

[Translation for Reference Purposes Only]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

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

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For Immediate Release

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Notice Regarding Application by Subsidiary to Revise Railway Fares

Seibu Holdings Inc. (the “Company”) hereby announces that its consolidated subsidiary Seibu Railway Co., Ltd. has today applied to the Minister of Land, Infrastructure, Transport and Tourism for approval to revise its railway fares with a date of March 2026 (scheduled). The details are provided below.

This application has been submitted with the intention to revise railway fares for the first time in 24 years (excluding fare adjustments due to consumption tax revisions) since 2002 in order to ensure the permanent operation of the railway business and provide customers a quality and comfortable service amid an outlook of continuing difficult business conditions, such as new lifestyles in the post-pandemic era, the increase in aging facilities, labor shortages, and the continuous rising costs of materials.

1. Scheduled date of implementation
March 2026

2. Rate of fare revision/rate of revenue increase

(%)

		Fare upper limit	
		Rate of fare revision	Rate of revenue increase
Non-commuter passes		11.9	8.0
Commuter passes	Work commuter	10.0	9.7
	School commuter	0.0	0.0
	Subtotal	9.2	8.9
Total		10.7	8.4

- * The rate of fare revision and rate of revenue increase is the percentage increase from the current fares, including the railway station barrier-free charge.
If excluding the barrier-free charge from the current fare, the rate of fare revision would be 16.8% for non-commuter passes and 16.9% for work commuter passes.

3. Actual results and estimates of railway revenue results and expenditures balance

(Millions of yen)

Item	FY2023 (results)	FY2026 to FY2028 (three-year average)	
		Current	Application
Revenue	99,260	103,090	110,950
Expenditures	97,645	113,429	113,429
Balance	1,614	(10,338)	(2,479)
Revenue to expenditure ratio	101.7%	90.9%	97.8%

- * The figures shown are based on the calculating method used for this application. Actual revenue and expenditure may be different.
* The shown figures have been rounded, so that may cause the balance to not exactly match the revenue and expenditure.

End

Reason for application

- The Company consistently provides a quality and comfortable service based on “safety and security” in its business operations as a public transport institution essential for customers’ daily life in the Tokyo and Saitama area.
- However, as a result of the establishment of new lifestyles in the post-pandemic era and the progressing decline of birthrate and aging population, railway usage is declining. Moreover, the business environment is expected to remain difficult due to concerns over increasing expenditures related to labor shortages and the continuous rising costs of materials.
- In order to provide customers with safe and secure services, it is essential that we promote a range of measures, including renewal of increasingly aging facilities, projects for continuous grade separation, crossing safety measures and natural disaster mitigation measures, while improving employee rewards and improving our workplace environment to secure human capital. Moreover, we believe it is important to fulfill our social responsibility as a public transport institution through such initiatives as further installation of barrier-free facilities and achieving carbon neutrality.
- Therefore, we have submitted our application to revise fares for the first time in 24 years (excluding fare adjustments due to consumption tax revisions) since 2002, to request that our customers share part of the burden of expenses that our existing operations are unable to meet through management efforts alone in order to ensure the permanent operation of the railway business and provide customers a quality and comfortable service. We will continue to carry out business operations based on “safety and security” that offer a quality and comfortable service while achieving railway corridors people want to live in and want to visit. We appreciate your understanding.

Scheduled date of implementation and rate of fare revision, etc.

- | | |
|------------------------------------|--|
| ■ Scheduled date of implementation | March 2026 |
| ■ Rate of fare revision, etc. | <u>Rate of fare revision 10.7%/rate of revenue increase 8.4%</u> |

* The rate of fare revision and rate of revenue increase is the percentage increase from the current fares, including the railway station barrier-free charge.

Non-commuter fares

- Base fares will increase by about 10 yen compared with the current level. For IC cards: 157 yen* → 169 yen
- To evenly disperse the burden of expenses for facility investment in the city and suburban areas, the short to mid-range journey fares will be revised at a uniform rate. However a smaller revision will be applied to the longer distance fares in the interest of creating tourism demand and stimulating the Chichibu City local economy.

(Ex.) Ikebukuro — Seibu Chichibu fare by IC card: 796 yen* → 800 yen * Amount includes the railway station barrier-free charge.

Work and school commuter passes

- Work commuter passes will be generally revised in line with the non-commuter fare revisions for each kilometer zone.
- No change has been made to school commuter passes in consideration of household budget constraints.

Railway station barrier-free charge

- The inclusion of the railway station barrier-free charge to the fares will be abolished in line with this fare revision (facility installations will continue).

Breakdown of rate of fare revision and commuter pass discount rate

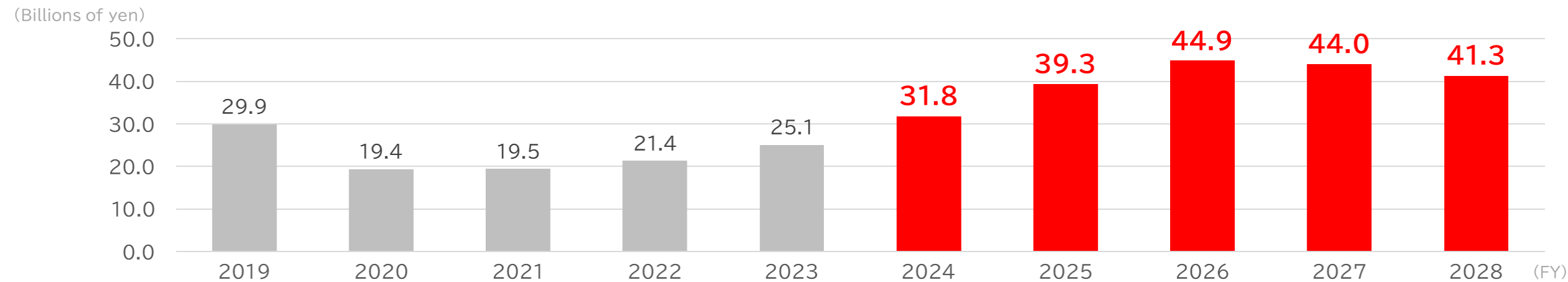
Rate of fare revision			
Non-commuter fares	Work commuter passes	School commuter passes	Total
11.9%	10.0%	0.0%	10.7%

* The rate of fare revision is the percentage increase from the current fares, including the railway station barrier-free charge.

Commuter pass discount rate			
Work commuter passes		School commuter passes	
Current	Application	Current	Application
35.8%	37.2%	81.4%	83.4%

* Current commuter pass discount rate is calculated including the railway station barrier-free charge.

Future facility investment plans



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

…FY2024 to FY2028 Ave. 21.0 billion yen/year

- ◎ Installation of platform barrier fence and doors
◎ Natural disaster mitigation measures
- ◎ Crossing safety measures
- ◎ Safety and crime-prevention measures in trains/stations

Key topic (1) Increasing the value of railway lines

…FY2024 to FY2028 Ave. 13.7 billion yen/year

- [Toward next-generation Shinjuku Line]
[Making Seibu Railway more environmentally friendly]
- ◎ Projects for continuous grade separation
◎ Shinjuku Line paid seating service
◎ Renewal of commuter railcars
◎ Renewal of Yamaguchi Line railcars
- ◎ New underground passage at Seibu-Shinjuku Station
◎ Rebuilding of Ogawa Station, etc.
◎ Introduction of sustainable cars

Key topic (2) Digitalization

…FY2024 to FY2028 Ave. 3.5 billion yen/year

- ◎ Proof-of-concept testing of contactless payment
◎ Communications-based train control (CBTC) system
- ◎ Replacement of magnetic tickets with QR code* tickets
◎ More advanced and efficient railway operation

Key topic (3) Improving job satisfaction

…FY2024 to FY2028 Ave. 1.9 billion yen/year

* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.