long-term Strategy

As our Group's business environment undergoes rapid changes, we face increasing uncertainty and a lack of clarity in our business operations. Against this backdrop, the Group is shifting to asset-light business operations under the previous Medium-term Management Plan (FY2021-FY2023), and transferred a portion of the assets in our Hotel and Leisure business. Based on that, we have recognized the necessity of boosting the absolute amount of profit and the need for sustainable capital recycling to improve capital efficiency. Therefore, in May 2024 we announced the Seibu Group's Long-term Strategy to 2035, which presented a growth strategy centered on our Real Estate business, aiming to maximize our real estate net asset value (NAV) growth and improve capital efficiency by leveraging our Group's strengths.

In our core businesses, we will make capital expenditures to improve the value and continue the development of our railway lines in the Urban Transportation and Regional business and work to bolster our rentals business and increase the value of asset holdings in the Real Estate business to generate stable cash flow. In our growth businesses, we will actively devote business resources to large-scale redevelopment in central Tokyo and resort development in the Real Estate business, and to building a network of 250 hotels in the Hotel and Leisure business to drive the Group's growth.

To achieve these aims, we will strategically implement capital recycling to shift our real estate portfolio from low to high capital efficiency assets, and will strive to achieve continuous business growth and deliver outcomes by harnessing our Group synergies in urban development and business expansion in each area.

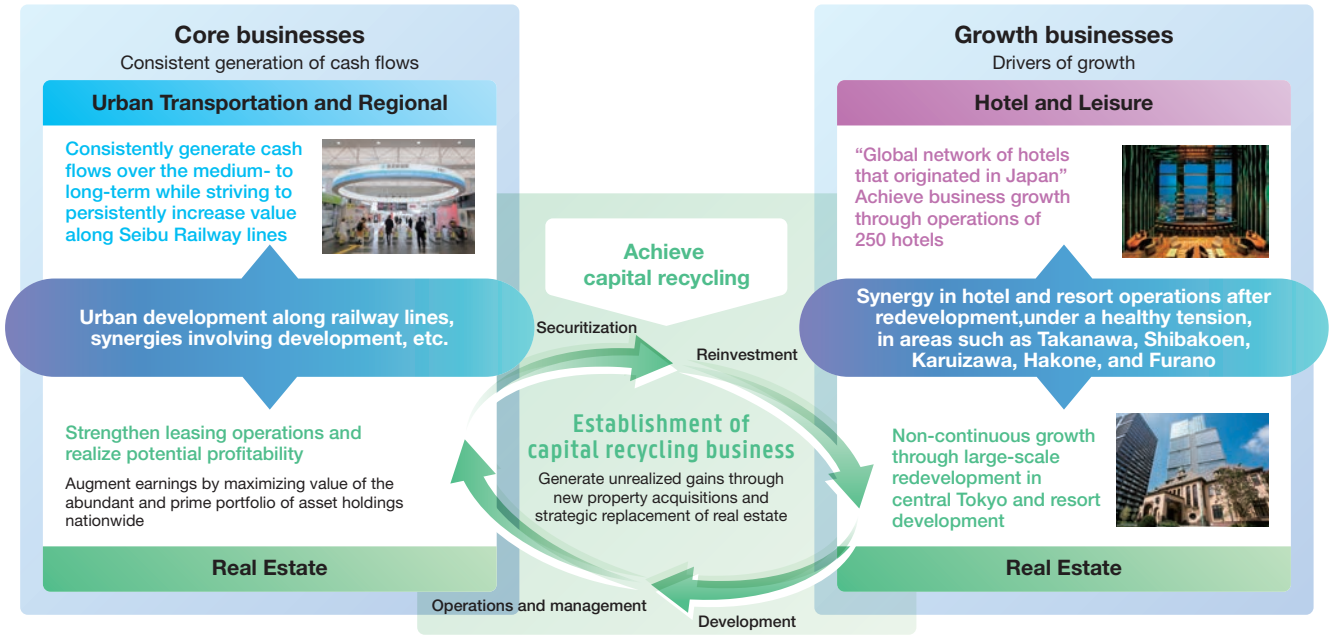
External environment (megatrends)

Demographic challenges (incl. work arrangements)	Deteriorating global environment	Accelerating pace of digitalization
Mounting geopolitical risk	Calls for resiliency	Rectifying low PBR

Achievements and results of management reforms in the previous Medium-term Management Plan (FY2021–FY2023)

Themes	Major results and achievements
Asset-light business operation	• Transferred shares of Seibu Construction shares, etc. • Embarked on cooperative initiatives with external partner upon having transferred certain assets (26 assets) of the Hotel and Leisure business to the partner • Declared participation in the capital recycling business
Lowering the breakeven point	• Reduced fixed expenses by 8.6 billion yen (compared to FY2019) (Transfer of certain Hotel and Leisure business assets, establishment of shared services company, etc.)
Service transformation to suit the new normal	• Implemented various initiatives including opening a campground and offering the BOPISTA service enabling receipt of parcels using smart lockers, and the "Kaiyu Karuizawa" tourism and local community MaaS

Overview of the Long-term Strategy



Long-term Strategy to 2035 & Medium-term Management Plan

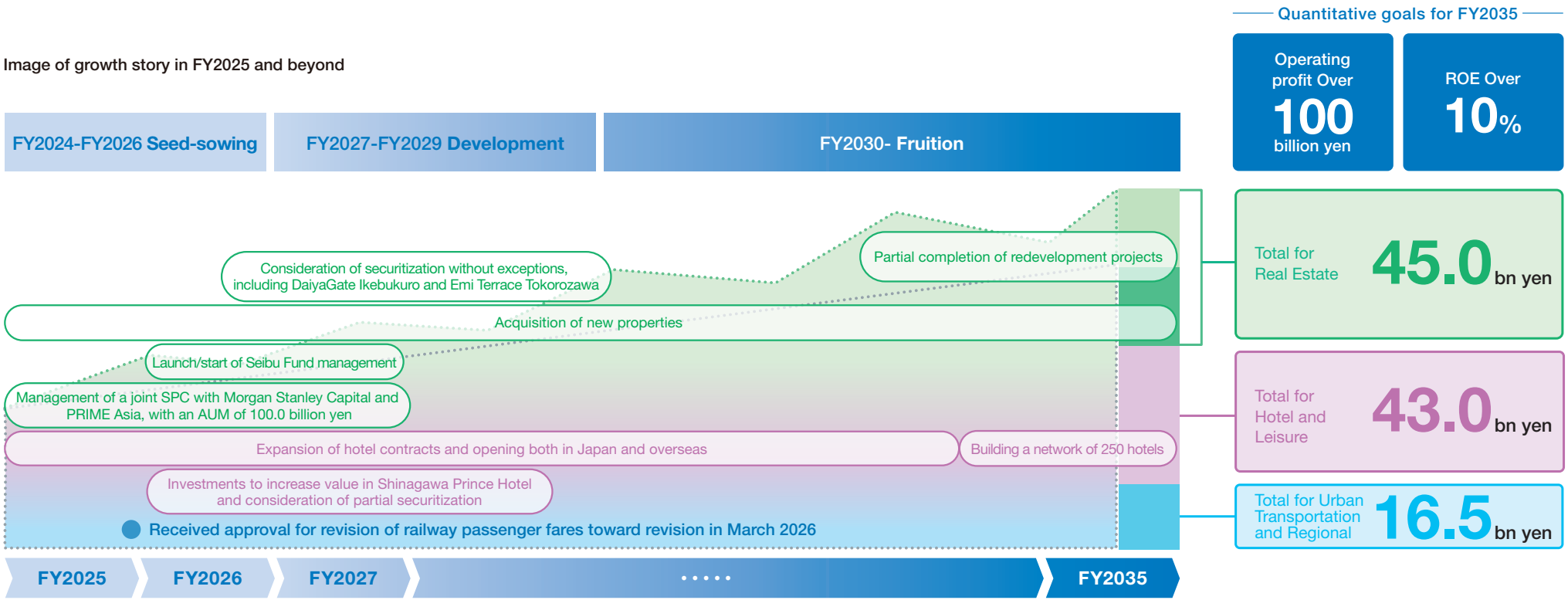
Growth Story for FY2025 and Beyond

As quantitative targets for FY2035 which marks the final year of our Long-term Strategy, the Group aims to achieve operating profit of at least 100 billion yen and ROE of at least 10%, thereby raising the absolute level of our profits and improving capital efficiency. To achieve these targets, we will pursue initiatives for capital recycling as a new business model in our Real Estate business, and initiatives to drive growth in the Hotel and Leisure business.

In implementing capital recycling, we reviewed all properties owned by our Group as potential candidates for securitization without exception, and specified the candidate properties to be securitized and their schedules, including the period of the next Medium-term Management Plan. Our asset management company, which we established to strengthen the expertise of each function in our Real Estate business, will create the "Seibu Fund" to serve as the receiver of funds securitized properties from the Seibu Group. We are also aiming to maximize the value of our real estate and grow our NAV by acquiring new properties and developing areas with potential in central Tokyo, resorts, and along Seibu Railway lines, while utilizing cash and other resources obtained through securitization.

In our Hotel and Leisure business, we have adopted the theme of "a global network of hotels with its origins in Japan" as our aspirational vision, and are working to build a competitive advantage based on global standardization and differentiation. We are also working to capture inbound demand, increase hotel room rates, and build a network of 250 hotels in Japan and overseas, and will improve our profitability by making steady investments necessary for growth, including growth investments in hotels such as the Shinagawa Prince Hotel, and M&As of overseas hotels.

Image of growth story in FY2025 and beyond



Long-term Strategy to 2035 & Medium-term Management Plan

Progress of Our Medium-term Management Plan

During our current Medium-term Management Plan (FY2024-FY2026), we are working to lay the groundwork for growth centered on our Real Estate business as the "Seed-sowing period" under our Long-term Strategy to 2035.

In addition to securitizing Tokyo Garden Terrace Kioicho, which is the major impetus behind the Seibu Group's new initiative to establish capital recycling, we have incorporated the residences into an SPC jointly formed with Morgan Stanley Capital and PRIME Asia. We are also working to achieve sustainable capital recycling by acquiring new properties and making equity investments with the aim of future securitization.

In our Hotel and Leisure business, we began renovating the Mauna Kea Beach Hotel and established the Seibu Prince Global Rewards program for domestic and international membership. We are aiming to expand our hotel network by improving profitability through initiatives such as securing five new hotel contracts/openings in FY2024.

In our Urban Transportation and Regional business, we will promote capital investments to improve railway line safety and value in order to realize railway lines that are desirable to live along and visit, and we plan to implement fare revisions in March 2026 to obtain the resources necessary for perpetual railway business operation and provision of high-quality, comfortable services.

Major achievements in FY2024

- Securitize Tokyo Garden Terrace Kioicho
- Create a joint SPC with an external partner to invest in residences located in the Tokyo metropolitan area
- Acquire five new properties including offices and residences with a view to future securitization
- Establish the Seibu Prince Global Rewards joint membership program for hotels in Japan and overseas
- Contract and open a total of five new hotels in Japan and overseas
- Apply for approval to revise railway passenger fares for perpetual railway business operation and provision of high-quality, comfortable services

Major plans for in FY2025

- Promote a four-company structure designed to strengthen the expertise of each function in our Real Estate business
- Incorporate residences into joint SPC with external partners
- Commence urban planning procedure for the development plan of part of Takanawa area's preliminary development zone
- Proceed with renovation of the Mauna Kea Beach Hotel in Hawaii
- Promote capital investment to improve railway line safety and value in order to realize railway lines that are desirable to live along and visit
- Implement train fare revision pursuant to approval of our application for revision of railway passenger fares (scheduled for March 2026)

billion yen

		FY2023 Actual	FY2024 Actual	FY2025 Forecast*1	FY2026 Plan*2
PL	Operating profit	47.7	292.7	40.0	49.0
	EBITDA	101.8	347.1	98.0	113.0
	Profit attributable to owners of parent	26.9	258.1	26.0	29.0
BS	Total assets	1,635.0	1,834.1	1,702.0	1,729.0
	Total liabilities	1,202.8	1,266.9	1,168.0	1,176.0
	Total net assets	432.1	567.1	534.0	553.0
	Equity	426.7	561.5	528.0	547.0
	Net interest-bearing debt	730.6	384.2	596.0	635.0
Management Indicators	Seibu ROIC (%)	2.5	16.1	2.3	2.6
	ROE (%)	6.8	52.2	4.8	5.3
	ROA (%)	1.7	14.9	1.5	1.7

*1 Forecast announced on May 14, 2025
*2 Plan announced on Aug. 1, 2025

Financial Strategy

Promoting enhanced corporate value through optimal capital allocation leading to growth



FURUTA Yoshinari
Director, Senior Managing Officer, Investor Relations Dept., Corporate Planning, Accounting Dept. & Finance Dept.

Overview of our financial strategy

In May 2024, in light of megatrends and recent changes in the business environment, the Group formulated the Long-term Strategy consisting of a growth strategy with the Real Estate business at its core, in order to maximize corporate and shareholder value by leveraging the Group's strengths. We will maximize the potential of our assets and aim to grow our NAV and improve capital efficiency through capital recycling.

Our Long-term Strategy sets a quantitative target of at least 100 billion yen in operating profit in FY2035, with our Real Estate and Hotel and Leisure businesses as the growth drivers to achieve this target. To improve our capital efficiency, we established several management indices such as ROE as KPIs to indicate our capital efficiency and optimal capital structure. We aim to achieve an ROE of 8% on a constant basis, with the goal of achieving 10% or more by FY2035. To achieve our ROE targets, we have established numerical targets from the perspectives of profitability, efficiency, and safety. In order to maintain a stable financial base, we will work to improve profitability and efficiency while ensuring an equity-to-asset ratio in the range of 25% to 30% and maintaining our A credit rating.

To improve profitability and efficiency, we applied the commonly defined ROIC formula and established our own index entitled "Seibu ROIC." Through comparison of Seibu ROIC and hurdle rates by business, we will strive to optimize resource allocation and improve capital efficiency by replacing assets that are averse to improvement based on capital recycling.

In FY2024, the securitization of Tokyo Garden Terrace Kioicho resulted in ROE well above our recognized cost of equity of 7.2% and Seibu ROIC far exceeding the hurdle rate of 3.13% set by the Group. However, we expect ROE and Seibu ROIC to be below the cost of equity and hurdle rate in FY2025 and FY2026, and we recognize that improving profitability through growth in operating profit and improving efficiency through a selective asset mix are urgent issues.

Financial KPIs

ROE
Consistently achieved 8%
Aim for an ROE in excess of 10% in FY2035.

Cost of equity perceived as 7.2%

I. Profitability (Net profit margin) of at least 9%
- Carry out capital recycling business, building a network of 250 hotels, etc.
- Business transformation through digital technology, etc.

→ FY2035 Operating profit **Over 100 billion yen**

II. Efficiency (Total asset turnover) 0.3× or higher
- Carry out capital recycling business, achieve capital recycling
- Implement investment that takes into account the cost of capital, and ROIC management
  -Hurdle rate set at 3.13% and conducted business portfolio management to ensure that each segment exceeds its respective business-specific hurdle rate

→ ROA **2.7% or greater**

III. Financial soundness (Financial leverage) of in the 3 times range
- Leverage a certain degree through large-scale development and acquisition of new properties, while reducing debt through securitization and careful selection of the investments applying hurdle rates by business segment
- Raise funds other than through borrowing, such as JVs in resort development
- Control the balance sheet while giving due consideration to efficiency and safety, and implement flexible capital policies (dividend increases, purchase of treasury shares, etc.) as appropriate

→ Equity-to-asset ratio **25-30%**

→ **Maintain "A" rating**

Financial Strategy

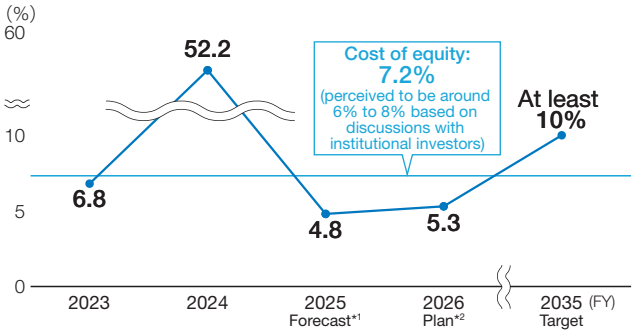
To address these issues, we will consider the three perspectives of stronger profitability, cost control, and asset control while promoting the following three points: (1) Accelerating our capital recycling business; (2) Improving the profitability of our Hotel and Leisure business; and (3) Improving the profitability and capital efficiency of each business site.

In terms of accelerating our capital recycling business, we securitized Tokyo Garden Terrace Kioicho and formed a joint SPC with Morgan Stanley Capital and PRIME Asia in FY2024, and incorporated the owned residences in May 2025. We also acquired five new properties through the use of investment vehicles established with the intention of acquiring properties that will contribute to future securitization. We have specified candidate properties and plans for their future securitization such as DaiyaGate Ikebukuro and part of the Shinagawa Prince Hotel, and will improve our capital efficiency by continuing to identify properties for securitization based on ROIC and future growth potential while also making investment decisions based on investment discipline in new development and new acquisitions.

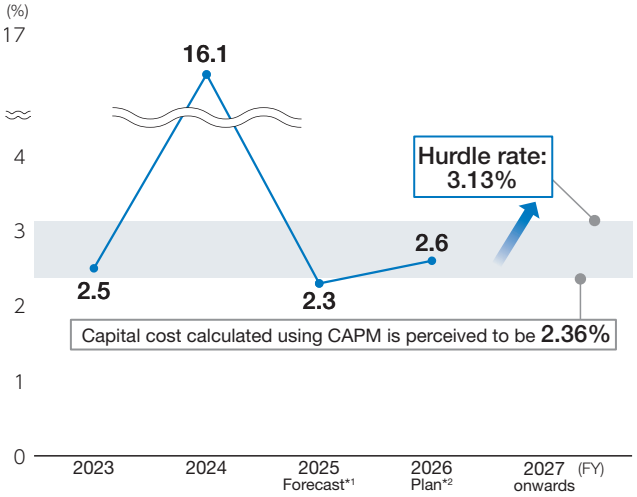
In terms of improving the profitability of our Hotel and Leisure business, we aim to maximize profits by analyzing and utilizing data collected across the business based on a CRM system specialized for the Hotel and Leisure business, and incorporating this data into our planning. We will also utilize the Seibu Prince Global Rewards joint membership program for hotels in Japan and overseas established in 2024 to increase our ratio of direct sales by fostering customer loyalty. Moreover, we will expand our network to build a network of 250 hotels while leveraging M&As.

Finally, in terms of improving the profitability and capital efficiency of each business site, we will thoroughly monitor our business sites by leveraging the aforementioned Seibu ROIC and review those business sites that are not expected to improve so that capital can be appropriately allocated to value-creating businesses.

Trends in ROE



Trends in Seibu ROIC



Seibu ROIC = Operating profit × 0.7 ÷ (Property, plant and equipment and intangible assets*3 + Real estate for sale)

*1 Forecast announced on May 14, 2025 *2 Plan announced on Aug. 1, 2025
*3 The amount excludes advances received on contribution for construction (reduction of non-current assets)

Towards strengthening both profitability and efficiency

Accelerate capital recycling business	Enhancing profitability	• As well as acquiring new properties, we will work to enhance the profitability of properties by rolling out value-adding projects for those that we have acquired. • By also raising rents at existing properties and investigating ways to maximize their effective use, we will strengthen the earnings base for the Real Estate business as a whole
	Cost control	• Based on the four-company real estate structure designed and established to strengthen specialization in the various functions of AM, PM, CM, and BM, we will pursue productivity improvements in each function.
	Asset control (Achieve capital recycling)	• After systematically organizing securitization, we will promote sustainable capital recycling.
Enhance profitability in the Hotel and Leisure business	Enhancing profitability	• In addition to opening new hotels toward building a network of 250 hotels, we will seek to raise prices to reflect brand power improvements, thus enhancing profitability.
	Cost control	• Through developing an Seibu Prince Global Rewards app and integration of websites for different business locations we will work to increase the direct sales ratio.
	Asset control (Achieve capital recycling)	• Through increases in fee income driven by higher numbers of MC contracts we aim to enhance the profitability of the Hotel and Leisure business, and achieve improvements in capital efficiency for the business as a whole. • Through investments to increase value, including the Shinagawa Prince Hotel, and brand-building initiatives, we will pursue increases in the value of hotel assets with an eye on securitization.
Enhance profitability / capital efficiency at each business site		• By thoroughly monitoring business locations after the introduction of Seibu's ROIC, we will disseminate the concept within the Group and pursue profitability enhancements at each business location. • We will review the approach taken by existing business locations for which improvements cannot be expected, and allocate capital appropriately to businesses that are generating value.

Financial Strategy

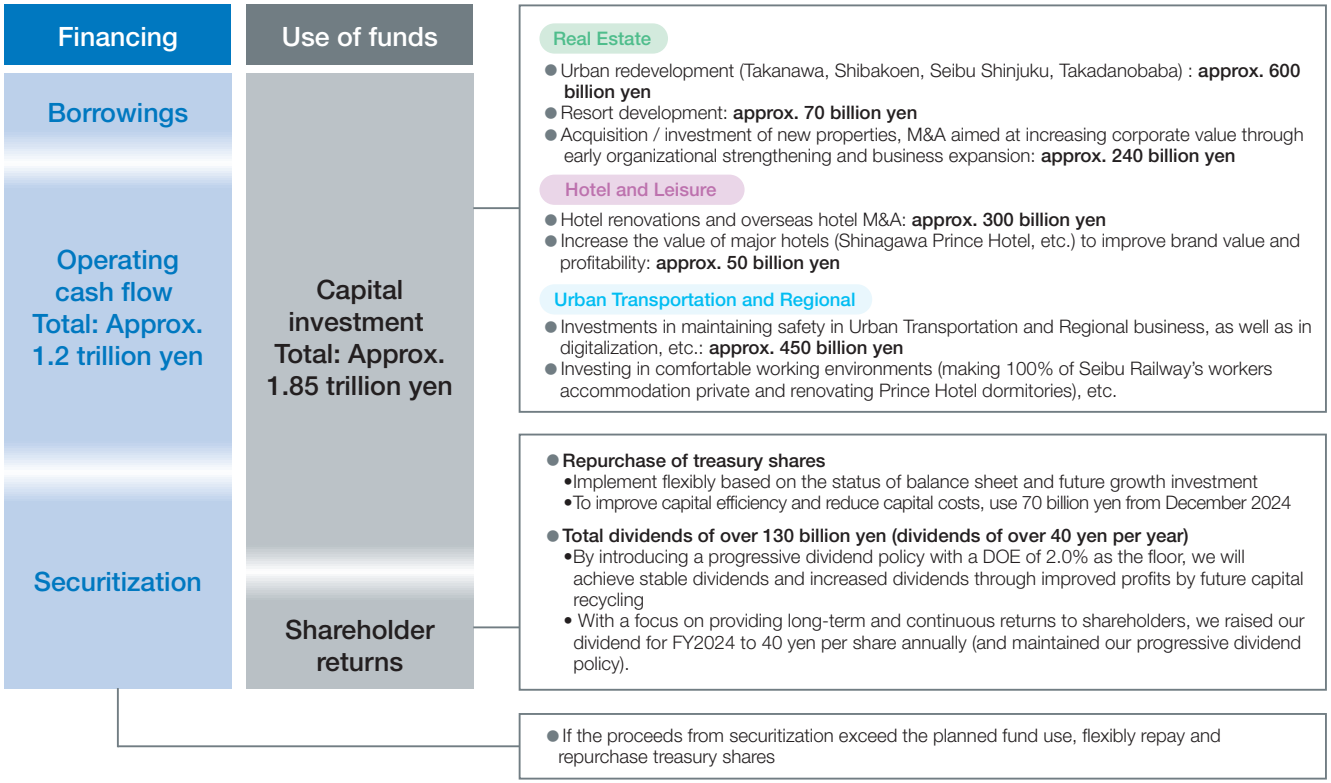
Cash Allocation

The Group's cash allocation plan is presented for a period of approximately 10 years through FY2035. We anticipate that cash inflows will include approximately 1.2 trillion yen in operating cash flow from existing operations and the securitization of Tokyo Garden Terrace Kioicho in February 2025, as well as cash inflows from future securitizations. We will use these funds to minimize increased borrowings to the extent feasible.

Meanwhile, cash expenditures for capital investement are projected to reach about 1.85 trillion yen based on our policy of prioritizing growth investments in redevelopment and other initiatives leading to greater corporate value.

In our Real Estate business, in addition to construction of the Takanawa area scheduled to begin in FY2028, we expect to invest around 600 billion yen in the redevelopment of urban centers such as Shibakoen, Seibu Shinjuku, and Takadanobaba, around 70 billion yen in the development of leading resorts in Japan such as Karuizawa, Hakone, Furano, and Nikko, and around 240 billion yen in M&As to enhance corporate value through acquisition of new properties, investments, and expedient reinforcement and expansion of our business structure and scale.

Cash Allocation from FY2024 to FY2035



In our Hotel and Leisure business, we expect to spend about 350 billion yen on hotel renovations, including investments to increase value in major hotels such as Shinagawa Prince Hotel, and M&As of overseas hotels, in order to capture inbound demand, raise hotel room rates, and improve profitability by building a network of 250 hotels in Japan and overseas. We will proceed with the renovation of our Mauna Kea Beach Hotel in Hawaii and the large-scale renewal of cottages at the Karuizawa Prince Hotel.

In our Urban Transportation and Regional business, we plan to invest about 450 billion yen in safety maintenance and digitalization to achieve sustainable future development.

In terms of our human capital which will be the source of growth, we plan to invest in education and training to realize the best level of employee treatment in the industry and improve our service levels. These investments comprise the major components of our total capital investment of approximately 1.85 trillion yen.

However, amidst labor shortages and rising construction costs in the construction industry, the ability to generate solid returns on investment is a very significant issue. In view of prospective economic conditions, we will build a system that can promptly respond to changing conditions, review our schedule based on market conditions, and consider methods to reduce costs while maintaining quality and functionality in each phase of design and construction as one of our approaches. We will also improve profitability and efficiency through future capital investments while adhering to investment discipline, and will strive to achieve the quantitative targets of operating profit of at least 100 billion yen and ROE of at least 10% in FY2035.

The securitization of Tokyo Garden Terrace Kioicho (▶P.26) resulted in a cash inflow of approximately 320 billion yen after taking into account taxes and other cash outflows, which we used for the temporary repayment of borrowings, treasury stock buybacks, and dividend increases, in addition to the aforementioned growth investments.

Financial Strategy

Our Long-term Strategy to 2035 establishes a new shareholder return policy that prioritizes growth investments to enhance corporate value, while at the same time aiming to stabilize and continuously strengthen shareholder returns.

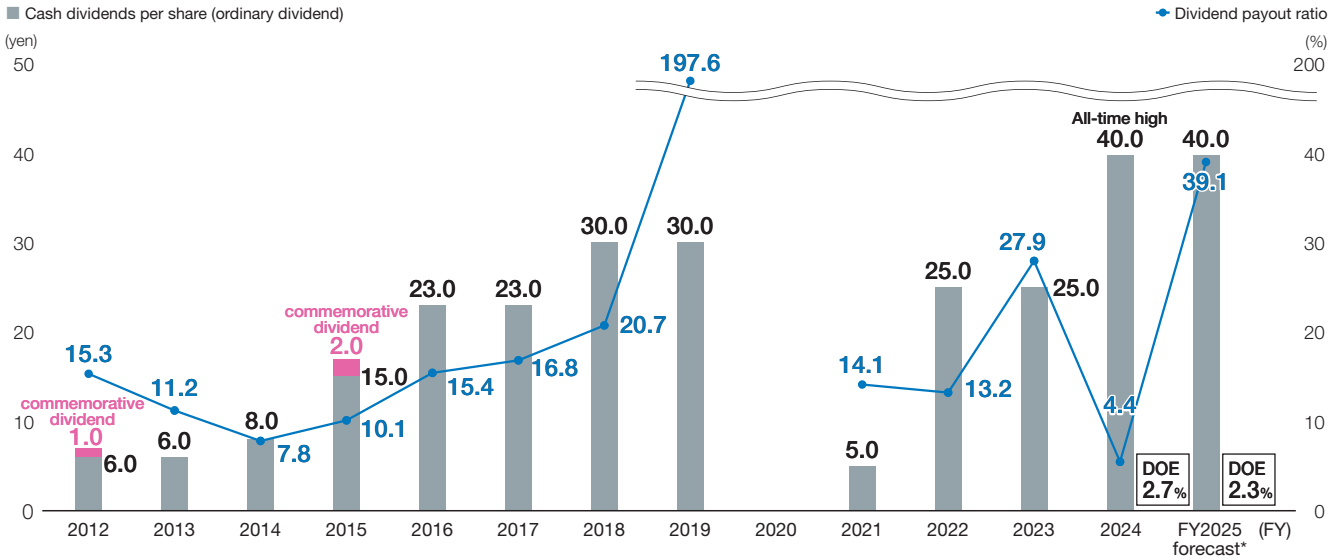
In terms of dividends, we have introduced a new progressive dividend with a minimum DOE (dividends on equity) of 2.0% in accordance with our shareholder return policy, and we will not reduce dividends except in the event of a significant impact on business performance, with the aim of increasing dividends through earnings growth along with stable dividends. To further clarify our rationale for using DOE as the standard, assuming that profits from new capital recycling projects will fluctuate depending on the presence and size of securitized properties, using the dividend payout ratio (ratio of dividends to profits for each fiscal year) as the standard would mean that the amount of dividends would rise or fall significantly from one year to the next. We therefore deemed it appropriate to use DOE, which is the ratio of dividends to capital, as the standard. For the fiscal year ending March 31, 2025, we used some of the funds obtained from the securitization of Tokyo Garden Terrace Kioicho, which exceeded our initial estimates, to increase dividends to a record high of 40 yen per share per year, which is equivalent to a DOE of 2.7%. Pursuant to the approach of progressive dividends, we plan to pay a dividend of 40 yen per share per year at a DOE of 2.3% for the fiscal year ending March 31, 2026, which is the same as in the fiscal year ended March 31, 2025 when we increased the dividend in our earnings forecast announced in May.

Furthermore, based on the approach of increasing future NAV by improving capital efficiency and realizing the effects of our Long-term Strategy, we are using the funds obtained from the securitization of Tokyo Garden Terrace Kioicho to buy back 70 billion yen of our own shares. If cash inflows are forecast to exceed our planned use of funds due to the status of securitization and other measures, we will flexibly implement share buybacks based on the state of our balance sheet, existance of additional growth investment projects, and our stock price.

Policy on Shareholder Returns

Dividend	Progressive dividend	● By the progressive dividend policy with a minimum DOE of 2.0%, achieve stable dividends and increase dividends through improved profits *Except when an event occurs that has a significant negative impact on business performance ● We plan to pay a dividend of 40 yen per share (interim dividend of 15 yen and year-end dividend of 25 yen) for the FY2024 with a focus on providing long-term and continuous returns to shareholders, by using part of the funds obtained in excess of our plans from the securitization of Tokyo Garden Terrace Kioicho
	DOE 2% lower limit	● We plan to pay a dividend of 40 yen per share, the same amount as the previous fiscal year (interim dividend of 20 yen and year-end dividend of 20 yen) for FY2025 under our shareholder return policy of achieving progressive dividends with a minimum DOE of 2.0%
Repurchase of treasury shares		● Implement flexibly based on balance sheet status ▶ Currently conducting a share buyback worth 70 billion yen. **Acquisition Period:** December 13, 2024 - December 12, 2025 **Method:** Market purchase based on a discretionary trading contract. Note: equal to 8.66% of total issued shares excluding treasury shares held by the Company Note: Percentage of total issued shares excluding treasury stock held on a consolidated basis: 10.17% The Company plans to retire all of the treasury shares acquired through this repurchase, by a resolution at a meeting of the Board of Directors in accordance with the provision of Article 178 of the Companies Act

Trends in Dividends and Dividend Payout Ratio



* Forecast announced on May 14, 2025

Feature #1

Our Pursuit of Capital Recycling

Tokyo Garden Terrace Kioicho



Under the Seibu Group's Long-term Strategy to 2035, we are promoting capital recycling to improve capital efficiency and accelerate growth investments through our "growth strategy centered on the Real Estate business." As the major impetus for this strategy, we securitized Tokyo Garden Terrace Kioicho in FY2024. In this feature, we describe the trajectory of our real estate value enhancement through redevelopment and operation of Tokyo Garden Terrace Kioicho, as well as our approach to future growth through securitization.

Transformation of Grand Prince Hotel Akasaka to Tokyo Garden Terrace Kioicho— Increasing profitability and real estate value through redevelopment and operations

Tokyo Garden Terrace Kioicho (herein "the Asset") had its grand opening in 2016 as a result of a large-scale mixed-use development on the former site of the Grand Prince Hotel Akasaka, and has symbolized a forward leap since its listing as a successful redevelopment project of the Seibu Group.

Looking back at the history of the hotel, the Seibu Group launched its business in Kioicho in 1955 when it acquired the former Tokyo residence of the Lee Royal Family and opened it as the Akasaka Prince Hotel (currently the Akasaka Prince Classic House). In 1983, we opened a new 40-story building which is fondly referred to by many customers as "Aka Puri."

In developing the Asset, we have inherited the historical resources and natural environment cultivated in the area by restoring, utilizing, and creating green spaces throughout the former Tokyo Residence of the Lee Royal Family, and have expanded the volume of real estate and created a large-scale multi-purpose complex that includes offices, a hotel, rental housing, and commercial and conference facilities. In doing so, we have realized the creation of an urban complex with an international flavor, surrounded by greenery and history. In managing the Asset, we have enhanced its value as the Group's top hotel by leveraging our operational expertise of Prince Hotels, and after absorbing the property management (PM) operational expertise from partner companies, the Group has enhanced the real estate's value by switching to independent operation and management.

The Asset was a large project of unprecedented scale for the Seibu Group, involving an investment of around 104 billion yen. Through the Group's redevelopment and operation of the Asset, our net operating income (NOI) has increased approximately five-fold compared to the pre-redevelopment level, and our profitability and real estate value have also increased.

Launched the business in Kioicho

1955

Opened the Akasaka Prince Hotel



1983

Commenced operation of the Akasaka Prince Hotel new annex



Floor space:
Approx. 97,200m²
- Hotel: 715 rooms, etc.

Note: Figures are current as of close of business

2016

Tokyo Garden Terrace Kioicho grand opening



Floor space:
Approx. 227,200m²
Large-scale multi-purpose complex
- Offices: Approx. 110,000m² (floor space)
- Hotel: 250 rooms
- Rental apartments: 135 apartments
- Commercial facilities: 33 stores

etc.

Note: Figure are current as of opening

Feature #1 Our Pursuit of Capital Recycling

Added value created by redevelopment and manifested through securitization. Leveraging funds from securitization as a source of further growth

Since securitizing Tokyo Garden Terrace Kioicho (herein "the Asset") in February 2025, the significant added value of the Asset has become apparent.

The funds obtained from securitization of the Asset will be used as the impetus for growth through capital recycling, with a priority on growth investments leading to increased corporate value, redevelopment of central Tokyo areas and resort development, value enhancement of major hotels such as the Shinagawa Prince Hotel, acquisition of new properties, and investment in human capital based on our Long-term Strategy. We used part of these funds to temporarily repay debt in order to create debt capacity for future large-scale redevelopments, and also allocated funds to share buybacks and increased dividends from the perspective of improving our capital efficiency (i.e., balance sheet control, ROE and EPS improvement) and shareholder returns.

The project of the Asset is a model case of development- and operation-based value enhancement and value realization, and is the Seibu Group's first step toward growth through capital recycling. The Seibu Group has a significant number of value-adding projects. We will continue to pursue NAV growth and improved capital efficiency by proactively allocating funds to growth investments that are expected to have high investment returns to enhance profitability, and by channeling funds to further investments while partially realizing their value. We will also share the fruits of our efforts with shareholders, creditors, and employees in order to maximize corporate and shareholder value and improve total stakeholder satisfaction.

Use of proceed from the securitization of Tokyo Garden Terrace Kioicho

	Point	
Growth Investment Approx. 130 billion Existing growth investments: approx. 80 billion yen Additional growth investments: approx. 50 billion yen	**Existing Growth Investment** ・Property acquisition / investment: approx. 50 billion yen ・Large-scale redevelopment (Takanawa and others): approx. 20 billion yen ・Investment in resort areas: approx. 10 billion yen ・Investing in comfortable working environments (making 100% of Seibu Railway's operating bedrooms private and renovating Prince Hotel dormitories), etc.	**Additional Growth Investments** ・Increase the value of major hotels (Shinagawa, etc.) to improve brand value and profitability: approx. 50 billion yen ・Improving the environment to strengthen the Saitama Seibu Lions (sales increase due to increased attendance)
Strengthening BS and strengthening financial position Additional growth investments: approx. 120 billion yen	・Creating debt capacity for future large-scale redevelopment (Takanawa and Shiba areas, etc.) ・The debt capacity created will be gradually utilized for long-term strategic growth investments	
Shareholder Returns Repurchase of treasury shares: 70 billion yen Increased dividend: 40 yen/year	・Improve capital efficiency, and repurchase treasury shares while taking into account capital costs ・Increase dividends above the DOE 2% standard with the aim of providing long-term, continuous returns to shareholders (Also continue the progressive dividends)	

VOICE



Achieving sustainable growth in our Real Estate business based on securitization of Tokyo Garden Terrace Kioicho

TAKEKAWA Toshihito
General Manager, Business Strategy Department III, Corporate Planning
Seibu Holdings

In securitizing Tokyo Garden Terrace Kioicho, we focused not only on maximizing value, but also on structuring the Asset to contribute to the future growth of the Seibu Group. In the process of selecting our transaction partner, we thoroughly reviewed and discussed the candidates over a period of more than six months, and finally decided on the transferee and the terms of the agreement based on the above-mentioned perspectives. Through this transaction, the Seibu Group will obtain significant capital gains by maximizing the value of the Asset, and will continue to be involved in the Asset's operation by undertaking asset management (AM), property management (PM), hotel operation, and other services. In doing so, we have succeeded in establishing a structure that will provide a foothold for strengthening the contracting of each management service from properties outside the Group in the future. Through the management of our assets and collaboration with other company owners, we will hone our expertise in increasing real estate value from the dual standpoints of owners and operators, leading to the success of redevelopment and value-adding plans that will determine the future of the Seibu Group. We will also increase our profit-earning opportunities and achieve medium- to long-term business growth by strengthening our management businesses through measures such as the creation of the Seibu Fund.

Feature #2: Real Estate Business Management Round-table Discussion

Strengthening the expertise of each function in the Real Estate business to realize growth through both a “holding model” and a “capital recycling model”

Under the Seibu Group’s Long-term Strategy to 2035, we have launched a growth strategy with the Real Estate business at its core, and in April 2025 we established a four-company Real Estate business structure to realize this strategy. Four directors and presidents of our business companies who play leading roles in the Seibu Group’s Real Estate business sat down to discuss how we should envision ourselves as a general real estate company and our action strategies.



My own role and mission

—Tell us about your own role and mission in the Real Estate business.

ISHIHARA: My mission is to take a macro view of the Seibu Group’s Real Estate business and develop overall strategies in cooperation with each business company to ensure growth. In the Hotel and Leisure business, strategic planning from the viewpoints of both owners and operators is becoming increasingly important, so from FY2025 I will also assume leadership of the Hotel and Leisure business and draw up an integrated strategy with the Real Estate business.

SAITO: I am the President of two companies—SEIBU REAL ESTATE (“SRE”) which is responsible for real estate ownership, management and development, and SEIBU REAL ESTATE PROPERTY MANAGEMENT (“SPM”) which is involved in property management (PM) and construction management (CM). While my key mission is to maximize the value of real estate by strengthening the expertise of both companies, given that we hire a high percentage of experienced staff, another one of my missions is to provide a clear direction including a shared vision in order to bring our diverse human capital together in a single direction, and to create a corporate culture that encourages our human resources to take on new challenges without fear of failure. Externally, I recognize that one of my important roles is to develop partner companies for the new era and to build relationships with them to help realize their vision. In order to discover these companies, I will take the lead in communicating the Seibu Group’s new business perspective on the growth of our capital recycling business to society while highlighting our specific areas of focus.

NISHIKAWA: I was previously involved in real estate finance, risk management, and asset management (AM) operations at

the Development Bank of Japan Inc. and its group companies. I am leveraging this knowledge and experience to launch SEIBU REAL ESTATE ASSET MANAGEMENT (“SAM”) and am working to get our AM business on track. SAM is the only company in the Seibu Group with a financial function. I intend to make SAM a key component of capital recycling in the Seibu Group as we convert the Group’s real estate holdings into financial instruments to raise funds from outside sources and provide value to investors.

TOKUNAGA: As a building management (BM) company, our mission at SEIBU REAL ESTATE BUILDING MANAGEMENT (“SBM”) is to protect buildings, optimize costs, and realize environmentally friendly management on the front lines of our contact with customers. Going forward, amidst increasing opportunities to acquire new BM projects including management of large building complexes, SBM must become the BM company of choice by promoting large-scale development and capital recycling. To achieve this, my major mission is to lead the way in reforming the mindset of our employees and expanding our management expertise.

Real Estate business strengths and business model

—Among the various real estate companies in the industry, what are your thoughts on the strengths and potential of the Seibu Group’s Real Estate business?

ISHIHARA: The reason that railway companies and many other companies are focusing on the real estate business recently is that the real estate market is very attractive, especially in Tokyo, and there is a wide range of business possibilities. I believe that Tokyo’s economic zone will continue to be highly competitive in the future given that interest rates in Japan will likely remain low, although they are currently rising, that when looking at Tokyo alone the population is expected to remain stable even as the national population continues to decline, and the fact that it has good public safety. Amidst this context, the Seibu Group has abundant assets and a development pipeline in metropolitan Tokyo and the nation’s leading resort areas, which is a source of overwhelming differentiation that no other company possesses. Another strength of the Seibu Group is that a very sincere and honest attitude has taken root in its corporate culture. I joined the Seibu Group in 2024 and after working here for a year, I have come to realize that this attitude is genuine. While we are a latecomer to the market as a general real estate company, I believe we can be competitive if we build sound strategies and processes by leveraging our assets and corporate culture.

NISHIKAWA: I feel the same way. Having an abundant portfolio of quality real estate within the Group is a very important management platform for us as an AM company. In terms of corporate culture, the AM industry needs to provide a comfortable working environment for all workers due to its high level of human capital mobility, and the Seibu Group has cultivated a spirit of hospitality over many years in our Hotel and Leisure business and Urban Transportation and Regional business that has since taken root within the company and is characterized by a very high level of courteousness. This corporate culture is also a major point of our appeal in recruiting human capital.

ISHIHARA: One major string in our bow is the unique ability to develop our three businesses of Real Estate, Hotels and Leisure, and Urban Transportation and Regional in an integrated manner. The Seibu Group may be the only group in Japan capable of creating a business model that goes beyond the framework of a stand-alone real estate business model by combining real estate with hotels that have a global customer network and railways that have a stable customer base.

—What type of business model are you pursuing in the Real Estate business and what are your goals in establishing a four-company structure?

ISHIHARA: The COVID-19 pandemic was a major turning point in the Seibu Group’s growth strategy. Our two business pillars of hotels and railways were simultaneously impacted, forcing us to fundamentally rethink our conventional business model. We have therefore identified a business model that aims for profit growth through both a “holding model” and a “capital recycling model” to reduce risk while not missing out on growth opportunities. I believe this business model also makes good sense from the standpoint of capital efficiency. In realizing growth and improving capital efficiency through capital recycling, it is also essential to grow the AM business in an integrated manner from the perspectives of creating property funds and earning fee income on a sustainable basis. Including our AM business, the Seibu Group is formulating a growth strategy that effectively combines our real estate investment and recoupment, holding and leasing, and fee businesses. However, each business requires a different type of expertise. The goal of the four-company structure is for each of the four companies to pursue their own business expertise and generate higher performance, which will lead to the growth of the Real Estate business as a whole.



After working for Nikko Securities (currently SMBC Nikko Securities), Nikko Asset Management, and Takara PAG Real Estate Investment Management (currently MIRARTH Real Estate Advisory) Mr. Ishihara was appointed as a Director of Seibu Holdings in June 2024 and commenced his current position in April 2025.

SAITO: In April 2022, the Seibu Group restructured its organization to separate the owner and operator functions of our Hotel and Leisure business. In April 2025, with the establishment of our four-company Real Estate business structure, we also separated the ownership and operation of assets such as commercial facilities, office buildings, and residences. As a corporate group with an abundant

asset portfolio, I believe that we must consolidate a system for generating superior performance as an operator and for undertaking continuous operation and management, while at the same time looking to maximize our property values from a medium- to long-term perspective in our capacity as a real estate owner.

Execution strategy as a general real estate company

—Describe your approach to executing capital recycling (i.e., development and investments to increase value , new property acquisitions, and securitization).

SAITO: The Seibu Group owns large tracts of land in the central Tokyo area and areas along Seibu Railway lines centering on Minato Ward, as well as in resort areas such as Karuizawa, Hakone, and Furano, and many of these tracts are still undeveloped.These assets are worthy of redevelopment and value-adding efforts, and I recognize that the Seibu Group has very significant room for improvement in its Net Asset Value (NAV) over the medium to long term. In order to realize NAV growth by manifesting the value of these high-potential assets, it is crucial to develop and increase the value of each property while identifying their most effective use. I therefore intend to discuss development plans and value-adding plans with people inside and outside the Group, and to raise our respective levels of expertise through mutual improvement.

In the current environment where projects are sometimes inevitably postponed or cancelled due to soaring construction costs, creating high returns through development is by no means simple. We need to raise our levels of rental and hotel income by leveraging the product planning capabilities that we have been refining, and by promoting development plans according to investment discipline while also working to optimize construction costs. In this context, we will be flexible in considering our options such as partially combining lot sales.



After working for Sumitomo Trust & Banking Company (currently Sumitomo Mitsui Trust Bank, Limited) and Showa Jisho, Mr. Saito joined Seibu Holdings in April 2007. In June 2022, he was appointed as a Director of Seibu Holdings and President of SEIBU REALTY SOLUTIONS (currently SEIBU REAL ESTATE). He also serves as President of SEIBU REAL ESTATE PROPERTY MANAGEMENT (SPM).

ISHIHARA: Although we have just started investing in real estate including new property acquisitions, information cannot be obtained without purchases, and business will not proceed in the absence of information. First and foremost, it is important to build up a track record of property acquisitions, and to demonstrate to the market that Seibu is serious about its capital recycling business. It will then be necessary to persuade property owners based on our superiority in terms of our ability to add value to a property and our expertise and strength in the area where the property is located.

SAITO: In our capital recycling business, we will steadily expand both our semi-recycling operations in which existing properties are securitized after development and value adding, and our full-scale recycling operations in which new properties are securitized after acquisition and value adding. Whereas we previously continued to hold assets after value adding, one of our major missions is to consider all properties for potential securitization without exception, and to create capital gains by partly manifesting their added value. In areas with vast tracts of land, I believe it is important for us to increase the value of the entire area while taking the initiative in combining methods such as introducing outside capital and securitization, rather than simply focusing on owning all of the land.



Mr. NISHIKAWA was involved in real estate finance, risk management, and asset management (AM) operations at the Japan Development Bank (currently the Development Bank of Japan) and its group companies for many years. After being seconded to SEIBU REALTY SOLUTIONS (currently SEIBU REAL ESTATE) and SEIBU REAL ESTATE ASSET MANAGEMENT (SAM) in July 2024, he assumed his current position in April 2025.

—How do you plan to promote the AM business as a key component of Seibu Group's capital recycling?

NISHIKAWA: After SAM obtains an investment management license in FY2026, we plan to form the "Seibu Fund" to act as the receiver of the Seibu Group's property securitizations. Numerous funds and real estate investment trusts (REITs) have been established in the real estate investment market so we need to differentiate ourselves as the Seibu Fund. To this end, I believe that it is important to match properties with investors, and as our Group owns a broad range of asset types including hotel assets, we intend to rapidly build on our track record by communicating with investors to understand their needs and by flexibly combining assets to craft attractive proposals. In order to steadily promote this type of business development, we will focus on securing and retaining human capital.

SAITO: Establishing an AM company within the Group will enable us to conduct IR activities specializing in real estate. By interacting with various investors and directly listening

to their opinions, we will be better placed to understand their needs, which is very significant for our corporate development and for planning our value-adding strategy.

—How do you plan to strengthen PM and BM which are responsible for the Seibu Group's real estate operations and management?

SAITO: The mission of a PM company is to maximize asset value by proposing measures to owners to increase their rental income and by performing coherent operations at reasonable costs. Until now we mainly provided PM services for the Group's assets but in future we intend to hone our ability to craft value-added proposals that can convince external owners that it is worth entrusting their PM business to SPM. Going forward, we must work on strengthening our expertise with a sense of urgency so that we can offer better proposals and be entrusted with PM business for properties managed by the Seibu Fund.

TOKUNAGA: SBM has also provided BM services mainly for Group-owned assets but in future we must work to meet the needs of external owners. Our company's strength is our track record of managing hotels 24 hours a day, 365 days a year, thereby accumulating the latest technology and expertise on a daily basis. We will leverage these strengths in our management of offices and commercial facilities to provide tenants and users with safety, comfort, and reliability. Going forward, we also intend to strengthen our ability to handle large multi-purpose complexes such as the Tokyo Garden Terrace Kioicho, and to build on our track record in order to become the BM company of choice for redevelopment projects promoted by the Seibu Group.



In addition to serving as General Manager of several hotels at Prince Hotels (currently SEIBU REAL ESTATE), Mr. Tokunaga has also been involved in hotel development. From April 2023 he assumed the position of President of Seibu SCCAT (currently SEIBU REAL ESTATE BUILDING MANAGEMENT).

Future aspirations

—Finally, tell us about your passion for achieving growth unique to the Seibu Group.

ISHIHARA: Our Long-term Strategy to 2035 comprises many projects, including large-scale development projects, with long timelines so the processes involved in achieving this strategy are also very important. If I were to list three points, the first would be hotels. As Japan aims to attract 60 million visitors by 2030, our top priority is to strengthen our hotel business as an owner and operator by leveraging the strengths we have built as a hotel chain. The second point is our capital recycling business. As mentioned earlier, I believe it is very important in the short to medium term to work steadily on our capital recycling business from various angles. The third point is a new form of service that combines the resources of the Seibu Group. We will strive to deliver value that only the Seibu Group can offer by deploying content in which we have an advantage—such as professional baseball, ice skating and other sports, arts, and culture—as operational assets and combining them with our real estate, hotel services, and infrastructure along Seibu Railway lines.

SAITO: In addition to steadily realizing the Seibu Group's extensive development pipeline, a major focus is to realize increased value of our existing facilities such as hotels. We will create a virtuous cycle in which the knowledge and expertise garnered through our development and operation of Tokyo Garden Terrace Kioicho and our value adding of existing facilities will be leveraged in future large-scale redevelopment projects in Takanawa and other areas, and the knowledge and expertise gained from these projects will in turn be incorporated into the next phase of development and value adding. To this end, I will strive to create an environment in which the mindset and focus of our employees are externally oriented to boldly pursue challenges in development, value adding, capital recycling, and new business areas. In this way, we will become the engine that drives the growth of the Seibu Group by honing our expertise as property owners and operators.

NISHIKAWA: As an AM company, we will fulfill our fiduciary duty and build an operating structure trusted by investors. At the same time, as an AM company within the Seibu Group, we will play a key role in capital recycling based on our high levels of expertise in real estate and finance. Moreover, I am very much looking forward to creating and expanding a new and unprecedented business platform for the Seibu Group by combining SAM's financial intermediary function with the high potential of our real estate holdings, the hospitality of our hotels, and the long-term stability of our railroads.

TOKUNAGA: By leveraging our hospitality mindset and expertise in 24-hour, 365-day response fostered through our hotel operations and other activities, and by comprehensively managing properties in a safety-first manner, we will strive to undertake BM operations for a variety of asset types including large multi-purpose complexes. On top of that, we will expand our potential as SBM and play a role in the growth of the Seibu Group by recruiting and training professional human capital and strengthening our cooperation with external partner companies.

Real Estate

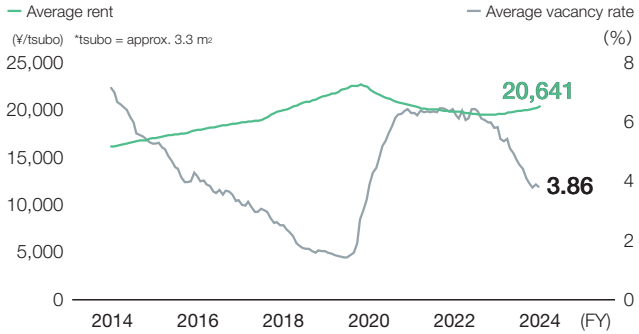


Recognition of business environment

In the real estate leasing market, the office building leasing market is continuing its recovery after deteriorating due to the COVID-19 pandemic. However, the impact of soaring construction costs is becoming apparent throughout the industry.

The Group will address the risk of deterioration in the real estate market by balancing our efforts between the “ownership model” and the “capital recycling model,” while considering the optimal development methods in our development plans and ensuring that our investment decisions are based on strict discipline.

Average vacancy rate & average rent of office buildings in the Tokyo business district by year



Source: Miki Shoji “Office Market”

Overall illustration of our strategy

Under the Seibu Group Long-term Strategy to 2035, we will transform our business model from holding real estate to a dual-engine model that combines a holding real estate business model with a capital recycling model, which achieves sustainable growth through continuous asset securitization and reinvestment of the proceeds. We will achieve NAV growth and improve capital efficiency by investing in growth and securitizing our real estate holdings and strengthening our functions in the real estate value chain.

In terms of our growth investments, we will develop and increase the value of our abundant and unique real estate holdings in the central Tokyo area such as Takanawa and Shiba Koen, and resort areas such as Karuizawa, Hakone, Furano, and Nikko. We will also promote development at terminals and locations along Seibu Railway lines. We will proactively acquire new properties based on strict investment criteria.

In terms of securitization, we will review eligible properties without exception based on their ROIC and potential for future growth, and will generate capital gains to serve as the source of growth investments.

In addition, to strengthen our functions in the real estate value chain, we will establish a four-company structure of developer, asset management, real estate operation, and real estate management to enhance the expertise of each company, and expand our profit-earning opportunities by increasing the number of contracts for the operation, management, and administration of not only assets owned by us but also those

Roadmap

		FY2024	FY2025	FY2026	··· FY2030	··· FY2035
Securitization			★Securitization of Tokyo Garden Terrace Kioicho (Closing on February 28, 2025)			
			★Establishment of a joint SPC with Morgan Stanley Capital and PRIME Asia On May 14, 2025, we will incorporate rental housing into the joint SPC, targeting an AUM of 100.0 billion yen by FY2027			
			Continue to consider securitization propeties such as DaiyaGate Ikebukuro and Emi Terrace Tokorozawa without exceptions			
Growth investment	Development along railway lines	Emi Terrace Tokorozawa	★Opening on September 24, 2024 (tenants: 142 stores)			
		Seibu Shinjuku / Takadanobaba area	Aim to embark on a full-scale redevelopment (commencement of urban planning procedures) during the period of the next Medium-term Management Plan		Embark on full-scale redevelopment	
		Scheduled closing of SEIBU HONKAWAGOE PePe in January 2026 Considering development plans that will contribute to increasing value along railway lines and of real estate		Reconstruction of PePe and land utilization after project for elevation of tracks and establishment of underpasses on the Shinjuku Line		
	Central Tokyo development	Takanawa area (B-1 area)		★Start of Takanawa area urban planning procedures	New building construction scheduled to start in FY2028 and complete in FY2032	
		Shinagawa area			investments to increase value in the Shinagawa Prince Hotel	Consideration of securitizing some of the assets of the Shinagawa Prince Hotel
		Shibakoen area (currently Tokyo Prince Hotel)	Redevelopment based on an urban development concept centered around Shibakoen			
	Resort development	Karuizawa area	★Conclusion of a basic agreement with Nomura Real Estate Development Co., Ltd. for the joint development of the Karuizawa Sengataki District ★Reopening of the Seizan Golf Course (phase 1, designed by Shigeru Ban)		Karuizawa Prince Hotel: major renovation of east and west cottages	
		Furano area	Consideration of the positioning of the entire Furano area			
		Hakone area	Reopened “Hakone Komagatake Ashinosora” on Apr. 25, 2025		★Scheduled to open PVC Hakone (Targeted opening in FY2027 and beyond, Designed by Shigeru Ban)	
		Nikko area	Developing of former Nikko Prince Hotel			
	Property acquisition		★In capital recycling business, acquired five properties (TWG Hongo, Lierre Wakamatsucho, Emare Hoya, Yushima Ota Building and Raffine Tachikawa), and made multiple equity investments			
Strengthen functions in real estate value chain			★Start of the four-company real estate business structure		AUM of more than 600.0 billion yen	

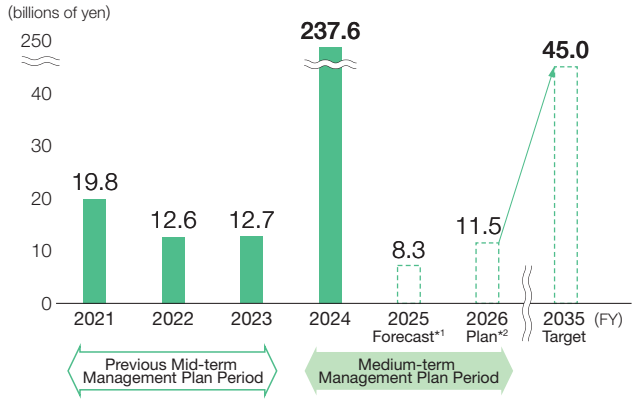
NAV growth

Capital efficiency enhancement

Progress of our strategy

In February 2025, we executed the securitization of Tokyo Garden Terrace Kioicho, and have commenced AM, PM and other contracted services under the four-company real estate business structure created through the establishment of SEIBU REAL ESTATE ASSET MANAGEMENT INC. As part of our efforts to promote capital recycling, we acquired five new properties in FY2024 and formed a joint SPC with Morgan Stanley Capital and PRIME Asia to incorporate residences. In terms of growth investments, in our developments along Seibu Railway lines, we opened the shopping center that will be a major regional draw “Emi Terrace Tokorozawa” in September 2024. We are also formulating development plans in urban and resort areas and undertaking discussions and procedures with the relevant organizations.

Trends in Operating Profit



*1 Forecast announced on May 14, 2025 *2 Plan announced on Aug. 1, 2025
*Reporting segments were changed in FY2022 and FY2023. Graphs were produced according to the figures reported in each respective accounting year.

Our progress in capital recycling

FY2024

Securitization of Tokyo Garden Terrace Kioicho

On December 12, 2024 Signing of purchase and sales agreement
On February 28, 2025 Closing

Property acquisitions

* Continuation beyond fiscal year 2025

First property: TWG Hongo (offices)
Second property: Lierre Wakamatsucho (residence)
Third property: Emare Hoya (residence)
Fourth property: Yushima Ota Building (offices)
Fifth property: Raffine Tachikawa (residence)
In addition to the above, we made multiple equity investments

October 1, 2024
Establishment of SEIBU REAL ESTATE ASSET MANAGEMENT

We established an asset management company to realize a growth strategy centered on the Real Estate business (Obtained a license for investment advisory and agency business)

FY2025

Signing of a basic agreement concerning a partnership with Morgan Stanley Capital and PRIME Asia

Project overview
Focusing primarily on rental housing located in the Tokyo metropolitan area, including along the Seibu Railway lines, we are targeting an AUM of approximately 13.0 billion yen in rental housing assets by FY2025 through investments undertaken by a joint SPC or through the incorporation of existing pipeline properties from both parties, with an additional target of 100.0 billion yen by FY2027

From April 1, 2025
Start of the four-company structure in the Real Estate business

SEIBU REAL ESTATE
SEIBU REAL ESTATE ASSET MANAGEMENT
SEIBU REAL ESTATE PROPERTY MANAGEMENT
SEIBU REAL ESTATE BUILDING MANAGEMENT
With the above four-company structure, we will strengthen the specialization of each function in the Real Estate business

FY2026 onwards

Implement the securitization of properties owned by the Seibu Group to the Seibu Fund

FY2026~FY2027
Launch of Seibu Fund

At SEIBU REAL ESTATE ASSET MANAGEMENT, we aim to obtain an investment management license during FY2026 for the purpose of establishing the Seibu Fund

Recognized issues and future initiatives

As growth investments in our Real Estate business gain momentum, we recognize the need to formulate development plans that account for the external environment, such as soaring construction costs, and the need to accelerate capital recycling through the systematic acquisition and securitization of properties. In the Takanawa area, we are planning a phased redevelopment project and are currently undertaking procedures relating to the area’s development plan, as well as promoting the development of the fourth Prince Vacation Club in the Hakone area. In these and other urban and resort developments, we are pursuing the optimal asset type, use mix, and product design capable of realizing high profitability, with an eye on future economic conditions and real estate market conditions. We are also carefully reviewing construction and various other costs and construction periods, and will materialize our plans to maximize the effects of our investments. Furthermore, to sow the seeds for future capital gains, we will steadily acquire new properties by utilizing our property information network along the Seibu Railway lines and various methods such as equity investments, and will systematically securitize these assets while monitoring our future capital needs. We are also aiming to acquire a license for investment management and other services at SEIBU REAL ESTATE ASSET MANAGEMENT INC. in preparation for launching the Seibu Fund which will contain these funds.



Conceptual outline of the Shinagawa Station West Exit area (Takanawa 3-chome) B-1 Area Development Plan

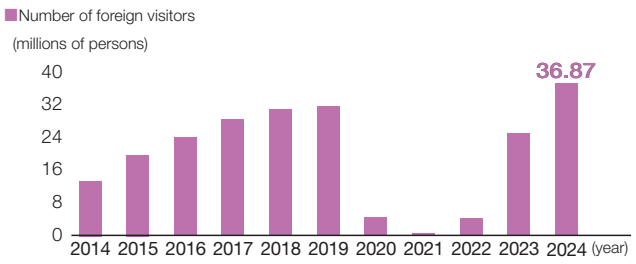
Hotel and Leisure



Recognition of business environment

The number of foreign visitors to Japan, which fell sharply due to the COVID-19 pandemic, has since recovered rapidly with the end of the pandemic and tailwinds from the foreign exchange rate, reaching a record high of 36.87 million visitors in 2024. Based on the Japanese government's proactive policy and efforts to attract inbound travelers, domestic demand for accommodation is expected to continue growing, and we recognize that the current supply and demand environment is conducive to continued RevPAR growth. We also believe that the foundation of our business growth is the strength of our human capital, and we will create an environment in which employees can achieve their best performance while also leveraging the Seibu Group's recruiting capabilities to secure and strengthen important human capital.

Transition of number of foreign visitors



Source: Japan National Tourism Organization (JNTO)

Overall illustration of our strategy

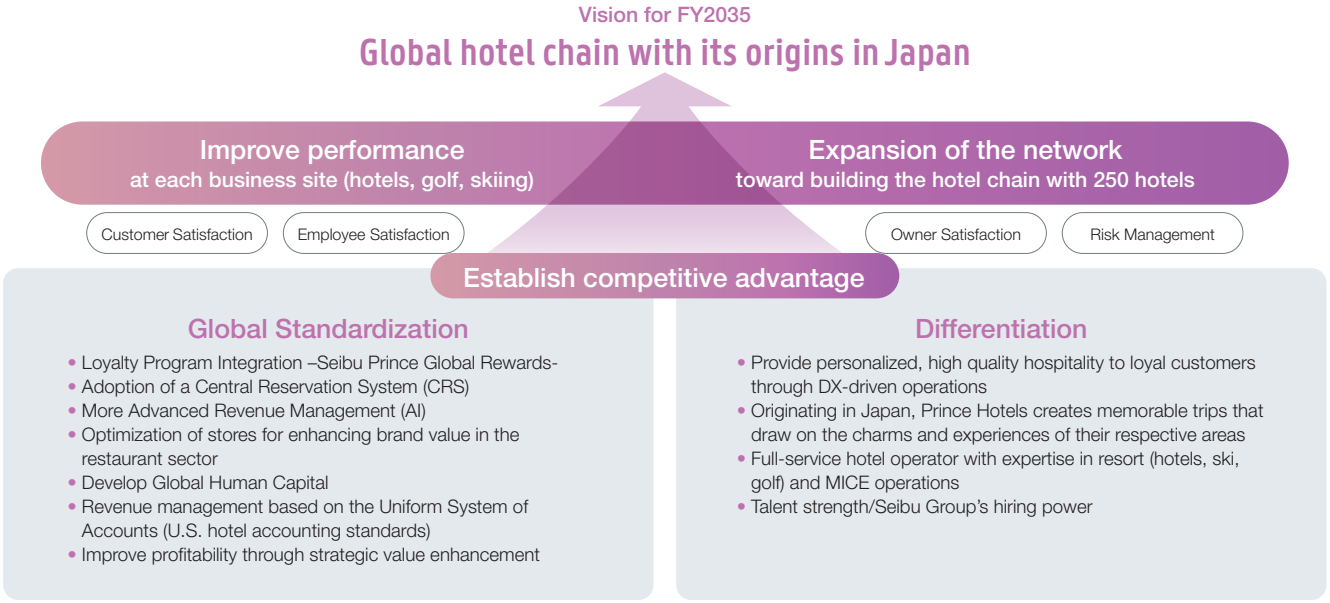
In the Hotel and Leisure business, we will pursue strategic initiatives to establish a competitive advantage based on global standardization and differentiation in order to achieve growth as a global hotel chain with its origins in Japan.

In terms of our global standardization efforts, we are focusing on strengthening our marketing and operational/management systems by creating and operating the Seibu Prince Global Rewards program combining our domestic and international membership programs, implementing a central reservation system (CRS), upgrading our revenue management using AI, and managing earnings using a uniform system. In addition to these efforts, we will promote the development of global human capital to expediently establish a platform comparable to that of a global hotel chain.

In differentiating ourselves from other hotel chains, we will maximize our value as a full-service hotel operator with extensive experience in resort and MICE operations. We will also provide high-quality hospitality through DX-enabled operations and expand the creation and dissemination of unique customer experiences at each of our business sites. Moreover, we will further strengthen the capabilities of our human capital by leveraging the Seibu Group's recruiting power.

Through these efforts, we will improve the performance of each business site and build a hotel chain that meets the expectations of all stakeholders including customers, employees, and owners, as well as expanding our global hotel network with the aim of operating 250 hotels in Japan and overseas in FY2035.

Overall illustration of our strategy



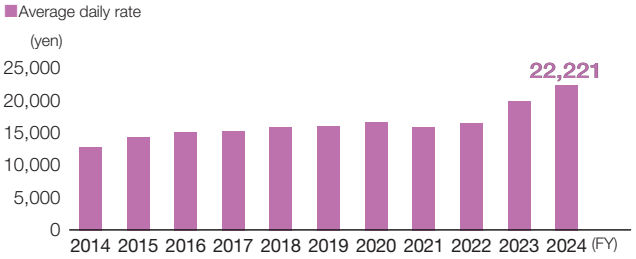
Progress of our strategy

In our Hotel and Leisure business, we are making steady progress in realizing our strategy in terms of both improved performance and expansion of the network.

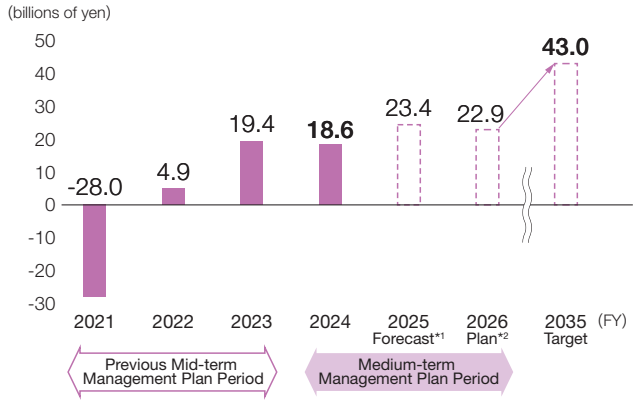
In terms of improved performance, our RevPAR grew faster than the market again in FY2024, leading to significant revenue growth. We recognize that this is the result of our comprehensive efforts to provide services that contribute to greater customer satisfaction, while also benefiting from the tailwinds of increased demand for accommodation due to the increase in inbound travel. In addition, we are undertaking repair work and value-adding of our existing facilities with a view to sustainably improving our performance, and commenced the large-scale renovation of the Mauna Kea Beach Hotel in FY2024.

In terms of expansion of the network, we are on track to win 20 new contracts/openings for hotel operations by FY2026, with 5 new contracts/openings in FY2024. In order to expand the number of hotels under management in the future, we participate in hotel investment conferences in the Asia-Pacific region to gather information on new hotel development in Japan and overseas, and are also considering M&As and other methods.

Domestic hotel operations: Average daily rate



Trends in Operating Profit



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Hotels scheduled to open



Park Regis by Prince Menteng



Fukuoka Prince Hotel Momochihama



Prince Hotel Da Nang



Hotel scheduled to open in Bangkok, Thailand

Recognized issues and future initiatives

We recognize that in order to achieve sustainable business growth, there is room for further improvement in terms of hotel profitability, brand value, and recognition as an operator in overseas markets. One of our initiatives based on recognition of this issue is to materialize a value-adding plan for each business site from the dual standpoints of owners and operators to enhance customer experience and profitability. For example, we will plan large-scale renovation of the Shinagawa Prince Hotel, which has high asset potential, and some parts of the Karuizawa Prince Hotel, in order to maximize their value. We will also accelerate expansion of the number of hotels under management toward building a hotel chain with 250 -hotels in FY2035 by enhancing our recognition as a global hotel operator through continued participation as a major sponsor in overseas hotel investment-related conferences.

Major renovation of Karuizawa Prince Hotel cottages



Exterior view of the Center Building



Exterior view of West Area villa with a spectacular vista

Note: Images on this page are for illustration purposes only

Urban Transportation and Regional

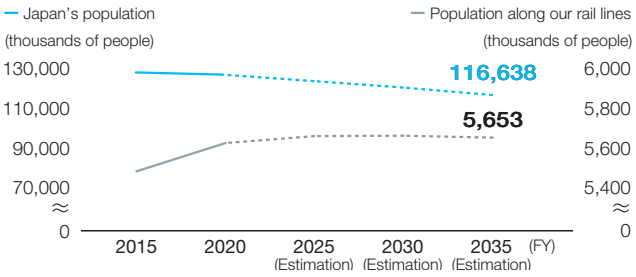


Recognition of business environment

We recognize that the strengths supporting our business strategy in the Urban Transportation and Regional business are our rail network connecting urban terminals such as Ikebukuro, Seibu Shinjuku, and Takadanobaba, which are among the busiest in Tokyo, with our abundant tourist resources in suburban areas such as Chichibu, Kawagoe, and Hanno, and the very safe living environment supported by the (earthquake-resistant) solid ground of the Musashino Plateau.

However, the number of regular passengers has not returned to previous levels due to changing behaviors caused by the COVID-19 pandemic, and we do not expect these numbers to fully rebound in the future. In addition, costs are forecast to continue rising due to the expected decline in population along rail lines resulting from a declining birthrate and aging population, as well as soaring commodity prices and wage increases in response to labor shortages. The Railway business will respond to the various changes in the business environment through efficient business operation based on smarter operating practices, and through capital investment leading to further service improvements.

Japan's population & population along Seibu railway lines by year



Sorce: Prepared in-house on projections announced December 22, 2023 by the National Institute of Population and Social Security Reseach (IPSS) and the National Census

Overall illustration of our strategy

The Railway business places the continuity of safe and secure service at the core of our business, and increasing value along our railway lines, digitalization, and Improving job satisfaction are all key strategic themes.

Key themes

● **Increasing value along our railway lines** We will implement various measures such as expanding and improving our rail network, promoting continuous grade separation projects, undertaking urban development in conjunction with station forecourt redevelopment, and revamping the Shinjuku Line paid seating service. We also aim to further revitalize areas along our railway lines not only in terms of hard infrastructure, but also in terms of soft infrastructure by launching urban development initiatives in cooperation with the community from the viewpoint of area management.

● **Digitalization** We will promote digitalization from both offense-oriented and defense-oriented perspectives in order to further upgrade our customer services, improve our operational efficiency, and address projected future personnel shortages.

● **Improving job satisfaction** From the perspective of securing human capital for the future, we aim to improve our working environment and increase employee satisfaction.

To realize these initiatives, we are planning to make our largest ever capital investment of around 150 billion yen during our Medium-term Management Plan from FY2024 to FY2026. Furthermore, in order to ensure perpetual operation of our railway business and provide good quality and comfortable service to our customers, we plan to revise railway passenger fares (revision rate: 10.7%) in March 2026.

Themes of the initiatives

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

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

etc.



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



Key topic: Increasing value along our railway lines

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

etc.

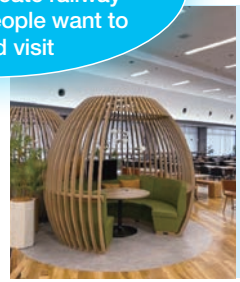
* "Sustainable cars" is a proprietary name assigned by Seibu Railway to VVVF invertercontrolled railway carriages transferred from other companies

Key topic: Digitalization

- Abolition of magnetic tickets through the introduction of touch payments
- QR code tickets
- Communications-based train control (CBTC) system
- More advanced and efficient railway operation

etc.





Key topic: Improving job satisfaction

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

etc.

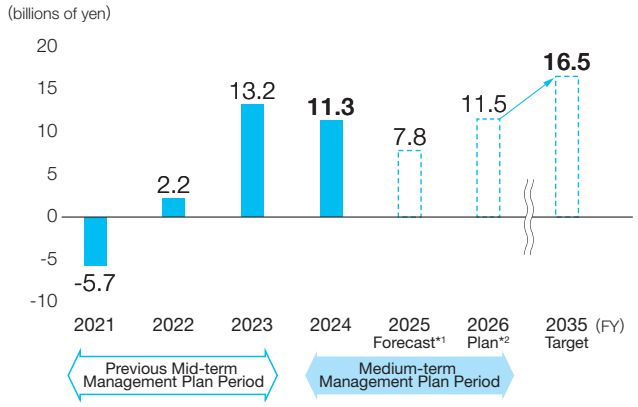
Note: "QR Code" is a registered trademark of Denso Wave Incorporated.

Progress of our strategy

We are proactively carrying out initiatives to increase value along our railway lines in order to make them areas where people want to live and visit.

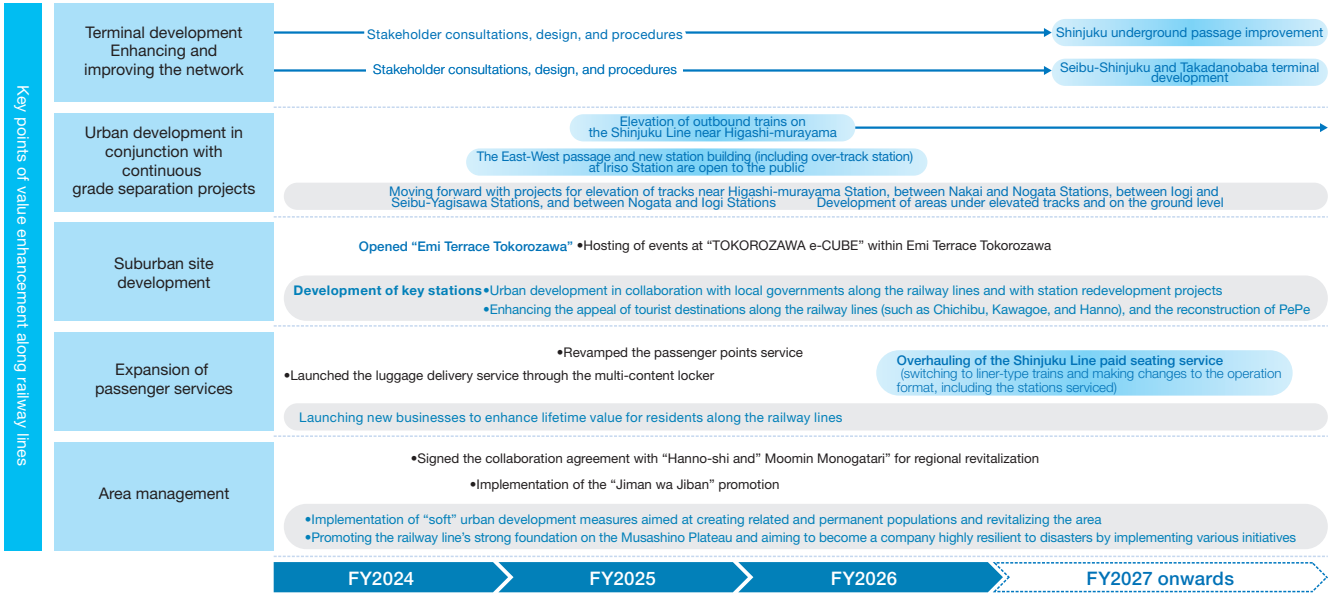
As part of our continuous grade separation projects, we completed the elevation of the Shinjuku Line outbound line near Higashi-Murayama Station in June 2025. In addition, we are undertaking digitalization initiatives such as installing automated platform doors and security cameras on trains to ensure safer and more secure service for our customers, and have started pilot testing a credit card tap-and-ride service from December 2024. Furthermore, to implement area management that will revitalize areas along our railway lines, we are promoting measures to deepen cooperation with local governments and communities along our railway lines, such as by signing a tripartite agreement in August 2024 between Hanno City, Moomin Monogatari Ltd., and Seibu Railway Co., Ltd. entitled “Basic Agreement on Cooperation for Regional Revitalization.”

Trends in Operating Profit



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Roadmap for enhancing the value along railway lines



Recognized issues and future initiatives

To remain the preferred railway line amidst declining demand for transportation due to the ever-changing business environment and changing behaviors, we will further enhance the attractiveness of all our lines through network upgrades based on convenience of train transfers and connections, expand our passenger services by revamping the Shinjuku Line paid seating service, and better integrate cities through our continuous grade separation projects.

We will further strengthen our area management by deepening cooperation based on proactive partnerships with local governments and communities along our railway lines. We are also committed to providing smarter transportation services through the use of digital technologies, which in turn will generate stable cash flows over the medium to long term.

Examples of area management initiatives in regions along the railway lines

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



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



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



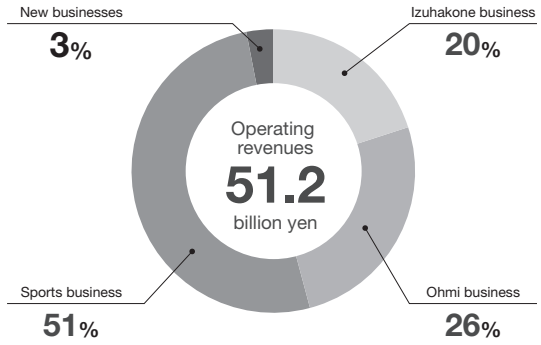
Chichibu-shi and Yokoze-machi
Attract visitors through active collaboration, such as the creation of content and mutual promotions



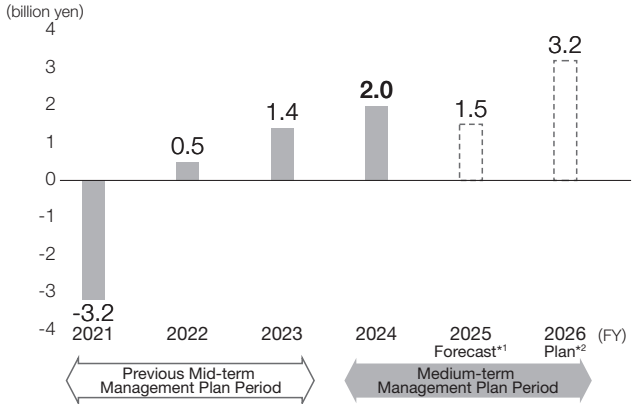
Other



Operating revenue composition (FY2024)



Trends in Operating Profit



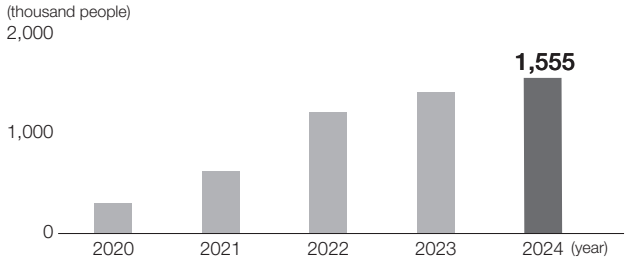
*1: Forecast announced on May 14, 2025 *2: Plan announced on August 1, 2025
Note: Reported segments were changed in FY2024. Graphs were prepared according to figures reported in each fiscal year.

Sports Business

In the Sports business, in addition to hosting games for the Saitama Seibu Lions professional baseball team, we endeavor to provide enjoyable sports and entertainment experiences at Belluna Dome and Yokohama Arena through services, performances, and events that fully leverage the features of these facilities.

The Seibu Lions are focusing on facility improvements that will help strengthen team skills and increase visitor satisfaction. In term of strengthen team skills, we are gradually upgrading our air conditioning equipment at practice facilities and are installing night lighting at the CAR3219 Field, the home ground of the farm team, to provide an environment that enables players to practice and play matches from daytime through nighttime. To improve visitor satisfaction, we have responded to customer feedback on the spectator environment by introducing measures to counter summer heat. Specifically, we have installed a large-scale misting system and the “BIG WATERFALL” which sprays water from multiple nozzles installed on the stadium roof, and are holding events using water to cool patrons. We will also promote digital transformation (DX) at our stadium such as cashless payments to realize a stress-free environment for spectators. Going forward, we will continue to build a strong baseball team, a strong brand, and a comfortable spectator environment to improve Lions fan satisfaction, attract new fans and thereby increase our revenues, which we will then re-invest in the team to create a growth spiral that will make them even stronger.

Saitama Seibu Lions official game attendance (regular season only)



Initiatives to strengthen team skills and mitigate the summer heat

	Strengthen team skills		Mitigate the summer heat
Details of the Initiatives	Air conditioning facilities / heat proofing  Source: KIMURA KOHKI Co., Ltd. Source: SATAKE CORPORATION	Night game illumination  *Image for illustrative purposes only	Large-scale misting facilities 
Venue	Prospi Training Center	CAR3219 Field	Various locations in BELLUNA DOME
Details	Air conditioning facilities / heat proofing	Night game illumination equipment	Equipment for misting facilities
Outcomes	Provision of an environment in which training/ games can take place from daytime to nighttime		Cooling of customer areas
Planned commencement of operations	From March 2026	From July 2027	Operations to begin on July 8, 2025

Izuhakone Businesses and Ohmi Businesses

In the Izuhakone business, our operations include two railway lines for passenger transportation, bus and taxi services, and leisure facilities in the Izu-Hakone area. In the Ohmi business, our operations include three railway lines for passenger transportation, bus and taxi services, and real estate leasing in the Lake Biwa area of Shiga Prefecture.

To realize a sustainable and stable system for railway operations in our Ohmi business, from April 2024 we separated our railway line ownership from our railway operations through public ownership with private management, and embarked on a new start as a "Type II Railway Business Operator" dedicated to railway operations. While continuing to provide safe and secure operations and improving convenience and service, we will further promote use of the Ohmi Railway and contribute to regional revitalization by cooperating with local governments and other entities. One of our specific initiatives is the Ohmi Railway Group's Nigiwai Zukuri (literally "creating festivity") Day "Gacha Festival." By holding community-run events at various venues along the Ohmi Railway lines, we are creating opportunities for economic activity along the railway line and in front of train stations, for interactions between customers and local residents, and for rediscovering local attractions.



Ohmi Railway Group's Nigiwai Zukuri Day "Gacha Festival 2024"

New Businesses

To create new business areas for the Seibu Group, in FY2024 we established a new investment vehicle dedicated to new businesses, and are proactively engaging in start-up investments based on strict investment discipline. Specifically, we are undertaking investment activities based on two policies: (1) "remodeling into growth businesses" by penetrating new areas based on the strengths of our existing businesses, and (2) investing in "creating growth options and ideas" that are highly innovative. In making investment decisions, our Investment Advisory Committee comprising managers from relevant Company divisions carefully examines the investment's future growth potential, risk factors, and synergies with the Company's businesses. By promoting the use of innovative technologies and business models through collaboration with start-ups, we will endeavor to create Group synergies and exciting new opportunities for our customers.

Investment cases

Oku Japan

We acquired all shares and made a wholly-owned subsidiary of Oku Japan K.K., which plans and conducts adventure tourism* tours for foreign tourists. Based on the philosophy that "everyday" for Japanese people is "extraordinary" for foreigners, Oku Japan creates and sells tours that allow foreigners to experience the unique culture of a particular region. We will further refine this approach of "creating experiences that stimulate the five senses" by leveraging Oku Japan's expertise in creating soft marketing content and the Seibu Group's synergies in delivery of customer experience.

*Adventure tourism is travel consisting of two or more of the three experiential elements of activity, nature, and culture.



Image of Adventure tourism

Karuizawa Distillery

Karuizawa Distillers Inc., in which our Group company Blue Incubation Co., Ltd. has an equity stake, is planning to construct a new whiskey distilling facility called the "Furaliss Distillery" on land in Furano City owned by the Seibu Group, and it has already attracted global attention. The plan involves the construction of a whiskey distillery in harmony with Furano's abundant natural environment, the manufacture and sale of whiskey, and the promotion of local tourism. In cooperation with our hotels and leisure facilities in the Furano area, we aim to further enhance the customer experience of Furano visitors and further raise the appeal of Furano as a resort destination.

FURALISS
富良詩蒸留所

Human Capital Strategy

Under the Seibu Group Long-term Strategy to 2035, we have formulated the Seibu Group Human Capital Strategy to enhance the effectiveness of our management strategy and achieve our strategic targets. By steadily promoting initiatives based on this strategy and strengthening our PDCA cycle, we strive to become a team of true professionals.

Overview and progress of our Human Capital Strategy

Under the Seibu Group Human Capital Strategy, to meet our management strategy goals, we will seek to secure skills with high priority for our strategic initiatives and the required number of personnel, and we will strive to secure human capital skills and headcount. Along with these, we will also make efforts to become an inspiring place to work and bring about individual growth. In addition to all this, while envisaging an organization capable of creating innovation as our ideal state in the future, we will also aim to become a team of true professionals by building an organization that enables individuals to maximize his or her performance.

Looking at the progress of our Human Capital Strategy, we have developed 183 DX Leaders by FY2024 and are making steady progress toward our target of developing 300 by FY2026 as part of our Group-wide effort to enhance our human capital in order to secure human capital skills and headcount. In terms of improving engagement and job satisfaction, we are making steady progress in our action plan based on priority engagement metrics*1 set by each Group company. In terms of organizational growth through diversity, equity, and inclusion (DEI)*2, we are boosting our efforts to achieve non-financial KPIs such as the ratio of female managers and the ratio of men taking parental leave.

Human Capital Strategy System Chart
https://www.seibuholdings.co.jp/en/sustainability/human_capital/#jinzai

Achieving the Group's Management Strategy by providing the best conditions and harnessing peak performance

Amidst rapid changes in the corporate environment such as a declining workforce and diversifying attitudes to workstyles, we believe that the Seibu Group must harness the peak performance of each of our employees in order to achieve sustainable growth. We will combine direct investments such as wage increases to secure and retain the human capital that will drive our business growth, and indirect investments such as human capital development and workplace environment improvements, to realize the best conditions and create a positive cycle of these investments to achieve our management strategy targets.

Progress of our Human Resources Strategy

Human Capital Strategy themes	Initiatives to date	Recognized issues	Future initiatives	Vision and direction
Securing human capital skills and headcount	• Visualized skills of some Seibu Holdings employees • Strengthened Group employee development (training 183 DX Leaders, introducing online video learning service)	• Visualizing employee skills in our four major companies*3 • Enhancing the Group's human capital and visualizing the enhanced human capital of each company • Developing an infrastructure and culture in which employees can learn independently	• Visualizing employee skills (4 major companies) • Proactively expanding SEIBU ACADEMY as a learning platform • Developing qualification allowance system (4 major companies) • Strengthening support measures for employees' career aspirations	• Improving employee skills • Fostering and securing enhanced human capital (300 DX leaders, etc.) • Organizational culture of independent learning
Improving engagement and job satisfaction	• Reformed human resources system (promoted open job/career challenge [FA] systems, introduced stock benefits system) • Implemented various measures (town hall meetings, etc.) • Investment for health (introduced a health app)	• Continuing to implement measures and further promoting the PDCA cycle amidst steady progress of various measures • Further improving the number of participants, participation rate, and satisfaction level of each measure	• Commencing operation of cafeteria system (6 Group companies) • Commencing operation of new evaluation system for general employees (Seibu Holdings and others) • Improving working facilities and environment (continued from previous FY)	• Fostering an inspiring place to work Engagement score*4: A 58.0 or higher
Organizational growth (DEI)	• Strengthened communication from top management • Implemented measures to reform awareness and culture of Group employees (SEIBU Womens College, team-building workshops)	• Continuous communication and commitment by management • Reforming employee awareness and culture (including customer-facing employees) (i.e., expanding training programs, etc.)	• Holding lectures for senior management on promoting DEI • Organizing DEI events for employees	• Fostering an organization that can create innovation • Fostering an organization that leverages diversity

*1 Priority engagement metrics are metrics set by each company as those they need to particularly focus on out of the 16 areas set by Motivation Cloud (Link and Motivation Inc.).
*2 DEI stands for diversity, equity, and inclusion.
*3 The four main companies are Seibu Holdings, Seibu Railway, SEIBU PRINCE HOTELS WORLDWIDE, and SEIBU REAL ESTATE.
*4 Engagement Score is a score calculated by Motivation Cloud (Link and Motivation Inc.), with an average deviation score of 50 among other companies that use the same service. An 11-stage rating that ranges from AAA to DD is granted on the basis of this score.

Human Capital Strategy

Initiatives to Secure Human Capital Skills and Headcount

To secure human capital skills and headcount, we have designated skills with a particularly high priority for the Group overall and in our four main companies as what we call enhanced human capital. Specifically, for our Group-wide enhanced human capital, we intend to develop DX Leaders to further promote digital management. Seibu Holdings has established corporate planning human capital to focus on promoting Group management and pioneering new businesses, while SEIBU REAL ESTATE has established enhanced human capital in the form of asset management (AM) human capital and development human capital. Meanwhile, SEIBU PRINCE HOTELS WORLDWIDE will secure the General Manager candidates that will play a crucial role in improving performance at our Hotel and Leisure business locations and expanding the hotel network, while Seibu Railway will secure railway planning human capital and railway line invigorating human capital as our enhanced human capital.

We are developing job descriptions for our enhanced human capital and management positions, defining the skills required for each position, and visualizing the skills of each employee. To provide opportunities for improving Group employee skills in order to fill the gap between required skills and current skills, we are developing the SEIBU ACADEMY as a tool for providing training and development curriculum for our employees and are supporting their independent learning. Through an open job application system and a career challenge "free agent" (FA) system, we enable our employees to take on challenging work based on their desired placements.

Enhanced Human Capital at the Group and Four Core Companies

	High-priority themes for strategic initiatives
Group-wide*	•Promote digital management
Seibu Holdings	•Promote Group management •Strengthen pioneering of new businesses
SEIBU REAL ESTATE	•Promote capital recycling •Expand AUM in the AM business •Promote redevelopment in each area •Increase value of owned real estate
SEIBU PRINCE HOTELS WORLDWIDE	•Improve performance at each Hotel and Leisure business location in hotel and leisure operations •Expand hotel network
Seibu Railway	•Create new business models •Review existing business models

Enhanced human capital		
Name	Definition	Target numbers
DX Leaders	Core human capital responsible for organizational reforms through DX, and for leading our organization by planning and implementing plans leveraging digital data	300 employees (FY2026 target)
Corporate planning human capital	Human capital capable of undertaking Group management and new business development from a managerial perspective	40 employees (FY2033 target)
AM human capital	Human capital capable of maximizing investment effects by promoting reviewing, planning, and executing optimal Group asset use, and by planning and managing property earnings and expenditures, acquisitions, and sales	30 employees (FY2026 target)
Development human capital	Human capital to plan for increased value from an innovative perspective, and to realize this increased value by coordinating various stakeholders including government, designers, and operators	70 employees (FY2026 target)
General Manager candidates	Human capital capable of representing the Group in directing and supervising overall hotel operations, and capable of managing routine operations and quality control required of our brands to achieve profit budgets	100 employees (FY2035 target))
Railway planning human capital	Human capital capable of actively collaborating and negotiating with relevant parties inside and outside the Group for future railway transportation (including rail, bus, and car hire) planning and network expansion based on the concept of our entire railway network	20 employees (FY2026 target)
Railway line invigorating human capital	Human capital capable of conceiving a concept for our entire railway network, collaborating with relevant parties inside and outside the Group and executing area management based on this concept, and conceptualizing and implementing urban developments where people want to live and continue living by providing convenient services and increased value to residents and visitors along our railway lines	30 employees (FY2026 target)

*Targeting head offices of major Group companies

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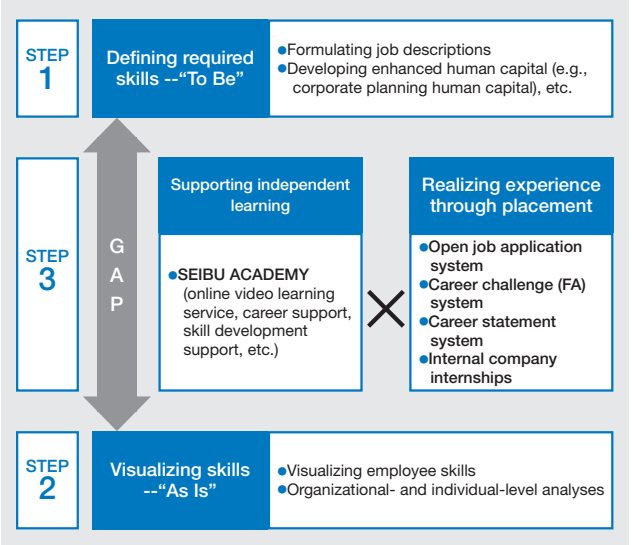


Fostering specialized skills in real estate and finance to contribute to full-scale operation of our asset management company

UTSUNOMIYA Taiki
Corporate Department
SEIBU REAL ESTATE ASSET MANAGEMENT

I transferred to SEIBU REAL ESTATE ASSET MANAGEMENT, which is a fundamental part of our business model, under the open job application system because I wanted to play a part in promoting capital recycling as a new growth strategy for the Group. Through my work, I am learning about our business from our AM company experienced employees and external experts, while also obtaining systematic knowledge and skills through our extensive support system for acquiring specialized qualifications. Through these efforts, I will work to facilitate forward leaps in our Real Estate business as part of the Seibu Group's AM human capital.

Steps in improving human capital skills



Human Capital Strategy

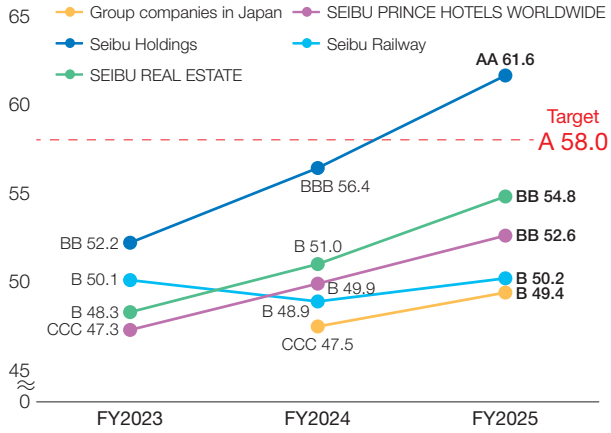
Initiatives for Becoming an Inspiring Place to Work

To build an inspiring place to work where skills can be displayed to their fullest extent, we have been carrying out a job satisfaction (engagement) survey since FY2023. Based on the results and on feedback from employees, we have clarified issues to be addressed to increase job satisfaction and established priority engagement metrics, based on which we are carrying out action plans. Moreover, we review whether or not the effects of our efforts are manifesting in accordance with each company's aims, based on engagement scores and other data over time. We then seek to identify any new issues, and plan and implement our next action plans. By repeating this PDCA cycle, we are achieving our engagement score targets and creating an inspiring place to work.

Engagement Score Trends and Targets*1

FY2024	FY2025	Target
CCC 47.5	B 49.4	A 58.0

Engagement Score Trends



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Encouraging proactive career development by implementing measures to raise engagement

SHIBATA Naoko
General Manager
The Prince Gallery Tokyo Kioicho
SEIBU PRINCE HOTELS WORLDWIDE

The rapid recovery in demand for accommodation from inbound travelers made it difficult for our employees to provide ideal services and fulfill their job responsibilities, resulting in lower levels of motivation in career development. We have therefore introduced skilled human capital and presented examples of diversity in order to visualize our definition of professional. Our Gallery Academy, in which our employees select themes and undertake/conduct training courses, creates opportunities to learn and teach themselves, and encourages their proactive involvement in career development. As a result, our company earned a score of A 60.0, 3 points higher than the previous year, and our new employees in particular marked an outstanding AAA 80.4. Thanks to these efforts, we were awarded the Prize for Excellence at the "Motivation Team Awards"*2.

Analysis and initiatives based on the Job Satisfaction (Engagement) Survey of the four main companies

	Plan: Recognized issues based on FY2023 survey results	Plan: Priority engagement metrics	Do: Major initiatives in FY2023	Check: FY2024 survey results	Action: Major initiatives from FY2024 onwards	
Seibu Holdings	• Realizing employee careers • Defining relevant evaluation criteria, etc.	• Philosophy and strategy • Organizational culture • Human resources • Systems and working conditions	• Commenced career declaration system • Commenced Group open job application system • Formulated Seibu version of job descriptions • Conducted 360-degree evaluations of managers • Revised management evaluation system • Introduced a talent management system	Town hall meetings Encouraged employees to obtain qualifications Round-table discussion with the company president or general manager Renovated head office cafeterias	Increase in "philosophy and strategy" metric Increase in "obtaining expertise" parameter of "job description" metric Increase in "philosophy and strategy" metric "Facilities and environment" metric still an issue but increase in employee expectations	• Ongoing wage increases and starting salary revisions • Introduced stock benefit system • Prepared to implement cafeteria system (started in April 2025) • Introduced online video learning services tools, etc.
SEIBU REAL ESTATE (formerly SEIBU REALTY SOLUTIONS)	• Fostering organizational unity • Collaborating across positions/organization, etc.	• Job description • Organizational culture				
SEIBU PRINCE HOTELS WORLDWIDE	• Understanding company strategy • Improving working conditions/workplace environment, etc.	• Philosophy and strategy • Job description • Human resources • Facilities and environment				
Seibu Railway	• Eliminating silo culture averse to expression of opinions • Fostering comfortable workplace environment, etc.	• Human resources • Facilities and environment • Systems and working conditions • Reform activities				

Major initiatives from FY2024 onwards
• Organized round-table discussions between the president and employees • Implemented internal internships • Reviewed evaluation system for non-management • Introduced a career challenge (FA) system and side job system • Conducted pulse surveys, etc.
• Organized workplace meetings about future vision • Supported the acquisition of specialized qualifications • Planned and organized various initiatives as part of Health Month
• Organized management meetings at each business location • Developed the facilities and environment at each business location • Prepared to implement qualification allowance system (scheduled to start in April 2025), etc.
• Introduced a career challenge system • Conducted training for management • Reviewed evaluation system for non-management • Developed facilities and environment (converted rooms at accommodation facilities to private rooms), etc.

*1 Covers all Group companies in Japan
*2 The "Motivation Team Award" is presented by Link and Motivation Inc. to departments that have increased their engagement scores through organizational reform efforts.

Human Capital Strategy

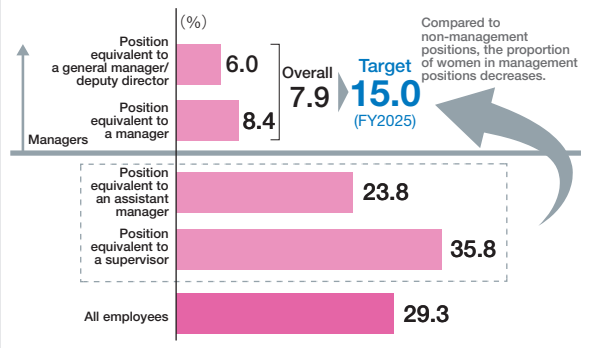
Initiatives for Achieving Organizational Growth

In order to realize maximum growth and success as an organization, we are making efforts to build an organization that enables individuals to maximize their performance. We will aim to create an organization where people feel that leveraging diversity in the organization is an advantage. This will be constantly communicated by management and others, and we will endeavor to achieve organizational growth through team-building workshops and other initiatives. Moreover, we respect the individuality of every employee, and leverages diversity, in addition to initiatives centered on promoting participation and advancement for women, we will strive to develop environments where everyone can work with peace of mind, and where diverse human capital like foreign citizens, persons with disabilities and senior human capital can flourish.

Diversity-Related Metrics

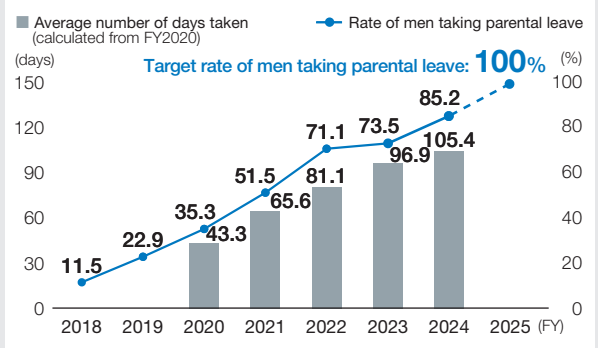
As we strive to achieve our non-financial KPIs of “ratio of female managers” and “rate of men taking parental leave,” we will respect each of our employees and foster a workplace culture where employees can display their abilities and passion to the fullest, which will give rise to an environment that is conducive to innovation.

Ratio of female managers* (as of March 31, 2025)



Although there is a disparity between the targets and current results, the overall number of non-management positions is growing, and we are working to encourage aspirations for promotion by developing a curriculum to help female employees foster their own careers and internal and external networks. We have also established systems to support various life events and held seminars on health issues specific to women, and are making numerous efforts to enable women to continue working vigorously.

Rate of men taking parental leave / average number of days taken*



The rate of men taking parental leave is progressing steadily towards meeting the target value, and the number of days taken is also increasing every fiscal year. We believe this is due to the fact that male employees throughout the Group are becoming more aware of the need to participate in housework and childcare, and due to our efforts to promote a corporate culture that encourages employees to take parental leave. Going forward, we will further promote the use of parental leave by pursuing various initiatives such as fostering better understanding among managers and in each workplace.

*Figures are for the four main companies comprising Seibu Holdings, Seibu Railway, SEIBU PRINCE HOTELS WORLDWIDE, and SEIBU REALTY SOLUTIONS (currently SEIBU REAL ESTATE). Figure for number of days of parental leave taken in FY2024 is based on estimates obtained as of the end of March 2025.

VOICE



Taking the next step as a manager based on my diverse experiences and own unique working style

KIMURA Yuka
General Manager
Corporate Communication Department
Seibu Railway

I joined Seibu Railway as one of the first female career-track employees, and after gaining customer-facing frontline experience as a station attendant, conductor, and driver, I worked in recruitment and business departments then in public relations. At Seibu Holdings, I have built up a diverse range of experience in areas such as Group-wide public relations. Along the way, I have sought to develop my own working style while accessing the Group’s various systems and supports to balance my work and childcare while also fostering my qualities as a manager. In recent years as our company has accelerated efforts to promote DEI, I have also been focused on supporting employee career development and encouraging internal networking while working closely with each employee. Going forward, I will continue to take the initiative in becoming a relatable role model not only to female employees but also to my work colleagues.



SEIBU Women’s Week 2024
Top: GM Kimura speaking at a panel discussion (on the right)
Bottom: Participating in a round-table discussion

Digital Management

We promote digital management based on the three strategic pillars of offense-oriented DX, defense-oriented DX, and system enhancement and human capital development, and will create unprecedented new customer experiences for Seibu Group customers.

Overview and Progress of Digital Management

In terms of offense-oriented DX, we are working to strengthen existing business areas and create new businesses by leveraging the Group's marketing infrastructure in order to achieve unparalleled enhancement of customer contact. Amidst our efforts to plan and implement services in collaboration within the Group, and to analyze and utilize data on the use of Group facilities, etc., the number of Seibu Prince Club members, the Group's customer base, and member sales are all steadily increasing, and we plan to further explore Group marketing efforts in the future.

In terms of defense-oriented DX, we are working to improve operational efficiency and productivity through comprehensive digitalization. To date, we have been promoting the use of digital devices in our customer-facing departments, the development of an environment for using AI, and the smartening of corporate divisions by consolidating operations into SPI*1. We will continue promoting the uptake of new technologies in the operations of each business and the consolidation of operations from the perspective of Group optimization.

As a foundation to support our offense- and defense-oriented DX, we will also focus on system enhancement and human capital development to become a corporate group in which all employees including management can play an active role as DX human capital. Through our ongoing implementation of training and other measures for DX planning human capital, we have developed 183 DX Leaders by FY2024 and are making steady progress toward our goal of developing 300 by FY2026. We have also established the Seibu Data Lab as a team dedicated to data analysis in order to promote data analysis and utilization across our business companies.

*1 SPI: Seibu Process Innovation Inc. A shared services company that mainly provides back-office operations under contract from Group companies.

Training of DX Leaders

FY2024	Target (FY2026)
183 persons	300 persons



Intermediate training for DX planning human capital

Progress of Our Digital Management

	Initiatives to date	Assessments and recognized issues	Future initiatives	Vision and direction
Offense-oriented DX	●Implemented various measures to increase number of Seibu Prince Club members and member sales ●Analyzed data on the use of Group facilities by leveraging the Group's marketing platform ●Started using "Arrival List"*2 for hospitality at hotels and leisure facilities (▶P.44 Close-up)	●Seibu Prince Club membership and member sales are on track to meet targets ●Recognizing the need to further develop Group marketing including use of services from multiple businesses ●Achieving higher level of hospitality at hotels and leisure facilities through the use of "Arrival List"	●Leverage the Seibu Prince Club membership network to enable Group collaboration in promoting the planning of services tailored to target customers ●Promote improved accuracy of data in the Arrival List and development of a data management environment	Unparalleled enhancement of customer contact
Defense-oriented DX	●Promoted operational efficiency in each business including the use of digital devices in customer-facing departments ●Improved environment for AI use ●Validated and implemented technologies contributing to smart operations in the Corporate Department through the use of digital technologies in SPI	●Making progress in use of digital technologies in each business to identify opportunities for improving operational efficiency ●Identifying emerging issues that need to be addressed in cooperation with other companies inside and outside the Group when adopting new technologies in business operations ●Recognizing the need for comprehensive standardization of operations and pursuit of Group optimization when consolidating operations within the Group	●Enhance research in collaboration with other companies and partner companies in the railway business, etc., and create case studies of improved operational efficiency through the use of AI ●Standardize operations in the Group's finance, accounting, personnel, and other operations, and promote consolidation and smartening of corporate operations through the use of digital technologies	Labor-saving and automation through comprehensive digitalization
System enhancement and human capital development	●Developed 183 DX Leaders by FY2024 ●Launched Seibu Data Lab as a team specializing in data analysis	●Making steady progress in the number of DX Leaders trained toward achieving the target ●Recognizing the need for DX Leaders to support creation of outcomes and to enhance data analysis and utilization systems	●Develop DX Leaders through ongoing training ●Create an in-house community of DX Leaders to encourage voluntary learning and challenges ●Enhance the structure of the Seibu Data Lab	All employees, including executives, are DX human capital

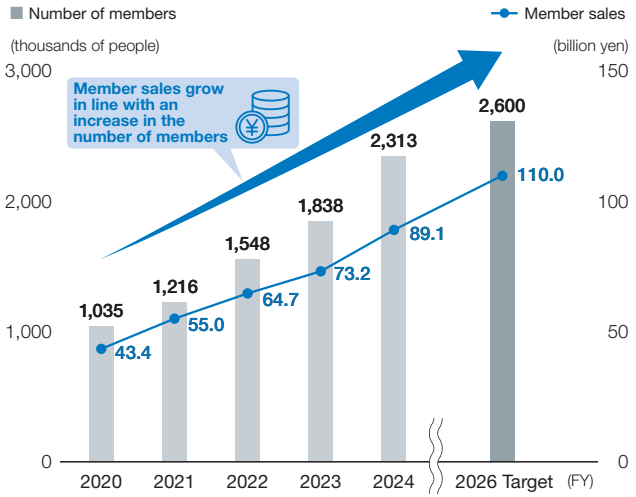
*2 A list of information on customers scheduled for check-in

Digital Management

Group Marketing

The Seibu Group is working to improve the satisfaction of existing members and attract new members through Group-wide measures centered on the Seibu Prince Club. From 2024, we began operation of a common Group ID called SEIBU Smile ID to integrate user data collected from various Seibu Group services. By using the Seibu Group's marketing platform to analyze this data, we will provide information and services optimized to each individual customer, thereby strengthening mutual customer transfers within the Group. As we pursue advanced data use through the Seibu Data Lab established in 2024, we will accelerate Group marketing initiatives to further increase the number of Seibu Prince Club members and member sales, thereby cultivating loyal customers for the Group.

Changes in Seibu Prince Club Members and Member Sales by Year and Targets



Note: Member sales are the amounts of transactions eligible for SEIBU Smile POINTS

Marketing Infrastructure and Collaborative Initiatives of the Seibu Group

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

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

Group customer base (SEIBU PRINCE CLUB)

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

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

Data

••• April 2024
Launched Seibu Prince Global Rewards

SEIBU PRINCE GLOBAL REWARDS

Seibu Group Marketing Platform (Ability to consolidate, integrate, analyze, and share Group data)

Close-up

Transforming Our Hotel and Leisure Facility Services Using "Arrival List"

We are pursuing service reforms by using a hospitality support tool called "Arrival List" to improve customer experiences and loyalty at our hotels and leisure facilities. Previously, information obtained at each point of customer contact was managed separately by our accommodation, restaurant, golf, and corporate sales systems, which posed challenges in linking information that can be used across business locations and departments. To address this situation, we introduced a new data platform across our hotels and leisure facilities to gather information on customer usage and preferences, while also enabling our staff at each site to check and input information in real time.

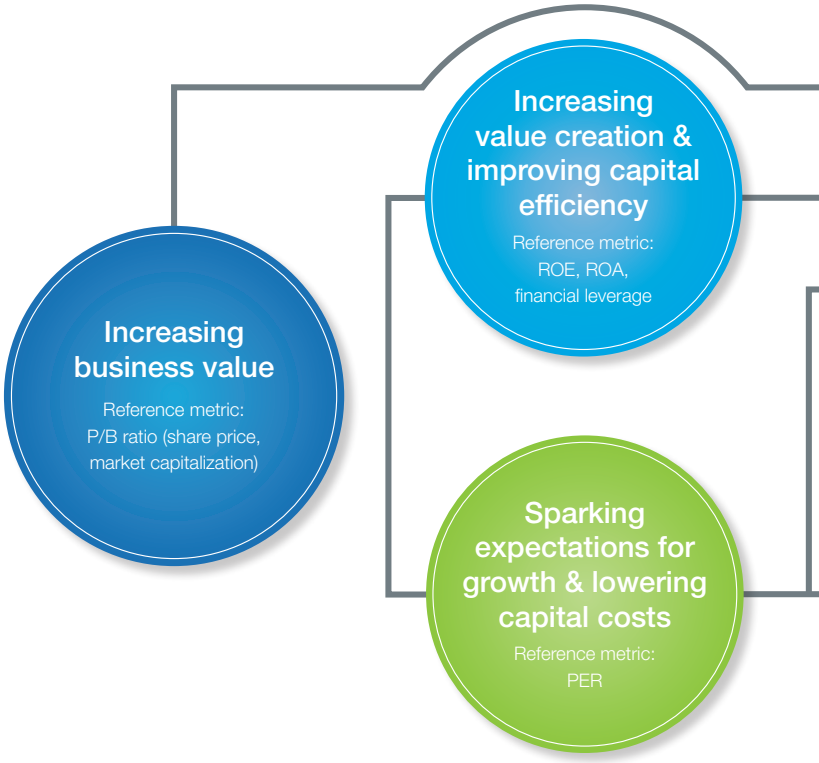
Specifically, all staff members check and input customer hospitality records in real time using their own allocated digital device, enabling them to smoothly provide customer service based on the status of Group facility usage and customer preferences.

For instance, when a customer visited one of our hotels in Tokyo for lunch and then stayed at one of our hotels in the Karuizawa area the next day to play golf, the "Arrival List" enabled visualization of the customer's movements which then allowed our staff to provide coordinated hospitality at each business location. The customer commented favorably that they were surprised at how well this information was shared among our hotels.

By digitally collecting and utilizing customer information as a key asset, and by having all staff members practice personalized customer service, we will improve our service quality and build a global hotel chain with its origins in Japan.

Chapter 4

Our Initiatives for Materiality (Key Topics)



Chapter 1: Introduction

Chapter 2 : Increasing Business Value

Chapter 3 : Continuous Growth Centered on the Real Estate Business

Materiality

Chapter 4 : Our Initiatives for Materiality (Key Topics)

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Decarbonization and Effective Use of Resources Information Disclosures Based on the TCFD ····· 48
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Building Towns People Want to Live In or Visit ····· 54
Creation of Experience that Stimulates the Five Senses ····· 55
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Chapter 5 : Corporate Governance Efforts

Chapter 6 : Corporate Data

Sustainability Management

Specific Processes for Material Issues (Key Topics)

Sustainability Actions are what we call our initiatives aimed at creating a sustainable society alongside continuous and robust growth for our Group as we achieve the outcomes defined in the Seibu Group's Long-term Strategy to 2035. We have also defined six material issues (key topics) based on social issues, risks, and opportunities for our Group. To identify our material issues, we went through a process of listing and categorizing our Group's risks and opportunities and evaluating their importance, and then discussing these in the Seibu Group Sustainability Committee, Management Council, and Board of Directors before arriving at our decisions.

Materiality Identification Process

STEP 1 **Make a list**
Develop a list of 257 items of social issues (SDGs, GRI Standards, ISO26000, SASB, etc.) and the Group's risks and opportunities

STEP 2 **Make a shortlist and categorize**
Closely examine items listed in STEP1 and consolidate them into 57. Further classify them into 16.

STEP 3 **Rate the importance level**
Assess the importance of each category of 16 items, then further aggregate the categories.

STEP 4 **Discuss internally**
Discussions are held at the Seibu Group Sustainability Committee, the Management Council and the Board of Directors to identify six materialities

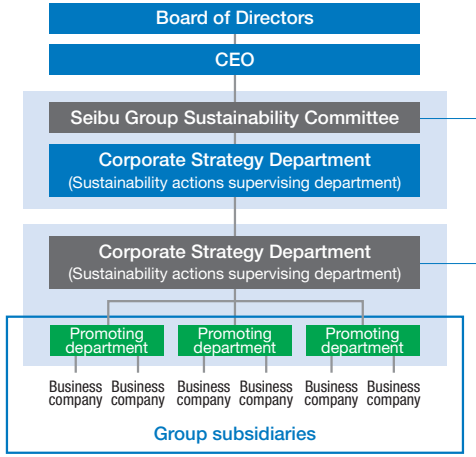
Materiality

1. Decarbonization and effective use of resources
2. Building towns people want to live in or visit
3. Creation of experience that stimulates the five senses
4. Provision of safe and secure services
5. Development and advancement of diverse human capital
6. Compliance and collaboration

Engaging in Sustainability Actions

Our Group has formulated the "Rules for Systems to Advance Seibu Group Sustainability Actions" and is continuously, actively, and systematically advancing Sustainability Actions based on these rules as shown in the figure below.

Organizational structure for promotion



Seibu Group Sustainability Committee

Purpose: To steadily promote sustainability initiatives as the group-wide implementation by monitoring the progress and determining a direction.

Members:
CEO of Seibu Holdings (Chairperson)
President and Representative Director, President of Seibu Holdings
Managing Officer in Charge of Corporate Strategy Department of Seibu Holdings
Managing Officer in Charge of Human Capital Strategy Department of Seibu Holdings
Presidents of main business companies in Seibu Group

Major activities:
Reporting progress on measures related to Sustainability Actions from each Seibu Group company (including progress on CO_2 emission reduction)
Discussing matters related to policies on the setting of sustainability actions and materiality (key topics) in light of changes in the external environment
Discussing cross-functional matters including environmental issues such as responses to climate change and biodiversity/nature-related challenges, as well as matters concerning human capital and supply chain management
Report on responses to external requests from ESG evaluation organizations

Corporate Strategy Department (Sustainability actions supervising department)

Purpose: To share the orientation and implementation methods of the Group with each of its member companies and facilitate systematic progress

Members:
General Manager of Corporate Strategy Department, Seibu Holdings (Chairperson)
Representatives of Departments promoting Sustainability Actions

Major activities:
Sharing the orientation discussed at Seibu Group Sustainability Committee
Reporting progress in Sustainability Actions
Sharing information on matters of the Seibu Group

External Recognition

In June 2025, we were selected for the first time as a constituent stock in the FTSE4Good Index Series, a major stock price index of global companies used for ESG investing purposes. We were also selected for the first time by the FTSE Blossom Japan Index which measures the performance of Japanese companies that demonstrate strong ESG.
As a result, our stock has now been selected as a constituent stock for all domestic ESG indexes used by Japan's Government Pension Investment Fund (GPIF). Main sources of external recognition are as shown at right.

FTSE4Good
MSCI Selection Indexes Constituents 2025
2025 Sompo Sustainability Index
FTSE Blossom Japan Index
FTSE Blossom Japan Sector Relative Index
2025 健康経営優良法人 KENKO Investment for Health 大規模法人部門

2025 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

* FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that SEIBU HOLDINGS INC. has been independently assessed and has satisfied the requirements to become a constituent of the FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index. Created by the global index provider FTSE Russell, these indices are designed to measure the performance of companies demonstrating strong Environmental, Social, and Governance (ESG) practices and are widely used by market participants to create and assess responsible investment funds and other financial products.
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* THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

Value Creation through Our Materiality (key topics)

	Materiality (key topics)	Corresponding social issues/risks	Opportunities	Initiatives in the management plan	Main non-financial KPIs and monitoring indicators	Vision and direction	Linkage with business value
Growth	Decarbonization and effective use of resources ▶P.48	Response to climate change, biodiversity and ecological catastrophes, environmental destruction	Establishment of a society modeled on a circular economy, utilization of forests, increasing awareness of sustainability	● Promotion of energy saving and renewable energy at our facilities ● Maintaining, preserving, and utilizing forests and maintaining CO_2 capture volume ● Optimizing resource use including water consumption volumes and waste materials ● Reducing food loss and building a circular resource cycle	**Environmental impact reduction indicators** ● CO_2 emissions: net zero in FY2050, 46% reduction from FY2018 levels by FY2030, annual reduction target of 5% year on year ● Renewable energy implementation rate: 100% in FY2050, 50% in FY2030 ● Year-on-year decrease in water consumption units (water consumption/ operating revenue) ● Ratio of environmentally protected areas in company-owned land: 30% of all company-owned land by FY2030 (30 million m²)*1 **Asset and brand value improvement indicators** ● Environmental certification acquisition ratio*2: 100% ● Year-on-year reduction in food waste disposal volume base units (total waste/ number of hotel guests)	We always consider the natural environment and the global environment, and contribute to the realization of a decarbonized society and resource-recycling society.	● Lower costs and greater revenue opportunities through usage of forest resources, food waste, and other waste ● Lower costs and lower risks of resource price, carbon taxes, and other negative impacts as a result of energy savings in equipment and implementing renewable energy.
	Building towns people want to live in or visit ▶P.54	Declining birthrate and aging population, technological innovation such as IT and DX, climate change, maintenance and growth of local economies, intensifying competition in existing businesses, change and diversification of values and lifestyles	Differentiation from competitors, invigoration of regions the Group operates in through maintenance and development of local economies, increasing people settling in the region and users, increasing inbound tourists, pursuit of satisfaction, increase in value-seeking consumption, increasing free time, increasing awareness of sustainability	● Railway line development to increase the value of railway lines ● Urban redevelopment and resort development that utilize the Group's strengths ·Cooperative measures with local communities ·Providing commercial facilities that guests want to visit ·Boosting the appeal for and sharing information on destination spots	● Year-on-year increase in passengers carried*3 (Seibu Railway) ● Monitoring indicator: Number of guests visiting tourism locations (Chichibu, Kawagoe, Hanno, Karuizawa) ● Monitoring indicator: Population of the 28 regional government jurisdictions along Seibu railway lines	We create towns people want to live in by brightening up various scenes of life. We promote building towns that diverse people are attracted to and want to visit.	● More customer contact points and maximization of revenue through increased populations of railway line visitors and residents
	Creation of experience that stimulates the five senses ▶P.55	Change and diversification of values and lifestyles, technological innovation such as IT and DX	Increasing inbound tourists, pursuit of satisfaction, increase in value-seeking consumption, increasing free time, increasing awareness of sustainability	● Creating experiential value unique to the Seibu Group ·Increasing the satisfaction level of hotel users and developing and providing exceptional experiences (amazing scenery) ·Providing a ballpark that everyone can enjoy, offering Saitama Seibu Lions content, and building a team that fans truly love ·Organizing events at parks and providing outdoor experiences	● 2.6 million Seibu Prince Club members by FY2026 ● Our overall hotel stay score*4: 8.4 points in FY2025 ● Year-on-year increase in number of ballpark visitors ● The visitor number of continuous managed parks*5: +1% year-on-year ● Monitoring indicator: Number of facilities awarded Five Stars by Forbes Travel Guide	We provide fun, emotion, excitement and purpose in life, and create special moments for people to smile.	● Stable and increased earning power due to increased lifetime value (LTV) and customer loyalty
Enhancing foundations	Provision of safe and secure services ▶P.56	Safety of services and products, prevention of accidents and disasters, response to climate change, maintenance of infrastructure functions, expansion of terrorism and cybercrime, concentration of population in urban areas, declining birthrate and aging population, aging of existing infrastructure		● Investing in facilities to ensure safety, prevent disasters, and transition to barrier-free ● Disaster response policies undertaken through various exercises and agreements based on coordination with local governments ● Food safety management that complies with HACCP ● Education on information management and security	● Accidents attributable to the Group: 0 every fiscal year (railway operator) ● Fatal accidents, accidents resulting in serious injury outside or inside the vehicle: 0 every fiscal year (bus operator) ● Food poisoning accidents: 0 every fiscal year ● Serious accidents related to maintenance and management of real estate facilities for which the Group is culpable*6: 0 every fiscal year	We promote all of our businesses and services always based on safety, and provide everyone with a secure daily life.	● Establishing a firm business foundation through providing safety and security which underpin all Seibu Group services
	Development and advancement of diverse human capital ▶P.39	Working environment and respect for human rights of employees, promotion of diversity, development of human capital and job satisfaction, decrease in workingage population, declining birthrate and aging population, extension of healthy life expectancy, health & safety, health of employees		● Enhancing skills of human capital by promoting self-driven, autonomous growth including strategic job assignments, open-application systems, and expansion of content for self-learning and development ● Increasing employee job satisfaction through stronger internal communication, reforming human resource systems, improving building environments, and promoting health management ● Building an organization that values diversity and allows every individual to succeed to the greatest extent possible	● Human capital to strengthen the Group (DX Leaders): 300 at the end of FY2026 ● Human capital to strengthen our four main companies*7 (Holdings: 40 people in management planning in FY2033, etc.) ● Engagement score rating: A58 or higher, exceeding the previous year	By enhancing individual skills and creating an organization that provides job satisfaction, we will put a smile on workers' faces. We will increase the expertise of workers and develop professional human capital.	● Further improvements in productivity as more advanced expertise and other individual growth turn into organizational growth
	Compliance and collaboration ▶P.57 ▶P.67	Ensuring transparency in corporate management, compliance with laws and regulations, timely and appropriate information disclosure, dialogue and collaboration with stakeholders, environment- and human-rights-friendly procurement		● Building work environments and improving management based on the Corporate Governance Code ● Continuously holding compliance education ● Holding dialogues with diverse stakeholders including investors and partner companies ● Human rights due diligence	● Ratio of Independent Outside Directors: At least 1/3 ● Rate of response to supplier survey: 100% every fiscal year	We ensure compliance, and the soundness and transparency of management. We focus on dialogue with stakeholders and work on appropriate collaboration.	● Secure business continuity through better relationships with stakeholders and by mitigating reputation risk

*1 Area figures are current as of February 2024. With the aim of having more environmentally protected land in the Seibu Group, we revised our definition of company-owned land from that which is owned by SEIBU REAL ESTATE on a non-consolidated basis (approx. 90 million m²) to the area of land owned by the Seibu Group as a whole (area of approx. 100 million m²). *2 Environmental certifications include CASBEE and DBJ. Covers large-scale office buildings (total floor area of 30,000 m² and larger) *3 Total of commuter passes and non-commuter passes *4 For hotels, overall guest satisfaction with the hotel stay is rated on a 10-point scale separately from other individual items (questions about check-in time, check-out time, and breakfast and dinner, etc.). This is the most important score in the guest questionnaire. *5 Applies to parks which we continue to manage since the previous fiscal year *6 Applies to those attributable to the Group and, in principle, does not include extreme weather events. Including hotels, commercial and rental facilities *7 Seibu Holdings, Seibu Railway, SEIBU PRINCE HOTELS WORLDWIDE, SEIBU REAL ESTATE

Decarbonization and Effective Use of Resources

Vision and direction

We always consider the natural environment and the global environment, and contribute to the realization of a decarbonized society and resource-recycling society.

Main non-financial KPIs	FY2023 results	FY2024 results	Target
CO_2 emissions (Scope 1 + Scope 2)	-38.7% vs. FY2018 -12.2 year on year	-55.6% vs. FY2018 -27.5% year on year	Net zero CO_2 emissions by FY2050, 46% reduction from FY2018 levels by FY2030, annual reduction of 5% year on year
Renewable energy implementation rate	16.1%	55.4%	100% by FY2050, 50% by FY2030
Water consumption units (water consumption/operating revenue)	-8.2% year on year	-34.3% year on year	Decrease year on year
Ratio of environmental conservation area among company-owned land	5.3% (5.26 million m^2)	17.1% (17.1 million m^2)	30% company-owned land by FY2030 (30 million m^2)*1
Environmental certification acquisition ratio*2	100%	100%	100%
Reduction in food waste disposal volume base units (total waste/number of hotel guests)	-7.5% year on year	-7.3% year on year	Decrease year on year

Initiatives to date

From January 2024, we have been using essentially renewable energy sources for the electric power used by all Seibu Railway lines. We also sequentially shifted to renewable power for the electricity used at 45 hotel and leisure facility locations owned by the Group by April 2025. Through these initiatives, regarding environmental impact reduction targets, we are ahead of schedule at achieving our Medium-term target 46% reduction from FY2018 level by FY2030 in terms of CO_2 emissions, and a 50% target rates of renewable energy by FY2030.

We have also fully launched conservation projects for vast areas of forests that we own throughout Japan. We are now carrying out environmental conversation activities anchored in 18 company-owned lands called “Seibu no Mori” forests nationwide. In addition, we are also working on efforts centered on hotels to reduce food loss and make use of food waste, which has led to a reduction in food waste disposal volume base units.

Recognized issues and future initiatives

Looking ahead to our Long-term target net zero emissions and 100% traget rates of renewable energy in FY2050, we believe that stronger efforts will be needed to achieve these.
We will continue working to implement renewable energy at shopping centers on Seibu Railway lines and other business locations, install renewable energy generation facilities at Group-owned properties, and introduce eco-friendly sustainable railway cars*3 received from other companies. For CO_2 (Scope 3) emissions, we will work on a more sophisticated means of comprehending emissions. We will also dedicate efforts to reducing CO_2 emissions throughout our entire supply chain. We also attach high importance to conserving and utilizing forests and securing earnings opportunities by doing so. As such, we will engage in further environmental conservation efforts on company-owned land and utilize forests according to the characteristics of the communities in developing resorts in Hakone and other areas.

*1 Area figures are current as of February 2024. With the aim of having more environmentally protected land in the Seibu Group, we revised our definition of company-owned land from that which is owned by SEIBU REAL ESTATE on a non-consolidated basis (approx. 90 million m^2) to the area of land owned by the Seibu group as a whole (area of approx. 100 million m^2).
*2 Environmental certifications include CASBEE and DBJ. Covers large-scale office buildings (total floor area of 30,000 m^2 and larger)
*3 VVVF inverter-controlled train cars and other environmentally friendly train cars received from other companies (original name assigned by the company)

Close up



Maximizing the value of “green” for a prosperous society at one with nature

TOKUNAGA Ryo
Business Development Department
Seibu Landscape

We are helping to create a sustainable future through the power of “green.” We are working toward going “nature positive” and promoting recycling of resources by accurately grasping modern trends and the needs of communities, and by discovering new possibilities for land and natural capital. Beyond that, we will also realize the potential value of “green” and create proper ways to leverage it by using big data to quantitatively and qualitatively assess the value of green areas and biodiversity. In the Seibu no Mori project that SEIBU REAL ESTATE is working on, we are making progress toward coexistence with nature and energizing local communities by engaging in environmental conservation activities together with communities in company-owned forests around Japan. In resort development and urban redevelopment, we are also incorporating methods that improve biodiversity. Combining our established expertise with new solutions, we can build sustainable environments as a strength that furthers our aim to expand business opportunities.



An environmental conservation activity in the Seibu no Mori project

Information Disclosures Based on the TCFD Recommendations & the TNFD Recommendations

Addressing climate change, biodiversity, and nature-related issues

In the Seibu Group's Long-term Strategy to 2035, we advocate consistent awareness of the natural and global environment and contributing to a decarbonized and recycling-oriented society based on "decarbonization and effective use of resources," which is one of our material issues. Particularly for climate change, biodiversity, and nature-related issues, we aim to mitigate future risks while leveraging Seibu's unique strengths to also capture earning opportunities. Regarding climate change, we have endorsed the recommendations announced by the Task Force on Climate-related Financial Disclosures (TCFD) and are simulating multiple future scenarios to ascertain business risks and opportunities from climate change in the Seibu Group. We are simulating scenarios in which average global temperature increases from climate change are limited to less than 1.5°C, and in which average temperatures increase by 4.0°C. Regarding biodiversity and nature-related issues, in September 2024 we registered as a TNFD Adopter, showing our commitment to the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD). Based on the TNFD's suggested framework, we are identifying the impacts and dependencies of our business on nature, while also analyzing and assessing the risks and opportunities.

Governance

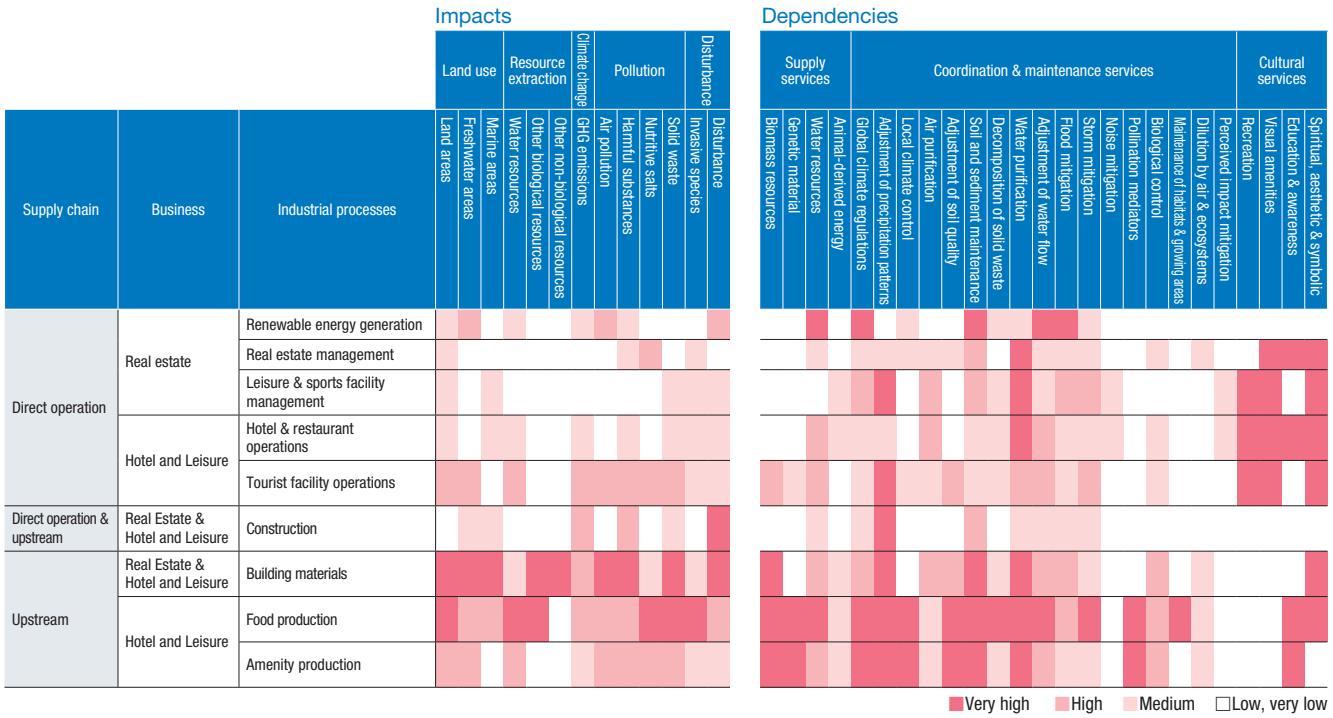
Our overall sustainability governance, which includes addressing climate change, biodiversity, and nature-related issues, is handled in the Seibu Group Sustainability Committee. This committee monitors our initiatives and makes decisions on our direction, based on the TCFD Recommendations and TNFD Recommendations. For details about the composition of the committee, please see P.46.

Strategy

Evaluation of dependencies and impacts (biodiversity, nature-related issues)

We assess our nature-related risks and opportunities according to the LEAP approach. For this evaluation, we conducted analyses in the Real Estate business and Hotel and Leisure business which are highly interconnected with nature. Our direct operations were found to be heavily dependent on cultural services. Many office buildings and commercial facilities managed or operated by the Group have green spaces on or around their premises. At these sites, the abundant greenery is expected to increase user visits and enhance the attractiveness of the area, which is dependent on nature's amenities and its ability to provide places for people to interact. In addition, many guests stay at facilities managed and operated by our Group for the purpose of observing and experiencing the surrounding seasonal nature and the Japanese-originated concept of "forest bathing" in which spending time in forests is considered therapeutic. This indicates a dependence on nature as a tourism resource. Upstream in our supply chain, we have reaffirmed that the procurement of building materials for the construction of office buildings and commercial facilities, as well as food ingredients for hotels, involves a high degree of dependence and impact on nature. Based on the Seibu Group's Sustainable Procurement Policy and Seibu Group Supplier Guidelines, we encourage the Group and its partner companies to consider the impacts of their business activities on ecosystems. We are also implementing resource recycling initiatives and other measures to understand and address the dependence and impact on nature throughout our entire supply chain.

Dependencies and impacts on nature in the overall supply chain of our Group's business



Information Disclosures Based on the TCFD Recommendations & the TNFD Recommendations

Identifying risks and opportunities (climate change, biodiversity, nature-related issues)

The table below identifies the risks and opportunities presented to us by climate change, biodiversity, and nature-related issues, focused primarily on the risks and opportunities indicated in the TCFD Recommendations and TNFD Recommendations.
These are divided into transition risks related to the transition to a lower-carbon economy and physical risks related to the physical impacts of climate change, and opportunities that will arise in transitioning to a lower-carbon economy. We define scenarios in which the average global temperature increase from climate change is limited to less than 1.5°C (the IEA's NZE Scenario), and in which average temperature increases by 4.0°C (the IPCC's RCP8.5 scenario), and we evaluate the impacts on our Group.

For biodiversity and nature-related issues, we assess the risks and opportunities in our Group's businesses which are applicable to evaluation, based on the results of dependencies and impacts evaluations and the nature of the Group's business.

We are proceeding with efforts across group companies to manage risks appropriately and turn the opportunities into actual business opportunities. Meanwhile, the Seibu Group Sustainability Committee and other committees will continue to monitor the progress of these activities.

Opportunity

	TCFD/TNFD	Direct operation/ Upstream in the supply chain *TNFD only	Opportunity items	Impacts ●:TCFD ■:TNFD	Period *TCFD only	Exposure *TCFD only	Main measures to be taken *TCFD only
Opportunity	TCFD	—	Decrease in power and utility costs due to energy efficiency improvements	●【All segments】 ・Decreases in electricity consumption and costs due to improved efficiency, and prevention of possible future increase in energy costs	Medium	Large	・Reduction of energy consumption through appropriate equipment upgrades ・Introduction of renewable energy
			Expansion of renewable energy	●【All segments】 ・Increase in sales through expansion of renewableenergy business ・Reduction of CO_2 emissions through on-site consumption	Medium	Large	・Promotion of renewable energy projects, biomass power generation projects, etc., aiming at effective use of group-owned land and forests ・Expansion of forest business
	TCFD／TNFD	Direct operation	Effective use of group-owned forests	●【All segments】 ・Increase in sales by use of forest assets	Mid-to-long	Moderate	
				●【All segments】 ・Increase in sales through expansion of biomass power generation business			
				■【Real Estate, and Hotel and Leisure】 ・Biomass power generation business using our group-owned forests, utilization of thinned wood, promotion of forest business and green infrastructure, etc.	—	—	—
			Preference for services and facilities with low environmental impact	●【Real Estate】 ・Increase in occupancy rates and rents for properties with environmental certifications or those with low environmental impact ●【Urban Transportation and Regional】 ・Increase in sales through improved transportation efficiency and preferences for less environmentally burdensome modes of transportation	Mid-to-long	Moderate	・Customer acquisition through sustainability initiatives ・Promotion of dialogue and cooperation with stakeholders ・Acquisition of environmental certifications ・Reduction of energy use through energy saving ・In-house generation or external procurement of renewable energy ・Optimization of capital investment and equipment renewal plans ・Issuance of sustainability-linked loans
				■【Real Estate, and Hotel and Leisure】 ・Increased occupancy rates and unit prices for real estate that has already acquired environmental certification, has a low environmental impact, and has a high percentage of green space ・Utilization of green infrastructure etc. in on-site green areas to lower disaster risk and costs by reducing the operation of air conditioners ・Improvement of the Group's reputation and enhancement of brand value and land prices throughout the region through urban development that utilizes nature	—	—	
			Investor preference	●【All segments】 ・Decrease in financing costs due to recognition of sustainability initiatives, and positive impact on stock price	Medium	Small	
				■【Real Estate, and Hotel and Leisure】 ・Decrease in financing costs due to recognition of sustainability initiatives, and positive impact on stock price	—	—	—
	TCFD	—	Preference for facilities and services with high disaster prevention functions	●【All segments】 ・Increase in sales as disaster-conscious users use our facilities and services	Medium	Small	・Promotion of disaster prevention measures at each facility ・Disaster supplies stockpiled at each facility
	TNFD	Direct operation	Conservation of water resources	■【Real Estate, and Hotel and Leisure】 ・Reduced costs and improved resilience associated with reduced use of water resources through reuse of wastewater, rainwater, etc.	—	—	—
				■【Hotel and Leisure】 ・Reduced waste disposal costs and creation of new value through waste reduction and resource recycling initiatives	—	—	—
			Growing need for greening technology	■【Real Estate】 ・Increased sales through provision of knowledge on landscaping methods, such as special greening and wall greening technologies, and designs that consider biodiversity and natural capital	—	—	—
			Promotion of biodiversity conservation activities	■【Real Estate, and Hotel and Leisure】 ・Implementation of nature conservation activities in cooperation with local communities in "Seibu no mori" as well as business sites and their surrounding areas, in order to improve reputation and relationships with local communities and facilitate business activities	—	—	—
			Growing need for ecotourism and nature-friendly hotels	■【Hotel and Leisure】 ・Increased sales through ecotourism that makes the most of local nature and hotel management that harmonizes with the rich natural environment of the surrounding area	—	—	—
				■【Real Estate, and Hotel and Leisure】 ・Benefiting from policy support and incentives for greening and natural capital protection	—	—	—
			Use of amenities made from environmentally friendly materials	■【Hotel and Leisure】 ・Improved reputation through use of amenities made from environmentally friendly materials and reduction of disposable plastic amenities	—	—	—
		Upstream in the supply chain	Sustainable use of building materials	■【Real Estate, and Hotel and Leisure】 ・Increased property value due to the use of building materials produced in an environmentally friendly manner	—	—	—
			Sustainable use of agricultural and fishery products	■【Hotel and Leisure】 ・Increased brand value due to the use of foodstuffs produced in an environmentally friendly manner	—	—	—

(Period column: Short term: 1 to 3 years, Medium term: 4 to 10 years, Long term: 10 years or longer)
(Exposure column: Small: less than ¥500 million, Moderate: ¥500 million to ¥1 billion, Large: ¥1 billion or more)

Information Disclosures Based on the TCFD Recommendations & the TNFD Recommendations

Risk

	TCFD/TNFD	Direct operation/ Upstream in the supply chain *TNFD only	Risk items		Impacts ●: TCFD ■: TNFD	Period *TCFD only	Exposure *TCFD only	Main measures to be taken *TCFD only
Transition risk	TCFD	—	Policy, laws and regulations	Increase in costs due to the introduction of a carbon tax	●【All segments】 ・Increase in costs related to Scope 1 and 2 direct emissions due to introduction of carbon tax (approx. ¥3.8 billion in 2030)	Medium	Large	・Reduction of energy use through energy saving ・In-house generation or external procurement of renewable energy ・Optimization of capital investment and equipment renewal plans ・Introduction of internal carbon pricing
					●【All segments】 ・Increase in potential costs related to Scope 3 emissions due to introduction of equipment (purchase of capital goods) with high carbon emissions	Medium	Small	
				Increase in costs to address stricter carbon emission targets and tightening regulations	●【All segments】 ・Increase in costs due to renewal of equipment to comply with regulations, etc.	Mid-to-long	Large	
					●【Real Estate, and Hotel and Leisure】 ・Increase in costs associated with introduction of a cap-and-trade system	Mid-to-long	Large	
					●【Real Estate, and Hotel and Leisure】 ・Increase in costs associated with acquisition of environment or third-party certifications	Medium	Small	
	TNFD	Direct operation		Stricter regulation of green space and land use	■【Real Estate, and Hotel and Leisure】 ・Increased costs associated with acquiring certification for environmental friendliness and green spaces ・Increase in green space maintenance costs ・Increasing the size of protected areas ahead of 30 by 30 and increasing the difficulty of acquiring new land due to stricter regulations on land use	—	—	—
				Stricter regulation of impact on nature	■【Real Estate, and Hotel and Leisure】 ・Increased costs associated with stricter regulation of water intake, pollution, and other kinds of impact on nature in important conservation areas ・Increased response costs due to reduced food loss and stricter regulation of resource recycling such as plastics	—	—	
		Upstream in the supply chain		Increased cost of sustainable procurement	■【Real Estate, and Hotel and Leisure】 ・Increased procurement costs due to sustainability compliance and traceability of building materials ■【Hotel and Leisure】 ・Increased procurement costs associated with sustainability compliance and traceability of foodstuffs	—	—	—
	TCFD	—	Market	Increase in energy procurement costs	●【All segments】 ・Increase in costs due to change in energy mix	Short	Small	・Long-term fixed contracts for renewable energy
				Increase in material procurement costs	●【All segments】 ・Increase in costs related to production, manufacturing, transportation, and waste disposal	Medium	Small	・Communication and relationship building with supply chains ・Timely procurement and use of demand forecasting
			Reputation	Disengagement of stakeholders due to changing values	●【Real Estate, and Hotel and Leisure】 ・Decline in occupancy rates and unit prices (rents and hotel charges) for properties without environmental certifications or those with high environmental impact ●【Urban Transportation and Regional】 ・Decrease in sales due to the shift of sustainability conscious users to other services	Mid-to-long	Moderate	・Customer acquisition through sustainability initiatives, and promotion of dialogue with stakeholders ・Acquisition of environmental certifications ・Reduction of energy use through energy saving ・In-house generation or external procurement of renewable energy ・Optimization of capital investment and equipment renewal plans
					●【All segments】 ・Difficult to acquire human resources	Medium	Small	
	TNFD	Direct operation	Market reputation Liability	Disengagement of stakeholders due to changing values	■【Real Estate, and Hotel and Leisure】 ・Reduced occupancy rates and unit prices at business sites that have not acquired environmental certification, have a high environmental impact, and have a low percentage of green space ・The risks of reputational damage and changes to plans due to development projects impacting important conservation areas ・Reputation risks related to food loss reduction and appropriate use of plastic resources	—	—	—
		Upstream in the supply chain	Technology	Increased costs to address nature-friendly building technologies and methods	■【Real Estate】 ・Increased construction costs due to the use of environmentally friendly construction methods	—	—	—
Physical risk	TCFD/ TNFD	Direct operation *TNFD only	Acute	Impact on business due to extreme weather conditions	●【All segments】 ・Decrease in sales due to closure or decline in occupancy rates caused by typhoons, floods or landslide disaster (approx. ¥400 million in the Urban Transportation and Regional segment, assuming a typhoon or other disaster equivalent to the past one)	Mid-to-long	Small	・Flooding and waterproofing measures at each facility, and identification and response to landslide hazard areas, etc.
					■【Real Estate, and Hotel and Leisure】 ・Decreased sales due to closures and reduced occupancy rates resulting from typhoons, floods, landslides, and reduced snowfall ・Increased repair costs for facilities and equipment due to typhoons, floods, landslides, and reduced snowfall	—	—	
	TCFD	—		Impact on facilities, equipment and buildings due to extreme weather events	●【All segments】 ・Increase in costs due to repairs to facilities and equipment	Mid-to-long	Small	
	TNFD	Upstream in the supply chain		Impact of extreme weather events on procured items	■【Real Estate, and Hotel and Leisure】 ・Shortage and cost increase in procurement of building materials due to typhoons, floods, and landslides ■【Hotel and Leisure】 ・Shortage and cost increase in procurement of agricultural and fishery products due to typhoons, floods, and landslides	—	—	—
	TCFD/ TNFD	Direct operation *TNFD only	Chronic	Impact of global warming on business areas and domains	●【All segments】 ・Decrease in sales as everyone stays indoor in summer ・Increase in occupational accidents due to heatstroke ・Increase in costs due to increased air conditioning operation	Mid-to-long	Small	・Installation of equipment that allows business continuity ・Dispersion of service deployment locations ・Improvement of the work environment, and reduction of outdoor work through labor savings ・Promotion of energy saving
					■【Real Estate, and Hotel and Leisure】 ・Decreased sales due to reduced attendance caused by rising temperatures and the heat island effect, and increased costs due to greater use of air conditioners	—	—	—
	TNFD	Direct operation		Impact of degradation of ecosystem on business	■【Real Estate, and Hotel and Leisure】 ・Decline in property value due to degradation of ecosystems and landscape in the vicinity of development sites resulting from land development by the Company and others ・Degradation of our group-owned forests due to pest and disease outbreaks and feeding damage by wild animals and birds, increased response costs due to lack of appropriate management of our group-owned forests, and stagnation in the use of our group-owned forests ■【Hotel and Leisure】 ・Deterioration of surrounding ecosystem due to temperature rise, land development, animal damage, pests and disease, etc., negatively impacting the nature and scenery that have become tourism resources and locally produced and consumed foodstuffs, making the facilities less attractive and thereby reducing sales	—	—	—
				Reduced water resources due to ecosystem degradation	■【Hotel and Leisure】 ・Difficulty in securing water intake due to destabilization of water circulation caused by ecosystem degradation	—	—	—
		Upstream in the supply chain		Impact of global warming and ecosystem degradation on procured items	■【Hotel and Leisure】 ・Shortage and cost increase in procurement of agricultural and fishery products due to global warming and ecosystem degradation	—	—	—

(Period column: Short term: 1 to 3 years, Medium term: 4 to 10 years, Long term: 10 years or longer)
(Exposure column: Small: less than ¥500 million, Moderate: ¥500 million to ¥1 billion, Large: ¥1 billion or more)

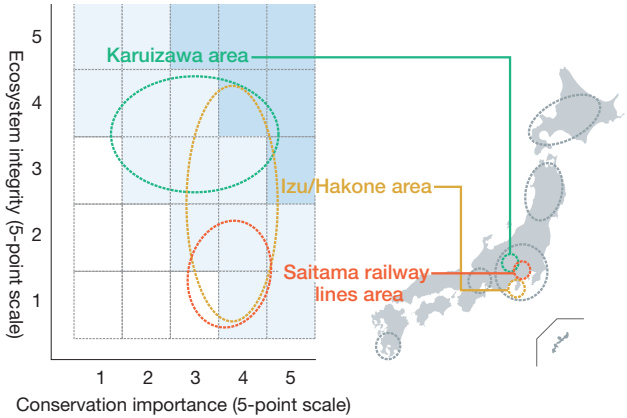
Information Disclosures Based on the TCFD Recommendations & the TNFD Recommendations

Evaluation of priority locations (biodiversity, nature-related issues)

The evaluations apply to domestic business sites that our Group owns and operates. We evaluated the state of nature in areas surrounding those sites. We conducted the evaluations for each individual site using data obtained through external tools, according to five criteria defined by the TNFD (conservation importance, ecosystem integrity, rapid degradation of ecosystem integrity, physical water risk, importance of ecosystem services).

Looking at the trends in the evaluation results, we found that out of the five criteria, some areas had higher conservation importance and ecosystem integrity than others. Conservation importance and ecosystem integrity tended to be higher at sites in resort areas, especially those in the Karuizawa and Izu/Hakone areas. Real Estate business properties in suburban areas tended to have relatively low ecosystem integrity, while conservation importance was slightly higher at sites along Seibu Railway lines in Saitama Prefecture (referred to below as Saitama railway lines area). Based on the above, we designated the Karuizawa area, Izu/Hakone area, and Saitama railway lines area as three priority areas.

Results of assessment of conservation importance and ecosystem integrity at each site, and identification of priority areas



Risks, opportunities, and future initiatives in the three priority areas

Priority areas	Karuizawa area, Izu/Hakone area	Saitama railway lines area
Characteristics of nature and the Group's business in priority areas	• There are many national parks in the area, including many ecosystems of conservation importance. • Developments include hotels, leisure facilities, and commercial facilities. Many facilities are surrounded by rich natural resources, which is part of their attraction.	• There are small and medium-sized green spaces scattered around urban areas. • Urban development is underway with a focus on leisure and commercial facilities. • Rich forests are found in the suburbs of Chichibu and Hanno, and our group also owns forests.
Important risks and opportunities based on regional characteristics	• There is a significant risk of degradation of the area's rich natural environment, which would make it less attractive as a tourism resource and lead to stagnation in the use of our group-owned forests. • There are significant risks such as the reputational risk of damaging the rich natural environment through our own development projects, and the risk of stricter regulation of protected areas such as national parks. • It is also important to try and seize opportunities to meet market needs, such as developing business projects that utilize our group-owned forests, environmentally friendly real estate, and eco-tourism and hotels in harmony with nature.	• Promoting real estate development and urban development that makes the most of the area's rich natural environment will likely improve the brand value of the region as a whole. • The creation of green spaces through our real estate development has the potential to create an ecological network by connecting scattered small and medium-sized green spaces, thereby contributing to green urban development and the conservation of biodiversity. • There are risks such as the increased cost of maintaining green spaces and acquiring environmental certification. But it is important to promote efforts by utilizing Seibu Landscape's greening technology and knowledge of acquiring certification.
Current and future initiatives	• Forest maintenance in partnership with forest cooperatives, helping to improve the water source protection function of our group-owned forests.【Izu/Hakone】 • Introduction of binary power generation facilities using heat from hot springs, and introduction of air conditioning and refueling systems.【Izu/Hakone】 • Acquired Karuizawa 72 Golf "ABINC certified golf course version."【Karuizawa】 • In April 2024, we launched the Karuizawa Sengataki Area Project in cooperation with Nomura Real Estate Holdings.【Karuizawa】 • We will keep developing resorts that make the most of the rich natural environment while protecting it.【Karuizawa,Izu/Hakone】	• We formulated the Nature Positive Declaration with Tokorozawa City in February 2024 and are conducting conservation activities in collaboration with local residents. • In redevelopment projects such as Emi Terrace Tokorozawa, we are improving greening by planting native species. • Environmental Activities and Local Contribution Activities Project in the Chichibu area is continuing. • Hanno Seibu no mori registered as a natural symbiosis site. • Conducting conservation activities in our group-owned forests, valuable places to connect with nature in suburban areas.

Risk Management

We appropriately address risks associated with climate change, biodiversity and nature-related issues in a manner that involves having the Seibu Group Sustainability Committee identify such risks. We will then enlist Sustainability Actions for analyzed and assessed risks and opportunities under the Sustainability Actions Promotion System, and will enlist risk management practices for analyzed and assessed risks and opportunities under the risk management system (▶P.74). In addition, we manage risks associated with sustainability, including climate change, biodiversity and nature-related issues in a manner that involves setting such risks as particularly material risks under risk management plans, which are formulated annually based on the Regulations for Seibu Group Risk Management, and integrating such risks into our Group-wide risk management practices.

Information Disclosures Based on the TCFD Recommendations & the TNFD Recommendations

Indicators and Goals

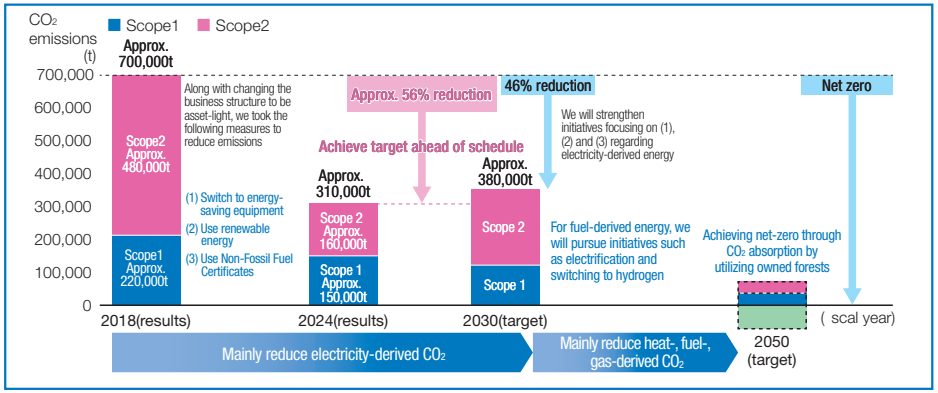
In addressing climate change, our Group sets environmental impact reduction targets, CO_2 emissions reduction targets, and renewable energy implementation targets. In our efforts to address biodiversity and nature-related issues, we set non-financial KPIs such as ratio of environmentally protected areas in company-owned land. We also monitor our environmental performance on biodiversity and nature-related issues. We set targets for some indicators based on the core global risk and opportunity indicators defined by the TNFD.

Targets set based on the TNFD core global risk and opportunity indicators
https://www.seibuholdings.co.jp/en/sustainability/tnfd/

Climate change KPIs

Main non-financial KPIs	Target
CO_2 emissions	Long-term target: Net zero emissions in FY2050 Medium-term target: 46% reduction from FY2018 level by FY2030 Short-term target: 5% year-on-year reduction every fiscal year
Renewable energy implementation rate	Long-term target: 100% in FY2050 Medium-term target: 50% in FY2030

CO_2 emissions reduction roadmap



Main initiatives to date

	Start of initiative	Description of initiative	CO_2 emissions reduction effect
(1) Switch to energy-saving equipment		• Introduced cars that contribute to energy-saving at Seibu Railway	**Approx. 19,000t***
		• Installed high-efficiency equipment and LED lighting fixtures in owned facilities	**Approx. 6,000t***
(2) Use renewable energy	2022	• Used environmentally-rated power generated by Seibu Takeyama Solar Power Station for all electricity used at DaiyaGate Ikebukuro, realizing net zero CO_2 emissions in operations	**Approx. per year 2,270t**
		• Achieved net zero CO_2 emissions at Tokyo Garden Terrace Kioicho by using 100% renewable energy to supply all the power used there	**Approx. per year 8,200t**
	2023	• Implemented solar power generation at Karuizawa Prince Shopping Plaza through onsite Power Purchase Agreements (PPAs)	**Approx. per year 870t**
		• Installed binary power generation system powered by heat from hot springs at Hakone Yunohana Prince Hotel	**Approx. per year 187t**
	2024	• Switched to essentially renewable energy sources for all electricity used by all Seibu Railway lines, achieving net zero CO_2 emission operations	**Approx. per year 157,000t**
	2025	• Implemented renewable electric power and operated with net zero CO_2 emissions at hotels and leisure facilities owned by SEIBU REAL ESTATE	**Approx. per year 92,000t**

* Reduction in cumulative CO_2 emissions from FY2018 through FY2024

Key future initiatives for achieving environmental impact reduction targets

- Switch to net CO_2-free electric power at Seibu Railway lines commercial facilities owned by SEIBU REAL ESTATE by the end of FY2025
- Adopting low environmental impact "sustainable railway cars*" received from other companies (estimated CO_2 emissions reductions of approx. 9,470 t from railway car re-use from FY2024-2030)
- Promoting the improvement of environmental performance and the acquisition of environmental certifications from our re-developed properties and other real estate holdings
- Estimating CO_2 absorption amount for forest holdings, and reviewing specific offset methods such as the J-Credit Scheme

* VVVF inverter-controlled train cars and other environmentally friendly train cars received from other companies (original name assigned by the company)

Biodiversity & nature-related issues KPIs

Main non-financial KPIs	Target
Ratio of environmental conservation area among company-owned land	30% company-owned land (30 million m^2) by FY2030

Seibu no Mori (environmentally protected areas)

We have named 18 areas of our company-owned land "Seibu no Mori," where we engage in efforts to conserve the global and natural environment and create a sustainable society while partnering with local government agencies, volunteer groups, and members of the communities.




Nango Seibu no Mori


Tsurui Seibu no Mori

Seibu no Mori(Japanese Only) https://seibunomori.jp/

Building Towns People Want to Live In or Visit

Vision and direction

We create towns people want to live in by brightening up various scenes of life. We promote building towns that diverse people are attracted to and want to visit.

Main non-financial KPIs and monitoring indicators	FY2023 results	FY2024 results	Target
Passengers carried*1 (Seibu Railway)	+5.1% year on year	+3.0% year on year	Year-on-year increase
Monitoring indicator: Population of the 28 local government jurisdictions along Seibu Railway lines*2	5.56 million	5.58 million	–
Monitoring indicator: Number of guests visiting tourist locations (Chichibu, Kawagoe, Hanno, Karuizawa)*3	· Chichibu: 5,022,159 (in CY2023) · Kawagoe: 6,576,000 (in CY2023) · Hanno: 3,792,391 (in CY2023) · Karuizawa: 7,749,000	· Chichibu: 5,327,098 (in CY2024) · Kawagoe: 6,659,000 (in CY2024) · Hanno: 3,846,408 (in CY2024) · Karuizawa: 8,005,000	–

Initiatives to date

The Seibu Group has long been a central presence in urban development along Seibu Railway lines. In the Tokorozawa area, we have renovated Tokorozawa Station itself, opened Grand Emio Tokorozawa shopping center which links directly to the station, completed the major ballpark refurbishment of Belluna Dome, and renovated Seibuen Amusement Park as part of our efforts to transform this major transport hub into a town for living—complete with the four elements of "live, work, learn, and play." As part of those efforts, we opened Emi Terrace Tokorozawa in September 2024. We will continue to boost the appeal of the living environments around Seibu Railway lines in addition to the Tokorozawa area and make the surroundings even more convenient.

Through stepped-up promotions that promote the seismic strength of the land around Seibu Railway lines, and through the development of area management in collaboration with local governments and communities in our rail network, we are engaged in urban development that makes people want to live in or visit areas around Seibu Railway lines.

Recognized issues and future initiatives

As Japan contends with an aging population and falling birthrate, we consider it essential to push forward with urban development that raises the appeal of our overall rail network from various standpoints in order to maintain or even grow the population along our railway lines. In addition to improvement of facilities at train terminals and in suburban areas, we are working on urban development that utilizes the underpass between Shakujii-koen Station and Oizumi-gakuen Station on the Ikebukuro Line, and improving living environments concurrently with our continuous grade separation projects to elevate tracks on the Shinjuku Line. Meanwhile, we are making additions and improvements to our rail network and overhauling our paid seating service on the Shinjuku Line as we strive to offer better convenience to residents around our railway lines by improving our services for passengers.

To develop and increase value in the central Tokyo area, our resort areas, and Seibu Railway line areas, we will formulate plans that drive value higher for these areas in their entirety. We will also work more closely with communities to organize events that generate excitement locally.

*1 Total of commuter passes and non-commuter passes
*2 Aggregated based on publicly available data from municipalities along Seibu Railway lines (as of the end of the fiscal year)
*3 Data published by local government agencies was used as reference for number of guests visiting tourist locations (Chichibu, Kawagoe, Hanno: "Tourist Numbers at Prefectural Municipalities" (Saitama Prefecture Tourist Visitor Statistics) issued by Saitama Prefecture; Karuizawa: "Karuizawa Statistics" issued by Karuizawa)

Close up



Creating and promoting "Tokorozawa Style" based at Emi Terrace Tokorozawa

MIYAZAKI Moe
Railroad Corridor Development Department
SEIBU REAL ESTATE

I was involved in the development for shopping center that will be a major regional draw Emi Terrace Tokorozawa, which represents a culmination of our development to transform the Tokorozawa area from a commuter town into a town for living. One of our main themes was to make it a place that creates and promotes what we call "Tokorozawa Style" with both urban and suburban charm. The facility design aims for superior convenience and comfort, featuring open spaces for recreation, events, and social gatherings that draw on Tokorozawa's unique history and culture. We have provided spaces where people of all demographics can have a great time either actively or just relaxing. We also used the facility's opening to launch Tokorozawa Town Management. This project brings the Seibu Group together with people in the community to discover and promote local appeal and work on community-affiliated events, boosting the value of the neighborhoods and making us the railway lines of choice.



Emi Terrace Tokorozawa

Creation of Experience that Stimulates the Five Senses

Vision and direction

We provide fun, emotion, excitement and purpose in life, and create special moments for people to smile.

Main non-financial KPIs and monitoring indicators	FY2023 results	FY2024 results	Target
Seibu Prince Club members	1.84 million	2.31 million	2.60 million by FY2026
Overall hotel stay score*	8.3 pts	8.4 pts	8.3 pts in FY2024 / 8.4 pts in FY2025
Ballpark visitors	+210,000 year on year	+130,000 year on year	Year-on-year increase
Number of visitor to managed parks	-5.5% year on year	+2.7% year on year	+1% year on year
Monitoring indicator: Number of facilities awarded Five Stars by Forbes Travel Guide	3	3	–

* For hotels, overall guest satisfaction with the hotel stay is rated on a 10-point scale separately from other individual items (questionnaire items on check-in time, check-out time, and breakfast and dinner, etc.). The most important score in the guest questionnaire

Initiatives to date

Through the variety of services that we provide, we possess a wealth of customer contact points in the Seibu Group. We have been delivering high-quality customer experiences that are uniquely Seibu by combining our appealing asset holdings with our advanced operational expertise.

The initiatives we are pursuing in hotels include unique guest offerings according to the concept and attributes of each facility and usage of the platform Arrival list (▶P.44) when welcoming guests. We have also been actively investing and making repairs and renovations to improve the customer experience. As a result, our overall hotel stay score* has improved over the previous year.

Meanwhile, we have provided a unique customer experience in leisure facilities by rolling out various projects along with the 2021 renovation of Seibuen Amusement Park to give it a lively mid-1900s Showa-era aesthetic.

For home games hosted by the Saitama Seibu Lions professional baseball team, we have increased ballpark attendance by concurrently offering events and other interactive fun that all types of fans can enjoy to broaden their gameday experience.

Recognized issues and future initiatives

We recognize that we must bolster measures in terms of both tangibles and intangibles to improve the customer experience of our Group's services. In addition to making operational improvements and upgrading facilities or equipment in response to customer comments, we are also working on development and value increases that incorporate entirely new experiences.

Plus, aside from our initiatives in each business, we are offering new services and developing our customer base by bolstering the services we provide using our robust Seibu Prince Club member network, implementing measures that combine multiple companies in the Group, and launching measures through partnerships outside the Group.

Additionally, we are working on initiatives to boost our customer experience to new levels such as planning and conducting tours for foreign tourists by Oku Japan which became a subsidiary in December 2024, and collaboration on the planning for Furaliss Distillery through an agreement with Karuizawa Distillers Inc. and the city of Furano (▶P.38).

Close up



Offering unforgettable travel enjoyment by creating engaging experiences all over Japan

KATO Shoma
Sales & Marketing Department
SEIBU PRINCE HOTELS WORLDWIDE

My job is to plan and develop engaging experiences that can only be enjoyed at the hotel and leisure facilities that we own throughout Japan, and to effectively promote them through various mediums. More specifically, I identify the appeal unique to the locations of our Seibu Prince Hotels and Resorts which have become deeply rooted in their respective communities over the years, including their seasonal natural landscapes and cultural resources. Then, I help offer these to customers in the form of experiences that incorporate the landscapes, local food produce, and traditional culture. I also engage in strategic promotional activities that utilize our own media platforms and those of other companies to effectively communicate that appeal and actually attract customers with it. I look forward to raising the profile of those locations and attracting customers to them by creating and promoting engaging experiences that utilize their unique attributes to offer unforgettable travel enjoyment. This will also build our competitive strength as a hotel chain originating from Japan.



Campaign tagline: "Prince is the place for stunning views."

Providing Safe and Secure Services

Vision and direction

We promote all of our businesses and services always based on safety, and provide everyone with a secure daily life.

Main non-financial KPIs	FY2023 results	FY2024 results	Target
Accidents attributable to the Group & incidents (Seibu Railway)	0	1	0 every fiscal year
Fatal accidents, accidents resulting in serious injury outside or inside the vehicle (Bus operator)	6	7	0 every fiscal year
Food poisoning accidents	0	0	0 every fiscal year
Number of serious accidents attributable to the Group related to maintenance and management of real estate facilities*	0	0	0 every fiscal year

* Applies to those caused by the Group and, in principle, does not include extreme weather events. Including hotels, commercial, and rental facilities

Initiatives to date

At Seibu Railway stations, we are installing platform doors to prevent falls onto the tracks and physical contact with trains from the platforms. These efforts are proceeding according to plans for each fiscal year, with the aim to install them on a total of 84 platforms at 28 stations by the end of FY2030. (Installed on 28 platforms at 8 stations by the end of FY2024)

We are also advancing our usage of digital technologies to ensure transport safety. At Seibu Railway, we are collaborating with the East Japan Railway Company on developing functions for cameras on the sides of rail cars to detect human presence using AI. At Seibu Bus, we are working on the phased implementation of a warning system for accidents involving bikes and pedestrians when turning, for exclusive use in large buses.

In hotel operations, we are bolstering our efforts to prevent food poisoning accidents by gathering and analyzing food safety inspection data.

At facilities that we own such as DaiyaGate Ikebukuro, we are also advancing disaster preparedness measures such as installing supplies storehouses for disasters and emergency-use power sources, and securing space for temporarily taking in people who cannot return home.

Recognized issues and future initiatives

In railway transport, we consider it essential to engage in various efforts that will enable us to continuously provide safe and secure services to our customers. These include updating the increasing number of aging facilities, engaging in continuous grade separation projects, safety measures for railway crossings, and measures to address natural disasters. Specific efforts include elevation of the Shinjuku Line outbound line near Higashi-Murayama Station which began in June 2025, and steadily advancing the continuous grade separation project on Shinjuku Line tracks. For railway crossing safety, we are upgrading to newer, more advanced railway crossing failure detectors. We are also conducting BCP training and comprehensive restoration training in anticipation of natural disasters, while also bolstering our disaster response capabilities through “Ekimachi (station neighborhood) Resilience.”

In real estate facilities maintenance and management, we aim to steadily make safety-oriented investments, repairs, and renovations as facility owners, while also providing safe, secure environments at all types of facilities including large multi-purpose complexes. We will therefore be working to enhance our expertise in operations and management at SEIBU REAL ESTATE BUILDING MANAGEMENT.

Close up



Providing safety and security by improving rail transport safety and strengthening disaster response capabilities

MOHRI Masayuki
Safety Advancement Department
Seibu Railway

We are working on initiatives in many different areas from capital expenditures to education, training, and more, to be able to provide the safest, securest services to Seibu Railway passengers and those who live around our rail network. Specifically, we are installing platform doors according to a phased plan in order to prevent railway accidents, and raising safety awareness by updating our employee training facilities as “Mutual Learning Classrooms” and implementing “Transport Safety Education” for all Seibu Railway officers and employees. Based on the theme of “Ekimachi (station neighborhood) Resilience,” we are also bolstering our disaster response capabilities. In March 2025, we conducted training at Tokorozawa Station for services to distribute supplies in the event of a major earthquake. We will continue providing places where customers and people in the community can feel safe as our employees all work together to maintain and enhance safety measures in the railway business.



Transport safety education at a Mutual Learning Classroom

Compliance and Collaboration

Vision and direction

We ensure compliance, and the soundness and transparency of management. We focus on dialogue with stakeholders and work on appropriate collaboration.

Main non-financial KPIs	FY2023 results	FY2024 results	Target
Rate of response to supplier survey	97.3%	74.6%	100% every fiscal year

Compliance

Basic policy

Seibu Group aims to establish a compliance structure for the whole group, mainly Seibu Holdings. Therefore, the Group is establishing rules, organizations, and activities to instill and normalize as the three main pillars of compliance, centered on the Seibu Group Code of Corporate Ethics created based on the Group Vision. Seibu Group Code of Corporate Ethics is a compilation of the fundamental guidelines that the Seibu Group should always keep in mind in order to fulfill its responsibility as a member of society and become a trusted corporate group. It serves as the most basic unified rule regarding compliance.

Compliance structure

The Compliance Department has been established in Seibu Holdings as a unit that is responsible for the Group's compliance matters and readily acts in conjunction with relevant units of respective Seibu Group companies, strengthening its compliance structure. We established "The Seibu Group Corporate Ethics Committee" (▶P.68) as an organization to decide on the basic policy and specific measures of corporate ethics, review process and consider solutions to problems related to corporate ethics as well as preventive measures. Additionally, to swiftly identify and resolve internal problems, we have established an internal reporting system with a Business Ethics Hotline and Sexual Harassment & Human Relations Hotline for officers and employees of the Seibu Group, and a Business Partner Hotline for people at business partner companies (suppliers). Information from the hotlines is centrally managed by the Company and is leading to swift resolution of issues, prevention of recurrence, and improvements in business operations, with advice and support received from experts as needed.

Activities to instill and establish compliance awareness

Based on the Seibu Group's basic compliance policy "Practicing Compliance Based on Our Group Vision," our Group has set the medium-term compliance goal of each and every employee seeing compliance and human rights as matters of personal relevance and incorporating these into their behavior as common practice. We aim to further instill and establish compliance to be a Seibu Group that meets society's expectations. Group companies formulate their specific action plans based on the Group's Compliance Action Plan formulated by Seibu Holdings every fiscal year. Compliance should be implemented proactively at each company and Seibu Holdings provides advice and support for their activities.

Seibu Group Corporate Ethical Standards
https://www.seibuholdings.co.jp/en/ir/management/governance/principles/

Activities to instill and establish the Seibu Group's compliance rules and compliance awareness
https://www.seibuholdings.co.jp/en/sustainability/compliance/

Supply chain initiatives

Policy and guidelines

In the Seibu Group, we aim to fulfill our social responsibility through our business activities. In the area of procurement, we have established the "Seibu Group Sustainable Procurement Policy" stipulating our Group compliance requirements and the "Seibu Group Supplier Guidelines" stipulating our expectations for business partners. We subsequently revised this policy and these guidelines in April 2025 from the standpoints of mutual risk management between the Group and our business partners, minimizing damage when problems arise, and bolstering our competitive strength.

Seibu Group Sustainable Procurement Policy
https://www.seibuholdings.co.jp/en/sustainability/compliance/procurement_policy/

Seibu Group Supplier Guidelines
https://www.seibuholdings.co.jp/en/sustainability/compliance/supplier_guideline/

Communication with business partners

The Seibu Group frequently visits and engages in dialogues with business partners with the aim of realizing a more sustainable society in all aspects of the supply chain. Specifically, we conduct surveys in each of our major business areas with a particular emphasis on our largest business partners by transaction value to constantly review whether our partners are acting in compliance with the Seibu Group Supplier Guidelines. Responses were received from 100 companies in FY2024. Although we had doubts about responses from some business partners, we were able to verify that there were no major problems through direct discussions afterward.

Main survey items

1. Understanding of and compliance with Seibu Group Supplier Guidelines
2. Safety assurance measures
3. Compliance with relevant laws and regulations and fair trade practices
4. Environmental conservation efforts
5. Respect for human rights and work environment considerations

Initiatives on respect for human rights

Human Rights Policy

The Seibu Group established the “Seibu Group Human Rights Policy” in April 2022 to clarify our philosophy on respect for human rights pursuant to the “Seibu Group Code of Corporate Ethics” stipulating basic principles on compliance, and to properly address the risks of corporate human rights infringements currently garnering increased attention both within and outside Japan.

Seibu Group Human Rights Policy
https://www.seibuholdings.co.jp/en/ir/management/governance/Human_Rights_Policy/

Human rights due diligence

From FY2023 through FY2024, we conducted questionnaires and interviews with the human resources departments of each company in the Seibu Group and conducted an analysis of human rights-related matters based on the results of employee questionnaires and hotline interactions. Additionally, to address our supply chain, we held interviews with two partner companies based on their responses to the human rights-related matters in the questionnaire for partner companies.

Remedial action

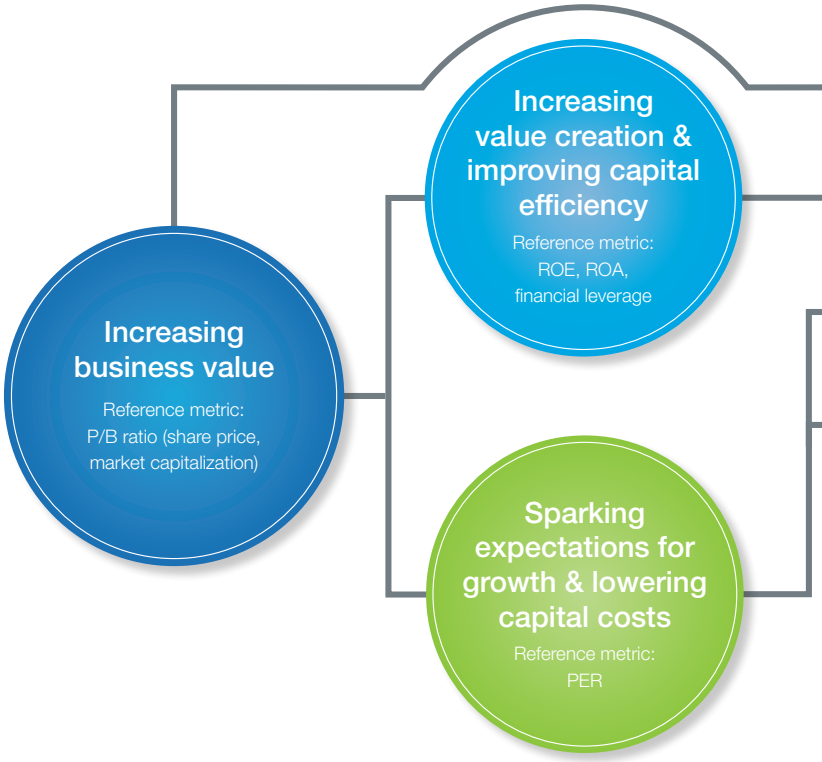
In addition to operating the Business Ethics Hotline and Sexual Harassment & Human Relations Hotline as internal reporting contact point for officers and employees at companies in the Seibu Group, in April 2025 we established the Business Partner Hotline for business partners (suppliers) as a mechanism for handling complaints, through which we are now providing consultations and accepting reports about transgressions involving respect for human rights in the Seibu Group’s business activities.

State of efforts in the Seibu Group and its supply chain

		Seibu Group	Supply chain
Human Rights Policy	Announce our commitment (promise) to accountability for respecting human rights	• In April 2022, established the Seibu Group Human Rights Policy	• In November 2022, formulated the Seibu Group Sustainable Procurement Policy and Seibu Group Supplier Guidelines, stipulating respect for human rights • In April 2025, revised this policy and these guidelines, adding provisions on respect for human rights for prohibiting child labor and forced labor
Human rights due diligence	Identifying & assessing negative impacts	• From FY2023 onward, conducted questionnaires and interviews with the human resources departments of each company in the Seibu Group, analyzed results of employee questionnaires and hotline interactions, and identified risk items such as harassment and work hours	• From FY2023 onward, conducted questionnaires of business partners (companies given questionnaire in FY2023: Seibu Railway, SEIBU PRINCE HOTELS WORLDWIDE, SEIBU REALTY SOLUTIONS (name since changed to SEIBU REAL ESTATE)) • In the FY2024 questionnaire, interviewed two business partners for which items requiring confirmation were identified among the responses for “worksite environment” and “work hours,” and verified that there were no major problems (in addition to the companies given the questionnaire in FY2023, it was also given to Seibu Bus, Izuhakone Railway, and Ohmi Railway) • In FY2025 and onward, planning to add more questionnaire items regarding human rights
	Preventing & mitigating negative impacts	• In FY2025 and onward, planning to further investigate identified risk items and implement measures to prevent and mitigate them	• Planning to implement sequentially along with bolstering “identifying & assessing negative impacts” in FY2025 and onward
	Evaluating effectiveness of efforts	• From FY2025 onward, consider specific efforts	• From FY2025 onward, consider specific efforts
Remedial action	Addressing negative impacts	• Implementing the Business Ethics Guidelines and Sexual Harassment & Human Relations Hotline	• In April 2025, established the Business Partner Hotline as a contact point for reporting compliance violations related to the Group

Chapter 5

Corporate Governance Efforts



Chapter 1: Introduction

Chapter 2 : Increasing Business Value

Chapter 3 : Continuous Growth Centered on the Real Estate Business

Chapter 4 : Our Initiatives for Materiality (Key Topics)

Governance

Chapter 5 : Corporate Governance Efforts

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Chapter 6 : Corporate Data

Maintaining the Seibu Group's growth and increased business value by building highly effective governance and monitoring strategy execution



KOBAYASHI Yoko

Independent Officer
Independent Outside Director

Appointed to current role in June 2024.
She has served in key roles including as representative director of a company in the NTT Group and possesses a wealth of knowledge and experience in entering new businesses and ICT strategy.



TAKAHASHI Masami

Independent Officer
Independent Outside Director

Appointed to current role in June 2024.
He has worked in new businesses and rebuilding brand businesses for companies including Coca-Cola Japan, Walt Disney Japan, and Warner Bros Japan, possessing extensive knowledge and experience as a business manager.



IKEDA Yuichi

Independent Officer
Independent Outside Director

Appointed to current role in June 2024.
Over many years he has served in key roles at Japan's Ministry of Finance, Financial Services Agency, and Bank of Japan, and possesses a wealth of knowledge and experience in financial and capital markets.

Role and mission

—Now that one year has passed since your appointment as outside director in June 2024, could you please reflect on your perception of your role and your thoughts based on your own knowledge and skills?

KOBAYASHI: My most important role as an outside director is to advise and oversee business management from the standpoint of figuring out how to grow business value over the medium to long term. That is a particular focus as the Seibu Group has formulated a growth strategy focused on the Real Estate business and is attempting to change its business model. I believe that my experience at NTT can be leveraged to that end. I worked on the launch of their internet services business which was a latecomer to the market but still helped grow it into the number one share in a short period of time. I hope to leverage my knowledge from many years involved in ICT strategy and reflect it in the Seibu Group's strategy and governance and channel that into greater business value.

TAKAHASHI: Until now, I have handled marketing and management for foreign-owned companies and worked on launches of new brands as well as turning around existing brands. Seibu and Prince Hotels are fundamental brands for our business. If we can elevate their customer experience and build their brand value, that will lead to long-term earnings growth. I consider it my mission to put my accumulated knowledge to work in helping to boost the medium- to long-term shareholder value and business value of the Seibu Group.

IKEDA: Through my long history of involvement in developing financial and capital markets at the Ministry of

Feature #3: Three-Way Discussion Between Outside Directors

Finance, Financial Services Agency, and Bank of Japan, I have been working from the vantage point of transforming Japan's corporate governance. In corporate governance, effectiveness is more important than just having the organizational structure in place. When someone works at one company for a long time, they tend to get caught up in the internal mindset and develop bias toward the status quo. In those cases, I consider it my role to clearly express opinions from an outside, independent perspective that others might be afraid to say, including from the standpoints of financial and capital markets.

Assessment of governance in the Seibu Group and recognized issues

—How would you assess the governance in the Seibu Group?

IKEDA: We are working on improving it based on the provisions of the Corporate Governance Code, and I feel that it functions better than at most listed companies. In practice, important issues are presented to the Board of Directors by the executive side in the preliminary stages,



and the opinions of outside directors are incorporated through repeated discussions before reaching a conclusion. Opinions expressed by shareholders and investors in everyday IR are also attentively reported to the Board of Directors. I think the Seibu Group has the fundamental attitude that there are many opinions deserving of consideration, and that these opinions should be actively incorporated.

KOBAYASHI: I get a strong impression that we are very seriously considering how the Board of Directors should work. For example, we give the questionnaire for the Board of Directors effectiveness evaluation in anonymous format with directions to "please write your honest opinion." For more nuanced replies that cannot be fully conveyed in the questionnaire, we conduct interviews individually to fully understand. That shows how seriously we are pursuing better governance.

—Does the Board of Directors have an atmosphere that makes it easier for outside directors to express opinions?

KOBAYASHI: Very easy. Each of us consistently expresses opinions by speaking up or interjecting, "If I may," or "Could I bring up something else?" The opinions we express are also immediately reflected. As an outside director, that makes it worthwhile to speak up.

TAKAHASHI: I feel the same way. We are having very open discussions, and I believe that helped produce the content of the long-term strategy we formulated last year.

—What were the issues involved in further strengthening your governance, and what are you currently working on to resolve them?

TAKAHASHI: The Board of Directors, Nomination Advisory Committee, and Remuneration Advisory Committee are taking time for open discussions about how to create the organizational structure for continuous growth into the future. One result was the revision made to the officer remuneration system. We are paving the way for business management with heightened awareness of stock price, capital costs, and ROE going forward.

IKEDA: At many companies, not only the Seibu Group, there are inevitably gaps in the information that the company has and what the outside directors have. Those gaps must be filled in to improve the quality and raise the effectiveness of discussions in the Board of Directors, so this is an issue. We are making improvements to be able to engage in more constructive discussions by receiving careful explanations from the related departments and arranging opportunities to engage them with questions and discussions before the day of the meeting.

KOBAYASHI: In terms of risk management, they say the devil is in the details. If outside directors do not know the basic structure or operations of the actual work, they will not be in a position to monitor it. For that reason, I value the experience of communicating more with the people at the business sites in person and seeing how the actual work is done with my own eyes. On the executive side, they immediately accommodate such requests, and they wasted no time planning opportunities for such interactions.

IKEDA: That is also an important action for filling in information gaps and closely monitoring the progress of our long-term strategy. We need to continue working on that in various forms.

KOBAYASHI: I think that another issue to address is intensively and systematically developing female human resources to be inside directors and having them reach that level as soon as possible. This is something that I actually experienced at another company. Once a truly homegrown female officer was appointed, officer meetings were instantly livelier and everything started moving at a drastically quicker pace. It was an outcome that nobody could have predicted. Many companies tend to pursue the participation and advancement of women by focusing on balance between family life and work, but I think career assistance is also important. One way is to create programs where they can build experience dealing with tough circumstances, but now there are many other potential methods. I think we need to provide the support and create the mechanisms for them to

take their own careers to the next step through hard work.

Spurring on the achievement of continuous growth and increased business value

—How will you monitor implementation of the long-term strategy?

IKEDA: Long-term Strategy to 2035 was formulated and announced just before I was appointed. Looking at the details about achieving continuous growth and improving capital efficiency with a focus on the Real Estate business, I thought it was a really well-crafted strategy. At the same time, since it is a strategy of major business transformation, I felt that it will require significant effort to implement. As an outside director, I believe that one of my biggest roles is to thoroughly monitor its progress and check whether it is not a pie-in-the-sky plan, and whether information is being communicated to the outside world in a timely manner.

KOBAYASHI: Shareholders, investors, and other types of stakeholders are paying close attention to how the Seibu Group is trumpeting growth through capital recycling and working to dynamically shift its business model. I will be closely watching whether its execution follows the planned schedule.



TAKAHASHI: In the phase of figuring out how to execute the long-term strategy, I think we need to strike a balance between speeding everything up by empowering the business companies, and exercising leadership as a holding company from the standpoint of overall optimization.
It may be a seed-sowing period, but that does not mean we can move slowly. I would like to receive all the information needed from the executive side and physically visit business sites to see the actual circumstances while offering advice and monitoring progress.

IKEDA: Real estate development projects take a considerable amount of time. That is particularly why I believe that timely decision making and execution are needed. As Mr. Takahashi mentioned earlier, I want to see this from the perspective that we must speed up as much as possible without letting up just because this is a period of seed-sowing. Even if the development project has a long timeline, we need to disclose how the goal looks along with data that proves the current level of progress as clearly as possible and in a timely manner for the project to get factored into business valuations in capital markets.

KOBAYASHI: I think there has been a good sense of speed in the progress made thus far. However, since the Seibu Group must become the industry leader, we will need to display much, much more accelerative force. Speed itself is relative. Everything around us is moving faster. Simply being enthusiastic will not lead to acquiring accelerative force. The mechanisms must be changed using technologies such as ICT and DX.

IKEDA: As we speed up, I think another important role is to also pay sufficient attention to risk factors and thoroughly investigate them in this increasingly uncertain business climate.

TAKAHASHI: While it is extremely important to properly carry out what was decided, the environment could also change in the blink of an eye. We should understand what is happening with markets and consumers is changing, while



thoroughly discussing whether the company's decisions will bring about customer experiences that are high in quality.

KOBAYASHI: This might be related to what you mentioned, but in terms of the capital recycling business, as a latecomer to the real estate industry we are in a position of building the best "to-be" model and capturing latecomer-style profit rather than just following on other companies' heels. I intend to check from that perspective.

TAKAHASHI: The human capital strategy to build that type of business model and achieve continuous growth is also extremely important.

KOBAYASHI: What are the mindsets of the people (employees) who are the bedrock of the company's organizations, and in what ways do they grow? The human capital strategy took so much effort to formulate, but is it actually just pie in the sky, or are we making steady progress toward achieving it? I want to take a hard look at these aspects. It seems that one current issue is the need for more external communication of our "the best conditions and performance in the industry" declaration. As the Seibu Group dedicates greater effort to the Real Estate business going forward, I hope that our marketing and publicity efforts can be effective enough to attract highly talented

people with extensive knowledge in real estate.

—In terms of the value creation and business value improvement that only the Seibu Group can offer, what are your thoughts on achieving this?

TAKAHASHI: Thinking about it, the most important topic really is how to increase the value of our central Tokyo, resort, and Seibu Railway line assets and improve our customer experience. As we touched on at the beginning, if we can raise the value of both the tangibles and intangibles of the experiences our customers have when they come into contact with the Seibu Group and sufficiently communicate based on that, our brand value will increase as a result. That will also establish our brand as a global hotel chain. I think we can subsequently turn that achievement into increased real estate value that others cannot imitate, which will ultimately lead to increased business value overall. Once our brand is a highly valuable intangible asset, I believe the Seibu Group can become an enterprise with resilience and also a base for long-term growth. I am looking forward to doing my part to help make that happen.
The Real Estate and Hotel and Leisure businesses are also highly interrelated in the process of increasing our business value, as are the Real Estate and Urban Transportation and Regional businesses. I would like to have more in-depth discussions about how to generate those synergies.
IKEDA: Owning many appealing assets offers plenty of potential, but these assets are not necessarily being utilized effectively right now. While that means we have room for improvement, it is also a serious issue. Aside from that, the trust that the Seibu Group has established through its track record over the years is also a major strength. I think we need to emphasize that while also dynamically and proactively adapting to the changing times.
KOBAYASHI: Far from being a company in its maturation phase, we could also say that the Seibu Group has strengths in the many ways it can transform itself going forward—including branding—and ways it can take the next step upward. Speaking of intangible assets, we need to remind ourselves that the data the Seibu Group owns is an extremely important intangible asset. Data is used in various businesses in the Seibu Group. There are still plenty of ways we can utilize it to increase the value we offer to customers and simultaneously to increase our business value. I want to generate synergy effects unique to the Seibu Group that are strong enough to surprise people.
TAKAHASHI: Mr. Ikeda mentioned this earlier, but in terms of increasing business value, since the Seibu Group has many long-term development projects, it is essential that we do well at explaining their growth stories to the capital markets. If it takes time, in what form will growth be achieved during that time, and how will the growth look three years or five years from now? Consistently explaining and communicating those things along with updates will be a very important point in my opinion.
IKEDA: Since we operate businesses that are highly public such as the railway business, the Seibu Group serves public and social roles. We are responsible for continuously providing safe, secure, and reassuring services. Meanwhile, as a company listed on the Prime Market, we must also manage business with sufficient awareness of our stock price and capital costs. As an outside director, I will strive to support and supervise management to enable us to steadily execute the long-term strategy we are currently pursuing, bolster our ability to generate social and economic value, and increase our business value over the medium to long term.



Directors, Audit & Supervisory Board Members and Managing Officers

Directors (As of June 24, 2025)



From left in the back row: TAKAHASHI Masami, GOTO Keiji, KANEDA Yoshiki, YAMAZAKI Kimiyuki, OGAWA Shuichiro, SAITO Tomohide, TSUJIHIRO Masafumi, IKEDA Yuichi
From left in the front row: ARIMA Atsumi, ISHIHARA Masayuki, GOTO Takashi, NISHIYAMA Ryuichiro, FURUTA Yoshinari, KOBAYASHI Yoko

Outside Indicates outside directors in accordance with the provisions of the Companies Act

Independent Indicates independent officers in accordance with the provisions of the Securities Listing Regulations issued by the Tokyo Stock Exchange

GOTO Takashi
Chairman and Representative Director
Chairman and CEO

NISHIYAMA Ryuichiro
President and Representative Director
President and COO

ISHIHARA Masayuki
Director
Executive Managing Officer

FURUTA Yoshinari
Director
Senior Managing Officer

YAMAZAKI Kimiyuki
Director
Senior Managing Officer

OGAWA Shuichiro
Director

KANEDA Yoshiki
Director

SAITO Tomohide
Director

GOTO Keiji
Director
Outside Independent

TSUJIHIRO Masafumi
Director
Outside Independent

ARIMA Atsumi
Director
Outside Independent

KOBAYASHI Yoko
Director
Outside Independent

TAKAHASHI Masami
Director
Outside Independent

IKEDA Yuichi
Director
Outside Independent

Reason for Appointment and career summary can be found here. https://ssl4.eir-parts.net/doc/9024/ir_material19/251417/00.pdf

Directors, Audit & Supervisory Board Members and Managing Officers

The skills and experience of each derector

Our lineup of directors has a 42.9% ratio of outside directors and is composed with a complementary balance of their respective skills in order to further strengthen our corporate governance, boost our medium- to long-term performance, and increase our business value and shareholder value.

Name	Responsibilities in the Company	Composition of each committee				Skills										
		Chairperson of the Board of Directors	Nomination Advisory Committee	Remuneration Advisory Committee	Corporate Governance Council	Corporate management	Finance / accounting	Personnel / labor / human capital development	Legal / risk management	Sustainability	DX / Marketing	Real estate	Hotel and Leisure	Urban transportation and railway lines	Capital allocation	Capital markets & IR
GOTO Takashi					●	●	●	●	●	●					●	●
NISHIYAMA Ryuichiro	Compliance Dept.	◎			●	●			●	●	●				●	●
ISHIHARA Masayuki	Business Strategy Dept.Ⅱ (Hotel and Leisure) & Business Strategy Dept. Ⅲ(Real Estate), Corporate Planning					●	●		●	●		●			●	●
FURUTA Yoshinari	Investor Relations Dept., Corporate Planning, Accounting Dept. & Finance Dept.					●	●		●						●	●
YAMAZAKI Kimiyuki	Internal Audit and Internal Control Dept. & IT Systems Dept.					●			●		●			●		
OGAWA Shuichiro	President and Representative Director of Seibu Railway Co., Ltd.					●		●	●	●				●		
KANEDA Yoshiki	President and Representative Director of SEIBU PRINCE HOTELS WORLDWIDE INC.					●		●		●	●		●			
SAITO Tomohide	President and Representative Director of SEIBU REAL ESTATE INC.					●	●		●	●	●	●				
GOTO Keiji	Outside Director, Independent Director		◎	●	●				●	●						
TSUJIHIRO Masafumi	Outside Director, Independent Director		●	◎	●	●					●					
ARIMA Atsumi	Outside Director, Independent Director		●	●	◎	●	●	●		●					●	●
KOBAYASHI Yoko	Outside Director, Independent Director		●	●	●	●			●	●	●					
TAKAHASHI Masami	Outside Director, Independent Director		●	●	●	●					●					
IKEDA Yuichi	Outside Director, Independent Director		●	●	●		●		●							●

Note: The above list does not represent all the knowledge and experience of each director.
"◎" indicates the chairperson of each committee, etc.

Directors, Audit & Supervisory Board Members and Managing Officers

Skills required of directors and the definitions of those skills

Skills	Skill definition
Corporate management	Experience and skills in the execution of duties of management and corporate planning departments
Finance / Accounting	Professional experience and supervisory skills related to accounting, finance, taxation, etc.
Personnel / Labor / Human capital development	Professional experience and supervisory skills related to human capital, labor relations, and human capital development (training and development)
Legal / Risk management	Professional experience and supervisory skills in legal affairs, crisis management, public relations, and risk management
Sustainability	Supervisory skills from the perspective of sustainability actions, Group vision and diversity
DX / Marketing	Professional experience and supervisory skills related to ICT utilization and DX promotion
Real estate	Professional experience, execution, and supervisory skills in real estate business
Hotel and Leisure	Professional experience, execution, and supervisory skills in the hotel and leisure business
Urban transportation and railway lines	Professional experience, execution, and supervisory skills in urban transportation and railway lines development business
Capital allocation	Professional experience and supervisory skills in capital allocation and business portfolio management for Group-wide optimization
Capital markets & IR	Knowledge, professional experience, and supervisory skills related to capital markets and investor relations

Audit & Supervisory Board Members



From left: NAKAGAWA Yoshihide, FUKUDA Masaaki, YANAGISAWA Giichi, SAKAMOTO Chihiro

New
Newly appointed at the 20th Annual General Meeting of Shareholders (held in June 2025)

New
Newly appointed at the 17th Annual General Meeting of Shareholders (held in June 2022)

Outside
Indicates outside Audit and Supervisory Board members in accordance with the provisions of the Companies Act

Independent
Indicates independent officers in accordance with the provisions of the Securities Listing Regulations issued by the Tokyo Stock Exchange

FUKUDA Masaaki
New
Full-time Audit & Supervisory Board Member

NAKAGAWA Yoshihide
New
Audit & Supervisory Board Member

YANAGISAWA Giichi
New
Audit & Supervisory Board Member
Outside Independent

SAKAMOTO Chihiro
New
Audit & Supervisory Board Member
Outside Independent

Reason for Appointment and career summary can be found here.
https://ssl4.eir-parts.net/doc/9024/ir_material19/251417/00.pdf
https://ssl4.eir-parts.net/doc/9024/ir_material19/199490/00.pdf

Managing Officers

HARADA Takeo	Senior Managing Officer Executive General Manager, Corporate Planning
ISHIBASHI Kenji	Senior Managing Officer General Manager, Human Capital Strategy Department
TATARA Yoshihiro	Managing Officer General Manager, Corporate Communication Department
ONO Masahiro	Managing Officer General Manager, Business Strategy Department I, Corporate Planning (Urban Transportation and Regional Business)
IWASAKI Norio	Managing Officer General Manager, Legal Department
TOMITA Yasushi	Managing Officer General Manager, DX & Marketing Strategy Department, Corporate Planning

Corporate Governance

Basic Policy

The Seibu Group strives to maximize business value and shareholder value by fulfilling social responsibilities through business activities and earning the trust of shareholders, customers and all other stakeholders based on the Group Vision, which incorporates the management philosophy and management policy, and the Seibu Group Code of Corporate Ethics, which sets out the Group's basic rules on compliance. To further promote corporate governance, the Group works to improve management soundness and transparency, to raise the level of and to accelerate decision-making by management, centered on the Board of Directors, and to continually strengthen the internal control systems of the entire Group.
In addition to ensuring the rights and equality of shareholders, the Group engages in constructive dialogue with shareholders to improve business value and shareholder value over the medium to long term, and strives for timely and appropriate disclosure of information and effective cooperation with all stakeholders.

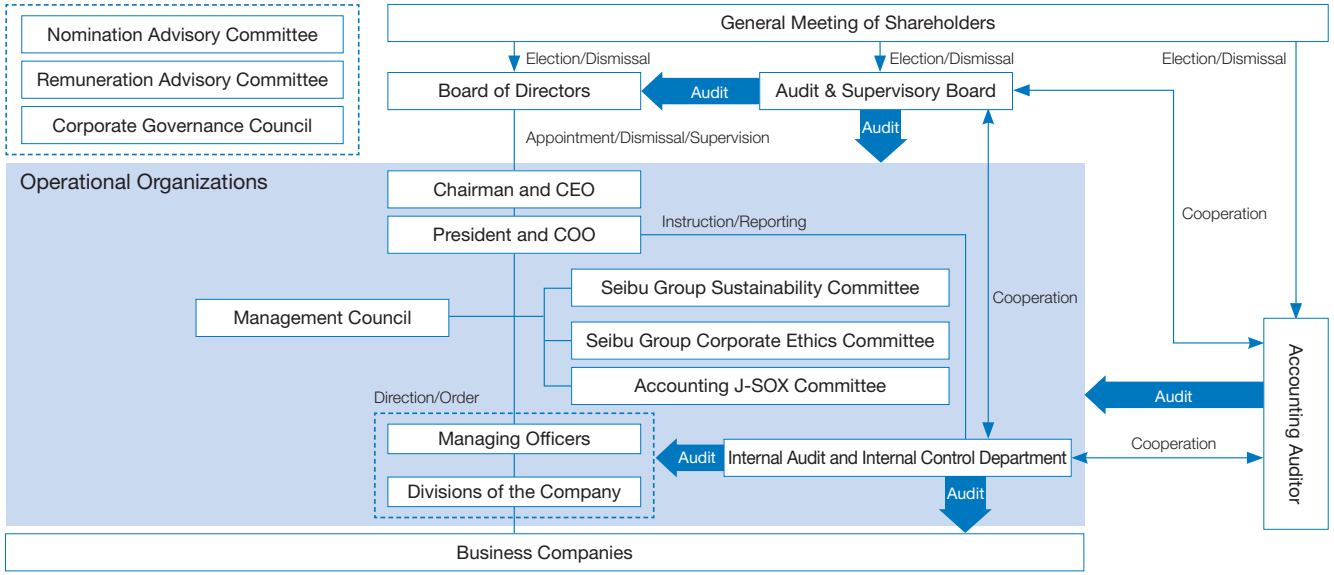
Corporate Governance Structure

We employ a corporate auditor system and have established a general meeting of shareholders, Board of Directors, and Audit & Supervisory Board as company institutions pursuant to the Companies Act.

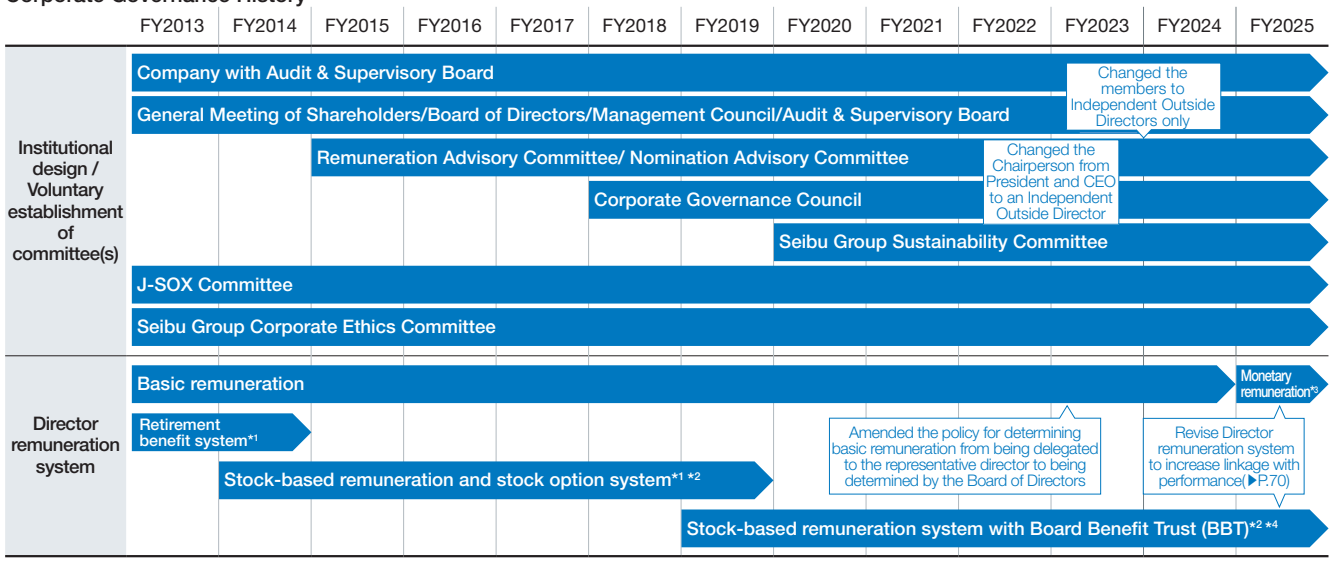
In order to oversee business management including the appropriate distribution of business resources as a holding company, our Board of Directors consists of directors who are well versed in our Group's businesses and their management, and Independent Outside Directors who possess a wealth of knowledge and insight. We also ensure the function of improving the quality of our decision-making function by requesting the opinions and advice of outside Audit & Supervisory Board members, attorneys, certified public accountants, and other outside experts.

Overview of our corporate governance structure and reasons why we chose it
https://www.seibuholdings.co.jp/en/ir/management/governance/

Corporate Governance Structure

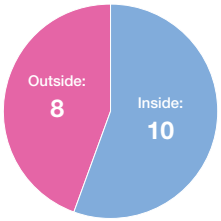
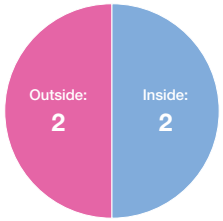
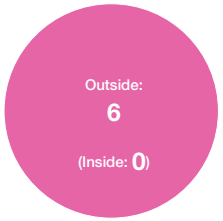
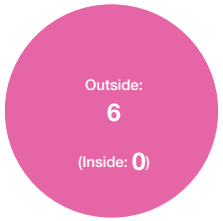
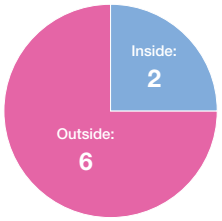


Corporate Governance History



*1 Effective as of the annual general meeting of shareholders in June 2014, the retirement benefit system was abolished and a share-based remuneration and stock option system was introduced.
*2 Effective as of the annual general meeting of shareholders in June 2019, the share-based remuneration and stock option system was abolished and a new stock-based remuneration system was introduced based on annual incentives as well as long-term incentives.
*3 Established new short-term performance-linked remuneration consisting of monetary remuneration together with base remuneration at the annual general meeting of shareholders in June 2025.
*4 Revised share-based remuneration system, renamed annual incentive as the performance-linked portion and long-term incentive as the fixed portion by position at the annual general meeting of shareholders in June 2025.

Corporate Governance

	Board of Directors	Audit & Supervisory Board	Nomination Advisory Committee / Remuneration Advisory Committee	Corporate Governance Council
Number of People	Total members: 18 (16 men, 2 women) Directors: 14 (12 men, 2 women) 6 of whom are outside directors (4 men, 2 women) (all independent) Audit & Supervisory Board members: 4 (4 men) 2 of whom are outside auditors (2 men) (all independent) 	Total members: 4 (4 men) Outside auditors: 2 (2 men) (all independent) 	Total members: 6 (4 men, 2 women) Outside Directors: 6 (4 men, 2 women) (all independent) Nomination Advisory Committee  Remuneration Advisory Committe 	Total members: 8 (6 men, 2 women) Outside Directors: 6 (4 men, 2 women) (all independent) 
Chairperson	President and Representative Director, President	Full-time Audit & Supervisory Board Member	Independent Outside Directors	Indipendent Outside Director
Number of meetings in FY2024	21 times	15 times	Nomination Advisory Committee 4 times Remuneration Advisory Committee 3 times	3 times
Summary	The Board meets in principle at least once a month to make decisions on important matters related to management as well as matters stipulated by laws and regulations, and to supervise the execution of business.	The Audit & Supervisory Board meets at least once a month in principle. Each Audit & Supervisory Board Member basically audits the appropriateness and legality of the Directors' execution of their duties by attending meetings of the Board of Directors and other important meetings and giving his opinion, exchanging opinions with the representative director, receiving verbal updates on the status of execution of business from Directors and others as required, and through other methods.	In order to ensure objectivity when deciding the candidates and remuneration for Directors, the Company obtains advice in the Remuneration Advisory Committee and the Nomination Advisory Committee, which are respectively chaired by an Independent Outside Director and all members of which are Independent Outside Directors.	The Company has established the Corporate Governance Council, which is chaired by an Independent Outside Director and composes a majority of Independent Outside Directors, as an advisory body to the Board of Directors for seeking advice from an independent and objective standpoint in order to analyze and evaluate the overall effectiveness of the Board of Directors and to improve its functions.

	Seibu Group Sustainability Committee	Seibu Group Corporate Ethics Committee	J-SOX Committee	Management Council
Number of meetings in FY2024	2 times	5 times	2 times	21 times
Summary	As a body to determine the policy concerning Sustainability Actions and monitor the progress, we have established a Seibu Group Sustainability Committee, comprised of the CEO, the President, Managing Officer in charge of the Corporate Strategy Department, Managing Officer in Charge of the Human Capital Strategy Department and presidents of major business companies, and in principle it meets twice per year.	The Seibu Group Corporate Ethics Committee was established as a body to undertake Groupwide coordination of the compliance system. It meets five times a year and is composed of the President and COO, relevant managing officer, the presidents of the main Group companies, and outside experts.	The J-SOX Committee was established as a body to deliberate on ways to improve, manage, and evaluate internal controls related to Group financial reporting. Members include the President and COO, the inside directors, and the presidents of the main Group companies. This committee normally meets once a year. Since the scope of evaluation in the Real Estate business was partially changed in FY2024, the committee met once in written form in addition to holding the normal meeting.	The Management Council is a meeting body established to make decisions incorporating diverse opinions pertaining to executive duties, composed of managing officers, general managers, and the inside Audit & Supervisory Board members. It meets in principle once a month and strives to improve the quality of decision making.

Message from the Chairperson of the Nomination Advisory Committee



GOTO Keiji
Independent Outside Director

As chairperson of the Nomination Advisory Committee, I have strived to build the optimal executive and supervisory structure for us to achieve continuous growth and business value improvement. In this committee, we build mechanisms chosen by upper management and directors with emphasis on transparency and objectivity. Outside directors who are members of this committee check the selection standards and processes while evaluating their achievements and aptitudes as needed by exchanging opinions with upper management, and with executives who could become candidates for upper management. They strive to make the appropriate decisions on director candidate proposals.

Developing our next generation of leaders is particularly important. In order to be able to clarify the type of person to lead our diverse array of businesses and identify and develop the people in our Group of companies who will be our future leaders, we discuss with management about how our human resources systems should be arranged to systematically develop next-generation leaders, particularly our evaluation and training systems. We also follow up over the medium to long term to replenish our pool of candidates.

Going forward, we will redouble our efforts to select and develop leaders capable of flexibly adapting to the rapidly changing business environment while putting our Group Vision into practice and increasing the value of our business. We will continue working together with the Remuneration Advisory Committee to help strengthen our governance system to support continuous growth in business value.

Director Election and Dismissal Process

When nominating the candidates for the position of Director, the Board of Directors nominates candidates for reappointment following deliberation of whether the individual deserves to be reappointed on the basis of his/her contribution to corporate value and other aspects of the Company during his/her term of office. New candidates for appointment are nominated following deliberation of whether the individual has outstanding character and insight, and is a talented individual who can contribute to increasing corporate value. In addition, the Board of Directors deliberates on whether the overall Board of Directors has the knowledge, experience, and ability to fulfill its roles and responsibilities effectively, and makes a decision with consideration of diversity, including the gender, nationality, career history, and age of each candidate.

In addition, when determining candidates for director positions, in order to ensure objectivity and transparency, the Board of Directors deliberates and decides on the candidates after consulting the Nomination Advisory Committee, which is chaired by an Independent Outside Director and composed entirely of Independent Outside Directors. Directors are then appointed through a resolution at the General Meeting of Shareholders.

Accordingly, if a Director acts in a manner that raises suspicions of fraud, illegality or perfidy, or if a Director lacks competence or otherwise acts in a manner unbecoming of a Director, then the Board of Directors is to call for the resignation of the Director or convene a General Meeting of Shareholders where a proposal is submitted calling for his or her dismissal.

Succession Plan

To plot out the continued growth and medium- to long-term increase in business value for the Group, we created succession plans after receiving advice from the Nomination Advisory Committee as part of the process of appointing, dismissing, and developing directors. We have specifically defined the desired qualities and envisioned profile for each role in order to base the appointment, dismissal, and development of our CEO, COO, and directors on transparent and fair processes. In the future, we will revise these definitions as required by changes in the business environment.

Desired qualities and envisioned profile for each role

Directors (common for all roles)
- Drives medium- to long-term increases in business value and possesses the knowledge, experience, practical abilities, and leadership for that purpose
- Has outstanding character with a high level of compliance awareness and self-management skills, and is a role model for the organization

CEO
- In addition to the qualities of a director, also possesses the skills to manage a company
- Possesses a visionary and long-term perspective toward the future and the capabilities and mental strength to spearhead management for the entire Group as its leader

COO
- In addition to the qualities of a director, also possesses the skills to manage a company
- Possesses the capabilities and mental strength to lead the formulation and execution of medium- to long-term strategies and carry our the necessary reforms for long-term growth

Training for Outside Directors

Upon their appointment, our outside directors strive to acquire sufficient understanding of their responsibilities, including the role and legal responsibilities of directors who are part of an important institution of the Company, as well as the necessary knowledge about the Company's business, finances, and organizations. Even after their appointment, they strive to acquire the necessary knowledge and study newly updated information as appropriate. As a company, we provide opportunities and support for to directors to receive personalized training and offer aid to help cover those expenses. We also provide opportunities for deeper understanding of matters related to our business, including initiatives at business sites, by holding the camp-style Board of Directors meeting.

Message from the Chairperson of the Remuneration Advisory Committee



TSUJIHIRO Masafumi
Independent Outside Director

The roles of chairperson and all committee members of the Remuneration Advisory Committee are served by Independent Outside Directors. Over the course of this past year, we held many discussions about further incentivizing directors toward increases in business value as we seek to revise our officer remuneration system. We also thoroughly discussed how our remuneration system could be arranged to ensure objectivity and fairness to shareholders and other stakeholders above all, without falling behind the standards of other companies in terms of acquiring management-level human resources. Motions on significant revisions such as these were passed in the Board of Directors after consulting with our committee. Motions on related agenda items were subsequently passed at the annual general meeting of shareholders, and the revisions went into effect. The new system is comprised of both monetary and share-based remuneration. Its biggest characteristic is that short-term performance-linked remuneration has been newly added to the existing basic remuneration in monetary remuneration. The need to strengthen self-discipline was pointed out in the discussion stages, so we added a performance-linked component to monetary remuneration while leaving basic remuneration alone. The performance-linked component fluctuates in the range of 0-150% according to achievement status, and the main metrics are operating profit and ROE. Share-based remuneration is also broken down into a performance-linked portion and a fixed portion by position. We implemented total shareholder return (TSR), ESG metrics, and non-financial KPIs as the metrics for the performance-linked portion. I believe that this new system is logical enough to be convincing both externally and internally, and that it will be effective enough to achieve the Seibu Group's ambitious long-term strategy. However, I also think we must keep up on its maintenance and build another remuneration system that is tailored to both the Seibu Group's corporate culture and the changing times.

Officer remuneration system

Basic policy

The remuneration system of the Company's directors (excluding outside directors) consists of monetary remuneration and share-based remuneration, and the payment ratio of these is set so as to motivate directors to achieve short-term performance and increase their willingness to contribute toward maximizing business results, business value, and shareholder value over the medium to long term by clarifying the link between remuneration for directors and improvement in business results and shareholder value. For outside directors and Audit & Supervisory Board members, in view of their roles and their independent status, basic remuneration only is provided.

Purpose and background of revision

As we plot a major change of course toward a growth strategy based on the Seibu Group's Long-term Strategy to 2035, pursuing competitive strength in every business centered on the Real Estate business, we revised the officer remuneration system by motion passed at the annual general meeting of shareholders in June 2025. The aims were to acquire and retain talented management personnel who will carry us along our next growth trajectory, and to improve our corporate governance by boosting commitment and motivation toward achieving performance objectives.

Notice Regarding the Revision of the Amount of Remuneration for Directors and Partial Revision of the Share-Based Remuneration System Following Revisions of the Remuneration System for Officers
https://ssl4.eir-parts.net/doc/9024/announcement8/109541/00.pdf

The composition of old system and new system

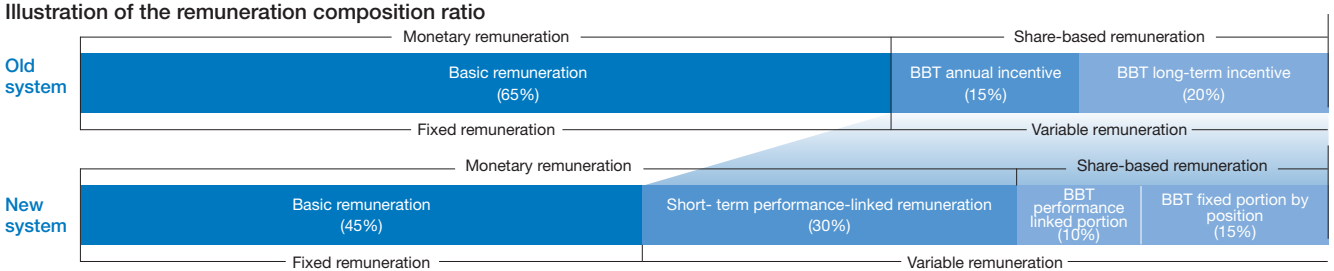
Old system

Composition	Basic remuneration	Share-based remuneration	
Name	Basic remuneration	BBT annual incentive	BBT long-term incentive
Positioning	Fixed remuneration	Short- term performance-linked remuneration (STI)	Medium- to long-term performance-linked remuneration (LTI)
Payment method	Money	Shares	
Volatility	–	Linked to single-year performance and share price	Linked to share price (*Number of points is fixed)
Fluctuation range	–	0 to 100%	–
Payment period	Every month	Finalization of points and share grant: Once a year	Finalization of points: Once a year Shares grant: Upon retirement

New system

Composition	Monetary remuneration		Share-based remuneration	
Name	Basic remuneration	Short-term performance-linked remuneration	BBT performance-linked portion	BBT fixed portion by position
Positioning	Fixed remuneration	Short- term performance-linked remuneration (STI)	Medium- to long-term performance-linked remuneration (LTI)	
Payment method	Money		Shares	
Volatility	–	Single-year performance	Linked to performance of three fiscal years and share price	Linked to share price (*Number of points is fixed)
Fluctuation range	–	0 to 150%	0 to 100%	–
Payment period	Every month	Once a year	Finalization of points: Every 3 years Shares grant: Upon retirement	Finalization of points: Once a year Shares grant: Upon retirement

Illustration of the remuneration composition ratio



Corporate Governance

Monetary remuneration

Monetary remuneration consists of basic remuneration and short-term performance-linked remuneration. Basic remuneration is fixed remuneration determined based on the position of each director, paid monthly in cash. Metrics for short-term performance-linked remuneration are set according to each director's role, and the amount is decided according to their respective achievement levels. The overall evaluation is calculated within a range of 0 to 150% and then multiplied by the base amount for each position to determine the payment amount by individual. Payments will be made in cash in a lump sum after the end of each fiscal year.

Director and Chairman, Chairman and Chief Executive Officer; President and Director, President and Chief Executive Officer

Evaluation indicators	Evaluation ratio	Evaluation coefficient	Overall evaluation
Operating profit	50%	0 to 150%	Sum of evaluation ratios for each indicator × evaluation coefficients
ROE	50%		

Director (concurrently serving as president of core three companies)

Evaluation indicators	Evaluation ratio	Evaluation coefficient	Overall evaluation
Operating profit	20%	0 to 150%	Sum of evaluation ratios for each indicator × evaluation
ROE	20%		
Operating profit by segment	40%		
Individual assessment by Representative Director	20%		

Other Directors

Evaluation indicators	Evaluation ratio	Evaluation coefficient	Overall evaluation
Operating profit	40%	0 to 150%	Sum of evaluation ratios for each indicator × evaluation
ROE	40%		
Individual assessment by Representative Director	20%		

* The core three companies refer to Seibu Railway Co., Ltd., SEIBU PRINCE HOTELS WORLDWIDE INC., and SEIBU REAL ESTATE INC.
Short-term performance-linked remuneration for directors (who also serve as presidents of the three core companies) will be paid by each core company.

Share-based remuneration

Share-based remuneration consists of two portions. The BBT performance-linked portion, granted in the form of the Company's shares upon the director's retirement based on their position and performance achieved over three fiscal years. The BBT position-fixed portion is granted in the form of the Company's shares upon the director's retirement based on their position. Shares of our stock for the BBT performance-linked portion are granted to directors upon their retirement with the aim of linking director remuneration with medium- to long-term business value and share value. The number of points to be granted is determined by multiplying the base points set for each position by the evaluation coefficient (0-100%) determined in (i) and (ii) below. A certain proportion of the number of shares to be delivered will be paid in cash equivalent to their fair market value.

(i) 80% of evaluation: Calculate the TSR (total shareholder return) for the three years for the Company and its competitors, compare the TSR of the Company with its competitors, rank them in order of highest TSR, and assign the percentages in the table right corresponding to the Company's TSR ranking.

(ii) 20% of evaluation: Achievement status of ESG indicators and non-financial KPIs such as CO_2 emissions and employee engagement scores

ESG indicators and non-financial KPIs for the BBT performance-linked portion

Position	A	B
Chairman and Representative Director, Chairman and CEO	5% reduction in Group CO_2 emissions	Improvement of engagement score of the Group
President and Representative Director, President and COO		
Director and Vice President or Director and Executive Vice President		
Senior Managing Director or Director and Senior Managing Officer		
Executive Director or Director and Executive Managing Officer		
Director or Director and Senior Managing Officer		
Director (concurrent position: President and Representative Director of Seibu Railway Co., Ltd.)	Liable accidents, incidents: Zero	Improvement of engagement score of each company
Director (concurrent position: President and Representative Director of SEIBU PRINCE HOTELS WORLDWIDE INC.)	Achievement of overall stay score target	
Director (concurrent position: President and Representative Director of SEIBU REAL ESTATE INC.)	5% reduction in CO_2 emissions of SEIBU REAL ESTATE	

Note 1: Evaluation coefficient will be 0% if neither A nor B is achieved, 10% if either A or B is achieved, and 20% if both are achieved.
Note 2: If the numbers for Group engagement score and engagement score for each company are the same as the previous year, the score will not be judged to have increased.

TSR ranking and evaluation coefficient

Industry	Real estate								Railway							
Evaluation ratio	50%								30%							
Compared with	Mitsui Fudosan Co., Ltd., Mitsubishi Estate Co., Ltd., Sumitomo Realty & Development Co., Ltd., Tokyu Fudosan Holdings Corporation, Nomura Real Estate Holdings, Inc., Tokyo Tatemono Co., Ltd., and Hulic Co., Ltd. (seven companies)								Tobu Railway Co., Ltd., Sotetsu Holdings, Inc., Tokyu Corporation, Keikyu Corporation, Odakyu Electric Railway Co., Ltd., Keio Corporation, and Keisei Electric Railway Co., Ltd. (seven companies)							
Evaluation coefficient	1st	2nd	3rd	4th	5th	6th	7th	8th	1st	2nd	3rd	4th	5th	6th	7th	8th
	50 %	42 %	35 %	28 %	21 %	14 %	7 %	0 %	30 %	24 %	20 %	16 %	12 %	8 %	4 %	0 %

Officer remuneration

It was determined at the 19th Annual General Meeting of Shareholders (held in June 2024) that total basic remuneration for our directors shall be no more than ¥720 million per year (including no more than ¥180 million per year for outside directors). Based on the advice provided by the Remuneration Advisory Committee, and taking into consideration the trends of competitors vying to secure business and human resources, the significance of the social role and responsibilities borne by the Group, as well as changes in the business environment, it was determined at the 20th Annual General Meeting of Shareholders (held in June 2025) that total monetary remuneration for our directors should be set at no more than ¥1.0 billion per year (including no more than ¥180 million per year for outside directors).

Total Compensation for Directors and Auditors (FY2024)

Classification of Directors and Officers	Total amount paid (Millions of yen)	Amount of remuneration, etc. by type (Millions of yen)			Number of eligible officers
		Basic remuneration	Share-based remuneration		
			Annual incentive	Long-term incentive	
Director (excluding outside Directors)	604	245	99	260	8
Audit & Supervisory Board Member (excluding outside Audit & Supervisory Board Members)	29	29	-	-	1
Outside Directors and Outside Audit & Supervisory Board Members	111	111	-	-	9

* The amount of share-based remuneration (annual incentive + long-term incentive) is equal to the amount of provision for purchase of shares recognized in the current fiscal year, which is based on the points granted to each Director.

Process for deciding directors' remuneration (excluding outside directors)
https://ssl4.eir-parts.net/doc/9024/ir_material13/254300/00.pdf

Corporate Governance Council Message from the Chairperson



ARIMA Atsumi
Independent Outside Director

As the first year of the Seibu Group's Long-term Strategy to 2035 and the medium-term management plan, FY2024 was a critically important year that gave us a peek into the steady future implementation of the strategies we created. My role as chairperson of the Corporate Governance Council had previously been to create the proper stages (organizational structures) for new characters (strategies) to shine. However, based on the new structure of our Board of Directors with more formidable knowledge and experience in real estate, business management, and capital markets, we were able to secure the information and time needed for strategic decision-making and engage in many constructive discussions. Therefore, I believe that I fulfilled my role to a certain extent. As a specific example, for the securitization of Tokyo Garden Terrace Kioicho, I monitored progress toward maximizing the transfer price and engaged in multiple Board of Directors discussions about the allocation of securitization funds from the perspectives of stakeholders such as investors, creditors, employees, and society. The camp-style Board of Directors meeting was an opportunity for dialogue with employees, from which I was able to learn about the long-held aspirations of people at our worksites. That gave way to ideas about considerations to turn those aspirations into reality, which we will now incorporate into future capital expenditures plans. For capital policy and human capital strategy, we were also able to make strategic decisions that were not bound to past assumptions. Going forward, I am committed to further improving our corporate governance to be able to meet the expectations of our stakeholders.

The Board of Directors' Effectiveness

The Company carries out effectiveness evaluations of the Board of Directors every fiscal year and the Board of Directors endeavors to appropriately perform its roles and responsibilities. When carrying out the effectiveness evaluations of the Board of Directors in FY2024, the Company distributed a questionnaire on the roles and responsibilities of the Board of Directors to all directors and Audit & Supervisory Board members, and obtained the responses (the responses were provided anonymously). Furthermore, starting in FY2023, all directors and Audit & Supervisory Board members were interviewed by the chairperson of the Corporate Governance Council who is an Independent Outside Director (with the interview results aggregated anonymously). By conducting interviews in addition to the questionnaire, we are identifying broader and more in-depth issues compared to when only conducting a questionnaire in which the questions are fixed.

Based on the results tabulated from the interviews and questionnaire, the Board of Directors analyzes and evaluates the effectiveness of the Board of Directors overall. To improve its functions, we consult the Corporate Governance Council, which is chaired by an Independent Outside Director and comprises a majority of Independent Outside Directors, as an advisory body to the Board of Directors for seeking advice from an independent and objective standpoint. We analyze the Board of Directors from the standpoints of its composition, effectiveness, and operation, and I believe that our Board of Directors is sufficiently effective.

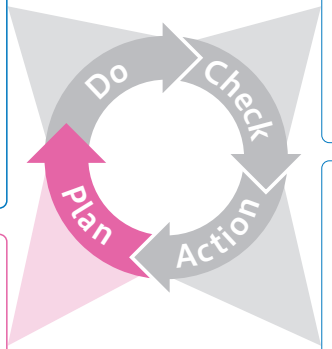
Initiatives to improve the effectiveness of the Board of Directors

Initiatives in FY2024

- Focus on monitoring based on the newly formulated financial and nonfinancial KPIs in the Seibu Group's Long-term Strategy to 2035 and Medium-term Management Plan (FY2024-2026)
- Continue to engage in more in-depth discussions including arranging time for intensive talks on important topics such as DX and human capital strategy and work to raise the effectiveness of the Board of Directors as the foundation supporting the Group's advancement.)
- Make ongoing revisions to the agenda standards and operations of Board of Directors and Management Council meetings and how they are arranged, to more sharply pinpoint executive and supervisory roles.
- Systematize and develop infrastructure and methods for providing information to inside and Outside Directors, and hold briefings for newly appointed Outside Directors.
- In addition to providing information and developing methods, simplify explanations on the floor to squeeze out more time for discussion.

Policy for FY2025 initiatives

- For its annual agenda, the Board of Directors will hold in-depth discussions on important topics including DX and IT strategy, the capital recycling business, large-scale real estate redevelopment projects, new business, and human capital strategy and organizational culture.
- Systematize, develop, and operate infrastructure and methods for providing information to directors to prevent any differences in the information each of them receives, regardless of whether they are outside or inside directors.
- Provide advance explanations to ensure time for discussions on the day of Board of Directors meetings and hold individual meetings to comprehend business circumstances and exchange opinions with presidents of business companies.



Distribute a questionnaire (anonymous response format) about the roles and responsibilities of the Board of Directors to all directors and Audit & Supervisory Board members

[Main evaluation parameters of survey]

1. Composition of the Board of Directors
2. Operation of Board of Directors meetings
3. Role and supervisory functions of the Board of Director
4. Consideration of opinions of investors and other stakeholders
5. Support system for directors
6. Opinions about improving the composition, effectiveness, and operation of the Board of Directors from FY2025 onward (open write-in response)

The chairperson of the Corporate Governance Council interviews all directors and Audit & Supervisory Board members (interview results are tabulated as anonymous)

Analyze and evaluate the questionnaire

[Questionnaire evaluation results]

- High recognition was given to the composition, effectiveness, and operation of the Board of Directors for being able to engage in in-depth discussion about the securitization of Tokyo Garden Terrace Kioicho and its cash allocation and investments in human capital, and for incorporating the perspectives and opinions of stakeholders.
- While there were opinions appreciating the more sharply pinpointed roles of the new officer structure, Board of Directors, and Management Council, issues were pointed out with the perspectives that the Board of Directors should have and the topics it should discuss, as well as operational issues in providing information to directors.

Advice from an independent perspective in the Corporate Governance Council, based on the results of the survey and interview
Discuss issues pertaining to the effectiveness of the Board of Directors and policies geared toward solutions in Board of Directors meetings

Corporate Governance

Overview and main agenda items in Board of Directors and Management Council meetings held

In the Board of Directors and Management Council in FY2024, numerous in-depth discussions were held on the topics of monitoring the Seibu Group's Long-term Strategy to 2035 and Medium-term Management Plan (FY2024-2026) in their first fiscal year, the securitization of Tokyo Garden Terrace Kioicho and its capital allocation, and investments in human capital.

We also organize a camp-style Board of Directors meeting once per year. In FY2024 this was held at the Kamakura Prince Hotel. We give the members a deeper understanding of the Group by having them observe its companies and facilities, and facilitate further discussions as a result.

We are changing operations and reorganizing rules to more sharply pinpoint the roles of the Board of Directors and Management Council and make them more effective.

Matters for Resolution

- Formulating the Seibu Group's Long-term Strategy to 2035, Medium-term Management Plan (FY2024-2026) & budget
- Securitizing Tokyo Garden Terrace Kioicho and how to utilize those funds
- Organizational restructuring in the Real Estate business and establishing an asset management company
- Making the supervisory function of Seibu Holdings more advanced and revising operating organizations and rules to harness the specialized expertise of each Group company
- Formulating a Seibu Group Risk Management Plan
- Revising the Seibu Group Sustainable Procurement Policy and Seibu Group Supplier Guidelines
- Revising the officer remuneration system
- Acquired NW Corporation Inc. stock and made it into a consolidated subsidiary

Matters Reported

- Budget vs performance comparison report
- Progress in the Seibu Group's Long-term Strategy to 2035, Medium-term Management Plan (FY2024-2026) & budget
- ROIC and CAPEX reports
- Progress in the Seibu Group Human Capital Strategy
- Progress in the Risk Management Plan
- Seibu Group Sustainability Committee implementation report
- Progress of the Group's human rights initiatives
- The Board of Directors effectiveness evaluation
- Verification of cross-shareholdings
- IR activities report and state of shareholders
- Group Vision fixed-point research survey results,

etc.

Initiatives for outside directors to fulfill their roles

To prevent any differences in the information that directors receive and ensure the effectiveness of the Board of Directors, we generally distribute meeting materials in advance as a means of providing information to the Board, and we also explain details of important matters to outside directors when doing so is deemed necessary.

We also look into the actual state of our Group's businesses and employees, find ways to incorporate outside directors' respective expertise into each business site, and create opportunities for discussions and lectures with employees in our diverse businesses. One example is the half-day lecture given by Outside Director Tsujihiro at the General Managers Meeting that we held in FY2024 to convene the general managers of each SEIBU PRINCE HOTELS WORLDWIDE hotel. Having served for many years as editor-in-chief of an economics magazine and currently a professor in the Faculty of Economics at Teikyo University, Outside Director Tsujihiro possesses extensive expertise and a wealth of knowledge in the Japanese economy and business management. At this lecture, he shared insights on marketing from an academic standpoint on the topic of establishing a competitive advantage for Prince Hotels. The lecture featured explanations and discussions about specific practical actions that top managers at each hotel can take.

In addition to the above, we are also utilizing the respective expertise of our outside directors and hearing their advice and lectures in meetings on various topics such as human capital strategy and digital management and at meetings attended by executives of our core companies. These are all part of our efforts to channel the skills of our outside directors into greater business value.





Outside Director Tsujihiro giving a lecture at the General Managers Meeting

Policy on Cross-Shareholdings

The Company will hold shares in other stock companies (excluding subsidiaries and associates comprising the Seibu Group) if management makes the overall decision that doing so will contribute to improving the Seibu Group's business value over the medium to long term and help benefit stakeholders by strengthening a trade relationship and thereby generating business synergies, or yielding other advantages. Each year, the Company comprehensively reviews the rationale for continuing to hold individual cross-shareholdings from a qualitative and a quantitative perspective. From a qualitative perspective, the Board of Directors considers matters such as the notion of strengthening the trade relationship, business synergies in that regard, and potential going forward in light of changes in the Company's business environment and other factors, and from a quantitative perspective, the Board of Directors considers matters such as whether or not capital efficiency indicators calculated on the basis of contribution to annual earnings (trading profit, dividends, etc.) exceed the Company's capital cost. The Company reduces holdings of shares for which results of the review indicate that rationale to retain such holdings is lacking.

Number of Cross-Shareholdings*1 and their total carrying amount

	FY2022		FY2023		FY2024	
	No. of different stocks	Total carrying amount in the consolidated balance sheet (Millions of yen)	No. of different stocks	Total carrying amount in the consolidated balance sheet (Millions of yen)	No. of different stocks	Total carrying amount in the consolidated balance sheet (Millions of yen)
Non-listed stocks	31	2,189	28	2,164	26	2,097
Stocks with changes in number of shares	–		–		–	
Stocks other than non-listed stocks	24	42,525	24	61,605	23*2	58,955
Stocks with changes in number of shares	Sold: 4 stock ¥2,981 million		Sold: 5 stock ¥2,319 million		Sold: 5 stock ¥1,105 million	

*1 The number of different investment stocks and total carrying amount of shares by Seibu Railway Co., Ltd., which has the largest carrying amount of investment shares, for a purpose other than pure investment

*2 Sold all shares of 2 out of 5 stocks. In conjunction with the March 2025 new listing of Mirairo Inc. for which we were holding non-listed shares, the numbers in this table include shares in stocks other than non-listed stocks starting in FY2024.

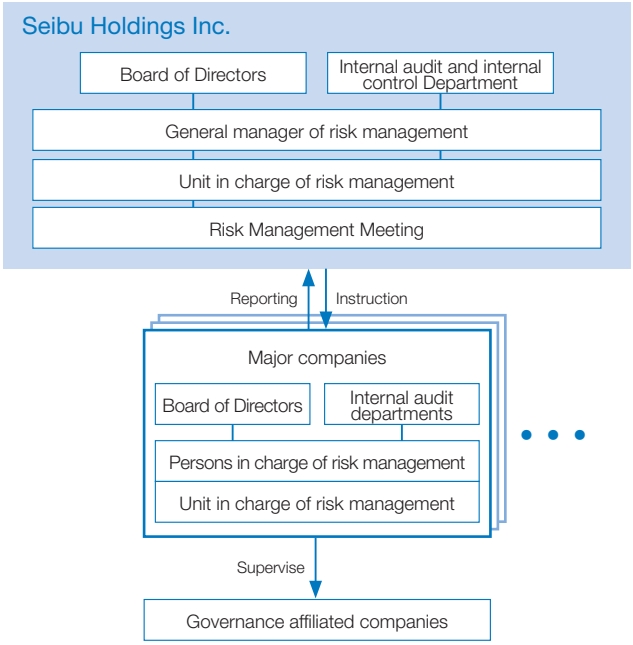
Risk Management

Risk Management Structure

The Seibu Group is striving to accurately identify all business-related risks and to reduce their frequency and management impact by designating the Corporate Strategy Department (CSD) as the unit in charge of risk management for the Company and the entire Group, by appointing the CSD Managing Officer as the Risk Management General Manager with responsibility and authority for implementing and managing risk management operations for the entire Group, and by convening the Risk Management Meeting chaired by the Risk Management General Manager and attended by all department and office general managers.

Risk Management Structure
https://www.seibuholdings.co.jp/en/ir/management/risk/#anc1

Seibu Group Risk Management System



How risk management is implemented

The Seibu Group performs risk management by establishing a Risk Management Plan (RMP) each business year, and by undertaking continuous monitoring according to this Plan.

The RMP is developed through three processes: (1) ascertaining risks (risk identification), (2) estimating the scale of risks (risk analysis) and prioritizing them (risk assessment), and (3) determining risk measures (action planning).

Once the RMP has commenced, monitoring is performed with a focus on changing risks due to external environmental changes and residual risks based on the progress of risk measures (i.e., residual risks after risk control measures have been implemented).

We will engage in high-quality risk management that supports the successful achievement of our Group's strategic objectives by operating in a way that organically integrates the Seibu Group's Long-term Strategy to 2035 and the Medium-term Management Plan (FY2024-2026).

Risk identification

The risk identification process within the Seibu Group is based on a dual top-down and bottom-up approach.

Risk factors that could potentially interfere with the achievement of Group objectives are identified through discussions by the Risk Management Meeting and by dialogue with outside directors.

In parallel with these efforts, our main business companies also identify risks that could potentially interfere with achievement of objectives of their respective companies and governance-affiliated companies. This mutual consideration of risk factors enables the Seibu Group to perform comprehensive risk identification.

Risks analysis & assessment

The Seibu Group conducts risk analysis from the perspectives of probability and degree of impact. Specifically, the probability of risk occurrence and the degree of risk impact on achievement of targets are analyzed and assessed for the entire Seibu Group. Analyses and assessments are based on the results of analyses by our major business companies regarding the probability of risk occurrence and the degree of risk impact on achieving the objectives of both major business companies and their respective governance-affiliated companies. At the end of FY2024, the Company had determined 9 risk categories of special importance from among the 14 major risk categories based on the above-mentioned analyses.

Seibu Group Risk Map (boxes in bold outline indicate risk categories of special importance)

Degree of impact	Probability of occurrence: Low	Moderate	High
Large	• Safety and security	• Risks related to natural disasters, infectious disease and geopolitics, etc. • Risks related to consumer trends in travel and tourism • Risks related to profit structure and interest rates	• Risks related to the real estate sector • Risks related to securing human capital • Risks related to the declining birthrate and aging population • Risks related to economic conditions • Risks related to technological innovation and changes in values
Moderate	• Risks related information technology systems and management of information • Risks related to brand image and rumors	• Risks related to legal regulations and compliance	• Risks related to climate change
Small		• Risks related to transactions and cocreation with partner companies	

Risk measures

During development of the RMP, our Group discusses the extent of residual risks deemed acceptable from a management perspective and decides specific risk measures based on these discussions.

Risks and risk measures in major risk categories
https://www.seibuholdings.co.jp/en/ir/management/risk/#anc3

Communication with Shareholders and Investors

The Company recognizes the importance of listening carefully to opinions expressed by shareholders and investors, and then reflecting them in management operations. We therefore have an Investor Relations Department in charge of this area which works to improve communication with shareholders and investors, based on our policy for investor relations activities.

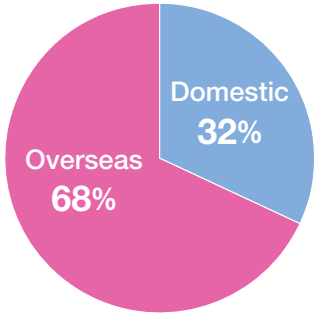
Dialogue underway

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

Track record of dialogue domestically and internationally

144 Institutions

(Breakdown of meetings with institutional investors)



Reference

Overseas

Overseas roadshows (Europe, Asia, North America*) 3

Conferences sponsored by securities firms 6

* Online

Domestic

SR/ESG meetings 16

Main themes and concerns of the dialogue

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

Internal feedback on dialogue contents

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

Main responses based on dialogue contents

Formulate management strategies/enhance disclosure in light of opinions received

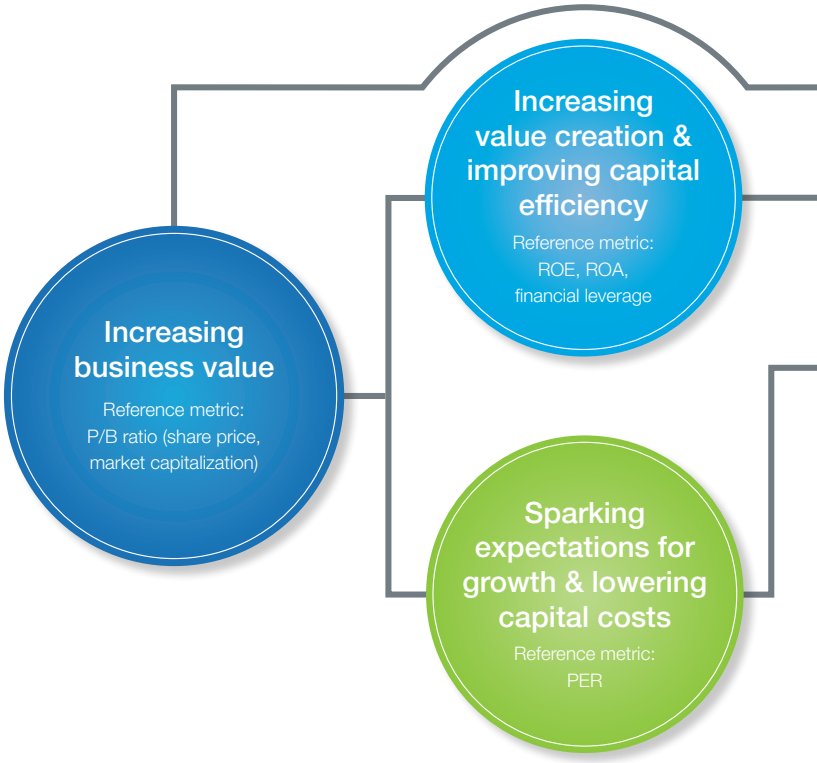
- Execution of capital recycling, disclosure of progress, greater detail for plans
- Updates to capital allocation plans (allocation between growth investment and shareholder returns)
- Voluntary disclosure of information that takes into account unrealized gains and fair value of main assets other than investment and rental properties
- Strengthened disclosure of initiatives for human capital and natural capital (integrated reports, etc.)

Strengthening corporate governance

- Re-examine the skills required of Directors of the Company, and review the skill matrix
- Review the nature of the relationship with NW Corporation
- Review of remuneration system for Directors

Chapter 6

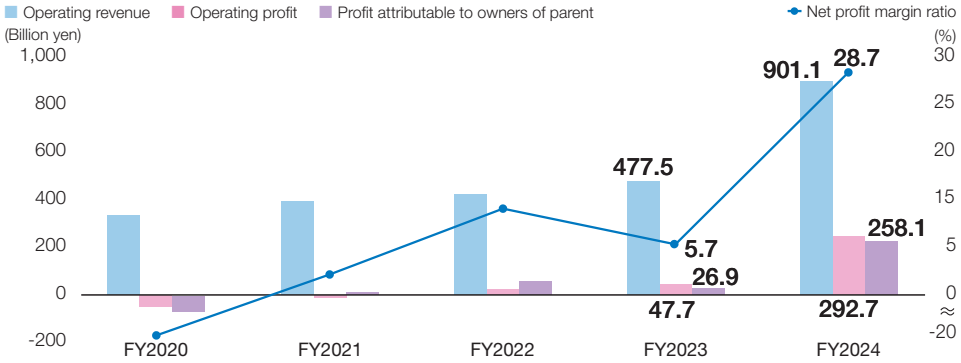
Corporate Data



Chapter 1: Introduction
Chapter 2 : Increasing Business Value
Chapter 3 : Continuous Growth Centered on the Real Estate Business
Chapter 4 : Our Initiatives for Materiality (Key Topics)
Chapter 5 : Corporate Governance Efforts
Corporate Data
Chapter 6 : Corporate Data
Financial Highlights 77
Nonfinancial Highlights 79
10-year Financial Data 81
Segment Information 82
Information for Investors 83

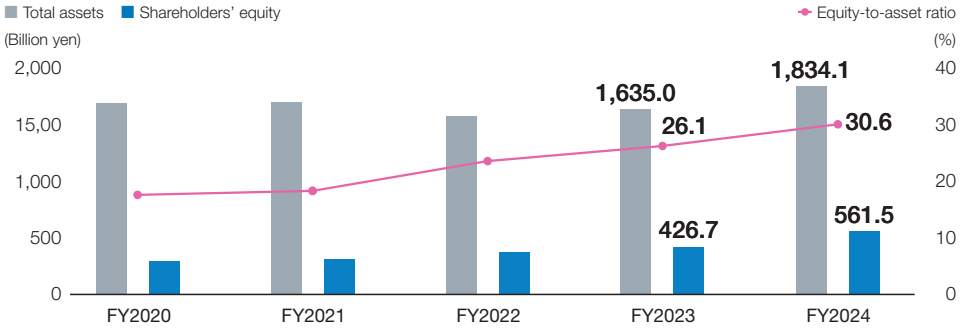
Financial Highlights

Operating revenue / Operating profit / Profit attributable to owners of parent / Net profit margin ratio



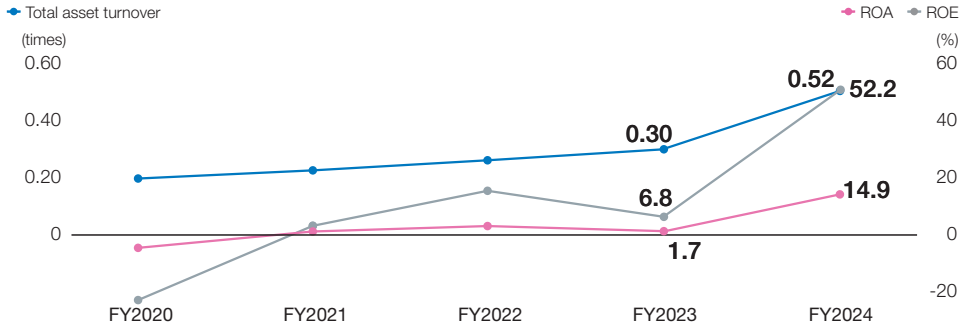
In FY2024, which marked the inaugural year of the Seibu Group's Medium-term Management Plan (FY2024–2026) and Long-term Strategy to 2035, operating revenue increased 423.5 billion yen year on year (YoY) to 901.1 billion yen due to factors including a significant increase in revenue from the securitization of Tokyo Garden Terrace Kioicho, an increase in inbound tourists and efforts to raise prices in line with the weaker yen, and an increase in commuter and non-commuter passes in our railway operations. Despite an increase in operating expenses including labor costs and repair costs, operating profit increased by 245.0 billion yen YoY to 292.7 billion yen due to increased revenues. We will continue our efforts to improve profitability by promoting capital recycling and building a network of 250 hotels.

Total assets / Shareholders' equity / Equity-to-asset ratio



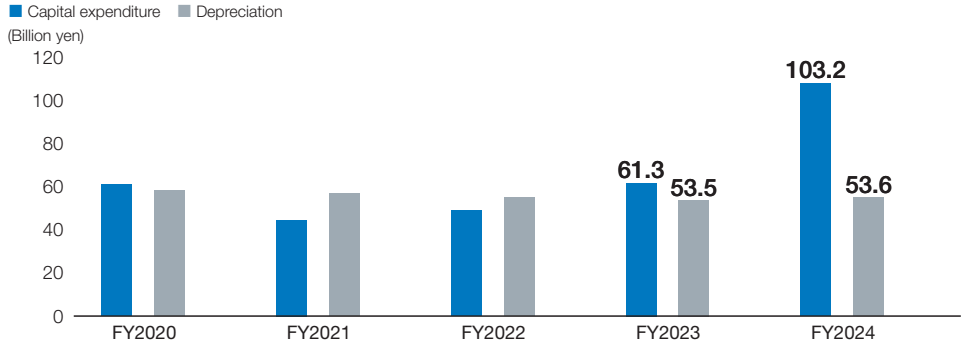
Our equity-to-asset ratio at the end of FY2024 reached 30.6% due to the impact of securitizing Tokyo Garden Terrace Kioicho and a steady increase in shareholders' equity resulting from management reforms and other initiatives undertaken during the previous Medium-term Management Plan. In terms of our optimal capital structure, we have set an equity-to-asset ratio of 25% to 30% as a financial KPI under our Long-term Strategy, and we will maintain an awareness of this benchmark amidst our efforts to achieve balance sheet control over the medium to long term.

ROE / ROA / Total asset turnover



Our return on equity (ROE) reached 52.2% in FY2024 on the back of significant increased revenue from the securitization of Tokyo Garden Terrace Kioicho. Another financial KPI under our Long-term Strategy is to consistently achieve an ROE of 8% and aim for an ROE of at least 10% in FY2035. To achieve this target, we will strive to improve our profitability and efficiency by practicing ROIC management.

Capital expenditure / Depreciation

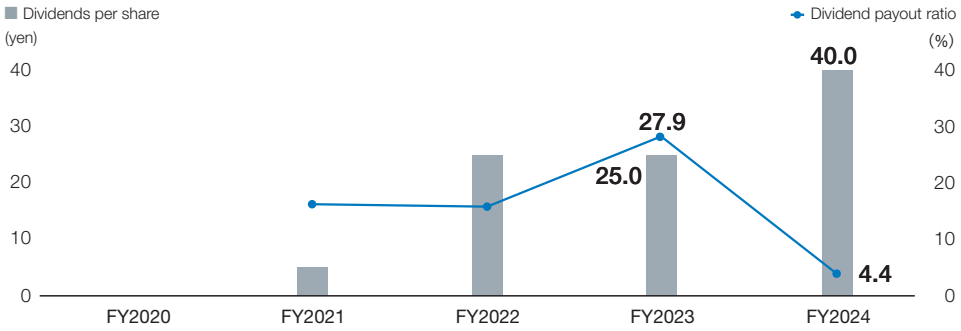


Note: Depreciation for FY2020 and FY2021 includes depreciation recorded in extraordinary losses (i.e., loss on temporary suspension of operations).

In addition to achieving safer and more secure services by promoting continuous grade separation projects and making capital investments to increase value along our railway lines, we are making capital investments for future growth including renovating the Mauna Kea Beach Hotel, acquiring new properties, and improving the working environment and employee job satisfaction. To realize our Long-term Strategy, we will proactively invest in central Tokyo redevelopment, resort development, hotel renovation, and M&As of overseas hotels while closely monitoring economic conditions and adhering to investment discipline.

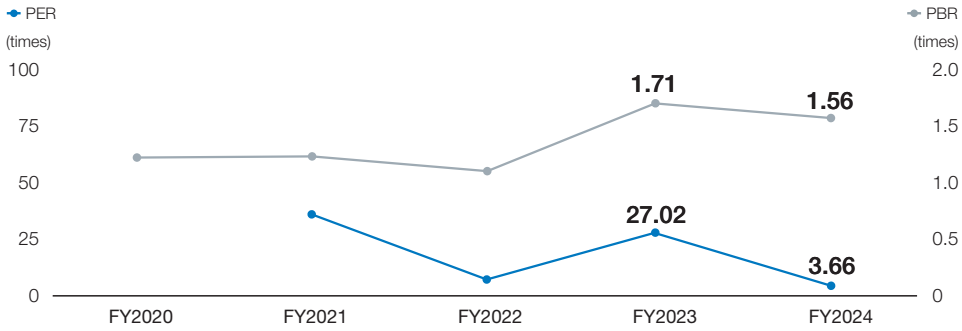
Financial Highlights

Dividends per share / Dividend payout ratio



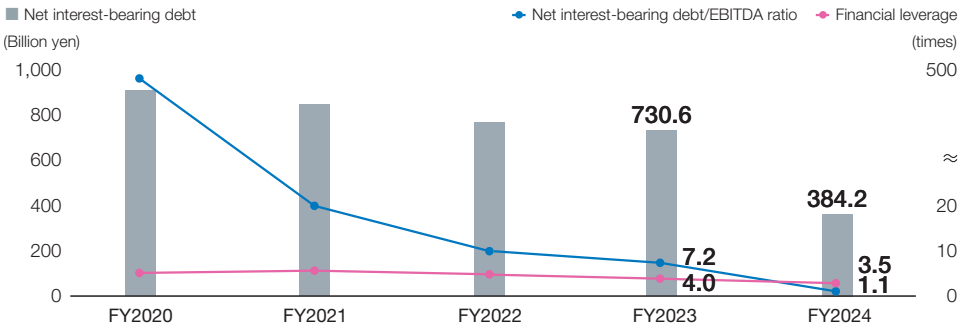
In FY2024, we used some of the funds obtained from the securitization of Tokyo Garden Terrace Kioicho, which exceeded our initial estimates, to increase dividends to a record high of 40 yen per share per year. From FY2025 onwards, in accordance with our shareholder returns policy stipulated in the Long-term Strategy, we are aiming to realize progressive dividends with a minimum DOE of 2.0% and to increase dividends through earnings growth while also ensuring dividend stability.

PER*2 / PBR*3



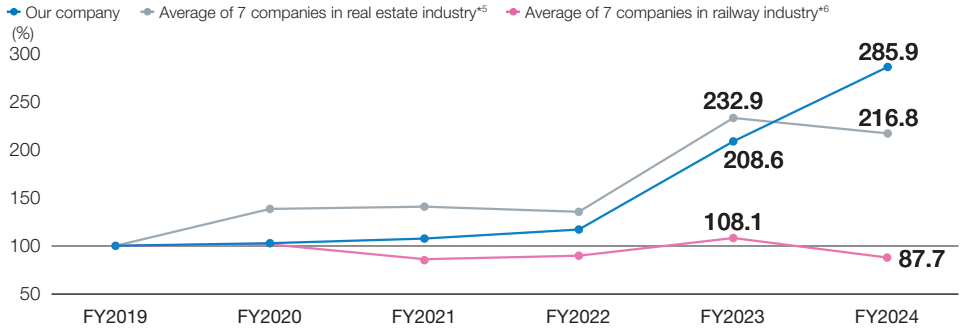
Compared to FY2023, our P/B ratio (PBR) for FY2024 reached 1.56× due to an increase in total net assets per share and despite an increase in our share price. PBR levels accounting for unrealized capital gains on investment and rental properties and on areas scheduled for redevelopment, etc., are also shown on page 16. We will proceed with our Long-term Strategy to achieve even greater profitability and NAV growth and to earn recognition commensurate with these achievements.

Net interest-bearing debt / Net interest-bearing debt/EBITDA ratio / Financial leverage*1



Due to the impact of securitizing Tokyo Garden Terrace Kioicho, our net interest-bearing debt/EBITDA ratio reached 1.1× in FY2024. While we will use a certain degree of leverage for large-scale development and acquisitions of new properties in the future, we will also shrink our debt through securitization and by using separate hurdle rates for each business as we aim for the 3× level of financial leverage.

Total shareholder return (TSR)*4

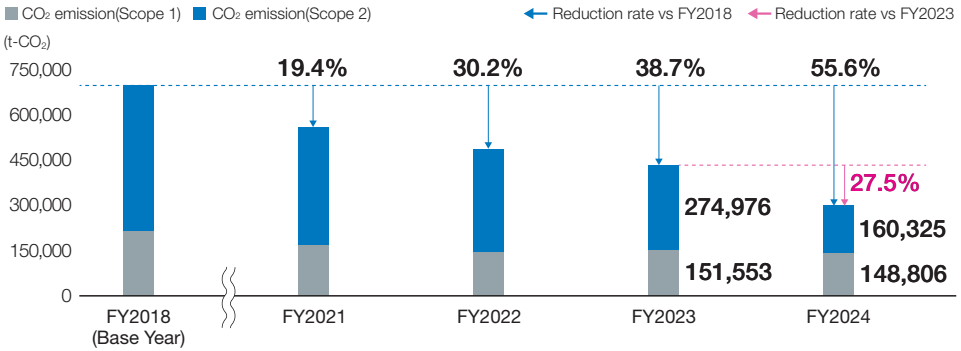


Our TSR over the past five years has been significantly higher than our competitors in the real estate and railway industries due to increases in our share price and stronger shareholder returns. Going forward, we will continue to achieve a higher TSR than our competitors through business growth and appropriate share price formation, stable dividends, and shareholder returns based on flexible share buybacks, in accordance with our Long-term Strategy.

*1 ([Total assets at beginning of period + Total assets at end of period] / 2) / ([Equity at beginning of period + Equity at end of period] / 2) *2 Share price at fiscal year-end / Basic income per share *3 Share price at fiscal year-end / Net assets per share *4 (Share price capital gain + Dividends) / Share price: The graph shows TSR, taking into account the share price capital gain and dividends at the end of each fiscal year, and calculated based on the assumption that shares were acquired at the end of FY2019 and that dividends are not reinvested in shares. *5 Mitsui Fudosan, Mitsubishi Estate, Sumitomo Realty & Development, Tokyu Fudosan Holdings, Nomura Real Estate Holdings, Tokyo Tatemono, Hulic *6 Tobu Railway, Sotetsu Holdings, Tokyu, Keikyu, Odakyu Electric Railway, Keio, Keisei Electric Railway

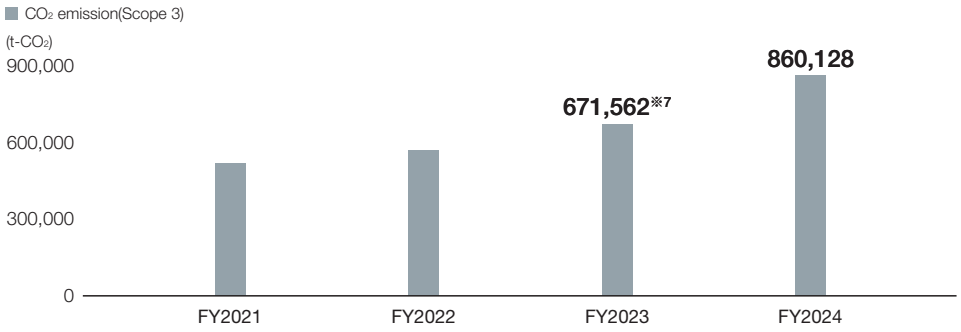
Nonfinancial Highlights

CO_2 emission (Scope 1, 2) / Reduction rate (FY2018, FY2023)



We reduced our CO_2 emissions (Scope 1 and 2) for FY2024 by 27.5% year on year (YoY) and by 55.6% from FY2018 by operating all Seibu Railway lines using electricity from 100% renewable energy starting in January 2024, and by sequentially switching to renewable energy electricity at our hotels and leisure facilities from FY2024 onwards. As a result, we were ahead of schedule in achieving our Medium-term target 46% reduction from FY2018 level by FY2030. Going forward, we will strengthen initiatives to achieve our Long-term target net zero emissions in FY2050, such as introducing renewable energy electricity at our commercial facilities along Seibu Railway lines.

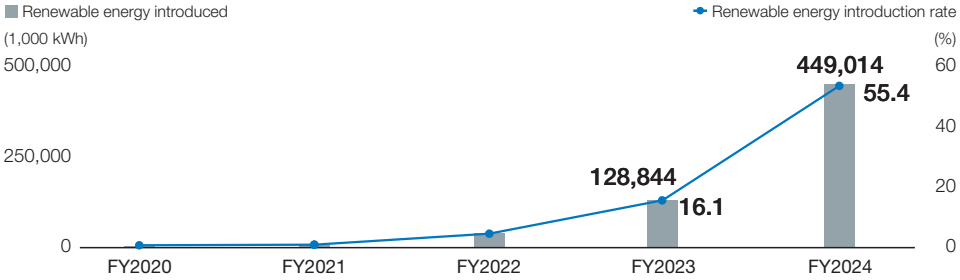
CO_2 emission (Scope 3)



CO_2 emissions (Scope 3) for FY2024 increased YoY due to factors including increased expenditures pertaining to various procurements and capital investments. We will start working to address this increase by refining our understanding of Scope 3 CO_2 emissions and by reducing CO_2 emissions throughout the entire supply chain.

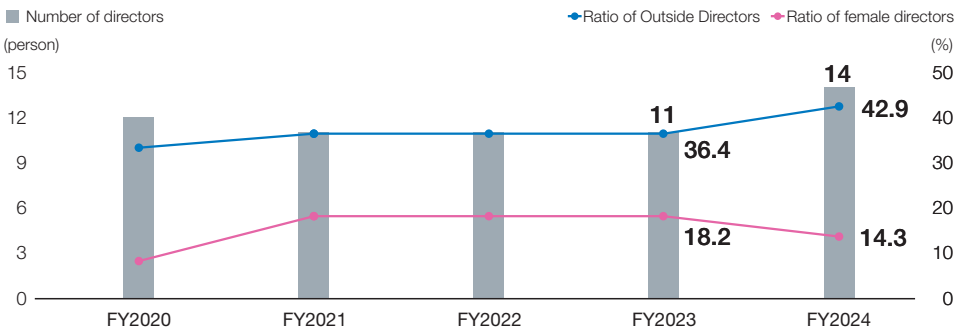
*7 Increased due to expanding the scope of companies counted as Category 1 (purchased products and services) among Scope 3 from major companies to the entire Group.

Renewable energy introduced / Renewable energy introduction rate



To contribute to the realization of a decarbonized society, we implemented the above-mentioned measures to achieve a renewable energy introduction rate of 55.4% in FY2024. As a result, we also managed to achieve our medium-term goal of a 50% renewable energy introduction rate in FY2030 ahead of schedule. We will continue our efforts to use renewable energy sources towards our long-term target of a 100% introduction rate.

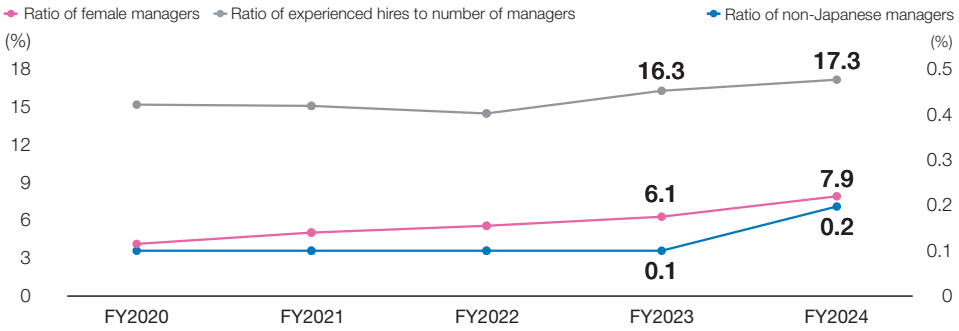
Number of directors / Ratio of Outside Directors / Ratio of female directors



From the perspectives of improving medium- to long-term performance and enhancing corporate and shareholder value, six Outside Directors (42.9% of all Directors) of the Group's 14 Directors were elected at the Annual General Meeting of Shareholders held in June 2024. Going forward, we will further strengthen our corporate governance by ensuring that the composition of the Board of Directors is balanced in terms of the skills required of our Directors.

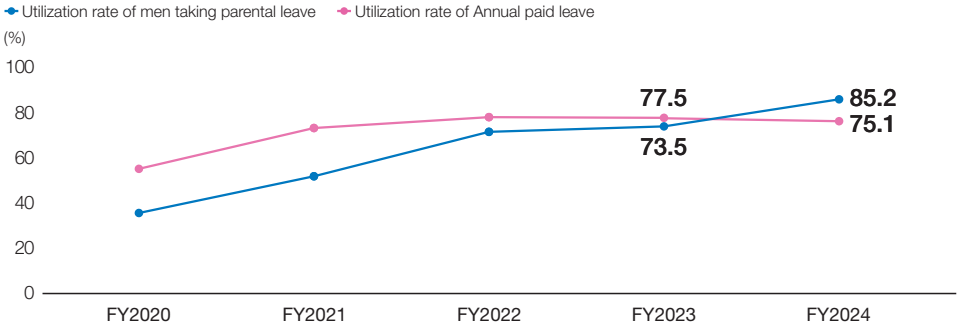
Nonfinancial Highlights

Ratio of female managers*8*9 / Ratio of non-Japanese managers*8*9 / Ratio of experienced hires to number of managers*8*9



We have set each of our targets based on the belief that placing the right people in the right position by promoting and proactively appointing personnel through merit-based advancement regardless of factors such as age, years of service, or gender leads to the growth of our people and the group. The results of our various initiatives are steadily leading to improvements in these ratios. However, the 15% of deviation from our target ratio of female managers by FY2025 is particularly significant so we are actively working to analyze the issues and take measures toward improving in this area.

Utilization rate of men taking parental leave*8 / Utilization rate of annual leave*8



After setting a target of 100% parental leave uptake among our male employees by FY2025, we have been working to foster a culture that is conducive to taking this leave, and have made solid progress toward achieving this target. We consider this rate increase to reflect the upward trend in actual days of paid parental leave that our male employees are taking. We are also working to improve the work-life balance of our employees by setting a target of 80% for the use of annual paid leave.

*8 Figures for four major companies (Seibu Holdings, Seibu Railway, SEIBU PRINCE HOTELS WORLDWIDE, SEIBU REALTY SOLUTIONS (currently SEIBU REAL ESTATE))
*9 Managers: Equivalent to manager level or higher

Seibu Holdings Fact Book https://www.seibuholdings.co.jp/en/ir/ir_material/factbook/
Seibu Holdings Nonfinancial Data https://www.seibuholdings.co.jp/en/sustainability/esg_data/
(Note) Some non-financial data have been corrected from the reported figures of the previous fiscal year.

Nonfinancial Data

Index	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
CO_2 emissions per revenue	t-CO_2/Millions of Yen	1.61	1.41	1.13	0.89	0.34
Water withdrawal	1,000 m^3	9,401	10,308	8,942	9,153	11,341
Copier and office automation paper	1,000 sheets	81,673	83,463	78,210	69,185	63,274
Purchase volume of products using specified plastics	t	-	61.8	78.7	85.2	71.5
Industrial waste	t	6,241	8,321	8,941	11,673	8,438
Food waste*10	t	1,757	2,152	2,342	2,947	2,965
Ratio of company-owned land to areas for environmental conservation	%	-	-	-	5.3	17.1
Environmental certification acquisition ratio*11	%	-	-	-	100.0	100.0
Population of 28 municipalities along Seibu Railway lines*12	Millions of persons	5.56	5.54	5.55	5.56	5.58
Number of SEIBU PRINCE CLUB members	Thousands of persons	1,035	1,216	1,548	1,838	2,313
Accidents attributable to the Group and incidents (Seibu Railway)	Number of case	0	0	0	0	1
Number of consolidated employees	Persons	22,844	21,367	20,856	20,913	20,993
Number of new hires*8*13	Persons	630	440	320	606	684
Job turnover rate*8	%	-	-	7.5	5.9	5.5
Average annual salary*14	Thousands of Yen	8,022	7,958	8,112	8,342	8,912
Human capital to strengthen the Group (DX Leaders)	Persons	-	-	-	-	183
Cost per person educated*8	Yen	-	-	-	32,015	44,530
Engagement score*8*15		-	-	-	48.1	49.8
Number of days of parental leave taken by male employees*8*16	Days	43.3	65.6	81.1	96.9	105.4
Differences in wages between male and female employees*8	%	-	-	60.6	57.2	57.5
Supplier survey response rate	%	-	-	-	97.3	74.6
Penetration rate of Group Vision*17	%	83.3	82.7	81.9	80.8	81.2

*10 Total number of Group companies which qualify as Business Operators with Massive Food Waste
*11 Environmental certifications include CASBEE and DBJ. Covers large-scale office buildings (total floor area of 30,000 m^2 and larger)
*12 Aggregated based on publicly available data from municipalities along Seibu Railway lines (as of the end of each FY)
*13 FY2020 and FY2021 figures are number of new graduate hires. Since FY2022, the sum of the number of new graduate hires and mid-career hires
*14 Figures for Seibu Holdings
*15 Engagement Score is a score assigned by Motivation Cloud (Link and Motivation Inc.), with an average deviation score of 50 among other companies that use the same service.
*16 FY2024 figures include known estimates as of the end of March 2025.
*17 Percentage of positive answers to the question "Do you feel motivated to achieve the Group Vision (Group Philosophy, Group Declaration, Slogan)?" in the survey for employees and officers

10-year Financial Data

Fact Book https://www.seibuholdings.co.jp/en/ir/ir_material/factbook/

Index	Unit	FY2015	FY2016	FY2017	FY018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Operating revenue	Millions of Yen	508,081	512,009	530,631	565,939	554,590	337,061	396,856	428,487	477,598	901,131
Operating profit (loss)	Millions of Yen	65,956	62,456	64,259	73,332	56,823	(51,587)	(13,216)	22,155	47,711	292,735
Ordinary profit (loss)	Millions of Yen	58,525	57,472	55,490	65,415	48,770	(58,785)	(17,440)	20,133	43,000	287,639
Profit (loss) before income taxes	Millions of Yen	65,581	58,533	50,951	60,376	18,773	(71,970)	28,973	62,011	43,642	349,813
Profit (loss)	Millions of Yen	57,288	47,634	43,439	45,939	4,998	(72,398)	12,510	58,330	27,530	258,453
Profit (loss) attributable to owners of parent	Millions of Yen	57,207	47,564	42,908	45,457	4,670	(72,301)	10,623	56,753	26,990	258,182
Depreciation	Millions of Yen	40,745	45,658	51,000	53,126	56,713	57,839*1	56,646*1	54,641	53,538	53,688
Capital expenditures	Millions of Yen	80,609	138,915	89,903	83,317	86,993	60,673	44,276	48,555	61,309	103,251
EBITDA*2	Millions of Yen	106,701	108,115	115,580	127,329	114,535	1,882	42,415	77,247	101,868	347,125
Total assets	Millions of Yen	1,553,092	1,627,868	1,669,223	1,728,929	1,707,784	1,698,497	1,703,442	1,587,834	1,635,019	1,834,120
Cash and deposits	Millions of Yen	22,417	29,071	29,943	26,549	28,340	28,816	87,487	25,988	32,996	235,323
Total liabilities	Millions of Yen	1,160,443	1,267,735	1,274,275	1,306,214	1,334,356	1,312,809	1,316,225	1,210,201	1,202,885	1,266,992
Interest-bearing debt	Millions of Yen	843,745	909,104	905,091	905,057	934,574	937,156	931,116	793,301	763,692	669,547
Net interest-bearing debt	Millions of Yen	821,328	880,032	875,147	878,508	906,234	908,340	843,628	767,312	730,696	384,269
Total net assets	Millions of Yen	392,649	360,133	394,947	422,715	373,427	385,687	387,217	377,633	432,133	567,128
Shareholders' equity	Millions of Yen	391,415	355,322	389,510	416,815	367,222	299,742	311,141	372,451	426,713	561,577
Cash flows from operating activities	Millions of Yen	75,757	92,418	103,772	88,104	101,458	(24,264)	58,563	67,167	91,975	474,378
Cash flows from investing activities	Millions of Yen	(76,334)	(133,931)	(88,083)	(73,069)	(96,655)	(47,537)	18,647	87,854	(43,933)	(93,692)
Cash flow from financing activities	Millions of Yen	(877)	48,162	(13,549)	(17,898)	(3,025)	72,394	(19,070)	(217,221)	(42,438)	(136,394)
Free cash flow*3	Millions of Yen	(576)	(41,513)	15,689	15,035	4,802	(71,801)	77,210	155,021	48,041	380,686
Return on equity (ROE)	%	15.1	12.7	11.5	11.3	1.2	(21.7)	3.5	16.6	6.8	52.2
Return on assets (ROA)	%	3.7	3.0	2.6	2.7	0.3	(4.2)	0.6	3.4	1.7	14.9
Net profit margin ratio	%	11.3	9.3	8.1	8.0	0.8	(21.5)	2.7	13.2	5.7	28.7
Total asset turnover	Times	0.33	0.32	0.32	0.33	0.32	0.20	0.23	0.26	0.30	0.52
Financial leverage*4	Times	4.1	4.3	4.4	4.2	4.4	5.1	5.6	4.8	4.0	3.5
Equity-to-asset ratio	%	25.2	21.8	23.3	24.1	21.5	17.6	18.3	23.5	26.1	30.6
Price Earnings Ratio (Share price of the fiscal year-end / Basic income per share)	Times	14.18	12.30	13.55	13.34	78.26	—	35.94	7.20	27.02	3.66
Price Book-value Ratio (Share price of the fiscal year-end / Net assets per share)	Times	2.07	1.62	1.49	1.44	0.97	1.22	1.23	1.10	1.71	1.56
Basic earnings per share (EPS)	Yen	167.89	149.39	136.67	145.21	15.18	(241.32)	35.39	188.70	89.65	901.99
Net assets per share (BPS)	Yen	1,148.30	1,132.40	1,240.09	1,346.05	1,227.03	999.50	1,035.57	1,237.46	1,417.30	2,117.32
Dividends per share	Yen	17.0	23.0	23.0	30.0	30.0	—	5.0	25.0	25.0	40.0
Dividend payout ratio	%	10.1	15.4	16.8	20.7	197.6	—	14.1	13.2	27.9	4.4

*1 Depreciation for FY2020 and FY2021 includes ¥4,858 milion and ¥1,456 milion, respectively, in depreciation recorded in extraordinary losses (loss on temporary suspension of operations).
*2 Calculated by adding depreciation and the amortization of goodwill to operating profit.
*3 Free cash flow = Cash flows from operating activities + Cash flows from investing activities
*4 Financial leverage = ([Total assets at beginning of period + Total assets at end of period] / 2) / ([Equity at beginning of period + Equity at end of period] / 2)

Segment Information (As of March 31, 2025)

Major business and offices by segment

Segment	Major business	Major subsidiaries
Real Estate	Development and rental business	SEIBU REALTY SOLUTIONS INC.*1 (Toshima-ku, Tokyo)
	Investment management business	
	Management business	Seibu SCCAT, Inc.*2 (Toshima-ku, Tokyo)
	Others	Seibu Landscape Co., Ltd. (Toshima-ku, Tokyo)
Hotel and leisure	Domestic hotel operations (Ownership / Lease)	SEIBU PRINCE HOTELS WORLDWIDE INC. (Toshima-ku, Tokyo)
	Domestic hotel operations (MC / FC)	
	Overseas hotel operations (Ownership / Lease)	Seibu Prince Hotels Worldwide Asia Pacific Pty Ltd (Sydney, Australia)
	Overseas hotel operations (MC / FC)	
	Sports operations	SEIBU PRINCE HOTELS WORLDWIDE INC. (Toshima-ku, Tokyo)
	Others	Yokohama Hakkeijima Sea Paradise (Yokohama-shi, Kanagawa)
Urban Transportation and Regional	Railway operations	Seibu Railway Co., Ltd. (Tokorozawa-shi, Saitama)
	Bus operations	Seibu Bus Co., Ltd. (Tokorozawa-shi, Saitama)
	Lifestyle service operations along railway lines	Seibu Railway Co., Ltd. (Tokorozawa-shi, Saitama)
	Sports operations	Seibu Recreation Co., Ltd. (Tokorozawa-shi, Saitama)
Other	Izuhakone business	Izuhakone Railway Co., Ltd. (Mishima-shi, Shizuoka)
	Ohmi business	Ohmi Railway Co., Ltd. (Hikone-shi, Shiga)
	Sports business	Seibu Lions, Inc. (Tokorozawa-shi, Saitama)

Related data

Leasing space Note: The lease of land is not included.

in thousands of square meters

	FY2020	FY2021	FY2022	FY2023	FY2024
Commercial retail	246	245	242	256	290
Office / Residential	205	195	205	203	111※4

Vacancy rate for leasable space

	FY2020	FY2021	FY2022	FY2023	FY2024
Commercial retail	2.7%	2.0%	2.9%	1.9%	1.6%
Office / Residential	3.5%	8.0%※3	2.8%	1.6%	2.9%※4

*3 The rise is due to the withdrawal of an office tenant *4 Impact of the securitization of Tokyo Garden Terrace Kioicho

Accommodation Indicators of Domestic hotel operations

RevPAR, ADR in yen

	FY2020	FY2021	FY2022	FY2023	FY2024
RevPAR	3,033	4,854	8,788	13,548	15,919
Average daily rate (ADR)	16,766	15,999	16,643	20,126	22,221
Occupancy rate	18.1%	30.3%	52.8%	67.3%	71.6%

Number of customers of Domestic hotel operations

in thousands of persons

	FY2020	FY2021	FY2022	FY2023	FY2024
Japanese customers	1,550	2,362	3,779	3,460	3,320
Non-Japanese customers	3	29	426	1,361	1,665
Total	1,554	2,392	4,206	4,821	4,986
Ratio of Non-Japanese customers	0.2%	1.2%	10.1%	28.2%	33.4%

Number of passengers and sales from railway transportation (Seibu Railway Co., Ltd.)

thousands of passengers, millions of yen

		FY2020	FY2021	FY2022	FY2023	FY2024
Number of passengers	Commuter passes	303,513	312,309	335,521	348,589	355,907
	Non-Commuter passes	168,709	195,756	223,539	239,127	249,221
	Total	472,222	508,066	559,060	587,716	605,128
Sales from railway transportation	Commuter passes	34,755	34,861	36,091	39,574	40,434
	Non-Commuter passes	36,107	42,308	49,121	55,604	58,112
	Total	70,863	77,169	85,212	95,178	98,547

Saitama Seibu Lions (Professional Baseball Team) Game Attendance (for regular season only)

thousands of people

	FY2020	FY2021	FY2022	FY2023	FY2024
Yearly ballpark attendance	300	620	1,212	1,422	1,555

*1 Changed company name to SEIBU REAL ESTATE INC. from April 1, 2025
*2 Changed company name to SEIBU REAL ESTATE BUILDING MANAGEMENT INC. from April 1, 2025

Information for Investors (As of March 31, 2025)

Corporate Data

Company name

SEIBU HOLDINGS INC.

Date of establishment

February 3, 2006

Registered head office location

1-16-15 Minami-Ikebukuro, Toshima-ku, Tokyo, Japan

Paid in capital

¥50,000,000,000

Stock listing

Tokyo Stock Exchange, Prime Market (Securities code: 9024)

Fiscal year-end

March 31

Number of employees

20,993 (consolidated)

Number of Group companies

88

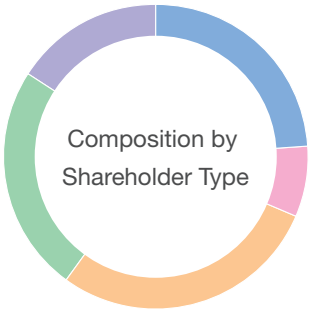
Share Data

Shares authorized 1,300,000,000 shares

Shares issued 323,462,920 shares (including 6,673,424 treasury shares)

Number of shareholders 48,991

Composition of shareholders



	Percentage of total shares held
Financial institutions	24.10
Securities companies	7.33
Other Japanese companies	28.79
Overseas corporations and individuals	24.02
Individuals and others	15.76

Note: Percentage of total shares held is calculated excluding shares less than one unit and rounded to the nearest two decimal places.

Major shareholders

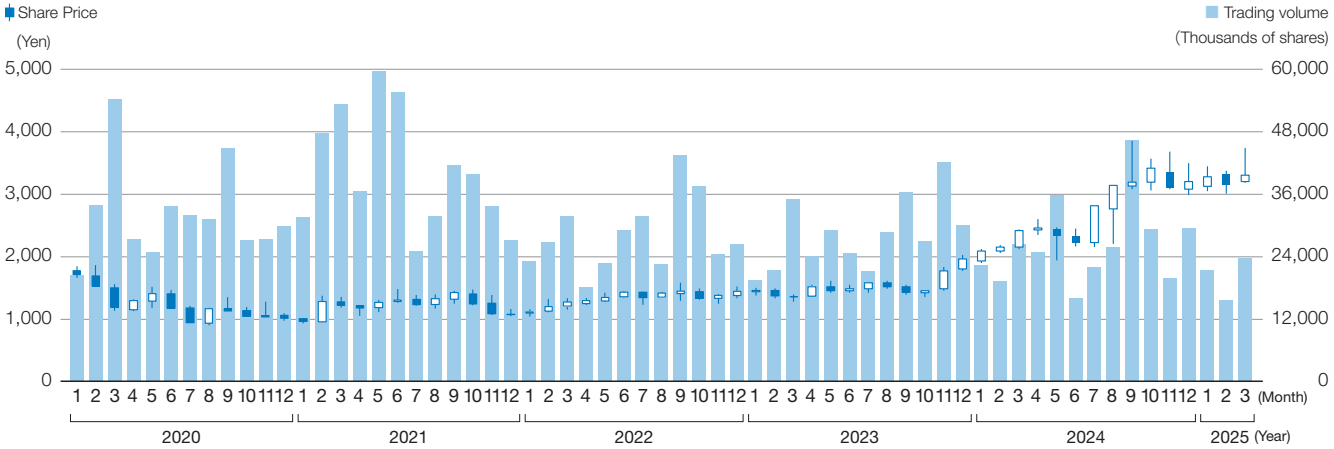
Name of shareholder	Number of shares held (Thousands of shares)	Shareholding ratio (%)
NW Corporation Inc.	51,158	16.15
The Master Trust Bank of Japan, Ltd. (Trust Account)	26,452	8.35
GOLDMAN, SACHS & CO. REG (Standing proxy: Goldman Sachs Japan Co., Ltd.)	13,445	4.24
Morgan Stanley MUFG Securities Co., Ltd.	11,633	3.67
Development Bank of Japan Inc	9,906	3.13
Custody Bank of Japan, Ltd. (Trust Account)	9,443	2.98
GOLDMAN SACHS INTERNATIONAL (Standing proxy: Goldman Sachs Japan Co., Ltd.)	8,349	2.64
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES (Standing proxy: Custody Services Department, Tokyo Branch, The Hongkong and Shanghai Banking Corporation Limited)	7,491	2.36
Keikyu Corporation	6,655	2.10
Mizuho Bank, Ltd.	6,409	2.02
Total	150,947	47.65

* The shareholding ratio is calculated after deducting treasury shares (6,673,424 shares). The treasury shares do not include 3,521,400 shares of the Company that are held as trust assets in Board Benefit Trust (BBT), Japan Employee Stock Ownership Plan (J-ESOP), and disposition-type ESOP.

* We are reviewing the status of our relationship with NW Corporation. For more details, please refer to the release dated September 26, 2024.

Notice of Acquisition of Additional Shares of NW Corporation (September 26, 2024)
https://ssl4.eir-parts.net/doc/9024/announcement8/103914/00.pdf

Share Price and Trading Volume




Seibu Group
Smiles ahead