

[Translation for Reference Only]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

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In all cases, the original Japanese version takes precedence.

September 24, 2020

*For Immediate Release*

Company Name	Seibu Holdings Inc.
Representative	President & Chief Executive Officer Takashi Goto (Code No.: 9024 First Section of the Tokyo Stock Exchange)
Inquiries	General Manager of Corporate Communication Kiyoto Kawakami (TEL. +81-3-6709-3112)

**Notice Regarding Consolidated Earnings Forecasts, Dividends of Surplus and Fiscal Year-End  
Dividend Forecast**

Seibu Holdings Inc. (the “Company”) announces below its consolidated earnings forecasts for the fiscal year ending March 31, 2021, which was undetermined in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 <under Japanese GAAP>” released on May 26, 2020.

As of May 26, 2020, it was difficult to reasonably estimate the impact of the spread of the novel coronavirus (COVID-19) on the Group’s earnings, so we left the consolidated earnings forecasts for the fiscal year ending March 31, 2021 undetermined. Accordingly, we formulated and began working on “Key Business Issues in FY2020” to overcome this difficult situation, assuming that the situation will be prolonged.

Although customers are gradually beginning to use our services again after the lifting of the state of emergency declaration, the pace of recovery has been slowed due to a new wave of infections and the nature of “New Lifestyle,” and we believe that it is possible that this difficult situation will not only continue during this fiscal year, but also next fiscal year onward. The Group aims to overcome the initial impact of COVID-19, and create a pathway for rapid growth in the post-COVID-19 society by taking further actions to effectively address “Key Business Issues in FY2020” and carrying out management reforms. The consolidated earnings forecasts for the fiscal year ending March 31, 2021 announced today assume that the situation will continue to be difficult with no turnaround, and incorporate figures from the management reforms that can currently be quantified, such as targets to reduce costs and capital investment.

In addition, in light of consolidated earnings forecasts, the Company announces that the Board of Directors today passed a resolution not to pay dividends of surplus (interim dividend) with the record date of September 30, 2020, and that the fiscal year-end dividend forecast shall be no dividend.

1. Consolidated earnings forecasts for the fiscal year ending March 31, 2021

(1) Consolidated earnings forecasts for the six months ending September 30, 2020

(from April 1, 2020 to September 30, 2020)

	Operating revenue	Operating profit	EBITDA	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Financial forecast (A) (Announced on May 26, 2020)	Undetermined	Undetermined	Undetermined	Undetermined	Undetermined	Undetermined
Revised forecast (B)	147,000	(39,000)	(13,000)	(43,000)	(51,000)	(170.34)
Difference (B - A)	—	—	—	—	—	—
Change (%)	—	—	—	—	—	—
(Reference) Results for the fiscal year ended September 30, 2019	294,689	43,796	71,760	39,466	28,118	91.10

(2) Full-year consolidated earnings forecasts for the year ending March 31, 2021

(from April 1, 2020 to March 31, 2021)

	Operating revenue	Operating profit	EBITDA	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Financial forecast (A) (Announced on May 26, 2020)	Undetermined	Undetermined	Undetermined	Undetermined	Undetermined	Undetermined
Revised forecast (B)	332,000	(56,000)	0	(64,000)	(63,000)	(210.42)
Difference (B - A)	—	—	—	—	—	—
Change (%)	—	—	—	—	—	—
(Reference) Results for the fiscal year ended March 31, 2020	554,590	56,823	114,535	48,770	4,670	15.18

(3) Reasons for revisions

Our operating revenue forecast is based on the assumptions that, notwithstanding the resumption of economic activity in line following government guidelines for phased-in relaxation of restrictions after the lifting of the state of emergency declaration on May 25, 2020, there will not be a full-fledged recovery, and the difficult situation in which a “New Lifestyle” spreads, people refrain from going out, and organizers refrain from holding events will continue. Based on calculations using these assumptions, the Company expects that in addition to the impact of COVID-19 for the three months ended June 30, 2020, the number of passengers will likely decrease in Railway operations and Bus operations due to people refraining from going out and the number of users at hotels, leisure facilities, sports facilities, and commercial facilities will

decline as a result of people refraining from going out and a continuation of the business formats adjusted to ensure social distancing. As a result, the Company expects full-year operating revenue of ¥332,000 million, which constitutes a sharp decline year on year.

We started postponing and reducing nonessential and non-urgent costs and capital investment, while also working to reduce fixed expenses by reviewing our business formats, such as by reclosing facilities and consolidating operations when deemed appropriate in light of demand trends. In addition, we started reducing the remuneration presently being paid to Directors and utilizing employment adjustment subsidies by having employees take a leave of absence.

Nevertheless, as a result of a sharp fall in revenue, the Company expects for the full year an operating loss of ¥56,000 million, an EBITDA of ¥0 million, ordinary loss of ¥64,000 million, and loss attributable to owners of parent of ¥63,000 million.

The Group is working for an early recovery in earnings by steadily capturing leisure demand generated under the Japanese government's "Go To Campaign" while thoroughly implementing measures to prevent infection and ensuring the environments provided for customers can be used with safety and security, and by working on providing services and promoting sales using a customer-oriented approach through such measures as targeting the increasing remote work demand.

## 2. Dividends for the fiscal year ending March 31, 2021

### (1) Details of dividends of surplus

	Finalized amount	Latest dividends forecast (Announced on May 26, 2020)	Results for the fiscal year ended March 31, 2020
Record date	September 30, 2020	Same as left	September 30, 2019
Dividends per share	¥0.00	Undetermined	¥15.00
Total amount of dividends	—	—	¥4,981 million
Effective date	—	—	December 3, 2019
Source of dividends	—	—	Retained earnings

### (2) Details of annual dividends and forecast of fiscal year-end dividend

	Cash dividends per share		
	Second quarter-end	Fiscal year-end	Total
Previous forecast (Announced on May 26, 2020)	Undetermined	Undetermined	Undetermined
Revised forecast		¥0.00	¥0.00
Results for the fiscal year ending March 31, 2021	¥0.00		
Results for the fiscal year ended March 31, 2020	¥15.00	¥15.00	¥30.00

### (3) Reasons for revisions

The Company expects to be operating at a significant net loss for the fiscal year ending March 31, 2021.

Therefore, the Company regretfully will not pay a dividend for the interim dividend and fiscal year-end dividend forecast for the fiscal year ending March 31, 2021 in order to minimize the loss of net assets.

The Company deeply apologizes for this and, in light of the situation that the Group has fallen into, asks for your kind understanding.

The Company has not changed its basic policy, which is to strengthen the business base of our Group companies and enhance our corporate value, and to strengthen our financial strength by accumulating retained earnings while continuing to make stable dividend payments. As we will carry out management reforms and work for a recovery in earnings aiming for an early resumption of paying dividends, we sincerely ask for your continued support.

(Note) The above forecasts are based on information available to the Company at the announcement of this material. Actual earnings results may differ from the forecast figures due to various factors going forward.

\* For the Supplementary Material of this release, please see the attachment.

End

# Supplementary Material

Notice regarding consolidated earnings forecasts,  
dividends of surplus and fiscal year-end dividend forecast

September 24, 2020

Seibu Holdings Inc. (T. 9024)

<https://www.seibuholdings.co.jp/en/>

# “Key Business Issues in FY2020” (Announced on May 26)

- ✓ We cancelled the formulation of the new medium-term management plan to begin in FY2020 in light of COVID-19, and are promoting the “Key Business Issues in FY2020” as described below to overcome the situation.

## **(1) Dedicated efforts to minimum required business operations until turmoil eases**

### **(i) Securing the necessary working capital**

Envisaging a prolonging of the current situation, while enhancing on-hand liquidity through financing, such as through new borrowings or expanding commitment lines, we will also work to secure the required working capital by controlling cash outflows through delaying nonessential and non-urgent costs and capital investment until the turmoil eases and the profit structures improve.

### **(ii) Seibu Group business management policy during COVID-19 pandemic**

Returning to the basics of our management philosophy, we will thoroughly implement the following three measures to conduct business operations that will be able to bring “smiles and good spirits” to customers and society.

- ① Place top priority on securing safety and security of customers and employees in conducting our business
- ② Grasp changing needs quickly and accurately from the customers perspective, and work swiftly to develop services
- ③ Actively pursue profits through above measures

## **(2) While prioritizing (i) and (ii), pursuing initiatives for after the current situation ends**

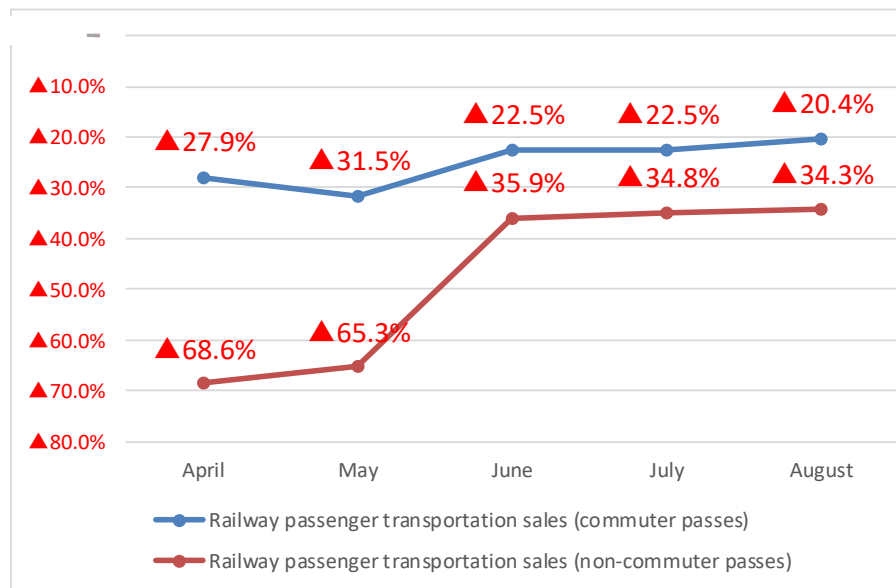
- (iii) Key initiatives envisaged in the new medium-term management plan
- (iv) Structural reform informed by changed values in post-pandemic society

**This will prepare us to hit the ground running once normal operations resume.**

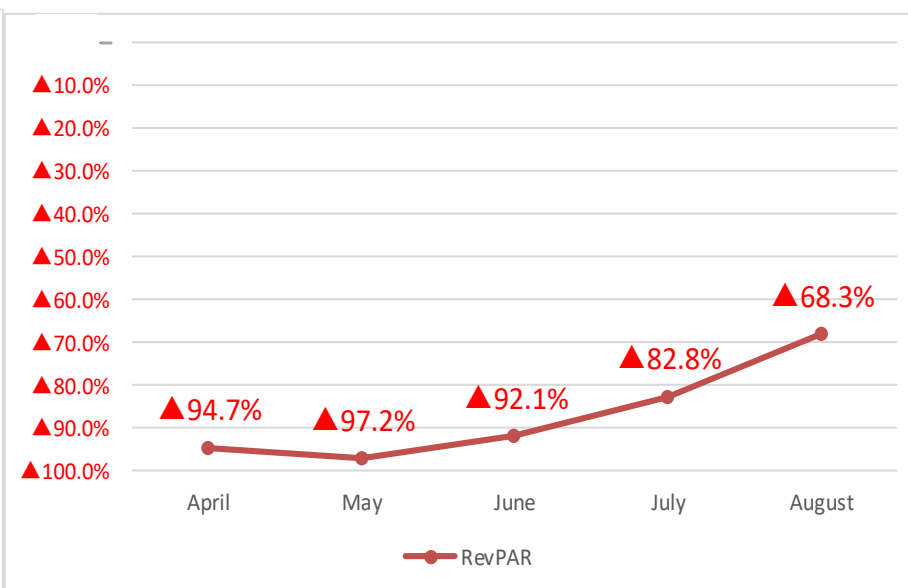
# Trends of KPI until present

- ✓ Despite recovery in customer use after the lifting of the state of emergency declaration, the pace of recovery has been slowed due to a new wave of infections and the nature of "New Lifestyle."
- ✓ The situation is expected to continue through this fiscal year and into the next fiscal year.

## Sales from railway transportation (Railway operations)



## RevPAR (Hotel operations)



Note: Comparisons compare against the corresponding month of the previous year

We will take further actions to effectively address “Key Business Issues in FY2020” and **carry out management reforms** to overcome the initial impact of COVID-19 and create a pathway for rapid growth in the post-COVID-19 society.

(1) Dedicating efforts to minimum required business operations until turmoil eases

(2) While prioritizing (1), pursuing initiatives for after the current situation ends

**In-depth  
management  
reforms**

This will prepare us to hit the ground running once normal operations resume.

Consolidated earnings forecast for the fiscal year ending March 31, 2021 reflects current quantifiable figures



# (1)Dedicating efforts to minimum required business operations until turmoil eases

✓To improve fundamental strength, we will steadily pursue the following policies.

## Operating CF

- **Reducing the break-even point is the most important issue**
  - ✓ Review of service format that corresponds to the reduction in demand
  - ✓ Slimming down of general and administrative departments
  - ✓ Reduction in remuneration of Directors
  - ✓ Reduction of personnel expenses
  - ✓ Review plan for hiring new graduates according to the business

## Investing CF

- **Suppress investment as much as possible**, prioritizing safety and security
- **Currently considering sale** of under-utilized assets and non-core assets and businesses

## Financing CF

- **Currently considering raising capital funds** as the Group without diluting the Company's shares
- **Non-payment** of dividend for the interim dividend and fiscal year-end dividend forecast for the fiscal year ending March 31, 2021

# (1)Dedicating efforts to minimum required business operations until turmoil eases

- ✓Taking all precautions against infection and providing environments that customers can use with safety and security, we will steadily capture recreational demand generated under the government's **"Go To Campaign"** and **proactively secure profits**.

**Government's "Go To Campaign"**  
("Go To Travel Business," "Go To Eat Campaign," etc.)

## Proactively secure profits

### Urban Transportation and Regional

- Antimicrobial treatment of trains
- Sterilization and ventilation inside trains and buses
- Crowding mitigation measures

### Hotel and Leisure

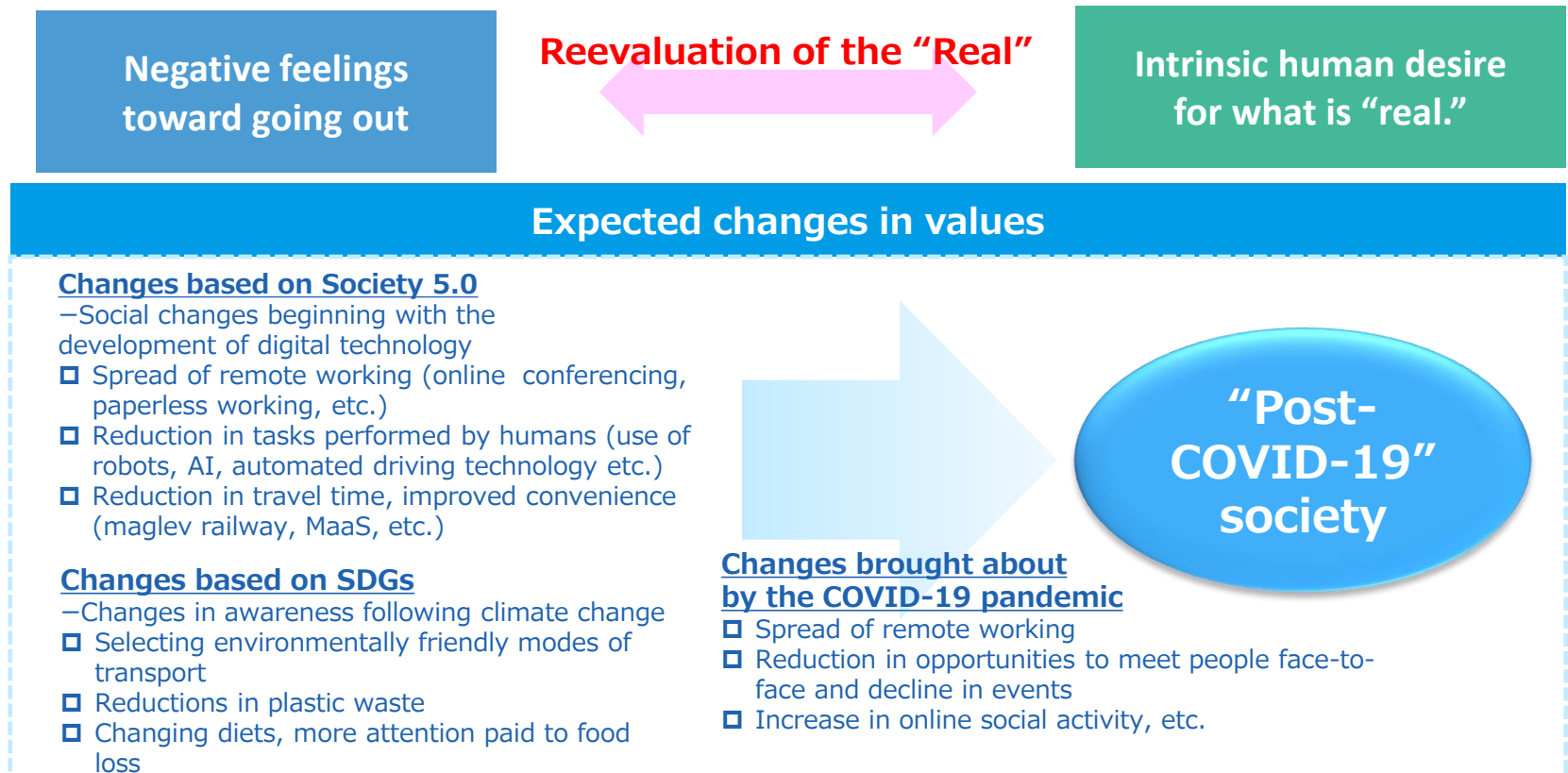
- Strict adherence to sanitation and sterilization standard "Prince Safety Commitment" to secure safety and security
- Development of various products for "Go To Travel"

### Real Estate

- Temperature checks and sterilization of leased facilities

## (2) While prioritizing (1), pursuing initiatives for after the current situation ends

- ✓ During COVID-19 pandemic, people have developed negative feelings toward going out. But on the other hand, it has reignited the intrinsic human desire for what is “real.”
- ✓ **We think in a post-COVID-19 society**, people will reevaluate what is “real” and more than ever before, and society will become a society in which the digital and the real are balanced.
- ✓ **We aim to be a corporate group that is the “Biggest Supporter of People’s Lifestyles”** that can offer infrastructural strengths of moving people and providing goods and places, plus services that create lifestyle and time.



## (2) While prioritizing (1), pursuing initiatives for after the current situation ends

- ✓ We are formulating the action plan for **post-COVID-19 society** with the following points.

### Urban Transportation and Regional

- Consider revising timetables to reflect change in usage trends such as changes in hours of use
- Commercialization of new mobility service MaaS
- Capture recreational demand with the features of “inexpensive, near and soon” from areas around Tokyo through the renewal of Seibuen Amusement Park, etc.
- Create lively activity along railway lines by creating new content (Toshimaen, etc.)

**Investment that takes into account the cost of capital**

**Sustainability Action**

**Offensive strategy towards DX (digital transformation), marketing strategy**

**Collaboration inside and outside the Group**

**We aim to be a corporate group that is the “Biggest Supporter of People’s Lifestyles” that can offer infrastructural strengths of moving people and providing goods and places, plus services that create lifestyle and time.**

### Hotel and Leisure

- Review service models suited to new normal
  - Sale of Workation packages
  - Remote MICE, remote weddings, etc.
- Mitigate risks by acquiring new customer segments for hotels in Japan/overseas
- Pursue efficient operations through the use of new technology

**Defensive strategy towards DX (digital transformation)**

### Real Estate

- Composition of uses for large-scale development in major urban areas
- Develop Tokorozawa area to suit new normal
- Provide services for remote working demand

# Assumptions for the consolidated earnings forecasts

- ✓ The consolidated earnings forecasts for the fiscal year ending March 31, 2021 assume that the situation will continue to be difficult with no turnaround, and incorporate figures from the management reforms that can currently be quantified, such as targets to reduce costs and capital investment.

## Operating revenue assumptions

	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Assumption	★Start of pandemic		Economic impact				Gradual restart of economic activities			Continue with social distancing business formats						

- ❑ Economic activities have been restarted in line following government guidelines for phased-in relaxation of restrictions since the state of emergency declaration was lifted on May 25, 2020.
- ❑ We do not expect a full-scale recovery and assume that the spread of “New Lifestyle”, and restraint on outings and events will continue.
- ❑ Recovery in inbound tourism is not included.

**Among the management reforms, we incorporated the figures that can currently be quantified**

- ✓ **Reduce and defer of nonessential/non-urgent costs and capital investments.**
- ✓ **Review business formats in light of demand trends, including the suspension of operations at facilities again and concentration of operations, to reduce fixed expenses.**
- ✓ **Reduce Director remuneration for the time being.**
- ✓ **Utilize employment adjustment subsidies by putting employees on furlough**

# Summary of consolidated earnings forecasts

billions of yen

	March 31, 2020	March 31, 2021 (forecast)	YoY change		6 months ended September 30, 2019	6 months ended September 30, 2020 (forecast)	YoY change	
Operating revenue	554.5	332.0	(222.5)	(40.1%)	294.6	147.0	(147.6)	(50.1%)
Operating profit	56.8	(56.0)	(112.8)	—	43.7	(39.0)	(82.7)	—
EBITDA	114.5	0.0	(114.5)	(100.0%)	71.7	(13.0)	(84.7)	—
Ordinary profit	48.7	(64.0)	(112.7)	—	39.4	(43.0)	(82.4)	—
Profit attributable to owners of parent	4.6	(63.0)	(67.6)	—	28.1	(51.0)	(79.1)	—

- Operating revenue** 332.0 billion yen  
 Operating revenue is expected to decrease due to the impact of COVID-19 in 1Q in addition to an expected decline in customers going forward.
- Operating loss** 56.0 billion yen  
 Work to reduce fixed expenses by delaying and reducing nonessential and non-urgent costs in addition to reviewing business formats, including temporary suspension and consolidating operations, etc. based on demand trends.

Furthermore, Director remuneration has been reduced for the time being.

- EBITDA** 0.0 billion yen
- Ordinary loss** 64.0 billion yen
- Loss attributable to owners of parent** 63.0 billion yen  
 Utilize employment adjustment subsidies by putting employees on furlough.  
 Booked extraordinary loss of 10.7 billion yen due to factors such as costs caused due to responding to COVID-19 in 1Q.

# Consolidated balance sheet

	March 31, 2020	March 31, 2021 (forecast)	billions of yen	
			YoY change	
Total assets	1,707.7	1,690.0	(17.7)	(1.0%)
Liabilities	1,334.3	1,389.0	54.6	4.1%
Net assets	373.4	301.0	(72.4)	(19.4%)
Equity	367.2	297.0	(70.2)	(19.1%)
Net interest-bearing debt	906.2	1,005.0	98.7	10.9%

- ✓ Secured sufficient funds on hand by arranging funding exceeding 221.0 billion yen in 1Q.
- ✓ Net assets decreased due to factors such as booking loss attributable to owners of parent.
- ✓ As of September 9, 2020, agreement was reached with the relevant financial institutions to change the amount of net assets to be maintained in a restrictive financial covenant for a portion of borrowings from “317.1 billion yen or more” to “280.0 billion yen or more.”
  - Among ongoing financial covenants, the one with the amount of net assets to be maintained of “283.4 billion yen or more” is the strictest.
- ✓ We are currently considering raising capital funds in the future as the Group without diluting the Company’s shares.

# Operating revenue

## Operating revenue for each segment

billions of yen

	March 31, 2020	March 31, 2021 (forecast)	YoY change		Details	6 months ended September 30, 2019	6 months ending September 30, 2020 (forecast)	YoY change	
Urban Transportation and Regional	168.5	122.8	(45.7)	(27.1%)	In addition to revenue decreases in 1Q, expecting revenue decreases due to a decrease in passengers in railway and bus operations due to people refraining from going out, as well as assuming that customers will decrease due to the continuation of business formats that take social distancing into consideration at leisure facilities, etc. (Impact of -53.0 billion yen for the full year due to COVID-19)	87.8	56.8	(31.0)	(35.3%)
Hotel and Leisure	227.4	87.7	(139.7)	(61.4%)	In addition to revenue decreases in 1Q, expecting revenue decreases due to a decrease in customers due to stagnation of demand for business and leisure in hotel operations and overseas hotel operations, at sports-related facilities (golf courses, ski facilities, etc.), and others, as well as assuming that customers will decrease due to the continuation of business formats that take social distancing into consideration at leisure facilities. (Impact of -166.0 billion yen for the full year due to COVID-19)	122.0	31.1	(90.9)	(74.5%)
Real Estate	60.4	54.0	(6.4)	(10.7%)	In addition to revenue decreases in 1Q, expecting revenue decreases assuming that customers will decrease due to the continuation of business formats that take people refraining from going out and social distancing into consideration at commercial facilities. (Impact of -6.0 billion yen for the full year due to COVID-19)	31.7	26.4	(5.3)	(16.8%)
Construction	111.7	95.8	(15.9)	(14.3%)	In addition to revenue decreases in 1Q, expecting revenue decreases due to decreases in completed construction contracts due to the reexamination of plans and delays in orders and construction. (Impact of -11.0 billion yen for the full year due to COVID-19)	50.1	46.2	(3.9)	(7.8%)
Other	44.2	23.8	(20.4)	(46.2%)	In addition to revenue decreases in 1Q, expecting revenue decreases due to a decrease in events and restricted admission to Seibu Lions professional baseball games in the Sports business, and the assumption that the Izu Hakone and Ohmi businesses will be impacted by people refraining from going out. (Impact of -21.0 billion yen for the full year due to COVID-19)	29.0	12.6	(16.4)	(56.6%)
Adjustments	(57.8)	(52.1)	5.7	—		(26.1)	(26.1)	0.0	—
Consolidated	554.5	332.0	(222.5)	(40.1%)	(Impact of -251.0 billion yen for the full year due to COVID-19)	294.6	147.0	(147.6)	(50.1%)

Notes: 1. The impact of COVID-19 indicates the comparison with the expected revenue before the COVID-19 pandemic.

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## Railway operations

(thousands of passengers, millions of yen)

Railway operations (Seibu Railway Co., Ltd.)		March 31, 2020	March 31, 2021 (forecast)	YoY change
Number of passengers	Commuter passes	419,719	322,994	(23.0%)
	Non-commuter passes	242,268	171,066	(29.4%)
	Total	661,988	494,060	(25.4%)
Sales from railway transportation	Commuter passes	45,912	36,716	(20.0%)
	Non-commuter passes	53,668	36,977	(31.1%)
	Total	99,580	73,694	(26.0%)

- ✓ Sales from railway transportation:  
**March estimate: Down approximately 15%**  
(July results: Down 29.3%)

\*Rate of reduction:  
July is compared to July 2019.  
March is compared to March 2019.

## Hotel operations

(RevPAR, room rates in yen)

Hotel operations (Prince Hotels, Inc.)		March 31, 2020	March 31, 2021 (forecast)	YoY change
Total	RevPAR	11,636	3,940	(66.1%)
	Average daily rate (ADR)	16,174	16,430	1.6%
	Average occupancy rate	71.9%	24.0%	(47.9pt)

- ✓ Occupancy rate expected to be **approximately 30% to 40%** in the second half.

Note: The forecast of the hotel operations' indicators for the fiscal year ending March 31, 2021 are calculated based on the total number of rooms available including the ones that are temporarily closed.

# Operating profit, EBITDA

## Operating profit for each segment

billions of yen

	March 31, 2020	March 31, 2021 (forecast)	YoY change	Details	6 months ended September 30, 2019	6 months ending September 30, 2020 (forecast)	YoY change
Urban Transportation and Regional	22.8	(7.3)	(30.1)	—	16.2	(7.6)	(23.8)
Hotel and Leisure	8.5	(55.2)	(63.7)	—	9.7	(35.5)	(45.2)
Real Estate	17.4	15.7	(1.7)	(10.0%)	10.0	7.0	(3.0)
Construction	5.6	2.6	(3.0)	(53.9%)	2.3	1.0	(1.3)
Other	1.8	(11.8)	(13.6)	—	4.6	(4.6)	(9.2)
Adjustments	0.5	0.0	(0.5)	(100.0%)	0.7	0.7	(0.0)
Consolidated	56.8	(56.0)	(112.8)	—	43.7	(39.0)	(82.7)

## EBITDA for each segment

billions of yen

	March 31, 2020	March 31, 2021 (forecast)	YoY change	Details	6 months ended September 30, 2019	6 months ending September 30, 2020 (forecast)	YoY change
Urban Transportation and Regional	44.6	15.2	(29.4)	(65.9%)	26.5	3.1	(23.4)
Hotel and Leisure	28.6	(37.7)	(66.3)	—	19.6	(27.6)	(47.2)
Real Estate	29.1	27.7	(1.4)	(5.1%)	15.9	12.9	(3.0)
Construction	6.0	3.1	(2.9)	(49.1%)	2.5	1.2	(1.3)
Other	5.6	(7.6)	(13.2)	—	6.4	(2.8)	(9.2)
Adjustments	0.3	(0.7)	(1.0)	—	0.6	0.2	(0.4)
Consolidated	114.5	0.0	(114.5)	(100.0%)	71.7	(13.0)	(84.7)

Note: Reportable segments were changed from the fiscal year ending March 31, 2021. The figures in the previous year were presented based on the reportable segments after the change.

# Operating expenses

- ✓ Operating expenses are expected to decrease 109.7 billion yen YoY (of which, 10.7 billion yen was transferred to extraordinary losses in 1Q)
- ✓ Fixed expenses were reduced by about 62.0 billion yen compared to the initial forecast by delaying and reducing nonessential and non-urgent costs in addition to reviewing the business formats in light of demand trends, etc.

## Operating expenses for each segment

billions of yen

	March 31, 2020	March 31, 2021 (forecast)	YoY change	Details
Urban Transportation and Regional	145.7	130.1	(15.6)	Reduction of fixed expenses by reducing various railway expenses, reducing or suspending bus service, and reviewing business formats such as for leisure facilities
Hotel and Leisure	218.9	142.9	(76.0)	Reduction of fixed expenses, etc. by reviewing business formats
Real Estate	43.0	38.3	(4.7)	Reduction of expenses such as advertising expenses and repair expenses
Construction	106.1	93.2	(12.9)	
Other	42.3	35.6	(6.7)	
Adjustments	(58.3)	(52.1)	6.2	
Total operating expenses	497.7	388.0	(109.7)	

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# Capital investment

- ✓ Initial forecast was reduced by around 36.0 billion yen (down 21.9 billion yen YoY).
- ✓ Defer non-urgent investments for safety, maintenance and renewal, while placing top priority on safety and security (initial forecast reduced by around 27.0 billion yen).
- ✓ Review the effects of investments to increase value, and make rigorously selected investments to contribute to future growth (initial forecast reduced by around 9.0 billion yen).

## Capital investment for each segment

billions of yen

	March 31, 2020	March 31, 2021 (forecast)	YoY change	Details
Urban Transportation and Regional	40.6	31.5	(9.1)	Project for continuous grade-separation work on the Seibu Shinjuku Line Platform gates Renewal of Seibuen Amusement Park
Hotel and Leisure	17.2	10.8	(6.4)	Karuizawa Prince Hotel West renovation
Real Estate	12.9	9.5	(3.4)	Grand Emio Tokorozawa for phase II
Construction	0.6	0.7	0.0	
Other	14.7	11.3	(3.4)	MetLife Dome area renewal plan
Adjustments	0.7	1.2	0.4	
Total capital investment	86.9	65.0	(21.9)	

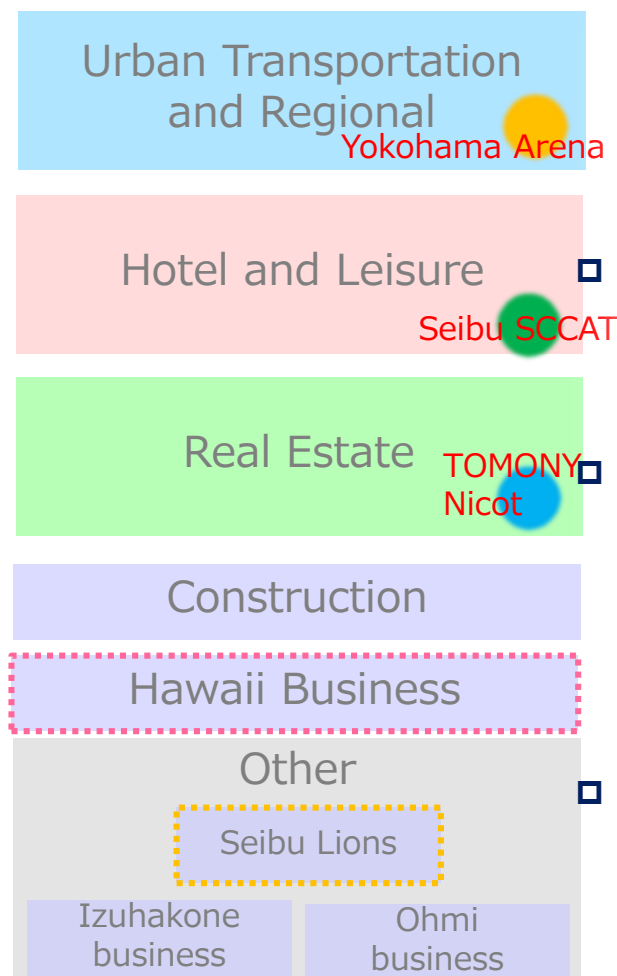
# Appendix

# Changes in Business Segments

(Note: this was released on May 26,2020)

- ✓ Going forward, reportable segments will be changed with the establishing in FY2020 of a new “Sports businesses” as an area of growth, and others. ⇒ We will work to build the business model in new segments.

## Former Segment Structure



## Establishing of new Sports business

- Add Yokohama Arena to Seibu Lions to create new business
- ⇒ In future, we will also look at integration of fitness centers and golf courses, etc. with existing businesses, and work on this aspect

## Hawaii Business

### Consolidate on Hotels and Leisure business

- ⇒ Accelerate global expansion of hotels

### In-station convenience store “TOMONY” / Close-to-station children’s daycare facility “Nicot”

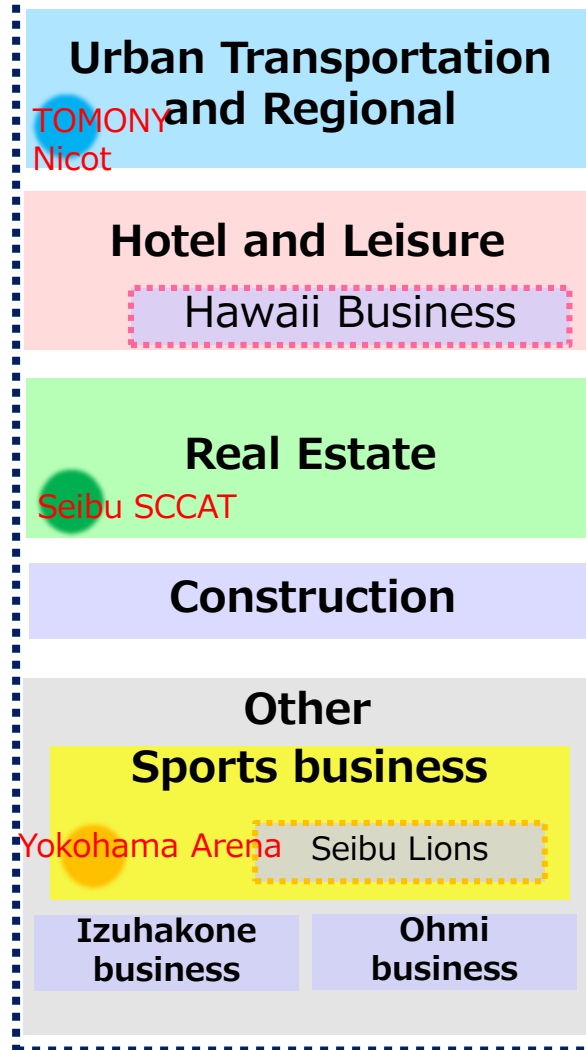
Transfer from Real Estate business to Urban Transportation and Regional business

- ⇒ Strengthen lifestyle-related business

## Seibu SCCAT (Building Maintenance/Security)

- Transfer from Hotels and Leisure business to Real Estate business
- ⇒ extend Company’s domain

## New Segment Structure



# Impact of Changes in Business Segments

## Operating Revenue

			billions of yen		
	6 months endend September 30, 2019 (before)	March 31, 2020 (before)		6 months endend September 30, 2019 (after)	March 31, 2020 (after)
Urban Transportation and Regional	84.0	161.1	<p>TOMONY·Nicot ¥5.2 bn (first half)/¥10.0 bn (full year)</p> <p>Seibu SCCAT ¥2.0 bn (first half)/¥4.1 bn (full year)</p> <p>Yokohama Arena ¥1.4 bn (first half)/¥2.6 bn (full year)</p>	87.8	168.5
Hotel and Leisure	113.1	209.1		122.0	227.4
Real Estate	34.9	66.3		31.7	60.4
Construction	50.1	111.7		50.1	111.7
Hawaii Business	11.0	22.4		—	—
Other	27.5	41.5		29.0	44.2

## Operating Profit

			billions of yen		
	6 months endend September 30, 2019 (before)	March 31, 2020 (before)		6 months endend September 30, 2019 (after)	March 31, 2020 (after)
Urban Transportation and Regional	16.5	23.3	<p>TOMONY·Nicot ¥0.4 bn (first half)/¥0.7 bn (full year)</p> <p>Seibu SCCAT ¥0.03 bn (first half)/¥0.03 bn (full year)</p> <p>Yokohama Arena ¥0.7 bn (first half)/¥1.2 bn (full year)</p>	16.2	22.8
Hotel and Leisure	9.6	8.0		9.7	8.5
Real Estate	10.4	18.1		10.0	17.4
Construction	2.3	5.6		2.3	5.6
Hawaii Business	0.1	0.5		—	—
Other	3.8	0.6		4.6	1.8

# Impact of Changes in Business Segments

## EBITDA

			billions of yen		
	6 months endend September 30, 2019 (before)	March 31, 2020 (before)		6 months endend September 30, 2019 (after)	March 31, 2020 (after)
Urban Transportation and Regional	27.0	45.4	<p>TOMONY・Nicot ¥0.4 bn (first half)/¥0.7 bn (full year)</p> <p>Seibu SCCAT ¥0.03 bn (first half)/¥0.04 bn (full year)</p> <p>Yokohama Arena ¥0.9 bn (first half)/¥1.6 bn (full year)</p>	26.5	44.6
Hotel and Leisure	18.0	25.4		19.6	28.6
Real Estate	16.3	29.9		15.9	29.1
Construction	2.5	6.0		2.5	6.0
Hawaii Business	1.5	3.2		—	—
Other	5.4	4.0		6.4	5.6

## Capital investment

			billions of yen		
	March 31, 2020 (before)			March 31, 2020 (after)	
Urban Transportation and Regional	40.5	<p>TOMONY・Nicot ¥0.1 bn</p> <p>Seibu SCCAT ¥0.01 bn</p> <p>Yokohama Arena ¥0.04 bn</p>		40.6	
Hotel and Leisure	16.0			17.2	
Real Estate	13.0			12.9	
Construction	0.6			0.6	
Hawaii Business	1.2			—	
Other	14.7			14.7	



## **Disclaimer**

**The forward-looking statements, targets, plans, etc. contained in this material are based on currently available information and certain assumptions deemed reasonable by the Company.**

**Therefore, the statements do not constitute a guarantee of future results. In addition, please note that actual results may differ due to various factors in the future.**