



February 27, 2026

To Shareholders,

Company name: Nishi-Nippon Railroad Co., Ltd.
Name of representative: Koichi Hayashida President and CEO
(Securities code: 9031, Tokyo Stock Exchange,
Prime Market, and Fukuoka Stock Exchange)
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Notice Concerning Absorption-Type Merger (Simplified Merger and Short-form Merger) of Wholly Owned Subsidiary (Nishitetsu Engineering Co., Ltd.)

Nishi-Nippon Railroad Co., Ltd. (the “Company”) hereby announces that it has decided today to absorb Nishitetsu Engineering Co., Ltd., which is a wholly owned subsidiary of the Company (“Nishitetsu Engineering”), by merger, effective April 1, 2027 (the “Merger”). The details are as follows.

Since the Merger is an absorption-type merger of a wholly owned subsidiary, certain disclosure items and details have been omitted.

1. Purpose of the Merger

Nishitetsu Engineering is a wholly owned subsidiary of the Company and has been mainly engaged in the maintenance of various facilities, such as vehicles, tracks, and electrical equipment of Nishitetsu railway lines. The Company has just decided to conduct the absorption-type merger with itself as the surviving company. The purpose of the Merger is to further enhance safety by securing railroad engineers in a stable manner and to ensure the smooth succession of technical expertise.

2. Summary of the Merger

(1) Schedule of the Merger

| | |
|---|---------------------------|
| Resolution on a merger agreement at the meeting of the Board of Directors | December 2026 (scheduled) |
| Conclusion of the merger agreement | December 2026 (scheduled) |
| Effective date of merger | April 1, 2027 |

Since the Merger is a simplified merger as stipulated in Article 796, Paragraph 2 of the Companies Act for the Company and is a short-form merger as stipulated in Article 784, Paragraph 1 of the Companies Act for Nishitetsu Engineering, the Merger will take place without obtaining approval at a general meeting of shareholders for either company.

(2) Method of the Merger

The Merger is an absorption-type merger with the Company as the surviving company, and Nishitetsu Engineering will be dissolved.

(3) Details of the allotment of shares in relation to the Merger

Since the Company owns all outstanding shares of Nishitetsu Engineering, no new shares will be issued and no cash or other consideration will be granted.

(4) Treatment of subscription rights to shares and bonds with subscription rights to shares of the absorbed company

Nishitetsu Engineering has issued neither subscription rights to shares nor bonds with subscription rights to shares.

3. Overview of the Companies Involved in the Merger

| | Surviving company in absorption-type merger | Company to be absorbed |
|---|--|--|
| (1) Name | Nishi-Nippon Railroad Co., Ltd. | Nishitetsu Engineering Co., Ltd. |
| (2) Head office address | 1-11-1 Tenjin, Chuo-ku, Fukuoka-shi | 2-10-3 Ohashi, Minami-ku, Fukuoka-shi |
| (3) Name and title of representative | Koichi Hayashida President and CEO | Ryoji Nagao President and Representative Director |
| (4) Business description | Transportation, real estate, retail, logistics, leisure and services, etc. | Construction |
| (5) Share capital | 26,157 million yen | 69 million yen |
| (6) Date of incorporation | December 17, 1908 | August 16, 1968 |
| (7) Total number of shares issued | 79,360,186 shares | 69,000 shares |
| (8) Fiscal year-end | March 31 | March 31 |
| (9) Major shareholders and percentage of shares held (As of September 30, 2025) | The Master Trust Bank of Japan, Ltd. (trust account) 7.25% The Bank of Fukuoka, Ltd. 4.96% The Nishi-Nippon City Bank, Ltd. 3.97% Nippon Life Insurance Company 2.95% Meiji Yasuda Life Insurance Company 2.49% Custody Bank of Japan, Ltd. (trust account) 2.22% | Nishi-Nippon Railroad Co., Ltd. 100% |
| (10) Financial position and results of operation for the previous fiscal year | | |
| | Fiscal year ended March 31, 2025 (consolidated) | Fiscal year ended March 31, 2025 (unconsolidated) |
| Net assets | 256,039 million yen | 2,098 million yen |
| Total assets | 782,126 million yen | 6,413 million yen |
| Net assets per share | 3,214.37 yen | 30,412.61 yen |
| Operating revenue | 443,495 million yen | 6,265 million yen |
| Operating income | 26,655 million yen | 325 million yen |
| Ordinary income | 28,739 million yen | 327 million yen |
| Net income | 20,810 million yen | 221 million yen |
| Basic earnings per share | 267.21 yen | 3,203.14 yen |

4. Status After the Merger

There will be no change to the name, head office address, name and title of representative, business description, share capital or fiscal year-end of the Company as a result of the Merger.

5. Impact of the Merger on consolidated financial results for the current and subsequent fiscal years

Since the Merger is with a wholly owned subsidiary of the Company, the impact on the consolidated financial results will be immaterial.