



December 26, 2025

For Immediate Release

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Representative: Masahiro Horie, President and Representative Director
(Securities code: 9005 TSE Prime Market)
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Notice Regarding Absorption-Type Merger (Simplified/Short-Form Merger) of Consolidated Subsidiary,
Tokyu Hotels Co., Ltd.

Tokyu Corporation (the “Company”) announces that at a meeting of its Board of Directors held on December 26, 2025, the Board of Directors decided to proceed with an absorption-type merger (the “Absorption-type Merger”) with Tokyu Hotels Co., Ltd. (“Tokyu Hotels”), a wholly owned subsidiary. This merger is planned to take effect on April 1, 2026.

Since the Absorption-type Merger is a short-form/simplified merger targeting a wholly owned subsidiary, the Company is disclosing information omitting certain information and details, and the impact of the Absorption-type Merger on the Company’s consolidated financial results will be minor.

1. Purpose of the Absorption-type Merger

In the Three-year Medium-term Management Plan announced on March 25, 2024, the Company positions the three years covered by the plan as a reboot period amidst the changing external environment. The Company aims to shift to management that emphasizes capital efficiency while reinforcing its management foundation through business and corporate strategies, and to achieve the sustainable increase of corporate value.

In the Hotel and Resort Business, corporate restructuring and the reorganization and expansion of a new lineup of brands were implemented on April 1, 2023 as part of the efforts to strengthen functions through the differentiation and specialization of management and operational functions with the goal of improving profitability.

In this restructuring, the Company and Tokyu Hotels have concentrated their expertise in the management of the Hotels and Resorts Business, implemented unified asset management, and planned and developed hotels that contribute to community and urban development with the goal of increasing the added value for communities and regions.

In connection with centralizing the management of the hotel and resort business across the Company and Tokyu Hotels through the Absorption-type Merger, we will, in addition to creating greater added value for cities and regions, promptly and flexibly carry out the review, decision-making and execution with respect to business development policies and investment in individual properties, seek to reduce business risk and to focus and strengthen investment for growth, and aim to further enhance profitability.

2. Outline of the Absorption-type Merger

(1) Schedule for the Absorption-type Merger

| | |
|---|----------------------|
| Approval of the merger agreement (the Company) | December 26, 2025 |
| Approval of the merger agreement (Tokyu Hotels) | December 24, 2025 |
| Conclusion of the merger agreement | January 2026 (plan) |
| Effective date of the merger | April 1, 2026 (plan) |

* The Absorption-type Merger is considered a short-form merger for the Company as specified in Article 796, Paragraph 2 of the Companies Act and a simplified merger for Tokyu Hotels as specified in Article 784, Paragraph 1 of the Companies Act. Therefore, the two companies will merge without holding General Meetings of Shareholders to obtain shareholders' approval of the merger agreement.

(2) Method for the Absorption-type Merger

Short-form absorption-type merger where the Company is the surviving company, and Tokyu Hotels is the absorbed company

(3) Details of allotment relating to the Absorption-type Merger

No shares or money will be allocated or delivered.

(4) Handling of share acquisition rights and bonds with share acquisition rights associated with the Absorption-type Merger

Tokyu Hotels does not issue share acquisition rights or bonds with share acquisition rights.

3. Outline of the companies concerned with the Absorption-type Merger

Surviving Company

| | | |
|---|--|--------|
| (1) Name | TOKYU CORPORATION | |
| (2) Location | Nanpeidai-cho 5-6, Shibuya-ku, Tokyo | |
| (3) Title/name of representative | Masahiro Horie, President and Representative Director | |
| (4) Business contents | Real estate leasing, real estate sales and other businesses | |
| (5) Capital | 121,724 million yen | |
| (6) Date of establishment | September 2, 1922 | |
| (7) Number of issued shares | 624,869,876 shares | |
| (8) Fiscal year-end | March 31 | |
| (9) Major shareholders and shareholding ratio (as of September 30, 2025) | Master Trust Bank of Japan, Ltd. (Trust Account) | 14.75% |
| | Custody Bank of Japan, Ltd. (Trust Account) | 4.62% |
| | Nippon Life Insurance Company | 3.40% |
| | The Dai-ichi Life Insurance Company, Limited | 2.87% |
| | Sumitomo Mitsui Trust Bank, Limited | 2.73% |
| | STATE STREET BANK WEST CLIENT – TREATY 505234 (Standing Proxy Settlement & Clearing Services Dept. of Mizuho Bank, Ltd.) | 2.15% |
| | Mizuho Bank, Ltd. | 1.72% |
| | Taiyo Life Insurance Company | 1.58% |
| | Tokyu Group Employees Shareholding Association | 1.28% |
| | The Nomura Trust and Banking Co., Ltd.(Retirement benefits trust account at MUFG Bank, Ltd.) | 1.24% |

| | |
|--|-----------------------|
| (10) Consolidated financial position and operating results in the most recent fiscal year (ended March 31, 2025) | |
| Net assets | 872,295 million yen |
| Total assets | 2,698,981 million yen |
| Net assets per share | 1,441.00 yen |
| Operating revenue | 1,054,981 million yen |
| Operating profit | 103,485 million yen |
| Ordinary profit | 107,724 million yen |
| Profit attributable to owners of parent | 79,677 million yen |
| Net income per share | 134.81 yen |

Absorbed company in the Absorption-type Merger

| | |
|---|--|
| (1) Name | Tokyu Hotels Co., Ltd. |
| (2) Location | Nanpeidai-cho 5-6, Shibuya-ku, Tokyo |
| (3) Title/name of representative | Takeru Osawa, President and Representative Director |
| (4) Business contents | Hotel management |
| (5) Capital | 100 million yen |
| (6) Date of establishment | January 9, 2001 |
| (7) Number of issued shares | 140,750 shares (72,000 common shares and 68,750 Class A preferred shares) |
| (8) Fiscal year-end | March 31 |
| (9) Major shareholders and shareholding ratio | TOKYU CORPORATION 100% |
| (10) Financial position and operating results in the most recent fiscal year (ended March 31, 2025) | |
| Net assets | 3,627 million yen |
| Total assets | 15,421 million yen |
| Net assets per share | -335,459.78 yen |
| Net sales | 42,220 million yen |
| Operating profit | 2,290 million yen |
| Ordinary profit | 2,243 million yen |
| Net income | 2,423 million yen |
| Net income per share | 29,757.23 yen |

* The table below presents the estimated assets and liabilities that the Company will acquire from Tokyu Hotels through the Absorption-type Merger.

| Assets | | Liabilities | |
|--------------------|--------------------------|-----------------------|--------------------------|
| Item | Book value (Million yen) | Item | Book value (Million yen) |
| Current Assets | 9,463 | Current Liabilities | 9,357 |
| Non-current Assets | 7,962 | Long-Term Liabilities | 2,246 |
| Total | 17,425 | Total | 11,603 |

(Note) The items and amounts of assets and liabilities that will be transferred through the merger will be determined based on the balance sheet dated March 31, 2025 and any changes occurring from that date to the effective date of the Absorption-type Merger. The actual assets and liabilities to be transferred may differ from the figures above.

4. Status after the Absorption-type Merger

The Absorption-type Merger will not result in any changes to the name, location, title and name of the representative, description of business, share capital, and accounting period of the Company being the surviving company.

5. Outlook

The Absorption-type Merger is a reorganization between the Company and its wholly owned subsidiary, and its impact on the consolidated results is expected to be immaterial. The Company will promptly disclose any information required to be disclosed.

(For reference) Consolidated forecasts for the fiscal year ending March 31, 2026 (announced on November 11, 2025) and results for the previous fiscal year

| | Operating revenue | Operating profit | Ordinary profit | Profit attributable to owners of parent | Net income per share |
|--|--------------------------|------------------------|------------------------|---|----------------------|
| Forecasts for the year ending March 2026 | Million yen 1,085,000 | Million yen 104,000 | Million yen 115,400 | Million yen 84,000 | (yen) 146.32 |
| Consolidated results for the previous fiscal year (Fiscal year ended March 31, 2025) | Million yen 1,054,981 | Million yen 103,485 | Million yen 107,724 | Million yen 79,677 | (yen) 134.81 |