

November 7, 2019

For Immediate Release

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A land transport industry first!

The Seibu Group to Issue “Green Bonds” (Wholesale Bonds)

-A part of the Group’s efforts to the promotion of “sustainability actions.” -

In endeavoring to address the challenges posed by the sustained formation of societies through the wide-ranging businesses and services that it engages in based on the “Group Vision” that constitutes its management philosophy, the Seibu Group seeks to realize formidable, sustained growth for Seibu Holdings as well. In order to gain further recognition of its proactive initiatives geared towards ESG from a wide range of stakeholders, as part of its fundraising efforts for introducing new energy-saving train cars and implementing its solar power station construction business, the Group has made the decision to issue “Green Bonds” in the form of wholesale bonds. This will be a first in the land transport industry. Details of this announcement follow below.

1. Purpose and Background of Green Bond Issuance

Based on the “Group Vision” that constitutes its management philosophy, the Seibu Group aggressively promotes initiatives geared towards ESG in the form of “sustainability actions.” Over time, the Group has been consistently mindful to be considerate of the natural and global environment, and has endeavored to reduce waste and effectively utilize resources, starting with its environmental preservation efforts conducted in cooperation with local governments and other entities.

In the “FY2019-2021 Seibu Group Medium-Term Management Plan” that it announced on May 14, 2019, the Group newly set forth sustainability actions as priority measures and, after extracting and narrowing down social challenges, established twelve agenda (key objectives) under four categoriesⁱⁱ.

Additionally, with the formulation of “The Seibu Group’s Environmental Policy” on November 1, the Group indicated its environmental vision with higher degree of clarity. Going forward, the Group will continue to promote measures geared towards reducing its environmental footprint with greater formidability as well as to push forward with new initiatives with the same purpose.

With this issuance of Green Bonds, the objective of the Seibu Group is twofold. One is to elicit further recognition of the above policies by a wide range of stakeholders. The other is to promote the Group’s sustainability actions and help realize a sustainable society.

The funds raised through these bonds will be used towards two new energy-saving train cars: the “Laview” limited express train and the “40000-Series” commuter train. Both of these train cars are intended to realize clean transport. Moreover, with the “Seibu Takeyama Solar Power Station,” the Seibu Group seeks to build a solar power plant that takes advantage of idle land. Through improved environmental functions and the utilization of natural energy, the power station is anticipated to reduce the Group’s CO₂ emissions.



The new “Laview” limited express train car



The new “40000-Series”
commuter train car



Seibu Takeyama Solar Power Station

2. Overview of Green Bond Issuance

Name of Bonds	Fourth Series of Seibu Holdings Inc. Unsecured Straight Bonds (With Inter-Bond Pari Passu Clause) (Green Bonds)
Total Amount of Issuance	10 billion JPY (tent.)
Term	To be examined; likely 10 years
Timing of Issuance	Around December 2019
Summary of Use of Funds	All funds raised are scheduled to be allocated to the cost of introducing the new “Laview” limited express train car and the new “40000-Series” commuter train car and to the refinancing of building costs for the “Seibu Takeyama Solar Power Station.”
Lead Underwriters	Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., SMBC Nikko Securities Inc., Daiwa Securities Co., Ltd. and Nomura Securities Co., Ltd.
Green Bond Evaluation	“Green 1” preliminary evaluation given by JCR for Green Bonds *Highest evaluation




















3. Third-Party Evaluation of Green Bonds to Be Issued

For the Green Bonds to be issued, the Seibu Group has acquired a preliminary evaluation of “Green 1,” the highest “JCR Green Bond Evaluationⁱⁱⁱ” given by Japan Credit Rating Agency, Ltd. (JCR), a third-party evaluation agency. This evaluation cited the bonds as falling under the “Green Bond Principles 2018” by the International Capital Market Association (ICMA) and the “2017 Green Bond Guidelines” by the Ministry of the Environment based on the usage of the funds raised in “clean transport” and “businesses related to clean transport” anticipated to yield environmental improvement effects and in “renewable energy” assets.

Additionally, the acquisition of a third-party evaluation of the Green Bonds to be issued is eligible for the granting of subsidies under the 2019 Financial Support Programme for Green Bond Issuance conducted by the Ministry of the Environment.

ⁱ The issuance of Green Bonds in the form of wholesale bonds

ⁱⁱ Sustainability actions

Category	Agenda	Related SDGs
Customer safety	Ensure safety and reliability	   
Environmental conservation	Greenhouse gas reduction Waste reduction Ensuring water supply Protecting forests and species	     
Community engagement	Invigoration of railroad corridors and local communities Universal design Aging population and low birthrate	   
Corporate culture	Work style reforms Recruiting a diverse workforce Human resource development and human resource management Compliance	    

For information on the Seibu Group’s specific initiatives aligned with these agenda, please refer to the following.

<http://www.seibuholdings.co.jp/en/group/csr/>

ⁱⁱⁱ A third-party evaluation by JCR of the Green Bonds to be issued based on the Green Bond Principles formulated by ICMA and the 2017 Green Bond Guidelines formulated by the Ministry of the Environment. Under this evaluation, a “greenness evaluation” that assesses whether the funds raised by the Green Bonds will be used for green projects and a “management, operation and transparency evaluation” that assesses the management and operation framework and the transparency of the bond-issuing entity are performed, and a “JCR Green Bond Evaluation” is determined as an overall evaluation of those two assessments.