

KEIHAN GROUP
INTEGRATED REPORT
2025

Management vision for 2050

“Be the beautiful Keihan areas and the global Keihan Group”



We will create value for towns and tourism and disseminate them to the world so that the areas along Keihan Railway lines which are rich in history, culture, and landscape will be chosen by more people as areas where they want to live and visit beyond countries and generations.

We will create a beautiful life cycle in areas along Keihan Railway lines that brings fulfillment to the mind and body and contributes to the realization of a sustainable society, thereby expanding the ring of empathy to the world.

We will attract many inbound tourists to the areas along our lines and take on the challenge to expand our business Asia-wide.

CONTENTS

01 Management vision

Keihan Group INTRODUCTION

- 04 What are the origins and values of the Keihan Group?
- 05 What is the history of value creation at the Keihan Group?
- 06 What is the composition of the Keihan Group's business?
- 08 What are our business areas?
- 10 What are the key management themes?
- 11 Are we committed to sustainability?
- 12 How do we create value?

Management message

- 14 Message from the President
- 19 Discussion: Representative Director & Chairman + Outside director

Strategies for value creation

- 24 Progress on the long-term management strategy and Medium-term Management Plan "BIOSTYLE: Deepening and Challenge"
- 28 Long-term management strategy: Main strategy initiatives
- 31 Business overview and Medium-term Management Plan progress
 - 31 Transportation
 - 33 Real estate
 - 35 Retail distribution
 - 37 Leisure & service
- 39 Medium-term Management Plan: Strengthening the management base
 - DX (digital transformation)
 - Human resources strategy

Achieving sustainable growth

- 41 Material issue 1 : Creating businesses that contribute to solving social issues
- 45 Material issue 2 : Operations that consider the environment and social factors
- 52 Material issue 3 : Organization and human resources that continue to grow
- 57 Material issue 4 : Sustainable and robust management base

Foundations supporting value creation

- Corporate governance
 - 59 Basic approach
 - Corporate governance system
 - 60 Evaluation of effectiveness of Board of Directors
 - Corporate officer compensation system
 - 61 Corporate officers
 - 64 Executive officers
 - 65 Compliance
 - 66 Risk management
 - 67 Dialogue with shareholders and investors
 - Co-creation with suppliers

DATA

- 69 Financial and non-financial highlights
- 71 11-year summary of financial and non-financial data
- 72 Financial statements
- 74 Group companies / ESG evaluation / Information disclosure system
- 75 Corporate data / Stock information

Navigation buttons are provided on each page to make it easier to move between pages.



Return to the table of contents.

Return to the page you last viewed.

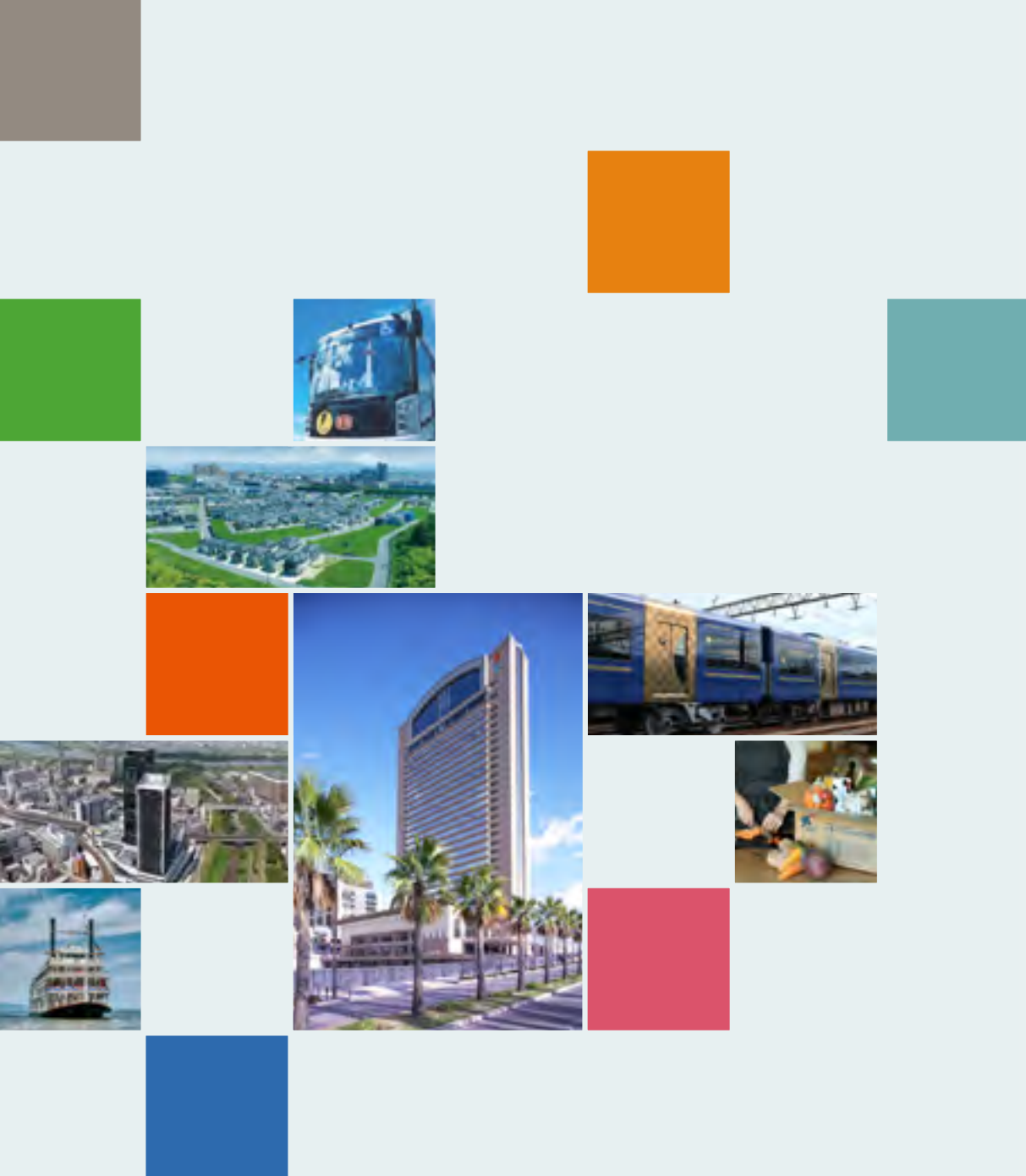
Backward to the previous page.

Forward to the next page.

Editorial policy

The Keihan Group promotes BIOSTYLE Management, which creates both social and economic value. We have published our Integrated Report in order to communicate our value creation story and our medium- to long-term growth potential to all stakeholders, including investors. This Report, which is our third, comprehensively introduces the progress of our long-term management strategy and capital policy along with non-financial information such as environmental management and human resources strategy. We have also included a conversation between our chairman and an outside director.

Coverage	Keihan Holdings Co., Ltd. and its consolidated subsidiaries
Period	FY2025 (April 1, 2024 to March 31, 2025) * Contains some information not included in the above period.
Month of issue	November 2025 * The next issue is scheduled to be released in autumn 2026.
Guidelines referenced	This report references the IFRS Foundation's International Integrated Reporting Framework, the Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation, and the GRI Standards for sustainability reporting.



Keihan Group INTRODUCTION

- 04** What are the origins and values of the Keihan Group?
- 05** What is the history of value creation at the Keihan Group?
- 06** What is the composition of the Keihan Group's business?
- 08** What are our business areas?
- 10** What are the key management themes?
- 11** Are we committed to sustainability?
- 12** How do we create value?

Q What are the origins and values of the Keihan Group?

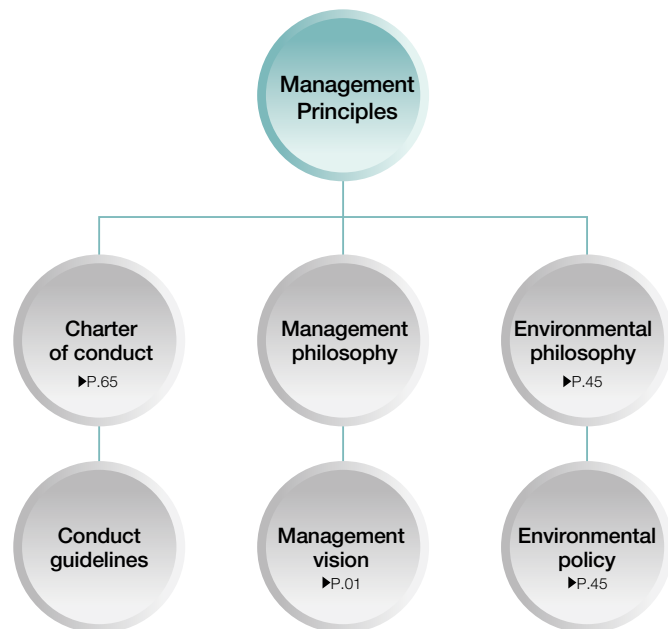
A Inheriting the spirit of the founder, and contributing to society

The Keihan Group was founded by Eiichi Shibusawa, the chairman of the organization committee of Keihan Electric Railway Co., Ltd. Shibusawa advocated the doctrine of “harmony between morality and economy,” and he believed that the main duty of business should not simply be the pursuit of personal gain, but also efforts that are dedicated to the interests of the public. This spirit continues to live on in the Management Principles of the Keihan Group.

Management Principles

The Keihan Group will create
a comfortable living environment
and contribute to society by establishing
a network of dreams, hope, and trust.

Management Principles System



Spirit of the founder of the Keihan Group



A business should fulfill both “morality,”
which is responsible for the prosperity of the nation
and the whole of humanity, and “economy,”
which is the pursuit of corporate profit

Eiichi Shibusawa (Photo: Shibusawa Memorial Museum)

“Harmony between morality and economy,” a doctrine passed down across generations

Keihan Holdings Co., Ltd. (formerly Keihan Electric Railway Co., Ltd.) was established in 1906 by the so-called father of Japanese capitalism, Eiichi Shibusawa, as the chairman of the organization committee. Shibusawa was also instrumental in the establishment of various enterprises that contributed to the modernization of Japan, including Japan’s first bank, the First National Bank, as well as companies in the electricity, gas, shipping, cement, and shipbuilding sectors. Shibusawa was enthusiastic about the establishment of railway companies essential for the modernization of Japan. All up, he was involved in the founding of around 50 companies. Of these, our Company was founded based on the noble idea of laying a railway to link the 1,000-year-old ancient capital “Kyoto” with the commercial center “Osaka” through the towns and villages along the former Kyokaido (a main road), thereby aiming to not only generate profits for the Company, but also contribute to the development of local communities.

Influenced by the ideas in the Analects of Confucius that he avidly read in his childhood, Shibusawa advocated the doctrine of “harmony between morality and economy,” in which the main duty of business is not simply the pursuit of personal gain, but also efforts that are dedicated to the interests of the public. Throughout his life, he made it the cornerstone of his management philosophy. He believed that any business should fulfill both “morality,” which is responsible for the prosperity of the nation and the whole of humanity, and “economy,” which is the pursuit of corporate profit. In a sense, this thinking could be considered a precursor to today’s ESG principles and a philosophy that continues to be inherited by the Keihan Group.

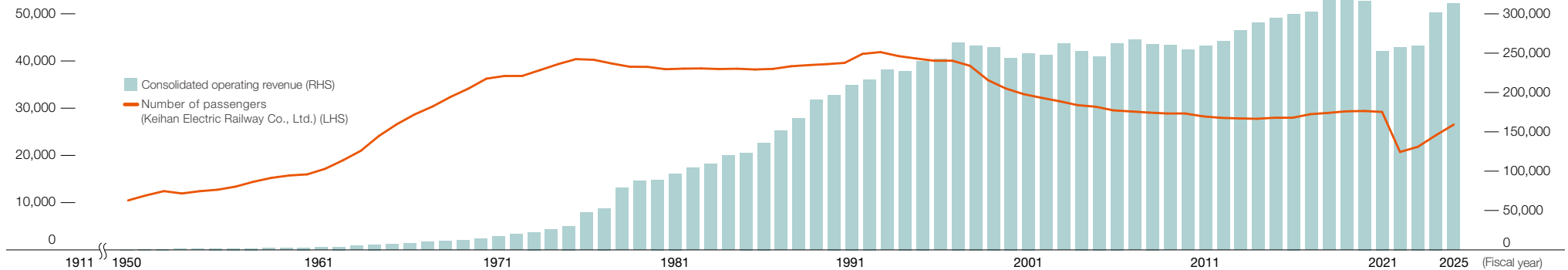
Q What is the history of value creation at the Keihan Group?

A History of value creation

Establishing Group management toward creating new value

Keihan Holdings Co., Ltd. (formerly Keihan Electric Railway Co., Ltd.) was founded in 1906 by the so-called father of Japanese capitalism, Eiichi Shibusawa, as the chairman of the organization committee, and began railway operation in 1910. In the post-war period of rapid economic growth, we stepped up efforts to bolster railway transportation capacity and develop housing along our railway lines in response to rapid population increase in these areas. After that, we diversified our business portfolio, including opening department stores, but the operating environment underwent drastic changes after Japan's bubble economy burst. In 2002, we unveiled the Keihan Group "Re-Born 21" Plan and worked to restructure our businesses by transforming our real estate business model and strengthening business expansion in areas away from our railway lines, among other measures. As the non-railway businesses gradually gained traction, we transitioned to a holding company system in 2016, establishing a Group management structure. In 2023, we positioned BIOSTYLE, Keihan's version of the SDGs, as a focal point of our management with the aim of creating new value.

(Ten thousand people)



1906 Keihan Electric Railway Co., Ltd. established. **Stage 1** Development during rapid economic growth period **Stage 2** Business expansion **Stage 3** Business restructuring and establishment of Group management **Stage 4** Aspiring to create new value

In 1910, we started operating a railway line between Temmabashi in Osaka and Gojo in Kyoto. Alongside efforts to enhance convenience, such as by operating express trains, we also took proactive steps to diversify our businesses and expand our presence. This includes attracting more passengers through the Chrysanthemum Figure Exhibition, and entering the bus transportation business.

In the post-war period, in responding to demand for transportation and housing along our railway lines where the population was rapidly increasing, we stepped up efforts to bolster railway transportation capacity and develop housing. By extending the Keihan Main Line to Yodoyabashi, we successfully improved access to the city center of Osaka. We also constructed large-scale commercial buildings that are integrated into station buildings and entered the leased building business in earnest.

Following the oil shocks of the 1970s, as the economy shifted to stable growth, we continued to invest in augmenting transport capacity and improving safety through projects such as elevating and quadrupling railway tracks and constructing underground lines. In addition, we actively took steps to diversify our business portfolio by entering the businesses of built-for-sale condominiums, business hotels, and department stores. We also improved our leisure facilities by commissioning cruise ships.

To adapt to drastic changes in the operating environment following the collapse of Japan's bubble economy, we unveiled the Keihan Group "Re-Born 21" Plan and worked to restructure our businesses. We also formulated the management vision, "Our Challenge to 'Keihan as First Choice'," aiming to become a large, yet reputable company. The opening of the Nakanoshima Line helped revitalize the economy in the Kansai region and, in addition to enhancing value along our railway lines with the opening of the Kuzuha Mall, we also expanded our business operations in areas away from our railways by, for example, opening hotels in the greater Tokyo area. In 2016, we transitioned to a holding company system with the aim of being a corporate group that can continue to achieve growth even in a challenging operating environment characterized by population decline and other factors.

Alongside the strengthening of our four core businesses, we are working to bring about a sustainable society by positioning BIOSTYLE, Keihan's version of the SDGs, as a new focal point, thereby aiming to create both social and economic value at the same time. We continue to challenge ourselves in order to remain a corporate group valued by society.

1910


Keihan Electric Railway Co., Ltd. services started underground extension in Osaka and Gojo Station in Kyoto

1963


Completion of Yodoyabashi underground extension (between Temmabashi Station and Yodoyabashi Station)

1968


First-stage lot sales of Kuzuha Rose Town started

1985


Keihan Moriguchi Department Store opened

1998


Lot sales of condominium Fine Garden started in Keihan East Rose Town

2008


Nakanoshima Line services started (between 2008 Temmabashi Station and Nakanoshima Station)

2017


Premium Car (reserved seat carriages) introduced

2019


GOOD NATURE STATION opened

Q What is the composition of the Keihan Group's business?

A At a glance Centered on four core businesses

The Keihan Group operates four core businesses across approximately 50 companies. As stated in our Management Principles, we will “create a comfortable living environment and contribute to society by establishing a network of dreams, hope, and trust” through these businesses that are closely related to everyday life. This commitment is what drives our ongoing efforts.

Transportation



Business operations

We manage various railway services including the Keihan Railway, which provides intercity, regional, and tourism transportation in the three prefectures of Osaka, Kyoto, and Shiga in the Kansai region, as well as Eizan Railway and Keifuku Electric Railroad (Randen). Our offerings also extend to bus services, such as fixed-route buses that support regional transportation, scheduled sightseeing buses, express buses, and limousine buses. Additionally, we oversee Hirakata Park, an amusement park that celebrated its 110th anniversary in 2022.

Real estate



Business operations

In real estate sales, we are engaged in the development of condominiums across the Kansai and Tokyo areas, as well as major regional cities such as Sapporo. We also engage in the sale and brokerage of standalone homes. Our real estate leasing business includes ownership of office buildings such as OMM in the Kansai area and the Keihan Otemachi Building and Keihan Yokohama Building in the Tokyo area. Our operations also extend to landscaping, building maintenance, and construction consulting services.

Retail distribution



Business operations

Our retail presence is significant, with five department stores primarily along the Keihan Railway lines. We operate suburban shopping centers like KUZUHA MALL, HIRAKATA MALL which is a shopping center directly connected to the station, the urban shopping centers Keihan Mall and Keihan City Mall, and various other commercial facilities, including Frest supermarkets and our innovative shops MOYORI ICHI, which are located mainly inside and outside stations.

Leisure & service



Business operations

Nationally, we own and operate 21 hotels, totaling around 4,800 rooms, in the locations along our railway lines in Osaka, Kyoto, and Shiga, as well as in other areas in Tokyo and Sapporo. Additionally, we manage several facilities that serve as symbols of their region, such as the landmark Nidec Kyoto Tower, the sightseeing ships Michigan and Bianca on Lake Biwa, the Garden Museum Hiei, and the Aqua Liner that sails around the waters of Osaka.

Other businesses



Business operations

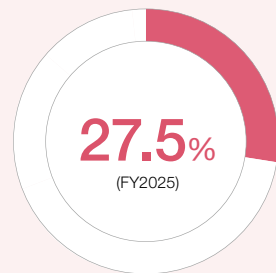
Biostyle Co., Ltd. operates GOOD NATURE STATION, a mixed-use commercial facility conceptualized around the theme of “BIOSTYLE,” which contributes to a recycling-oriented society by realizing a lifestyle that is healthy, beautiful, and brings a high quality of life. It also has its own natural cosmetics brand, NEMOHAMO, as well as the patisserie RAU. We also develop card business, among other ventures.

Transportation

Key operating companies

- Keihan Electric Railway Co., Ltd.
- Eizan Electric Railway Co., Ltd.
- Keifuku Electric Railroad Co., Ltd.
- Keihan Bus Co., Ltd.

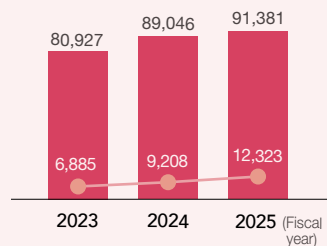
Breakdown of operating revenue



Operating revenue and operating income

(Million yen)

- Operating revenue
- Operating income

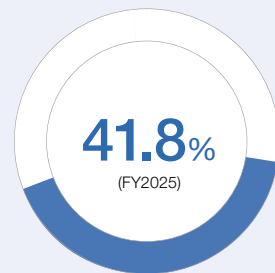


Real estate

Key operating companies

- Keihan Real Estate Co., Ltd.
- Keihan Tatemono Co., Ltd.

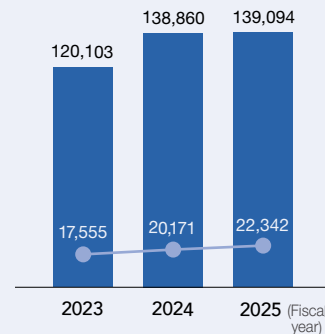
Breakdown of operating revenue



Operating revenue and operating income

(Million yen)

- Operating revenue
- Operating income

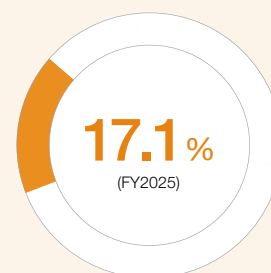


Retail distribution

Key operating companies

- Keihan Department Stores Co., Ltd.
- Keihan The Store Co., Ltd.
- Keihan Ryutsu Systems Co., Ltd.

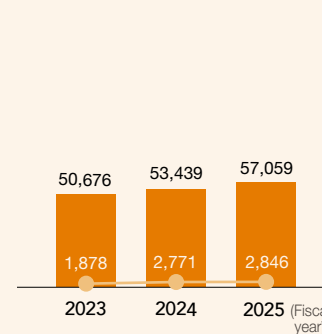
Breakdown of operating revenue



Operating revenue and operating income

(Million yen)

- Operating revenue
- Operating income

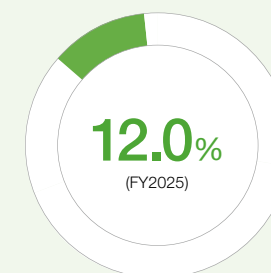


Leisure & service

Key operating companies

- Hotel Keihan Co., Ltd.
- Keihan Hotels & Resorts Co., Ltd.
- Biwako Kisen Steamship Co., Ltd.

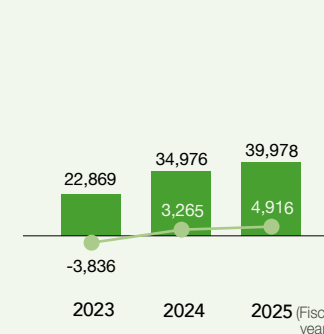
Breakdown of operating revenue



Operating revenue and operating income

(Million yen)

- Operating revenue
- Operating income

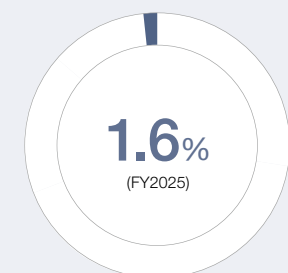


Other businesses

Key operating companies

- Keihan Card Co., Ltd.
- Biostyle Co., Ltd.

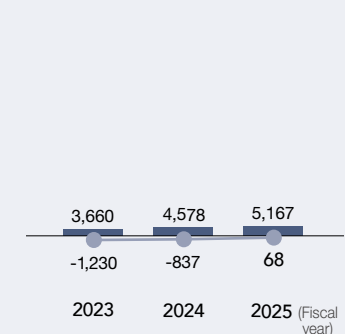
Breakdown of operating revenue



Operating revenue and operating income

(Million yen)

- Operating revenue
- Operating income



* The figures provided for each business include adjustments for intercompany transactions.

Q What are our business areas?

A We are currently expanding our business to cover all of Japan, with a focus on Osaka, Kyoto, and Shiga

Main bases along the Keihan Railway lines and in the Kansai region

The Keihan Group has promoted urban development and community building around our railway stations, with a focus on stations along the Keihan Railway lines with their rich history, culture, and landscapes. We have also worked to connect local communities, thereby expanding our business area and creating value. We will continue to present new value through our business activities in close association with local communities, and achieve sustainable development with the communities and society.



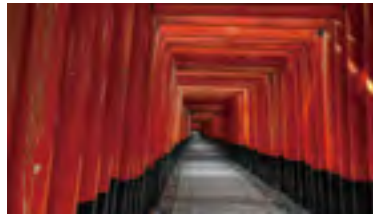
Mt. Hiei Enryakuji Temple



Kifune Shrine



Kiyomizu-dera Temple



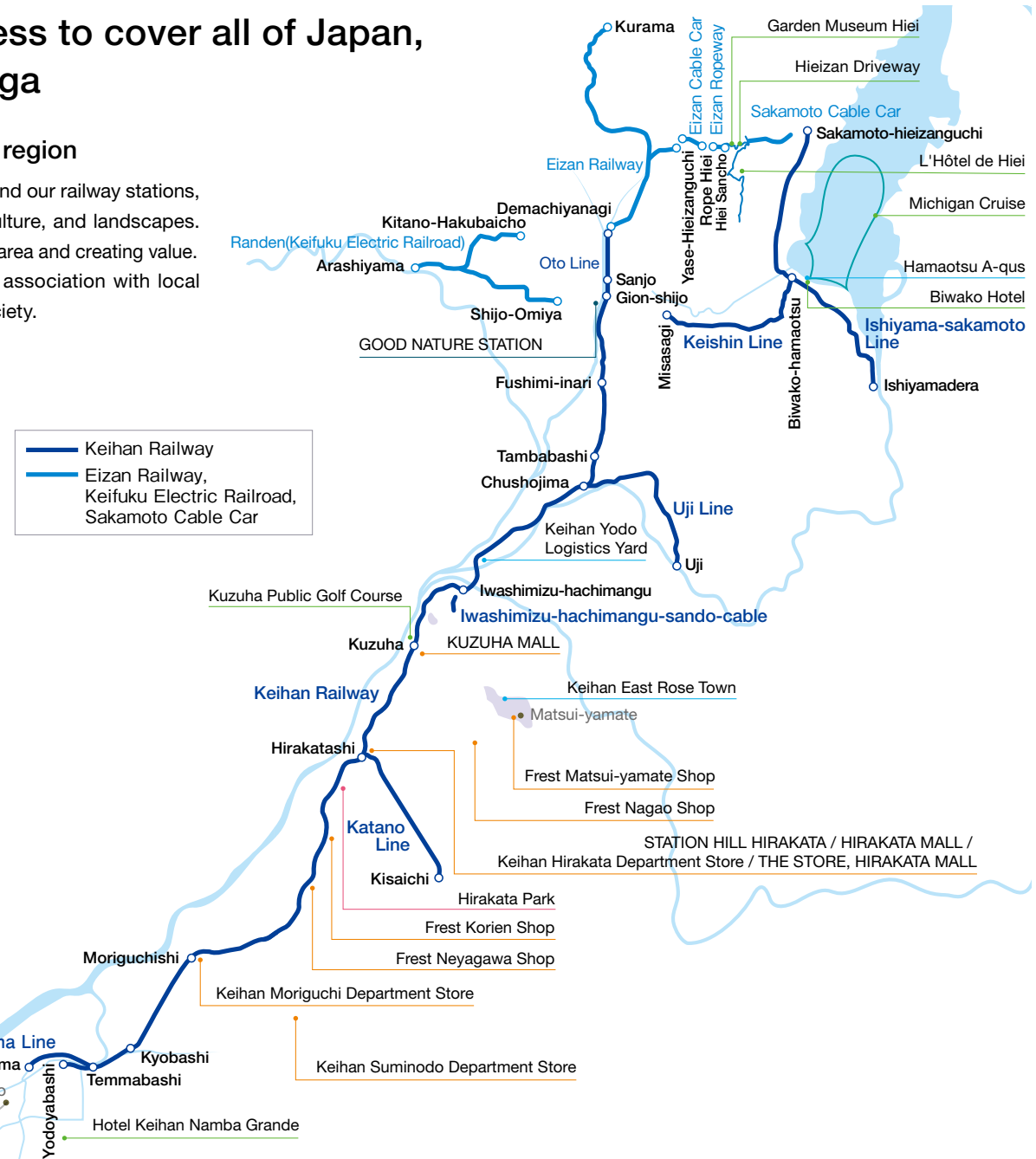
Fushimi Inari Taisha Shrine



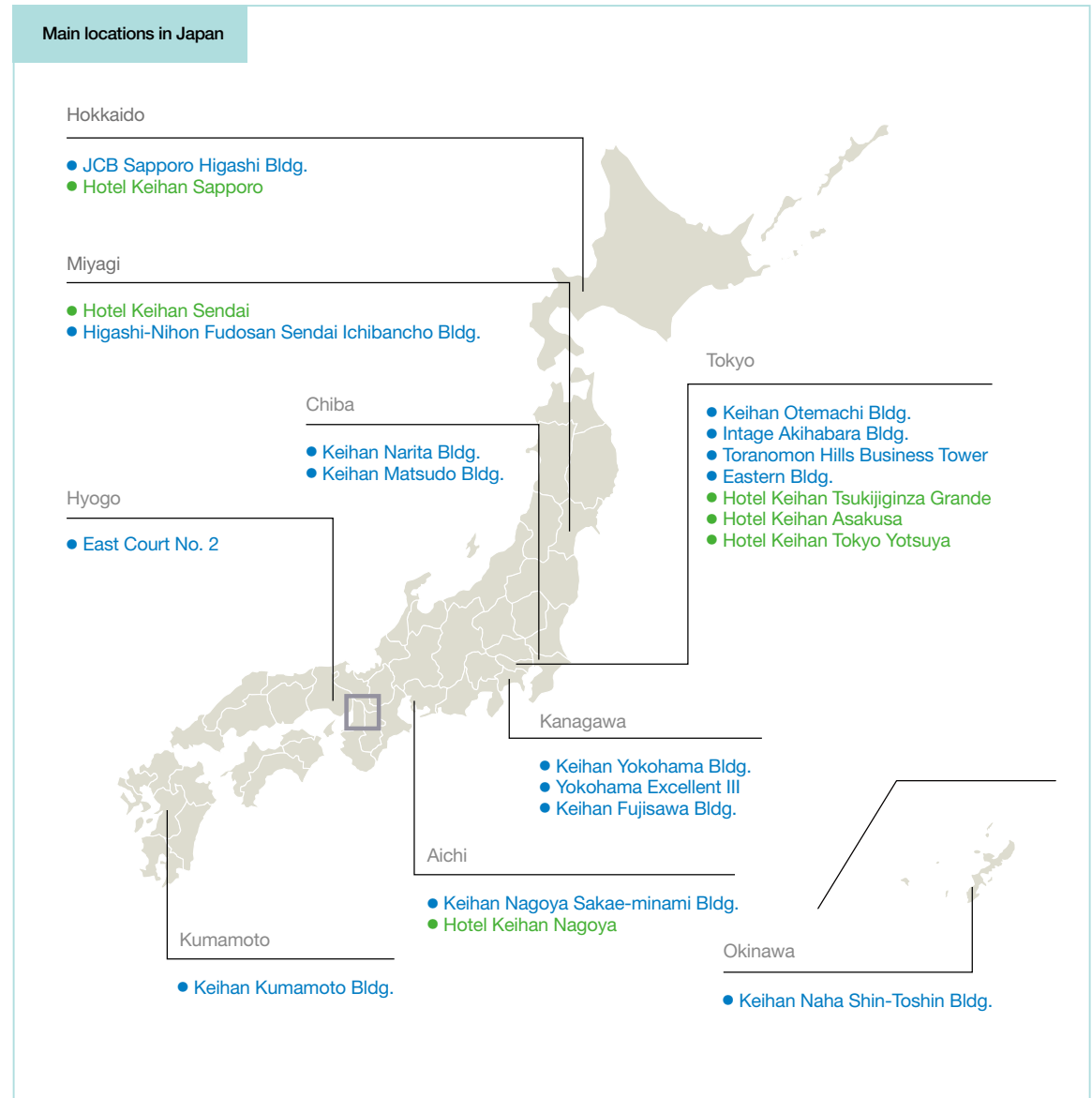
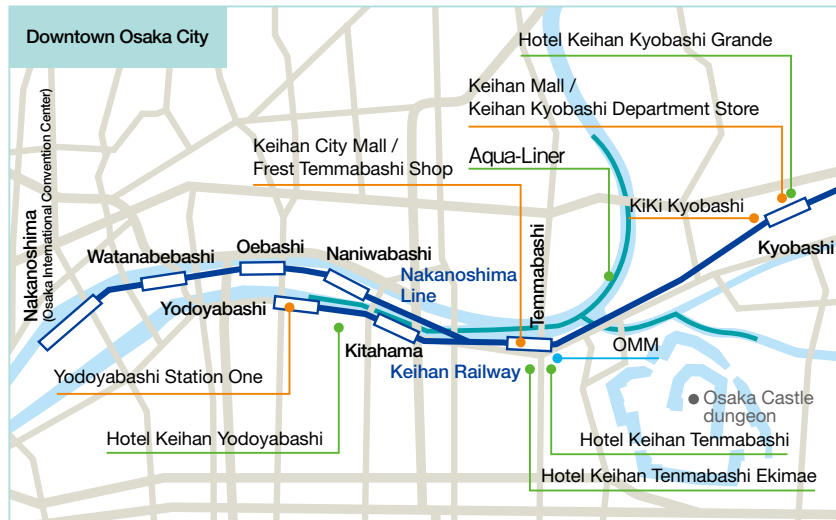
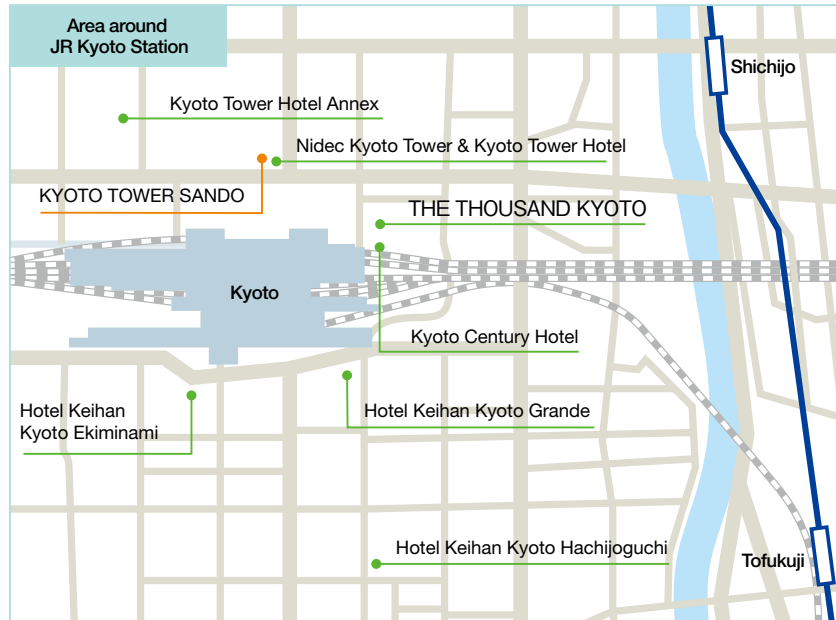
Hoshi no Buranko Bridge (Katano City)



Osaka Castle dungeon



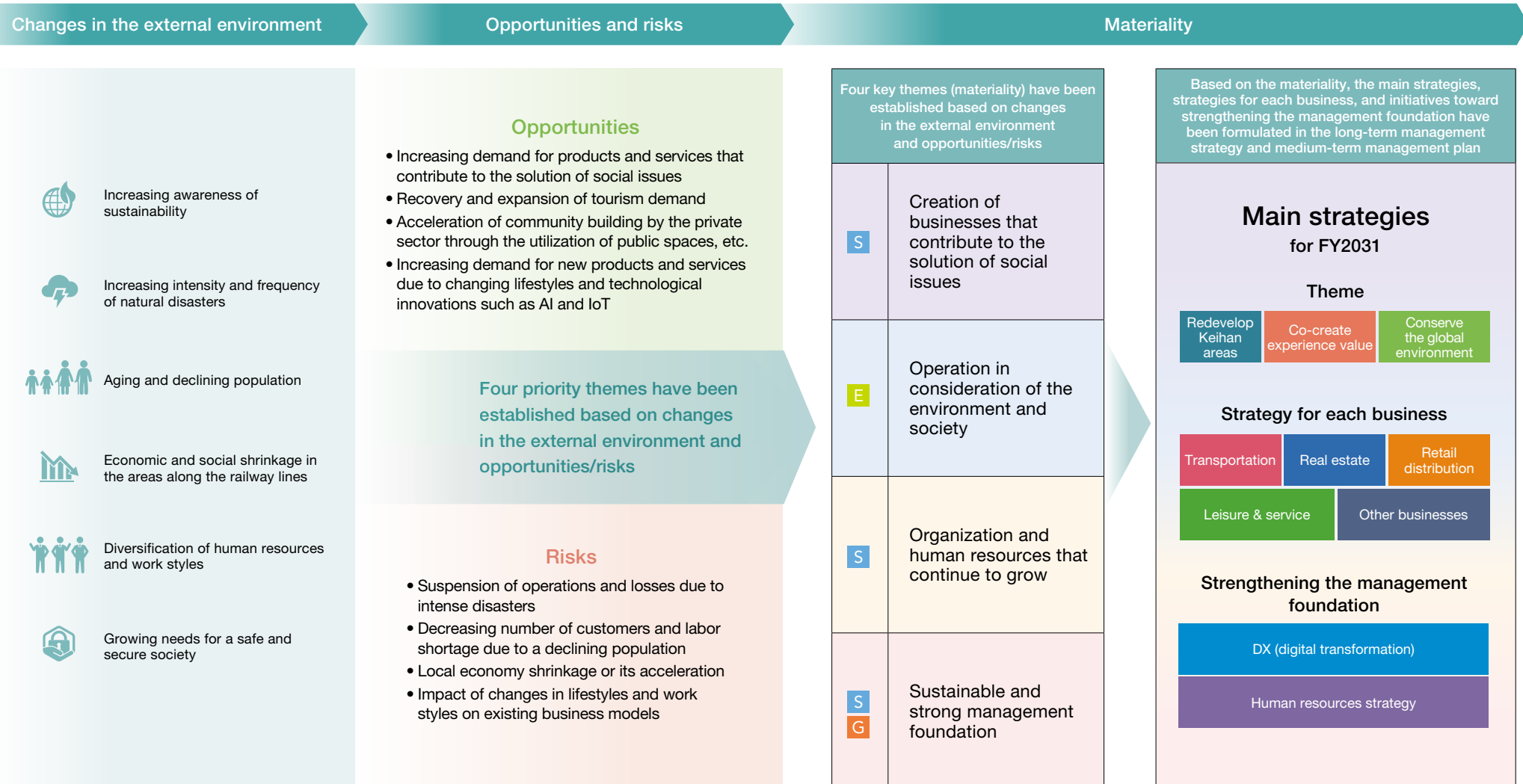
Main bases in Kyoto, central Osaka, and throughout Japan



Q What are the key management themes?

A Four key themes (material issues)

Upon analyzing changes in the external environment the Keihan Group finds itself in, we identified opportunities and risks for management going forward. These formed the basis for the establishment of our four key management themes (material issues). For our long-term management strategy and medium-term management plan, we have formulated core strategies and business-specific strategies based on these four themes.



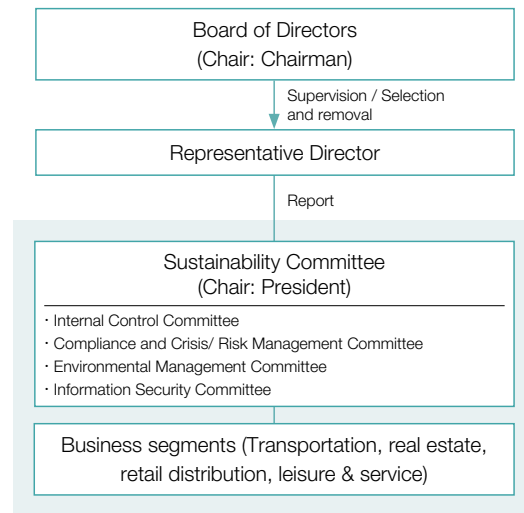
Q Are we committed to sustainability?

A We are promoting sustainability based on materiality

In line with our Management Principles, we believe that sustainability management for the Keihan Group involves addressing social issues through our businesses and aiming for sustainable development alongside society. To promote sustainability management, we are promoting initiatives in non-financial areas based on four key themes (materiality).

Sustainability promotion system

With the aim of enhancing the Keihan Group's corporate value in the medium to long term, we have established the Sustainability Committee to deliberate and decide on important policies and measures related to sustainability, manage their progress, and organize internal control and risk management systems. The Sustainability Committee is chaired by the Representative Director & President, and includes Directors who are the General Managers responsible for the transportation, real estate, retail distribution, and leisure & service businesses, among others. The details of the discussions are regularly presented (put on the agenda or reported) to the Board of Directors.

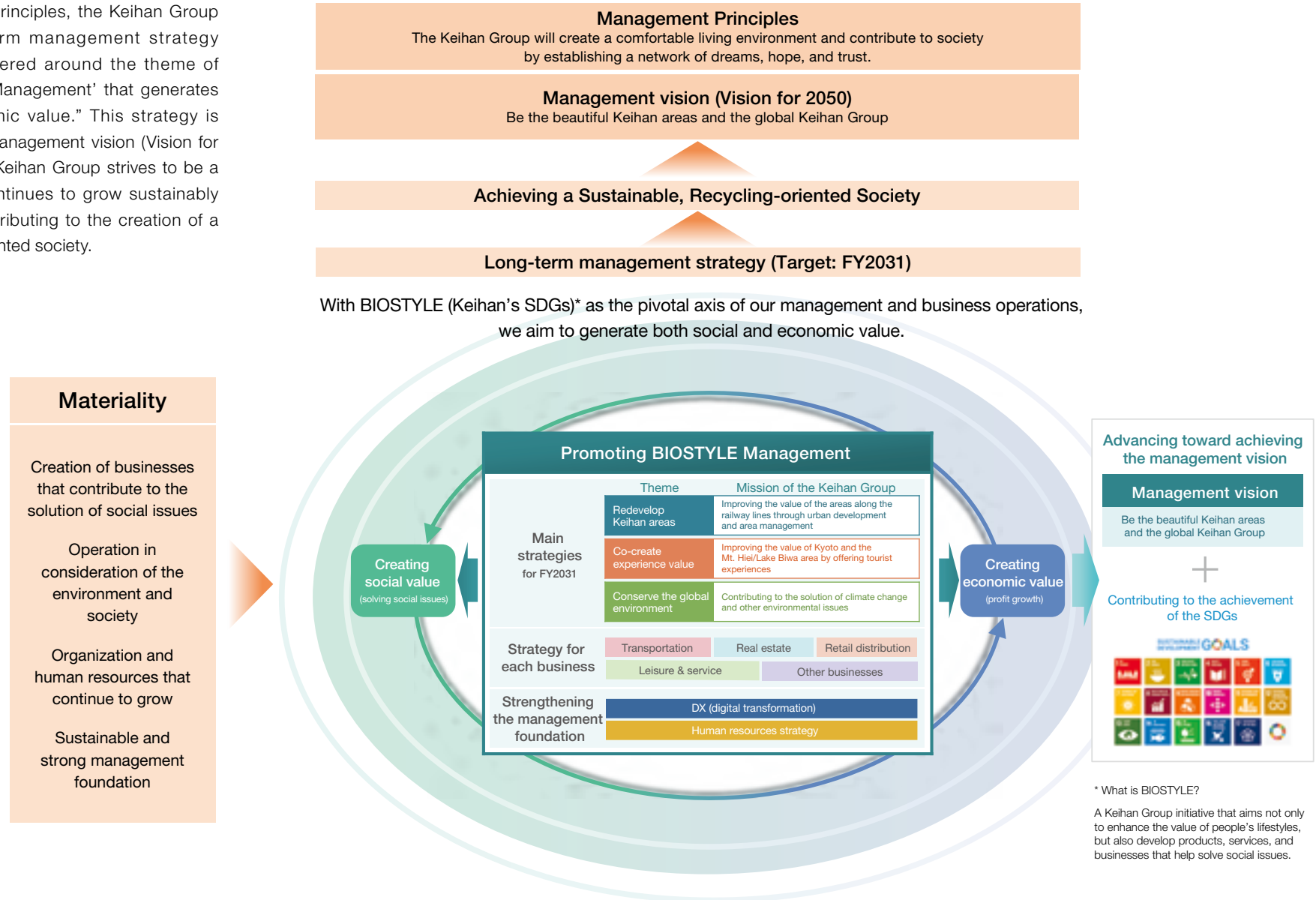


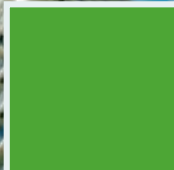
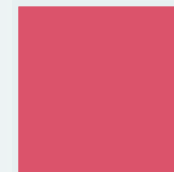
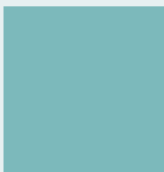
Four key themes (materiality) have been established based on changes in the external environment and opportunities/risks		Sustainability initiatives	As described in this report
S	Creation of businesses that contribute to the solution of social issues	Main measures for BIOSTYLE Management in each business Transportation Promoting more eco-friendly transportation business Real estate Strengthening the housing regeneration business Retail distribution Developing the project to suggest "safe, reliable, and healthy eating habits" Leisure & service Enhancing competitiveness through SDGs-oriented rebranding Other businesses Various initiatives under GOOD NATURE STATION	P.42-44
E	Operation in consideration of the environment and society	Reduction of greenhouse gases KPI Reduction of CO₂ emissions by 46% by FY2031 (compared to FY2014) Promotion of a circular economy	P.45-51
S	Organization and human resources that continue to grow	Promotion of human resources strategy (maximizing individual ability and performance, and fostering a culture of taking on challenges and creating transformation) KPI Ratio of female employees Exercise regime ratio - Ratio of female managers Percentage of annual paid leave used - Percentage of men taking childcare leave	P.52-56
S G	Sustainable and strong management foundation	Pursuit of safety and security KPI Achievement of safety goals in the transportation business Strengthening corporate governance	P.57 P.59-67

Q How do we create value?

A Value creation process — We generate both social and economic value through BIOSTYLE Management

Under its Management Principles, the Keihan Group is advancing a long-term management strategy (targeting FY2031) centered around the theme of “promoting ‘BIOSTYLE Management’ that generates both social and economic value.” This strategy is aimed at achieving our management vision (Vision for 2050). Through this, the Keihan Group strives to be a corporate group that continues to grow sustainably into the future while contributing to the creation of a sustainable, recycling-oriented society.

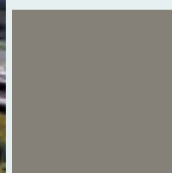




Management message

14 Message from the President

19 Discussion: Representative Director & Chairman
+ Outside director



Message from the President

Valuing the perspectives
of our customers and local
communities so that they feel
a sense of attachment to
the Keihan Group

平川 良浩

Yoshihiro Hirakawa
Representative Director & President
Keihan Holdings Co., Ltd.

View of the areas along the Keihan Railway lines from Yodoyabashi Station One

Management message

Message from the President

In an era of change, Keihan moves forward with the community

My name is Yoshihiro Hirakawa, and I took office as Representative Director & President in June 2025. Since joining the Company in 1986, I have adhered to a hands-on approach, listening to the voices at the operational frontlines and valuing the perspectives of customers and local community members. More recently, as General Manager of the Transportation Business and Representative Director & President of Keihan Electric Railway Co., Ltd., I have been grappling with figuring out how to continue with business and fulfill our social mission even in times of emergency, such as dealing with the COVID-19 pandemic or natural disasters such as large-scale earthquakes and typhoons, while of course ensuring safety and security. Going forward, as the leader of an entire corporate group, I will make every effort to achieve sustainable growth and maximize the corporate value of the Keihan Group.

The areas along the Keihan Railway lines offer unique global tourism resources that attract many visitors from Japan and abroad—Osaka is a bustling mercantile city, Kyoto is steeped in history and traditions, and Shiga Prefecture and Lake Biwa are rich in natural beauty. For more than 115 years, the Keihan Group has been conducting business along these railway lines to support people's lives and contribute to the development of local communities. Based on the Group's shared value of "safety and security" cultivated through our founding railway business, we have expanded our business to include real estate, retail distribution, hotels, and leisure businesses. We have also expanded the Group's overall operations, with businesses other than railway operations now accounting for the majority of Group revenues.

The population of Japan as a whole is declining, and the social structure is changing significantly. We live in an era where the future is uncertain and unpredictable. Even so, as we proceed with various projects, including the development of railways

as social infrastructure as well as areas along and outside the railway lines, I believe that, as always, or perhaps even more than ever, it is essential to take a long-term perspective. We must avoid short-sighted thinking. For example, when it comes to developing business facilities, we must consider the essential future potential without being swayed by superficial trends. It is not an easy task as customer needs and expectations from the local community and society are becoming more diverse, but as a starting point, I believe it is important to pursue facilities, services, and products that customers and local residents get attached to the more they use them.

Expecting record profits for the third consecutive year, with increased shareholder returns

We have set forth the Group's Management Vision for 2050, "Be the beautiful Keihan areas and the global Keihan Group." As a long-term management strategy with a target year of FY2031, we will place "BIOSTYLE (Keihan version of the SDGs)" at the core of management and business activities and promote BIOSTYLE Management that creates both social and economic value, with the entire Group working together to take on the challenge of creating new value. This long-term management strategy focuses on three main strategies: Redevelop Keihan areas, Co-create experience value, and Conserve the global environment.

Regarding the consolidated financial results for FY2025, the second year of the medium-term management plan "BIOSTYLE: Deepening and Challenge" (FY2024–2026), we achieved record highs for the second consecutive year for operating income and each stage of profit below that, achieving the quantitative targets of our medium-term management plan one year ahead of schedule. We paid an annual dividend of ¥40 yen per share, an increase of ¥5 yen from the previous year, and returned to a growth trajectory after the COVID-19 pandemic.



The ROE at the end of FY2025 was 9.3%. We have already achieved the 8% level set for 2030, and we aim to stabilize it at a higher level going forward. With regard to financial discipline, we are strictly adhering to our policy of keeping the net interest-bearing debt/EBITDA ratio in the 6x range, with the figure currently at 5.53x.

These strong results were accompanied by a major shift in capital policy. Starting in FY2026, we have set a consolidated dividend payout ratio of around 30% as our shareholder return policy. Additionally, we have carried out share buybacks up to a maximum of ¥20 billion from FY2025 to FY2026.

FY2026, the final year of the medium-term management plan, will mark the culmination of the plan. All segments are expected to achieve higher revenue and profit, setting a new record profit for the third consecutive year, and we plan to more than double the previous year's dividend to ¥89. Going forward, we aim to increase dividends through sustainable profit growth to meet the rising expectations for improved performance in the capital markets.

Management message

Message from the President

Redevelop Keihan areas: Accelerating “revitalizing Osaka’s east-west axis” and “community building starting from railway stations”

The Keihan Group aims to enhance the value of areas along its railway lines by promoting urban development centered on stations and area management in cooperation with local communities. We are utilizing our transportation networks to accelerate community building, placing particular priority on the measures for “revitalizing Osaka’s east-west axis” and “community building starting from railway stations.”

“Revitalizing Osaka’s east-west axis” is a development plan along the east-west axis from Kyobashi Station through Nakanoshima Station to Yumeshima Station in the bay area. The development project of an integrated resort (IR), including a casino, is underway, and the facility is scheduled to open around 2030 on Yumeshima, the site of the Osaka-Kansai Expo which ended with great success. The Keihan Group is also considering extending the Nakanoshima Line to connect with Kujo Station. The extension of the line will provide a direct connection from Kyoto to Yumeshima, and will also enable access to Kobe and Nara via Kujo Station. Not only will the value of the Keihan Line increase dramatically, but if its presence as an east-west axis of transportation in Osaka increases, the so-called “Keihan area” will expand to the western part of Osaka city. It is expected that the range of business opportunities will expand beyond the railway business, including business development in the Yumeshima area associated with the IR and businesses related to worker housing. I believe that the plan has a strong potential to contribute to enhancing the overall value of the Keihan Group.

Along the Nakanoshima Line, the international center for medical innovation (Nakanoshima Cross), a cluster hub for cutting-edge healthcare industries including regenerative

medicine, has already opened, and Yodoyabashi Station One, a complex that will become a landmark on the site along Midotsuji, has also been completed. In the future, I believe we can contribute to the redevelopment of Temmabashi Station, the utilization of water transportation in the Yumeshima bay area, and tourism connected to Kyoto.

As for “community building starting from railway stations,” in May 2024, construction of Station Hill Hirakata, a complex integrated with Hirakatashi Station, was completed, and in September, offices, a hotel, rental tower residences, and the commercial area HIRAKATA MALL opened. The head office of Keihan Electric Railway has also been relocated and we have started working in the new office. These represent the first steps in redevelopment along the line through Keihan Group’s priority measure on “community building starting from railway stations.” The redevelopment of Hirakata is also positioned as a model case for future redevelopment along the line. To make



Yodoyabashi Station One

Hirakata, an important business hub for the Keihan Group, an attractive area that allows for a rich suburban lifestyle and an ideal way of working, we will continue to implement initiatives that contribute to the development of the area.

Co-create experience value: Creating tourism content that generates new experiences and draws in people

“Co-create experience value” is an initiative to discover attractive resources lying along the Keihan Railway lines and co-create experience content in cooperation with local communities to increase the number of visitors and repeat visitors from Japan and overseas.

In October of this year, the immersive art museum “teamLab Biovortex Kyoto” opened in the southeast of Kyoto Station. In this project, in which the Keihan Group participates, we are also supporting facility operations by utilizing our know-how in amusement park management. By attracting many people from Japan and overseas to this area, creating opportunities for exchange, and creating a new flow of people, we will contribute to the promotion of community building centered on culture, art, and youth. For the redevelopment of the Sanjo Station area, the area around the station has been designated as an urgent urban development area, and a regional development policy has been established with the goal of creating a lively and vibrant hub. In line with this policy, we aim to create a landmark in harmony with the region’s history, culture, and natural environment, connecting with streets that exude a deep sense of history and culture, with Kamo River to the west and Higashiyama to the east.

Regarding our goal of establishing the Kyoto Tourism Golden Route, there are also many spots that have become famous landmarks through overseas social media, such as Fushimi Inari Taisha. We will also work on developing high-story-value tourism content that the local people have not yet

Management message

Message from the President



Rendering of the Sanjo Station area project

noticed and actively disseminating information, and create mechanisms to generate a flow of people.

By the way, as is often the case with our projects, the reality is that developing sites and content often takes a long time. However, trends are often born as a result of some kind of trigger, and I think it is important not to miss that trend or momentum. In addition, in order to detect and actually catch the flow, it is necessary to have a human network with the parties involved on a daily basis. For example, every year we host a history lecture, which is attended by many local residents, which makes me realize how much people love their own living area. We want to harness this civic pride, effectively channel that energy from citizens, and collaborate with the local government as necessary to revitalize the community.

Conserve the global environment: Contributing to decarbonization and recycling-oriented society

The Keihan Group has positioned global environmental conservation as an important management issue and

one of its main strategies. We are working to reduce CO₂ emissions via thorough energy savings and adoption of new technologies, promotion of energy creation, and procurement of renewable energy.

In addition to steadily introducing energy-efficient train cars and small electric buses, the Keihan Group is promoting energy creation by starting to use renewable energy electricity generated through a corporate PPA that utilizes a reservoir in Hirakata City in the Keihan Group's amusement park, Hirakata Park, and commercial facility, KUZUHA MALL, in March 2025. The unique features of the Keihan Group, such as local production of electricity for local consumption and cooperation with local governments and communities, have garnered favorable attention. As for procurement of renewable energy, we have started introducing renewable energy electricity for all Hotel Keihan buildings since FY2026. While steadily implementing energy-saving measures in reducing CO₂ emissions, we are also committed to advancing energy creation initiatives with additional benefits ("additionality") in mind.

We are also promoting a circular economy to contribute to the realization of a recycling-oriented society. In collaboration with the Oji Group, a company that also traces its roots to Eiichi Shibusawa, we have developed a system for recycling the aluminum-lined paper containers for drinking water used in guest rooms at Hotel Keihan into toilet paper. The system began operation in August 2025. This is expected to reduce CO₂ emissions as well as waste.

Going forward, we will continue to enhance sustainability by implementing initiatives such as these one by one, while staying mindful of which products and services will be favored in a decarbonized society and endeavoring to maintain a balance with our business activities.

Focusing on securing and developing specialists who will create new value

Securing and developing human resources is an important issue. It has been known for quite some time that Japan's population decline would lead to a labor shortage, and this applies to the areas along the Keihan Railway lines as well. The COVID-19 pandemic exposed the problem in a sudden and significant way. Up to now, there has been a trend to increase productivity to enable a smaller number of people to handle tasks, but there are limits to this depending on the nature of the work. For example, in our bus transportation business, we conducted demonstration testing of self-driving buses, but in addition to technical issues, there are also investment issues involved in practical application of this technology, so I feel it will be quite difficult.

Recently, companies in the Keihan Group have also been recruiting foreign nationals depending on their business characteristics. It goes without saying that we want to create a company where diverse human resources can maximize their abilities, continue to work with peace of mind, and enjoy a rewarding job. In order to secure and develop human resources, I believe it is essential to clearly define what the Company is aiming for and to present a vision of the future that explains our goal. Only by continually improving corporate value can we pave the way for the Company's future, and to realize the future we envision, we must continue to create new value. To this end, it is essential to increase the number of specialists who are well versed in their respective businesses and operations. There is also a belief that if you are well versed in one thing, you can also become a generalist. Accordingly, we plan to flexibly review our conventional personnel rotation system, which is based on regular transfers, to make it more suitable for the development of specialists. We will promote management that makes the most of our human resources in a rewarding workplace, drawing out the individual capabilities of each of our diverse human assets.

Management message

Message from the President

**Maximizing the value of existing businesses
and moving to a new growth stage**

Nakanoshima Cross, Station Hill Hirakata, Yodoyabashi Station One, teamLab Biovortex Kyoto, and other facilities have opened, and the large-scale projects along the Keihan Railway lines that we have been working on in recent years will be completed in FY2026. Therefore, in the next medium-term management plan from FY2027 onward, I envision that the main themes will be strengthening existing businesses, expanding the scale of businesses, and redeveloping Keihan areas, all the while preparing for the future.

In terms of strengthening existing businesses, we will continue to redevelop the stations and their surroundings. If we can enhance the attractiveness of the entire area around the station, the flow of people to the station will increase, which will also contribute to our fare revenue. I must stress once again that this is the advantage of the Keihan Group, which operates

transportation businesses such as railways and buses. I will also keep in mind that we are creating not only housing such as condominiums but also employment itself. Recently there is much talk of a labor shortage, but I believe it is highly correlated with the location of the workplace. People will not flock to a business that is in an inconvenient location. Given that people increasingly prefer to live close to work, I would like to prioritize making the areas along the Keihan Railway lines more convenient places to work than ever before.

Utilizing our expertise in the planning and operation of leisure facilities such as Hirakata Park, we will also positively consider participating in the operation of amusement facilities not only in the areas along the Keihan Railway lines but also in other areas, including projects on the site of the Osaka-Kansai Expo.

In the transportation business, we will place top priority on safety and security and accelerate the installation of on-board security cameras and barrier-free facilities such as movable platform gates. At the same time, we will promote labor-saving through driver-only operation by making full use of technologies such as vehicle-side cameras, door pinch detectors, and systems that stop the train in the event of a driver emergency. As a customer-focused initiative, we will increase our service option by increasing the number of “Premium Cars,” Keihan Railway’s special cars with reserved seats, to two per train starting in October 2025, in response to the utilization rate reaching 90%. At the same time, in response to Japan’s declining population, we will build a system that allows us to flexibly adjust the number of train cars, increase productivity, and ensure stable profits.

In the real estate business, we will continue to promote regional development throughout Japan, backed by the creditworthiness of the Keihan Group and stable earnings from the transportation business. In addition, we will respond appropriately to the diverse needs of local communities, including the provision of housing in anticipation of increased employment due to the opening of the integrated resort

(IR). In the retail distribution business, we will accelerate the development of new business formats and the development of original products by sensitively grasping changes in tastes and lifestyles in each region. In the leisure & service business, we will steadily promote the development of hotels across Japan.

As an overall business challenge, it can be pointed out that revenue in the hotel business, as well as in the transportation and retail distribution businesses, is greatly influenced by demand from inbound tourism. In order to build a structure that can ensure stable profits throughout the Group without relying on inbound demand, we will continue to work on improving productivity, for example through DX, and to stimulate domestic demand.

Having a strong sense of mission

The Keihan Group is a corporate group founded by Eiichi Shibusawa, who advocated a doctrine of “harmony between morality and economy,” which states that a business should fulfill both “morality,” which is responsible for the prosperity of the nation and the whole of humanity, and “economy,” which is the pursuit of corporate profit. We have cherished and carried on this philosophy since our founding. For the Keihan Group, “safety and security” is both an absolute value and a responsibility, and our desire to improve towns and contribute to the community remains unchanged. Driven by a strong sense of mission, we also want to be a people-friendly corporate group in all aspects. By supporting the daily lives of our customers and contributing to the development of local communities, we will create a virtuous cycle in which the areas along the Keihan Railway lines become more vibrant, making both locals and visitors happy, ultimately increasing the corporate value of the Keihan Group.

All corporate officers and employees will work tirelessly together for the future growth of the Keihan Group. I look forward to your continued support and patronage.

Management message

Discussion: Representative Director & Chairman + Outside director

To become a corporate group that will always be supported by our customers:

Achieving steady and sound growth with “Safety and Security” that has been cultivated since the Company’s founding and BIOSTYLE Management

Please tell us about your career and background prior to your appointment as an outside director.

Yamamoto After graduating from school, I joined an ocean-going shipping company, where I worked for about 35 years. We primarily focused on marine cargo transportation and also operated a broad range of other businesses, such as passenger ships, tugboats, real estate, trading house, travel agency, and human resources services, which were derived from the shipping industry. While I did experience working in the administration department, in the latter half of my career, I was involved in what is known as group management, overseeing the management of these Group companies. After that, I moved to a real estate company that was one of the companies in the group, where I was part of the management team for about 10 years. At that time, this real estate company was advancing multiple building redevelopment projects in the Nakanoshima area, just around the time of the opening of the Nakanoshima Line. In conjunction with these projects, we began to cooperate and collaborate with the Keihan Group through various plans and businesses aimed at revitalizing Nakanoshima and Yodoyabashi, which marked the beginning of our connection. I was appointed as an outside director of the Company in June 2024.

From an outsider’s perspective, how do you view the corporate value of the Keihan Group?

Yamamoto From the perspective of Group management, I think recent earnings and the fast pace of growth are extremely steady and sound

**Yoshifumi Kato**

Representative Director & Chairman,
Chairman of the Board
Keihan Holdings Co., Ltd.

Takehiko Yamamoto

Director
Keihan Holdings Co., Ltd.

Management message

Discussion: Representative Director & Chairman + Outside director



developments. It certainly matches the positive image I had of railway companies. The Keihan Group is steadily diversifying its operations based on the brand of safety and security, as well as reliability, that it has built through the railway business. As a result, earnings from non-railway operations have already surpassed those from the railway division, becoming a driver of growth, and in my view, Keihan is a corporate group that underpins social infrastructure. However, when it comes to the market valuation of listed companies, metrics such as market capitalization, PBR, and ROE cannot be overlooked. From that perspective, I believe the Company is not yet at a level that investors would be fully satisfied with.

As I just mentioned, while earnings from non-railway operations are already greater, the non-railway business segments also heavily leverage the Keihan brand, which has been built on trust, safety, and security as a provider of social infrastructure, so it is unavoidable that these businesses are viewed by the public as part of the railway sector in a broader sense. The market for the railway sector is expected to continue shrinking due to population decline and a dwindling birthrate, so valuations within that context do not provide much reassurance.

I believe there to be two major issues. One is that earnings from the leisure and retail distribution segments are still small. That is not to say they are weak. As these segments are small

in scale, the business portfolio cannot be regarded as well-balanced enough to be described as having four pillars. The other issue is that, even though the Company is continuously expanding its leasing business in the real estate segment, which currently contributes significantly to earnings, the weighting of the housing sales business is still quite large. Much like the transportation industry, including the railway business, there is a possibility that the market may decline in the future due to the effects of population decrease.

In tackling these issues, I believe it is necessary to strengthen the retail distribution and leisure & service segments so that the four engines of transportation, real estate, retail distribution, and leisure & service can maintain cruising speed, even if equal scale cannot be achieved among these four segments. This will require a focus on investment in the retail distribution and leisure & service segments.

As I said at the beginning, I have been involved in group management for a long time, and based on that experience, I want to fulfill my role as an outside director by focusing on achieving the greatest outcomes for the Group. This includes questioning whether its efforts contribute to medium- to long-term corporate value enhancement rather than just short-term gains, whether it is optimizing operations for the entire Group rather than individual business interests, and whether it has a plan B in case its expectations are not met. I aim to oversee these matters in a collaborative manner.

Kato It goes without saying that population decline is a negative factor for all our businesses in the service industry, not just the railway. Based on that assumption, we have continuously considered how to structure our businesses and have made ongoing efforts in that regard. Of course, the nature of our current businesses will not be fixed forever, which makes the task of determining whether we have an appropriate balance among our businesses a difficult one. The real estate business is currently in good shape, but it is uncertain when and how that may change

in the future. These are the things we are always considering. On top of that, we have positioned BIOSTYLE—which means to bring health and happiness (good for the health, minds, locals, society and the earth)—as the next new pillar of our business.

We will create new businesses aligned with this way of thinking or evolve existing businesses to embrace this concept. As the expression “environmentally friendly” suggests, it involves proposing a wide range of lifestyles, so it may take quite a long time to gain traction. However, I think that by the time we realize it, it will have become a solid pillar of the Keihan Group.

Yamamoto I think BIOSTYLE is a unique focal point and approach for Keihan through which it can provide various services related to people’s livelihoods and lifestyles. If the Company can further hammer out this concept in the retail distribution, leisure & service, and real estate business segments, I think the Keihan brand will become even more widely recognized. If that happens, the public’s perception of the sector, as we discussed earlier, and the imbalance in the business portfolio will likely change as well.

The targets of the Medium-term Management Plan were achieved ahead of schedule. What is your outlook for the future?

Kato We did achieve our quantitative targets earlier than planned. I think it was the result of doing what needed to be done, including our response during the COVID-19 pandemic. We were able to kick off the three major projects in the medium-term management plan on schedule—the Nakanoshima, Hirakata, and Yodoyabashi redevelopments. We will continue to redevelop Keihan areas and Co-create experience value as part of our long-term efforts going forward. We have an order established to some extent for the redevelopment projects along the railway lines, and there are some aspects that cannot

Management message

Discussion: Representative Director & Chairman + Outside director

be significantly changed, so it will be critical that we proceed steadily. As we have already announced, we will continue to examine the redevelopment around Sanjo Station and the renovation of the Nidec Kyoto Tower in Kyoto, the redevelopment around Kyobashi Station in Osaka, and the extension of the Nakanoshima Line, based on the integrated resort at Yumeshima in Osaka, which is expected to open around 2030. I believe that the extension of the Nakanoshima Line will contribute to the future development of the Keihan Group, and we are eager to make it happen. These are the projects I think we will be incorporating into the next medium-term management plan.

What challenges remain at this point?

Kato Rather than being challenges that remain, we consider them to be future challenges. As Mr. Yamamoto pointed out, expanding the earnings of the real estate leasing business, which has become a pillar of the Group's diversification, is a key point. In the past, we invested long-term funds in land development before Japan's bubble economy, sequentially developing and selling properties for a profit to supplement the railway business. However, in the end, the remaining non-performing assets became a burden, forcing us to incur significant disposal costs. From that bitter experience, we have since focused on built-for-sale condominiums and other projects that allow for quick capital recovery. However, in addition to facing the risk of population decline, it has become increasingly difficult to acquire land. While we remain very cautious, I believe that we must also engage to a certain extent in development projects that require long-term capital investment in order to balance our approach.

Yamamoto Currently, residential sales, including condominiums, are turning over quickly and have favorable profit margins and recovery ratios, which presents a dilemma for the Company. However, from the very beginning, it set itself a strategy to

revitalize local communities through the redevelopment of the areas along the railway lines, so in addition to redevelopment, urban development, and leasing, the Company must build up fee-based businesses such as asset management and property management one by one, thereby diversifying the revenue sources of the real estate business. I therefore think it is important to carefully select the projects that are a safe bet.

What are your thoughts on human capital?

Kato This is a difficult topic. As the birthrate continues to decline and the workforce decreases, this issue has become even more prominent. However, it has always been evident that we must take care of our people in order to succeed. Employees are the Company's assets; no one would disagree with this line of thinking. Nevertheless, from an accounting perspective, investments in human resources are treated as expenses, so to put it simply, the more we aim to generate profits each year, the more we end up reducing costs related to human resources. It may be a wild idea, but I believe that investments in human resources should originally be recorded as assets and amortized. Developing people is not easy and requires time. From an accounting perspective, it is considered a period expense, but it is essential that we take a long-term view and accumulate the necessary investments in human resources at the appropriate times. In addition, as attitudes toward work and working styles are changing significantly, I believe it is important that we implement timely measures to enhance employee satisfaction and motivation.

Labor shortages are worsening.

What measures are you taking in response?

Kato This has become a nationwide issue, and even the Keihan Group is experiencing a chronic shortage of bus drivers. Even if the railway business is managing for now, we anticipate that a



similar situation will eventually arise. As it is becoming increasingly difficult to achieve the desired outcome from our recruitment activities year after year, from a long-term point of view, I believe we need to create an environment that allows the business to continue even with a reduced workforce. In October of this year, Keihan Electric Railway started one-person operations on a portion of the Keihan Main Line. In addition to the necessary capital investments, we have also previously implemented one-person operations on the branch lines, allowing us to accumulate know-how over time as part of our preparations. The ultimate goal is autonomous operations, but even as we promote labor-saving measures, there are still many issues to address.

What are your thoughts on the human resources needed to propel this strategy?

Kato In the past, we adhered to a principle of self-sufficiency, hiring employees for the railway business en masse and sending personnel to other businesses. However, that approach did not allow businesses other than the railway to become independent, so we have now switched to a system where we hire the necessary personnel for each business and nurture them professionally. As a result, we have finally been able to generate earnings and sustain each business. Also, because

Management message

Discussion: Representative Director & Chairman + Outside director

hiring all employees en masse and training them from scratch will not allow us to respond to the rapidly changing times, we are actively hiring personnel from outside the Company who can have an immediate impact. If we are serious about growing our businesses, we definitely need professionals in each field.

Yamamoto At my previous job at a real estate company, which originally specialized in leasing office buildings, I remember being at a loss when we decided to take on part of the commercial area in the redevelopment of Nakanoshima, as we had no professionals who had knowledge of securing commercial tenants and leasing, including restaurants and retail. We brought in people from outside the company who could handle commercial leasing, but for existing employees, it may have been complicated to see someone from outside suddenly take the lead. However, relying solely on in-house development has its limits when it comes to responding to rapid changes in the operating environment. While it is important to develop people under one's own steam, in terms of adaptability to change, establishing an internal system that allows the Company to quickly secure specialist personnel is also necessary. In addition, to achieve the best outcome for the Group overall, the Company has implemented two-way transfers between Group companies that are in no way like the cushy postings usually seen in Japan, which has allowed younger employees with broad-ranging experiences to develop a perspective on Group management.

Kato The railway business and non-railway businesses used to be treated in a hierarchical manner, but now there is no distinction between which is superior or inferior. Each business is independent and utilizes one another to enhance the overall value of the Keihan Group. That is why we switched to a holding company structure. There have also been cases where individuals from Group companies have been appointed as corporate officers in the holding company.

What reasons were behind the shift in capital policy to prioritize shareholders?

Kato Setting railway fares requires government approval. The traditional approach in the railway business was to manage everything within the established fare range and pay stable dividends within that framework. We maintained the stance of paying dividends from accumulated reserves even when earnings dipped slightly, and conversely, continuing to pay a fixed amount without hiking dividends sharply even during good earnings periods. However, as the Group's earnings structure has shifted to generate more than half of its revenue from non-railway businesses, and as it has become the norm in society to pay dividends based on performance, I long felt that we needed to make a change at some point. In October of this year, we revised fares for the first time in 25 years, and with the large-scale redevelopment projects in Hirakata and Yodoyabashi coming to an end, we have been able to establish a stable earnings structure and a solid financial foundation. At this timing, we judged that the likelihood of causing inconvenience to our stakeholders would be low even if we flexibly rewarded shareholders based on earnings, so we devised a policy of targeting a consolidated dividend payout ratio of approximately 30%. As we have based our capital policy on the concept of stable dividends for over 100 years, this policy shift was a very significant and historic decision. However, I believe that, albeit belatedly, we have become a "normal company" and that we will be more favorably assessed by the capital markets as a result.

Yamamoto I think there was no small amount of pressure from the capital markets for a dividend increase. I believe that the decision to switch to dividends linked to earnings at a time when the Company has steadily returned to a growth trajectory from the COVID-19 pandemic and can foresee the generation of profits for a certain period up ahead is a reasonable one.

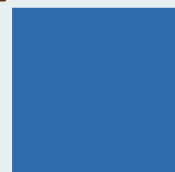
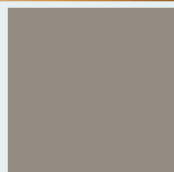
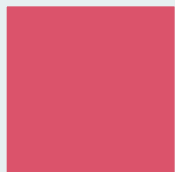
On the other hand, a railway company is, in itself, social

infrastructure and a public utility. That has not changed. I think that such companies need to carefully consider the distribution of profits, including safety and security, to stakeholders other than shareholders, such as customers, regional communities, and employees, even if it is not in the form of dividends. As an outside director, I intend to remain mindful of this point as well.

Finally, what is the Keihan Group's long-term management policy?

Kato As I have stepped down from the position of CEO, which I held concurrently, and we have transitioned to a system with Mr. Hirakawa at the helm, I do not intend to discuss specifics here. However, if I were to express my ideals as someone who has been entrusted with the management of the Company until now, it may be cliché, but I truly hope that we can be a company cherished by the people along the railway lines, a company that employees and stakeholders can be proud of, and a company that shareholders and investors want to hold onto and engage with for a long time to come.

Yamamoto The businesses of the Keihan Group are all essential infrastructures for people's livelihoods and lifestyles. In addition to the awareness of safety and security that has been cultivated since the Company's founding, the meshing of BIOSTYLE, which is likely the key to solving social issues, is helping each business grow steadily and soundly, including financials, despite the varying speeds of growth in each business. While I cut my teeth in a BtoB business, I believe that individuals who have been nurtured in a BtoC business who practice a hands-on approach to create products and services that solve market and user challenges are assets that are hard to come by. If the Company continues to pursue this approach with sincerity, it will likely remain a corporation sought after by society for years to come. I believe that future is very bright.



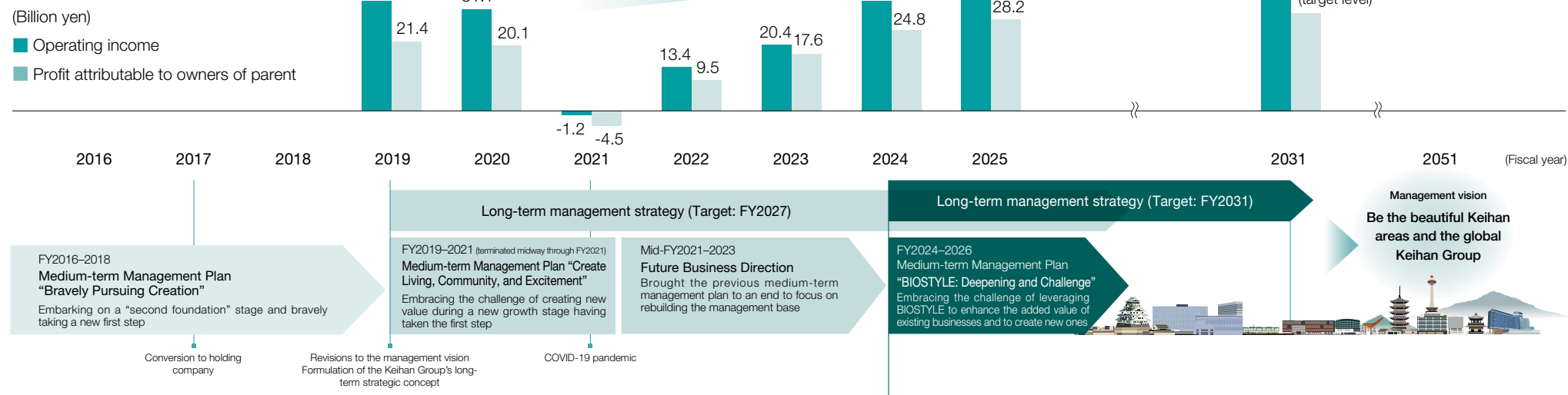
Strategies for value creation

- 24** Progress on the long-term management strategy and Medium-term Management Plan “BIOSTYLE: Deepening and Challenge”
- 28** Long-term management strategy: Main strategy initiatives
- 31** Business overview and Medium-term Management Plan progress
 - 31** Transportation
 - 33** Real estate
 - 35** Retail distribution
 - 37** Leisure & service
- 39** Medium-term Management Plan: Strengthening the management base
 - DX (digital transformation)
 - Human resources strategy

Strategies for value creation

Progress on the long-term management strategy and Medium-term Management Plan “BIOSTYLE: Deepening and Challenge”

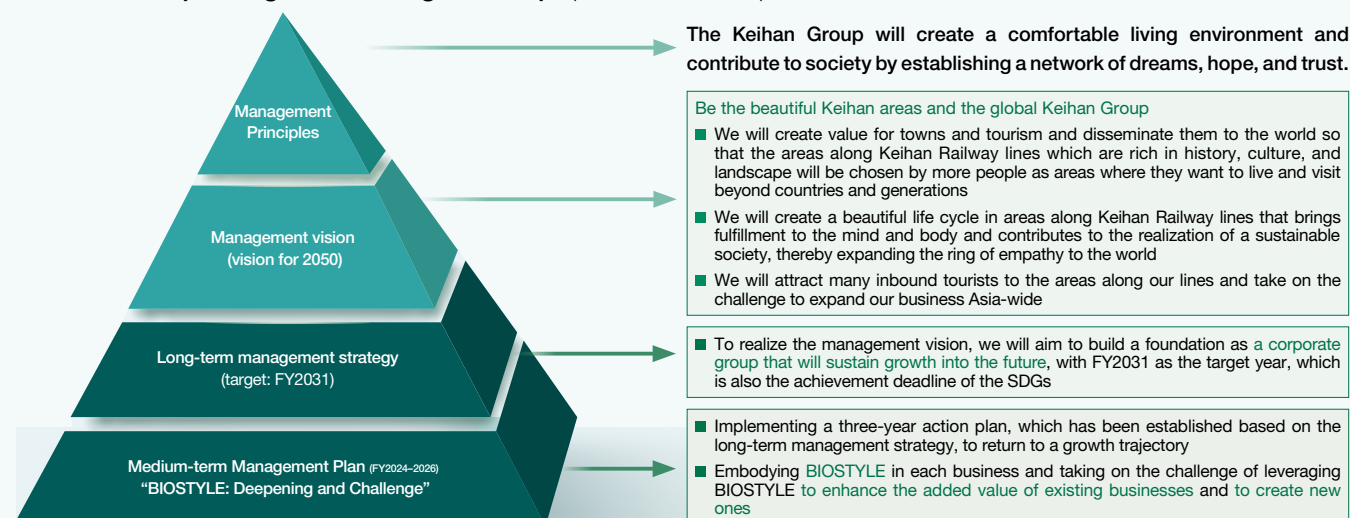
With the aim of being a corporate group that can continue to grow in a sustained manner in the future, the Keihan Group has formulated, and is currently implementing, a long-term management strategy and medium-term management plan.



March 2023: Formulation of long-term management strategy (target: FY2031) and Medium-term Management Plan “BIOSTYLE: Deepening and Challenge” (FY2024–2026)

The external environment surrounding the Keihan Group is growing more volatile and uncertain, mainly due to increasingly intense natural disasters, Japan's low birth rate coupled with an aging and shrinking population, and advancements in digitalization, not to mention the diversification of customer values and lifestyles brought about by the COVID-19 pandemic. Under these circumstances, to realize our management vision and once again build a foundation for sustainable growth, we formulated, and are currently implementing, a long-term management strategy and a medium-term management plan.

Keihan Group's long-term strategic concept (FY2024 onward)

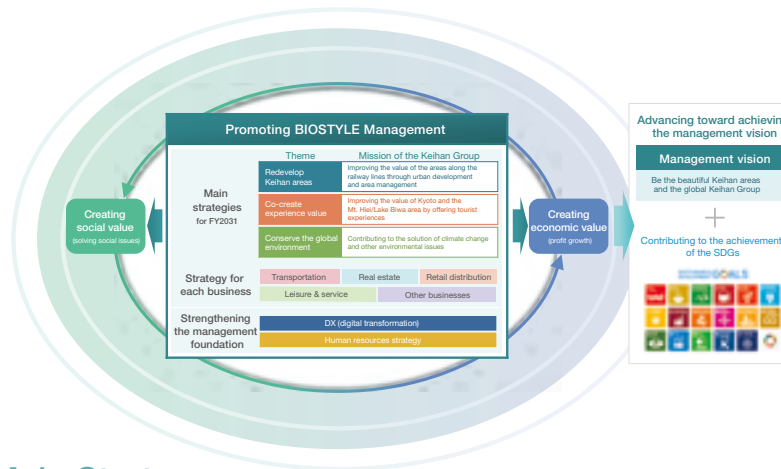


Strategies for value creation

Progress on the long-term management strategy and Medium-term Management Plan “BIOSTYLE: Deepening and Challenge”

Overview of the long-term management strategy

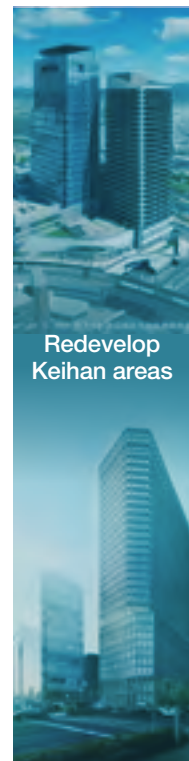
We will place “BIOSTYLE (Keihan version of the SDGs),” which we have been working to establish as the Keihan Group’s new brand for the creation of a sustainable, recycling-oriented society, at the core of management and business activities, and will promote **BIOSTYLE Management** that creates both social and economic value.



What is BIOSTYLE?

An initiative of the Keihan Group to create products, services, and businesses that can increase people’s life value and solve social issues at the same time

Long-term management strategy Main Strategy



Redefine Keihan areas

Basic policy

Centered around railway stations, we will promote urban development featuring the characteristics of local history, culture, and industries, as well as area management involving local communities. By connecting with a traffic network, we will revitalize attractive and beautiful areas along the Keihan Railway lines to increase the value of, and attract more residents and visitors to, these areas

Priority measure

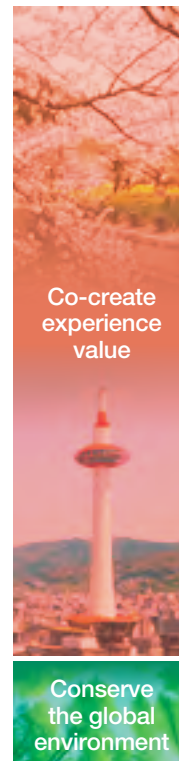
Revitalizing Osaka’s east-west axis

Promoting urban development by taking advantage of regional characteristics along Osaka’s east-west axis, from Kyobashi, the gateway to Kyoto and close to Osaka Castle, through Nakanoshima, which is planned to become a hub for regenerative medicine, to the bay area, where the integrated resort (IR) project is underway

Community building starting from railway stations

Concentrating urban functions around railway stations and continuously carrying out community building by leveraging the history, culture, and other characteristics of the region in cooperation with local businesses and the community itself

Instead of treating stations as a mere platform, bringing the station and the community together to create spaces where people gather and new communication arises



Co-create experience value

Basic policy

We will discover and improve valuable resources mainly along the so-called “Kyoto Tourism Golden Route,” and co-create attractive, experience-based content with local communities. By utilizing these for advancing tourism-based community building and themed tourism, we will promote sustainable tourism and increase the number of visitors, including repeat visitors, from Japan and abroad

Priority measure

Developing new tourist bases

Developing tourist bases that will provide new options for visitors to Kyoto in the area southeast of Kyoto Station close to the Kyoto City University of Arts and the Sanjo area near tourist attractions in Higashiyama, among other areas

Establishing the Kyoto Tourism Golden Route through themed tourism

Establishing the Kyoto Tourism Golden Route by co-creating story-based tourist experiences with local communities under such themes as traditional industry, art, food, history, and nature, as well as by providing comfortable area-wide tours using MaaS and other methods in Kyoto and surrounding areas

Creating tourism content that connects Kyoto and Osaka

Creating tourism content that links Kyoto with Osaka, such as the old waterways called “Flow of Water” used for transportation that run from Lake Biwa to Kyoto and Osaka Bay via the Yodo River; encouraging use of the Keihan Line by creating and promoting unique tourism content, based on the theme of art, in cooperation with museums and other facilities in Kyoto and the Nakanoshima district of Osaka

Conserve the global environment

To achieve our CO₂ emission reduction target, we will steadily reduce energy consumption through thorough energy savings and adoption of new technologies and consider promoting energy creation, such as PV power generation, and procuring renewable energy. We will also work on developing products and services that will be chosen in a decarbonized society

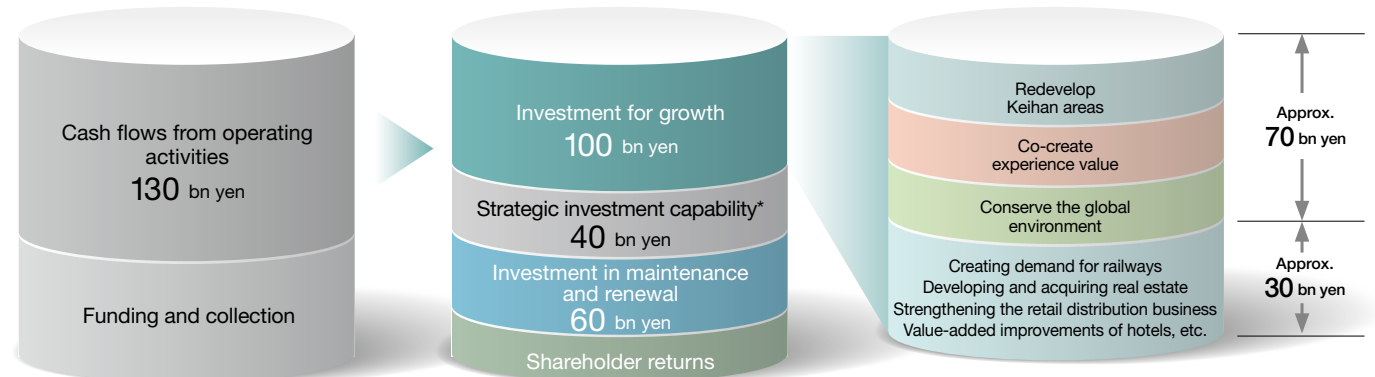
Strategies for value creation

Progress on the long-term management strategy and Medium-term Management Plan “BIOSSTYLE: Deepening and Challenge”

Capital allocation in the Medium-term Management Plan

- Aggressively invest in growth that contributes to the enhancement of corporate value and the Keihan brand, centered around the three main strategies of the long-term management strategy.
- Strengthen shareholder returns while maintaining financial soundness and capital efficiency (see P.27 for details of our shareholder return policy).
- Take out loans and issue corporate bonds to secure funds while maintaining a balance with EBITDA.

* Targeting a net interest-bearing debt/EBITDA ratio of 6.0 level



* Investment capability for M&A, alliances, etc.

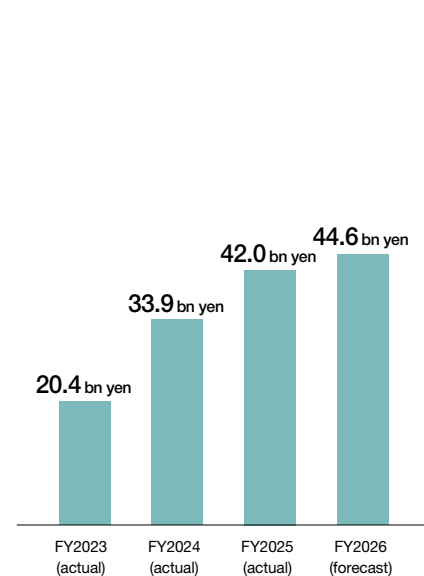
Changes in management indicators

In FY2025, we recorded year-on-year growth in sales and profit by capturing domestic and inbound demand in the transportation and leisure & service businesses and through sale of commercial land for development projects in the real estate business, among other factors. As a result, we achieved record-high profits for the second consecutive year, achieving the quantitative targets of our medium-term management plan one year ahead of schedule. In FY2026, we will work toward further profit growth, aiming to achieve record-high profits for the third consecutive year.

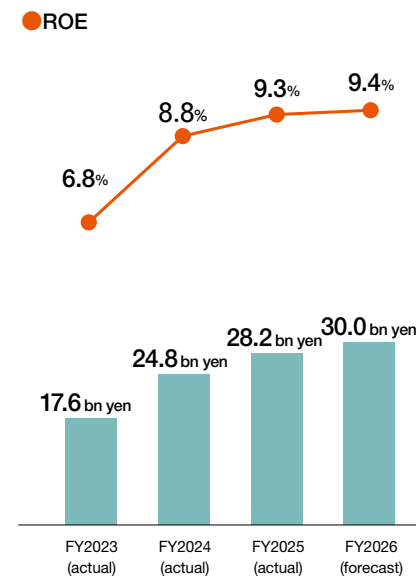
(Reference) FY2031 target level

Operating income	43.0 bn yen or higher
Profit attributable to owners of parent	30.0 bn yen or higher
EBITDA (operating income + depreciation)	70.0 bn yen or higher
Net interest-bearing debt/EBITDA ratio	6x range
ROE	8% level

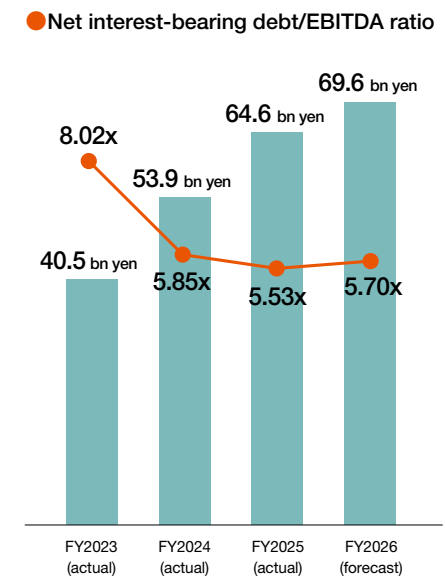
Operating income



Profit attributable to owners of parent



EBITDA (operating income + depreciation)



Strategies for value creation

Progress on the long-term management strategy and Medium-term Management Plan “BIOSTYLE: Deepening and Challenge”

Towards practicing a style of management that is mindful of the cost of capital and the share price

Keihan Holdings decided to change its capital policy starting in November 2024 in light of recent stock price trends and its financial position. From the perspective of increasing corporate value over the medium to long term, we decided to shift in the direction of better control over shareholders' equity with the cost of capital in mind (ensuring that ROE remains above the cost of shareholders' equity*), and based on this, we are also aiming to strengthen shareholder returns.

* Calculated as approximately 5-6% using CAPM

Initiatives to enhance corporate value



- Increase corporate value by improving ROE and controlling the cost of capital
- Raise profitability through steady implementation of the long-term management strategy and medium-term management plan and aim to exceed 8% level of ROE by using financial leverage based on the premise of maintaining financial soundness
- Optimize capital structure by revising shareholder return policy, improve expected growth rate by strengthening communication of medium- to long-term growth strategy through dialogue with capital markets, thus controlling the cost of capital

Shareholder returns

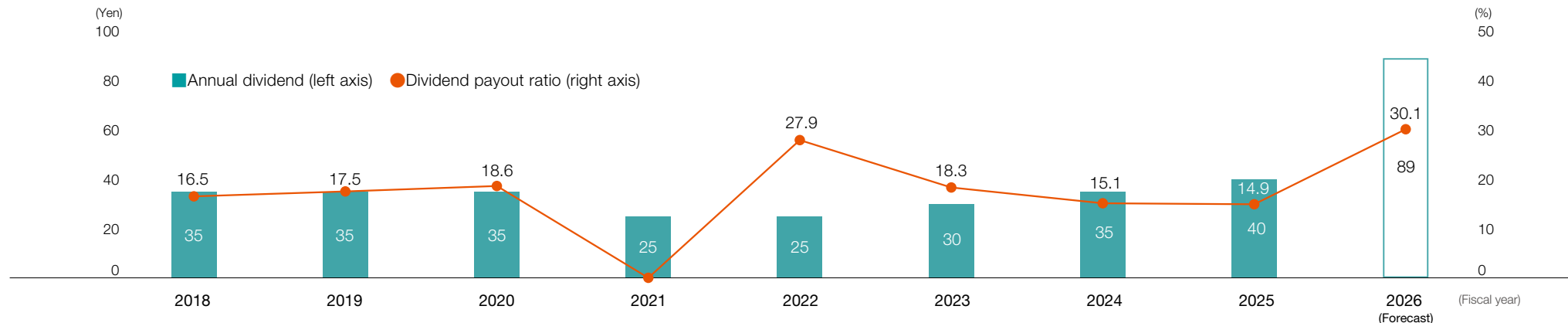
Shareholder return policy

To sustainably improve corporate value, we will strive to ensure a stable management foundation and invest aggressively in growth while paying dividends in line with business performance and flexibly conducting share buybacks, taking into consideration the maintenance of financial soundness and capital efficiency.

- Dividends We aim to increase dividends through sustainable profit growth, with a **consolidated dividend payout ratio of approximately 30%** in each fiscal year based on business performance.
- Share buybacks We will flexibly conduct **share buybacks** while considering financial soundness, capital efficiency, etc.

Based on the above policy, the annual dividend payout for FY2026 is forecast to be **89** yen per share.

Annual dividend per share and dividend payout ratio



*Share buybacks of approximately 20 billion yen
(November 2024 to May 2025)

Long-term management strategy: Main strategy initiatives

Redevelop Keihan areas

Priority measure

Community building starting from railway stations

Concentrating urban functions around railway stations and continuously carrying out community building by leveraging the history, culture, and other characteristics of the region in cooperation with local businesses and the community itself

Instead of treating stations as a mere platform, bringing the station and the community together to create spaces where people gather and new communication arises

Completion of Station Hill Hirakata

In the late 1960s and early 1970s, the area around Hirakata Station was at the forefront of urban redevelopment projects and was quickly earmarked for intensive land use and urbanization. Over the years, some buildings in the area have deteriorated, posing a risk to disaster preparation. Vulnerabilities in the transportation system have also been pointed out. With Japan facing an increasingly aging society with fewer children in the future, there was a growing demand to update the urban functions of the area to accommodate changing lifestyles and needs.

At the same time, we had been examining our own development plans for more than 30 years regarding the utilization of company-owned land around Hirakata Station. The aim was to optimize the area from various perspectives so that the development would help enhance the appeal of Hirakata City, a core city on the Keihan Main Line connecting Kyoto and Osaka. Accordingly, we were approached by Hirakata City with a proposal on whether the area around the station, including company-owned land, could be developed in an integrated fashion as part of an urban redevelopment project to expand the roundabout in front of the station. That led to our involvement in the redevelopment project for the purpose of enhancing the appeal of the area.

In March 2020, the Hirakata Station Area Urban Redevelopment Association was formed. In January 2021, construction work began on Section 3, and at the end of May 2024, Station Hill Hirakata was completed. On Section 3, which is on land partially owned by the Keihan Group, we developed Hirakata Mall, an integrated commercial complex with office, accommodation, rental residential, and governmental functions that is directly connected with the station.

Enhancing the appeal of the area

- Station Hill Hirakata introduced new urban functions and public spaces that contribute to solving social issues.
- Taking the redevelopment project as an opportunity, we established the Hirakata Hub Council, an area management organization comprising local industry, government, and academia, built an area platform, formulated a future vision and design guidelines for the area, and put them into practice through the redevelopment project.

To enhance the attractiveness of Hirakata Loop, an area management zone outlined in the future vision, in March 2025 we established the Hirakata Loop Executive Committee, an executive organization that works on sustainable area management in cooperation with local businesses, organizations, and other stakeholders.



Number of passengers/day at
Hirakata Station

Up about **5%**

Percentage of young people
(in their 20s and 30s) living
in rental residences

About **54%**

Contributes to solving the regional
issue of declining proportion of
young people

Long-term management strategy: Main strategy initiatives

Priority measure

Revitalizing Osaka's east-west axis

Promoting urban development by taking advantage of regional characteristics along Osaka's east-west axis, from Kyobashi, the gateway to Kyoto and close to Osaka Castle, through Nakanoshima, which is planned to become a hub for regenerative medicine, to the bay area, where the integrated resort (IR) project is underway

Completion of Yodoyabashi Station One

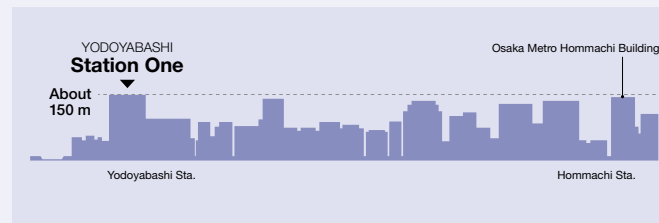
Landmark building with a height of approximately 150 meters at the gateway to Midosuji Street

On May 30, 2025, construction of Yodoyabashi Station One (Yodoyabashi Station East District Urban Revitalization Project), jointly promoted by Chuo-Nittochi Co., Ltd., Keihan Holdings Co., Ltd., and Mizuho Bank, Ltd., was completed.

The Yodoyabashi Station One project was undertaken to jointly redevelop both Chuo-Nittochi Co., Ltd.'s Nittochi Yodoyabashi Building and our own Keihan Midosuji Building. Based on the facility concept of "Life Connecting Oasis," a landmark building was created with offices, restaurants, shops, and other functions.

- **Community building at the gateway to Midosuji Street that contributes to improving Osaka's international competitiveness and appeal**

We used the Special District for Urban Renaissance Program to advance community building that contributes to improving Osaka's international competitiveness and appeal. The attractive exterior design of the building, which is the tallest in the Yodoyabashi area at a height of about 150 meters, follows the Midosuji Design Guidelines and will contribute to creating a unified landscape along Midosuji Street. In April 2022, the project was recognized by the Minister of Land, Infrastructure, Transport and Tourism as an "excellent private-sector urban revitalization project."



Building exterior (view from the northwest)

- **High-standard office building certified as a "sustainable building leading project" (CO₂ saving type)**

The project adopts various CO₂-saving technologies, including reduction of heat load, light dimming control, use of waste heat, and a natural ventilation system utilizing the building's VOID space (atrium), and has acquired environmental accreditation including "ZEB Oriented" certification (for office use). The facility uses electricity substantially derived from renewable energy.

- **Three urban contribution spaces support a high-quality, lively atmosphere and business activities**

The multi-purpose plaza, worker lounge, and observation terrace provide a high-quality, lively atmosphere befitting the gateway to Midosuji Street, as well as a place to support business encounters and growth.

- **Improvement of pedestrian spaces and enhancement of disaster preparation in surrounding areas**

In conjunction with the advancement of this project, the underground passage at Keihan Railway's Yodoyabashi Station was renovated to improve the walking environment from the facility to the station concourse and surrounding areas.



Observation terrace "Yodoyabashi Sky Terrace"

Strategies for value creation

Long-term management strategy: Main strategy initiatives

Co-create experience value

Priority measure

Developing new tourist bases

Developing tourist bases that will provide new options for visitors to Kyoto in the area southeast of Kyoto Station close to the Kyoto City University of Arts and the Sanjo area near tourist attractions in Higashiyama, among other areas

Redevelopment of the Sanjo Station area

In December 2024, the area around Sanjo Station in Kyoto City was designated as an Urban Renaissance Emergency Development Area, and a regional development policy was established with the goal of creating a lively and vibrant hub. In line with this policy, we submitted an urban planning proposal for the Special District for Urban Renaissance to the Kyoto City on June 30, 2025 with the aim of developing facilities that contribute to urban revitalization. To create a building suitable for Higashiyama, Kyoto, a world-famous tourist destination, we have carefully considered the exterior design while incorporating the opinions of the Kyoto City Council on Aesthetic and Scenic Landscapes and other bodies.

Sanjo Ohashi Bridge, adjacent to Sanjo Station, is the western starting point of the historic Tokaido road and has long been a key transportation hub, and the surrounding area has flourished as a tourist hub. We aim to preserve the history and culture of this area, improve its role as the gateway to Kyoto's Higashiyama region, and create a new tourist hub that will attract a diverse range of people from both Japan and abroad.

Kyoto Station southeast area project

On October 7, 2025, teamLab Biovortex Kyoto, an immersive permanent art museum owned by a limited liability partnership (LLP) in which we invest, opened its doors. The Keihan Group was entrusted with and supports the museum's daily operations and facility management operations.



Rendering



View of the west side from the opposite bank of the Kamo River

Conserve the global environment

Priority measure

Promoting “BIOSTYLE Environmental Action 2030”

For your reference ▶ Please see P.45–51 for more information.

Business overview and Medium-term Management Plan progress

Transportation

We will create new demand and optimize operations while further improving “safety and security,” the foundation of the Keihan Group, to build a strong business structure.



Keihan Electric Railway Co., Ltd. Expo 2025 Osaka, Kansai, Japan, wrapped train



Keihan Bus Co., Ltd. electric bus



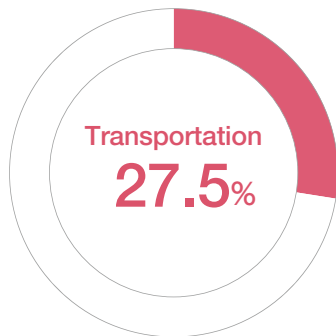
Hirakata Park

FY2025 management status

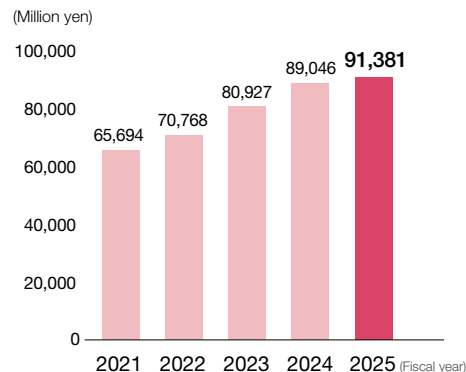
Keihan Electric Railway Co., Ltd. has accelerated the installation of in-car security cameras on all Keihan Line train cars to improve safety. In addition, taking advantage of the railway station barrier-free fare system, we have installed movable platform gates and started to use them at Moriguchishi Station and Kayashima Station. To further improve convenience, we introduced the “SURUTTO QRtto” ticketing service, a QR code-based digital ticket system, resulting in a cashless payment ratio of 94% for the Keihan Line, including transportation IC cards. We also applied for approval to change passenger fares on the Keihan and Otsu lines, and received approval from the Minister of Land, Infrastructure, Transport and Tourism in March 2025. Because of this, we revised fares on October 1, 2025. Due to an increase in the number of passengers as a result of the recovery in passenger demand, operating revenue increased to 91,381 million yen and operating income increased to 12,323 million yen.

* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
* “SURUTTO QRtto” is a registered trademark of SURUTTO KANSAI Co., Ltd.

Operating revenue composition

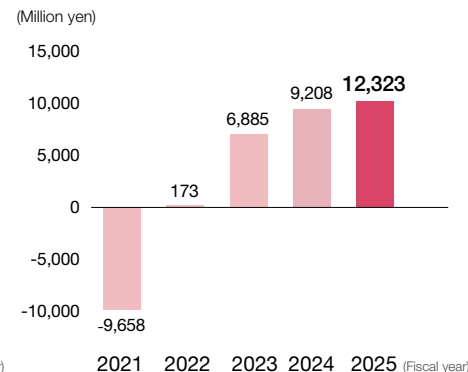


Changes in operating revenue



* Since the start of FY2022, we have been implementing the Accounting Standard for Revenue Recognition and other standards.

Changes in operating income



Transportation

Keihan Electric Railway Co., Ltd.

Passengers: **266,321** thousand

Passenger revenue: **49,478** million yen

Bus business

Passengers: **79,029** thousand*

* Keihan Bus Co., Ltd.; Kyoto Keihan Bus Co., Ltd.; Keihan Kyoto Kotsu Co., Ltd.; Kojaku Kotsu Co., Ltd.; Kyoto Bus Co., Ltd.

Strategies for value creation

Business overview and Medium-term Management Plan progress | Transportation

Main measures for BIOSTYLE Management in the Medium-term Management Plan

Promoting more eco-friendly transportation business

Contributing to a decarbonized society and reducing costs while building a sustainable transportation system

For your reference See P.43 for BIOSTYLE Management initiatives in transportation.



Progress of the Medium-term Management Plan

For safe and stable transportation

Keihan Electric Railway's fare revision approved

Keihan Electric Railway Co., Ltd. revised fares on October 1, 2025. The number of passengers transported has been decreasing year by year since reaching a peak of 420 million in FY1992. In FY2024, the number was 260 million, a decrease of approximately 40%. By streamlining our operations we were able to maintain fare levels for approximately 30 years, but we have now decided to implement this fare revision in order to enable capital investments that are essential for safe and stable transportation.

Further efforts for safety and security

Installation of platform screen doors

To ensure customers can use the station platforms more safely and securely, in FY2025 we installed platform screen doors on platforms 2 and 3 at Moriguchishi Station and platforms 2 and 3 at Kayashima Station.

In FY2026, we plan to install the doors on platforms 1 and 2 at Gion-shijo Station, and by the end of FY2026, we plan to install them on a total of 10 tracks at five stations, including Kyobashi Station and Hirakata Station.



Capturing new mobility demand

Shuttle bus service to Expo 2025 Osaka, Kansai, Japan venue

Keihan Bus Co., Ltd. operated direct shuttle buses from Nakanoshima Station and Osaka Station (South) to Yumeshima, the venue for the Expo 2025 Osaka, Kansai, Japan, which was held from April 13 to October 13, 2025. Keihan Electric Railway Co., Ltd. also operated special trains to Nakanoshima Station, improving convenience for a large number of passengers who took advantage of the trains to smoothly transfer from Kyoto, Uji, and Hirakata areas to the Expo venue, and from the Expo venue to sightseeing areas in Kyoto.

Towards the creation of new value

Creation of new businesses

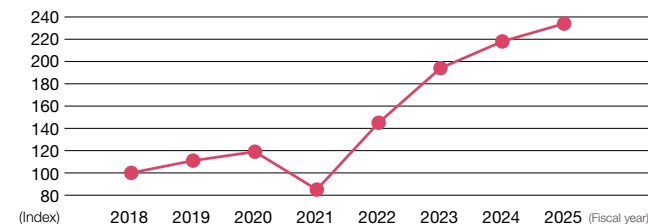
Keihan Electric Railway Co., Ltd., together with Keihan Holdings Co., Ltd. and Creww, Inc., held the "Keihan Electric Railway Business Co-Creation Challenge 2025" for start-up companies and others aiming for collaboration with Keihan Electric Railway. We invited business proposals from outside the company with the aim of providing new value and creating services that will lead to solving regional and social issues. For those proposals that pass the review stage, we plan to conduct a demonstration experiment for commercialization by the end of FY2026.

Providing special riding experiences

Changes in the number of Premium Car users

Since the introduction of Keihan Electric Railway Co., Ltd.'s Premium Car, a surcharge-based train service, it has been so well received that many trains have been fully booked and unable to accommodate more passengers. To further enhance our seating service and provide a special and high-quality travel experience to more customers, we increased the number of Premium Cars to two on our 3000 series trains in conjunction with the timetable change on October 26, 2025.

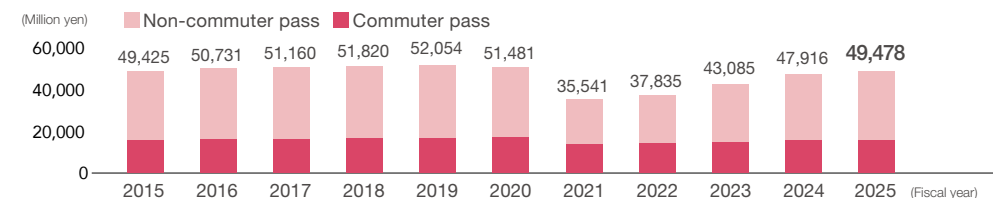
Changes in the average number of users per day (taking FY2018 as 100)



Changes in Keihan Railway's passenger revenue

Passenger revenues of Keihan Electric Railway Co., Ltd. had been increasing moderately since FY2015, partly due to an increase in inbound demand, but fell significantly in FY2021 due to the impact of the COVID-19 pandemic.

Passenger revenue began to recover in FY2024 thanks to the recovery of passenger demand due to downgrading COVID-19 to common infectious disease, and in FY2025, the recovery in the number of commuters and students, the opening of HIRAKATA MALL, and the popularity of premium cars and liner trains also contributed to the recovery, leading to a rise in passenger revenue to 49.4 billion yen.



Business overview and Medium-term Management Plan progress

Real estate

We will promote the creation of comfortable and secure communities and residences, provide new products and services that meet customer needs, and expand business areas and asset types, thereby driving the Group's growth.



The FINE Tower WEST COAST



OMM



Zero Home Hirakata Exhibition Ground

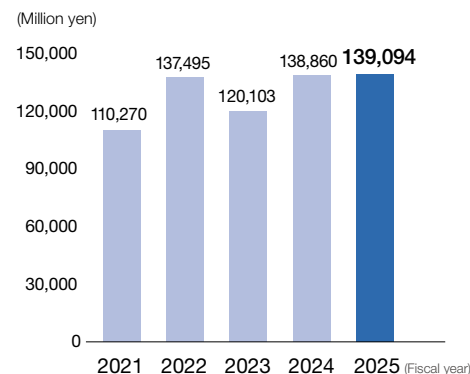
FY2025 management status

In May 2024, construction of Station Hill Hirakata, a complex integrated with Hirakatashi Station, was completed, and in June, THE TOWER HIRAKATA rental residence tower, offices, and other facilities became available for occupancy. In May 2025, Yodoyabashi Station One, a landmark complex on Midosuji Street, was completed. Additionally, aiming to expand and strengthen the real estate leasing business, we acquired the Keihan Narita Building, Keihan Sendai Ichibancho Building, and Keihan Fujisawa Building (names changed after acquisition). In the real estate sales business, we sold land and buildings such as the condominiums The FINE Tower OSAKA HIGOBASHI, The FINE Tower WEST COAST, and Fine City Omiya Park, as well as detached houses such as Keihan East Rose Town. As a result, operating revenue and operating income increased to 139,094 million yen and 22,342 million yen, respectively.

Operating revenue composition

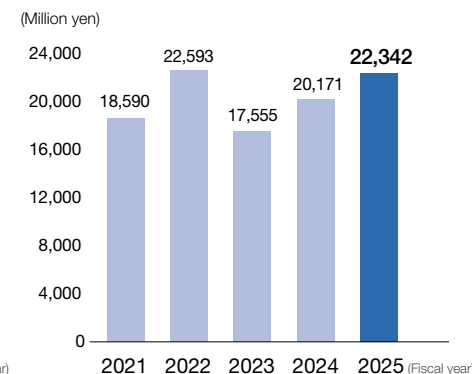


Changes in operating revenue



* Since the start of FY2022, we have been implementing the Accounting Standard for Revenue Recognition and other standards.

Changes in operating income



Real estate

Leasing assets

278.0 billion yen

Annual number of condominiums sold

675*

Annual number of houses sold

622

* Number based on business share

Strategies for value creation

Business overview and Medium-term Management Plan progress | Real estate

Main measures for BIOSTYLE Management
in the Medium-term Management PlanStrengthening the housing regeneration
business

Promoting sustainable community building that circulates residents and generations

For your reference See P.43 for BIOSTYLE Management initiatives in real estate.



Progress of the Medium-term Management Plan

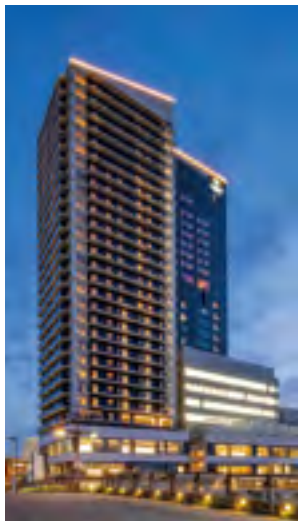
Expanding domestic business areas and asset types in the real estate sales and
leasing businesses

Promoting the acquisition of land for development and rental properties in the three major metropolitan areas as well as in highly advantageous core cities in other regions

Promoting the development and acquisition of non-residential real estate assets that match the areas and needs

Large-scale development in the Kansai area

- ① “THE TOWER HIRAKATA” ② “Yodoyabashi Station One” ③ “Nakanoshima Cross”



Condominium projects in the Kansai area

- ④ Many achievements including “Fine Residence Karasuma Gojo”

Acquisition of rental properties in the
Tokyo metropolitan area

- ⑤ “Keihan Narita Building”



- ⑥ “Keihan Fujisawa Building”

Condominium projects in the Tokyo
metropolitan area

- ⑦ Many achievements including condominium “Fine City Yokohama Tsurumi”

Condominium projects in Nagoya

- ⑧ “The Fine Tower Nagoya Imaike” and others

Condominium projects in Sapporo

- ⑨ “Fine Leben Sapporo Nijuyonken THE SEASON” and others

Development and sales of hotels in
Okinawa Prefecture

- ⑩ “VIVOVIA Ishigakijima” and others

Condominium projects in Okinawa
Prefecture

- ⑪ “The Fine Residence Ishigakijima”

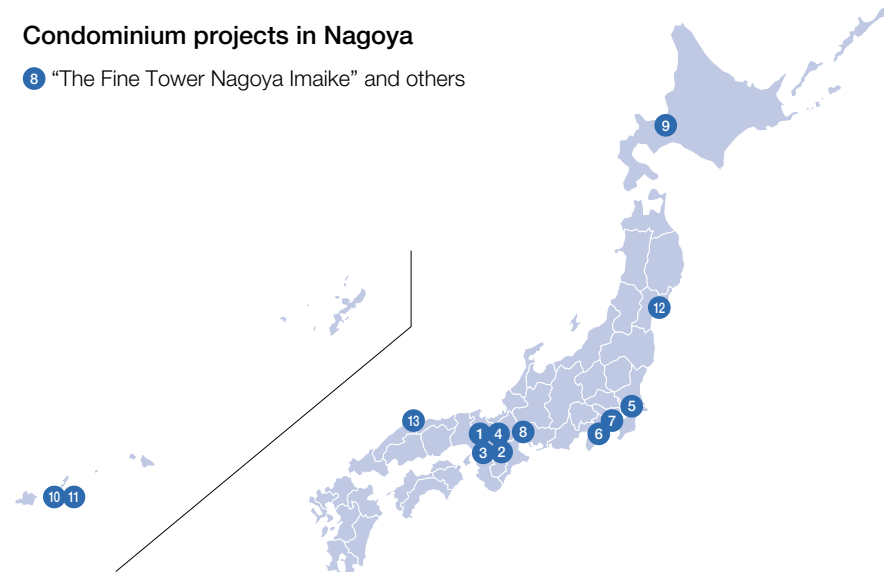
Acquisition of rental properties in core
regional cities

- ⑫ “Keihan Sendai Ichibancho Building”

Condominium sales in regional core cities

- ⑬ “MATUE THE TOWER”

Many other examples of short-term, quick-turnover development projects (hotels, warehouses, office buildings, residences, etc.)



Business overview and Medium-term Management Plan progress

Retail distribution

We will increase profits by evolving and developing commercial activities in the areas along the railway lines to respond to diversifying lifestyles, while supplying commercial content that contributes to the main strategies and establishing tourism commerce.



KUZUHA MALL



Frest Matsui-yamate Shop



MOYORI ICHI Temmabashi Station

FY2025 management status

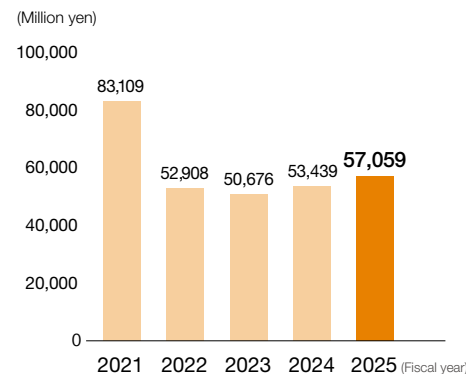
In the shopping mall business, we opened HIRAKATA MALL, a commercial facility integrated with Hirakatashi Station, in September 2024. Within the mall, we worked to strengthen profitability by aggressively developing new stores in new business categories. For example, Keihan Department Stores Co., Ltd. operates five stores, including the semi-self-service cosmetics select shop Nanairo Beaute, and Keihan The Store Co., Ltd. opened the HIRAKATA MALL branch of THE STORE based on the concept of a sustainable market.

In our stores business, in November 2024 we opened a process center that manufactures some of the products for 26 stores, including Frest, THE STORE, and MOYORI ICHI. As a result of inbound demand, the opening of HIRAKATA MALL, and the effects of facility renovations, among other factors, operating revenue and operating income increased to 57,059 million yen and 2,846 million yen, respectively.

Operating revenue composition

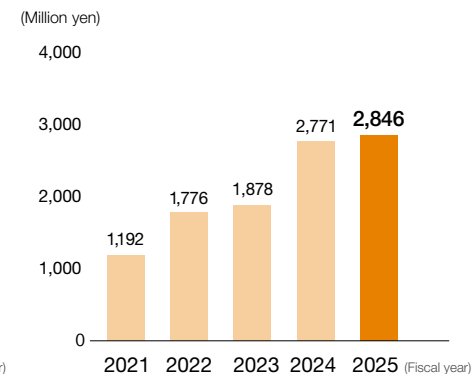


Changes in operating revenue



* Since the start of FY2022, we have been implementing the Accounting Standard for Revenue Recognition and other standards.

Changes in operating income



Retail distribution

Shopping mall* store area

142,500^m

* Combined total of KUZUHA MALL, HIRAKATA MALL, Keihan Mall, and Keihan City Mall

Retail* sales

35,028 million yen

* Combined total of Keihan Department Stores, Frest, THE STORE, and MOYORI ICHI

Operating margin

5.0%*

* Consolidated subsidiaries only

Strategies for value creation

Business overview and Medium-term Management Plan progress | Retail distribution

Main measures for BIOSTYLE Management in the Medium-term Management Plan

Developing the project to suggest “safe, reliable, and healthy eating habits”

Expanding business while encouraging customers' healthy eating habits in the areas along the railway lines

For your reference See P.44 for BIOSTYLE Management initiatives in retail distribution.



Progress of the Medium-term Management Plan

Evolving and developing commercial activities in the areas along the railway lines

Opening of HIRAKATA MALL

In September 2024, HIRAKATA MALL opened as a commercial area within Station Hill Hirakata, a complex of retail, office, residential, hotel, and public facilities. HIRAKATA MALL offers plenty of options for shopping and dining, along with green plazas and waterside areas, creating the feeling of strolling under the trees while shopping. It combines a hall (space for gatherings), a plaza (closely connected to the building), and a square (a plaza with more of a natural feel), serving as an essential public space for a fulfilling urban life. Based on the concept of “Life Promenade” (a path leading to an enriched life), it aims to become the most comfortable place in Hirakata.



Opening of a next-generation supermarket

In September 2024, Keihan The Store Co., Ltd. opened the HIRAKATA MALL branch of THE STORE. The concept—a sustainable market that contributes to environmental conservation, the local economy, and cultural heritage—combines the philosophies of BIOSTYLE (the Keihan version of the SDGs) with Frest, a supermarket also operated by Keihan The Store Co., Ltd. This next-generation supermarket is a new type of store that offers a wide range of products that are not only delicious and fresh, but also good for the body, nature-friendly, and contribute to the protection of the Earth's environment.



Opening of the commercial zone at Yodoyabashi Station One

Keihan Ryutsu Systems Co., Ltd. opened a commercial zone in Yodoyabashi Station One, which was completed in May 2025. A series of high-quality, sophisticated stores that enhance everyday life are set to open in the commercial zone, which encompasses floors B1, 1, 2, and 30 of Yodoyabashi Station One. In keeping with concept of “hospitality with the utmost *sui*” (*sui* = acting with consideration for the other person's feelings), the commercial zone will feature a wide variety of shops that have been designed with care and attention to detail to please all visitors to the facility.



Promoting community building along the railway lines

Expansion of MOYORI ICHI, a new type of food store inside train stations

Keihan The Store Co., Ltd. is operating MOYORI ICHI, a new type of food store located inside train stations. Starting with the opening of MOYORI ICHI Temmabashi Station in November 2021, by March 2024, a total of 19 “An-3” convenience stores, located mainly in stations along the railway line, had been converted to MOYORI ICHI stores. Based on the concept of being the useful local store you always want to use, MOYORI ICHI offers quality-focused food under the product themes of “ready-to-eat” and “affordable luxury.” A particular highlight is its “Rail Gourmet” line that showcases regional products along the railway line. The lineup of hidden local gourmet specialties varies slightly from store to store, with each store incorporating creative touches to excite customers.



Development of safe and secure original products

Opening of the process center

In November 2024, Keihan The Store Co., Ltd. began operating its Higashi-Osaka Process Center, which is responsible for accelerating the development of original products, improving quality, and reducing costs to establish a stable product supply system. The process center manufactures a variety of original products for Keihan The Store, and provides safe, secure, and delicious food to Frest and MOYORI ICHI. Some of the products are transported on Keihan trains to distribute them quickly while maintaining freshness.

Business overview and Medium-term Management Plan progress

Leisure & service

We will strengthen our competitiveness by promoting branding through the provision of valuable customer experience and advancing high-value-added renovations in order to capture domestic and inbound demand, which is expected to further increase in the future.



Hotel Keihan Tenmabashi Ekimae



THE THOUSAND KYOTO

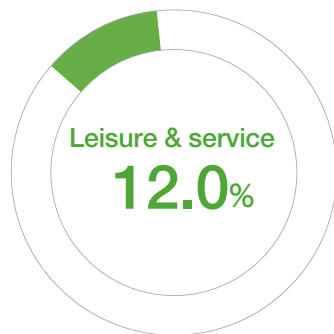


Osaka Aqua Bus "Aqua Liner"

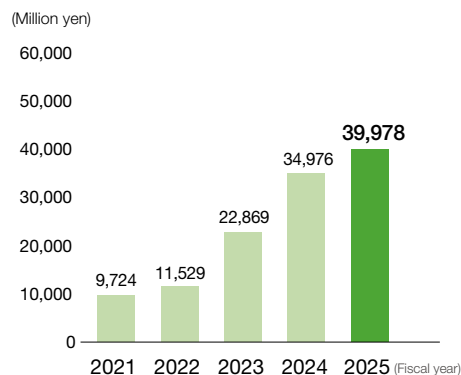
FY2025 management status

In the hotel business, we actively promoted various sales activities to further capture strong inbound demand and domestic travel demand. At Hotel Keihan Universal Tower, the renovation of a total of 641 guest rooms, which had been progressing in stages since the previous fiscal year, was completed in March 2025, with rooms designed to be comfortable and relaxing for families with children or groups. At Biwako Hotel, the in-hotel restaurant Italian Dining Bel Lago was renovated and reopened in April 2024 as a buffet restaurant where customers can enjoy freshly prepared Italian cuisine. Thanks to factors such as capturing inbound demand and a recovery in demand in sightseeing ships, we recorded increases in operating revenue and operating income to 39,978 million yen and 4,916 million yen, respectively.

Operating revenue composition

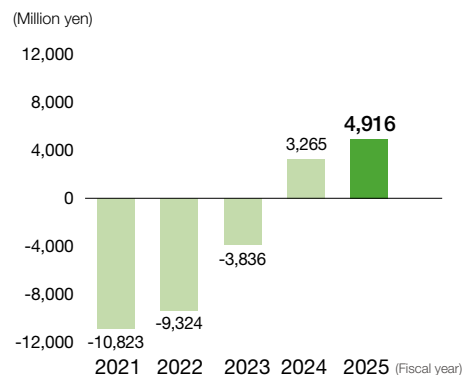


Changes in operating revenue



* Since the start of FY2022, we have been implementing the Accounting Standard for Revenue Recognition and other standards.

Changes in operating income



Leisure & service

Number of hotels

21*

Number of hotel rooms

4,852*

Hotel occupancy rate

Hotel Keihan Co., Ltd. 81.8%
Keihan Hotels & Resorts Co., Ltd. 78.1%

* Hotel Keihan Co., Ltd., Keihan Hotels & Resorts Co., Ltd.

Strategies for value creation

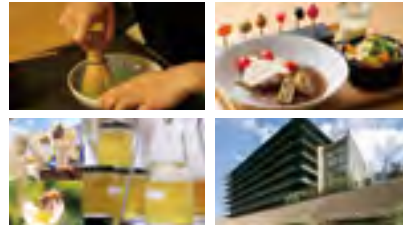
Business overview and Medium-term Management Plan progress | Leisure & service

Main measures for BIOSTYLE Management in the Medium-term Management Plan

Enhancing competitiveness through SDGs-oriented rebranding

Providing sustainable and special stay and tourism experiences that contribute to the SDGs

For your reference See P.44 for BIOSTYLE Management initiatives in leisure & service.



Progress of the Medium-term Management Plan

Adding value to products and services

Hotel Keihan Universal Tower guest room renovation

In June 2023, we started a phased renovation of all guest rooms at the Hotel Keihan Universal Tower, and all 641 rooms were completed in March 2025. The guest rooms on the 5th to 30th floors were renovated to express motifs of sailing and the sea, with four specific guest room themes: From the upper floors, “First-class cabin of a luxury cruise ship,” “Moonlit ocean surface,” “Underwater illuminated by light,” and “Deep sea world.” Along with the completion of the guest room renovations, the employee uniforms were also redesigned in bright and friendly colors based around a refreshing blue hue inspired by the crew of a luxury cruise ship, under the Fun & Traditional concept.



Opening of Biwako Hotel's Italian Dining Bel Lago after renovation

At Biwako Hotel, the Italian Dining Bel Lago restaurant was renovated and reopened in April 2024. Since its opening in 2015, the restaurant has been popular as a casual Italian restaurant. With the renovation, we have introduced a new buffet style where guests can enjoy freshly prepared and simple yet delicious Italian cuisine made with local ingredients such as vegetables from Shiga Prefecture and Omi beef.



Signing of naming rights contract for Kyoto Tower

Keihan Hotels & Resorts Co., Ltd. signed a contract with NIDEC CORPORATION for the naming rights to the Kyoto Tower it operates, which since April 1, 2024 has been officially named “Nidec Kyoto Tower.” This contract marks the first naming rights agreement for the Keihan Group. The Keihan Group also announced that it will deepen its consideration of redevelopment of Nidec Kyoto Tower, with a view to its future beyond FY2031, as part of its long-term management strategy.



Greater earnings opportunities in the ship business

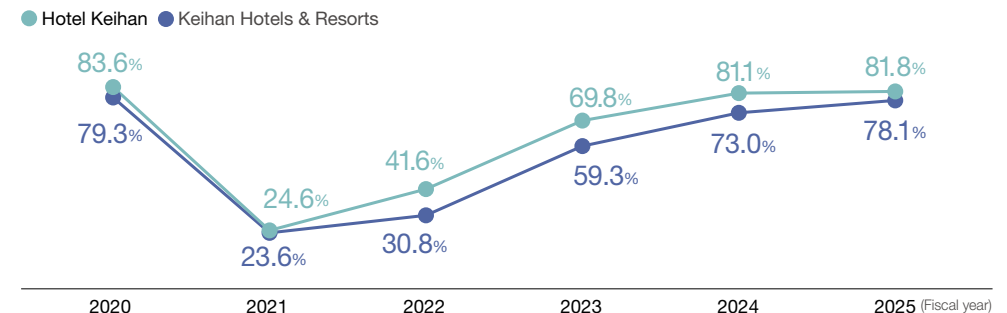
Contracted to operate the hydrogen fuel cell ship “Mahoroba”

Osaka Aqua Bus Co., Ltd. was contracted to operate the hydrogen fuel cell ship “Mahoroba” built by Iwatani Corporation and to handle water transportation at the Expo 2025 Osaka, Kansai, Japan. This marks the first time a hydrogen fuel cell has been used on a passenger ship in Japan.

Osaka Aqua Bus not only handled the operation of the ship but also demonstrated its experience and advanced technical capabilities in the process leading up to the implementation of operations, for example by providing various ideas for fine tuning. The operation of the “Mahoroba” at the Expo 2025 Osaka, Kansai, Japan embodies the pride of Osaka Aqua Bus as a professional boat operator in Osaka as well as the Keihan Group’s philosophy of prioritizing passenger safety.

Hotel occupancy rate trends

Hotel Keihan Co., Ltd. and Keihan Hotels & Resorts Co., Ltd. recorded occupancy rates of 83.6% and 79.3%, respectively, in FY2020, but in FY2021 these rates plummeted to 24.6% and 23.6%, respectively, due to the impact of the COVID-19 pandemic. Subsequently, there was a gradual recovery starting in FY2022. In FY2025, occupancy rates returned nearly to pre-COVID levels, with Hotel Keihan and Keihan Hotels & Resorts recording rates of 81.8% and 78.1%, respectively.



Medium-term Management Plan: Strengthening the management base

DX (digital transformation)

Promoting the Keihan Group's digital customer strategy

We will promote the digitalization of customer contact points, products, and services, as well as data-driven marketing, to provide optimal value to each individual customer along the railway lines. In July 2024, Keihan Holdings Co., Ltd. established the Intangible Value Creation Group within the Corporate Planning Office to promote digital customer strategies for the entire Keihan Group.

Digitalization of customer contact points and digital marketing to meet diverse customer needs

Use of the KANSAI MaaS app

In September 2023, the Kansai MaaS Council, which is led by the major railroad companies in the Kansai region, released the smartphone app KANSAI MaaS, with functions including route searches in the Kansai region, electronic ticketing, and tourism-related information. The app also provides unique information services that only a railway company can offer, such as station maps and train running position information, all in a one-stop solution. At the Expo 2025 Osaka, Kansai, Japan, services such as Expo shuttle bus ticket reservations and sales, QR ticket sales, and multilingual support were added to contribute to Expo transportation. We have planned trips related to the Expo 2025 Osaka, Kansai, Japan, with the goal of creating MaaS that contributes to our customers, local communities, and next-generation community building.

Promoting the digitalization of the Okeihan Points program

In September 2024, the Keihan Group began issuing the e-kenet mobile card, which users of the Okeihan Points LINE Mini App can use by presenting a barcode membership card on the screen of their smartphone or similar device to earn points in Keihan Group's Okeihan Points program. By presenting their virtual membership card at participating Okeihan Point stores, users can earn and spend points, and can even use Okeihan Points directly at the cash register in 1 yen increments. In October 2025, we launched a new membership site for e-kenet cardholders called the Okeihan Points Membership Site. The site allows you to check your Keihan points and membership tier (status level) at various facilities and to redeem Okeihan Points for Premium Car Club Points. In the future, we will expand the functions of the new member site and turn the Keihan official website into a marketing site to advance the digitalization of customer contact points while striving to provide attractive information and products and services that meet the needs of our customers.



Human resources strategy

We will maximize the abilities and performance of each of our diverse human resources, and reform the corporate culture to encourage challenges and innovation with a view to creating an environment in which employees can play an active role with a "BIOSTYLE mindset."

Sustainable enhancement of corporate value

Creating new value

(both social and economic value)

Developing an environment in which employees play an active role with a "BIOSTYLE mindset"

Maximizing the abilities
and performance of each individual

Improving work engagement
(job satisfaction)

Promoting human
resources diversity



Reforming the corporate culture
to encourage challenges and innovation

Developing a system that encourages
challenges and motivates self-directed
growth

Promoting management that
makes the most of human
resources

Main initiatives (in the case of Keihan Holdings Co., Ltd.)

Human resource management that encourages self-directed growth

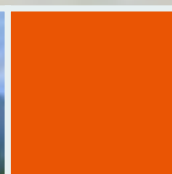
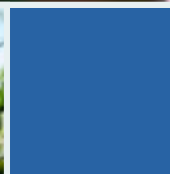
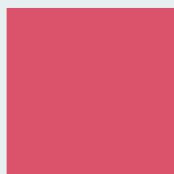
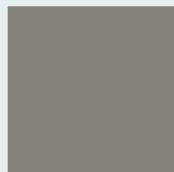
- Opportunities and empowerment to promote growth and challenges
- Career design support in line with each individual's career aspirations

Creating an environment in which each of our diverse human resources can demonstrate their abilities without anxiety

- Independent and creative work style not limited by time or place
- Stimulating internal communication

Ensuring the skills required to execute the strategy

- Training programs that promote and support skills development
- More employment of experienced staff



Achieving sustainable growth

- 41** Material issue 1 :
Creating businesses that contribute to solving social issues
- 45** Material issue 2 :
Operations that consider the environment and social factors
- 52** Material issue 3 :
Organization and human resources that continue to grow
- 57** Material issue 4 :
Sustainable and robust management base

Creating businesses that contribute to solving social issues

What is **BIOSTYLE**?**1. Another core value: BIOSTYLE**

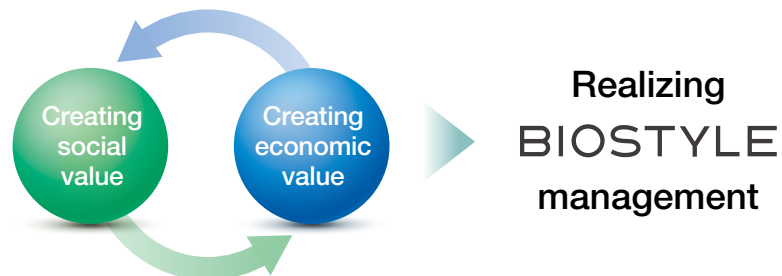
Ensuring safety in transportation is our unwavering mission, an absolute priority that can never be compromised. Placing the highest importance on safety and security is embedded in our company's DNA. However, as we have expanded into diverse businesses, we sought to establish another core value to serve as a guiding principle. That value is BIOSTYLE.

2. A lifestyle for the next era: BIOSTYLE

We asked ourselves what will be needed in the coming era and what we should aim for. Since we provide services closely tied to the daily lives of local residents, we wanted this to serve as our guiding principle. The result, which we named BIOSTYLE, proposes a lifestyle that is healthy, beautiful, and brings a high quality of life, and that contributes to a recycling-oriented society. This was in 2014—before the SDGs were even proposed.

3. Evolving into BIOSTYLE Management

In 2019, we opened GOOD NATURE STATION in Shijo-Kawaramachi, Kyoto, a facility that embodies the philosophy of BIOSTYLE. In 2023, we announced our Long-term Management Strategy and medium-term management plan, BIOSTYLE: Deepening and Challenge, positioning BIOSTYLE as the core of our management. We redefined BIOSTYLE as “an initiative of the Keihan Group through which we aim to create products, services, and businesses that can increase people's life value and solve social issues at the same time.” We are promoting this initiative to create both social and economic value in tandem.



We have established our own guidelines and are promoting the BIOSTYLE PROJECT throughout the entire Group.

BIOSTYLE Guidelines

1 GOOD <i>for Health</i>	Businesses and initiatives promoting people's healthy lifestyles and contributing to the realization of a lively society
2 GOOD <i>for Minds</i>	Realizing a stress-free society where people can live peacefully and comfortably and offering services that bring happiness and satisfaction to users
3 GOOD <i>for Locals</i>	Businesses and initiatives contributing to regional revitalization, industrial development, and environmental conservation in local areas
4 GOOD <i>for Social</i>	Businesses and initiatives contributing to the realization of a society where every member can live happily and of more beautiful lifestyles
5 GOOD <i>for Earth</i>	Businesses and initiatives contributing to global environmental conservation, such as countermeasures against global warming and plastic waste issue
6 GOOD <i>for KEIHAN Brands</i>	Businesses and initiatives contributing to improvement of Keihan brand value
7 GOOD <i>for KEIHAN Business</i>	Businesses and initiatives that can be established and implemented on an ongoing basis

Material issue 1 Creating businesses that contribute to solving social issues

GOOD
NATURE
STATION

Keihan's flagship facility for BIOSSTYLE

GOOD NATURE STATION, a commercial complex that embodies BIOSSTYLE, opened in Shijo-Kawaramachi, Kyoto in 2019. Its concept is "Enjoy and taste only what you can trust. The place where 'good natured' things and experiences gather to energize people and the earth." Here are some of the initiatives at the forefront of the BIOSSTYLE PROJECT.



WELL and LEED Certifications

The complex has obtained Silver level LEED Certification, which recognizes environmentally friendly green buildings. The hotel has obtained WELL Certification, which recognizes environmentally friendly and healthy buildings, at the Gold level. It is the first hotel in the world to have obtained both LEED and WELL Certification under their hotel evaluation criteria.

GOOD for Health, GOOD for Social, GOOD for Earth



Organic cosmetics that are gentle on the skin and the environment

NEMOHAMO, an original cosmetic brand, is made with various plants cultivated and picked using natural farming methods on its own organic farm and adjacent satoyama. In the production process too, we protect the rich soil of the surrounding area by not discharging industrial waste or wastewater, and we ensure traceability as much as possible throughout the process, from raw materials to manufacturing and sales.

GOOD for Health, GOOD for Minds, GOOD for Social



Local production for local consumption

We partner with local Kyoto-based producers of agricultural products, crafts, and processed foods, sourcing those items for our products at the market and restaurant ingredients. They also set up their shops in MAENIWA located in the front plaza on the first floor. In addition, we are organizing hands-on tours visiting producers for on-site harvesting.

GOOD for Health, GOOD for Social, GOOD for Locals



Taking on the challenge of food circulation through food waste composting

When the vegetables and fruits sold on the first floor do not meet specifications or are unsuitable for sale, we process them into juices and soups to ensure they are put to good use. In addition, food waste is composted using a disposal machine installed in the building. This compost is then used as fertilizer by farmers engaged in farming with a reduced amount of agricultural chemicals and organic fertilizer cultivation to grow rice, which is then harvested together with our staff and sold in our market.

GOOD for Social, GOOD for Earth



Making de-plasticizing a part of our daily routine

The hotel does not offer disposable plastic amenities such as toothbrushes, hairbrushes or shavers in the guest rooms to encourage guests to bring their own. We also put in place initiatives throughout the building to eliminate disposable items and reduce the burden on the environment. For example, we offer original aromas made from essential oils extracted from discarded wood from forest thinning, plastic-free butterfly cups, and cutlery made from bioplastics.

GOOD for Social, GOOD for Earth



100% carbon-free electric power

In FY2024, we began purchasing non-fossil fuel certificates that certify "electricity generated by methods that do not emit carbon dioxide." We are converting all electric power used throughout the building, including the hotel, to electric power that is 100% derived from renewable energy sources.

GOOD for Social, GOOD for Earth



Original sweets brand RAU

A sweets brand created by pâtissier Yusuke Matsushita and chocolatière Yukiyo Takagi. The cacao used comes exclusively from homemade bean-to-bar chocolate made with organic cacao from Costa Rica. In pursuit of the ideal cacao beans, they traveled the world and jointly developed their products with trusted local producers on small farms in Costa Rica. In June 2025, RAU received the Pastry Discovery GEM Award at the PASTRY AWARD 2025, presented by LA LISTE, a restaurant guide unveiled in Paris.

GOOD for Health, GOOD for Social



Material issue 1 Creating businesses that contribute to solving social issues

BIOSTYLE initiatives in each business

The Keihan Group's current medium-term management plan incorporates BIOSTYLE into each business and sets out the challenge of adding value to existing businesses and creating new businesses.

Transportation

Promoting more eco-friendly transportation business
Contributing to a decarbonized society and reducing costs while building a sustainable transportation system



Expansion of energy-efficient 13000-series railcars

Keihan Electric Railway Co., Ltd. will add 67 energy-efficient 13000-series railcars between FY2025 and FY2027 to replace its older steel-bodied models. The 13000-series incorporates technologies such as the VVVF inverter control system and regenerative brakes, enabling the efficient use of electric power and contributing to the achievement of clean transportation. Once all units are introduced in FY2027, the total number of 13000-series cars will reach 186, accounting for 30% or over of all railcars operating on the Keihan Line. The introduction of these 13000-series railcars, together with the replacement of older models, is expected to reduce annual CO₂ emissions by approximately 3,400 tons (estimated value).



Introduction of new train cars that reduce environmental impact

Keifuku Electric Railroad Co., Ltd. will introduce seven new Randen Series Mobo 1 KYOTRAM railcars between FY2025 and FY2029, with the first unit entering service in February 2025. The KYOTRAM is equipped with a VVVF inverter control system and regenerative brakes, reducing energy consumption per car to roughly half that of the vehicles it replaces. As an environmentally friendly tram, it contributes to achieving the SDGs.

Real estate

Strengthening the housing regeneration business
Promoting sustainable community building that circulates residents and generations



Passing down kyomachiya townhouses

Every year, between 700 and 800 kyomachiya townhouses (traditional Kyoto townhouses) are lost, and Kyoto's beautiful cityscape is gradually disappearing. Keihan Real Estate Co., Ltd. is undertaking a project to preserve and pass down these valuable assets, which are symbols of Kyoto's history and culture, to future generations by handling traditional kyomachiya townhouses properties, as well as "Shin-kyomachiya townhouses," newly designed homes that blend traditional style with modern living.



Participation in one of the largest condominium redevelopment projects in western Japan

Keihan Real Estate Co., Ltd. is participating in the Shimonoiike No. 2 residential condominium redevelopment project in Kita Ward, Sakai City, Osaka Prefecture, which involves rebuilding a housing complex over 50 years old. Working together with landowners, the company has steadily progressed through the stages of building consensus for redevelopment, establishing a redevelopment association, and starting new construction. In April 2025, a condominium gallery was opened in preparation for the sales launch of Tomonial City, a new condominium to be built as part of this project.

Material issue 1 Creating businesses that contribute to solving social issues**Retail
distribution**

Developing the project to suggest “safe, reliable, and healthy eating habits”

Expanding business while encouraging customers’ healthy eating habits in the areas along the railway lines

**Holding of the SDGs Food Education Festival**

In May 2025, Keihan Department Stores Co., Ltd. held the SDGs Food Education Festival, one of the largest food education events along the Keihan Line, at the plaza in front of Moriguchishi Station. The event brought together companies, universities, producers, and local governments to provide visitors with opportunities to deepen interest in food education through exhibits, quizzes, workshops, and tastings, as well as sales of agricultural and processed products from Osaka. This year, in celebration of the 40th anniversary of Keihan Department Store's opening, the event featured a record number of first-time participants, with 27 organizations exhibiting, making it enjoyable for both children and adults alike.

**Second “Frest Mobile Supermarket” launched**

Keihan The Store Co., Ltd. began operating a second Frest Mobile Supermarket in December 2024. The first one has been well received by customers in the Hirakata and Neyagawa areas, and the second now travels through Hirakata and Katano, visiting individual homes and senior facilities to sell groceries on a truck. The company has also concluded agreements with the three cities where this service operates to monitor the wellbeing of their senior citizens, working to support safe and secure daily living for people in the service areas.

**Leisure
& service**

Enhancing competitiveness through SDGs-oriented rebranding
Providing sustainable and special stay and tourism experiences that contribute to the SDGs

**Operation using 100% renewable energy-derived electricity**

Starting in FY2026, Hotel Keihan Co., Ltd. has ensured that all electricity used at its 16 hotels nationwide is effectively derived from renewable energy by purchasing and utilizing non-fossil fuel certificates. Through the use of these certificates, CO₂ emissions associated with electricity consumption are reduced to zero. The company supports the spread of renewable energy and contributes to reducing greenhouse gas emissions.

**Recycling aluminum-lined paper water containers into toilet paper**

Hotel Keihan Co., Ltd. is advancing initiatives to reduce plastic use. In guest rooms, mineral water is provided not in conventional plastic bottles but in aluminum-lined paper containers. However, handling these containers after use presented various challenges, and they were previously disposed of as general waste. To address this issue, Keihan Holdings Co., Ltd., Hotel Keihan Co., Ltd., and Oji Holdings Corporation jointly developed a system that recycles the mineral water containers into toilet paper, which is then used at Hotel Keihan properties. This initiative contributes to promoting a circular economy and realizing a resource-recycling society.

Material issue 2

Operations that consider the environment and social factors

Environmental philosophy and the Keihan Group's environmental policy

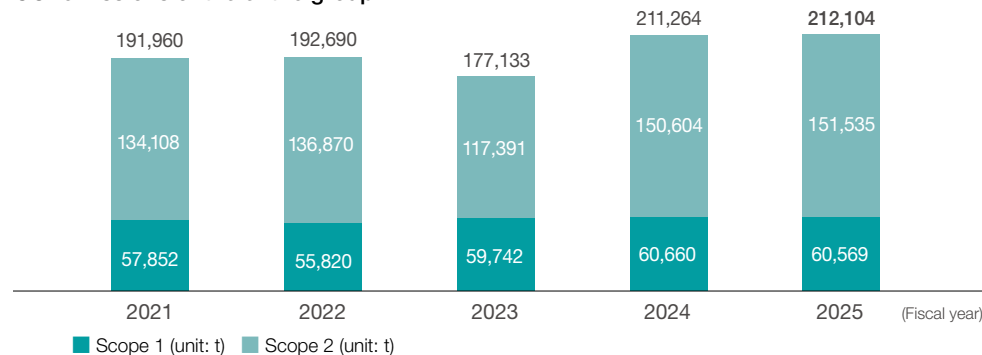
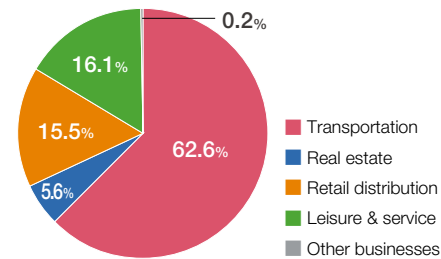
Environmental philosophy

Based on the recognition that global environmental conservation is one of the key common issues shared by all humankind, the Keihan Group will contribute to the sustainable development of society by making efforts to conduct eco-friendly corporate management and give due consideration to environmental conservation and resource protection.

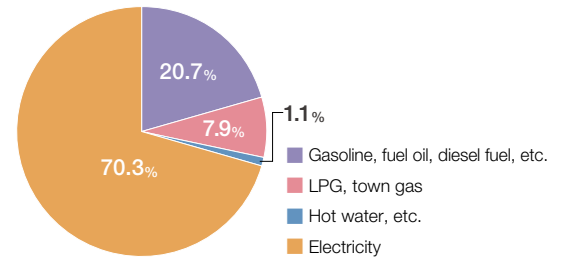
The Keihan Group formulated its environmental philosophy in 2002, and has since made group-wide efforts to improve the environment and comply with environmental laws. In September 2021, the group formulated its environmental policy, focusing on the following items: (1) Reduction of greenhouse gas emissions, (2) Reduction of waste and effective use of water resources.

Status of CO₂ emissionsCO₂ emissions of the Keihan Group (consolidated market-based Scope 1 and Scope 2)

The Keihan Group works on saving energy and reducing CO₂ emissions as a group-wide effort. We also manage CO₂ emissions for all Group companies and report the results to the Environmental Management Committee, which monitors progress on reduction efforts.

CO₂ emissions of the entire groupBreakdown of the group's CO₂ emissions by business segment (FY2025)

Breakdown of the group's energy usage (FY2025)

CO₂ emissions per unit of operating revenue(t-CO₂ / million yen)

Fiscal year	2020	2021	2022	2023	2024	2025
	0.70	0.76	0.75	0.68	0.70	0.68

Scope 3 emissions

(unit: t)

Fiscal year		2024	2025
Cat1	Purchased products and services	658,862	607,418
Cat2	Capital goods	62,559	211,206
Cat3	Fuel and energy activities not included in Scope 1 and 2	35,247	36,220
Cat4	Transportation and distribution (upstream)	4,967	6,722
Cat5	Waste from operations	14,161	14,133
Cat6	Business travel	781	848
Cat7	Employee commuting	1,175	1,320
Cat11	Use of sold products	365,664	345,617
Cat12	End-of-life treatment of sold products	12,737	11,466
Cat13	Leased assets (downstream)	49,201	55,495
	Total	1,205,355	1,290,446

* In the case of categories 8, 9, 10, and 14, there is nothing to be calculated, while category 15 is excluded from calculation.

Material issue 2 Operations that consider the environment and social factors

Reducing greenhouse gas emissions

In May 2022, we formulated “BIOSTYLE Environmental Action 2030” and announced our goals for CO₂ reduction along with measures to achieve these reductions, with FY2031 as our target.

CO₂ emissions reduction target (Scope 1 and Scope 2)

Reducing CO₂ emissions by 46% by FY2031 (compared to FY2014), with the goal of achieving net-zero CO₂ emissions by FY2051

*The CO₂ emissions reduction target applies to CO₂ emissions (Scope 1 and Scope 2) of nine main companies (Keihan Holdings Co., Ltd., Keihan Electric Railway Co., Ltd., Keihan Bus Co., Ltd., Keihan Tatemono Co., Ltd., Keihan Ryutsu Systems Co., Ltd., Keihan Department Stores Co., Ltd., Keihan The Store Co., Ltd., Hotel Keihan Co., Ltd., Keihan Hotels & Resorts Co., Ltd.) In FY2014, the total emissions of the nine companies amounted to 261,134 tons.

*The emissions of these nine companies comprise approximately 85% of the group's total emissions.

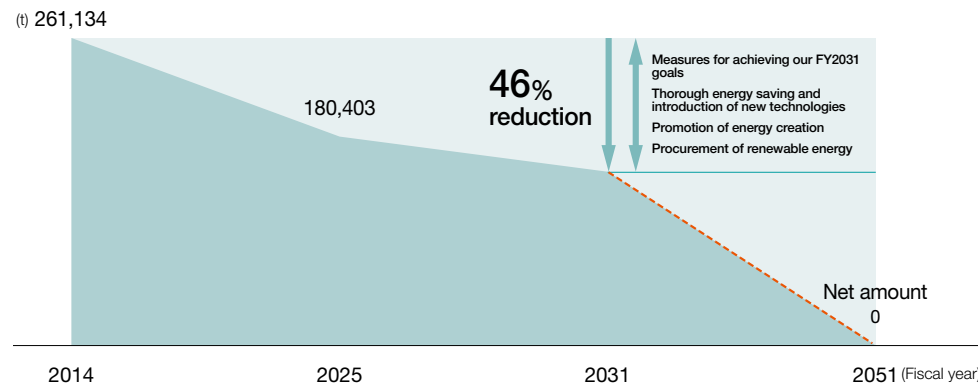
CO₂ emissions of main companies (Scope 1 and Scope 2)

CO₂ emissions of the nine main companies with regard to the CO₂ emissions reduction target are shown in the table below. The amount in FY2024 was reduced by 30% compared to FY2014. ^(t)

Fiscal year	2014	2020	2021	2022	2023	2024	2025
CO ₂ Emissions of the Nine Major Companies*	261,134	185,833	164,616	164,026	148,535	181,500	180,403

*Keihan Electric Railway Co., Ltd., Keihan Bus Co., Ltd., Keihan Holdings Co., Ltd., Keihan Tatemono Co., Ltd., Keihan Ryutsu Systems Co., Ltd., Keihan Department Stores Co., Ltd., Keihan The Store Co., Ltd., Hotel Keihan Co., Ltd., Keihan Hotels & Resorts Co., Ltd.

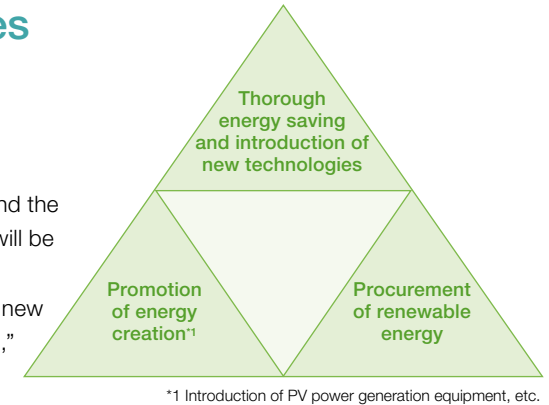
CO₂ emissions reduction roadmap



CO₂ reduction initiatives (Scope 1 and Scope 2)

Course of action

Promoting the reduction of CO₂ emissions and the development of products and services that will be chosen in a decarbonized society through “thorough energy saving and introduction of new technologies,” “promotion of energy creation,” and “procurement of renewable energy”



Thorough energy saving and introduction of new technologies

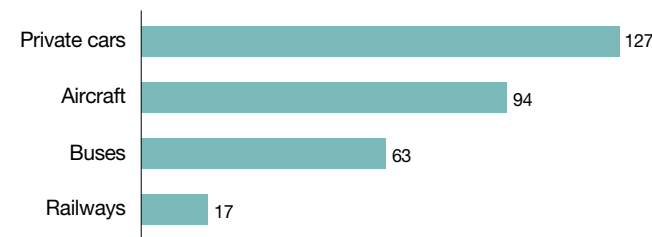
We will reduce energy consumption and CO₂ emissions through capital investment and more efficient business operations.

Environmental advantages of rail transport & energy efficiency in railways

Railways are considered to be more energy efficient than other modes of transportation, yet they require large amounts of electricity for operation and produce CO₂ in the process of generating electricity. Keihan Electric Railway Co., Ltd. started the “Railway electricity consumption reduction project” in 2003 and has implemented various initiatives to save energy, including introducing energy-saving train cars and LED lighting at railway facilities.

CO₂ emissions per transport volume (passengers)

CO₂ emission intensity: g-CO₂/passenger-km (FY2024)



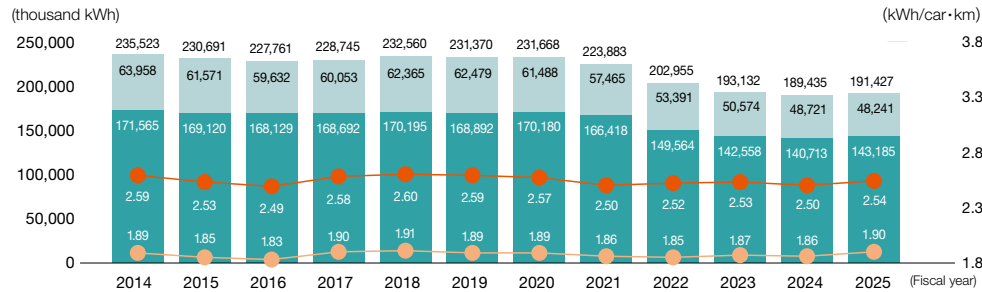
Source: Ministry of Land, Infrastructure, Transport and Tourism “CO₂ emissions from the transportation sector”



**Switch!
SUSTAINABLE
TRAIN**

Material issue 2 Operations that consider the environment and social factors

Changes in railway electricity consumption by Keihan Electric Railway Co., Ltd.



■ Amount of incidental electricity ■ Amount of electricity for train operation

● General electricity intensity ● Train operation electricity intensity

* General electricity intensity = (Amount of electricity for train operation (kWh) + Amount of incidental electricity (kWh)) / total travel distance

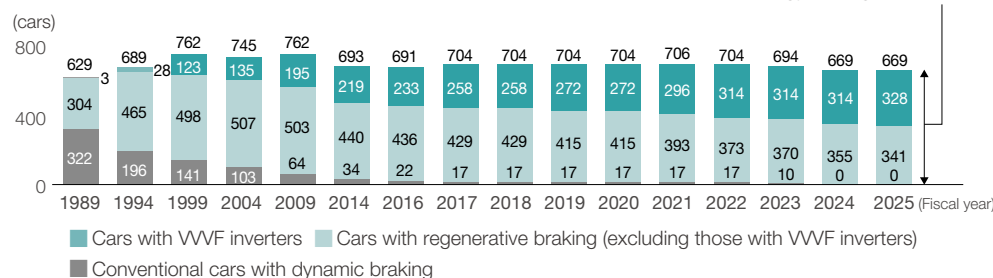
* Train operation electricity intensity = Amount of electricity for train operation (kWh) / Total travel distance

Introduction of energy-saving train cars (Keihan Electric Railway Co., Ltd.)

Introduction of energy-saving train cars equipped with variable voltage variable frequency (VVVF) inverters and regenerative braking is currently underway. VVVF is a method of driving AC motors using semiconductor devices to vary the voltage and frequency to control the motor speed efficiently without using electrical resistance. Regenerative braking uses the motor as a generator and creates a braking force by converting kinetic energy into electrical energy when slowing down. The electricity generated is returned to the overhead lines and used by other trains, thereby contributing greatly to reducing electricity consumption. As of the end of March 2024, 100% of the train cars are equipped with regenerative braking. Electricity consumption on the latest 13000-series train cars has been reduced by approximately 35% compared to the conventional 2600-series cars.



Status of introduction of energy-saving train cars



■ Cars with VVVF inverters ■ Cars with regenerative braking (excluding those with VVVF inverters)

■ Conventional cars with dynamic braking

Installing LED lighting at stations (FY2025)

Implemented in FY2025	Kyobashi (Central Stairway), Yodoyabashi (Concourse), Noe, Sekime, Nishisanso, Owada, Tofukuji, Katanoshi
LED lighting adoption rate	55.9%

LED lighting installed at railway facilities (FY2025)

Signaling systems (signals)	650/814	79.8%
Train cars	Interior lights	489/667 73.3%
	Headlights	220/228 96.4%

Energy consumption intensity for train cars

Fiscal year	2023	2024	2025
Railway electricity consumption by Keihan Electric Railway Co., Ltd.	0.640	0.548	0.555

Introduction of electric buses

In December 2021, Keihan Bus Co., Ltd. introduced small electric buses on the Station Loop Bus route connecting Kyoto Station, Shichijo Station, and other venues (four buses introduced). In April 2023, we introduced five large electric buses at the Kadoma bus station. In addition, Kyoto Bus Co., Ltd. introduced two electric buses in January 2024, and Keifuku Bus Co., Ltd. introduced four small electric buses in March 2024.



Electric bus (Kyoto Bus Co., Ltd.)

Energy conservation measures in commercial and office buildings

We are pushing forward with energy-saving measures in existing buildings, such as upgrading to LED lighting and modernizing air conditioning systems. In FY2025, we carried out updates to air-conditioning heat-source equipment at OMM, upgrades to air-conditioning systems at facilities such as Yokohama Excellent III, and LED lighting installations at locations including the Keihan Moriguchi Department Store.

Environmental accreditation for newly developed buildings

DBJ Green Building Certification	Keihan Yodo Logistics Yard (three stars), Station Hill Hirakata (portion owned by Keihan Holdings) (three stars), and Yodoyabashi Station One (five stars)
LEED Certification	GOOD NATURE STATION (silver rank)
ZEB-oriented certification	Yodoyabashi Station One

Energy consumption intensity in office buildings and commercial facilities

Fiscal year	2023	2024	2025
Energy consumption in office buildings and commercial facilities*	29.95	25.94	27.01

* Keihan Holdings Co., Ltd., Keihan Tatemono Co., Ltd., and Keihan Ryutsu Systems Co., Ltd. facilities

Material issue 2 Operations that consider the environment and social factors



Promotion of energy creation (solar power)

To become carbon neutral, society as a whole must increase its renewable energy sources. In addition to installing solar power generation equipment at its facilities, the Keihan Group is working on corporate power purchase agreement (PPA) initiatives to develop renewable energy sources in partnership with power generation companies and others.

In April 2024, 562 solar panels were installed on the roof of the Frest Matsui-yamate store and began generating electricity.



Frest Matsui-yamate Shop

Corporate PPA Utilizing Irrigation Ponds in Hirakata City

In August 2024, we concluded a corporate PPA (power purchase agreement) with an electric power supplier that uses irrigation ponds in Hirakata City, and power generation began in March 2025. The power producer installed a total of 4,000 kW of floating solar power generation equipment on two irrigation ponds in Hirakata, supplying electricity to our amusement park, “Hirakata Park,” and the commercial facility, “KUZUHA MALL,” in the city. This initiative is expected to reduce annual CO₂ emissions by approximately 2,700 tons. At Hirakata Park, about 60% of the facility’s total electricity consumption will now be covered by renewable energy, enabling all 40 attractions to operate with CO₂-free electricity. This initiative is a public-private partnership based on the Agreement on Local Production and Consumption of Renewable Energy Using Irrigation Ponds, concluded in April 2024 by five parties: our Company, the power producer, the electricity retailer, Hirakata City, and the Hirakata City Shodai Land Improvement District. The project has been selected for the Ministry of Economy, Trade and Industry’s Support Program for Customer-Led Solar Power Installation.



Imaike



Shodai Shin-oike



Signing Ceremony

Solar Panel Installation Status

Installation location	Category	Annual power generation capacity (approximate)(kwh)
Company-owned land near Hashimoto station	FIT	50,000
Company-owned land near Chushojima station	FIT	45,000
KUZUHA MALL	FIT	78,000
Keihan Yodo Logistics Yard	FIT	1,700,000
GOOD NATURE STATION	Self-consumption	4,000
THE THOUSAND KYOTO	Self-consumption	3,700
Frest Matsui-yamate Shop	Self-consumption	400,000
Fushimi-inari station	Self-consumption	80,000



Procurement of renewable energy

To achieve our CO₂ reduction targets for FY2031, we are also expanding the use of renewable energy through non-fossil certificates and other methods. At GOOD NATURE STATION, all electricity for the entire facility has been made carbon-free since FY2024 through the purchase of non-fossil certificates. In addition, starting in FY2026, all electricity used at Hotel Keihan Co., Ltd. properties has been made carbon-free through non-fossil certificates.

Developing products and services that will be chosen in a decarbonized society

Provision of carbon-free services

In addition to GOOD NATURE STATION and Hotel Keihan Co., Ltd. noted above, Keihan Hotels & Resorts Co., Ltd. has introduced zero-CO₂-emission electricity for the tower lighting of Nidec Kyoto Tower, the monument lighting at THE THOUSAND KYOTO (since FY2024), and the lighting at the Biwako Hotel (since November 2023).

Environmental response for houses for sale in the real estate sales business

We are advancing environmental measures, such as obtaining ZEH-M Oriented certification for newly built condominiums.

Material issue 2 Operations that consider the environment and social factors

Disclosure of information based on the TCFD recommendations



In May 2022 the Keihan Group endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and we are considering and disclosing responses to the TCFD recommendations that are integrated with our business strategy, anticipating the impacts (risks and opportunities) of climate change on our business.

1 Governance

Environmental management promotion system

Under the Sustainability Committee, we have established the Environmental Management Committee, which formulates and advances initiatives to address environmental issues, including global warming. Based on the discussions held by the Sustainability Committee, the matters reviewed by the Environmental Management Committee are, in principle, submitted to the Board of Directors (for deliberation or reporting) twice a year.

* For details on the Sustainability Committee, see p.11.

2 Strategy

In line with the framework proposed by the TCFD, we used scenario analysis to predict and analyze changes in the external environment by 2030, assessing the impact of future climate change on our business.

Identifying the scope of business to be analyzed

We focused our analysis on the transportation business (railway and bus businesses) and real estate business (real estate sales and leasing businesses), which account for approximately 70% of the group's operating revenue.

Scenario setting

World view of the envisioned 1.5°C~2°C scenario (2°C or lower scenario)

A scenario where the entire world strengthens regulations and policies to achieve carbon neutrality by 2050, climate change measures that exceed the current level are implemented, and the temperature increase is limited to 1.5°C~2°C above pre-industrial levels

- Increased transition risks due to tightened regulations and policies, leading to rising electricity prices from increased demand for renewable energy-sourced power
- While an increase in physical risks is also anticipated, they are less severe than in the 4°C scenario

World view of the envisioned 4°C scenario

A scenario where no significant climate change measures are implemented beyond the current level, leading to a temperature rise of around 4°C above pre-industrial levels

- Increased physical risks such as rising costs for heat countermeasures and exacerbated losses from extreme weather events
- An increase in transition risks is also expected, though less severe than in the 2°C or lower scenario

Identification of risks and opportunities

Based on the TCFD recommendations, we identified risks and opportunities related to the group (the businesses under analysis), assessing the timing of their manifestation and the degree of impact.

Legend: [Manifestation period¹ | Impact size]

Category			Details of risks and opportunities	
			Transportation	Real estate
Transition risks	Policy and legal risks	Carbon price	[Medium term Large] • Various costs (operations, facility management, raw material procurement, etc.) will increase due to the introduction of a carbon tax and higher energy-related tax rates.	
		Introduction of environmental regulations	[Medium term Small] • In bus operations, regulatory restrictions on diesel vehicles to reduce CO ₂ emissions will lead to costs for the introduction of electric vehicles (EVs).	
		Carbon emission targets and policies		[Medium term Large] • Costs for construction and repairs will increase due to compliance with government targets for ZEB and ZEH. • Costs incurred for purchasing emission credits will arise for older properties that are difficult to decarbonize.
	Market risk	Change in energy costs	[Short to medium term Large] • Fluctuations in electricity and fuel costs due to changes in the energy mix will lead to an increase in energy costs.	
	Reputation risks	Change in customer reputation		[Medium term Not assessed] • If environmental response is delayed, being perceived as reluctant to decarbonize could lead to a decrease in customers.
Physical risks	Chronic risks	Rise in average temperature	[Medium to long term Small] • Air conditioning costs will increase due to rising temperatures.	
	Acute risk	Exacerbation of extreme weather events	[Medium term Moderate] • Increased frequency of meteorological disasters, such as large typhoons, will lead to steeper losses due to facility damage and transportation stoppages.	[Medium to long term Small] • Decreased labor productivity at construction sites due to higher temperatures will cause project delays.
Opportunities	Energy sources	Utilization of new technologies and low-carbon energy sources	[Short to medium term Large] • Operating costs are reduced through the promotion of energy conservation and renewable energy adoption.	
	Products and services	Development of new products and services through R&D and innovation	[Short to medium term Moderate] • Maintenance costs will decrease through the introduction of highly efficient vehicles and electric buses. [Long term Small] • Income will increase as ways for using public transportation are expanded, leveraging our knowledge of seat reservation services, etc. • Users will increase due to improved convenience of MaaS, etc.	
		Change in consumer preferences	[Long term Small] • The environmental superiority of public transportation will be recognized and the number of users will increase.	[Medium to long term Large] • Asset value and revenue will increase by meeting the demand for environmental and disaster response.
	Market	Change in stakeholder reputation	[Short to medium term Not assessed] • Promotion of environmental response is well-received by shareholders, investors, and financial institutions.	
		Utilization of incentives by the public sector	[Medium to long term Not assessed] • The subsidy programs may be expanded for promoting decarbonization.	

¹ Short term: 0-2 years (immediate), Medium term: 3-9 years (around 2030), Long term: 10-30 years (around 2050)

Material issue 2 Operations that consider the environment and social factors

Estimation of financial impact

For risk and opportunity items where objective future forecast data could be obtained in the set scenario, we estimated the quantitative financial impact, identifying key items with particularly significant financial impacts.

(The parameters used for estimation are based on objective data from sources such as the International Energy Agency (IEA).

For more details, please visit: <https://www.keihan.co.jp/corporate/sustainability/environment/tcfd.html> (Japanese only))

Financial impact of key items^{*2}

Legend: [Manifestation period^{*1} | Impact size]

Category		Details	Scenario	Financial impact estimation results for 2030	
				Transportation	Real estate
Transition risks	Policy and legal risks	Various costs (operations, facility management, raw material procurement, etc.) will increase due to the introduction of a carbon tax and higher energy-related tax rates.	1.5~2°C	1,389 million yen/year	351 million yen/year
		Costs for construction and repairs will increase due to compliance with government targets for ZEB and ZEH.		—	1,543 million yen/year
	Market risk	Fluctuations in electricity and fuel costs due to changes in the energy mix will lead to increased energy costs.		225 million yen/year	193 million yen/year
Physical risks	Acute risk	Increased frequency of meteorological disasters, such as large typhoons, will lead to steeper losses due to facility damage and transportation stoppages. ^{*3}	4°C	119 million yen/year	28 million yen/year
Opportunities	Energy sources	Operating costs are reduced through the promotion of energy conservation and renewable energy adoption. ^{*4}	1.5~2°C	904 million yen/year	38 million yen/year
	Products and services	Maintenance costs will decrease through the introduction of highly efficient vehicles and electric buses.		146 million yen/year	—
		Asset value and revenue will increase by meeting the demand for environmental and disaster response.		—	2,510 million yen/year

^{*2} Estimated financial impact for the following businesses:

Transportation business: Keihan Electric Railway Co., Ltd., Keihan Bus Co., Ltd.; Real estate business: Keihan Holdings Co., Ltd., Keihan Real Estate Co., Ltd., Keihan Tatemono Co., Ltd., Zero Corporation Co., Ltd.

^{*3} Estimated increase in losses based on past cases in the event of a natural disaster

^{*4} Estimated based on energy usage in FY2022 for existing businesses, without considering the increase in energy usage due to future business expansion

Scenario analysis results and response measures

Transportation	1.5~2°C scenario	Risks include the expected impacts of increased costs due to the introduction of a carbon tax and increased energy costs resulting from changes in the energy mix. To mitigate these impacts, we will promote the introduction of energy-saving vehicles and electric buses, which are expected to have energy-saving effects. The introduction of energy-saving vehicles and electric buses is also expected to create opportunities for maintenance cost reduction. In addition, as the environmental superiority of public transportation is recognized and the number of users increases, we identified items that are expected to have a minor impact in 2030, but that may manifest opportunities in the long-term timeframe.
	4°C scenario	Risks include the possibility of being affected by transportation stoppages and schedule disruptions due to large typhoons and meteorological disasters, as well as property damage. Regarding extreme weather events, we recognize that they will become increasingly severe over time from 2030, the year of this analysis, to 2050 and the end of the century. Adopting a long-term perspective, we will work on building more robust crisis management and BCP systems, such as implementing flood control and corrosion prevention measures for railway facilities and strengthening vehicle evacuation systems.
Real estate	1.5~2°C scenario	Risks include increased costs due to the introduction of a carbon tax and increased energy costs resulting from changes in the energy mix. Furthermore, the impact of increased construction and repair costs due to compliance with government targets for ZEB and ZEH is expected to be significant, and we will consider reducing this impact by revising equipment specifications and procurement methods. That being said, the rising environmental awareness of customers and investors could be a tailwind, leading to increased rents for office properties and higher sales prices for residential properties due to environmental responses. We will thus utilize national subsidy programs and other systems to promote environmental measures for buildings for sale, including making them ZEH-oriented, acquisition of DBJ Green Building certification, and environmental measures for new buildings.
	4°C scenario	Risks include the potential for damage to owned properties due to large typhoons and meteorological disasters. Although the impact size is smaller compared to the transportation business, we will work on building crisis management systems in cooperation with tenants and residents, as well as continuously review and strengthen our BCPs in preparation for the increasingly severe extreme weather events expected after 2030.

3 Risk management

For identified climate-related risks, the Environmental Management Committee will take the lead in discussing avoidance, mitigation, and other such measures. The details of these discussions will be submitted to the Board of Directors after deliberation by the Sustainability Committee. We will also periodically review climate-related risks and opportunities.

4 Metrics and targets

In reducing CO₂ emissions in particular, we have set a numerical target of reducing CO₂ emissions by 46% by FY2031 (compared to FY2014).

At the Keihan Group, as part of our long-term management strategy formulated and announced in March 2023, we have set “Converse the global environment” as one of our main strategies. We are promoting the reduction of CO₂ emissions and the development of products and services that will be chosen in a decarbonized society through “thorough energy conservation and the introduction of new technologies,” “promotion of energy creation (introduction of solar power generation equipment, etc.),” and “procurement of renewable energy.” Under this policy, we will promote initiatives to minimize risks and maximize opportunities and strive to improve our resilience.

Material issue 2 Operations that consider the environment and social factors

Promoting a circular economy

We contribute to the creation of a recycling-oriented society by promoting waste recycling and the effective use of water resources.

Reducing waste and promoting recycling

Amount of waste (FY2025)		(t)	Water consumption by business				(thousand m ³)
General waste*	Industrial waste		Fiscal year	2023	2024	2025	
6,622	3,717		Transportation	579	599	701	
			Real estate	163	173	240	
			Retail distribution	896	770	757	
			Leisure & service	812	979	921	
			Other businesses	35	36	34	
			Total	2,485	2,558	2,653	

*Only the major companies listed below. Keihan Holdings Co., Ltd., Keihan Electric Railway Co., Ltd., Keihan Bus Co., Ltd., Keihan Tatemono Co., Ltd., Keihan Department Stores Co., Ltd., Keihan Ryutsu Systems Co., Ltd., Keihan The Store Co., Ltd., Hotel Keihan Co., Ltd., Keihan Hotels & Resorts Co., Ltd.

Promotion of recycling

- At Hotel Keihan Co., Ltd., the complimentary bottled water provided in guest rooms has been switched from PET bottles to aluminum-lined paper containers. In addition, with the cooperation of Oji Holdings Corporation, these aluminum-lined paper containers, previously disposed of as general waste, are now being recycled into toilet paper through material recycling (see p.44).
- Waste cooking oil is collected by a recycling company. The recycling company converts this oil into biodiesel fuel, which is then used by Biwako Kisen Steamship Co., Ltd. to power Shiga Prefecture's educational ship, Uminoko. (16 locations, including KUZUHA MALL, Keihan City Mall, Keihan Moriguchi Department Store, and Kyoto Tower Hotel) (At the Keihan Moriguchi Department Store, collection boxes have been installed at the storefront).
- Keihan The Store Co., Ltd. installed reverse vending machines for PET bottles at some stores to promote PET to PET recycling by customers.

Reducing food loss

- At GOOD NATURE STATION, food waste is converted into compost using an on-site food waste processing machine (see p.42).
- At the Keihan Department Store locations in Moriguchi, Hirakata, Kyobashi, and Suminodo, fish scraps discarded from fresh fish sections are recycled into fish oil and animal feed.
- At the Keihan Moriguchi Department Store the store participates in a food-waste composting cycle established by its waste collection contractor, in which the food waste generated by the store is turned into fertilizer by the contractor and then used by farmers along the railway line who supply produce to the store.
- Keihan The Store Co., Ltd. organized food drives (at which NPOs and similar organizations collect food from customers) at three of its Frest stores.
- Composting was introduced at KUZUHA MALL for food waste.
- In the home delivery business of Bio Market Co., Ltd., we offer "Fuzoroi Organic Vegetable Dayori," a subscription service that delivers irregular (non-standard) produce on an occasional basis.

Water conservation

- Hotel Keihan Co., Ltd. introduced a detergent-free Smart Laundry service to reduce water consumption.
- At Keihan Electric Railway Co., Ltd.'s Neyagawa Rolling Stock Depot and Yodo Depot, water-saving measures are implemented during train washing, such as selecting front-only or side-only washing depending on the location and degree of dirt and adjusting washing speed to use water efficiently.

Biodiversity

Shiga biodiversity action certification program

Biwako Hotel (three stars)

The Biwako Hotel is committed to creating mechanisms that contribute to the conservation of satoyama. It continues to make active use of rice grown in terraced rice paddies, local sake, and local ingredients. In addition, the staff are engaged in pesticide-free vegetable cultivation.

Biwako Kisen (three stars)

Biwako Kisen is engaged in initiatives that are considerate of the natural environment, including the conservation of Lake Biwa. It is involved in educational activities through boat trips such as the Lake Biwa environmental experience learning cruise. Moreover, stores at the lake station are engaged in selling local specialties and serving dishes primarily made from local produce. Biwako Kisen is making efforts to anchor businesses within the community.

Information disclosure initiatives

We received a rating of B (management level) in the 2024 Climate Change Questionnaire from CDP, an international NGO committed to the disclosure of information on environmental impacts. Furthermore, in March 2024, Keihan Holdings received an environmental rating loan from the Development Bank of Japan (DBJ) based on its high evaluation of our forward-thinking approach to environmental considerations.

Collaboration with local governments

In pursuit of a sustainable local society by promoting decarbonization and achieving SDGs, we have concluded a comprehensive partnership agreement toward a sustainable community with the Hirakata Municipal Government.

Environmental education and inspection

To ensure strict compliance with environmental laws and regulations, we hold environmental regulatory seminars to inform our group companies about legal amendments and other relevant information. Regular environmental inspections are also conducted to verify compliance and provide support for improvements.

Organization and human resources that continue to grow

Human resources strategy

Human resources development policy and workplace environment development policy, including securing diversity of human resources

We have established a human resources strategy in which we maximize the abilities and performance of each of our diverse human resources, and reform the corporate culture to encourage challenges and innovation with a view to creating an environment in which employees can play an active role with a “BIOSTYLE mindset.” This will enable us to continue to create new value and achieve sustainable enhancement of corporate value. In our effort to maximize the abilities and performance of each individual, we aim to improve work engagement (job satisfaction) and promote human resources diversity. Furthermore, as part of reforming the corporate culture to encourage challenges and innovation, we are developing a system that encourages challenges and motivates self-directed growth, and promoting management that leverages human resources. These initiatives form the human resources development policy and workplace environment development policy, which include securing diversity of human resources.

Metrics and targets

Based on our human resources strategy and previous initiatives, we have set the following goals for the Company and four major Group companies—Keihan Electric Railway Co., Ltd., Keihan Real Estate Co., Ltd., Keihan Department Stores Co., Ltd., and Hotel Keihan Management Co., Ltd. (an operating subsidiary of Hotel Keihan Co., Ltd.)—and are promoting the development of an environment that contributes to the sustainable enhancement of corporate value.

	Targets	FY2025
Percentage of women among new employees	30.0% or more	41.8%
Percentage of women in managerial positions	10.0% or more	10.8%
Percentage of male employees taking childcare leave (including leave for childcare purposes)	100%	84.4%
Percentage of employees establishing regular exercise habits ^{*2}	70% or more by FY2031	67.2%
Percentage of annual paid leave used	80.0% or more	85.0%

*1 The metrics and targets were updated in March 2025.

*2 The percentage of employees who engage in walking or an equivalent level of physical activity for at least one hour per day in their daily lives.

Promoting human resources diversity

Promoting the advancement of women

To continue providing the products and services our customers need and to ensure sustainable corporate growth, we believe it is essential to incorporate a broader range of perspectives, including those of women, into our management practices. We will continue to promote proactive hiring of women, expand opportunities for them to excel, and support career development, while creating an environment that encourages their appointment to managerial and leadership positions.

Promoting employment of people with disabilities

Keihan Smile Heart Co., Ltd., a special subsidiary, employs six staff members with disabilities (as of March 2025) who handle tasks such as office cleaning and printing business cards. To help each employee maximize their abilities as a team, the company incorporates dedicated learning time into work schedules and works to strengthen each individual's knowledge, physical capabilities, and motivation. The combined employment rate of people with disabilities across Keihan Holdings Co., Ltd., Keihan Electric Railway Co., Ltd., and Keihan Smile Heart Co., Ltd. is 3.01% (as of March 2025).

Promoting employment of foreign nationals

In businesses where language skills and other strengths can be utilized, such as hotels, we hire foreign employees and accept technical intern trainees. Across the Group, approximately 100 employees of foreign nationality are active in various roles. Going forward, in line with each company's business strategy, we will continue to proactively hire capable employees regardless of nationality.

Mid-career hires

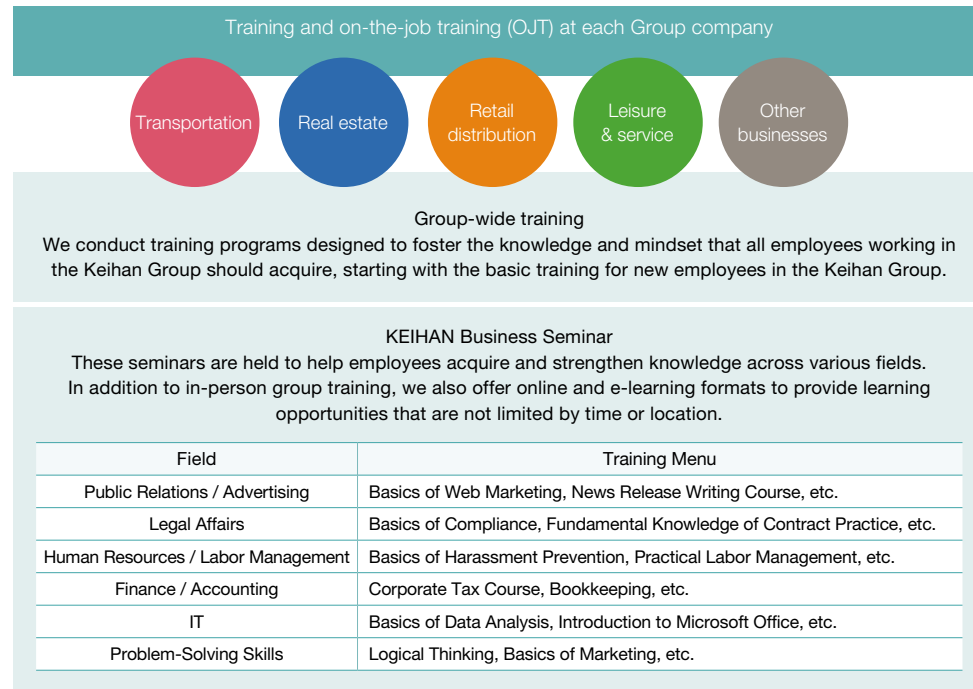
To secure a diverse workforce, we are advancing mid-career hiring in tandem with new graduate recruitment. We welcome individuals who possess the capabilities considered necessary for our management and business strategies and who bring external experience and skills that can contribute to enhancing the corporate value of our Group. Bringing in such talent helps invigorate our organization and leads to the creation of new value.

Material issue 3 Organization and human resources that continue to grow

Developing a system that encourages challenges and motivates self-directed growth and promoting management that makes the most of human resources

Human resources development and skills development

Within the Keihan Group, in addition to training and on-the-job education conducted at each Group company, we hold basic training for new employees in the Keihan Group at the time of hiring to foster the knowledge and mindset that all employees working in the Keihan Group should acquire. Furthermore, to help employees gain and strengthen business skills, such as problem-solving, logical thinking, and the ability to provide guidance to subordinates, as well as knowledge in areas including finance and accounting, labor management, and compliance, we offer a variety of training and self-development programs through the KEIHAN Business Seminar. Through these initiatives, we advance education across the entire Group and support employees' autonomous skill development.



Fostering alignment with our Management Principles and supporting career development

To ensure that employees across the Keihan Group can actively build their careers while feeling aligned with our Management Principles, we offer training and workshops focused on fostering such alignment both through initiatives at each Group company and through Group-wide training and KEIHAN Business Seminar hosted by Keihan Holdings Co., Ltd.

At Keihan Holdings Co., Ltd., we offer a range of training programs and systems designed to enhance internal communication, deepen employees' understanding of our Management Principles, and support career development. These initiatives provide employees with opportunities to align their career outlook with the organization's goals and take action toward realizing their career plans from the early stages of their careers. In FY2025, we implemented the following initiatives.

In addition, starting in FY2025, we introduced a talent management system and began its phased rollout. By centrally managing human resource data, including employees' experience, skills, and career aspirations, we aim to enhance work engagement through its use in human resource development and in placing employees in appropriate roles based on their aptitudes and career intentions.

Major initiatives at Keihan Holdings Co., Ltd. in FY2025

Off-site meetings	We provide opportunities for employees in their 1st to 15th year after joining the Company to interact beyond their hiring year and job assignments, thereby deepening their understanding of the Management Principles and revitalizing communication. In FY2025, we held a workshop in which participants co-created artwork based on the theme of "the future of the Company." 
Mentor system	To provide new employees with an accessible opportunity to consult with more senior employees about career planning and work-related matters, we have introduced a system in which each new employee is paired with a senior employee who serves as a mentor, with regular meetings.
Career interviews	As an opportunity for employees to deepen their self-understanding and consider their career paths and the skills they need to develop, we conduct annual interviews between employees and the Personnel Division.
Self-declaration system	To understand employees' career aspirations and support autonomous career planning, we offer an annual opportunity for employees to submit their desired job assignment and long-term career vision directly to the General Manager of the Personnel Division.
Job crafting and experiential learning	We provide training opportunities designed to help employees clarify the meaning of their work and create a cycle of self-growth through accumulated experience.

Material issue 3 Organization and human resources that continue to grow

Creating an environment in which each of our diverse human resources can demonstrate their abilities without anxiety and improving work engagement

Improving office environments and transitioning to more comfortable attire

Across the Keihan Group, companies are enhancing the work environment by adjusting workplace layouts in conjunction with office relocations, rearranging seating and office furniture, and creating community spaces to make work more comfortable and facilitate communication among employees.



Employee Appearance
Beginning a More Diverse Approach

In addition, as personal values diversify and lifestyles evolve with the times, we are also reviewing standards for employee appearance. Keihan Holdings Co., Ltd., Keihan Electric Railway Co., Ltd., and others have introduced office casual attire. Keihan Department Stores Co., Ltd. and Keihan The Store Co., Ltd. have revised grooming standards for sales floor employees based on the same fundamental requirements of cleanliness, hygiene, safety, and not hindering work or causing discomfort or concern for customers. These revisions respect the individuality of each employee, allowing them to work more authentically and proactively.

Promoting autonomous and creative workstyles

Across the Keihan Group, companies are developing environments that enable employees to work autonomously and creatively in ways suited to each business. Keihan Holdings Co., Ltd. and Keihan Electric Railway Co., Ltd. have introduced no-overtime days and a flextime system, established guidelines for telework, and, in principle, prohibit overtime after 8:00 p.m. and work on holidays. These initiatives reduce overtime hours, enhance work comfort, support autonomous workstyles, and allow for time for creative thinking and personal rejuvenation.

Balancing childcare and nursing care

Keihan Holdings Co., Ltd. and Keihan Electric Railway Co., Ltd. have established a range of systems to support employees who balance work with childcare or nursing care. These include leave and shortened working hours for childcare and nursing care, a telecommuting system, and a system that allows employees to accumulate unused annual paid leave - that would otherwise be expired - for use as childcare or nursing care leave. To help employees utilize these systems smoothly, the companies have also issued the Work-Life Balance Guidebook, which covers specific procedures and available public systems and services, providing an environment where all employees can access the information at any time.

Through such initiatives, Keihan Holdings Co., Ltd. has earned the Kurumin Mark, a certification from the Ministry of Health, Labour and Welfare for companies that support childcare, five times since 2009.

In 2024, we continued to strengthen our work-life-balance support programs by expanding the allowable number of telework days, improving access to company-led childcare facilities, offering support for babysitting services, and extending the period for shortened working hours to accommodate childcare. In addition, Keihan Hotels & Resorts Co., Ltd. became the first company in Kyoto Prefecture's hotel industry to receive Platinum Kurumin Certification, awarded to companies with particularly high-level initiatives among Kurumin-certified organizations.



Kurumin Mark acquisition

Company name	Years obtained	Number of times obtained
Keihan Holdings Co., Ltd.	2009, 2011, 2013, 2018, 2021	5
Keihan Electric Railway Co., Ltd.	2020	1
Keihan Hotels & Resorts Co., Ltd.	2021, 2023	2
Zero Corporation Co., Ltd.	2022	1

Material issue 3 Organization and human resources that continue to grow

Promotion of health and productivity management

Health Statement

Companies across the Keihan Group are expanding the initiatives for health and productivity management and developing environments that enable employees to demonstrate their abilities with peace of mind.

Keihan Holdings Co., Ltd. and Keihan Electric Railway Co., Ltd. established a Health Statement on October 30, 2018. In 2025, Keihan Holdings Co., Ltd. was certified as a KENKO Investment for Health Outstanding Organization for the sixth consecutive year. In addition, Keihan Tatemono Co., Ltd. and Keihan Business Management Co., Ltd. were certified in the Next Bright 1000 category of the KENKO Investment for Health Outstanding Organization (the SME category).

Health Statement

To realize the Keihan Group's Management Principles, we believe it is essential that every employee be mentally and physically healthy and able to demonstrate their full potential. We will further enhance initiatives to maintain and improve employee health, actively support efforts to improve lifestyle habits, and strive to create a workplace environment where employees can work healthily, confidently, and vibrantly.

October 30, 2018

Keihan Holdings Co., Ltd.
Keihan Electric Railway Co., Ltd.

2025 Certified KENKO Investment for Health Outstanding Organization

Large Enterprise Category	Keihan Holdings Co., Ltd., Keihan Electric Railway Co., Ltd.
Small and Medium-Sized Enterprise Category (Next Bright 1000)	Keihan Tatemono Co., Ltd., Keihan Business Management Co., Ltd.
Small and Medium-Sized Enterprise Category	Keifuku Electric Railroad Co., Ltd., Keifuku Bus Co., Ltd., Kankō Co., Ltd., Keihan Asset Management Co., Ltd.



Expanding health screenings and stress checks

We are creating an environment that makes it easier for female employees to undergo medical examinations by allowing them to receive breast cancer screenings (mammography), cervical cancer screenings (Pap tests), and ovarian cancer screenings (CA125) at on-site mobile health check venues at the same time as their regular health examinations, while also subsidizing part of the examination costs. These efforts aim to support early



detection and early treatment. In addition, we have arranged for rubella and measles antibody tests, hepatitis virus tests, prostate cancer screenings, influenza vaccinations, adult disease screenings, and lifestyle-related disease prevention screenings to be available at the same mobile health check venues during regular health examinations. At the same time, the Keihan Group Health Insurance Association subsidizes the cost of comprehensive medical examination. It offers initiatives that enable employees to receive colorectal cancer screenings and stomach cancer risk tests at no additional cost, further supporting early detection and treatment.

We also implement the WFun presenteeism measurement tool, which is used to assess productivity loss at work due to health issues, in conjunction with stress checks. This enables us to understand the extent of functional impairment that may not be evident through absenteeism.

Provision and promotion of health information

We regularly disseminate useful health information to our employees through our group magazine and internal intranet, thereby raising awareness about health. Through the PepUp health information service introduced by the Keihan Group Health Insurance Association, employees can access their regular health checkup results, health age, medical expenses, and articles tailored to their health status at any time.

We conduct seminars on general life-saving courses and the prevention of lifestyle-related diseases, as well as seminars open to all employees, regardless of gender or position, designed to enhance knowledge about health issues specific to women. Additionally, as we understand that breast and cervical cancers are common health issues, we conduct screening seminars for female employees to deepen their knowledge about the screenings.

Establishment of an exercise regime

In order to prevent lifestyle-related diseases among employees and promote health, we encourage the establishment of exercise regimes.

We encourage participation in walking rallies using PepUp, promoting a goal of walking 8,000 steps or more per day. We also hold various health-support events on an ongoing basis. In addition, the physical fitness assessments conducted since FY2018 have gradually expanded in scope, and beginning in FY2025, the program was extended to include all Keihan Group companies. Through these initiatives, employees can check their physical condition and fitness levels, thereby increasing their awareness of health and exercise.



Material issue 3 Organization and human resources that continue to grow

Respect for human rights

Human rights policy

In line with the United Nations Human Rights Council's Guiding Principles on Business and Human Rights, in April 2023, we established the Keihan Group Human Rights Policy. This policy integrates respect for human rights into our corporate values and ensures the rights of all involved in the Keihan Group's business activities are respected.

WEB <https://www.keihan.co.jp/corporate/sustainability/social/human-rights/humanrightspolicy.html>

Human rights education and raising awareness

The Keihan Group has declared respect for the human rights of all people in its charter of conduct. Every year, in Constitution Week in May and Human Rights Week in December, we hold awareness-raising seminars and group-wide human rights training sessions. In FY2025, sessions were held at workplaces in each region (with online participation available) on themes such as customer harassment and information literacy. We also regularly share information on legal requirements and the latest topics related to human rights in the Keihan Group's magazine to raise awareness of the issue.

Number of participants in human rights awareness raising seminars (every May and December)

Fiscal year	2022	2023	2024	2025
Number of participants (group-wide)	347	350	450	385

* Held in Osaka, Neyagawa, Hirakata, Kyoto, and Otsu

Efforts towards a harassment-free workplace

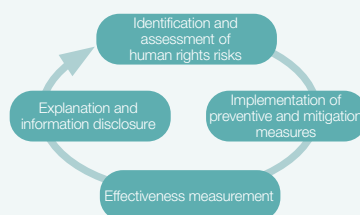
The Keihan Group has established the elimination of all forms of harassment as part of its charter of conduct. To that end, we have implemented group-wide harassment prevention regulations to enhance the effectiveness of our efforts. We conduct a wide range of training programs tailored to each position and role within the group, including basic training for new employees in the Keihan Group and training for newly appointed managers at all levels to raise awareness and promote education on harassment prevention. We aim to provide an optimal training environment to enhance the effectiveness of our programs by adopting a flexible approach that combines group training, on-site training by Keihan Holdings Co., Ltd., and online training. In addition, we established the Keihan Group Basic Policy on Customer Harassment in October 2024. We conduct training on response methods and other related topics and have in place a support system for employees.

Number of harassment training attendees

Fiscal year	2023	2024	2025
① Group training (basic training for new employees in the Keihan Group, etc.)	550	506	459
② On-site training (visits to group companies by Keihan Holdings Co., Ltd.)	14	20	87
③ Online training sessions	823	149	369
Total	1,387	675	915

Human rights due diligence

Keihan Holdings Co., Ltd. has been promoting human rights due diligence initiatives in accordance with the Keihan Group Human Rights Policy established in 2023. In FY2025, the first survey was conducted across 49 companies to identify human rights risks and evaluate the most significant risks. Through the continued implementation of this initiative, we will work to prevent and mitigate actual and potential human rights infringements.



Human rights risk assessment in the Keihan Group

Human rights risks	Examples of potential negative impacts
Occupational health and safety (including customer harassment)	• Employee fatality or injury • Prolonged physical or mental suffering
Power harassment	• Physical or psychological distress caused by intimidation, neglect, or verbal abuse
Sexual harassment	• Deterioration of the work environment due to sexual behavior or remarks
Excessive or unfair working hours	• Health impacts caused by long working hours
Consumer safety and the right to know	• Mislabeling of products or services that may harm health

Material issue 4 Sustainable and robust management base

Efforts for safety and security

For the Keihan Group, “safety and security” is a universal value that we provide to all our customers, and it is the foundation of our group’s existence.

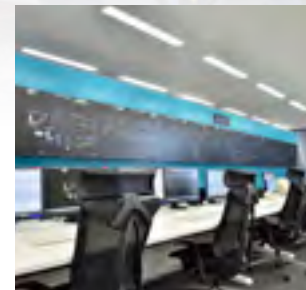
Through the relentless efforts of all our employees, we enhance both safety quality and efficiency, ensuring that these will be reliably passed on to the next generation. We will also thoroughly prepare to protect our customers from disasters.

Safety measures at Keihan Electric Railway Co., Ltd.

Providing safe and reliable passenger transportation services is our primary mission. In recent years, climate change and other factors have increased the risk of natural disasters, and we are reinforcing bridge piers while also implementing measures against large-scale earthquakes such as the Nankai Trough earthquake, including seismic reinforcement of elevated bridges. In addition, to enhance safety on station platforms, we have installed movable platform gates at Moriguchishi Station and Kayashima Station. To help prevent violent behavior and other crimes on trains, we are moving forward with installing in-car security cameras in all Keihan Line railcars by the end of FY2029. We will also continue to install and improve barrier-free facilities and carry out renewal investments for railcars and substations, as well as maintenance and repairs of other structures and equipment.

Kinya Inoue

Representative Director & President,
Keihan Electric Railway Co., Ltd.



Train Operation Control Center



Movable platform gates
(Kayashima Station)



General drills for recovery from an accident

Safety goals

Safety goals for FY2025

• Qualitative goals to be achieved

As railway professionals supporting the safety and security of society, we always act in a way that meets societal trust.

• Quantitative goals to be achieved

	Results
1. Continuation of zero liability accidents	achieved
2. Continuation of zero incidents	achieved
3. Transport disruptions due to internal causes below FY2024 record	not achieved*

* Because transport disruptions attributable to internal factors increased by one case compared with the previous fiscal year, we were unable to meet the target.

[Notes on terminology]

Liability accidents: Operating accidents, electrical accidents, and other accidents attributable to the Company

Incidents: Situations that have the potential to lead to a railway accident or similar event

Transport disruptions: Cases that meet the reporting criteria under applicable laws and regulations (service suspension, including partial suspension, or delays of 30 minutes or more)

Basic policy for safety

1 Safety first

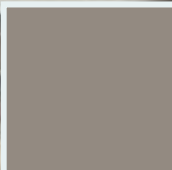
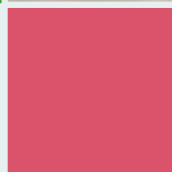
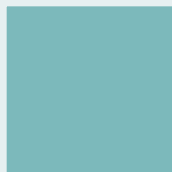
Under the principle of safety first, we always strive to ensure the safety of transportation and take appropriate safety measures.

2 Compliance with laws

We comply with laws and regulations related to transportation safety and faithfully perform our duties with integrity.

3 Continuous improvement

We properly operate the safety control system and aim for continuous improvement.



Foundations supporting value creation

Corporate governance

- 59** Basic approach
 - Corporate governance system
- 60** Evaluation of effectiveness of Board of Directors
 - Corporate officer compensation system
- 61** Corporate officers
- 64** Executive officers
- 65** Compliance
- 66** Risk management
- 67** Dialogue with shareholders and investors
 - Co-creation with suppliers

Corporate governance

Basic approach

The Management Principles of the Keihan Group, with Keihan Holdings at its core, is to create a comfortable living environment and contribute to society by establishing a network of dreams, hope, and trust. We will take good care of local communities, customers, shareholders, and all other stakeholders of the group as we go about developing a life-stage network based primarily on the transportation business, and also endeavor to comply with laws, regulations, and social norms and pursue efficient and sensible corporate management by enhancing the supervisory function of the Board of Directors and facilitating swift decision-making.

Main corporate governance initiatives

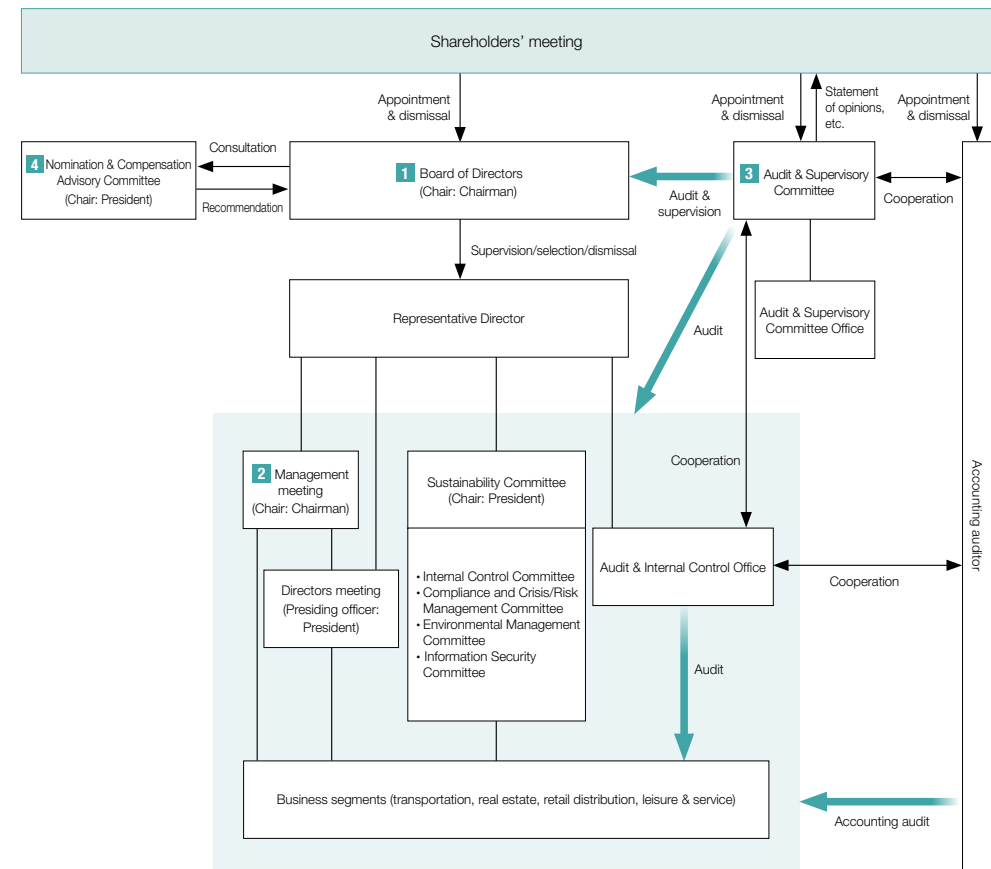
June 2007	• Adoption of executive officer system For the purpose of promoting efficient management by assigning roles across group strategy and business execution functions • Establishment of Nomination & Compensation Advisory Committee For the purpose of enhancing the transparency of director/executive officer appointments and compensation
April 2016	• Transition to holding company structure For the purpose of further strengthening the competitiveness of each business, expanding the group's businesses, creating new businesses, enhancing the value of the areas along the Keihan Railway lines from a medium-to-long term perspective, and generating sustained growth and boosting corporate value
June 2016	• Revisions to corporate officer compensation system (introduction of stock compensation-type stock options)
October 2016	• Start of Board effectiveness evaluation
June 2017	• Transition to a company with an Audit & Supervisory Committee For the purpose of further bolstering the corporate governance system mainly by realizing quick decision-making by the Board of Directors and further improving the effectiveness of auditing and supervisory functions
June 2021	• Discontinuation (abolishment) of takeover defense measures
June 2022	• Revisions to corporate officer compensation system (introduction of restricted stock compensation) For the purpose of providing an incentive to executive officers and directors (excluding outside directors) who are not Audit & Supervisory Committee members for the sustained further enhancement of corporate value and to promote the sharing of value with shareholders

Corporate governance system

Outline of the corporate governance system

We aim to achieve swift decision-making in management by delegating a significant portion of decisions on important matters of business execution to the Board of Directors. We also endeavor to enhance the supervisory function of the Board by leveraging the extensive experience and outstanding insight of outside directors. Moreover, we aim to strengthen auditing and supervisory functions by having Audit & Supervisory Committee members with Board voting rights carry out audits.

Diagram of corporate governance system



Foundations supporting value creation

Corporate governance

1 Board of Directors

At the center of our management structure is the Board of Directors, which, in principle, meets once a month. It makes decision on, and oversees, management strategies and important matters of business execution, including those concerning group companies. From the perspective of strengthening the supervisory function of the Board, 7 of the 14 directors (13 male and 1 female (7.1% female director ratio)) have been appointed from outside the Group. Also, pursuant to the provisions of the Articles of Incorporation and a resolution of the Board of Directors, a significant portion of decisions on important matters of business execution are delegated to the Board in an effort to achieve swift decision-making in management.

2 Management meeting

A management meeting, which is typically convened once a week, has been established under the auspices of the Board of Directors to discuss group management strategies and report on the discussion findings to the Board as required. Also, with the aim of expediting matters of business execution, executive officers have been assigned to each of the group's four business segments (transportation, real estate, retail distribution, and leisure & service) and management departments.

3 Audit & Supervisory Committee

The Audit & Supervisory Committee meets once a month, in principle, to mainly decide on basic policies for audits, audit plans, and other important matters, and to also share information about audits already carried out. 4 of the 5 directors serving as Audit & Supervisory Committee members are outside directors and every effort has been made to bolster the functions of the Audit & Supervisory Committee primarily by appointing directors with experience in transport administration and company management, corporate accounting professionals, experts in corporate law, and specialists in cultural, academic, and tourism fields. In addition, one full-time Audit & Supervisory Committee member has been appointed pursuant to a resolution of the Audit & Supervisory Committee. The full-time Audit & Supervisory Committee member attends the management meetings and collaborates closely with the Internal Audit Department and others in a bid to make the auditing and supervisory functions of the Audit & Supervisory Committee more effective.

4 Nomination & Compensation Advisory Committee

Established as an advisory body to the Board of Directors and comprising a majority of outside directors, the Nomination & Compensation Advisory Committee deliberates on motions and other matters related to appointments of, and compensation for, executive officers and directors who do not sit on the Audit & Supervisory Committee from the viewpoint of enhancing the transparency of such decisions. It then reports its findings to the Board of Directors.

Evaluation of effectiveness of Board of Directors

Once a year we ask all directors to complete a questionnaire about the general administration of the Board and what matters have been discussed. The results are then reported to the Board for analysis and evaluation. The following is an overview of the evaluation of the effectiveness of the Board of Directors in FY2025.

Items of evaluation in questionnaire

- General administration of the Board
- Proposal/reporting items
- Going forward

Evaluation results**• General administration of the Board**

The Board's overall administration and discussions were assessed to be more or less appropriate, mainly regarding the sharing of documents before meetings, the matters of discussion and the time taken to discuss them, the number of proposal and reporting items, and the content of materials.

• Proposal/reporting items

The previous fiscal year's effectiveness analysis and evaluation identified the issue of timely discussions and exchanges of opinions on initiatives related to human capital and the progress of the company's long-term management strategy and the medium-term management plan (BIOSTYLE: Deepening and Challenge). However, reports on discussions held within the Company's Sustainability Committee, including the status of human capital initiatives, were submitted twice a year, and appropriate discussions and exchanges of opinions were conducted at meetings of the Board of Directors regarding the measures established as part of the aforementioned strategy and plan. As a result, it was assessed that plenty of opportunities for discussions and exchanges of opinions had been secured.

• Going forward

Matters that need to be discussed in particular include the formulation of the new medium-term management plan covering FY2027 to FY2029, as well as initiatives related to human capital, compliance, and crisis management (such as natural disasters and cyberattacks).

In order to further stimulate discussions at the Board of Directors meetings, the Company has been working to secure opportunities for independent outside directors to visit the Group's business sites. Through these and other initiatives, including questionnaires, we will continue to work to further improve the effectiveness of the Board of Directors.

Corporate officer compensation system

Pursuant to the provisions of the internal regulations, the compensation of Directors who are not Audit & Supervisory Committee Members (not including Outside Directors) consists of a basic fee, a performance fee (consisting of a corporate performance fee determined pursuant to the internal regulations and based on a combination of consolidated earnings per share and dividend, and a personal performance fee determined pursuant to the internal regulations and based on the ordinary income of the businesses they are in charge of and their subsidiaries and on their achievement of personal goals), and restricted stock units. Outside Directors who are not Audit & Supervisory Committee Members receive a fixed compensation as set out in the provisions of the internal regulations.

The Board of Directors establishes the policies for determining the compensation contents and determines specific amounts for each Director based on the recommendations of the Nomination & Compensation Advisory Committee, of which more than half of the members are Outside Directors. Directors who are Audit & Supervisory Committee Members receive a fixed compensation as set out in the provisions of the internal regulations determined by the Audit & Supervisory Committee. The amount is determined based on the discussion by Directors who are Audit & Supervisory Committee Members.

Foundations supporting value creation

Corporate governance

Corporate officers (As of July 1, 2025)

●: Outside ●: Independent

**Yoshifumi Kato****Representative Director & Chairman, Chairman of the Board**

April 1975 Joined the Company
 June 2005 Director, the Company
 June 2007 Director & Managing Executive Officer, the Company
 June 2011 Representative Director & President, CEO & COO, the Company
 June 2017 Representative Director & Chairman, Keihan Electric Railway Co., Ltd.
 June 2019 Representative Director & Chairman, CEO, Chairman of the Board, the Company
 June 2025 Representative Director & Chairman, Chairman of the Board, the Company (current position)

Attendance at Board of Directors meetings

11/11 times

Nomination & Compensation
Advisory Committee**Skills matrix**

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
●	●		●			●	●	●

**Yoshihiro Hirakawa****Representative Director & President**

General Manager, Corporate Planning Office; General Manager, Audit & Internal Control Office

April 1986 Joined the Company
 June 2015 Executive Officer, the Company
 June 2017 Managing Director, Keihan Electric Railway Co., Ltd.
 June 2019 Senior Managing Director, Keihan Electric Railway Co., Ltd.
 June 2021 Director & Managing Executive Officer, the Company
 June 2021 Representative Director & President, Keihan Electric Railway Co., Ltd.
 June 2023 Director & Senior Executive Officer, the Company
 June 2025 Representative Director & President, the Company (current position)
 June 2025 Representative Director & Chairman, Keihan Electric Railway Co., Ltd. (current position)
 June 2025 Representative Director & Chairman, Keihan Bus Co., Ltd. (current position)

Attendance at Board of Directors meetings

11/11 times

Nomination & Compensation
Advisory Committee**Skills matrix**

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
●	●							

**Masaya Ueno****Director & Executive Vice President**

General Manager (in charge of Personnel Division and Accounting and Finance Division), Group Management Office; Assistant General Manager (in charge of Management Strategy Group [Branding and Public Relations] and Intangible Value Creation Group), Corporate Planning Office

April 1982 Joined the Company
 June 2013 Executive Officer, the Company
 June 2017 Director & Managing Executive Officer, the Company
 June 2021 Director & Senior Executive Officer, the Company
 June 2025 Director & Executive Vice President, the Company (current position)
 June 2025 Representative Director & Chairman, Keihan Hotels & Resorts Co., Ltd. (current position)

Attendance at Board of Directors meetings

11/11 times

Nomination & Compensation
Advisory Committee**Skills matrix**

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
●			●	●	●	●	●	

**Yoshihisa Domoto****Director & Managing Executive Officer**

Assistant General Manager (in charge of Community Building Promotion Group), Corporate Planning Office [General Manager of Real Estate Business]

April 1988 Joined the Company
 June 2017 Executive Officer, the Company
 June 2017 Representative Director & President, Keihan Real Estate Co., Ltd. (current position)
 June 2021 Director & Managing Executive Officer, the Company (current position)

Attendance at Board of Directors meetings

11/11 times

Nomination & Compensation
Advisory Committee**Skills matrix**

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
●		●						

Foundations supporting value creation

Corporate governance

Corporate officers (As of July 1, 2025)

●: Outside ●: Independent

	Yasushi Matsushita Director & Managing Executive Officer Assistant General Manager, Corporate Planning Office [General Manager of Retail Distribution Business] April 1987 Joined the Company June 2017 Executive Officer, the Company June 2019 Representative Director & President, Keihan Ryutsu Systems Co., Ltd. (current position) July 2020 Representative Director & Chairman, Keihan The Store Co., Ltd. (current position) June 2023 Director & Managing Executive Officer, the Company (current position) June 2023 Representative Director & Chairman, Keihan Department Stores Co., Ltd. (current position)	Attendance at Board of Directors meetings Nomination & Compensation Advisory Committee 11/11 times Skills matrix <table><tr><td>Corporate management</td><td>Transportation</td><td>Real estate/ Urban development</td><td>Retail distribution</td><td>Leisure & service/Tourism</td><td>BIOSTYLE</td><td>Finance & accounting</td><td>Personnel & labor relations</td><td>Legal affairs & risk management</td></tr><tr><td>●</td><td></td><td></td><td>●</td><td></td><td></td><td>●</td><td></td><td></td></tr></table>	Corporate management	Transportation	Real estate/ Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management	●			●			●		
Corporate management	Transportation	Real estate/ Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management												
●			●			●														
	Kinya Inoue Director & Managing Executive Officer Assistant General Manager (in charge of Management Strategy Group [New Business]), Corporate Planning Office [General Manager of Transportation Business] April 1989 Joined the Company January 2016 Director, Keihan Electric Railway Division Preparation Co., Ltd. (Present: Keihan Electric Railway Co., Ltd.) June 2019 Managing Director, Keihan Electric Railway Co., Ltd. June 2023 Executive Officer, the Company June 2025 Director & Managing Executive Officer, the Company (current position) June 2025 Representative Director & President, Keihan Electric Railway Co., Ltd. (current position)	Attendance at Board of Directors meetings Nomination & Compensation Advisory Committee — Skills matrix <table><tr><td>Corporate management</td><td>Transportation</td><td>Real estate/ Urban development</td><td>Retail distribution</td><td>Leisure & service/Tourism</td><td>BIOSTYLE</td><td>Finance & accounting</td><td>Personnel & labor relations</td><td>Legal affairs & risk management</td></tr><tr><td>●</td><td>●</td><td></td><td></td><td></td><td>●</td><td></td><td></td><td>●</td></tr></table>	Corporate management	Transportation	Real estate/ Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management	●	●				●			●
Corporate management	Transportation	Real estate/ Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management												
●	●				●			●												
	Shinya Hashizume Director April 2006 Professor, Graduate School of Literature and Human Sciences, Osaka City University and Osaka City University Urban Research Plaza April 2008 Distinguished Professor, The Industry – Academia – Government Collaboration Organization, Osaka Prefecture University; Director, Research Institute for Tourism Industry April 2017 Distinguished Professor, Organization for Research Promotion, Osaka Prefecture University; Director, Research Institute for Tourism Industry of Research Center for the June 2019 21st Century; Professor, Graduate School of Economics, Osaka Prefecture University April 2022 Director, the Company (current position) Distinguished Professor, Organization for Research Promotion at Osaka Metropolitan University (OMU); Director, Research Institute for Tourism Industry, Collaborative Research Center, Organization for Research Promotion at OMU; Professor, Graduate School of Sustainable System Sciences, OMU (current position)	Attendance at Board of Directors meetings Nomination & Compensation Advisory Committee 11/11 times Skills matrix <table><tr><td>Corporate management</td><td>Transportation</td><td>Real estate/ Urban development</td><td>Retail distribution</td><td>Leisure & service/Tourism</td><td>BIOSTYLE</td><td>Finance & accounting</td><td>Personnel & labor relations</td><td>Legal affairs & risk management</td></tr><tr><td></td><td></td><td>●</td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	Corporate management	Transportation	Real estate/ Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management			●						
Corporate management	Transportation	Real estate/ Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management												
		●																		
	Ken Chan Chien-Wei Director October 2000 Vice President, GIC Real Estate Pte. Ltd. April 2006 Representative Director, GIC Real Estate International Japan Co., Ltd. (Present: GIC Japan Co., Ltd.) September 2019 Representative Director, Patience Capital Group Co., Ltd. (current position) June 2023 Director, the Company (current position)	Attendance at Board of Directors meetings Nomination & Compensation Advisory Committee 11/11 times Skills matrix <table><tr><td>Corporate management</td><td>Transportation</td><td>Real estate/ Urban development</td><td>Retail distribution</td><td>Leisure & service/Tourism</td><td>BIOSTYLE</td><td>Finance & accounting</td><td>Personnel & labor relations</td><td>Legal affairs & risk management</td></tr><tr><td>●</td><td></td><td>●</td><td></td><td>●</td><td></td><td></td><td></td><td></td></tr></table>	Corporate management	Transportation	Real estate/ Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management	●		●		●				
Corporate management	Transportation	Real estate/ Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management												
●		●		●																

Foundations supporting value creation

Corporate governance

Corporate officers (As of July 1, 2025)

●: Outside ●: Independent

**Takehiko Yamamoto**

Director

● ●

April 1975 Joined Mitsui O.S.K. Lines, Ltd.
June 2009 Director & Senior Executive Officer, Mitsui O.S.K. Lines, Ltd.
June 2010 Representative Director, Vice President, & Executive Officer, DAIBIRU Corporation
June 2011 Representative Director, President, & Executive Officer, DAIBIRU Corporation
April 2016 Representative Director & Chairman, DAIBIRU Corporation
April 2019 Chairman, DAIBIRU Corporation
June 2019 Advisor, DAIBIRU Corporation

June 2024 Director, the Company (current position)

Attendance at Board of Directors meetings

Nomination & Compensation Advisory Committee

9/9 times

●

Skills matrix

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
----------------------	----------------	-------------------------------	---------------------	---------------------------	----------	----------------------	-----------------------------	---------------------------------

●

●

**Toshihiko Inachi**

Director, Full-time Audit & Supervisory Committee Member

April 1982 Joined the Company
June 2013 Executive Officer, the Company
June 2017 Director & Managing Executive Officer, the Company
June 2019 Director & Senior Executive Officer, the Company
June 2023 Director, Full-time Audit & Supervisory Committee Member, the Company (current position)

Attendance at Board of Directors meetings

Nomination & Compensation Advisory Committee

Audit & Supervisory Committee

Attendance at Audit & Supervisory Committee meetings

11/11 times

●

14/14 times

Skills matrix

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
----------------------	----------------	-------------------------------	---------------------	---------------------------	----------	----------------------	-----------------------------	---------------------------------

●

●

●

**Nobuyuki Tahara**

Director, Audit & Supervisory Committee Member

● ●

September 1980 Certified Public Accountant (current position)
December 1997 Representative Partner, Century Audit Corporation (Present: Ernst & Young ShinNihon LLC)
June 2014 Retired ShinNihon LLC (Present: Ernst & Young ShinNihon LLC)
June 2016 Audit & Supervisory Board Member, the Company
June 2017 Director, Audit & Supervisory Committee Member, the Company (current position)

Attendance at Board of Directors meetings

Nomination & Compensation Advisory Committee

Audit & Supervisory Committee

Attendance at Audit & Supervisory Committee meetings

11/11 times

●

14/14 times

Skills matrix

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
----------------------	----------------	-------------------------------	---------------------	---------------------------	----------	----------------------	-----------------------------	---------------------------------

●

**Koichi Kusao**

Director, Audit & Supervisory Committee Member

● ●

April 1990 Attorney at law (current position)
June 2016 Audit & Supervisory Board Member, the Company
June 2017 Director, Audit & Supervisory Committee Member, the Company (current position)

Attendance at Board of Directors meetings

Nomination & Compensation Advisory Committee

Audit & Supervisory Committee

Attendance at Audit & Supervisory Committee meetings

11/11 times

●

13/14 times

Skills matrix

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
----------------------	----------------	-------------------------------	---------------------	---------------------------	----------	----------------------	-----------------------------	---------------------------------

●

Foundations supporting value creation

Corporate governance

Corporate officers (As of July 1, 2025)

●: Outside ●: Independent



Kanako Hamasaki

Director, Audit & Supervisory Committee Member

July 2011

Representative Director, General Incorporated Foundation Yuuhisai Koudoukan (Present: Yuuhisai Koudoukan Foundation); Director, the Center of Yuuhisai Koudoukan (current position)

April 2013

Associate Professor, School of Letters, Senshu University

March 2014

Committee member, Kyoto City Council on Tourism and Promotion

May 2020

Committee member, Kyoto City Council on Tourism and Promotion

April 2021

Associate Professor, Faculty of Letters, Kyoto Prefectural University

June 2021

Director, Audit & Supervisory Committee Member, the Company (current position)

April 2024

Associate Professor, Faculty of Agricultural and Food Sciences, Kyoto Prefectural University (current position)

Attendance at Board of Directors meetings

11/11 times

Nomination & Compensation Advisory Committee

Audit & Supervisory Committee

●

Attendance at Audit & Supervisory Committee meetings

14/14 times

Skills matrix

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
				●	●			

Attendance at Board of Directors meetings

—

Nomination & Compensation Advisory Committee

Audit & Supervisory Committee

●

Attendance at Audit & Supervisory Committee meetings

—

Skills matrix

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
●	●			●	●			

* The attendance status for the above-mentioned Board of Directors and Audit & Supervisory Committee meetings reflects the situation for FY2025 (from April 1, 2024 to March 31, 2025).

* The skills matrix above represents areas of expertise for each individual based on their experience and does not encompass all skills and experiences that they possess.



Yoshiaki Honpo

Director, Audit & Supervisory Committee Member

April 1974

Joined the Ministry of Transport

July 2001

Deputy Director-General, Ministry of Land, Infrastructure, Transport and Tourism

April 2003

Director of Japan Post

October 2008

Commissioner of the Japan Tourism Agency, Ministry of Land, Infrastructure, Transport and Tourism

April 2010

Tokyo Metropolitan University Professor, Faculty of Urban Environmental Studies

June 2016

Representative of the United Nations World Tourism Organization in Japan

August 2021

TOBU TOP TOURS CO., LTD. Chairman of the Board

June 2022

TOBU RAILWAY CO., LTD. Executive Officer treatment

June 2025

Director, Audit & Supervisory Committee Member, the Company (current position)

Attendance at Board of Directors meetings

—

Nomination & Compensation Advisory Committee

Audit & Supervisory Committee

●

Attendance at Audit & Supervisory Committee meetings

—

Skills matrix

Corporate management	Transportation	Real estate/Urban development	Retail distribution	Leisure & service/Tourism	BIOSTYLE	Finance & accounting	Personnel & labor relations	Legal affairs & risk management
●	●			●	●			

* The attendance status for the above-mentioned Board of Directors and Audit & Supervisory Committee meetings reflects the situation for FY2025 (from April 1, 2024 to March 31, 2025).

* The skills matrix above represents areas of expertise for each individual based on their experience and does not encompass all skills and experiences that they possess.

Executive officers (As of July 1, 2025)

(Excluding Directors who hold concurrent positions)

Yukio Yamada

In charge of Co-creation of Tourism Experience Value Group, Corporate Planning Office; in charge of Kyoto [Assistant General Manager of Leisure & Service Business]

Toru Izumitani

In charge of Real estate leasing Group, Corporate Planning Office [Assistant General Manager of Real Estate Business]

Norio Shirono

In charge of Management Strategy Group [Overall Group Strategy], Corporate Planning Office; Department Manager in charge of Management Strategy Group [Overall Group Strategy], Corporate Planning Office; General Manager of Accounting and Finance Division, Group Management Office

Hiroshi Oasada

Department Manager in charge of Community Building Promotion Group [Railway Line Area Development, Area Management], Corporate Planning Office [Assistant General Manager of Retail Distribution Business]

Yoshiki Kihara

Assistant General Manager of Transportation Business

Chie Sugito

In charge of Management Strategy Group [Sustainability and BIOSTYLE], Corporate Planning Office; in charge of General Administration Division and IT Promotion Division, Group Management Office

Masahiro Nishikawa

[Assistant General Manager of Leisure & Service Business]

Reason for selecting skills

[Corporate management]	Directors with a wealth of experience and management achievements in corporate management are necessary to achieve the Keihan Group's long-term management strategies and medium-term management plan.
[Transportation]	Directors with a wealth of experience and achievements in the transportation business are necessary to create new demand and optimize operations while further improving "safety and security," the foundation of the Keihan Group, to build a strong business structure.
[Real estate/Urban development]	Directors with a wealth of experience and achievements in the real estate business and urban development are necessary to promote the creation of comfortable and secure communities and residences, provide new products and services that meet customer needs, and expand business areas and asset types, thereby driving the Group's growth.
[Retail distribution]	Directors with a wealth of experience and achievements in the retail distribution industry are necessary to increase profits by evolving and developing commercial activities in the areas along the railway lines to respond to diversifying lifestyles, while supplying commercial content that contributes to the main strategies and establishing tourism commerce.
[Leisure & service/Tourism]	Directors with a wealth of experience and achievements in leisure services and tourism are necessary to strengthen our competitiveness by promoting branding through the provision of valuable customer experience and advancing high-value-added renovations.
[BIOSTYLE]	Directors with a wealth of experience and achievements in BIOSTYLE are necessary to place "BIOSTYLE (Keihan version of the SDGs)" at the core of management and business activities and promote BIOSTYLE Management that creates both social and economic value.
[Finance & accounting]	Directors with a wealth of experience and achievements in finance and accounting are necessary to ensure the appropriateness and accuracy of financial reporting and actively make growth investments in line with long-term management strategies while maintaining a sound financial position.
[Personnel & labor relations]	Directors with a wealth of experience and achievements in personnel and labor affairs are necessary to maximize the abilities and performance of each of our diverse human resources and reform the corporate culture to encourage challenges and innovation, in order to continue creating new value.
[Legal affairs & risk management]	Directors with a wealth of experience and achievements in legal affairs and risk management are necessary to drive business activities in compliance with legal requirements and social norms while establishing a diverse risk management system related to the group's business.

Foundations supporting value creation

Corporate governance

Compliance

Charter of conduct

As a corporate group engaged primarily in a railway business that serves the public interest, the Keihan Group undertakes various business ventures with strong ties to the local community. In order to fulfill our corporate social responsibility and remain a trustworthy company in society by meeting the expectations of people around us with sincerity, we have established the following charter of conduct.

1. We will abide by laws, regulations, and social norms, uphold high ethical standards, and act responsibly.
2. We will prioritize customer safety and provide high-quality services^{*1} that earn the trust and satisfaction of customers in a timely manner.
3. We will conduct fair business activities^{*2}. We will also maintain sound and normal relationships^{*3} with governments and administrations.
4. We will engage in open communication with society at large and disclose necessary information to all stakeholders in a timely and appropriate manner.
5. We will respect the human rights of all people.
6. We will strive to create a safe and comfortable workplace free of harassment and other forms of inappropriate behavior.
7. We will actively endeavor to protect the environment.
8. We will handle personal information and other important information strictly and appropriately.
9. We will contribute to the local community through our business activities.
10. We will take a firm stand against anti-social forces that pose a threat to the order and safety of civil society and work to eliminate them.
11. We will undertake business activities soundly^{*4} and swiftly and aim to increase corporate value over the long term in a stable manner.

^{*1} Include appropriate representations and explanations of services and products.

^{*2} Engaging in bid-rigging, forming cartels, exploiting one's position for personal gain, providing socially inappropriate entertainment or gifts, making unjust demands leveraging the position of an ordering party, infringing on intellectual property, conducting insider trading, and other similar activities are prohibited. We will also conduct proper accounting procedures and make every effort to protect intellectual property such as patents and trademarks.

^{*3} Illegal donations or contributions in connection with political activities are prohibited.

^{*4} Information related to business activities must be accurately recorded and stored in accordance with the rules on handling information.

In keeping with this charter of conduct, we identified some areas that we need to pay particular attention to from a compliance perspective, including information leaks, insider trading, unfair business practices, bribery, elimination of anti-social forces, fair presentation, and harassment. We have elaborated on these topics in the Keihan Group Compliance Guidelines, which have been distributed to all group companies to improve awareness and understanding.

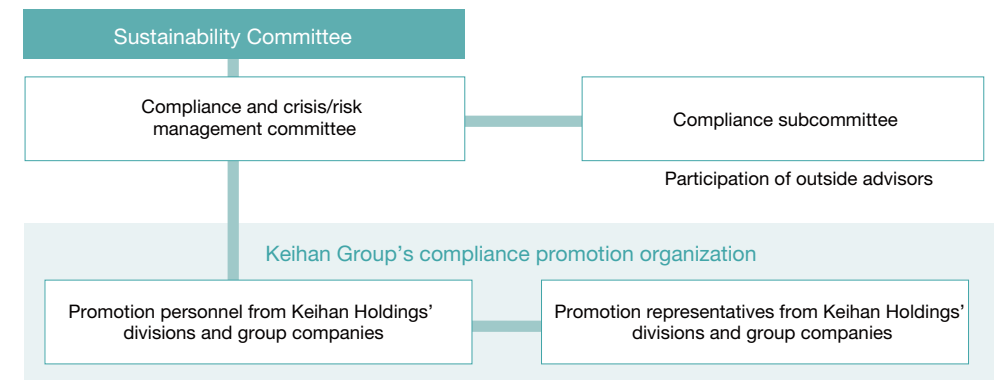
Compliance training initiatives

To raise awareness of compliance and educate our employees about our Management Principles and the Keihan Group's social responsibilities, compliance, harassment, and various laws and regulations, we hold stratified training (for example, when entering the Company, upon being promoted, and upon being appointed as a corporate officer of a group company) and group training sessions. We also publish articles about compliance in the group newsletter and provide e-learning programs and video training to employees. In addition, we visit group companies to conduct on-site training according to the business characteristics of the Company in question.

Compliance and risk management system

We have established a compliance and crisis/risk management committee under the Sustainability Committee and we have also selected compliance promotion representatives and personnel from each division of Keihan Holdings Co., Ltd. and each group company to form a compliance promotion organization. Sharing compliance risk information between the committee and the compliance promotion organization prevents the occurrence and recurrence of legal violations. The compliance subcommittee established under the committee discusses with outside advisors how to assess and respond to compliance risks.

Also, this committee constantly collaborates with the Audit & Internal Control Office to conduct audits from a compliance/risk standpoint as part of the internal audits carried out by the office at Keihan Holdings Co., Ltd. and each group company.



Corporate governance

Compliance hotline

We have established a compliance hotline system for corporate officers and employees working in the Keihan Group. The Audit & Internal Control Office or designated point of contact outside the Company receives reports on conduct considered to be illegal or inappropriate with respect to the business activities of the Keihan Group. We also have a system in place to investigate facts and take appropriate measures. We are also extra careful about how we handle the personal information of whistleblowers. Not only is their information handled appropriately, but our internal rules clearly stipulate that no whistleblower shall be treated disadvantageously for making a report. In FY2025, 17 incidents were reported to the compliance hotline, compared to 18 in FY2024.

Promotion of fair business practices (anti-corruption policy)

In accordance with the Keihan Group's charter of conduct and in order to prevent acts that impede fair business practices, including violations of Japan's Antimonopoly Act, breach of trust, and bribery, we have established regulations on the promotion of fair business practices covering the entire group. These regulations set forth the obligations and code of conduct for officers and employees and the measures to be taken when an incident arises. In addition to these regulations, we have also formulated a compliance manual for the Antimonopoly Act, Subcontract Act, and Freelance Act to prescribe more specific rules of conduct. In line with the content of the regulations, we hold training sessions and awareness activities regarding these laws for employees of not just Keihan Holdings Co., Ltd., but Group companies as well.

Measures to eliminate anti-social forces

In keeping with our charter of conduct established under the framework of the Keihan Group's Management Principles, we will take a firm stand against anti-social forces that pose a threat to the order and safety of civil society and work to eliminate them.

More specifically, the division that takes charge of addressing anti-social forces is the General Administration Division of the Group Management Office. This division works to eliminate anti-social forces by collaborating with compliance promotion representatives and personnel of Keihan Holdings' divisions and group companies, all of whom have been appointed to form a compliance promotion organization as part of the technical committee on compliance and crisis/risk management.

In the event of any unjust demands from anti-social forces, the General Administration Division of the Group Management Office will, as necessary, consult with the relevant department, or the relevant group company, to discuss what measures to take. It will also collaborate with the police,

lawyers, and other external specialist organizations and maintain a resolute stance in addressing the situation.

Also, as part of our ongoing efforts to prepare against unjust demands from anti-social forces, we have established close relationships with external specialist organizations and any information obtained will be shared, as needed, with other divisions and Keihan Group companies. We also make every effort to raise awareness of our measures at various meetings and the like.

Risk management

Crisis Management Regulations

We have established Crisis Management Regulations, the guidelines for crisis management in the Keihan Group and related matters. They determine how we collect, manage, report and disclose crisis information as well as how we respond to an emergency. In response to this, each division of Keihan Holdings has established its own detailed rules on the Crisis Management Regulations and developed systems to deal with each specific crisis. We require all group companies to comply with the Crisis Management Regulations. To improve crisis management skills, a crisis/risk subcommittee has been established under the technical committee on compliance and crisis/risk management. This subcommittee develops countermeasures against risks that may have a significant impact on the Keihan Group.

Formulation of the Business Continuity Plan (BCP)

Keihan Holdings Co., Ltd. and Keihan Group companies have formulated a business continuity plan (BCP) on the assumption of a large scale disaster, such as a Nankai Trough earthquake or an earthquake triggered by the Uemachi Fault, as well as outbreaks of infectious diseases, such as COVID-19. In the event of a large-scale disaster, we will look to minimize damage to business assets, yet keep our core businesses running or restore operations at the earliest possible time. To achieve that, we have identified the functions and key tasks that must be prioritized, analyzed the factors that could hamper business continuity and the early restoration of operations, and prepared for a contingency by considering strategies for replacing, recovering, scaling down, or limiting business operations. To respond to the outbreak of infectious diseases, we have analyzed the impact on our business activities at each stage of infection and spread, and formulated business continuity strategies for facilities operated by group companies. We have also established a scheme to implement important operations necessary for business continuity even when employees are not able to travel to their workplaces.

Corporate governance

Information security

To maintain and improve information security, the Keihan Group has established the technical committee on information security under the Sustainability Committee and is working to reduce risk and strengthen IT governance across the Group. This policy is published on our website as the “Keihan Group Information Security Policy.”

Furthermore, to ensure the appropriate and safe management of confidential and personal information held by the Company in response to information security incidents^{*1}, which are becoming more sophisticated and complex in recent years, the Keihan Group SIRT^{*2} was established as the Group’s overall emergency response organization. At the same time, in addition to formulating a business continuity plan (BCP) for the IT systems of each Keihan Group company, we implement incident response drills and verify effective functioning in the handling process from the occurrence to resolution of an incident. We are also working to strengthen systems aimed at minimizing damage in case of an emergency.

As a part of our technical measures, we are advancing network integration across Keihan Group companies to facilitate the implementation of unified, high-level security measures as well as the strengthening of governance. We also conduct information security risk assessments for all Group companies and formulate response plans based on risk evaluation. Furthermore, using multiple diagnostic methods, we perform vulnerability assessments on the public websites of all Group companies. This helps to visualize vulnerabilities that could lead to information leaks or unauthorized access by external parties, enabling us to take measures to respond to the latest developments.

Our organizational initiatives include regularly convening the Critical Infrastructure Subcommittee and Group Security Subcommittee, which the major Group companies participate in. At these meetings, participants share information and engage in discussion on the latest cyberattack trends and countermeasures, working to enhance overall security level across the Group. With regard to education, we host information security study meetings on a regular basis for IT personnel of each Group company to raise awareness of threats and the related legal systems. We have also disseminated the Information Security Handbook across the Group as a part of our efforts to spread and improve knowledge of security.

^{*1} Incidents that threaten the environment for safe computer usage, such as attacks on websites via the Internet or emails and computer viruses.

^{*2} SIRT stands for Security Incident Response Team.

Dialogue with shareholders and investors

Keihan Holdings Co., Ltd. is committed to proactively disclosing information on our business management and enhancing communication through IR and SR activities so that our shareholders and investors can deepen their understanding of Keihan Holdings and the Keihan Group and evaluate the company correctly. These IR and SR activities include semi-annual financial results briefings for institutional investors and analysts in Japan and overseas, attended by the Chairman, the President, and the corporate officer in charge of accounting. Individual IR and SR meetings are also held as necessary, attended by the corporate officer in charge of IR and SR (approximately 80 meetings were held in FY2025). In addition to financial results and forecasts, the main themes of our dialogues include an overview of the long-term management strategy and medium-term management plan and their progress, as well as initiatives related to shareholder returns and ESG.

Co-creation with suppliers

Keihan Group Sustainable Procurement Policy

The Keihan Group has established the “Keihan Group Sustainable Procurement Policy” as a guideline that all corporate officers and employees of the Keihan Group should adhere to in promoting sustainable procurement. Furthermore, based on this policy, we have formulated “Requests to Our Suppliers” as a guideline that we would like all the suppliers of Keihan Group companies to understand and practice.

Keihan Group Sustainable Procurement Policy (excerpt)

(Fair business practices)

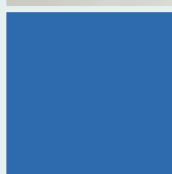
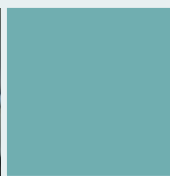
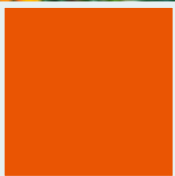
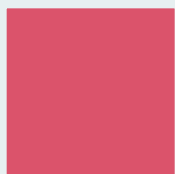
- We do not engage in corrupt practices such as bribery, corruption, and inappropriate hospitality and gift-giving in our procurement activities.

(Respect for human rights)

- We do not engage in any acts that infringe on human rights, such as discrimination and harassment based on race, nationality, creed, religion, gender, sexual orientation, presence or absence of disability, social status, etc.
- We do not engage in or allow unfair labor practices such as forced labor and child labor.

(Consideration for the environment)

- We strive to implement measures to conserve energy, resources, and water, and to reduce environmental impact.
- When purchasing and procuring goods and services, we strive to select those that have as little impact on the environment as possible.



DATA

- 69** Financial and non-financial highlights
- 71** 11-year summary of financial and non-financial data
- 72** Financial statements
- 74** Group companies / ESG evaluation / Information disclosure system
- 75** Corporate data / Stock information

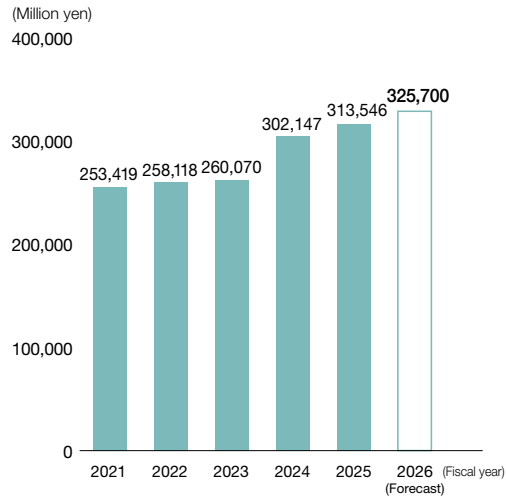


DATA

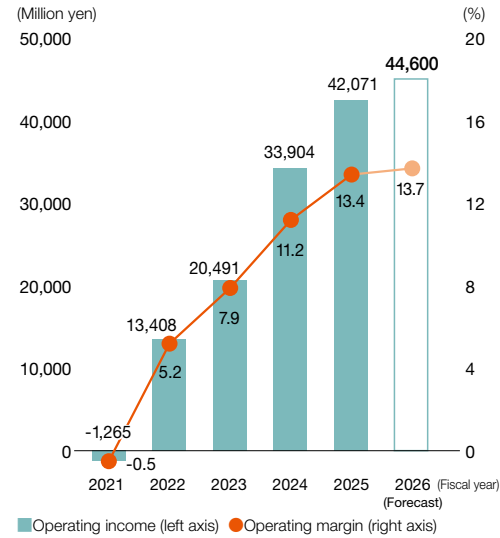
Financial and non-financial highlights

Financial highlights

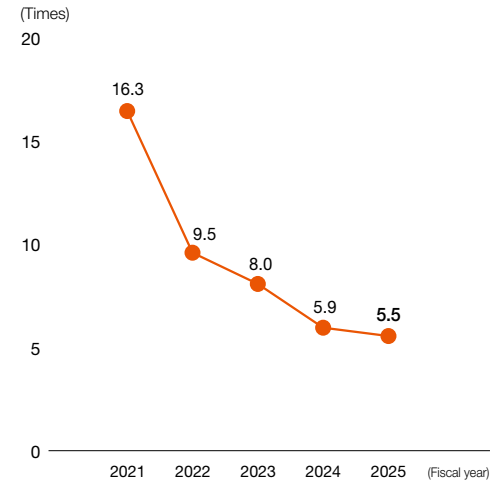
Operating revenue



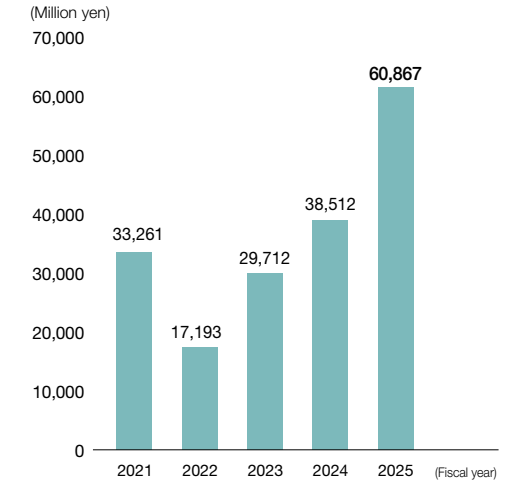
Operating income/operating margin



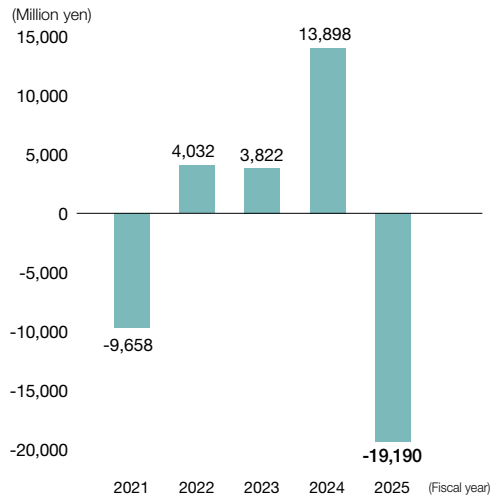
Net interest-bearing debt/EBITDA multiple



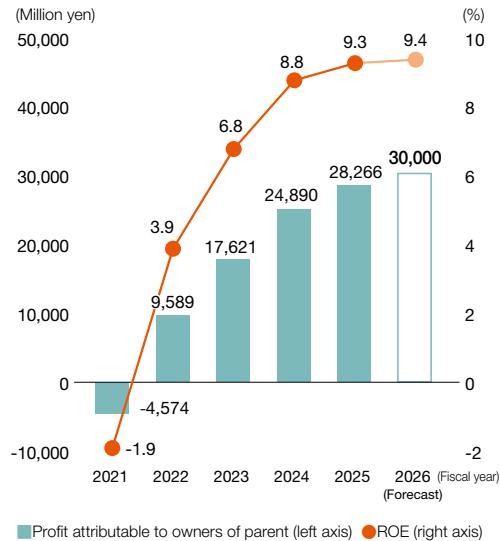
Capital expenditure



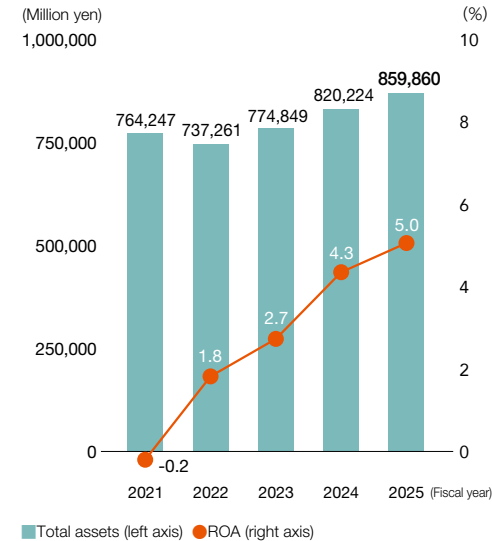
Free cash flow



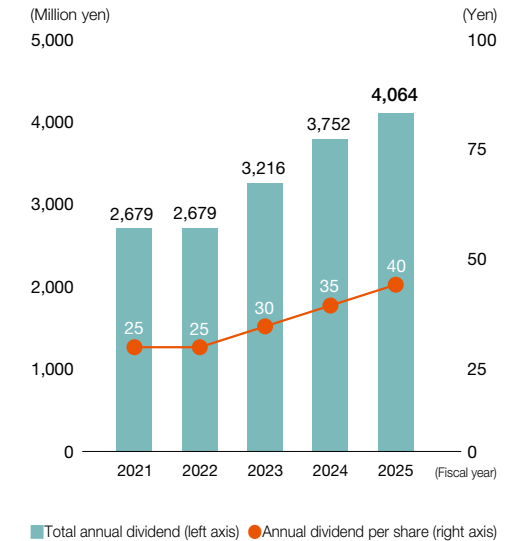
Profit attributable to owners of parent/ROE



Total assets/ROA



Shareholder returns

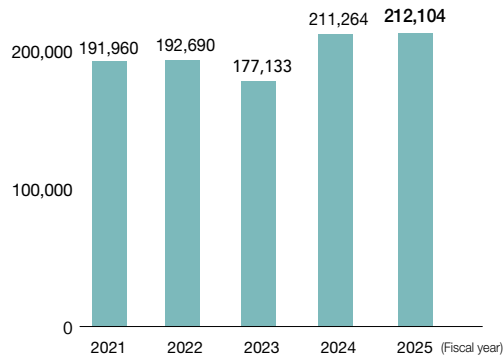


DATA

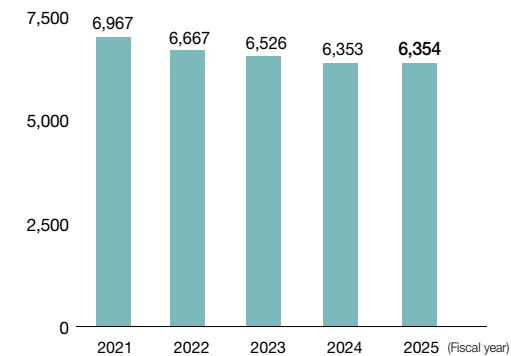
Financial and non-financial highlights

Non-financial highlights

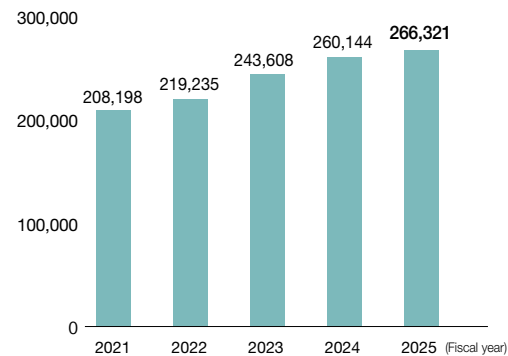
CO₂ emissions

(t)
300,000


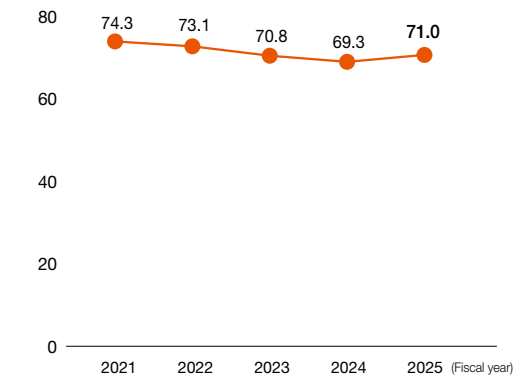
Number of employees (consolidated)

(People)
10,000


Keihan Railway passengers transported

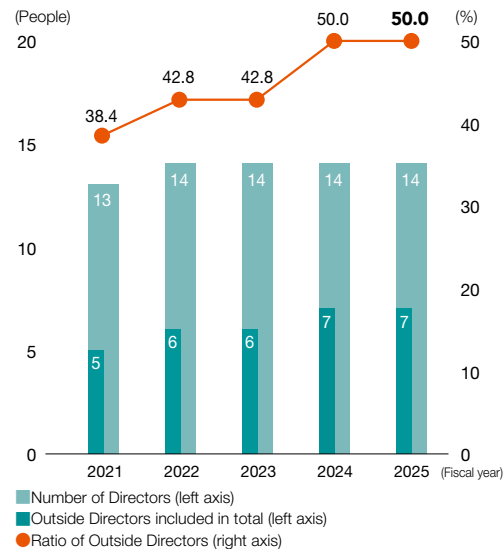
(Thousands of people)
400,000


Customer Satisfaction Index*

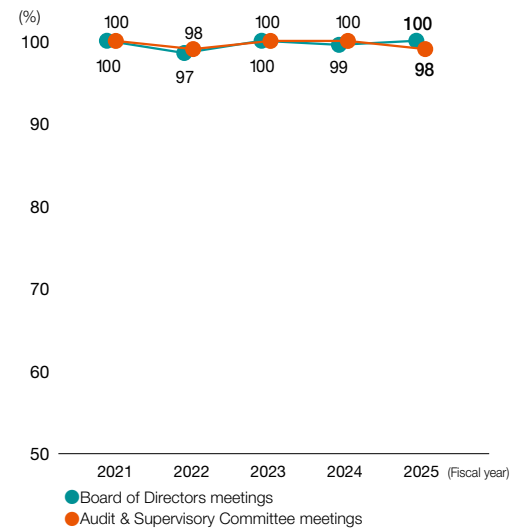
(%)
100


* This is part of Japan's largest customer satisfaction survey conducted by SPRING (Service Productivity & Innovation for Growth), part of the Japan Productivity Center. The data is specific to Keihan Railway.

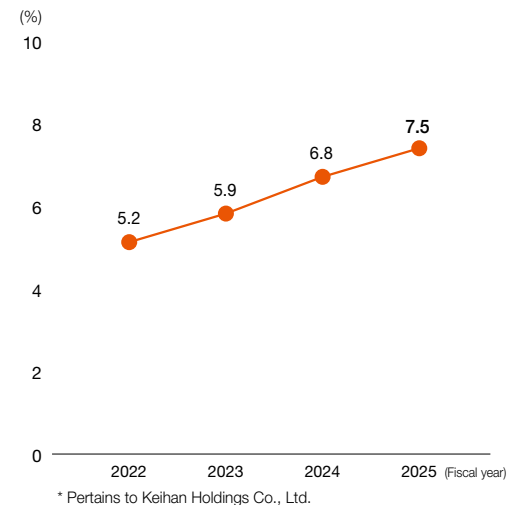
Number of Directors and ratio of Outside Directors



Outside Director attendance rate at Board of Directors meetings/Audit & Supervisory Committee meetings

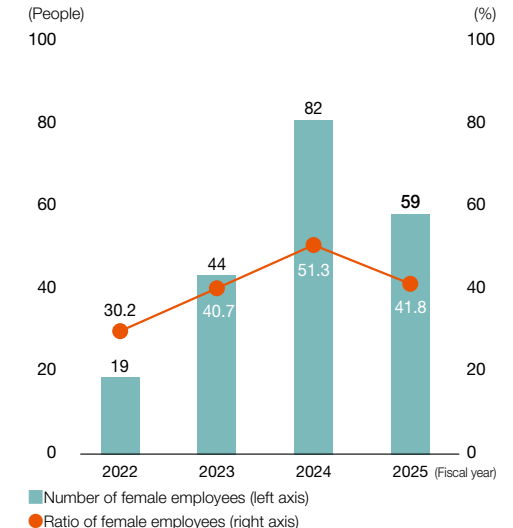


Ratio of female managers



* Pertains to Keihan Holdings Co., Ltd.

Number and ratio of female employees*



* Total for Keihan Holdings Co., Ltd., Keihan Electric Railway Co., Ltd., Keihan Real Estate Co., Ltd., Keihan Department Stores Co., Ltd., and Hotel Keihan Management Co., Ltd. (a subsidiary operating under Hotel Keihan Co., Ltd.)

DATA

11-year summary of financial and non-financial data

(Unit: million yen)

FY	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating revenue	294,906	300,188	302,917	322,276	326,159	317,103	253,419	258,118	260,070	302,147	313,546
Transportation	90,341	93,562	94,404	92,262	93,926	93,365	65,694	70,768	80,927	89,046	91,381
Real estate	89,454	89,033	94,014	113,132	118,607	110,228	110,270	137,495	120,103	138,860	139,094
Retail distribution	98,200	98,875	98,493	100,709	98,727	98,186	83,109	52,908	50,676	53,439	57,059
Leisure & service	29,761	31,813	30,801	31,298	30,621	32,081	9,724	11,529	22,869	34,976	39,978
Other businesses	1,707	1,755	1,792	1,824	1,843	2,908	3,061	3,169	3,660	4,578	5,167
Adjustments	-14,559	-14,852	-16,588	-16,951	-17,567	-19,667	-18,441	-17,752	-18,167	-18,752	-19,135
Operating income	29,437	31,524	32,343	31,458	33,715	31,123	-1,265	13,408	20,491	33,904	42,071
Ordinary income	27,435	28,461	30,335	29,630	32,108	29,886	238	16,485	20,458	33,111	40,905
Profit attributable to owners of parent	17,864	22,385	22,636	22,712	21,480	20,121	-4,574	9,589	17,621	24,890	28,266
Total assets	664,236	670,333	679,631	698,786 ²	731,750	732,824	764,247	737,261	774,849	820,224	859,860
Net assets	190,513	191,790	203,455	223,559	238,695	254,058	248,595	255,876	273,510	304,820	314,508
Interest-bearing debt	311,010	325,714	314,539	316,399	334,346	327,132	351,600	345,311	341,625	338,325	371,199
Capital expenditure	15,878	31,398	39,173	39,745	43,631	29,324	33,261	17,193	29,712	38,512	60,867
Depreciation	17,107	17,571	18,074	19,113	19,819	20,784	21,232	20,922	20,028	20,002	22,543
Cash flows from operating activities	21,459	36,334	38,569	44,438	36,473	32,033	15,282	21,673	16,932	40,830	44,007
Cash flows from investing activities	-4,473	-27,750	-29,597	-32,603	-48,059	-26,363	-24,940	-17,641	-13,109	-26,932	-63,198
Free cash flow	16,985	8,584	8,971	11,835	-11,586	5,670	-9,658	4,032	3,822	13,898	-19,190
Cash flows from financing activities	-16,275	-5,768	-20,020	-9,858	12,655	-12,138	21,301	-10,264	-7,435	-7,856	10,199
Net increase (decrease) in cash and cash equivalents	710	2,816	-11,048	1,976	1,069	-6,468	11,643	-6,232	-3,612	6,041	-8,991
Cash and cash equivalents at end of period	26,552	29,372	18,324	20,300	21,377	14,911	26,554	20,322	16,727	22,768	13,777
Earnings per share (yen) ¹	31.78	39.95	211.01	211.87	200.40	187.72	-42.68	89.47	164.38	232.14	268.32
Diluted earnings per share (yen) ¹	—	—	211.00	211.85	200.36	187.68	—	89.44	164.34	232.08	268.26
Net assets per share (yen) ¹	334.67	349.13	1,870.99	2,055.87	2,193.68	2,329.94	2,279.47	2,343.97	2,502.22	2,783.72	3,023.66
Dividend per share (yen) ¹	6.00	6.00	30.00	35.00	35.00	35.00	25.00	25.00	30.00	35.00	40.00
Return on equity (ROE) (%)	10.1	11.9	11.6	10.8	9.4	8.3	-1.9	3.9	6.8	8.8	9.3
Return on assets (ROA) (%)	4.4	4.7	4.8	4.6 ²	4.7	4.3	-0.2	1.8	2.7	4.3	5.0
Capital adequacy ratio (%)	28.3	28.2	29.5	31.5 ²	32.1	34.1	32.0	34.1	34.6	36.4	35.7
Interest-bearing debt / EBITDA multiple (times)	6.7	6.6	6.2	6.3	6.3	6.3	17.6	10.1	8.4	6.3	5.7
Net interest-bearing debt / EBITDA multiple (times)	6.1	6.1	5.9	5.9	5.9	6.0	16.3	9.5	8.0	5.9	5.5

¹ Keihan Holdings Co., Ltd. has conducted a consolidation of common shares at a rate of one share for every five shares with an effective date of October 1, 2017. Earnings per share, diluted earnings per share, net assets per share and dividend per share have been calculated as if this consolidation of shares was conducted at the beginning of the previous fiscal year.

² Accompanying the application of "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Accounting Standards Board of Japan, Statement No. 28, February 16, 2018), etc. from the beginning of FY2019, the figures for Total assets, Return on assets and Capital adequacy ratio have been restated for FY2018.

* The "Accounting Standard for Revenue Recognition" (Accounting Standards Board of Japan, Statement No. 29, March 31, 2020), etc. has been applied from the beginning of FY2022.

(Unit: people)

FY	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total number of employees (consolidated)	6,944	6,904	6,922	6,862	6,885	7,083	6,967	6,667	6,526	6,353	6,354
Transportation	4,760	4,694	4,695	4,438	4,431	4,426	4,359	4,215	4,082	3,917	3,829
Real estate	575	595	655	821	864	924	940	957	999	997	1,027
Retail distribution	831	850	859	870	867	873	863	760	723	702	721
Leisure & service	578	564	564	587	565	620	582	524	516	525	551
Other businesses	15	14	16	14	13	90	84	79	86	93	104
Group (Common)	185	187	133	132	145	150	139	132	120	119	122

* Figures for FY2015 are provided in accordance with the segmentation revised from FY2016.

DATA

Financial statements

Consolidated Balance Sheet

(Unit: million yen)

Item	Amount	
	2024/3	2025/3
Assets		
Current assets		
Cash and deposits	22,828	13,836
Notes and accounts receivable - trade, and contract assets	47,292	35,233
Marketable securities	177	1,964
Land and buildings for sale	152,330	161,201
Merchandise	1,692	1,898
Other	16,567	21,431
Allowance for doubtful accounts	-293	-313
Total current assets	240,594	235,252
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	203,487	237,700
Machinery, equipment and vehicles, net	17,871	21,093
Land	232,462	236,647
Leased assets, net	10,016	10,638
Construction in progress	35,016	27,590
Other, net	3,695	4,656
Total property, plant and equipment	502,549	538,325
Intangible assets	8,106	8,549
Investments and other assets		
Investment securities	50,224	56,000
Long-term loans receivable	154	106
Deferred tax assets	1,970	1,959
Net defined benefit asset	3,930	5,183
Other	12,809	14,589
Allowance for doubtful accounts	-116	-105
Total investments and other assets	68,973	77,732
Total non-current assets	579,629	624,607
Total assets	820,224	859,860

Item	Amount	
	2024/3	2025/3
Liabilities		
Current Liabilities		
Notes and accounts payable - trade	11,032	10,064
Short-term loans payable	77,694	62,434
Short-term bonds payable	-	9,996
Current portion of bonds payable	-	20,000
Accounts payable	45,489	34,115
Income tax payable	5,412	8,439
Advances received	16,499	16,973
Allowance for bonuses	2,994	3,097
Other	16,069	17,724
Total current liabilities	175,192	182,845
Non-current liabilities		
Bonds payable	90,000	90,000
Long-term loans payable	170,631	188,769
Long-term accounts payable	110	103
Lease obligations	9,793	10,336
Deferred tax liabilities	3,593	4,463
Deferred tax liabilities pertaining to revaluation	30,028	30,911
Allowance for corporate officers' retirement benefits	76	62
Net defined benefit liability	14,490	11,652
Other	21,486	26,205
Total long-term liabilities	340,211	362,506
Total liabilities	515,403	545,351

Item	Amount	
	2024/3	2025/3
Net Assets		
Shareholders' equity		
Capital stock	51,466	51,466
Capital surplus	28,798	28,772
Retained earnings	189,411	213,924
Treasury shares	-21,496	-39,038
Total shareholders' equity	248,180	255,125
Accumulated other comprehensive income		
Valuation difference on available for sale securities	10,182	10,854
Revaluation reserve for land	36,400	35,516
Foreign currency translation adjustment	139	91
Remeasurements of defined benefit plans	3,586	5,642
Total accumulated other comprehensive income	50,307	52,106
Subscription rights to shares	101	101
Non-controlling interests	6,231	7,174
Total net assets	304,820	314,508
Total liabilities and net assets	820,224	859,860

DATA

Financial statements

Consolidated statement of income (Summary)

(Unit: million yen)

Item	FY2024	FY2025
Operating revenue	302,147	313,546
Operating expenses	268,243	271,474
Operating income	33,904	42,071
Non-operating income	1,820	2,087
Non-operating expenses	2,613	3,253
Ordinary income	33,111	40,905
Extraordinary income	7,731	2,600
Extraordinary losses	5,807	2,783
Profit before income taxes	35,035	40,722
Income taxes - current	9,854	12,133
Income taxes - deferred	-793	-643
Profit	25,974	29,233
Profit attributable to non-controlling interests	1,084	966
Profit attributable to owners of parent	24,890	28,266

Consolidated Statement of Cash Flows (Summary)

(Unit: million yen)

Item	FY2024	FY2025
Cash flows from operating activities	40,830	44,007
Cash flows from investing activities	-26,932	-63,198
Cash flows from financing activities	-7,856	10,199
Net increase (decrease) in cash and cash equivalents	6,041	-8,991
Cash and cash equivalents at beginning of period	16,727	22,768
Cash and cash equivalents at end of period	22,768	13,777

Consolidated Business Segment Information

(Unit: million yen)

FY	Transportation		Real estate		Retail distribution		Leisure & service		Other businesses		Total		Adjustment		Amount recorded in consolidated financial statement	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Operating revenue																
Operating revenue from external customers	87,106	89,288	123,945	124,053	52,852	56,168	34,228	39,419	4,010	4,611	302,143	313,541	4	4	302,147	313,546
Intersegment operating revenue or transfers	1,939	2,092	14,915	15,040	587	891	747	559	567	555	18,757	19,140	-18,757	-19,140	-	-
Total	89,046	91,381	138,860	139,094	53,439	57,059	34,976	39,978	4,578	5,167	320,900	332,681	-18,752	-19,135	302,147	313,546
Segment income (loss)	9,208	12,323	20,171	22,342	2,771	2,846	3,265	4,916	-837	68	34,579	42,497	-675	-426	33,904	42,071
Segment assets	253,772	259,263	480,149	512,488	30,592	32,441	41,250	41,921	7,750	8,298	813,515	854,413	6,709	5,446	820,224	859,860
Other items																
Depreciation	10,535	11,393	6,819	8,320	1,060	1,223	1,304	1,282	118	137	19,838	22,358	164	198	20,002	22,556
Increase in property, plant and equipment and intangible assets	16,180	24,354	20,178	31,802	1,728	2,117	1,272	1,475	243	239	39,603	59,988	-1,090	878	38,512	60,867

DATA

Group companies / ESG evaluation / Information disclosure system

Group companies (as of March 31, 2025)

Consolidated subsidiaries

Transportation

Keihan Electric Railway Co., Ltd.
Keifuku Electric Railroad Co., Ltd.
Eizan Electric Railway Co., Ltd.
Keifuku Bus Co., Ltd.
Mikuni Kanko Sangyo Co., Ltd.
Keihan Engineering Service Co., Ltd.
Keihan Station Management Co., Ltd.
Keihan Agency Inc.
Keihan Bus Co., Ltd.
Kyoto Bus Co., Ltd.
Kojak Bus Co., Ltd.
Keihan Kyoto Kotsu Co., Ltd.
KT Auto Industry Co., Ltd.
Kyoto Keihan Bus Co., Ltd.
KB Enterprise Co., Ltd.

Real estate

Keihan Real Estate Co., Ltd.
Keihan Tatemono Co., Ltd.
Keihan Asset Management Co., Ltd.
Zero Corporation Co., Ltd.
Keihan Kind Co., Ltd.
Keihan Building Techno Service Co., Ltd.
Keihan Gardening Co., Ltd.
Keihan Sangyo Co., Ltd.
Kanko Co., Ltd.

Retail distribution

Keihan Department Stores Co., Ltd.
Keihan Ryutsu Systems Co., Ltd.
Keihan The Store Co., Ltd.
Bio Market Co., Ltd.

Leisure & service

Hotel Keihan Co., Ltd.
Keihan Hotels & Resorts Co., Ltd.
Osaka Aqua Bus Ltd.
Biwako Kisen Steamship Co., Ltd.
Kuzuha Public Golf Course Co., Ltd.
Hieizan Driveway Co., Ltd.
Biwako Food Service Co., Ltd.
Hieizan Railway Co., Ltd.

Other businesses

Keihan Card Co., Ltd.
Biostyle Co., Ltd.

ESG evaluation



MSCI ESG Ratings AA
(Industrial conglomerate)



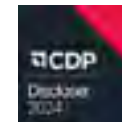
MSCI Japan
ESG Select Leaders

* The inclusion of Keihan Holdings in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of Keihan Holdings by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index name and logos are trademarks or service marks of MSCI or its affiliates.

Morningstar
Japan ex-REIT Gender Diversity
Tilt Index



S&P/JPX
Carbon Efficient Index



Climate change score: B

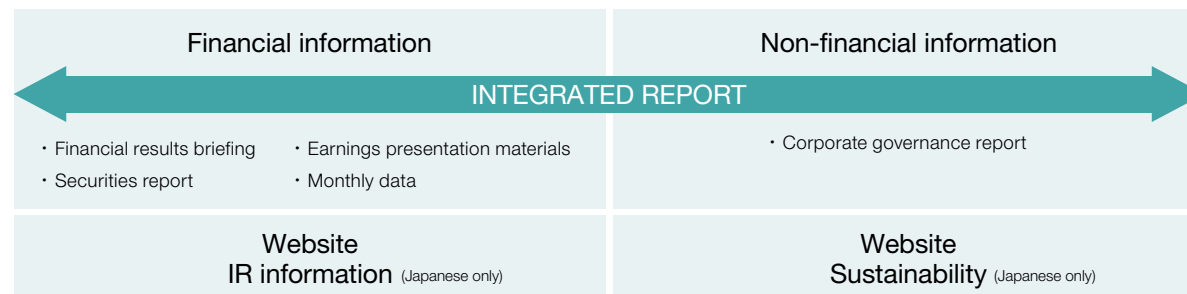


Equity-method affiliate

Transportation Nakanoshima Rapid Railway Co., Ltd.

Real estate PANNARAI DEVELOPMENT CO., LTD.

Information disclosure structure



Forward-looking statements

The performance forecasts and business plans contained in this report are based on our company's judgment of forward-looking statements and are based on information available and assumptions made at the time of preparation. Therefore, please be aware that actual performance and other results published in the future may differ from these forward-looking statements due to uncertain factors such as changes in economic conditions and regulations.

DATA

Corporate data / Stock information

Corporate data (as of March 31, 2025)

Name	Keihan Holdings Co., Ltd.
Incorporation	November 25, 1949
Establishment	November 19, 1906
Capital	51,466,416,776 yen
Number of employees	141 (including those seconded from other companies, and not including those seconded to other companies)
Head office	1-7-31 Otemae, Chuo-ku, Osaka, Japan
Main business	Management of the group, etc.

Status of shares (as of March 31, 2025)

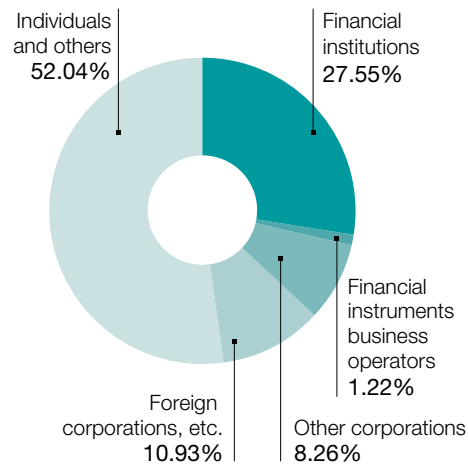
Total number of authorized shares	319,177,200
Aggregate number of issued shares	113,182,703
Number of shareholders	49,866

Major shareholders (as of March 31, 2025)

Shareholder name	Number of shares (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	14,595	14.36
Custody Bank of Japan, Ltd. (Trust Account)	4,195	4.13
Sumitomo Mitsui Trust Bank, Limited	2,040	2.01
JP MORGAN CHASE BANK 385781	1,394	1.37
Sumitomo Mitsui Banking Corporation	1,360	1.34
Nippon Life Insurance Company	1,324	1.30
STATE STREET BANK AND TRUST COMPANY 505001	1,265	1.25
STATE STREET BANK WEST CLIENT — TREATY 505234	1,163	1.15
Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank Re-trust Portion/ Hankyu Corporation Retirement Benefit Trust Account)	1,073	1.06
STATE STREET BANK AND TRUST COMPANY 505103	1,057	1.04

(Notes) 1. Keihan Holdings Co., Ltd. holds 11,573,128 shares of treasury shares, which are excluded from the above major shareholders.
2. The shareholding ratio is calculated excluding treasury shares.

Ownership distribution status



Stock price & trading volume trends





Keihan Holdings Co., Ltd.

Integrated Report Editorial Office

Management Strategy Group, Corporate Planning Office

1-7-31 Otemae, Chuo-ku, Osaka 540-6591

Phone: +81-(0)6-6945-4585

<https://www.keihan.co.jp/eng/>