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For immediate release

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(Code No. 9009, Tokyo Stock Exchange, Prime Market)

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Notice Concerning Opposing Opinion of the Company's Board of Directors on Shareholder Proposal

On April 30, Keisei Electric Railway Co., Ltd. (the "Company") received a proposal from a shareholder (the "Proposing Shareholder") to be submitted at the 181st Ordinary General Meeting of Shareholders on June 27, 2024, requesting the establishment of provisions in the articles of incorporation regarding the formulation of a capital allocation policy and the management of investment securities that involve reducing the number of shares of Oriental Land Co., Ltd. ("OLC") held by the Company (the "OLC Shares") to less than 15% of the total voting rights of OLC, as set out in the attached document (the "Shareholder Proposal"). The Company has engaged in dialogue and earnestly exchanged opinions with the Proposing Shareholder, and has carefully considered the Shareholder Proposal based on those discussions, the opinions of other stakeholders, and other relevant factors. As a result of those deliberations, the directors of the Company (including five independent outside directors) unanimously resolved at the board of directors meeting held today to oppose the Shareholder Proposal as follows.

1. Proposing Shareholder

Palliser Capital Master Fund Ltd

2. Details of the Shareholder Proposal

See attached document.

3. Opinion of the Board of Directors

The board of directors is unanimously **opposed to the Shareholder Proposal**.

4. Reasons for Opposition to the Shareholder Proposal

The board's reasons for opposing the Shareholder Proposal are as follows, each of which will be discussed in more detail on the following pages.

(1) The railway, bus, and other businesses in which the Company Group (the "Group") is engaged are of a highly public-interest nature, and have characteristics that call for stability and sustainability

(2) The relationship with OLC as the owner and operator of Tokyo Disney Resort ("TDR"), which has grown to become a national content attraction, is a valuable asset unique to the Company, and can serve as the basis for creating future business opportunities for the Group.

(3) The OLC Shares held by the Company are valuable assets that can serve as a source of financing for the large-scale investments necessary to enhance the Company's corporate value over the medium to long term.

(4) The Shareholder Proposal exclusively aims to reduce the Company's ownership of OLC to less than 15% by selling the OLC Shares in the short term.

(5) There is a high likelihood that the change to the articles of incorporation requested by the Proposing Shareholder will be a management constraint to enhance the Company's corporate value over the medium to long term.

These reasons are set out in further detail below.

(1) The railway, bus, and other businesses in which the Group is engaged are of a highly public-interest nature, and have characteristics that call for stability and sustainability

The Group's vision for 2030 is to "contribute to sustainability through community partnerships and by enhancing Narita Airport, the entrance to Japan." In its operational area centered on eastern Tokyo, Chiba, and Ibaraki, the Group pursues a diversity of businesses for the benefit of all stakeholders, including not only shareholders but also the local community, with a focus on the railway business.

In particular, the Company's railway business, including the Narita SKY ACCESS route connecting Narita Airport, the entrance to Japan, with central Tokyo, is very closely connected to the public interest as it supports safe, secure, and comfortable transportation of approximately 750,000 passengers per day.

Because the railway business is used by many customers in its daily operations, it is required to operate consistently based on a medium- to long-term perspective regardless of any changes in the external environment. However, Japan's railway business in general faces a difficult business environment due to the expected gradual decline in the number of passengers due to the falling birthrate and aging population. The Company's railway business is relatively well positioned in the sense that further growth in airport transportation can be expected, but during the recent COVID-19 pandemic, it became structurally impossible to avoid losses due to the drastic decline in the number of users of Narita Airport resulting from reduced movement of people and loss of inbound and overseas travel demand. In addition, as the Company is tasked with providing safe and reliable transportation services, it is also necessary to continue to strengthen measures against increasing disasters, including seismic reinforcement, slope reinforcement, and updating of aged facilities.

Even when the unforeseeable or uncertain comes to pass, as a comprehensive lifestyle business group that supports the development of local society for the daily lives of railway customers and local community in its operational area, the Company believes that it is the Group's social mission to pursue sustainable business growth and development while maintaining sufficient financial soundness, to enhance corporate value and promote the common interests of all stakeholders, including shareholders, over the medium to long term.

Given the business environment, the nature of the Group's business, and its mission as described above, the OLC Shares held by the Company are a valuable management resource for pursuing sustainable business growth and development, and it is necessary to consider the future of the OLC Shares from the perspective of enhancing the corporate value and the common interests of all stakeholders.

(2) The Company's relationship with OLC as the owner and operator of TDR, which has grown to become a national content attraction, is a valuable asset unique to the Company, and can serve as the basis for creating future business opportunities for the Group

TDR has grown to become nationally important content that is emblematic of Japan. The Company has been a large shareholder of OLC since its foundation, consistently and sustainably supporting OLC's management, encouraging its development, and building a deep relationship of mutual trust through business ties centering on the transportation business.

This relationship between the Company and OLC is built on the basis of the Company being a large shareholder of OLC, and is a foundation for growth and development of the businesses of both companies. In the context of this relationship, the Company has successfully expanded the collaboration between companies in the Group and OLC, including express buses, official hotel transportation, and other guest transportation to TDR, construction, civil engineering work and garden maintenance in the parks, and operational level contributions at the high standard required by OLC. As a result, tangible and intangible synergies have been created since the opening of Tokyo Disneyland, and continue through to the development of today's TDR. In addition, the impact of foreign visitors to Japan on TDR's business performance has been continuously increasing and is expected to further expand in the future, and the Company therefore expects that further focus on strengthening transportation capacity and improving convenience in airport transportation will not only contribute directly to the corporate value of the Company through the growth of the transportation business, but also contribute to the corporate value of the Company through further improvement of OLC's corporate value. The Company expects to continue to realize the growth and development of both companies through securing the ongoing competitiveness of its various businesses based on a strong relationship with OLC, and to create a variety of business opportunities between OLC and the companies of the Group. By doing so, it will maximize the corporate value of the Company and OLC. These are valuable assets that only the Company possesses.

In addition, given that TDR is nationally important content emblematic of Japan, it is necessary to give sufficient consideration to the future of the OLC Shares so as not to adversely affect the position of TDR in Japan, and this is an extremely important element from the perspective of ensuring the Company's sustainable growth and medium- to long-term corporate value, and the common interests of the Company's shareholders, through the maintenance and improvement of OLC's intrinsic value.

(3) The OLC Shares held by the Company are valuable assets that can be a source of financing for the large-scale investments necessary to enhance the Company's corporate value over the medium to long term

Large-scale growth investment is necessary in order to enhance the Company's corporate value. The Company considers it necessary and appropriate to consider leveraging the OLC Shares as one financing option in the event that very large investments become necessary in the investment plan.

For example, as Narita International Airport Corporation has set the target of 75 million passengers and 500,000 departures and arrivals per year by the 2030s, the expansion of the transport links from Narita Airport to central Tokyo is in demand, which the Company expects will necessitate large investments on an ongoing basis, over and above the ongoing expansion of the Sogo rail yard. The Company is in the implementation phase of its growth strategy to embrace the functional augmentation of Narita Airport and other changes as an opportunity to steadily enhance corporate value, and intends to plan and enact the optimal measures in its D2 Plan (FY2025-FY2027), the medium-term business plan starting from FY2025, and beyond on an ongoing basis. In particular, the Company believes that the enhancement of airport transportation is of great social significance, as it is one of the ways in which the Company is responding to the challenges Japan faces in expanding its tourism-based economy. While the proportion of the Company's operating revenues and operating income represented by the transportation business is expected to increase with the further growth of that business in line with the growth in airport transportation, the Company does not intend to stop there. By expanding the Real Estate business, conducting M&A in the Distribution and Construction businesses, and other initiatives, it will strive to build a business portfolio without excessive bias toward the Transportation business while expanding earnings. In addition, the Group must take action to realize a sustainable society through its businesses, including carbon neutrality initiatives and reduction of energy and resource losses, which calls for a wide range of medium- to long-term and permanent investments.

The Company has a history of selling the OLC Shares when important strategic investments are required, such as in 1998, when it took over the Chiba Kyuko Line business (now the Keisei Chihara Line) from what was then Chiba Kyuko Dentetsu, selling some of the OLC Shares to raise funds for the purpose. This was a socially significant investment that expanded the route network.

A partial sale of the OLC Shares was also conducted in March 2024 for the purpose of enhancing shareholder returns and strategic investment in sustainable growth, one of the Company's key management challenges, as well as to reduce interest-bearing debt in order to stabilize cash flow in preparation for future interest rate rises. This is an example of leveraging the OLC Shares as a financing method with a clear purpose for the funds.

The Company believes that the Company should consider leveraging the OLC Shares as a source of financing when there is a clear purpose for funds, such as for large-scale investments and the like, and that it is these initiatives that will help to enhance the Company's corporate value and the common interests of its shareholders over the medium to long term.

When selling the OLC Shares, it is also important to give consideration to appropriate tax planning and to alleviate concerns of market overhang (a phenomenon where a major shareholder is expected to make a large stock sale, and that expectation suppresses share prices). Therefore, the Company believes that careful deliberation is necessary, including with respect to the method and timing of any sale, in order to maximize the Company's medium- to long-term corporate value and the common interests of its shareholders.

(4) The Shareholder Proposal exclusively aims to reduce the Company's ownership of OLC to less than 15% by selling the OLC Shares in the short term

The Company believes that the Shareholder Proposal is based on a short-term perspective under which reducing the Company's ownership of the OLC Shares to less than 15% by the deadline of March 31, 2026 and appraising the market value of the OLC Shares is an end in itself. The Company has indeed sold the OLC Shares in the past, at vital junctures when there was a need for strategic investment. However, the Company believes that any sale of the OLC Shares should be based on deliberations of the purpose for the funds in light of the enhancement of corporate value, taking into account the highly public-interest nature of the Company's businesses, particularly rail and buses. By contrast, the Company believes that the Proposing Shareholder's request, which seeks to unilaterally record a deadline for the sale of the OLC Shares in the articles of incorporation, is a proposal with the exclusive aim of selling the OLC Shares in the short term.

As stated above, the Company is in the implementation phase of its growth strategy to respond to the functional augmentation of Narita Airport, the strengthening of non-transportation segments, and other changes, and it is important for it to plan and enact the optimal measures in its D2 Plan (FY2025-FY2027), the medium-term business plan starting from FY2025, and beyond on an ongoing basis. The board of directors will continue to carefully deliberate and discuss, and engage in still more in-depth debate, in order to manage the Company in a manner that contributes to the enhancement of corporate value over the medium to long term based on sound judgment. The Company relies on the shareholders' long-term understanding of and support for the Company's policy for continuous business growth in light of the business environment surrounding our company.

(5) There is a high likelihood that the changes to the articles of incorporation requested by the Proposing Shareholder will be a management constraint to enhance the Company's corporate value over the medium to long term

The Shareholder Proposal seeks to carve out one aspect of management policy, which should ordinarily be determined by management team based on a comprehensive evaluation of the external environment, the Company's finances, and other factors, and stipulate that aspect in the articles of incorporation. This is highly likely to constitute a constraint on the freedom, flexibility, and agility of management. The Company believes that these provisions are not appropriate for inclusion in the articles of incorporation.

The board of directors has carefully deliberated and discussed the Shareholder Proposal after receiving it, and is unanimously **opposed to the Shareholder Proposal** for the reasons stated above.

End

<Attachment>

The following is the unaltered text of the Shareholder Proposal as received from the Proposing Shareholder.

Part 1. Matters to be included in the agenda of the Annual Shareholders Meeting

Proposal: Partial amendment to the articles of incorporation - addition of new provisions regarding Capital Allocation Plan and Management of Investment Securities

Part 2. Proposal Outline

Proposal: Partial amendment to the articles of incorporation - addition of new provisions regarding Capital Allocation Plan and Management of Investment Securities

A. Outline

The following new Chapter shall be inserted as Chapter 7 in the Company's Articles of Incorporation. The current Chapter 7 Accounting shall be amended to Chapter 8 Accounting and the current Article 48 and each Article thereafter shall be renumbered accordingly.

Current Article of Incorporation	Proposed Amendment
(Newly added)	Chapter 7 Capital Allocation Plan and Management of Investment Securities Article 48 (1) The Board of Directors shall establish, publish and maintain an appropriate capital allocation plan to enhance the Company's corporate value (the "Plan") commencing from 1 January, 2025. The Board of Directors shall make future capital allocation decisions taking into account the Company's cost of capital and in accordance with the Plan. The Board of Directors shall provide to shareholders an update on progress of the Plan at least once each business year in the Company's annual Securities Report or by other means. (2) Within an appropriate timeframe and in a manner to be determined by the Board, but in any event by no later than 31 March 2026, the Company shall reduce its shareholding in The Oriental Land Co., Ltd. (hereinafter, "OLC") to less than 15% of the voting rights of all shareholders of OLC and maintain the Company's shareholding in OLC below such level.

B. Reason for the Proposal

The Proposal would ensure a critical step is taken by the Company towards a capital allocation framework which ensures that capital is allocated in the future to more appropriate investments in light of the Company's cost of capital.

The Proposal would require the Company to reduce the size of its OLC stake, which yields an extremely low dividend income, to less than 15% of OLC's aggregate voting shares so that proceeds can be used for growth-oriented investments and enhancements of Keisei's railway business for the benefit of customers, as well as balanced shareholder returns.

This reduction of the OLC stake will also mitigate the Company's risk exposure to a large decline in the OLC share price. Furthermore, it will require the Company to record the stake at its true market value since it will no longer be able to account for the OLC stake using the equity method accounting. This will reveal the Company's low PBR and true financial condition which has previously been distorted by the undervaluation of the OLC stake on Keisei's balance sheet, and therefore not properly reflected in the Company's financial statements.

Specifying a period of just under two years to reduce the OLC stake to less than 15% and for the Board to address the formation and implementation of the Plan by and from 1 January 2025 will ensure these initiatives are addressed within a reasonable timeframe which affords full discretion on specific implementation of the Plan, including the OLC disposals, to management.

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This Proposal also marks the first important step to improving the Company's corporate governance as well as its capital allocation framework.

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