

[Translation for Reference Only]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

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In all cases, the original Japanese version takes precedence.

February 24, 2022

For Immediate Release

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

Notice Regarding Partial Revision of Board Benefit Trust (BBT) Following Group Reorganization, Etc.

Seibu Holdings Inc. (the “Company”) is currently proceeding with management reforms in accordance with the “FY2021-FY2023 Seibu Group’s Medium-term Management Plan” announced on May 13, 2021. Under these circumstances, for the stock-based compensation system under the “Board Benefit Trust (BBT)” introduced to the Company by a resolution at the 14th Ordinary General Meeting of Shareholders of the Company held on June 21, 2019 (hereinafter referred to as the “System,” and the trust that has been established based on the trust agreement entered into with Mizuho Trust & Banking Co., Ltd. in connection with the System is referred to as the “Trust”), the Company hereby announces that, at its Board of Directors’ meeting held today, it passed a resolution on the change of target subsidiaries of the System, along with the progress of management reforms.

Although the summary of the System has been disclosed in “Notice Regarding the Introduction of a Stock-based Compensation System (Board Benefit Trust)” on May 14, 2019 and “Notice Regarding the Partial Revision of the Board Benefit Trust (BBT) in Line with the Introduction of Stock-based Compensation (Long-term Incentive) to Subsidiaries” on May 26, 2020 (hereinafter collectively referred to as the “Initial Disclosure”), the System will be partially revised as described in 2. below in line with the above. Unless otherwise specified, terms used herein shall be as defined in the Initial Disclosure. The details are as follows.

1. Background and Content of the Change

As disclosed in the “Notice Regarding the Partial Revision of the Board Benefit Trust (BBT) in Line with the Introduction of Stock-based Compensation (Long-term Incentive) to Subsidiaries” on May 26, 2020, the Company’s subsidiaries Seibu Railway Co., Ltd. (“Seibu Railway”), Prince Hotels, Inc. (“PH”), Seibu Bus Co., Ltd., Seibu Properties Inc. (“PR”), Seibu Construction Co., Ltd. (“Seibu Construction”), Izuhakone Railway Co., Ltd., and Ohmi Railway Co., Ltd. (these subsidiaries hereinafter collectively referred to as the “Subsidiaries of the Company”)

have been covered by the System. Now, the Company will change a part of the target subsidiaries as described below.

- (1) The Company is to conduct a series of reorganizations (the “Reorganization”) as disclosed in “Notice Regarding Group Reorganization (Establishment of Subsidiary, Company Split and Mergers of Subsidiaries) and Change of Subsidiary Name,” on December 9, 2021, in which it will establish the wholly owned subsidiary SEIBU PRINCE HOTELS WORLDWIDE INC. (“SPW”) and, effective April 1, 2022 (scheduled), transfer part of the business of PH to SPW by a company split (by the method of absorption-type company split, the “Absorption-Type Company Split”); perform a merger (the “Absorption-Type Merger”) between PH, the surviving company, and PR, the disappearing company; and, on the condition that the Absorption-Type Company Split and the Absorption-Type Merger take effect, change the name of PH to SEIBU REALTY SOLUTIONS INC. (“SRS”).

SPW aims to build the industry’s No. 1 quality hotel chain through flexible business operations as the subsidiary that plays the central role in the Group’s Hotel and Leisure business. SRS will leap forward as a highly competitive general real estate company, aiming to maximize the value of the Group’s assets as the subsidiary that plays the central role in the Group’s Real Estate business. Since SPW and SRS will be added to the core companies of the Group, the Company judges that adding them as targets of the System will help to further increase the Group’s earnings over the medium to long term and to maximize corporate value and shareholder value. The Company has therefore resolved to add SPW and SRS as targets of the System (partial revision of the System) on the condition that the Reorganization takes effect. Furthermore, as with other Subsidiaries of the Company, SPW and SRS will only introduce the Long-term Incentive System.

The introduction of the System to SPW will come into effect as of April 1, 2022, subject to the shareholders’ approval for and adoption of the proposal as originally proposed for the introduction of the System at said company’s General Meeting of Shareholders to be held on the same date.

- (2) As disclosed in “Notice Regarding Conclusion of Share Transfer Agreement Under Which Seibu Construction Co., Ltd. Will Become a Subsidiary of MIRAIT Holdings Corporation, Constituting a Transfer of Subsidiary (Sub-subsidiary) of Seibu Holdings Inc.,” on January 27, 2022, Seibu Construction will cease to be a consolidated subsidiary of the Company on March 31, 2022. Therefore, the Company has resolved to exclude Seibu Construction from the targets of the System (partial revision of the System) on the condition that the transfer of shares of Seibu Construction between Seibu Railway and MIRAIT Holdings Corporation is completed.

2. Partial Revision of the System

In line with 1. above, the previous content of the System will be partially revised. Revisions are as underlined. For the previous content of the System, please refer to the Initial Disclosure.

While the directors of SPW will be added as targets of the System through this revision, shares that the Trust has already acquired will be allotted for the provision of the Company’s Shares, etc. to them.

Prior to revision

(2) Targets of the System

The targets of the System are the directors (excluding the outside directors) of the Company and the Subsidiaries of the Company (Seibu Railway Co., Ltd., Prince Hotels, Inc., Seibu Bus Co., Ltd., Seibu Properties Inc., Seibu Construction Co., Ltd., Izuhakone Railway Co., Ltd. and Ohmi Railway Co., Ltd.).

The directors of the Subsidiaries of the Company are only eligible for the Long-term Incentive System, and are not eligible for the Annual Incentive System.

After revision

(2) Targets of the System

The targets of the System are the directors (excluding the outside directors) of the Company and the Subsidiaries of the Company (Seibu Railway Co., Ltd., SEIBU PRINCE HOTELS WORLDWIDE INC., SEIBU REALTY SOLUTIONS INC., Seibu Bus Co., Ltd., Izuhakone Railway Co., Ltd. and Ohmi Railway Co., Ltd.).

The directors of the Subsidiaries of the Company are only eligible for the Long-term Incentive System, and are not eligible for the Annual Incentive System.

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