October 31, 2024

Company Name:	Keisei Electric Railway Co., Ltd.
Name of representative:	Toshiya Kobayashi, Representative Director and President (Securities code: 9009; Tokyo Stock Exchange (Prime Market))
Inquiries:	Seiji Kurosawa, Manager of Corporate Planning and Investor Relations, Corporate Management Division (Telephone: +81-47-712-7011)
Company Name:	AEON CO., LTD.
Representative:	Akio Yoshida, Director & President and Representative Executive Officer (Securities code: 8267; Tokyo Stock Exchange (Prime Market))
Inquiries:	Hiroaki Egawa, Executive Officer, Finance and Business Management (Telephone: +81-43-212-6042)

Notice of Capital and Business Alliance Agreement between Keisei Electric Railway Co., Ltd. and AEON CO., LTD.

Keisei Electric Railway Co., Ltd. (hereinafter "Keisei Electric Railway") and AEON CO., LTD. (hereinafter "AEON") have formed a capital and business alliance (hereinafter the "Alliance") following approval by both companies' decision-making bodies. This Alliance aims to contribute to regional revitalization by enhancing the value of the locations they serve, benefiting consumers in the Tokyo, Chiba, and Ibaraki prefectures, among other areas. The Alliance Agreement was signed today.

1. Objectives of, and reason for, the Alliance

In line with its group management philosophy, "Keisei Group supports the development of society through its sound business growth by safely and pleasantly providing quality products and services appreciated by customers," Keisei Electric Railway operates in the transportation, real estate, and distribution industries, primarily in the eastern Tokyo, Chiba, and Ibaraki regions. The company's long-term management plan for FY2022 to FY2030, known as the D Plan, defines its 2030 Group Vision as "Contributing to sustainability through community partnerships."

Furthermore, Keisei Electric Railway has outlined the "Six Long-Term Strategic Themes" essential for achieving its Group Vision. One of these themes, titled "Community wellbeing," centers on the key policy of "Building vibrant and healthy communities." This policy aims to create a fulfilling and healthy lifestyle for all generations by building urban areas that support local activity, including initiatives to rejuvenate areas along railway lines through the renewal and redevelopment of owned assets.

Under a basic philosophy of “Pursuing peace, respecting humans, and contributing to local communities," AEON has, in its ongoing medium-term management plan for FY2021 to FY2025, expressed its commitment to sustainable, circular economy-focused management in which AEON’s growth in local communities directly leads to the enrichment of local community life.

As part of its medium-term management plan, one of our key growth strategies is the “Creation of the AEON Living Zone.” By integrating digital technologies with its diverse store formats and business operations, AEON will establish AEON Living Zone tailored to each region. Through this initiative, AEON aims to address service gaps and fulfill the social capital needs of local communities, thereby fostering ongoing contributions to regional development through our business activities.

As a "comprehensive lifestyle enterprise Group" primarily operating in eastern Tokyo, Chiba, and Ibaraki, Keisei Electric Railway runs diverse businesses, including transportation services (railway, bus, and taxi), distribution, real estate, leisure and services, and construction. Meanwhile, AEON operates a wide array of retail businesses with 657 outlets across the region from eastern Tokyo to Chiba and Narita, where Keisei lines are present, in addition to its services, shopping center development, and financial services businesses.

Keisei Electric Railway is actively revitalizing areas along its railway lines by renewing and redeveloping its assets to "Build vibrant and healthy communities." AEON will leverage its expertise in commercial facility operations to open new stores on Keisei Electric Railway-owned properties, aiming to enhance the local environment and contribute to the community’s well-being.

Both headquartered in Chiba Prefecture, the two companies provide distinct social infrastructure to consumers across the same region. By combining their assets and expertise, we believe we can invigorate the local area through region-specific urban development. Commercial facilities go beyond providing shopping convenience; they serve as hubs for culture and entertainment, community building, employment creation, and economic benefits within the region. They can also attract tourists, turning them into points of interest for visitors. By integrating Keisei Electric Railway’s transportation services—railways, buses, and taxis—as well as its hotel, leisure, and service businesses with these commercial facilities, we believe we can not only promote local attractions to a broader public but also enrich the lives of residents in the area.

In order to create commercial facilities tailored to the region and location mentioned above, the two companies will share real estate information to develop new stores and create vibrancy in the town.

In addition, in order to firmly promote this business alliance between Keisei Electric Railway and AEON, we decided that a capital alliance in the form of mutual shareholdings is necessary to build a stable relationship of trust between the two companies. For this reason, we entered into the Alliance Agreement today.

2. Details of the Alliance

(1) Details of the business alliance

A: Business alliance items

Under this Alliance Agreement, Keisei Electric Railway and AEON have agreed to the following items as part of their business alliance. Specific details, including implementation content and timing, will be decided through further discussions between the two companies.

① Joint efforts in facility development and real estate business

- Keisei Electric Railway and the AEON Group will share real estate information and explore community development and joint initiatives, including the opening of stores for each AEON Group business.
- Joint development and operation of commercial facilities, in-station retail outlets, and similar ventures will be undertaken by both companies (including leasing arrangements, etc.).

② Other initiatives discussed by the two companies

(1) Retail business

- AEON will collaborate with Keisei Store Co., Ltd. of the Keisei Group to enhance the appeal of its stores for local customers by expanding product lineups and services.

(2) Transportation business

- Both companies will explore options to enhance transportation services, further improving convenience for customers at AEON Group's existing and new commercial facilities.

(3) Financial services business

- Both companies will explore initiatives that connect AEON's payment methods and loyalty point programs with the Keisei Group's services, providing customers with the benefits of the Alliance.

(4) Increasing value of both groups' facilities

- Both companies will organize promotional events leveraging the assets and media of both parties to facilitate the mutual utilization of their facilities.

B: Aim of business alliance through facility development and real estate business

- Keisei Electric Railway and AEON will share information on the real estate they own and will share information regarding their existing real estate and will also mutually exchange information on any new properties acquired in the future. AEON Group’s operating companies will actively consider opening new stores based on the real estate information provided by the Keisei Group. By leveraging the commercial facility management expertise it has developed over time, AEON will contribute to the creation of more attractive towns that are tailored to the local region.
- In particular, both companies will promote the development of commercial facilities, especially in areas along the Keisei Electric Railway lines from Tokyo

to Chiba Prefecture. By creating facilities tailored to each region and location, and offering product lineups and services suited to local customers, both companies aim to foster a renewed sense of vibrancy in each area and enhance the lives of local residents.

・During these initiatives, AEON will take the lead in store development and management, focusing on expanding the local store network. Keisei Electric Railway will primarily handle the development, acquisition, and leasing of properties, aiming to strengthen its real estate business.

First initiative in this Alliance

・As a first step, the companies plan to redevelop the area centered around the Tsudanuma 12th Street Building (address: 1-10-30 Tsudanuma, Narashino City, Chiba Prefecture, 8 floors above ground and 1 floor below ground), located on the south side of Shin-Tsudanuma Station and owned by Shin-Keisei Electric Railway Co., Ltd., a member of the Keisei Group. This redevelopment aims to create a new landmark for the area. The Keisei Group will also renovate the facilities surrounding the station in collaboration with AEON Mall Tsudanuma (address: 1-23-1 Tsudanuma, Narashino City, Chiba Prefecture), located on the north side of the station and currently operated by AEON Retail Co., Ltd., a member of the AEON Group. We will increase the value by integrally managing the company. It will be redeveloped as a point of departure, a new exchange base that circulates around Shin-Tsudanuma Station, and a landmark that will become a symbol of revitalization. As a central facility for creating a walkable neighborhoods, it will contribute to the creation of an attractive city.

・By operating the two buildings as a unified commercial facility centered around Shin-Tsudanuma Station and clearly defining the role of each building, both companies aim to create a space that appeals to a wide demographic, including teenagers, those in their 30s, families, and seniors. The new facility will not only offer essential products and services, including carefully selected foods but will also feature a restaurant space for gatherings with family and friends, an event hall that can double as a live venue, and entertainment options such as AEON Cinema. The vision is to create a multifunctional facility. Keisei Electric Railway and AEON will collaborate to develop a commercial center that integrates shops focused on daily life and reorganizes the area into a vibrant stage that contributes to the community, establishing it as a new landmark in Tsudanuma. Both companies are committed to this vision.

(2) Details of the capital alliance

AEON will allocate 3,954,000 shares of its treasury stock (representing 0.46% of its total issued shares, excluding treasury stock, with an approximate total value of 15 billion yen) to Keisei Electric Railway through a third-party allocation, and Keisei Electric Railway will acquire all allocated shares (hereinafter referred to as “disposal of treasury stock”). For more information, please refer to AEON’s “Announcement of Disposal of Treasury Stock by Third-Party Allotment” released today. Additionally, to ensure equivalency with the stock acquired by Keisei Electric Railway, AEON will

acquire approximately 3,826,000 shares of Keisei Electric Railway stock (equivalent to approximately 15 billion yen in total, or 2.33% of Keisei Electric Railway's total issued shares, excluding treasury stock) through market purchases or other appropriate methods between December 27, 2024, and December 31, 2025.

3. Overview of the companies involved in the Alliance

(1) Keisei Electric Railway

①	Company Name	Keisei Electric Railway Co., Ltd.	
②	Location	3-3-1 Yawata, Ichikawa City, Chiba Prefecture	
③	Title and name of representative:	Toshiya Kobayashi, President and Representative Director	
④	Business Details	General transportation business using rail, sale and leasing of land and buildings	
⑤	Capital	36,803 million yen (as of September 30, 2024)	
⑥	Date of Establishment	June 30, 1909	
⑦	Major Shareholders and Shareholding Ratio (as of September 30, 2024)	The Master Trust Bank of Japan, Ltd. (trust account)	16.10
		Custody Bank of Japan, Ltd. (trust account)	8.23
		Nippon Life Insurance Company	3.79
		Oriental Land Co., Ltd.	3.56
		Mizuho Bank, Ltd.	2.96
		J.P. MORGAN SECURITIES PLC FOR AND ON BEHALF OF ITS CLIENTS JPMSP RE CLIENT ASSETS-SETT ACCT (Standing proxy: Citibank, N.A., Tokyo Branch)	2.11
		Paliser Capital Master Fund Ltd (Standing proxy: Goldman Sachs Japan Co., Ltd.)	1.97
		STATE STREET BANKWEST CLIENT - TREATY 505234 (Standing proxy: Mizuho Bank, Ltd., Settlement & Sales Department)	1.69
		Mitsubishi UFJ Bank, Ltd.	1.50
		BINCHOTAN FUNDING LTD (Standing proxy: Goldman Sachs Japan Co., Ltd.)	1.48
⑧	Relationship Between the Parties		
	Capital Relationship	Not applicable.	
	Personal Relationship	Not applicable.	
	Business Relationship	A business relationship exists between the companies, including real estate leasing arrangements, which enable AEON Group companies to open stores on properties owned by Keisei Electric Railway Co.	
	Circumstances Applicable to Related Party	Not applicable.	

⑨ Consolidated operating results and consolidated financial position for the past three years (unless otherwise noted, units are in millions of yen)			
Fiscal Year End	FY Ended Mar. 2022	FY Ended Mar. 2023	FY Ended Mar. 2024
Net assets	387,705	410,945	469,157
Total assets	900,346	965,573	1,064,202
Net assets per share	2,194.00 yen	2,357.93 yen	2,778.53 yen
Operating revenue	214,157	252,338	296,509
Operating income (loss)	-5,201	10,228	25,241
Ordinary income (loss)	-3,191	26,764	51,591
Net income (loss) attributable to owners of parent	-4,438	26,929	87,657
Net income per share	-26.33 yen	161.72 yen	524.57 yen
Dividend per share	17.00 yen	20.00 yen	39.00 yen

(Note) 1. The shareholding ratio refers to the ratio of the number of shares owned to the total number of shares issued (excluding treasury stock).
2. The shareholding ratio displayed is rounded to the second decimal place.

(2) AEON

①	Company Name	AEON CO., LTD.	
②	Location	1-5-1 Nakase, Mihama-ku, Chiba-ken	
③	Title and name of representative:	Akio Yoshida, Director & President and Representative Executive Officer	
④	Business Details	Holds the shares or interests of companies that operate retail, shopping center development, finance, service and other related businesses, and manages the business activities of those companies	
⑤	Capital	220,007 million yen (as of August 31, 2024)	
⑥	Date of Establishment	September 21, 1926	
⑦	Major Shareholders and Shareholding Ratio (as of August 31, 2024)	The Master Trust Bank of Japan, Ltd. (trust account)	13.23
		Custody Bank of Japan, Ltd. (trust account)	4.46
		Mizuho Bank, Ltd.	3.88
		OKADA Cultural Foundation	2.57
		AEON Environmental Foundation	2.54
		The Norinchukin Bank	2.12
		STATE STREET BANK WEST CLIENT-TREATY 505234 (Standing proxy: Settlement Sales Division, Mizuho Bank, Ltd.)	1.48
		AEON Employee Stockholder Group	1.39
		AEON Kyoei-kai (Nomura Securities Account)	1.36
		Tokio Marine & Nichido Fire Insurance Co., Ltd.	1.17

⑧ Relationship Between the Parties		
	Capital Relationship	Not applicable.
	Personal Relationship	Not applicable.
	Business Relationship	A business relationship exists between the companies, including real estate leasing arrangements, which enable Keisei Electric Railway Co. to open stores on properties owned by AEON Group companies.
	Circumstances Applicable to Related Party	Not applicable.

⑨ Consolidated operating results and consolidated financial position for the past three years (unless otherwise noted, units are in millions of yen)

Fiscal Year End	FY ended February 2022	FY ended February 2023	FY ended February 2024
Net assets	1,812,423	1,970,232	2,087,201
Total assets	11,633,083	12,341,523	12,940,869
Net assets per share (yen)	1,130.76	1,161.12	1,231.59
Net sales	7,657,351	7,961,711	8,337,277
Operating profit	174,312	209,783	250,822
Ordinary profit	167,068	203,665	237,479
Profit attributable to owner of parent	6,504	21,381	44,692
Earnings per share (yen)	7.69	25.11	52.25
Cash dividends applicable to the year (yen)	36.00	36.00	36.00

(Note) 1. The shareholding ratio refers to the ratio of the number of shares owned to the total number of shares issued (excluding treasury stock).
2. The shareholding ratio displayed is rounded to the second decimal place.

4. Schedule for the Alliance

Keisei Electric Railway: Date of resolution by the Board of Directors AEON: Date of decision by the Representative Executive Officers	Thursday, October 31, 2024
Date of conclusion of the Alliance agreement	Thursday, October 31, 2024
Date of payment for this treasury stock disposal	Friday, December 27, 2024

5. Outlook for the future

Keisei Electric Railway:

At this stage, we expect the impact of this Alliance on Keisei Electric Railway's business performance for the current fiscal year to be minimal. Should any matters requiring disclosure arise in the future, we will notify you promptly.

AEON:

At this stage, we expect the impact of this Alliance and the disposal of treasury stock on AEON's business performance for the current fiscal year is minimal. Should any matters requiring disclosure arise in the future, we will notify you promptly.

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