

Imperial Hotel, Ltd. Financial Results for the Fiscal Year Ended March 2025



IMPERIAL HOTEL

May 13, 2025, Imperial Hotel, Ltd. (Code 9708, TSE Standard)

Financial Results for the Fiscal Year Ended March 2025



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Consolidated Operating Results



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Unit (million yen)

Note: Amounts less than one million yen are rounded down to the nearest million yen.

	FY03/2025	FY03/2024	YoY Difference (amount)	YoY Difference (%)
Net Sales	52,610	53,335	(724)	(1.4%)
EBITDA*1	4,045	5,813	(1,768)	(30.4%)
Operating Profit	1,590	2,839	(1,249)	(44.0%)
Ordinary Profit	2,062	3,296	(1,233)	(37.4%)
Profit Attributable to Owners of Parent	2,585	3,377	(791)	(23.4%)
Basic Earnings per Share	Yen 21.79	Yen 28.46	Yen (6.67)	(23.4%)

*1 EBITDA is a widely-used profit indicator obtained by adding interest expense and depreciation to ordinary profit; the Company has set this indicator as a quantitative target in the Medium- to Long-Term Management Plan 2036.

- In the hotel & tourism industry, we have observed a steady increase in overall performance, driven by factors such as strong domestic tourism demand and an increase in inbound tourism due to yen depreciation, along with a growth in corporate demand following improvements in corporate earnings.
- In order to capture this expanding domestic consumer spending and vigorous inbound demand amidst a decrease in business scale in the Tower Building due to redevelopment, the Group has provided high-quality, high value-added products and services. In addition, we have striven to increase net sales and profit by efforts including strengthening sales activities with an eye on the recovery of corporate demand. As a result, we were able to push net sales higher than the previous year in our hotel business. Furthermore, we have also explored new business models, as exemplified by our opening of an online mall.

Consolidated Income Statement

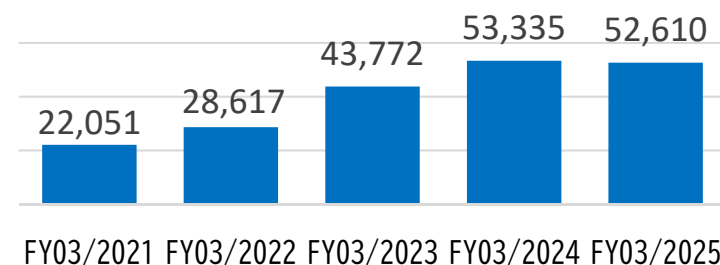


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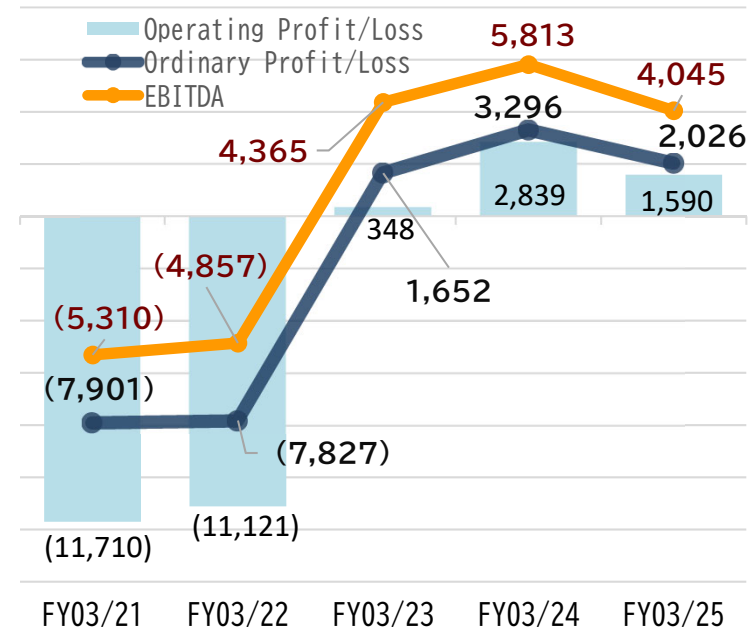
Unit (million yen)

	FY03/2025	FY03/2024	YoY Difference	YoY Difference (%)
Net Sales	52,610	53,335	(724)	(1.4%)
Material Cost	10,707	11,033	(325)	(3.0%)
Gross Profit	41,902	42,301	(398)	(0.9%)
Selling, General and Administrative Expenses	40,312	39,461	850	2.2%
Operating Profit	1,590	2,839	(1,249)	(44.0%)
Non-operating Income	487	463	23	5.0%
Non-operating Loss	15	7	8	108.6%
Ordinary Profit	2,026	3,296	(1,233)	(37.4%)
Profit	2,585	3,377	(791)	(23.4%)
Profit Attributable to Owners of Parent	2,585	3,377	(791)	(23.4%)
EBITDA	4,045	5,813	(1,768)	(30.4%)

Net Sales



Operating Profit, Ordinary Profit, EBITDA



By Segment



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Unit (million yen)

			FY03/2025	FY03/2024	YoY Difference	YoY Difference (%)
	Hotel Business	Net Sales	52,337	51,125	1,211	2.4%
		Segment Profit	4,658	4,855	(196)	(4.1%)
	Real Estate Rental Business	Net Sales	276	2,219	(1,943)	(87.6%)
		Segment Profit	(253)	408	(662)	—
	Adjustment*1	Net Sales	(2)	(9)	7	—
		Segment Profit	(2,814)	(2,424)	(390)	—
	Amount Recorded in Consolidated Financial Statements*2	Net Sales	52,610	53,335	(724)	(1.4%)
		Segment Profit	1,590	2,839	(1,249)	(44.0%)

*1. Adjustment of segment profit refers to corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.

*2. Segment profit is adjusted with Operating profit in the consolidated income statement.

Results by Business



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Imperial Hotel Headquarters

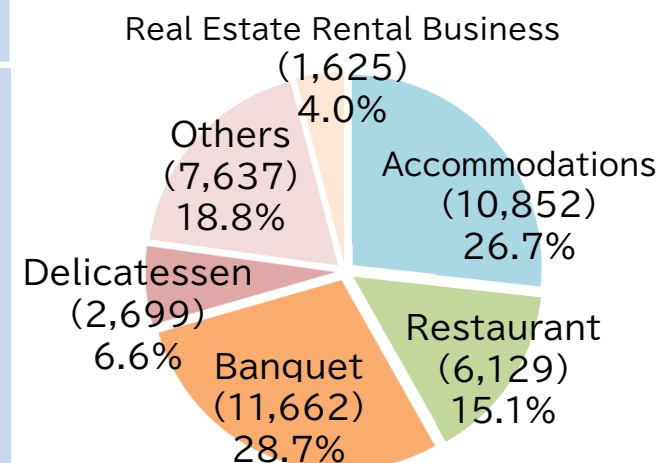
Unit (million yen)

		FY2024	FY2023	YoY Difference	YoY Difference (%)
Hotel Business	Accommodations	10,852	10,059	793	7.9%
	Restaurant	6,129	6,395	(265)	(4.1%)
	Banquet	11,662	11,555	106	0.9%
	Delicatessen	2,699	3,185	(486)	(15.3%)
	Others	7,637	7,054	582	8.3%
	Real Estate Rental Business	1,625	3,751	(2,125)	(56.7%)
	Total Net Sales	40,607	42,003	(1,395)	(3.3%)

- For accommodations, stable use by domestic member customers and an increase in inbound demand due to yen depreciation has resulted in the room occupancy rate rising to 67.8%, which is a 3.0 percentage point increase from the previous period. And as a result of efforts for high unit price sales, the ADR (Average Daily Rate) rose to 66,519 yen, which is a 5.5% increase from the previous period, and the net sales rose to 10,852 million yen, which is a 7.9% increase from the previous period.
- For restaurants, though establishments including Imperial Viking Sal and Les Saisons performed well, under the impact of La Brasserie closing in June 2024, the net sales dropped to 6,129 million yen, which is a 4.1% decrease from the previous period.
- For banquets, while the number of general banquets decreased, sales increased due to a rise large-scale banquets. For weddings, sales decreased due to a decrease in the number of weddings. As a result, net sales were 11,662 million yen, which was approximately the same as the previous period.



Sales Composition Ratio



Results by Business



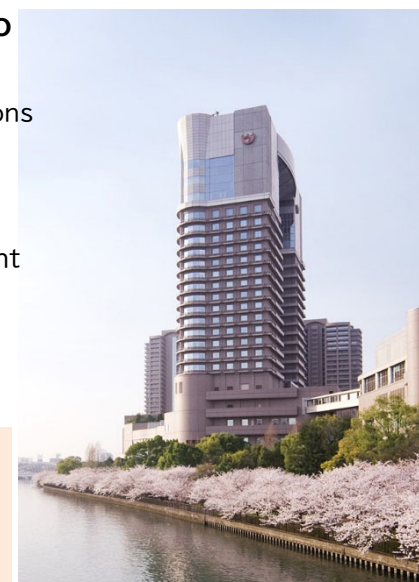
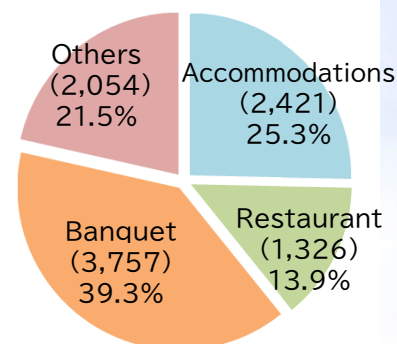
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Imperial Hotel, Osaka

Unit (million yen)

	FY2024	FY2023	YoY Difference	YoY Difference (%)
Accommodations	2,421	1,947	474	24.4%
Restaurant	1,326	1,257	69	5.5%
Banquet	3,757	3,966	(209)	(5.3%)
Others	2,054	1,963	90	4.6%
Total Net Sales	9,559	9,134	425	4.7%

Sales Composition Ratio



- Accommodations showed a trend of good performance for individual and group guests, especially those from the Asian region. Also, due to the implementation of a pricing policy that aligned with busy seasons and off seasons, the room occupancy rate rose to 59.2%, which is a 9.7 percentage point increase from the previous period and the ADR also rose to 29,655 yen, which is a 4.3% increase from the previous period, resulting in net sales of 2,421 million yen, which is a 24.4% increase from the previous period.
- For restaurants, in addition to breakfast sales increasing due to the rise in occupancy rate, good performance of high unit price items sales also contributed to an increase in net sales to 1,326 million yen, which is a 5.5% increase from the previous period.
- For banquets, general banquets experienced a sales increase due to a rise in large-scale banquets, but weddings experienced a sales decrease due to the advancing trend toward smaller scales, which resulted in fewer people and fewer weddings. As a result, net sales dropped to 3,757 million yen, which is a 5.3% decrease from the previous period.

Kamikochi Imperial Hotel

Unit (million yen)

	FY2024	FY2023	YoY Difference	YoY Difference (%)
Total Net Sales	1,899	1,686	213	12.7%

Due to the implementation of a price revision following the conclusion of guest room renovation work and the implementation of a priority online reservation service for member customers, the guest room occupancy rate rose to a high level of 95.0%, which is a 1.3 percentage point increase from the previous period, and as a result of restaurants and shops also performing well, the Kamikochi Imperial Hotel net sales rose to an all-time record high of 1,899 million yen.

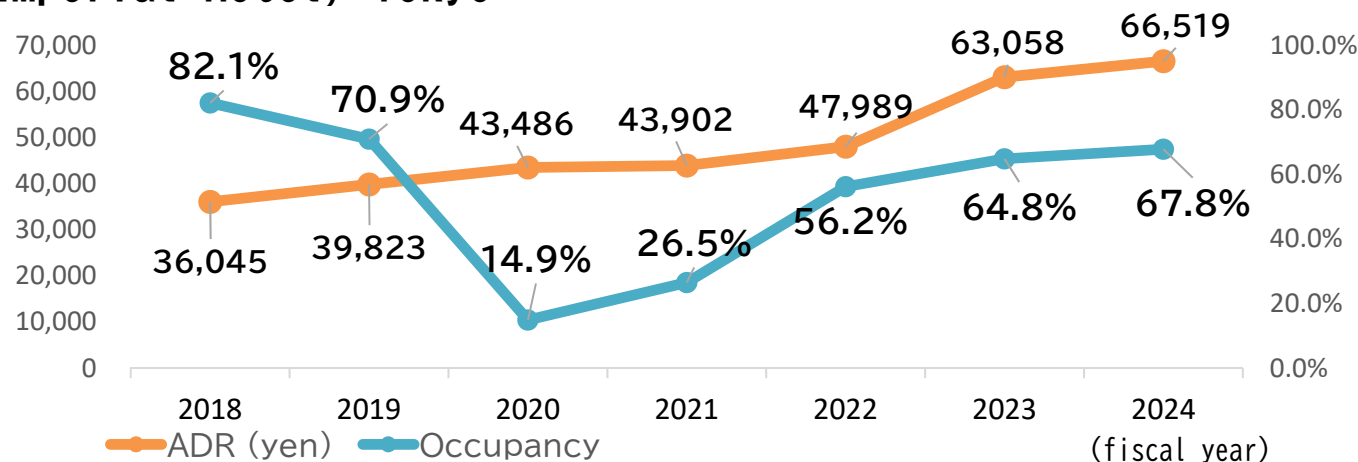


Supplements on Results by Business (ADR, Occupancy)

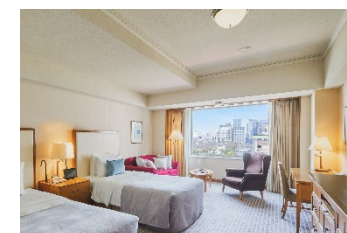
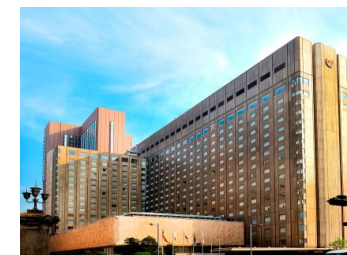


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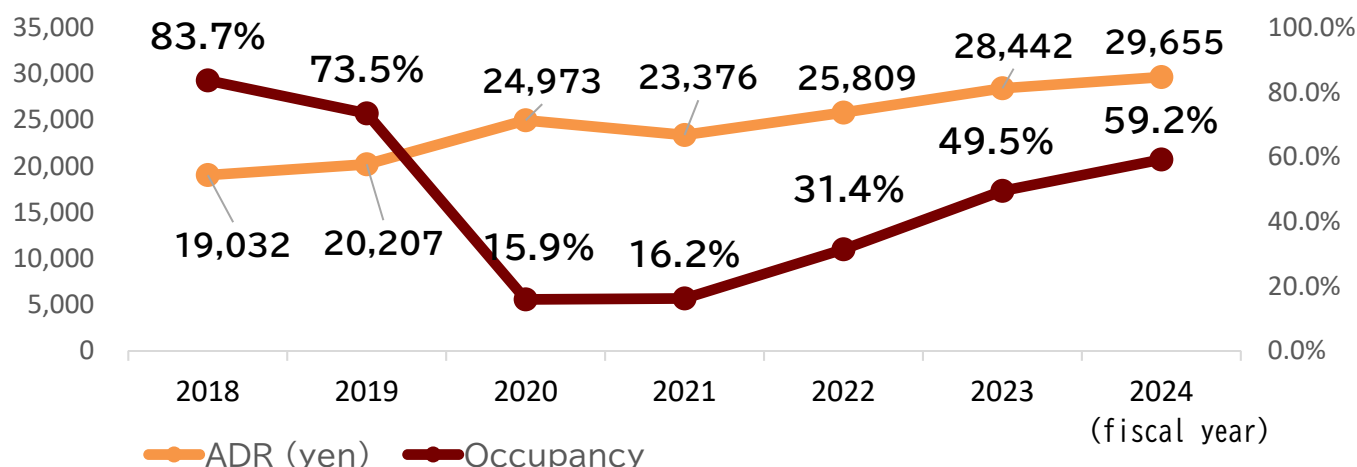
Imperial Hotel, Tokyo



* Serviced apartments are not included in ADR and occupancy for FY2021 and thereafter.



Imperial Hotel, Osaka



Consolidated Balance Sheet



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Unit (million yen)

Assets	March 31, 2025	March 31, 2024	Change from Previous Year-end	Change from Previous Year-end (%)	Reasons for YoY Difference
Total Current Assets	27,785	35,606	(7,821)	(22.0%)	Marketable Securities Decrease
Total Non-current Assets	41,249	30,100	11,149	37.0%	Tangible Fixed Assets Increase
Total Assets	69,034	65,706	3,327	5.1%	
Liabilities	March 31, 2025	March 31, 2024	Change from Previous Year-end	Change from Previous Year-end (%)	Reasons for YoY Difference
Total Current Liabilities	7,545	12,394	(4,839)	(39.1%)	Arrears Decrease
Total Non-current Liabilities	16,141	10,276	5,865	57.1%	Long-term Unearned Revenue Recording
Total Liabilities	23,686	22,670	1,016	4.5%	
Total Net Assets	45,347	43,036	2,311	5.4%	Recording Profit Attributable to Owners of Parent
Total Liabilities/Net Assets	69,034	65,706	3,327	5.1%	
Equity-to-asset ratio	March 31, 2025	March 31, 2024	March 31, 2023		
	65.7%	65.5%	64.8%		

Consolidated Statement of Cash Flow



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April 1, 2024 – March 31, 2025

Unit (million yen)

	FY2024	FY2023	YoY Difference	YoY Difference (%)
Cash Flow from Operating Activities	7,063	4,201	2,861	68.1%
Cash Flow from Investing Activities	(14,137)	(3,073)	(11,064)	—
Cash Flow from Financing Activities	(724)	(718)	(6)	—
Balance of Cash and Cash Equivalents at the Beginning of Fiscal Year	27,738	27,329	409	1.5%
Balance of Cash and Cash Equivalents at End of Fiscal Year	19,939	27,738	(7,799)	(28.1%)

Consolidated Earnings Forecast



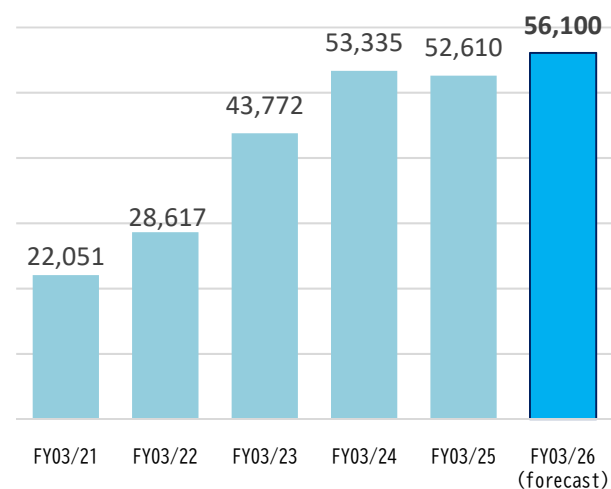
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Unit (million yen)

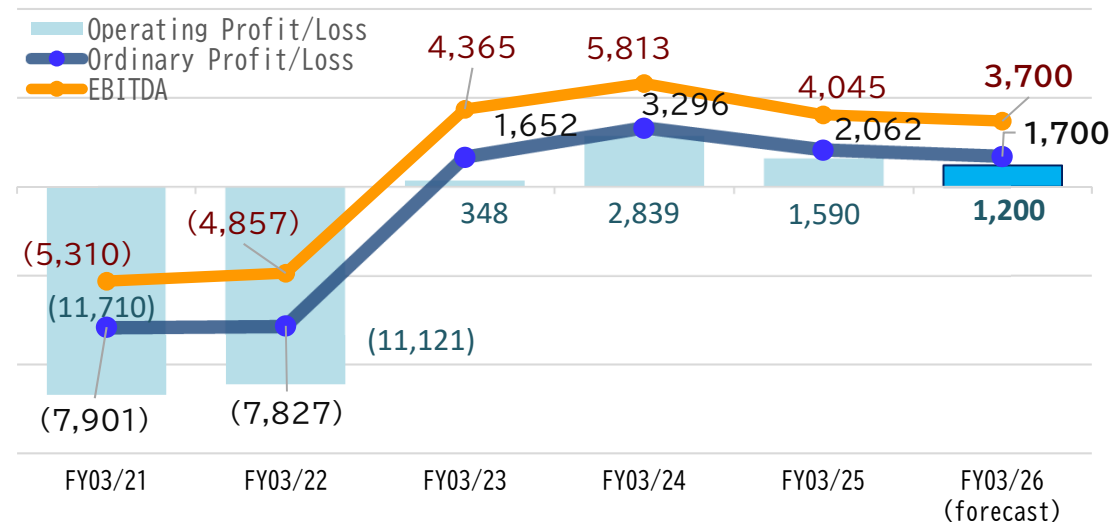
	FY03/2025	FY03/2026 (forecast)			
		H1 of the Fiscal Year		Full Year	
Net Sales	52,610	25,300	2.3%	56,100	6.6%
Operating Profit	1,590	(400)	—	1,200	(24.6%)
Ordinary Profit	2,062	(200)	—	1,700	(17.6%)
Profit Attributable to Owners of Parent	2,585	(250)	—	1,650	(36.2%)
Basic Earnings per Share	21.79 Yen	(2.11)		13.91 Yen	

% represent changes from the previous fiscal year for the full year and from the same quarter of the previous fiscal year for each quarter

Net Sales



Operating Profit, Ordinary Profit, EBITDA



Shareholder Returns



IMPERIAL HOTEL

Dividends

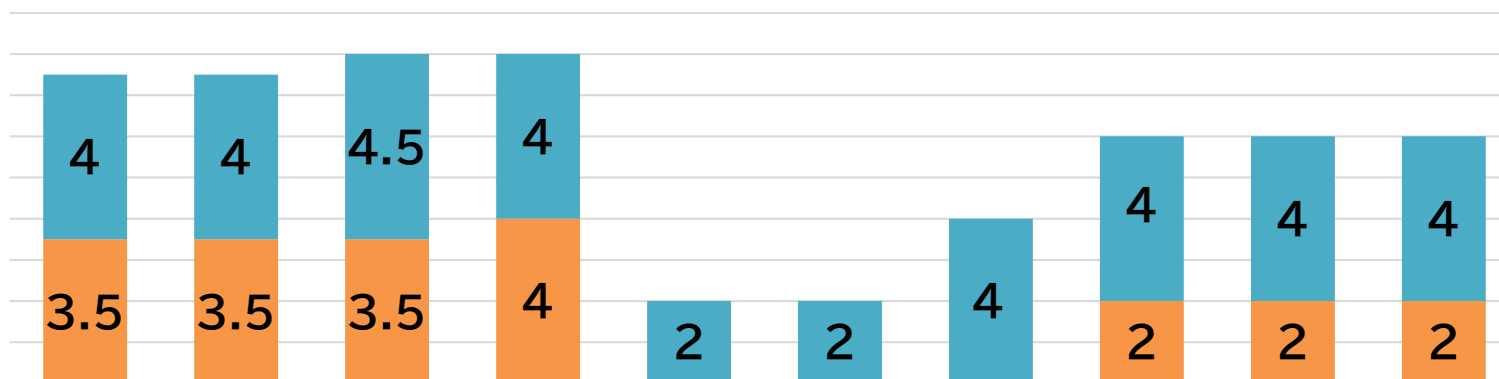
The Company's basic policy is to maintain stable dividends by securing a stable management base over the long term, and we will strive to return profits to shareholders.

For the FY03/2025, considering our business performance and basic policy and in order to show our appreciation for the continuous support from shareholders, we have set the year-end dividend to 4 yen, resulting in a total annual dividend of 6 yen, inclusive of interim dividend of 2 yen.

In addition, concerning the dividend forecast for the FY03/2026, although the future will still be uncertain moving forward, in order to meet the growing expectations of our shareholders regarding our future story, as exemplified by the opening of Imperial Hotel, Kyoto, we have set the ordinary dividend 6 yen per share (made up of an interim dividend of 2 yen and year-end dividend of 4 yen).

Change in Dividends

■ Interim (yen) ■ Year end (yen)



	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26 (forecast)
Net income (million yen)	3,689	3,399	3,686	2,404	(14,363)	(7,886)	1,951	3,377	2,585	1,650

Shareholder Returns



IMPERIAL HOTEL

Shareholder Benefit Program

We established the shareholder benefit program to express our gratitude to shareholders for their daily support, to enhance their familiarity with our business by providing access to our products and services, and to increase the attractiveness of investing in our stock so that more people will hold our stock over the medium to long term.

Eligible Shareholders

Shareholders holding 100 or more shares who are listed or recorded in the shareholder register as of March 31 of each year are eligible, and we plan to send it together with the Notice of Resolutions of the Ordinary General Meeting of Shareholders, which is delivered once per year after the Imperial Hotel Ordinary General Meeting of Shareholders (late June).

Shareholder Benefits

Number of shares held	Benefit (hotel coupon)	
	Less than 5 years of continuous share retention	Long-Term Shareholder Special Benefit Program (5 or more years of continuous share retention)
100-299 shares	1,000 yen (one 1,000 yen certificate)	
300-999 shares	3,000 yen (three 1,000 yen certificates)	The benefit on the left + 1,000 yen (one 1,000 yen certificate)
1,000-1,999 shares	10,000 yen (two 5,000 yen certificates)	The benefit on the left + +5,000 yen (one 5,000 yen certificate)
2,000-9,999 shares	25,000 yen (five 5,000 yen certificates)	The benefit on the left + 15,000 yen (three 5,000 yen certificates)
10,000 shares or more	25,000 yen (five 5,000 yen certificates) One night stay invitation	The benefit on the left + 15,000 yen (three 5,000 yen certificates)

*See our website for details including participating locations (<https://www.imperialhotel.co.jp/financial/incentives>)

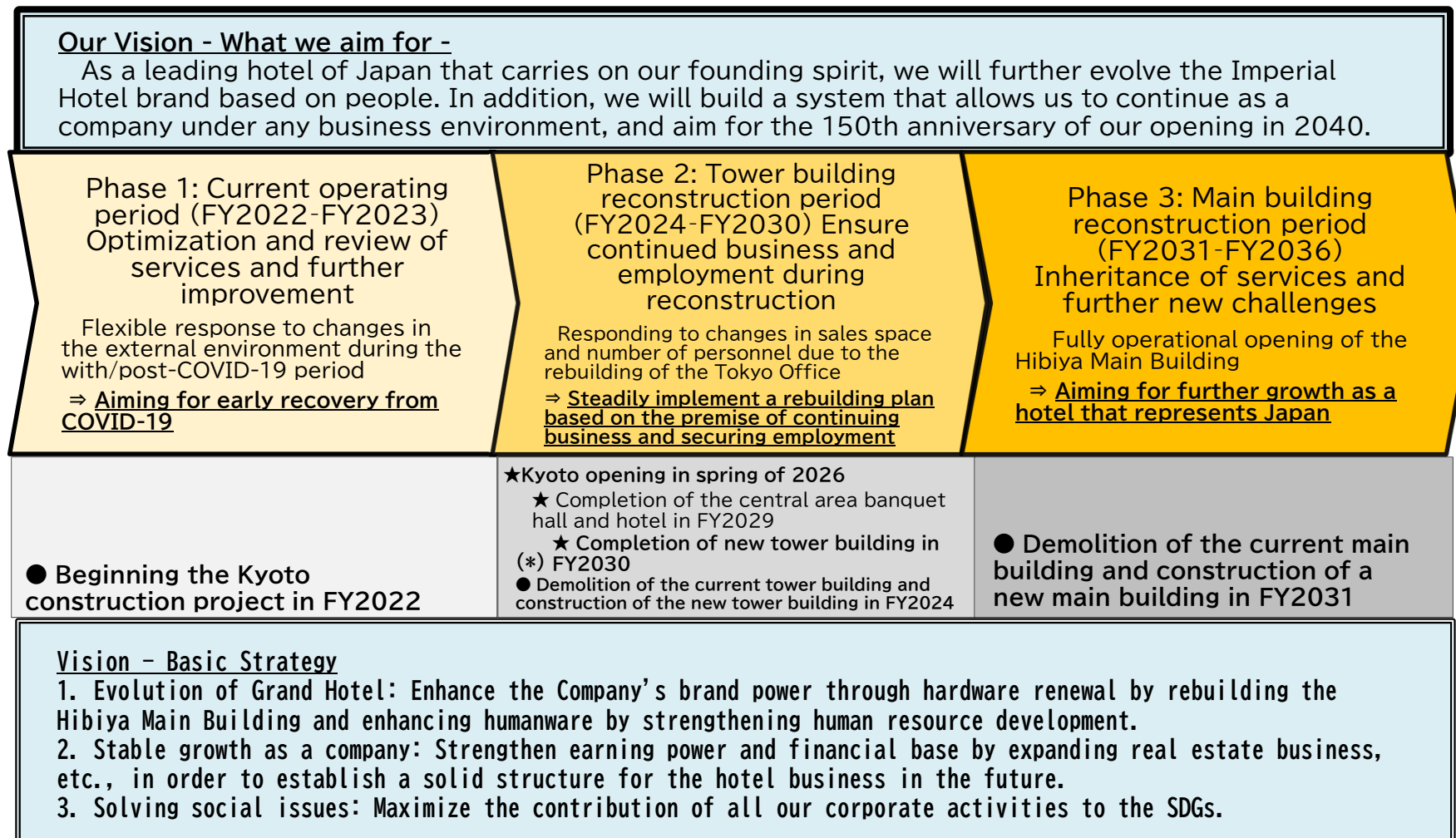
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Medium- to Long-Term Management Plan 2036



IMPERIAL HOTEL

Overview



*In light of the progress of the Uchisaiwaicho 1-Chome District Redevelopment Project, etc., we are reconsidering the timing of commencing the demolition of the current tower building, which was originally slated for FY2024.

Medium- to Long-Term Management Plan 2036



IMPERIAL HOTEL

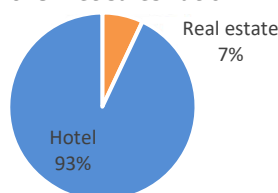
Quantitative Targets

Phase 1 (FY2022-FY2023)	Although the impact of COVID-19 is uncertain, we aim to quickly return to profitability and maximize profitability by responding to the new normal, by actively working on new businesses, and by thoroughly reducing costs.
Phase 2 (FY2024-FY2030)	Although a temporary decline in profitability is expected during the current main building's stand-alone operation period due to the closure of the tower building, the rebuilding plan will be steadily implemented in accordance with the financial plan.
Phase 3 (FY2031-FY2036)	After the opening of the new tower building, the central area banquet hall, and the hotel, the company aims to greatly improve profitability mainly by expanding its real estate business.
After the opening of the new main building (FY2037-)	In addition to the expansion of the real estate business, the profitability of the new main building, which has increased in value, will be enhanced to ensure that it is more profitable than the existing facilities.

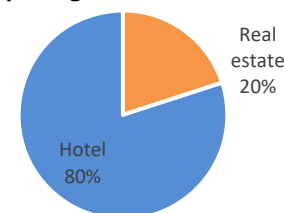
	(Reference) FY2019 Results	Current main building solely operating	New tower building, central area banquet hall, hotel operating	After opening of new main building
Net sales Target	54.5 billion yen	Over 50 billion yen	Over 45 billion yen	Over 70 billion yen
EBITDA Target	6.1 billion yen	Over 3 billion yen	Over 7 billion yen	Over 17 billion yen

* The above are targets in our medium- to long-term management plan, and we do not guarantee or promise their realization.

FY2019 Net sales ratio



After opening of new main building



Medium- to Long-Term Management Plan 2036



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Phase 2: Tower building reconstruction period (FY2024-FY2030) Ensure continued business and employment during reconstruction

Responding to changes in sales space and number of personnel due to the rebuilding of the Tokyo Office ⇒ **Steadily implement a rebuilding plan based on the premise of continuing business and securing employment**

Major Progress in FY2024

1 Evolution of Grand Hotel

Priority issue: Hardware renovation and new ventures

As per the official announcement on May 10, 2024, among the hotel business operations in the tower building that was slated to close somewhere around the end-of-June 2024, some of the guest rooms and the banquet hall will remain temporarily open until the demolition work on the tower building begins. Concerning guest rooms, as a result of restarting sales as hotel guest rooms after being closed as serviced apartments and striving to strengthen efforts focusing on inbound demand, lodging net sales grew immensely and hotel total business sales also exceeded the previous year.

	Imperial Hotel Headquarters				Imperial Hotel, Osaka			
	FY2023	FY2023			FY2023	FY2023		
	Results	Results	YoY Difference	YoY Difference (%)	Results	Results	YoY Difference	YoY Difference (%)
Occupancy*	64.8%	67.8%		+3.0pt	49.5%	59.2%		+9.7pt
ADR (Unit: yen)*	63,058	66,519	+3,461	+5%	28,442	29,655	+1,213	+4%
Lodging Net Sales (Unit: million yen)	10,059	10,852	+793	+8%	1,947	2,421	+474	+24%
Restaurant Net Sales (Unit: million yen)	6,395	6,129	(265)	(4%)	1,257	1,326	+69	+6%
Banquet Net Sales (Unit: million yen)	11,555	11,662	+106	+1%	3,966	3,757	(209)	(5%)
Hotel Business Total (Unit: million yen)	39,793	40,339	+546	+1%	9,134	9,559	+425	+5%

* The occupancy and ADR at the head office do not include serviced apartments.

* Figures in the hotel business total are after the elimination of intersegment transactions.

Imperial Hotel, Ltd. Financial Results for
the Fiscal Year Ended March 2025

Medium- to Long-Term Management Plan 2036



IMPERIAL HOTEL

Phase 2: Tower building reconstruction period (FY2024-FY2030) Ensure continued business and employment during reconstruction

Responding to changes in sales space and number of personnel due to the rebuilding of the Tokyo Office ⇒ **Steadily implement a rebuilding plan based on the premise of continuing business and securing employment**

Major Progress in FY2024

2 Stable Growth as a Company

Priority issue: Optimizing resources and maximizing profits in the current Main Building

- The area next to the Main Lobby on the 1st floor of the Main Building became the new home for the Hotel Shop Gargantua, which opened in 1971 under the concept of experiencing the flavors of the Imperial Hotel at home. On August 8, 2024, we held a reopening of the revamped shop. Together with the renewal, we added Gargantua Salon, where a specialist coordinator provides personalized assistance, such as consultations with customers about items like custom-made products and seasonal gifts.
- As a new business operation, we launched the online mall ANoTHER IMPERIAL HOTEL on November 3, 2024. Staff members steeped in the history of the Imperial Hotel, including chefs, sommeliers, and bartenders, select the best items from all over Japan. We create products that reflect the thoughts and desires of the producers and makers, and aim for co-creation with local regions.



Priority issue: Continuing flexible personnel utilization initiatives

- We started contracted operation of food and beverage services for the Mitsui Fudosan Group senior residence Park Wellstate Nishiazabu, which opened in October 2024.

Medium- to Long-Term Management Plan 2036



IMPERIAL HOTEL

Phase 2: Tower building reconstruction period (FY2024-FY2030) Ensure continued business and employment during reconstruction

Responding to changes in sales space and number of personnel due to the rebuilding of the Tokyo Office ⇒ **Steadily implement a rebuilding plan based on the premise of continuing business and securing employment**

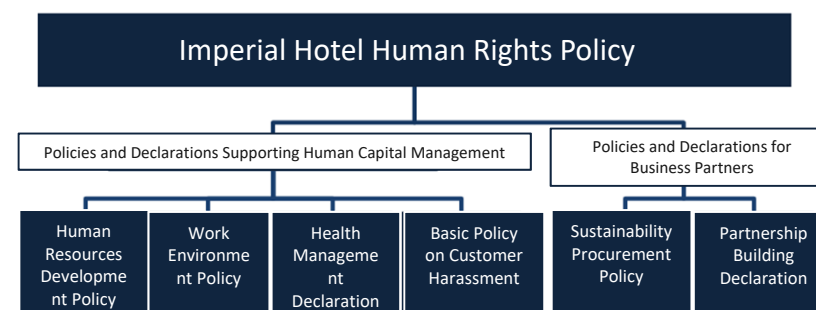
Major Progress in FY2024

3 Solving Social Issues

(1) On April 1, 2024, we formulated and announced the Imperial Hotel Human Rights Policy. Through human rights promotion activities that foster a spirit of respecting human rights, we promote the cultivation of a corporate culture that respects human rights and encourage the implementation of human rights initiatives across all corporate activities.

(2) As a company with superior health management, we have been certified as an Outstanding Organization of KENKO Investment for Health (Large Enterprise Category) for four consecutive years, including the 2025 certification. Furthermore, we were also newly certified as a White 500 enterprise, a recognition that is given to the top 500 organizations in the same category listed above.

(3) Imperial Hotel, Osaka is participating in the TEAM EXPO 2025 Co-Creation Challenge, a participation program hosted by the Japan Association for the 2025 World Exposition, and provides internships for foreign students, working with the Osaka Global Student Support Association (Osaka Convention & Tourism Bureau) and Transcend-Learning, a job placement support program for foreign students.



Medium- to Long-Term Management Plan 2036



IMPERIAL HOTEL

Phase 2: Tower building reconstruction period (FY2024-FY2030) Ensure continued business and employment during reconstruction

Responding to changes in sales space and number of personnel due to the rebuilding of the Tokyo Office ⇒ **Steadily implement a rebuilding plan based on the premise of continuing business and securing employment**

Major Progress in FY2024

3 Solving Social Issues

(4) Food recycling loop from used coffee grounds

Imperial Hotel, Tokyo is proceeding with action for a reusing project plan (food recycling loop) in which we take coffee grounds left over after brewing coffee in the banquet halls and restaurants, recycle them as cattle feed, and purchase the milk from dairy cattle raised on that feed. By becoming a Certified Food Recycling Loop Operator in collaboration with recycling organizations and dairy farmers, and by forming new partnerships, we are promoting a supply chain that considers sustainability.



(5) Recycling used cooking oil into sustainable aviation fuel (SAF)

By producing Sustainable Aviation Fuel (SAF) made from used cooking oil, we are participating in the project that aims for a decarbonized society called the Fry to Fly Project. We collect used cooking oil from the Imperial Hotel Tokyo, the Imperial Hotel Osaka, and The Crest Hotel Kashiwa and recycle it into SAF, which is then used as aviation fuel. This reduces carbon dioxide emissions by about 80%. By helping with actions to decarbonize a form of travel that is closely linked to the hotel industry, we are promoting sustainable tourism.

Please refer to the next page and beyond for other initiatives to promote sustainability.



Medium- to Long-Term Management Plan 2036



IMPERIAL HOTEL

Sustainability Promotion Targets and Progress

Reduction of CO2 Emissions

We set the target of reducing CO2 emissions (Scope 1+2) at our directly managed facilities by 60% (compared to FY2013) by FY2030 and to virtually zero by FY2050, and are proceeding with multiple measures for that goal.

In addition to promoting even more energy conservation activities and introducing renewable energy, by deploying the latest technology for new hardware installed during redevelopment, we are striving to reduce our environmental burden.

Reduction of food loss

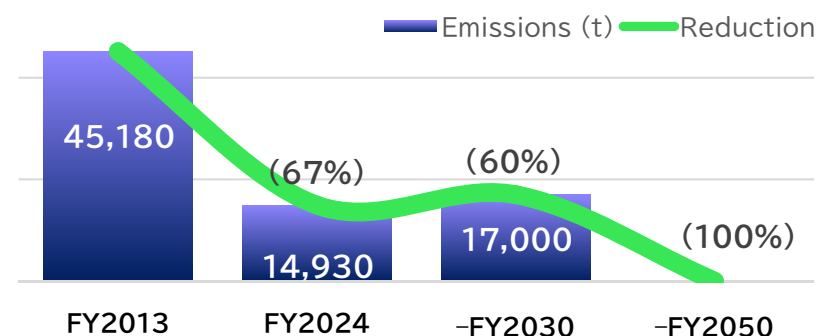
Based on the idea of changing society in a delicious way, the Company Group is focusing on reducing food loss. We are advancing efforts in each division, such as the thorough management of ingredient procurement and the implementation of waste-minimizing techniques during the cooking process.

The implementation rate of food waste recycling based on the Food Recycling Law (total of our four directly managed business sites) has been maintained to achieve the required value.

Imperial Hotel supports the SDGs (Sustainable Development Goals).

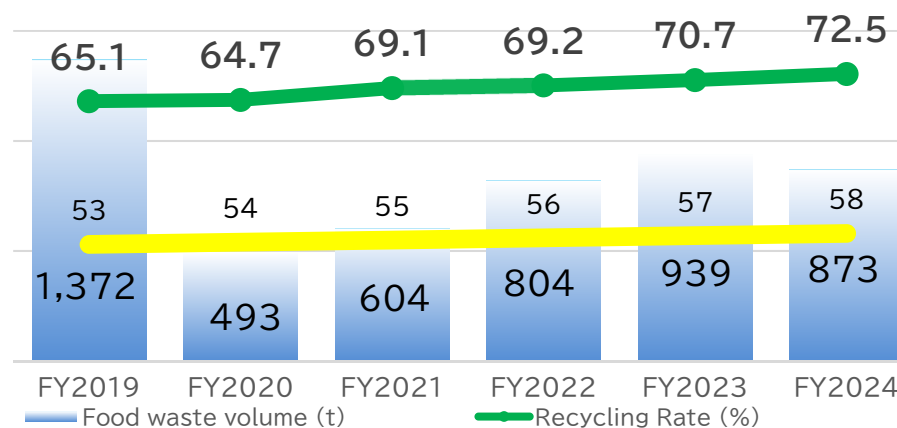


Imperial Hotel Decarbonization Roadmap



*The FY2024 data is preliminary data.

Food Waste Generated and Recycling Rate



*The FY2024 data is preliminary data.

Medium- to Long-Term Management Plan 2036



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Sustainability Promotion Targets and Progress

Imperial Hotel supports the SDGs (Sustainable Development Goals).



Promoting Human Capital and Diversity

In order to realize human capital management, the Group is promoting various initiatives to maximize the capabilities of its diverse human resources.

Five Themes in Promoting Human Capital and Diversity

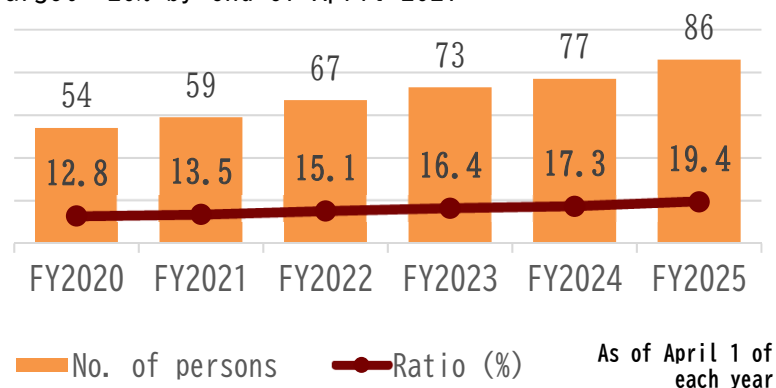
1. Reform the corporate culture to make diversity a strength of the organization (creation of communication)
2. Reform of work style (improvement of productivity)
3. Human resource development (investment in human resources)
4. Health management (individual revitalization)
5. Active roles for diverse human resources (Women, people with disabilities, the elderly and global human resources)



	Index	Target Value
Training	Training costs per indefinite employee	+30% by FY2027 compared to FY2018
Liquidity	Turnover rate	-20% by FY2027 compared to FY2018
Diversity	Percentage of female workers among employees	Over 50% annually
	Difference in average service years between men and women	Less than 4 years by FY2027
	Employment rate of the disabled	Maintain a level above the legally mandated employment rate
Others	Number of persons sent abroad	+50% by FY2027 compared to FY2018

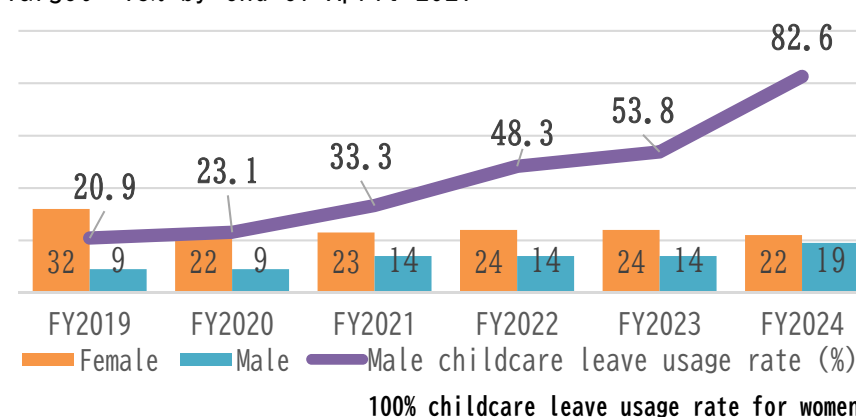
Number and Percentage of Female Managers

Target: 20% by end of April 2027



Employee count and usage rate for childcare leave

Target: 75% by end of April 2027



Medium- to Long-Term Management Plan 2036

Imperial Hotel Redevelopment Plan Overview (1)

New Kyoto Business Plan

On May 12, 2021 we officially approved a new hotel plan to preserve and make use of a part of Yasaka Kaikan, which is situated within the grounds of Kyoto's Gion Kobu Kaburenjo. Since then, we have been advancing with preparations for opening.

In FY2024, we decided upon the name Imperial Hotel, Kyoto. On January 29, 2025, we announced the PR concept as "Next, to the Ultimate in Relaxation" as a location for enjoying a once-in-a-lifetime experience that combines the Legacy of Kyoto and the Best in Hospitality from a Traditional Japanese Hotel. Also, on April 1, 2025, we established an independent organizational framework, and appointed Reiko Sakata as the General Manager and Koji Imajo as the Executive Chef.

Size	7 floors above ground level, 2 floors below ground level
Main purposes	Hotel facilities including 55 guest rooms, a restaurant, a bar, and wellness facilities (spa, pool, fitness gym), etc.
Construction completion	October 2025
Opening	Spring 2026



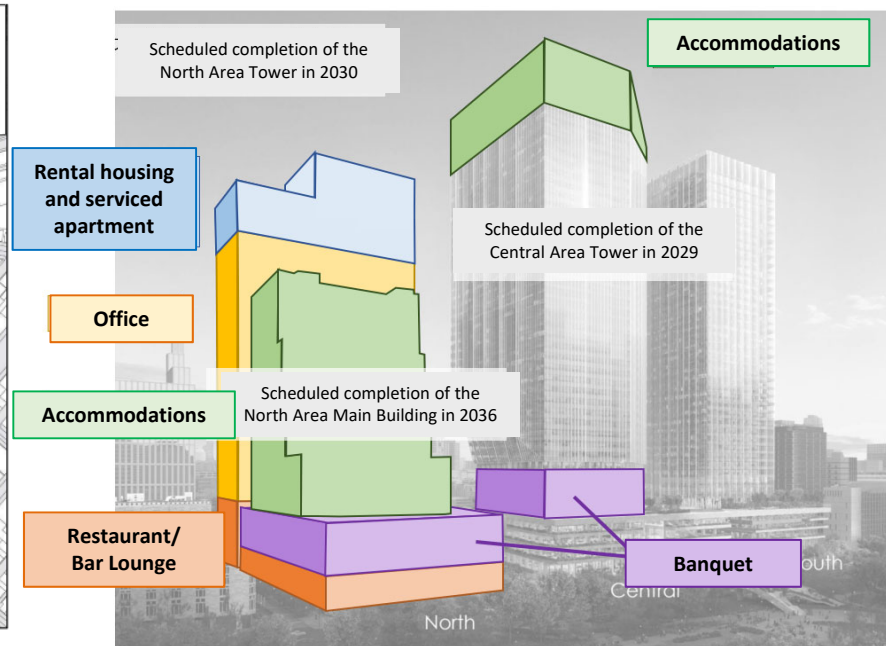
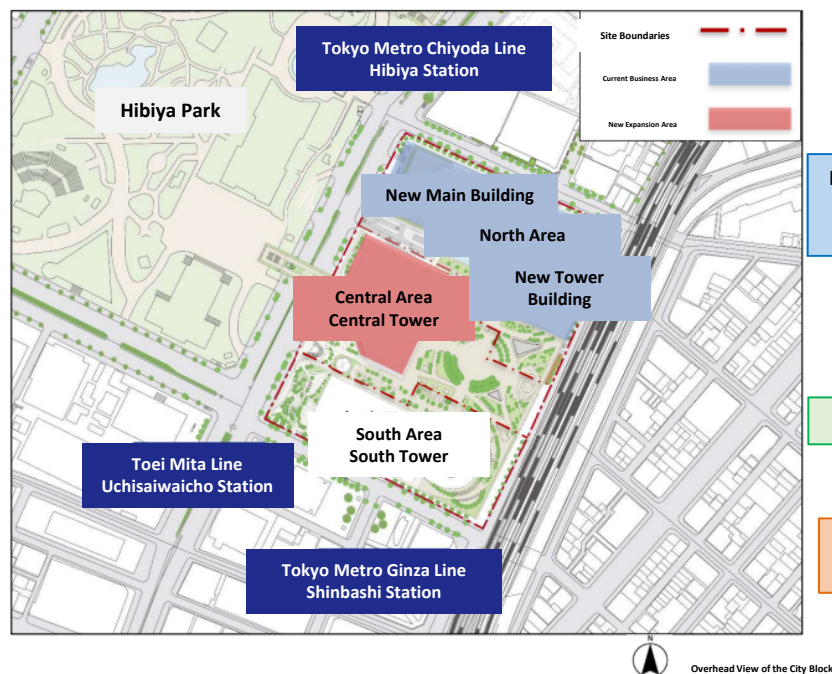
Rendering of the completed Imperial Hotel, Kyoto (Main Building)

Medium- to Long-Term Management Plan 2036

Imperial Hotel Redevelopment Plan Overview (2)

“Uchisaiwaicho 1-chome District Development Project” including reconstruction of Tokyo Office

In the reconstruction plan of the flagship hotel, the Imperial Hotel Tokyo, scheduled to be implemented from 2024 to 2036, it has been decided that in addition to the current main building and tower building, the business area will be expanded to the central area of the city block through the partnership of the “TOKYO CROSS PARK Concept (Uchisaiwaicho 1-chome District Development Project)” and that the hotel business will continue to grow by developing the Imperial Hotel’s banquet business and the new hotel business.



*The schedule for completion is as determined during the planning stage, and is subject to change along with future considerations.

Medium- to Long-Term Management Plan 2036



IMPERIAL HOTEL

Actions for realizing management that considers capital cost and share value

We implement management that is focused on ensuring a return on capital which exceeds capital cost, and on the continuous improvement of corporate value.

(1) ROE (Return on Equity)

1. ROE trend

FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
6.4%	4.0%	(26.9%)	(18.8%)	5.0%	8.1%	5.9%

2. Future actions

$$\text{Net profit margin} \times \text{Total asset turnover} \times \text{Financial leverage}$$

$$\text{FY2024 performance ROE } 5.9\% = 4.9\% \times 0.8 \times 1.5x$$

- We will aim for a higher level of improvement in the quality of our products and services, and to grow net sales.
- We will continue taking on new challenges, such as the Imperial Hotel, Kyoto, and expanding our contracted business.
- We aim to improve profit margins by streamlining operations through the usage of IT and by controlling raw material costs to reduce expenses.
- In the implementation of the Redevelopment Plan, we will consider a wide range of financing sources.

(2) PBR (Price-to-Book Value Ratio)

1. PBR trend

FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
2.02x	1.49x	2.57x	2.80x	2.84x	2.71x	2.34x

2. Future actions

$$\text{FY2024 performance PBR } 2.34x = \text{ROE } 5.9\% \times \text{PER } 41.0x \quad (\text{PER: Price-to-Earnings Ratio})$$

- We will advertise strategies that consider growth and profitability such as the Medium- to Long-Term Management Plan 2036, Redevelopment, and Imperial Hotel Kyoto, and strive to strengthen investor relations.
- We will engage in the promotion of sustainability, which includes active investment in human capital, health management activities, and steady progress along a decarbonization road map.
- We plan to strengthen our governance system through improving the effectiveness of the Board of Directors and the Nomination and Remuneration Advisory Committee, and to introduce stock remuneration for executives in order to increase awareness of share value.

Future Outlook



IMPERIAL HOTEL

■ Business Environment

The outlook is expected to remain uncertain due to factors such as the further escalation of geopolitical tensions and turmoil in global trade policies, and there are concerns that there will be downward pressure on the Japanese economy together with the ongoing increase in raw material and labor costs. However, for the time being, consumer spending is expected to show steady growth against the backdrop of an improved income environment following continued wage increases.

■ Initiatives

1. Medium- to Long-Term Management Plan 2036

The Medium- to Long-Term Management Plan 2036 has entered Phase 2, and we will strive to maximize profits and sales by making the most effective use of Imperial Hotel headquarters assets, such as the tower building which is still partially open.

The Imperial Hotel, Osaka stands fully prepared to welcome distinguished guests and international visitors in conjunction with the ongoing Japan 2025 World Exposition (Expo 2025 Osaka, Kansai), and the Kamikochi Imperial Hotel will continue to provide high-quality service.

Concerning the plan to rebuild the Imperial Hotel, Tokyo, we are continuing to consider the plan in light of the progress of the Uchisaiwaicho 1-chome District Redevelopment Project and the recent social environment. At the same time, we recognize that the advancement of this plan is a top priority to ensure that the Imperial Hotel brand can continue for another 50 to 100 years.

Concerning the fourth Imperial Hotel brand property, the Imperial Hotel, Kyoto, construction work is steadily progressing toward its opening in Gion, Kyoto, in the spring of 2026. Also, we have established internal systems such as the inauguration of a new organizational framework, and appointed a general manager and executive chef on April 1.

2. Investment in Human Capital, etc.

As an investment in human capital, we promoted various measures that contribute to continuous wage increases, including base pay hikes, and the maintenance and improvement of employee health. These efforts have garnered praise, and we were recognized by the Ministry of Economy, Trade and Industry as a White 500 enterprise in the certification of Outstanding Organizations of KENKO Investment for Health on March 10. We will also continue to address each of the SDG issues, and fulfill our social responsibility as a company while also achieving sustainable growth.

Corporate Information



IMPERIAL HOTEL

Company Name:	Imperial Hotel, Ltd.
Headquarters location:	1-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
Date of foundation:	December 14, 1887
Date of opening:	November 3, 1890
Listing date:	October 2, 1961
President and Representative Director:	Jun Kazama
Capital:	1.485 billion yen
Shares issued:	118,800,000 shares (as of March 31, 2025)
Number of employees (consolidated):	1,736 (As of March 31, 2025)
Main offices:	Imperial Hotel Tokyo, Imperial Hotel Osaka, Kamikochi Imperial Hotel, The Crest Hotel Kashiwa

Main consolidated subsidiaries

Imperial Hotel Enterprise Co., Ltd.	Operation of community hotels (The Crest Hotel Kashiwa), etc.
Imperial Hotel Service Co., Ltd.	Hotel ancillary services (cleaning and security), etc.
Hotel Hire Co., Ltd.	Passenger car transportation, parking lot management

Affiliated companies

Imperial Hotel Kitchen Co., Ltd.	Manufacture and sale of prepared foods
New Service System Co., Ltd.	Banquet Service, etc.



Imperial Hotel, Tokyo



Imperial Hotel, Osaka



Kamikochi Imperial Hotel

Imperial Hotel, Ltd.
Financial Results for the
Fiscal Year Ended March 2025