

Overview of financial results for the fiscal year ended March 31, 2022 and the progress of “FY2021-FY2023 Seibu Group’s Medium-term Management Plan”

May 12, 2022

Seibu Holdings Inc. (9024)

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

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Consolidated financial results for the fiscal year ended March 31, 2022

- Operating revenue increased year on year despite ongoing difficult business conditions due to the impact of COVID-19 (Operating revenue was 396.8 billion yen up 17.7%)
 - Sales from railway transportation +8.9%, RevPAR of Prince Hotels, Inc. +62.1%
 - Operating revenue decreased by 9.8 billion yen due to the impact of application of Accounting Standards for Revenue Recognition, while the impact on profits from applying the standard was minor
- Fixed expenses decreased by 32.0 billion yen compared to FY2019 (before being transferred to extraordinary losses)
- Secured a positive EBITDA of 42.4 billion yen and operating loss came to 13.2 billion yen, an improvement from a year earlier
- Booked extraordinary income of 37.3 billion yen on gain on sale of shares of subsidiaries, 13.9 billion yen from the gain on sale of non-current assets and 9.1 billion yen from the employment adjustment subsidies
- Booked extraordinary loss of 6.0 billion yen from fixed expenses during temporarily suspension of operations and 3.5 billion yen of loss on sale of shares of subsidiaries
- Secured a profit attributable to owners of parent of 10.6 billion yen

	billions of yen								
	March 31, 2020	March 31, 2021	March 31, 2022	YoY change (Amount / %)		March 31, 2022 (forecast)* ²	Change from forecast (Amount)	March 31, 2022 4Q (Jan.-Mar.)	YoY change (Amount)
Operating revenue	554.5	337.0	396.8	59.7	17.7%	401.0	(4.1)	96.5	11.9
Operating profit	56.8	(51.5)	(13.2)	38.3	—	(11.0)	(2.2)	(8.8)	5.7
EBITDA* ¹	114.5	1.8	42.4	40.5	—	44.0	(1.5)	5.4	6.2
Ordinary profit	48.7	(58.7)	(17.4)	41.3	—	(18.0)	0.5	(8.4)	6.1
Profit attributable to owners of parent	4.6	(72.3)	10.6	82.9	—	9.0	1.6	19.4	43.6

*1 EBITDA is calculated by adding depreciation and amortization of goodwill to operating profit

*2 Forecast announced on February 10, 2022

Operating revenue by segment

billions of yen

	March 31, 2020	March 31, 2021	March 31, 2022	YoY change (Amount / %)		Details (YoY) (+)Increase factor, (-)Decrease factor	March31, 2022 (forecast)*1	Change from forecast (Amount)	Details (YoY) (+)Increase factor, (-)Decrease factor
Urban Transportation and Regional	168.5	122.5	131.3	8.7	7.1%	(+) Increase in railway and bus transportation revenue (+) Increase in the number of visitors in Seibuen Amusement Park (+) Increase in foot traffic at "TOMONY" in-station convenience stores (-) Decrease due to the closure of Toshimaen in the end of August 2020 (-) The impact of application of Accounting Standards for Revenue Recognition -3.2 billion yen	133.5	(2.1)	(-) Downward in railway and bus transportation revenue (-) Downward in users of leisure facilities along railway lines
Hotel and Leisure	227.4	84.0	133.1	49.1	58.5%	(+) Increase in users of hotels in Japan and overseas, golf courses, ski resorts and Yokohama Hakkeijima Sea Paradise etc. (+) Demand accompanied by the Olympic and Paralympic Games (-) The impact of application of Accounting Standards for Revenue Recognition -1.7 billion yen	138.2	(5.0)	(-) Downward in users of hotels in Japan
Real Estate	60.4	55.3	59.1	3.7	6.8%	(+) Increase in the number of land sales in our resort areas, etc. (+) Increase in users of commercial facilities (+) The recording of cancellation fees in conjunction with the withdrawal of a tenant from Tokyo Garden Terrace Kioicho (+) Increase in fee revenue from insurance agency business (-) Decrease in rent revenue in conjunction with the withdrawal of a tenant from Tokyo Garden Terrace Kioicho (-) The impact of application of Accounting Standards for Revenue Recognition -3.0 billion yen	59.0	0.1	
Construction	111.7	96.1	79.7	(16.3)	(17.1%)	(-) Transfer of shares of Seibu Construction Supply, Co., Ltd. (-) Decrease in building construction and civil engineering works (+) Increase in renovation projects (-) The impact of application of Accounting Standards for Revenue Recognition -1.3 billion yen	78.6	1.1	(+) Increase in progress of renovation projects and civil engineering works
Other	44.2	26.7	32.7	6.0	22.4%	(+) Increase in usage of bus and taxi and expanding demand for tourism in the Izuhakone business and the Ohmi business (+) Increase in the number of professional baseball league official games and spectators (+) Increase in events held at Yokohama Arena and BELLUNA DOME*2 (+) The proactive acquisition of advertising sponsors at BELLUNA DOME*2 (-) The impact of application of Accounting Standards for Revenue Recognition -1.4 billion yen	32.5	0.2	(+) Better-than-expected sales from advertising sponsors and broadcasting rights fee for Seibu Lions
Adjustments	(57.8)	(47.8)	(39.3)	8.5	-	(+) Decrease in cancellation of transactions between Group Companies	(40.8)	1.4	
Consolidated	554.5	337.0	396.8	59.7	17.7%		401.0	(4.1)	

*1 Forecast announced on February 10, 2022

*2 MetLife Dome was renamed BELLUNA DOME starting March 1, 2022.

Note: Reportable segments were changed from the fiscal year ended March 31, 2021.
The figures in March 31, 2020 were presented based on the reportable segments after the change.

Operating profit and EBITDA by segment

■ Operating profit

billions of yen

	March 31, 2020	March 31, 2021	March 31, 2022	YoY change (Amount / %)		Details (YoY)		March 31, 2022 (forecast)*	Change from forecast (Amount)	Details (YoY)	
				(+)Increase factor, (-)Decrease factor	(+)Increase factor, (-)Decrease factor	(+)Increase factor, (-)Decrease factor	(+)Increase factor, (-)Decrease factor				
Urban Transportation and Regional	22.8	(9.8)	(5.7)	4.0	—	(+) Increase in operating revenue (-) Increase in advertising expenses, power and fuel costs, non-current asset retirement costs and general and administrative expenses (-) Fixed expenses of 1.1 billion yen transferred to extraordinary losses (previous fiscal year)	(4.9)	(0.8)	(-) Downward in operating revenue (+) Decrease in personnel expenses and depreciation		
Hotel and Leisure	8.5	(53.4)	(28.0)	25.3	—	(+) Increase in operating revenue (+) Decrease in depreciation (-) Increase in utility costs and repair costs (-) Fixed expenses of 16.4 billion yen transferred to extraordinary losses (previous fiscal year) (+) Fixed expenses of 6.0 billion yen transferred to extraordinary losses (current fiscal year)	(25.5)	(2.5)	(-) Downward in operating revenue (+) Booked fixed expenses transferred to extraordinary losses in 4Q		
Real Estate	17.4	15.4	19.8	4.4	28.7%	(+) Increase in operating revenue	18.8	1.0	(+) Lower-than-expected taxes and dues and general and administrative expenses		
Construction	5.6	4.0	3.9	(0.1)	(3.8%)	(-) Decrease in operating revenue (-) Increase in indirect construction costs and selling, general and administrative expenses in construction operations (+) Increase in gross profit margin in construction operations	4.0	(0.0)	(-) Upturn in indirect construction costs in construction operations		
Other	1.8	(7.5)	(3.2)	4.3	—	(+) Increase in operating revenue (+) Decrease in personnel expenses and depreciation (-) Fixed expenses of 1.2 billion yen transferred to extraordinary losses (previous fiscal year)	(3.7)	0.4			
Adjustments	0.5	(0.2)	0.0	0.3	—		0.3	(0.2)			
Consolidated	56.8	(51.5)	(13.2)	38.3	—		(11.0)	(2.2)			

■ EBITDA

billions of yen

	March 31, 2020	March 31, 2021	March 31, 2022	YoY change (Amount / %)		March 31, 2022 (forecast)*	Change from forecast (Amount)
Urban Transportation and Regional	44.6	12.3	16.7	4.3	35.2%	17.7	(0.9)
Hotel and Leisure	28.6	(38.1)	(11.1)	27.0	—	(8.4)	(2.7)
Real Estate	29.1	27.4	31.7	4.2	15.6%	30.7	1.0
Construction	6.0	4.5	4.1	(0.3)	(7.9%)	4.3	(0.1)
Other	5.6	(3.4)	0.8	4.3	—	0.4	0.4
Adjustments	0.3	(0.8)	0.0	0.8	—	(0.7)	0.7
Consolidated	114.5	1.8	42.4	40.5	—	44.0	(1.5)

■ Fixed expenses transferred to extraordinary losses

billions of yen

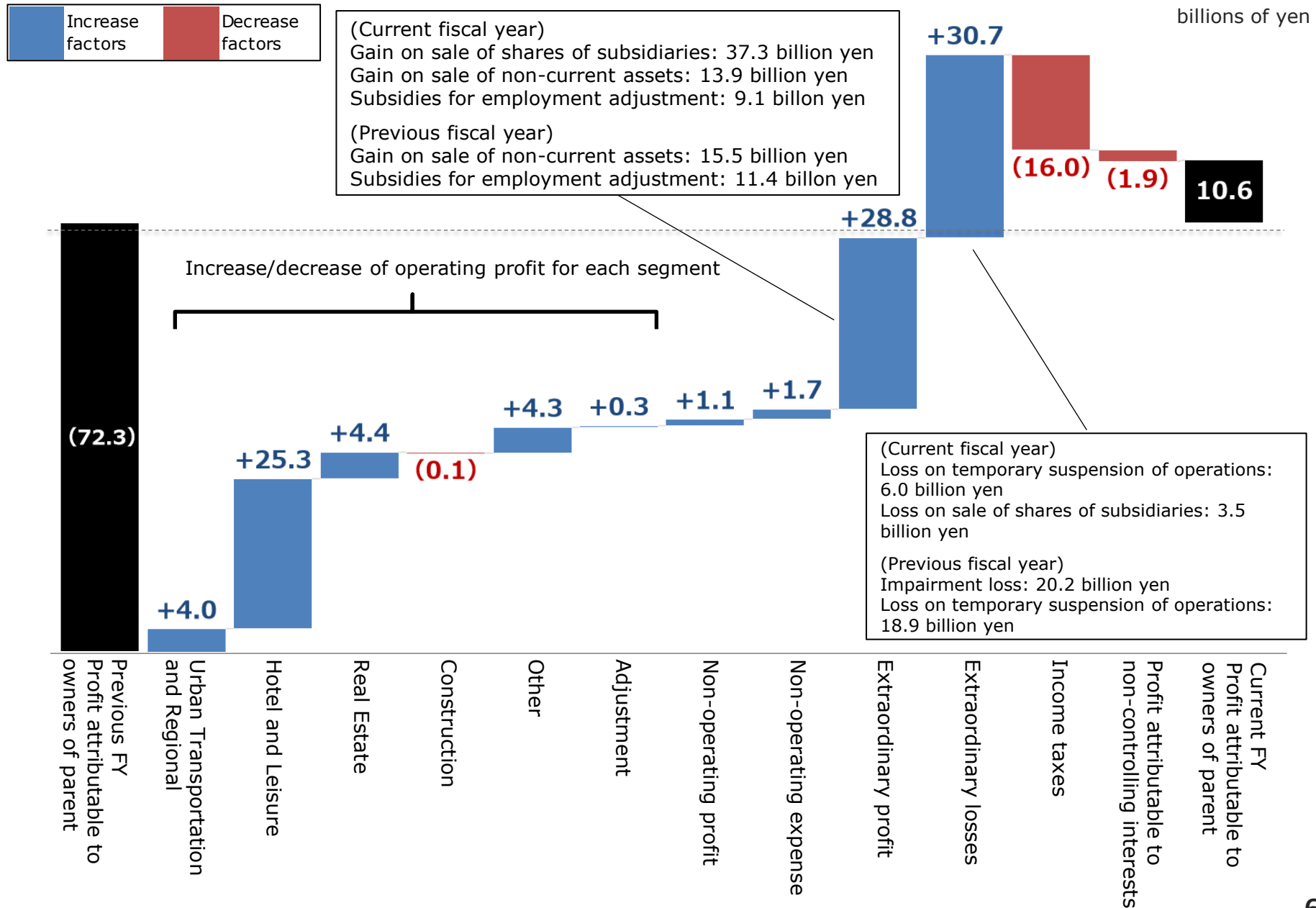
	March 31, 2021	March 31, 2022	Details
Urban Transportation and Regional	1.1	0.0	• Personnel expenses, depreciation, etc. associated with some leisure facilities along railway lines during the suspension of their operations
Hotel and Leisure	16.4	6.0	• Personnel expenses, depreciation, etc. associated with hotels, golf courses and some leisure facilities during the suspension of their operations * Golf courses: only during the fiscal year ended March 31, 2021
Real Estate	0.0	—	
Construction	—	—	
Other	1.2	—	[The fiscal year ended March 31, 2021] • A portion of participation remuneration was recorded as an extraordinary losses due to a decrease in the number of official professional baseball games hosted • Personnel expenses, etc. in the Izuhakone business
Adjustments	(0.0)	(0.0)	
Total	18.9	6.0	

* Forecast announced on February 10, 2022

Note: Reportable segments were changed from the fiscal year ended March 31, 2021.

The figures in March 31, 2020 were presented based on the reportable segments after the change.

Profit attributable to owners of parent: Factors increasing/decreasing profit



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Business status

	The fiscal year ended March 31, 2021	The fiscal year ended March 31, 2022
Urban Transportation and Regional	<p>[Lifestyle service operations along railway lines · Sports operations]</p> <ul style="list-style-type: none"> · Suspended operations at amusement parks, spa facilities, fitness clubs in Tokyo and Saitama (Operations restarted in phases from the end of May through mid-June) · Returned to normal operation in stages at “TOMONY” in-station convenience stores after May 19 · Since Nov. 1, Seibuen Amusement Park had been temporarily closed (Reopened after a renovation in May 2021) 	<p>[Lifestyle service operations along railway lines · Sports operations]</p> <ul style="list-style-type: none"> · Closed facilities such as spa facilities and fitness clubs located in Tokyo (From April 25 through May 31) · On May 19, Seibuen Amusement Park reopened after renovation with limited capacity of visitors
Hotel and Leisure	<p>[Hotel operations]</p> <ul style="list-style-type: none"> · Suspended operations at hotels except for 5 city hotels from late April (Restarted at several hotels based on demand trends from June) · Based on demand trends, temporary suspension and consolidation of the hotel operations were implemented <p>[Overseas hotel operations] (Jan. - Dec.)</p> <ul style="list-style-type: none"> · After March 28, operations were suspended at 3 hotels and 3 golf courses in Hawaii (Golf courses restarted in phases from May 4 onward) · StayWell Group: Operations were suspended at 12 hotels as of March 31, 10 hotels as of June 30 and 4 hotels as of September 30 remained suspended at 5 hotels as of December 31 <p>[Sports operations]</p> <ul style="list-style-type: none"> · Golf courses: After April 18, operations were suspended at all 28 golf courses (Operations restarted in phases from June 1 onward) · Ski resorts: Operations for the 2020-2021 season have commenced in stages since Nov. 3 <p>[Others]</p> <ul style="list-style-type: none"> · Suspended operations at Yokohama Hakkeijima Sea Paradise and Maxell Aqua Park Shinagawa until May 31 	<p>[Hotel operations]</p> <ul style="list-style-type: none"> · Based on demand trends and other factors, max. 7 hotels located in Hokkaido, Kyoto, Niigata, Gunma, Hiroshima and other prefectures were temporarily suspended from mid-May, and consolidation of the hotel operations was implemented <p>[Overseas hotel operations] (Jan. - Dec.)</p> <ul style="list-style-type: none"> · 3 hotels and 3 golf courses in Hawaii remained in operation · StayWell Group: Operations were suspended at 7 hotels as of March 31, 6 hotels as of June 30 and 4 hotels as of September 30 remained suspended at 4 hotels as of December 31 (The Prince Akatoki London resumed operation on May 17) <p>[Sports operations]</p> <ul style="list-style-type: none"> · Golf courses: All 28 golf courses remained in operation (Except for winter closure) · Ski resorts: Operations for the 2021-2022 season have commenced in stages since Nov. 3 <p>[Others]</p> <ul style="list-style-type: none"> · Suspended operations at Maxell Aqua Park Shinagawa (From April 25 through May 31) · Suspended operations at “Xpark,” a aquarium located in Taoyuan city, Taiwan (From May 17 through July 26)
Real Estate	<p>[Leasing operations]</p> <ul style="list-style-type: none"> · Suspended operations or shortened operations at commercial facilities in Tokyo, Kanagawa, Saitama and Nagano (Operations restarted in phases from May 29 onward) 	<p>[Leasing operations]</p> <ul style="list-style-type: none"> · In addition to suspending operations (from April 25 through May 14) at some commercial facilities located in Tokyo, business hours shortened
Other	<p>[Seibu Lions]</p> <ul style="list-style-type: none"> · Delay in the opening of the 2020 professional baseball league regular season (Held official games without spectators from June 19 and held games with limited capacity of visitors in accordance with the policies of the national and local governments from July 21) 	<p>[Seibu Lions]</p> <ul style="list-style-type: none"> · 2021 baseball league held games with limited capacity of visitors in accordance with the policies of the national and local governments · 2022 baseball regular season started without spectators limit

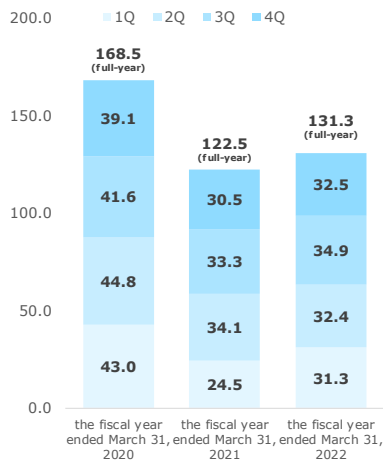
Urban Transportation and Regional Overview

millions of yen

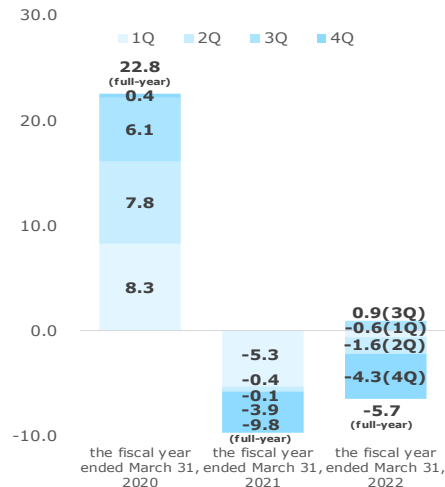
	March 31, 2021	March 31, 2022	YoY change (Amount / %)		Details (YoY) (+)Increase factor, (-)Decrease factor
Operating revenue	122,597	131,331	8,734	7.1%	
Railway operations	77,330	83,429	6,098	7.9%	(+) Increase in railway transportation revenue
Bus operations	18,081	20,320	2,238	12.4%	(+) Increase in bus transportation revenue
Lifestyle service operations along railway lines	21,516	21,360	(155)	(0.7%)	(+) Increase in the number of visitors in Seibuen Amusement Park (+) Increase in foot traffic at "TOMONY" in-station convenience stores (+) Increase in rental revenue from Boat Race Tamagawa (-) Decrease due to the closure of Toshimaen in the end of August 2020 (-) The impact of application of Accounting Standards for Revenue Recognition -3.2 billion yen
Sports operations	2,556	2,932	375	14.7%	(+) Increase in use of DyDo DRINCO ice arena and Sayama Indoor Ski, among others
Others	3,112	3,288	176	5.7%	
Operating profit	(9,817)	(5,748)	4,068	—	(+) Increase in operating revenue (-) Increase in advertising expenses, power and fuel costs, non-current asset retirement costs and general and administrative expenses
EBITDA	12,392	16,754	4,362	35.2%	(-) Fixed expenses of 1.1 billion yen transferred to extraordinary losses (previous fiscal year)

Changes by quarter Operating revenue

billions of yen



Operating profit



Seibu Railway / Railway operations

millions of yen

	March 31, 2022	YoY change
Personnel expenses	26,622	186
Repair expenses	7,425	204
Power costs	5,770	400
Depreciation	17,352	67
Non-current asset retirement costs	1,535	405

Urban Transportation and Regional: Indicators of Railway operations

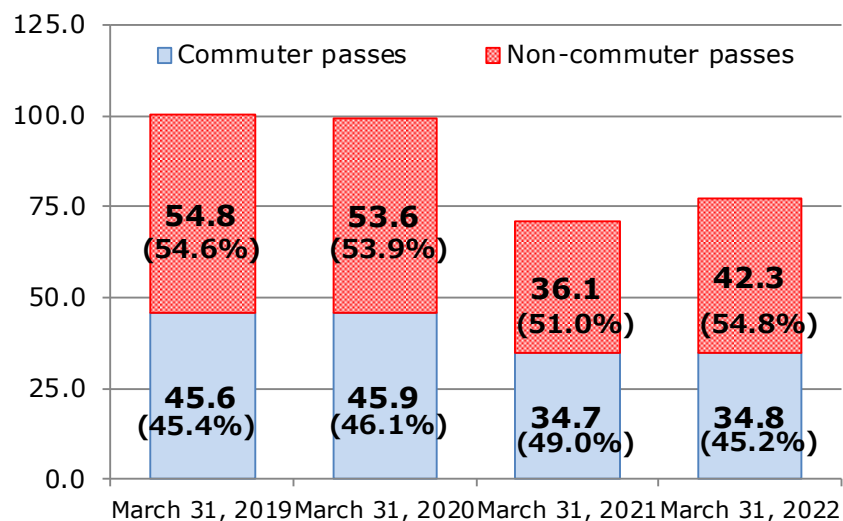
Number of passengers and sales from railway transportation (Seibu Railway Co., Ltd.)

thousands of passengers, millions of yen

		March 31, 2019	March 31, 2020	YoY change	March 31, 2021	YoY change	March 31, 2022	YoY change
Number of passengers	Commuter passes	417,162	419,719	0.6%	303,513	(27.7%)	312,309	2.9%
	Non-commuter passes	248,080	242,268	(2.3%)	168,709	(30.4%)	195,756	16.0%
	Total	665,242	661,988	(0.5%)	472,222	(28.7%)	508,066	7.6%
Sales from railway transportation	Commuter passes	45,638	45,912	0.6%	34,755	(24.3%)	34,861	0.3%
	Non-commuter passes	54,895	53,668	(2.2%)	36,107	(32.7%)	42,308	17.2%
	Total	100,533	99,580	(0.9%)	70,863	(28.8%)	77,169	8.9%

Sales from railway transportation

* () percentage breakdown



Hotel and Leisure Overview

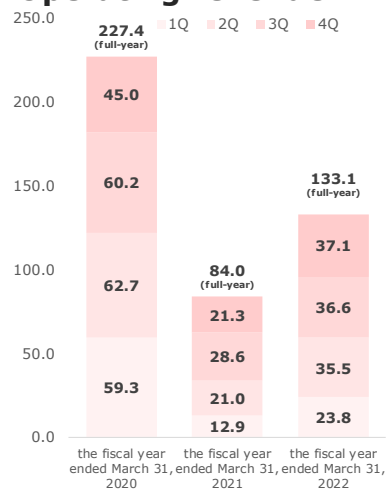
millions of yen

	March 31, 2021	March 31, 2022	YoY change (Amount / %)		Details (YoY) (+)Increase factor, (-)Decrease factor
Operating revenue	84,050	133,180	49,130	58.5%	
City hotel operations	32,119	50,738	18,618	58.0%	(+) Increase in users of hotels (+) Demand accompanied by the Olympic and Paralympic Games
Resort hotel operations	16,647	25,593	8,946	53.7%	(-) The impact of application of Accounting Standards for Revenue Recognition -0.8 billion yen
Overseas hotel operations*	9,587	23,368	13,780	143.7%	(+) Increase in users of hotels
Sports operations	12,760	16,918	4,157	32.6%	(+) Increase in users of golf courses and ski resorts (-) The impact of application of Accounting Standards for Revenue Recognition -0.6 billion yen
Others	12,934	16,562	3,627	28.0%	(+) Increase in users at Yokohama Hakkeijima Sea Paradise, etc. (-) The impact of application of Accounting Standards for Revenue Recognition -0.3 billion yen
Operating profit	(53,413)	(28,050)	25,362	-	(+) Increase in operating revenue (+) Decrease in depreciation (-) Increase in utility costs and repair costs
EBITDA	(38,145)	(11,128)	27,016	-	(-) Fixed expenses of 16.4 billion yen transferred to extraordinary losses (previous fiscal year) (+) Fixed expenses of 6.0 billion yen transferred to extraordinary losses (current fiscal year)

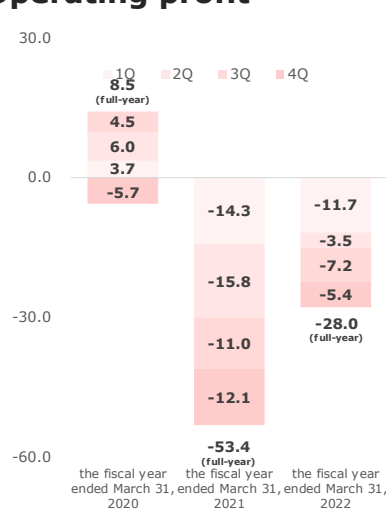
* Accounting periods for entities in overseas hotel operations are mainly Jan. to Dec.

Changes by quarter billions of yen

Operating revenue



Operating profit



Hotel and Leisure: Indicators of hotel operations

Indicators of Hotel operations (Prince Hotels, Inc.)

RevPAR, room rates in yen

		March 31, 2019	March 31, 2020	YoY change	March 31, 2021	YoY change	March 31, 2022	YoY change
RevPAR	City hotels	13,473	12,566	(6.7%)	2,540	(79.8%)	4,091	61.1%
	Takanawa and Shinagawa area	13,811	12,474	(9.7%)	1,622	(87.0%)	3,341	106.0%
	Resort hotels	10,319	9,757	(5.4%)	4,021	(58.8%)	6,666	65.8%
	Karuizawa area	22,085	20,585	(6.8%)	10,674	(48.1%)	15,440	44.7%
	Total	12,435	11,636	(6.4%)	3,029	(74.0%)	4,910	62.1%
Average daily rate (ADR)	City hotels	15,845	16,089	1.5%	15,267	(5.1%)	14,305	(6.3%)
	Takanawa and Shinagawa area	15,397	15,487	0.6%	14,031	(9.4%)	14,521	3.5%
	Resort hotels	16,439	16,401	(0.2%)	18,980	15.7%	19,093	0.6%
	Karuizawa area	30,529	29,811	(2.4%)	33,095	11.0%	31,820	(3.9%)
	Total	16,003	16,174	1.1%	16,699	3.2%	16,043	(3.9%)
Average occupancy rate	City hotels	85.0%	78.1%	(6.9pt)	16.6%	(61.5pt)	28.6%	12.0pt
	Takanawa and Shinagawa area	89.7%	80.5%	(9.1pt)	11.6%	(69.0pt)	23.0%	11.4pt
	Resort hotels	62.8%	59.5%	(3.3pt)	21.2%	(38.3pt)	34.9%	13.7pt
	Karuizawa area	72.3%	69.1%	(3.3pt)	32.3%	(36.8pt)	48.5%	16.3pt
	Total	77.7%	71.9%	(5.8pt)	18.1%	(53.8pt)	30.6%	12.5pt

Note1: The hotel names in each category are noted on page 62.

Note2: The total number of rooms used to calculate RevPAR and occupancy rate included the number of guest rooms at the hotels that have been temporarily closed but provided for the government as a COVID-19 measure.

The indicators also factored in the rooms of the hotels that were temporarily suspended based on demand trends.

Hotel and Leisure: Indicators of Overseas hotel operations

Indicators of Overseas hotel operations * Jan.-Dec.

■ Hawaii

	December 31, 2018	December 31, 2019	YoY change	December 31, 2020	YoY change	December 31, 2021	YoY change
RevPAR (¥)	26,162	32,123	22.8%	9,184	(71.4%)	29,466	220.8%
RevPAR (\$)	227.49	279.33	22.8%	86.64	(69.0%)	272.83	214.9%
Average daily rate (¥)	35,956	38,782	7.9%	36,368	(6.2%)	40,210	10.6%
Average daily rate (\$)	312.66	337.23	7.9%	343.10	1.7%	372.32	8.5%
Average occupancy rate	72.8%	82.8%	10.0pt	25.3%	(57.6pt)	73.3%	48.0pt

■ The Prince Akatoki London

	December 31, 2020	December 31, 2021	YoY change
RevPAR (¥)	6,143	9,697	57.9%
RevPAR (£)	45.51	66.54	46.2%
Average daily rate (¥)	29,772	42,763	43.6%
Average daily rate (£)	220.57	293.43	33.0%
Average occupancy rate	20.6%	22.7%	2.0pt

Hotel and Leisure: Inbound trends (Number of customers, Room revenue)

in persons, millions of yen

		March 31, 2019	March 31, 2020	YoY change	March 31, 2021	YoY change	March 31, 2022	YoY change
Number of customers	Japanese customers	3,678,164	3,481,011	(5.4%)	1,506,310	(56.7%)	2,236,758	48.5%
	Non-Japanese customers	1,342,145	1,168,839	(12.9%)	3,772	(99.7%)	23,896	533.5%
	Total	5,020,309	4,649,850	(7.4%)	1,510,082	(67.5%)	2,260,654	49.7%
	Ratio of Non-Japanese customers	26.7%	25.1%	(1.6pt)	0.2%	(24.9pt)	1.1%	0.8pt
Room revenue	Non-Japanese customers	26,259	24,803	(5.5%)	194	(99.2%)	3,211	1,553.6%
	Ratio of Non-Japanese customers	36.9%	37.0%	0.1pt	1.1%	(35.9pt)	11.5%	10.4pt

Breakdown of number and room revenue of Non-Japanese customers

		Number of Non- Japanese customers		Room revenue of Non- Japanese customers	
		March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022
breakdown by country/area of guests	China	10.2%	5.6%	8.6%	5.6%
	Taiwan	1.8%	0.3%	0.7%	0.1%
	Korea	6.6%	0.7%	4.3%	0.7%
	Hong Kong	0.5%	0.2%	1.4%	0.5%
	Thailand	1.7%	0.8%	0.6%	0.4%
	Other Asia	7.9%	3.4%	8.6%	2.1%
	North America & Europe	35.0%	34.9%	44.0%	48.3%
	Other	36.3%	54.1%	31.7%	42.3%

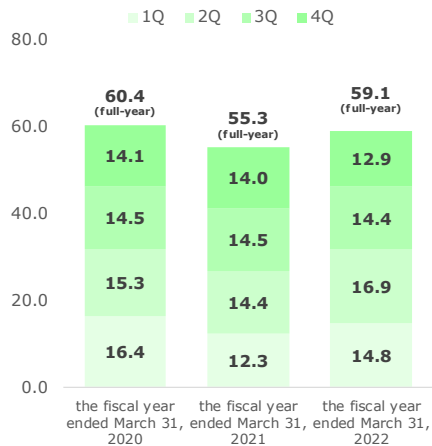
Real Estate Overview

millions of yen

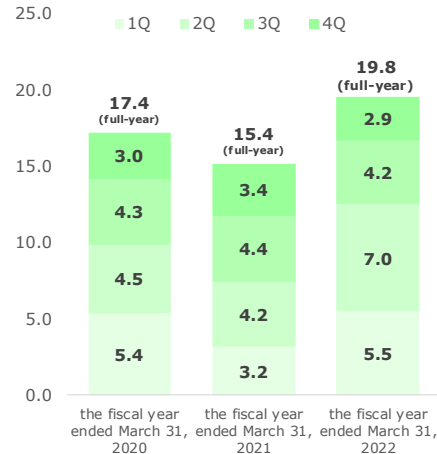
	March 31, 2021	March 31, 2022	YoY change (Amount / %)		Details (YoY) (+)Increase factor, (-)Decrease factor
Operating revenue	55,395	59,186	3,790	6.8%	
Leasing operations	46,527	46,943	415	0.9%	(+) Increase in users of commercial facilities (+) The recording of cancellation fees in conjunction with the withdrawal of a tenant from Tokyo Garden Terrace Kioicho (-) Decrease in rent revenue in conjunction with the withdrawal of a tenant from Tokyo Garden Terrace Kioicho (-) The impact of application of Accounting Standards for Revenue Recognition -2.9 billion yen
Others	8,867	12,242	3,374	38.1%	(+) Increase in the number of land sales in our resort areas, etc. (+) Increase in fee revenue from insurance agency business
Operating profit	15,422	19,854	4,431	28.7%	(+) Increase in operating revenue
EBITDA	27,442	31,733	4,290	15.6%	

Changes by quarter billions of yen

Operating revenue



Operating profit



Leasing space

in thousands of square meters

	As of March 31, 2019	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	YoY change
Commercial retail	244	246	246	245	(1)
Office/Residential	184	208	205	195	(9)

Note: The lease of land is not included.

Vacancy rate for leasable space

	As of March 31, 2019	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	YoY change
Commercial retail	1.0%	1.0%	2.7%	2.0%	(0.7pt)
Office/Residential	11.0%* ¹	2.0%	3.5%	8.0%* ²	4.5pt

*1 The rise is occurred by the completion of DaiyaGate Ikebukuro

*2 The rise is due to the withdrawal of an office tenant

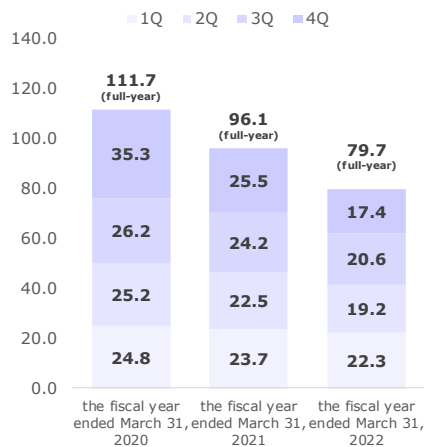
Construction Overview

millions of yen

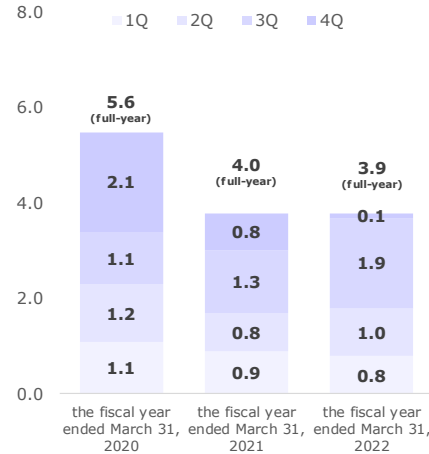
	March 31, 2021	March 31, 2022	YoY change (Amount / %)		Details (YoY) (+)Increase factor, (-)Decrease factor
Operating revenue	96,134	79,742	(16,391)	(17.1%)	
Construction operations	68,644	61,380	(7,264)	(10.6%)	(-) Decrease in building construction and civil engineering works (+) Increase in renovation projects (+) The impact of application of Accounting Standards for Revenue Recognition +0.4 billion yen
Others	27,489	18,362	(9,127)	(33.2%)	(-) Transfer of shares of Seibu Construction Supply, Co., Ltd. (-) Decrease in revenue of landscape work (+) Increase in revenue in the parks managed by Seibu unit (-) The impact of application of Accounting Standards for Revenue Recognition -1.7 billion yen
Operating profit	4,058	3,903	(155)	(3.8%)	(-) Decrease in operating revenue (-) Increase in indirect construction costs and selling, general and administrative expenses in construction operations
EBITDA	4,552	4,195	(357)	(7.9%)	(+) Increase in gross profit margin in construction operations

Changes by quarter billions of yen

Operating revenue



Operating profit



Status of orders received in the Construction operations

millions of yen

	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022	YoY change
Orders carried over from the previous fiscal year	100,542	88,975	77,871	68,454	(9,416)
Orders received during the period	69,527	68,793	58,890	51,407	(7,483)
Orders carried over to the next period	88,975	77,871	68,454	58,033	(10,420)

Other Overview, Operating revenue in sports-related businesses

■ Other

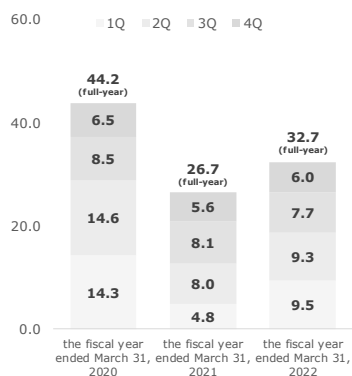
millions of yen

	March 31, 2021	March 31, 2022	YoY change (Amount / %)		Details (YoY)
					(+)Increase factor, (-)Decrease factor
Operating revenue	26,760	32,761	6,000	22.4%	(+) Increase in usage of bus and taxi and expanding demand for tourism in the Izuhakone business and the Ohmi business (+) Increase in the number of professional baseball league official games and spectators (+) Increase in events held at Yokohama Arena and BELLUNA DOME* (+) The proactive acquisition of advertising sponsors at BELLUNA DOME* (-) The impact of application of Accounting Standards for Revenue Recognition -1.4 billion yen
Operating profit	(7,562)	(3,256)	4,306	—	(+) Increase in operating revenue (+) Decrease in personnel expenses and depreciation
EBITDA	(3,499)	837	4,337	—	(-) Fixed expenses of 1.2 billion yen transferred to extraordinary losses (previous fiscal year)

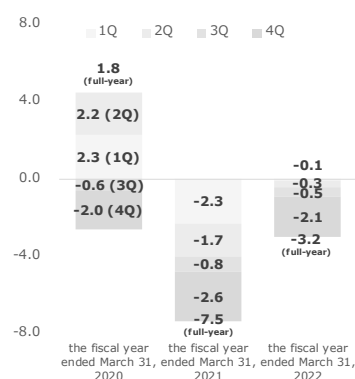
Changes by quarter billions of yen

* MetLife Dome was renamed BELLUNA DOME starting March 1, 2022.

Operating revenue



Operating profit



■ Operating revenue of sports-related businesses *

millions of yen

	March 31, 2021	March 31, 2022	YoY change (Amount / %)		Details
Operating revenue	26,659	35,634	8,975	33.7%	Urban Transportation and Regional (Sports operations) YoY +0.3 billion Hotel and Leisure (Sports operations) YoY +4.1 billion yen Other (Sports business) YoY +4.4 billion yen

* The total of operating revenue of Sports operations in "Urban Transportation and Regional" and "Hotel and Leisure" as well as Sports business in "Other" segment.

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Summary of consolidated statement of income

millions of yen

	March 31, 2021	March 31, 2022	YoY change	Details
Operating revenue	337,061	396,856	59,795	Urban Transportation and Regional: +8.7 billion yen, Hotel and Leisure: +49.1 billion yen, Real Estate: +3.7 billion yen, Construction: -16.3 billion yen, Other: +6.0 billion yen, Adjustments: +8.5 billion yen
Operating profit	(51,587)	(13,216)	38,370	Urban Transportation and Regional: +4.0 billion yen, Hotel and Leisure: +25.3 billion yen, Real Estate: +4.4 billion yen, Construction: -0.1 billion yen, Other: +4.3 billion yen, Adjustments: +0.3 billion yen
Non-operating income	5,470	6,653	1,182	(Current fiscal year) Subsidies for infection-prevention measures: 1.8 billion yen
Non-operating expenses	12,668	10,877	(1,791)	(Previous fiscal year) Share issuance costs: 1.4 billion yen
Ordinary profit	(58,785)	(17,440)	41,345	
Extraordinary income	33,447	62,269	28,822	(Current fiscal year) Gain on sale of shares of subsidiaries: 37.3 billion yen Gain on sale of non-current assets 13.9 billion yen Subsidies for employment adjustment: 9.1 billion yen (Previous fiscal year) Gain on sale of non-current assets: 15.5 billion yen Subsidies for employment adjustment: 11.4 billion yen
Extraordinary losses	46,632	15,856	(30,776)	(Current fiscal year) Loss on temporary suspension of operations: 6.0 billion yen Loss on sale of shares of subsidiaries: 3.5 billion yen Impairment loss: 2.7 billion yen (Previous fiscal year) Impairment loss: 20.2 billion yen Loss on temporary suspension of operations: 18.9 billion yen
Profit before income taxes	(71,970)	28,973	100,944	
Income taxes	427	16,462	16,035	Income taxes - current: +5.5 billion yen Income taxes - deferred: +10.4 billion yen
Profit	(72,398)	12,510	84,908	
Profit attributable to non-controlling interests	(96)	1,887	1,984	
Profit attributable to owners of parent	(72,301)	10,623	82,924	

Non-operating income and expenses and extraordinary income and losses

millions of yen

	March 31, 2021	March 31, 2022	YoY change	Details
Operating profit	(51,587)	(13,216)	38,370	
Non-operating income	5,470	6,653	1,182	
Interest and dividend income	882	916	33	
Subsidy to keep a bus on a regular route	1,064	1,037	(26)	
Share of profit of entities accounted for using equity method	—	2	2	
Foreign exchange gains	795	986	190	
Insurance claim income	936	311	(625)	
Subsidies for infection-prevention measures	7	1,824	1,817	
Other	1,784	1,574	(210)	
Non-operating expenses	12,668	10,877	(1,791)	
Interest expenses	9,959	9,075	(884)	
Share of loss of entities accounted for using equity method	108	—	(108)	
Share issuance costs	1,408	—	(1,408)	(Previous fiscal year) Share issuance costs due to issuance of preferred share by consolidated subsidiaries
Other	1,191	1,801	609	
Ordinary profit	(58,785)	(17,440)	41,345	
Extraordinary income	33,447	62,269	28,822	
Gain on sale of non-current assets	15,568	13,906	(1,661)	(Current fiscal year) Transfer (securitization) of Shin-Yokohama Square Bldg., ShinYokohama Seibu Bldg. and Shibakoen 2-chome Bldg. (Previous fiscal year) Sale of Sugita Golf Driving Range and the land that had initially been planned to be used for Ahina railway yard, etc.
Contribution for construction	3,262	1,301	(1,960)	
Subsidy income	482	36	(446)	
Gain on sale of investment securities	382	—	(382)	
Gain on sale of shares of subsidiaries	—	37,356	37,356	(Current fiscal year) Transfer of shares of Seibu Construction Co., Ltd.
Subsidies for employment adjustment	11,489	9,126	(2,362)	
Other	2,261	540	(1,720)	(Previous fiscal year) Compensation income etc.
Extraordinary losses	46,632	15,856	(30,776)	
Impairment loss	20,225	2,782	(17,443)	(Previous fiscal year) Ohmi Railway*: 5.0 billion yen, Izuhakone Railway (Sunzu Line): 3.4billion, Karuzawa Asama Prince Hotel: 3.1 billion yen, Loss related to the closure of Toshimaen: 3.0 billion yen, Overseas hotel operations (Staywell Group): 1.9 billion yen, etc. *Railway facilities that are expected to be transferred to the public sector due to the separation of the infrastructure and operations under a scheme where the facilities are publicly owned and the operations are privately managed, etc.
Loss on sale of non-current assets	378	9	(369)	
Loss on retirement of non-current assets	2,652	1,595	(1,057)	
Tax purpose reduction entry of contribution for construction	3,091	1,201	(1,890)	
Loss on tax purpose reduction entry of non-current assets	468	29	(438)	
Loss on sale of shares of subsidiaries	—	3,574	3,574	(Current fiscal year) Transfer of shares of Seibu Construction Supply Co., Ltd
Loss on valuation of investment securities	86	26	(59)	
Loss on temporary suspension of operations	18,904	6,060	(12,844)	(See page 5, "Fixed expenses transferred to extraordinary losses")
Other	825	577	(248)	
Profit before income taxes	(71,970)	28,973	100,944	

Summary of consolidated balance sheet

millions of yen

	March 31, 2021	March 31, 2022	YoY change	Details
Total assets	1,698,497	1,703,442	4,945	
Current assets	124,086	135,713	11,627	Cash and deposits: +58,671 Notes and accounts receivable - trade, and contract assets*: +22,435 Notes and accounts receivable - trade*: -58,193 Costs on construction contracts in progress: -1,606 Other: -8,293 (decrease in consumption taxes refund receivable, decrease because of Seibu Construction being removed from consolidated balance sheet, etc.)
Non-current assets	1,574,410	1,567,729	(6,681)	Deferred tax assets: -7,662 Retirement benefit asset: -4,290 Investment securities: -4,276 Property, plant and equipment and Intangible assets: +8,314
Total liabilities	1,312,809	1,316,225	3,415	
Current liabilities	378,883	451,186	72,303	Short-term borrowings: +58,625 Advances received: +17,110 Income taxes payable: +5,341 Notes and accounts payable - trade: -9,990
Non-current liabilities	933,926	865,038	(68,887)	Long-term borrowings: -71,137 Retirement benefit liability: -5,078 Long-term accounts payable to Japan railway construction, transport and technology agency: -3,735 Bonds payable: +10,000 Deferred tax liabilities: +2,782
Total net assets	385,687	387,217	1,529	
Equity	299,742	311,141	11,399	Retained earnings: +10,249 (Profit attributable to owners of parent: +10,623, Reversal of revaluation reserve for land +496, Cumulative effect of the application of the Accounting Standard for Revenue Recognition: -925) Foreign currency translation adjustment: +5,828 Valuation difference on available-for-sale securities: -4,039 Remeasurements of defined benefit plans: -1,142
Non-controlling interests	85,538	75,777	(9,761)	(Current fiscal year) Acquisition/cancellation of preferred shares by Prince Hotels 10.0 billion yen
Interest-bearing debt	937,156	931,116	(6,040)	
Net interest-bearing debt	908,340	843,628	(64,712)	
Equity-to-asset ratio	17.6%	18.3%	0.6pt	
D/E ratio (times)	3.1	3.0	(0.1)	
Net interest-bearing debt / EBITDA (times)	482.4	19.9	(462.5)	

* Due to the application of the Accounting Standard for Revenue Recognition and relevant revised ASBJ regulations, "Notes and accounts receivable - trade" under current assets of the consolidated balance sheet as of the end of the previous fiscal year has been included in "Notes and accounts receivable - trade, and contract assets" under current assets from the quarterly consolidated balance sheet as of the end of the first quarter of the fiscal year ending March 31, 2022.

Regarding results of dealing with a breach of covenant

■ **The current status on the covenants to maintain profit (as of the end of March 2022)**

Covered contracts: nine syndicate loan contracts

Balance of borrowings: total of ¥84.4 billion

The content of covenants: In the consolidated statement of income for each fiscal year, operating losses are not incurred for two periods in a row

■ **Results of dealing with a breach of covenant**

- Continuing on from the fiscal year ended March 31, 2021, consolidated operating losses were incurred for two periods in a row, which breaches the stipulation on maintaining benefits concerning the aforementioned borrowings. However, as a result of requesting the relevant financial institutions to continue contracts without applying the stipulation concerning the forfeiture of the benefit of time, we obtained written agreement from all relevant financial institutions by March 31, 2022 that they would not apply the stipulation concerning the forfeiture of the benefit of time.
- Upon this approval, all contracts that were threatened with forfeiture of the benefit of time due to the breach of the restrictive financial covenants will be continued.

Consolidated cash flows

millions of yen

	March 31, 2021	March 31, 2022	YoY change	Details
Cash flows from operating activities	(24,264)	58,563	82,827	Increase in EBITDA, etc.
Depreciation	57,839	56,646	(1,193)	Include depreciation transferred to extraordinary loss, "Loss on temporary suspension of operations" (Current fiscal year: 1,456 Previous fiscal year: 4,858)
Cash flows from investing activities	(47,537)	18,647	66,184	
Purchase of property plant and equipment and intangible assets	(78,886)	(62,050)	16,835	(Current fiscal year) Seibuen Amusement Park revamp project, etc. (Previous fiscal year) Grand Emio Tokorozawa phase II, Refurbishment work in the BELLUNA Dome* ² area, etc.
Proceeds from sales of property, plant and equipment and intangible assets	15,961	20,984	5,022	(Current fiscal year) Transfer (securitization) of Shin-Yokohama Square Bldg., ShinYokohama Seibu Bldg. and Shibakoen 2-chome Bldg., etc. (Previous fiscal year) Sale of Sugita Golf Driving Range, etc.
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	43,921	43,921	(Current fiscal year) Transfer of shares of Seibu Construction Co., Ltd., etc.
Proceeds from contribution received for construction	15,562	16,195	632	
Cash flows from financing activities	72,394	(19,070)	(91,465)	(Current fiscal year) Acquisition/cancellation of preferred shares by Prince Hotels, etc. (Previous fiscal year) Issuance of preferred shares by consolidated subsidiaries, etc.
Cash and cash equivalents at beginning of period	28,056	28,538	482	
Cash and cash equivalents at end of period	28,538	87,210	58,671	
Free cash flow* ¹	(71,801)	77,210	149,012	

*1 Free cash flow = Cash flows from operating activities + Cash flows from investing activities

*2 MetLife Dome was renamed BELLUNA DOME starting March 1, 2022.

Capital investment by segment

millions of yen

	March 31, 2021	March 31, 2022	YoY change	List of main investments
Urban Transportation and Regional	32,141	28,505	(3,636)	<ul style="list-style-type: none"> • New order of 40000 series train (ongoing) • Project on a continuous grade-separation work between Nakai and Nogata stations (ongoing) • Project on a continuous grade-separation work on Higashi Murayama station area (ongoing)
Hotel and Leisure	15,436	9,935	(5,501)	<ul style="list-style-type: none"> • Karuizawa Prince Hotel West renovation
Real Estate	8,360	3,368	(4,992)	<ul style="list-style-type: none"> • Development plan of Tokorozawa Station west exit (ongoing)
Construction	636	678	41	
Other	9,032	1,582	(7,449)	
Adjustments	(4,934)	206	5,140	Adjustments of intercompany transactions, capital investment of the parent company
Total capital investment	60,673	44,276	(16,397)	

Depreciation by segment

millions of yen

	March 31, 2021	March 31, 2022	YoY change	Details
Urban Transportation and Regional	22,209	22,503	293	
Hotel and Leisure	15,268	16,922	1,654	Decrease in depreciation that arose during the period of suspended operations, which is transferred to extraordinary loss
Real Estate	12,019	11,879	(140)	
Construction	494	292	(201)	
Other	4,063	4,094	30	
Adjustments	(1,074)	(502)	571	
Depreciation (operating expenses) Total	52,981	55,189	2,207	
Depreciation (extraordinary loss)	4,858	1,456	(3,401)	Depreciation that arose during the period of suspended operations, which is included in extraordinary loss on "Loss on temporary suspension of operations"
Depreciation Total	57,839	56,646	(1,193)	

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Consolidated earnings forecast for the fiscal year ending March 31, 2023

- We assume that the spread of COVID-19 will begin to subside and that the domestic economy will gradually recover. We will strive to capture recovering demand.
- The following factors are included: the effect through progress in “management reforms,” such as the transfer of the shares of Seibu Construction Co., Ltd. and internal reorganization of the Group

	billions of yen									
	March 31, 2022	March 31, 2023 (forecast)	YoY change (Amount / %)		March, 31 2023 Previous forecast*	vs Previous forecast	September 30, 2021	September 30, 2022 (forecast)	YoY change (Amount / %)	
Operating revenue	396.8	443.0	46.1	11.6%	493.0	(50.0)	194.9	214.0	19.0	9.8%
Operating profit	(13.2)	31.0	44.2	—	33.0	(2.0)	(3.5)	15.0	18.5	—
EBITDA	42.4	88.0	45.5	107.5%	92.0	(4.0)	23.5	43.0	19.4	82.3%
Ordinary profit	(17.4)	25.0	42.4	—	24.0	1.0	(7.3)	11.0	18.3	—
Profit attributable to owners of parent	10.6	82.0	71.3	671.9%	14.0	68.0	(12.7)	5.0	17.7	—

* Forecast announced on May 13, 2021

■ Reduction of fixed expenses

Thanks to the transfer of shares of Seibu Construction, the adjustment of the number of staff, and the revision of timetables, we plan to reduce by 17.0 billion yen vs March 2020

■ Transferred (securitized) the part of assets of Hotel and Leisure Business

Assume that the transfer is carried out at the end of March 2023, and factor in the sales and profit and profit arising from the transfer of target business sites

【Revenue and profit of the 31 properties that are factored in the forecast for March 2023】

Operating revenue: approx. 43.0 billion yen (1H approx. 18.0 billion yen, 2H approx. 25.0 billion yen)

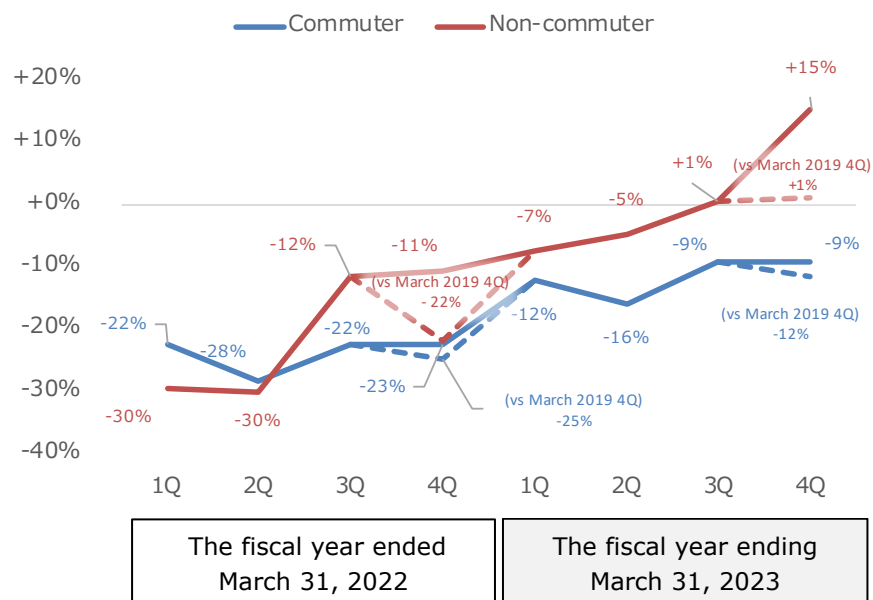
Gross profit: approx. 5.2 billion yen (1H approx. 0.5 billion yen, 2H approx. 4.7 billion yen)

Assumptions for earnings forecasts (Railway operations)

【Commuter】 Assume that commuter passes would not recover to 100% of pre-COVID-19 levels despite a gradual demand recovery

【Non-commuter】 Assume that non-commuter passes would recover to pre-COVID levels in 2H

■ Sales from railway transportation forecast by quarters (vs March 2020)



■ Estimates for the number of passengers and sales from railway transportation

thousands of passengers, millions of yen

	March 31, 2022	March 31, 2023 (forecast)	YoY change	March 31, 2020	
Number of passengers	Commuter passes	312,309	373,451	19.6%	419,719
	Non-commuter passes	195,756	244,546	24.9%	242,268
	Total	508,066	617,998	21.6%	661,988
Sales from railway transportation	Commuter passes	34,861	40,504	16.2%	45,912
	Non-commuter passes	42,308	53,779	27.1%	53,668
	Total	77,169	94,284	22.2%	99,580

■ Current number of gate passage in railway operations (YoY)

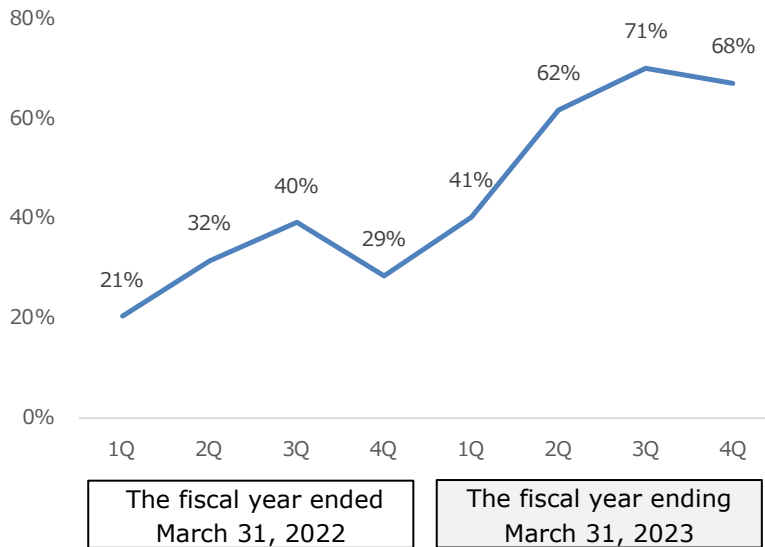
	2022			
	Jan.	Feb.	Mar.	Apr.
Commuter passes	4.3%	0.2%	0.2%	4%
Compared to FY2019	(33.6%)	(32.8%)	(28.1%)	(18%)
Non-commuter passes	20.7%	2.8%	5.2%	14%
Compared to FY2019	(18.4%)	(24.1%)	(18.3%)	(14%)
Total	11.8%	1.5%	2.7%	9%
Compared to FY2019	(26.9%)	(28.8%)	(23.3%)	(16%)

Assumptions for earnings forecasts (Domestic hotel operations *)

*The total of Domestic hotel operations (Ownership / Lease) and Domestic hotel operations (MC / FC)
(The figures in the past years and comparative ones also presented in the same format as mentioned above)

We expect that demand will gradually recover, assuming that inbound tourism will also be on a recovering trend due to eased worldwide restrictions.

■ Average occupancy rate by quarters ■ Estimates for indicators of Hotel operation



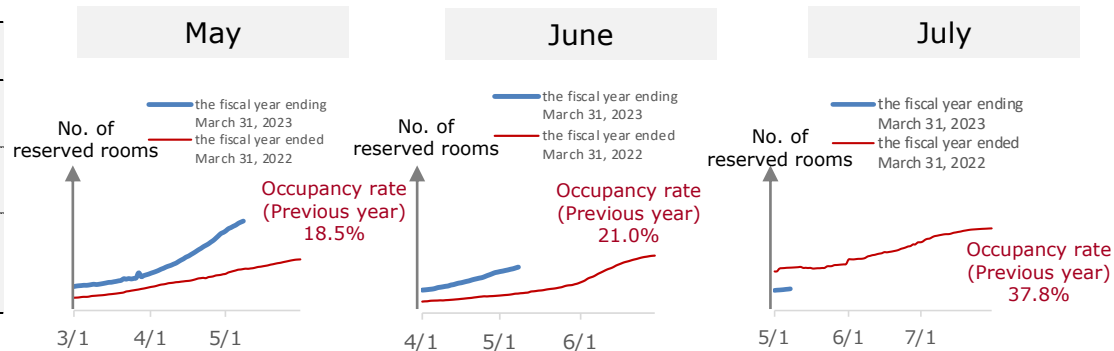
	March 31, 2022	March 31, 2023 (forecast)	YoY change	March 31, 2020
Total RevPAR	4,846	10,232	111.2%	11,635
Total Average daily rate (ADR)	15,982	16,910	5.8%	16,175
Total Average occupancy rate	30.3%	60.5%	30.2%	71.9%

■ Current operations' indicator (YoY)

	2022			
	Jan.	Feb.	Mar.	Apr.
RevPAR	149.5%	85.0%	48.4%	75%
Compared to FY2019	(57.6%)	(71.7%)	(63.6%)	(65%)
ADR	(10.3%)	4.0%	1.9%	12%
Compared to FY2019	(1.6%)	(10.2%)	(9.9%)	(20%)
Average occupancy rate	19.0pt	10.8pt	10.0pt	12pt
Compared to FY2019	(39.2pt)	(53.8pt)	(47.4pt)	(44pt)
FY Results	29.6%	24.7%	32.0%	35%

■ Booking trends (The number of reserved rooms)

*As of May 8 in the FY2022



Earnings forecast by segment (operating revenue)

billions of yen

	March 31, 2022	March 31, 2023 (forecast)	YoY change (Amount / %)		Details (+)Increase factor, (-)Decrease factor	March 2023 Previous forecast*	vs Previous forecast	September 30, 2021	September 30, 2022 (forecast)	YoY change (Amount / %)	
Urban Transportation and Regional	131.3	158.6	27.2	20.8%	(+) Increase in railway and bus transportation revenue (+) Increase in the number of visitors in leisure facilities along railway lines (+) Increase in foot traffic at "TOMONY" in-station convenience stores	157.5	1.1	63.8	79.1	15.2	24.0%
Hotel and Leisure	133.1	200.8	67.6	50.8%	(+) Increase in users of hotels in Japan and overseas, golf courses, ski resorts and aquariums	199.1	1.7	59.4	92.3	32.8	55.3%
Real Estate	76.6	73.0	(3.6)	(4.7%)	(-) Decrease in the number of land sales in our resort areas, etc. (-) Fall-back from occurrence of cancellation fees in conjunction with the withdrawal of a tenant from Tokyo Garden Terrace Kioicho in the previous year (-) Decrease in inter-segment transactions followed by organizational restructuring in the Group (leasing within the Group) (-) Decrease in fee revenue from insurance agency business (+) Increase in Seibu SCCAT's revenue	71.5	1.5	40.3	36.5	(3.8)	(9.6%)
Construction	62.2	—	(62.2)	(100.0%)		74.3	(74.3)	33.1	—	(33.1)	(100.0%)
Other	32.7	38.1	5.3	16.3%	(+) Increase in usage of bus and taxi and expanding demand for tourism in the Izuhakone business and the Ohmi business (+) Increase in the number of spectators of professional baseball league official games	38.6	(0.5)	18.9	23.1	4.1	22.1%
Adjustments	(39.3)	(27.5)	11.8	—		(48.0)	20.5	(20.7)	(17.0)	3.7	—
Consolidated	396.8	443.0	46.1	11.6%		493.0	(50.0)	194.9	214.0	19.0	9.8%

* Forecast announced on May 13, 2021

Note: Reportable segments will change from the fiscal year ending March 31, 2023. (See page 55)

The figures in the fiscal year ended March 31, 2022 were presented based on the reportable segments after the change.

Earnings forecast by segment (operating profit, EBITDA)

■ Operating profit

billions of yen

	March 31, 2022	March 31, 2023 (forecast)	YoY change (Amount / %)	Details (+)Increase factor, (-)Decrease factor	March 2023 Previous forecast*1	vs Previous forecast	September 30, 2021	September 30, 2022 (forecast)	YoY change (Amount / %)	
Urban Transportation and Regional	(5.7)	13.8	19.5	— (+) Increase in operating revenue (-) Increase in personnel expenses, advertising expenses, repair costs and general and administrative expenses	13.5	0.3	(2.3)	8.5	10.8	—
Hotel and Leisure	(28.0)	8.2	36.2	— (+) Increase in operating revenue (+) Decrease in selling, general and administrative expenses*2 (-) Increase in personnel expenses and repair costs (-) Fixed expenses of 6.0 billion yen transferred to extraordinary losses (previous fiscal year)	5.0	3.2	(15.3)	(0.9)	14.4	—
Real Estate	20.5	9.2	(11.3)	(55.3%) (-) Decrease in operating revenue (-) Increase in selling, general and administrative expenses*2	13.6	(4.4)	12.8	6.2	(6.6)	(51.7%)
Construction	3.1	—	(3.1)	(100.0%) (+) Increase in operating revenue	3.1	(3.1)	1.5	—	(1.5)	(100.0%)
Other	(3.2)	(0.9)	2.3	— (-) Increase in advertising expenses, personnel expenses and selling, general and administrative expenses	(1.0)	0.1	(0.4)	1.1	1.5	—
Adjustments	0.0	0.7	0.6	750.3%	(1.2)	1.9	0.1	0.1	(0.0)	(47.4%)
Consolidated	(13.2)	31.0	44.2	—	33.0	(2.0)	(3.5)	15.0	18.5	—

*1 Forecast announced on May 13, 2021

*2 Following organizational restructuring in the Group, some of SG&A were transferred to the Real Estate business from the Hotel & Leisure business

■ EBITDA

billions of yen

	March 31, 2022	March 31, 2023 (forecast)	YoY change (Amount / %)	Details	March 2023 Previous forecast*3	vs Previous forecast	September 30, 2021	September 30, 2022 (forecast)	YoY change (Amount / %)	
Urban Transportation and Regional	16.7	36.1	19.3	115.5%	36.7	(0.6)	8.5	19.1	10.5	122.2%
Hotel and Leisure	(11.1)	26.1	37.2	—	23.3	2.8	(7.2)	8.0	15.2	—
Real Estate	32.5	21.1	(11.4)	(35.2%)	25.1	(4.0)	18.8	12.1	(6.7)	(35.9%)
Construction	3.3	—	(3.3)	(100.0%)	3.2	(3.2)	1.6	—	(1.6)	(100.0%)
Other	0.8	3.1	2.2	269.9%	3.4	(0.3)	1.6	3.0	1.3	86.8%
Adjustments	0.0	1.6	1.5	—	0.3	1.3	0.1	0.8	0.6	672.9%
Consolidated	42.4	88.0	45.5	107.5%	92.0	(4.0)	23.5	43.0	19.4	82.3%

*3 Forecast announced on May 13, 2021

Note: Reportable segments will change from the fiscal year ending March 31, 2023. (See page 55)

The figures in the fiscal year ended March 31, 2022 were presented based on the reportable segments after the change.

Capital investment by segment

billions of yen

	March 31, 2022	March 31, 2023 (forecast)	YoY change	List of main investments
Urban Transportation and Regional	28.5	31.9	3.3	<ul style="list-style-type: none"> • Project on a continuous grade-separation work between Nakai and Nogata stations • Project on a continuous grade-separation work on Higashi Murayama station area • New order of 40000 series train
Hotel and Leisure	9.9	11.5	1.5	
Real Estate	3.5	7.1	3.5	<ul style="list-style-type: none"> • Development plan of Tokorozawa Station west exit
Construction	0.5	—	(5.0)	
Other	1.5	6.4	4.8	
Adjustments	0.2	1.1	0.8	
Total capital investment	44.2	58.0	13.7	

Note: Reportable segments will change from the fiscal year ending March 31, 2023. (See page 55)

The figures in the fiscal year ended March 31, 2022 were presented based on the reportable segments after the change.

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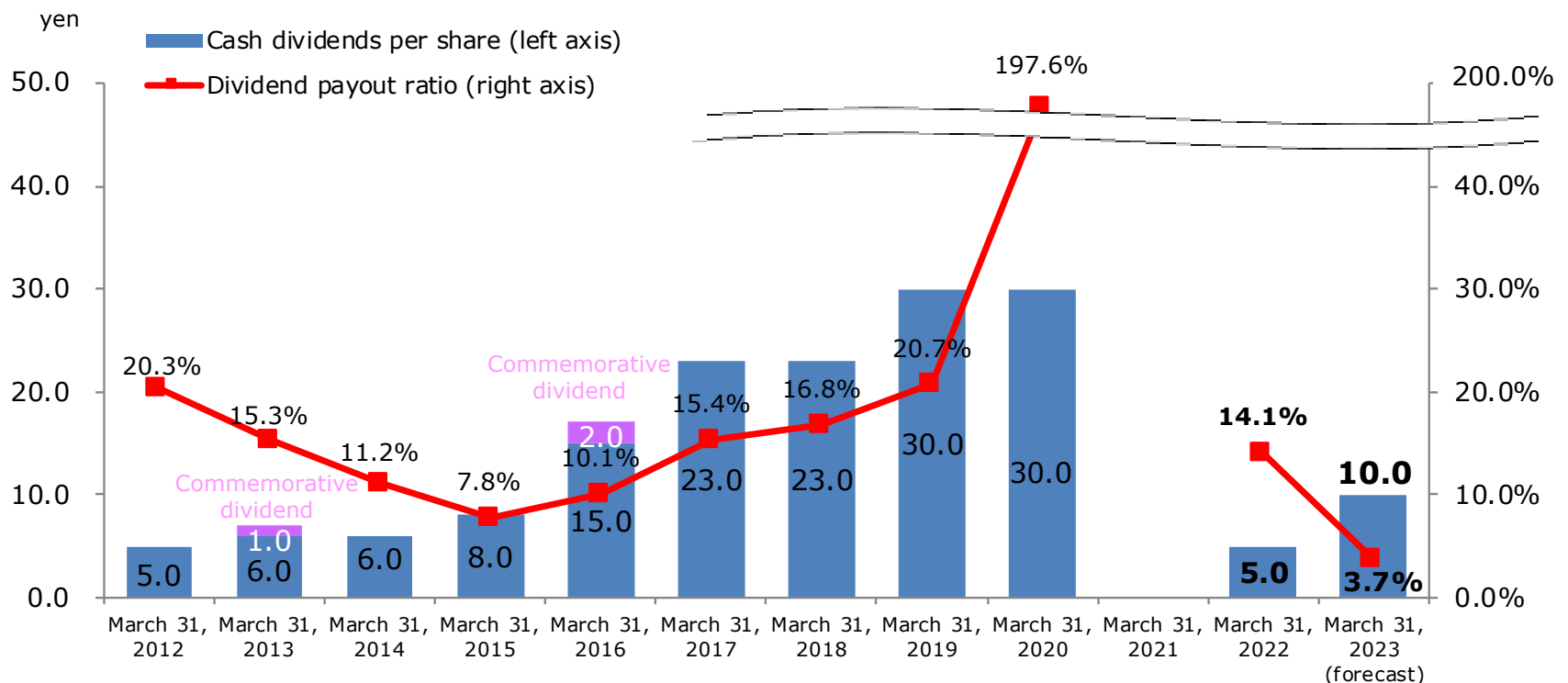
Dividends for the fiscal year ended March 31, 2022 and the fiscal year ending March 31, 2023

【The fiscal year ended March 31, 2022】

The severe business environment due to the spread of COVID-19 continued from the previous fiscal year and we recorded a consecutive operating loss, but in light of the progress being made in “management reforms,” we plan to pay a dividend of ¥5 per share

【The fiscal year ending March 31, 2023】

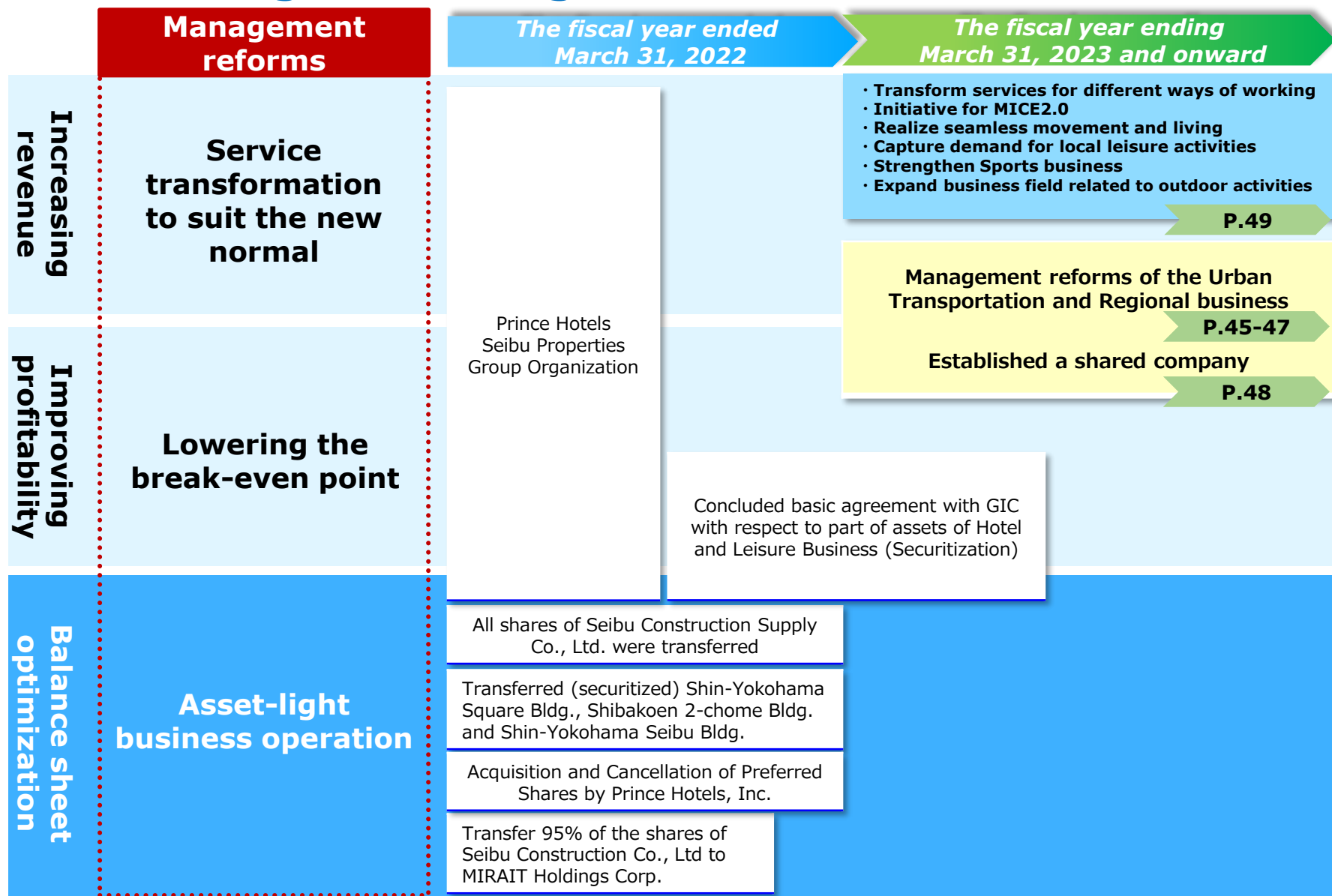
We plan to pay a dividend of ¥10 per share (interim dividend ¥5, year-end dividend ¥5), with comprehensive consideration to the external securitization to be conducted of the assets in the Hotel and Leisure business, and the consolidated earnings forecasts for the fiscal year ending March 31, 2023 and the status of funds, etc.



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The progress of our initiatives in the mid-term management plan (Management reforms)

■ Overall image of “management reforms”



Initiatives of the fiscal year ended March 31, 2022

■ Asset-light business operation

■ All shares of Seibu Construction Supply Co., Ltd. were transferred

(The date of the share transfer July 1, 2021)

■ Transferred (securitized) Shin-Yokohama Square Bldg., Shibakoen 2-chome Bldg. and Shin-Yokohama Seibu Bldg.

- Booked 13.6 billion yen of gain on sale of non-current assets in 3Q
- Aim to acquire a wide range of management know-how as a real estate business operator by having contracts of PM and sub-AM operations, etc.

Note: PM: Property Management, AM: Asset Management

■ Concluded basic agreement with GIC with respect to part of assets of Hotel and Leisure Business (February 10, 2022)

- Under the agreement with Reco Pine Private Limited, an affiliate of GIC, SEIBU PRINCE HOTELS WORLDWIDE INC. will continue to operate the 31 target properties including "The Prince Park Tower Tokyo," "Sunshine City Prince Hotel," and "Naeba Prince Hotel"
- Proceeding to a discussion with GIC toward conclusion of sales contract and transfer of the assets

■ Acquisition and Cancellation of Preferred Shares by Consolidated Subsidiary (March 30, 2022)

- Acquired and canceled all of the preferred shares issued (10.0 billion yen) by Prince Hotels, Inc. in light of the progress in management reforms under the theme of asset-light therefore, enhancing the Company's financial foundation

■ Transferred 95% of the shares of Seibu Construction Co., Ltd to MIRAIT Holdings Corp.

(Date of share transfer: Scheduled for March 31, 2022)

- Given the impact of COVID-19, we conducted a deeper review of the business portfolio and concluded the share transfer to MIRAIT would contribute to Seibu Construction's growth in the mid-long term
- Booked 37.3 billion yen of gain on sale of shares (extraordinary income) in 4Q

■ Group Reorganization of Prince Hotels/Seibu Properties (effective April 1, 2022)

- As parts of promoting asset-light business operations, we implemented group reorganization, aiming to maximize the value of Group-held assets and improve competitiveness in the Hotel and Leisure and the Real Estate businesses

SEIBU PRINCE HOTELS WORLDWIDE INC.

As the core of the Hotel and Leisure business, develop an asset-light business and build the industry's No. 1 quality hotel chain

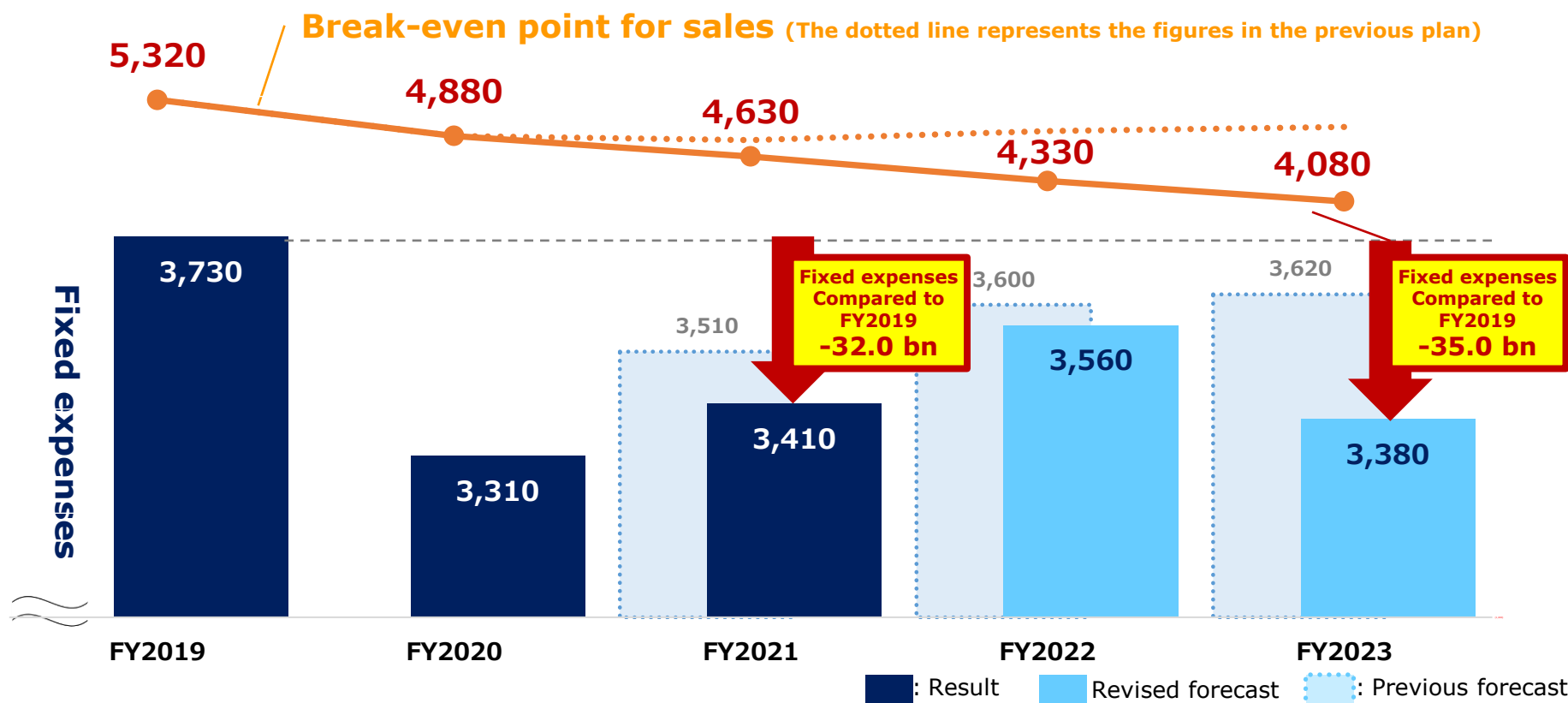
SEIBU REALTY SOLUTIONS INC.

As the core of the Real Estate business, expand the scope of operations and leap forward to become a general real estate company

■ Lowering the break-even point

- ✓ In addition to the transfer of shares of Seibu Construction and the securitization of assets in the Hotel and Leisure business, we will continue reducing fixed expenses. In the FY2023 plan announced today, **fixed expenses** (the total of each segment) will be **cut by about 35.0 billion yen** vs FY2019. In the Hotel and Leisure business, fixed expenses will **reduced by about 27.0 billion yen** vs FY2019.
- ✓ As a result, **the break-even point for sales** based on the total of each segment will **decrease by around 124.0 billion yen** vs FY2019.

Changes in fixed expenses and the break-even point for sales (based on the total figure of each segment)



■ Service transformation to suit the new normal

Transform services for different ways of working

- April 27, 2021
Karuizawa Prince Hotel West reopened after renovation as accommodation facility partially used for workation in Karuizawa area
- July 29, 2021
Launched a work base project named "Karuizawa Prince The Workation Core" in Karuizawa area with Nomura Real Estate Development Co., Ltd. and East Japan Railway Company
- After September 2021
Installed "STATION BOOTH," a shared office inside stations of Seibu Railway which is operated by East Japan Railway Company (at Takadano-baba, Kokubunji, Musashi-sakai and Tama station)
- Started "SDGs Workation Program" that aims to support corporate activities on SDGs through offering workation opportunities
- December 2021
"Emi Cube Sakuradai," the second property of "Emi Cube", a rental unit house that provides private space outside of the home, started accepting rental applications
- March 2022
As a new leasing operation initiative utilizing idle land along the Seibu Line, the first property "Emi Base Iruma Kagiya" in Saitama under our rental garage house "Emi Base" project started accepting rental applications, with the concept of "a home where people can fully enjoy a wide variety of hobbies"
- March 12, 2022
Started disclosing passenger density data through Seibu Railway App as a part of demand dispersal measures during peak times



Karuizawa Prince Hotel West
coworking room by H¹T



Emi Cube Sakuradai



Emi Base
Iruma Kagiya

■ Service transformation to suit the new normal

Realize seamless movement and living

- Developed “Kaiyu Karuizawa,” a sightseeing and regional MaaS that allows the use and payment of on-demand travel and various types of tickets via smartphone
- Conducted field trials of the station delivery service “BOPISTA,” which enables easy receipt of an assortment of products and prescription drugs, etc. at the small locker sold by stores close to stations and along local railways prepared by SNS LINE (inside Tokorozawa Station and at the station commercial facility Grand Emio Tokorozawa)

Capture demand for local leisure activities

- May 19, 2021
The new “Seibuen Amusement Park” had a grand opening with a concept of a heartwarming sense of happiness



Seibuen Amusement Park

Collaboration inside and outside the Group

- Started sales of PCR test kits and the optional service of a PCR test for guests at hotels in cooperation with Allm Inc.
- Prince Hotels launched a collaboration with Japan Airlines Co., Ltd. with the theme of “New Travel Style”
- October 1, 2021
Entered the outdoor business considering that outdoor businesses represent a promising business domain capable of generating high-value by blending our abundant assets with creative service contents
Established a new joint company, Step Out Co., Ltd., to promote such businesses through an alliance with R.project Inc.

■ Digital management

- April 1, 2021
The information system departments of Seibu Holdings, Seibu Railway, Prince Hotels and Seibu Properties have been integrated
- December 14, 2021
Developed a system for detecting abnormalities at railroad crossings using AI and 3D image analysis, and began testing the system at three crossings
- January 2022
Installation of the monthly parking lot online management system “At Parking Cloud” at “Seibu Smile Park,” which are being developed mainly along Seibu Railway lines. The system handles everything from searching for a monthly parking lot to the contracting procedures online
- March 23, 2022
“SEIBU PRINCE CLUB,” a membership service, we started offering a service for using points at the time of purchase and commenced credit card payments through apps
- Group marketing foundation
 - ✓ Completed initial construction and start utilizing it for analysis and promotion, etc. using multiple data
- Using technologies such as RPA and AI
 - ✓ Promoting use of RPA infrastructure within the Group

■ Sustainability

- Received the Japan Hotel Association's "Social Contribution Award" for the efforts of our eight hotels in Tokyo that led to reduction of CO₂ emissions
- May 13, 2021
Expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and disclosed the current status of our response
Also participates in the TCFD Consortium
- June 16, 2021
Issued the fifth series of unsecured straight bonds (Green Bonds)
 - ✓ In order to fund the repayment of borrowings needed for the introduction of new energy-saving railcars
- Selected as a member of "SOMPO Sustainability Index" for third straight year and a constituent for "MSCI Japan ESG Select Leaders Index" for the first time
- July 2021
Started Seibu Group's first solar sharing
Under the solar power system, cultivates blueberries, etc. and sells power to Tokorozawa-city
- September 1, 2021
As a project of "LOSS TO VALUE," repurposed cigarette vending machines, which had become surplus, by using them to sell powdered tea in stick form in boxes designed to reflect the local area under the "Chabacco" brand on stations along the Seibu Railways
- January 2022
Realized "virtually zero emissions aquarium," by replacing power used at Hakkeijima Sea Paradise aquarium area by green energy
- January 2022
Based on TCFD Recommendations, assessed potential quantitative and qualitative impact on our business in each of multiple scenarios and disclosed specific countermeasures for managing risks
https://www.seibuholdings.co.jp/en/sustainability/climate_change/
- November 2021
The Chichibu City Council for the Promotion of Integrated Transportation and Logistics, in which our company participates, conducted Japan's first demonstration experiment on the integration of multiple mobility modes for delivery in the event of a disaster and during normal times, with the aim of building the "Chichibu Model" logistics and public transportation network
- December 2021
Prince Hotel has begun "Horizontal Recycling" of drinking water for guest rooms by switching to Label-Free and 100% Recycled PET Bottles to achieve a recycle-based society
- March 2022
In collaboration with LiNKX, Inc., conducted fields trials of the QR navigation system for visually-impaired persons "shikAI" to realize a more inclusive society
- March 2022
12 Seibu Group Companies Certified as 2022 Health & Productivity Management Outstanding Organization

Initiatives of the fiscal year ending March 31, 2023 and onward

■ Management reforms of the Urban Transportation and Regional business

- ✓ In FY2021, the first year of the Medium-term Management Plan, we engaged in “Reorganization of Prince Hotels, Inc./Seibu Properties Inc.” and “a shift to asset-light hotels” particularly in the Hotel and Leisure business, which was greatly affected by COVID-19.
- ✓ On the other hand, even in the Urban Transportation and Regional business, there was ongoing reduction in demand for sales from Seibu Railway’s commuter passes due to the spread of remote working. Advances made in people’s changes in values and behavior also led to considerable review of the frequency of “Movement,” and the possibility of a complete recovery in sales from commuter passes is low. Therefore, to further review profit structure, **we will implement management reforms of the Urban Transportation and Regional business in FY2022.**

Optimize organizational and divisional structure

- Establish a structure that enables each business (railway, real estate, tourism, buses, etc.) in the Urban Transportation and Regional business to enhance profitability and achieve group synergies

Increase revenue

- Developing measures to deal with changes in values and behavior
- **Considering a revenue strategy by strengthening the comprehensive collaboration with East Japan Railway Company**

Reduction of fixed expenses

- Reviewing train timetables and reducing the number of railcars
- Smart railway station operations/smart driving operations
- **Installation of sustainable cars***

Realize seamless movement & living and smart business operations for a new era

* Seibu names unpainted car bodies and VVVF inverter-controlled carriages transferred from other companies “sustainable cars”

■ Measures to strengthen the Railway business (1)

Increase revenue

【Measures developed to deal with changes in values and behavior】

✓ In terms of measures developed to deal with changes in values and behavior, we will use the ride point service function that commences in July 2022 as a way to decentralize congestion and promote the use of facilities along railway lines.

- Grant points when off-peak times are used and increase the number of points for taking the train to participate in facilities and events along the railway lines
- Improve the service by utilizing usage data



✓ Promote the use of seated services in limited express, S-train and Haijima Liner through improvements to the convenience of limited express and seated trains by upgrading the seat management system

- Promote the use of seated services by granting points
- Promotion through expansion of membership base
- Improve the service by utilizing usage data

Laview



S S-TRAIN



✓ In-depth exploration along the railway lines with the station as the base (expand station delivery service through the use of smart lockers, collaborate with local government bodies and local communities, etc.)



bopista



SEIBU Green Marché

【Strengthen the comprehensive cooperation with East Japan Railway Company】

✓ Regarding cooperation with the comprehensive cooperation with East Japan Railway Company, we will consider **further collaboration in sales and operations of the railway business**, in addition to initiatives related to workation and MaaS.

Concept of comprehensive cooperation with East Japan Railway Company
〈Creation of new lifestyle X local revitalization〉

1. Offering the new working style and lifestyle
2. Long-term collaboration toward town development
3. Collaboration toward revitalization of areas along railway lines

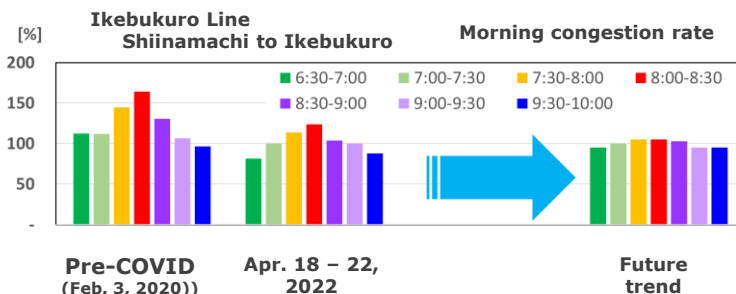
+ Consider collaboration in the railway business

Measures to strengthen the Railway business (2)

Reduction of fixed expenses

✓ Optimization of train timetable based on demand trend by using the ride point service function (previous page)

- Usage at highest peak times is down compared to pre-COVID times
- Reduce equipments, mainly carriages, by shifting demand to around peak times when there is surplus transportation capacity through measures such as ride points and seated services
- Provide comfortable use for customers and reduce fixed expenses



✓ Continue initiatives aimed at realizing targets for railway station operations and smart driving operations for the next plan onward



Introduction of smart operating system



Maintenance of platform doors

✓ For railway carriages, in combination with the ongoing review and replacement plans for carriage operations, we will optimize the number of carriages owned, **while installing not only newly built carriages but eco-friendly sustainable cars*1**, and bring forward energy savings and reductions in fixed expenses.

*1 Seibu names unpainted car bodies and VVVF inverter-controlled carriages transferred from other companies "sustainable car"

Benefits of introducing "sustainability railcars"

- ① Maintenance efficiency
- ② Reduction of power usage
- ③ Contribution to sustainability through recycling railcars



The number of Seibu Railway's railcars	Pre-COVID	The end of FY2022*2 (Scheduled)
Total	1,286 cars	1,227 cars
Of these, the ratio of unpainted car bodies and VVVF carriages	47.4%	56.2%

Future trend

- Optimizing the number of railcars
- Improve the ratio of unpainted car bodies and VVVF carriages

*2 Installation of "sustainable cars" are not included in the FY2022 plan

■ Sharing of back office operations

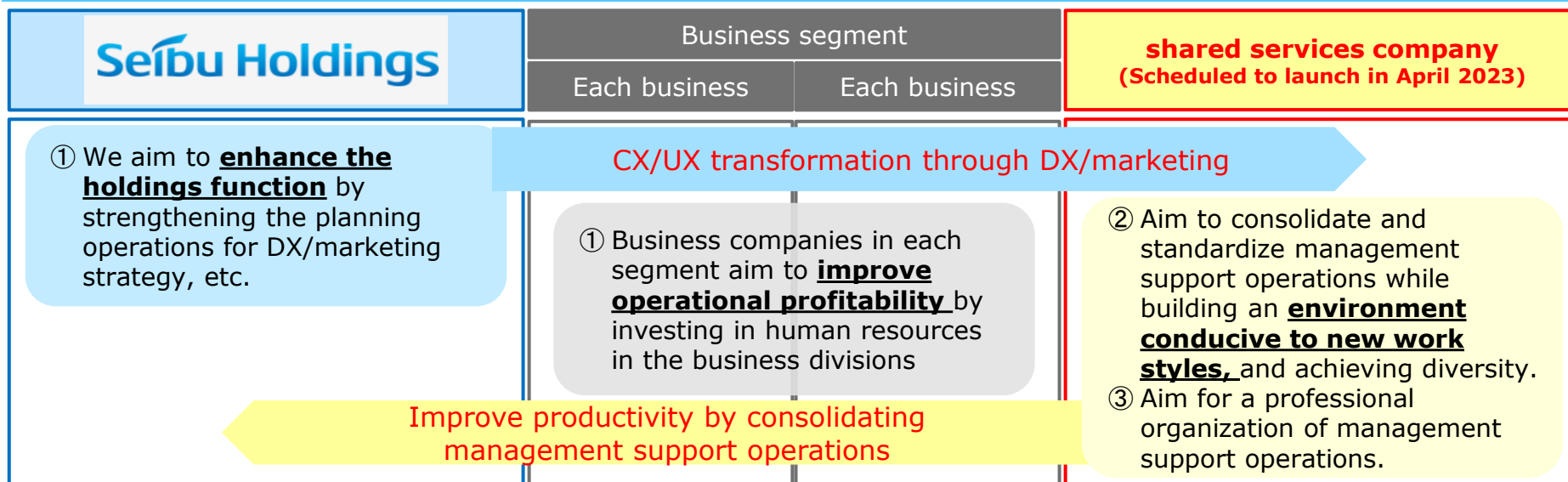
- ✓ We plan to establish a shared services company, with operations to commence from April 2023.
- ✓ More specific design and preparation for the consolidation of operations will be advanced in FY2022.

Outlines

- ① Apart from the consolidation of operations at the shared services company, we will **increase available human resources** by standardizing operations utilizing a common Group system and reviewing operations, **shift those human resources to DX, marketing, and other corporate planning departments of the holding company/business companies**, and **improve the Group's operational profitability**.
- ② **The shared services company will realize new work styles** (4-day working week, flex-time, concurrent or side jobs, and transfers from Group companies by request, etc.)
- ③ The shared services company will also **improve productivity** through **employment/training of specialists** in payroll calculation and accounting operations*

* Apart from the Group's payroll calculation, accounting operations and some receipt and payment operations, the consolidation of SEIBU PRINCE CLUB's business operations

Future image in FY2023



■ Service transformation to suit the new normal

- ✓ Continuing in FY2021, we will promote initiatives in the six areas below, which are based on changes in people's values and behaviors. In addition, in the outdoor business, we will begin full-scale measures to expand related business areas, including preparations to open a campground.

Transform services for different ways of working

- Develop rental garage house "Emi Base"
- Develop share house
- Will continuously work on "workation resort" initiative in collaboration with East Japan Railway Company

Initiative for MICE2.0

- Transfer Blue MUSE Co., Ltd. to the Sports business with the intention of strengthening its own content
- Utilize Seibu Group's own content (Prince Ice World, etc.)

Realize seamless movement and living

- Implement MaaS measures in the Karuizawa area in collaboration with JR East
- Develop MaaS in each area in collaboration with each local government, such as Chichibu City and Hanno City

Capture demand for local leisure activities

- Seibuen Amusement Park implements seasonal events and maximizes the effect of attractive contents
- Improve the attractiveness of the "BELLUNA Dome" area using digital technology

Strengthen Sports business

- Launched "Sports, Arts & Culture Business Strategy Division" as of April 1, 2022
- Develop Sports Apps and FastSports-themed services, we are aiming to launch them by the end of FY2022

Expand business field related to outdoor activities

- Regarding Park BBQ, service begin in eight parks managed by Seibu Landscape in FY2022 in phase
- Plan to open a campground in Karuizawa by the end of this fiscal year

■ Digital management

- Adoption of common system for administrative core systems throughout the Group

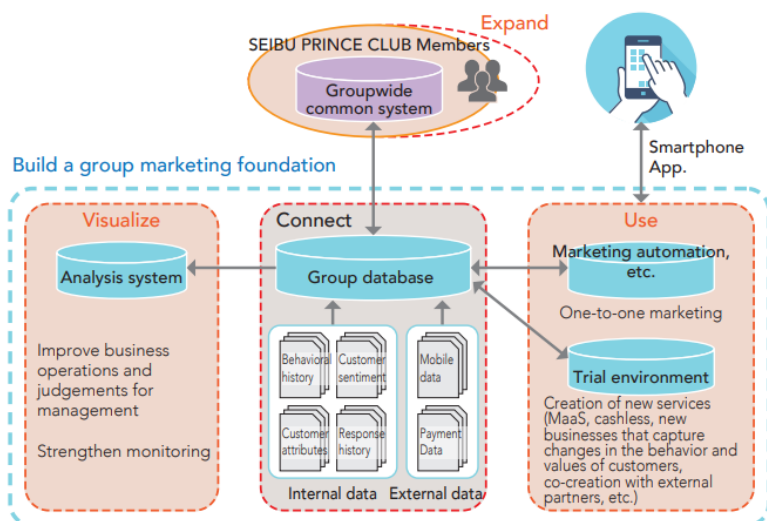
- ✓ April 2022 Updated accounting system

- April 2022

In regard to digital management, we invited ARATA Kazuyuki (Representative Director of Reiwa Associates and former Director and Managing Executive Officer of NTT DATA Corporation) as executive advisor for his expert and specific advice

- April 2022

Newly established the “DX/marketing Strategic Department” within Seibu Holdings with the aim of creating services for the expansion of Group customers utilizing the Group marketing platform and the DX management of the Seibu Group as a whole



Integration and cooperation between the membership organizations of every company and the SEIBU PRINCE CLUB to smoothly link services



Customer no.

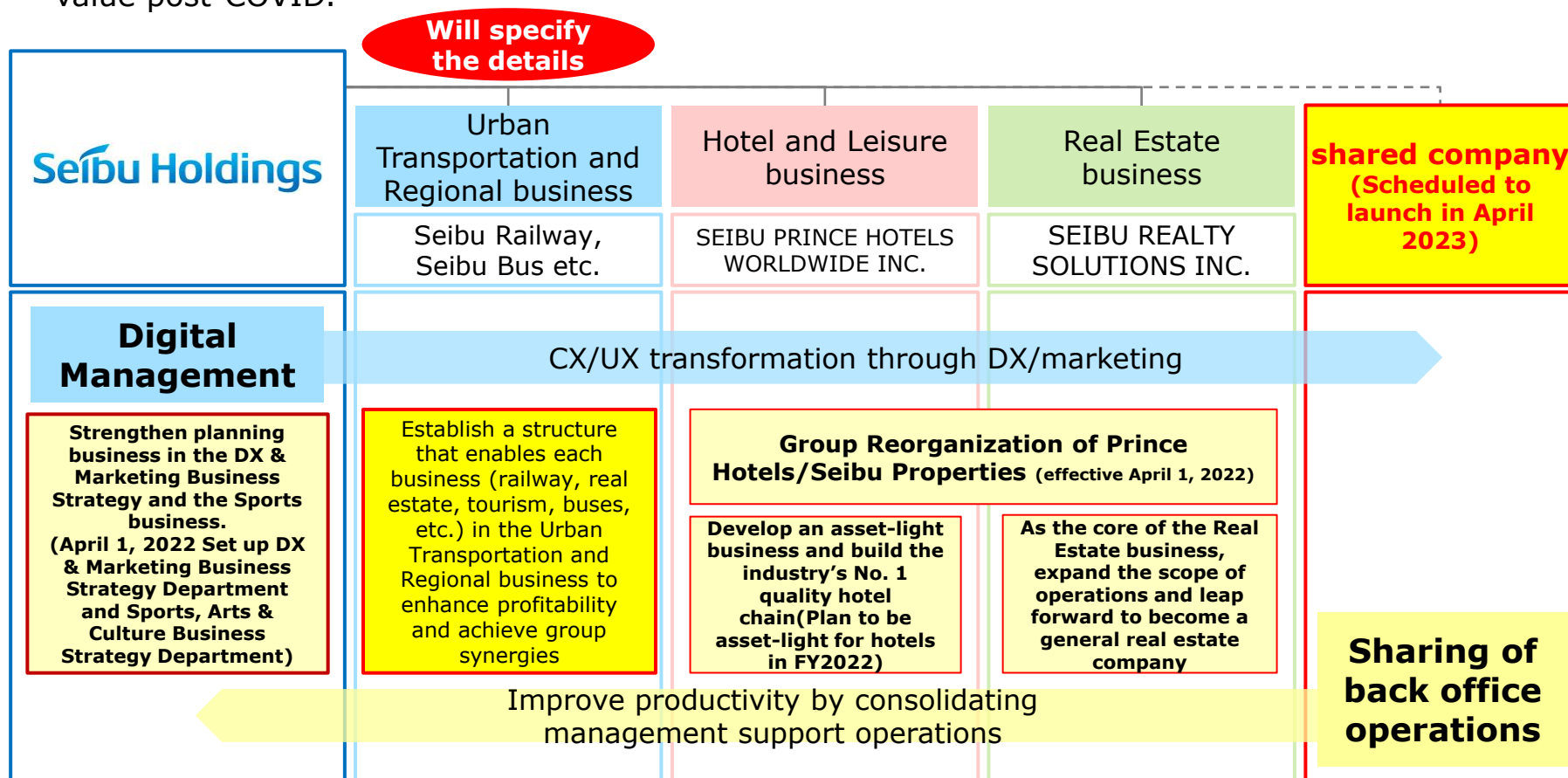
Password

- customer number
- name
- telephone number
- e-mail address, etc.

The progress of our initiatives in the mid-term management plan (Structure going forward)

The fiscal year ending
March 31, 2023 and
onward

- ✓ The future structure that includes the reorganization is as follows.
- ✓ **The concept of the reorganization is to “Upgrade the functions of each company (strengthen specialization).”**
- ✓ In addition, we will undertake **“revision of the Group personnel system”** with the aim of the future utilization of human resources in combination with this reorganization.
- ✓ We will renew the group structure during the course of this Medium-term Management Plan, which has been affected by COVID-19, and build a structure to maximize corporate value and shareholder value post-COVID.



■ Sustainability

- ❑ Promoting the project to renovate three old private homes in the area around Seibu-Chichibu Station as lodging facilities with restaurants and cafes, and making them into a new tourism base for Chichibu City in collaboration with Chichibu Omotenashi Tourism Organization, etc.
- ❑ April 2022
Realized virtually zero emissions at our corporate headquarters building with green energy supplied by Seibu Takeyama Solar Power Station, with accepted environmental value through non-fossil fuel certificates with tracking information
- ❑ April 2022
As a part of measures to reduce plastic waste, Prince hotels started donating a certain amount of money to environmental protection activities in areas where each hotel operates when guests voluntarily not use their amenities or waive their daily hotel room clean



Major projects

FY2021

FY2022

FY2023 and onward

Urban Transportation and Regional

- Renewed on May 19, 2021 Seibuen Amusement Park



- Spring 2023 Renewal of Ikebukuro and Toshimaen station on Seibu Line



- Plan to open in early 2023 Warner Bros. Studio Tour Tokyo —The Making of Harry Potter (Operator: Warner Bros. Japan LLC)

Continuous grade separation of SS Line

Hotel and Leisure

- Opened a new guest room building and hot spring building with onsen on April 27, 2021 Karuizawa Prince Hotel West

- Opened on April 12, 2022 "Okinawa Prince Hotel ocean view Ginowan" (Ginowan, Okinawa)



Expansion of Prince Smart INN

- Opened on May 31, 2021 "Prince Smart INN Kyoto Shijo Omiya"

- Scheduled to open in fall 2022 "Prince Smart INN Hakata"
- Scheduled to open in 2022 "Prince Smart INN" (Naha, Okinawa)



- Opened on April 21, 2021 "Prince Smart INN Atami"

- Opened on April 4, 2022 "Prince Smart INN Kyoto Sanjo"

- Scheduled to open in 2023 "Prince Smart INN" (Miyazaki)

Global expansion by StayWell

(Facilities scheduled to open)

- "The Prince Akatoki" (Guangzhou, China)
- "The Prince Akatoki Riverside Bangkok" (Bangkok, Thailand)

Real Estate



- July 27, 2021 Emio Hibarigaoka reopened scaling up operations

- In December 2021 "Emi Cube Sakuradai" started accepting rental applications

- April 4, 2022 Emiffice Tokorozawa opened

- April 2022 Moving-in started at Emi Cube SHAKUJII-KŌEN

- In fiscal year ending March 31, 2024 Plan to complete development of Tokorozawa Station's west exit area



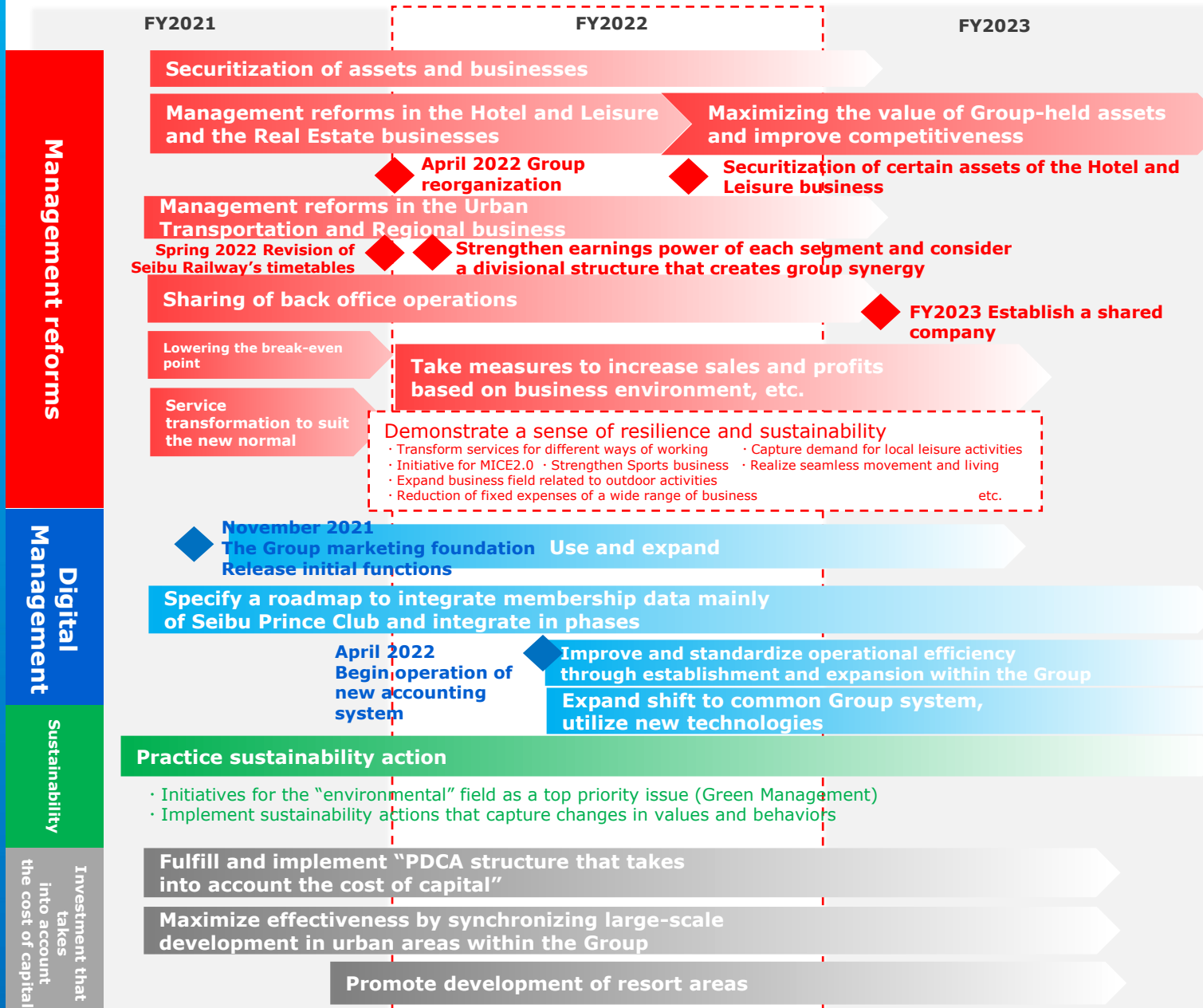
- July 29, 2021 Launched "Karuizawa Prince The Workation Core" in Karuizawa Prince Shopping Plaza

- March 2022 The urban redevelopment project for Shinagawa station west exit district (Takanawa 3-chome) Held a meeting for Urban Revitalization in the National Strategic Special Zones

Promote large redevelopment projects such as Takanawa/Shinagawa area and Shibakoen area etc.

Promote redevelopment of resort areas such as Karuizawa, Hakone, Furano, etc. with consideration for sustainability

Roadmap



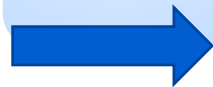
Achieve the current plan

Looking ahead to our "vision for the Group in a post-COVID-19 society," we will overcome the impact of COVID-19 and create a pathway for rapid growth.

Increasing revenue

Improving profitability

Balance sheet optimization



Toward long-term strategy and next Medium-term Management Plan (FY2024-2026)

Changes in business segments (from the fiscal year ending March 31, 2023)

- ✓ Changes business segments due to the internal reorganization of the Group, the strengthening of the Sports business, and the transfer of the shares of Seibu Construction Co., Ltd.

Before			After		
Business segment	Classification	Major businesses	Business segment	Classification	Major businesses
Hotel and Leisure	City hotel operations	Hotels in Japan owned or leased by Prince Hotels excluding Prince Smart INN (PSI)	Hotel and Leisure	Domestic hotel operations (Ownership / Lease)	Hotel assets in Japan owned by SEIBU REALTY SOLUTIONS (SRS) or leased by third-party owners
	Resort hotel operations			Domestic hotel operations (MC / FC)	Hotels in Japan operated by SPW under MC/FC (entrusted with the operation services by third-party owners)
	Sports operations	Golf courses, Ski resorts, tennis facilities, bowling alley, etc.		Sports operations (Ownership / Lease)	Golf courses and ski resorts in Japan owned by SRS or leased by third-party owners
	Overseas hotel operations	Hawaii, StayWell, etc.		Sports operations (MC / FC)	Golf courses and ski resorts in Japan operated by SPW under MC/FC (entrusted with the operation services by third-party owners)
	Others	Hotels in Japan operated by Prince Hotels under MC/FC *1, PSI*2, Yokohama hakkeijima, etc. * MC: management contract FC: franchise		Overseas hotel operations (Ownership / Lease)	Overseas hotels in Hawaii and StayWell operations owned by Seibu Group or leased by third-party owners (such as the Prince Akatoki London, etc.)
Real Estate	Leasing operations	Office, Residence, Commercial facilities, etc. including PM (Property Management)	Real Estate	Overseas hotel operations (MC / FC)	Overseas hotels operated by Seibu Group under MC/FC
	Others	Seibu SCCAT, Sales, AM (Asset Management), etc.		Others	Yokohama Hakkeijima, etc.
Construction	Construction operations	Seibu Construction	Other (Sports business)	Leasing operations	Office, Residence, Commercial facilities, etc. (including PM)
	Others	Seibu Construction Supply, Seibu Landscape, etc.		Others	Seibu SCCAT, Sales, AM etc. Seibu Landscape, etc.
Other (Sports business)		Seibu Lions, Yokohama Arena	Other (New businesses)		Seibu Lions, Yokohama Arena, Blue MUSE
Other (New businesses)		Blue Incubation, Blue MUSE	Other (New businesses)		Blue Incubation

*1 As of the end of March 2022: Tokyo Bay Shiomi Prince H0tel, The Hotel Seiryu Kyoto Kiyomizu

*2 As of the end of March 2022: Prince Smart INN Ebisu (Leased), Prince Smart INN Atami (Owned), Prince Smart INN Kyoto Shijo Omiya (Leased)

FY2023 Plan

- ✓ We assume that the business environment will be the same as assumed on May 13, 2021, namely that by FY2023 both inbound tourism and domestic business conditions will have recovered. We will aim to recover the pre-COVID-19 profit level by FY2023 through “management reforms” while striving to transform services in response to the persistence of changes in values and behavior
- ✓ This revised figures reflect the impact of the transfer of shares of Seibu Construction Co., Ltd. and the external securitization of assets in the Hotel and Leisure business

Management indices	As of May 13, 2021 FY2023 Plan (fiscal year ending March 31, 2024)	Revised figures FY2023 Plan (fiscal year ending March 31, 2024)
Operating revenue (Sales)	538.0 bn	443.0 bn
Operating profit	66.0 bn	55.0 bn
EBITDA	125.0 bn	110.0 bn
Ordinary profit	57.0 bn	47.0 bn
Profit attributable to owners of parent	40.0 bn	32.0 bn
ROE	12.5%	8.0%
ROA	2.4%	2.0%
Capital-to-asset ratio	20.2%	25.4%
Net interest-bearing debt/EBITDA ratio	6.8x	6.7x

Quantitative plans by segments

Operating Revenue

billions of yen

	FY2019	FY2020	FY2021 Actual		FY2022 Forecast			FY2023 Plan			
	Actual (March 2020)	Actual (March 2021)	(March 2022)	YoY	(March 2023)	YoY	vs previous forecast	(March 2024)	YoY	Compared to FY2019 (March 2020)	vs previous forecast
Urban Transportation and Regional	168.5	122.5	131.3	8.7	158.6	27.2	1.1	167.4	8.8	-1.1	-
Hotel and Leisure	227.4	84.0	133.1	49.1	200.8	67.6	1.7	190.9	-9.9	-36.5	-35.0
Real Estate	80.2	72.5	76.6	4.0	73.0	-3.6	1.5	75.9	2.9	-4.3	-0.8
Construction	91.9	78.9	62.2	-16.6	-	-62.2	-74.3	-	-	-91.9	-79.4
Other	44.2	26.7	32.7	6.0	38.1	5.3	-0.5	42.2	4.1	-2.0	-
Adjustment	-57.8	-47.8	-39.3	8.5	-27.5	11.8	20.5	-33.4	-5.9	24.4	20.2
Consolidated	554.5	337.0	396.8	59.7	443.0	46.1	-50.0	443.0	-	-111.5	-95.0

Operating profit

billions of yen

	FY2019	FY2020	FY2021 Actual		FY2022 Forecast			FY2023 Plan			
	Actual (March 2020)	Actual (March 2021)	(March 2022)	YoY	(March 2023)	YoY	vs previous forecast	(March 2024)	YoY	Compared to FY2019 (March 2020)	vs previous forecast
Urban Transportation and Regional	22.8	-9.8	-5.7	4.0	13.8	19.5	0.3	22.6	8.8	-0.2	-
Hotel and Leisure	8.5	-53.4	-28.0	25.3	8.2	36.2	3.2	17.5	9.3	8.9	-4.5
Real Estate	18.4	16.2	20.5	4.3	9.2	-11.3	-4.4	13.8	4.6	-4.6	-3.2
Construction	4.6	3.2	3.1	-0.0	-	-3.1	-3.1	-	-	-4.6	-4.4
Other	1.8	-7.5	-3.2	4.3	-0.9	2.3	0.1	1.0	1.9	-0.8	-
Adjustment	0.5	-0.2	0.0	0.3	0.7	0.6	1.9	0.1	-0.6	-0.4	1.1
Consolidated	56.8	-51.5	-13.2	38.3	31.0	44.2	-2.0	55.0	24.0	-1.8	-11.0

Note: Reportable segments will change from the FY2022. (See page 55)

The figures in FY2019 – FY2021 were presented based on the reportable segments after the change.

Quantitative plans by segments

(Continued from the previous page)

EBITDA

billions of yen

	FY2019	FY2020	FY2021 Actual		FY2022 Forecast			FY2023 Plan			
	Actual (March 2020)	Actual (March 2021)	(March 2022)	YoY	(March 2023)	YoY	vs previous forecast	(March 2024)	YoY	Compared to FY2019 (March 2020)	vs previous forecast
Urban Transportation and Regional	44.6	12.3	16.7	4.3	36.1	19.3	-0.6	46.5	10.4	1.8	-
Hotel and Leisure	28.6	-38.1	-11.1	27.0	26.1	37.2	2.8	31.3	5.2	2.6	-8.6
Real Estate	30.2	28.3	32.5	4.2	21.1	-11.4	-4.0	25.7	4.6	-4.5	-2.8
Construction	5.0	3.6	3.3	-0.2	-	-3.3	-3.2	-	-	-5.0	-4.5
Other	5.6	-3.4	0.8	4.3	3.1	2.2	-0.3	5.7	2.6	0.0	-
Adjustment	0.3	-0.8	0.0	0.8	1.6	1.5	1.4	0.8	-0.8	0.4	1.0
Consolidated	114.5	1.8	42.4	40.5	88.0	45.5	-4.0	110.0	22.0	-4.5	-15.0

Capital investment

billions of yen

	FY2019	FY2020	FY2021 Actual		FY2022 Forecast			FY2023 Plan			
	Actual (March 2020)	Actual (March 2021)	(March 2022)	YoY	(March 2023)	YoY	vs previous forecast	(March 2024)	YoY	Compared to FY2019 (March 2020)	vs previous forecast
Urban Transportation and Regional	40.6	32.1	28.5	-3.6	31.9	3.3	1.9	33.0	1.1	-7.6	-
Hotel and Leisure	17.2	15.4	9.9	-5.5	11.5	1.5	0.9	11.0	-0.5	-6.2	0.4
Real Estate	13.1	8.4	3.5	-4.9	7.1	3.5	-2.4	16.8	9.7	3.6	0.2
Construction	0.4	0.5	0.5	-0.0	-	-0.5	-0.2	-	-	-0.4	-0.2
Other	14.7	9.0	1.5	-7.4	6.4	4.8	-1.3	4.1	-2.3	-10.6	-
Adjustment	0.7	-4.9	0.2	5.1	1.1	0.8	0.1	1.1	0.0	0.3	0.6
Consolidated	86.9	60.6	44.2	-16.3	58.0	13.7	-1.0	66.0	8.0	-20.9	1.0

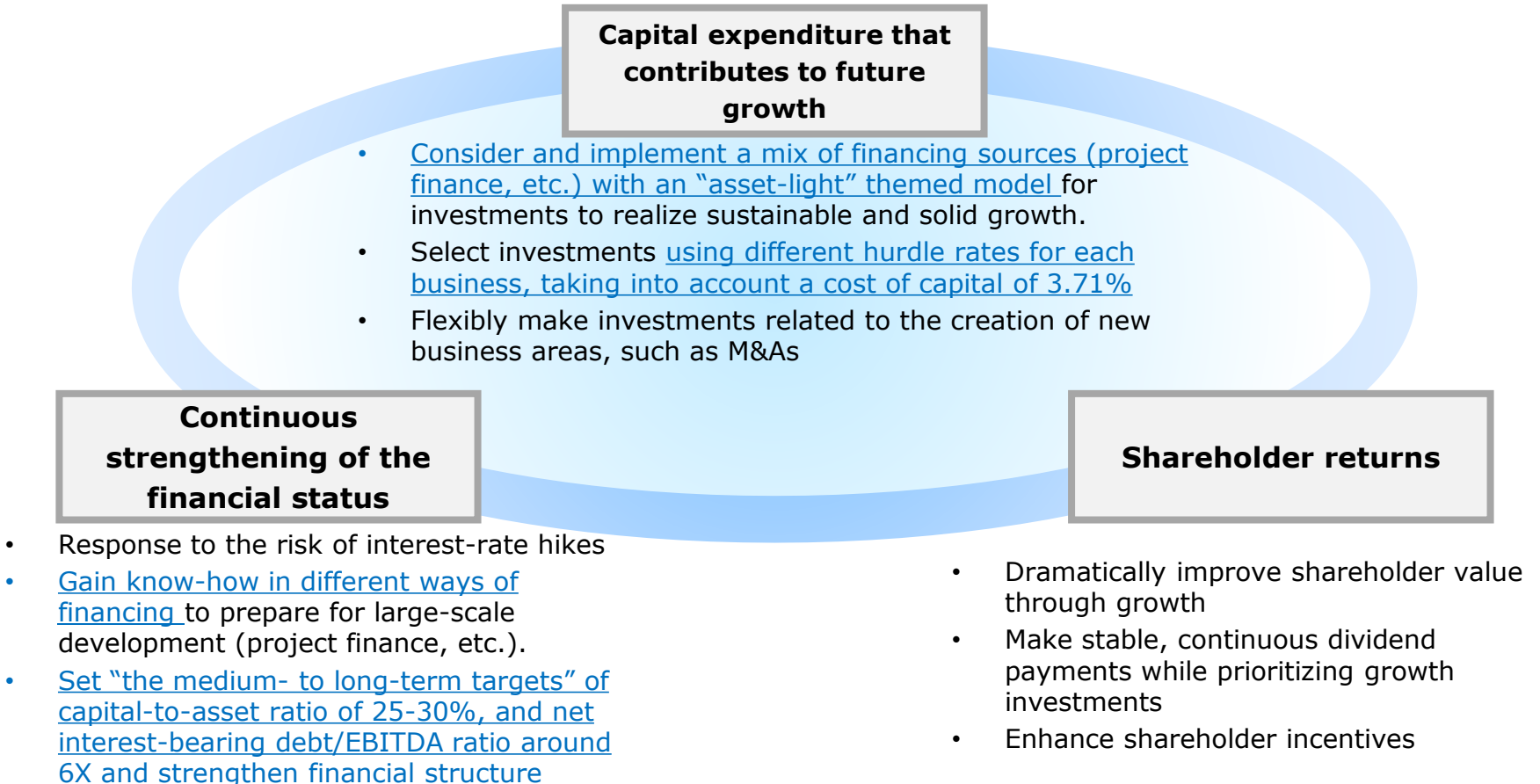
Note: Reportable segments will change from the FY2022. (See page 55)

The figures in FY2019 – FY2021 were presented based on the reportable segments after the change.

Financial strategy

- ✓ In accordance with the financial part of the long-term strategy of the Seibu Group, we aim for the optimal balance between returns to our stakeholders and investments that contribute to growth.
- ✓ [We have placed the highest priority on restoring the financial strength that has been lost during the COVID-19 pandemic, while also emphasizing returns to shareholders.](#)

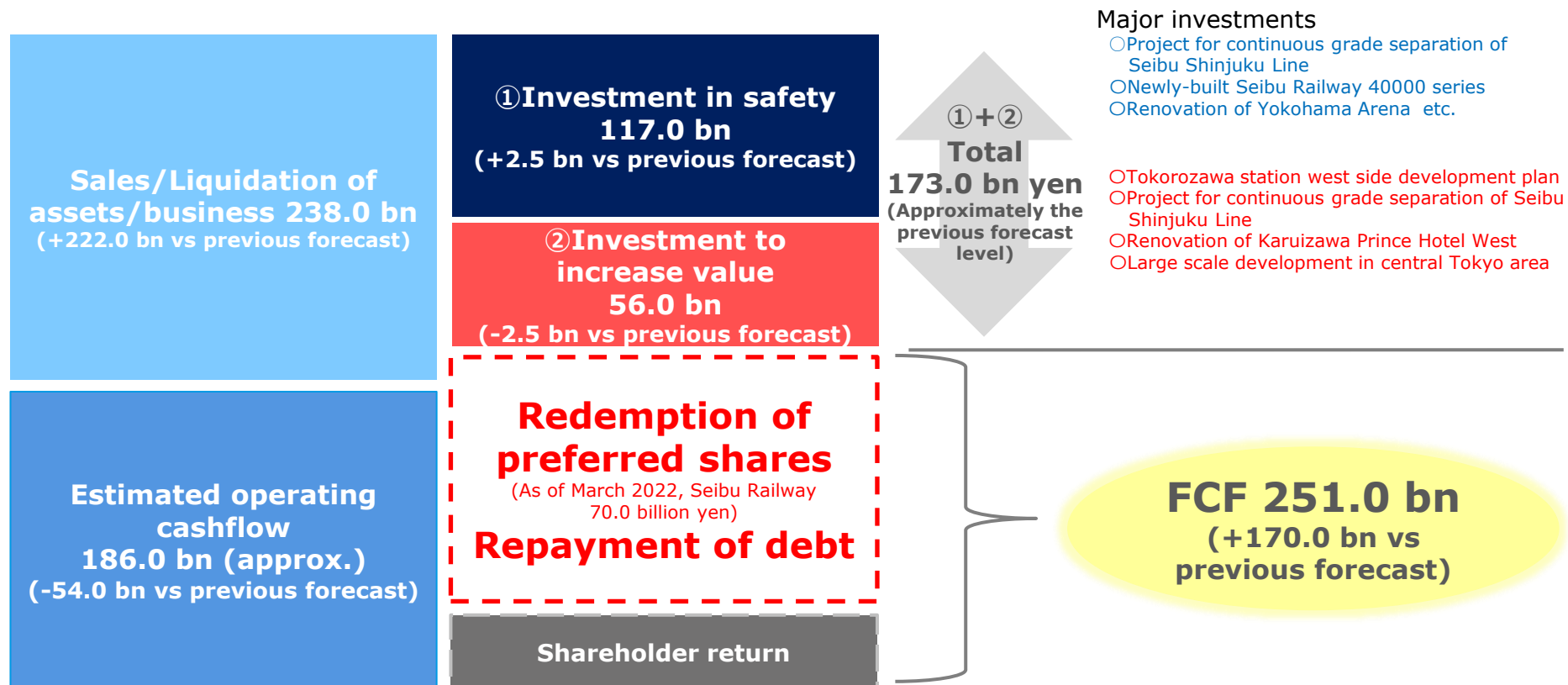
~Financial strategy in the Group's long-term plan the whole picture~



Regarding use of funds

- ✓ The three-year free cash flow is significantly larger than the current plan due to sales and securitization of assets and businesses, despite the fact that the operating cash flow in the first year of the current plan (FY2021) was impacted by the resurgence of the infection
- ✓ Based on the policy on the previous page, the first priority is strengthening our financial position, which deteriorated due to the COVID-19 pandemic. While steadily proceeding with the repayment of interest-bearing debt, we will carefully examine the timing of redemption, etc. of 70.0 billion yen preferred shares of Seibu Railway Co., Ltd. in accordance with the progress of management reforms, including the external securitization of assets in the Hotel and Leisure business.

Three-year total cash flow



(Operating cash flow is calculated based on consolidated figures and amount of capital expenditures is based on the sum of the individual companies)

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VI. Appendix

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Hotel and Leisure: Overview of facilities

■ Hotel operations

	Number of facilities		Number of rooms	
	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022
City hotels	15	15	10,619	10,618
Takanawa and Shinagawa area	4	4	5,138	5,138
Resort hotels	31	31	6,739	6,739
Karuizawa area	3	3	687	687

* Hotel operations include the following hotels

City hotels (the hotels in the Takanawa and Shinagawa area as above are underlined):

The Prince Gallery Tokyo Kioicho, The Prince Park Tower Tokyo, Tokyo Prince Hotel, The Prince Sakura Tower Tokyo, Grand Prince Hotel Takanawa, Grand Prince Hotel Shin Takanawa, Shinagawa Prince Hotel, Shinjuku Prince Hotel, Sunshine City Prince Hotel, Kawagoe Prince Hotel, Shin Yokohama Prince Hotel, Nagoya Prince Hotel Sky Tower, Lake Biwa Otsu Prince Hotel, The Prince Kyoto Takaragaike, Grand Prince Hotel Hiroshima

Resort hotels (the hotels in the Karuizawa area as above are underlined):

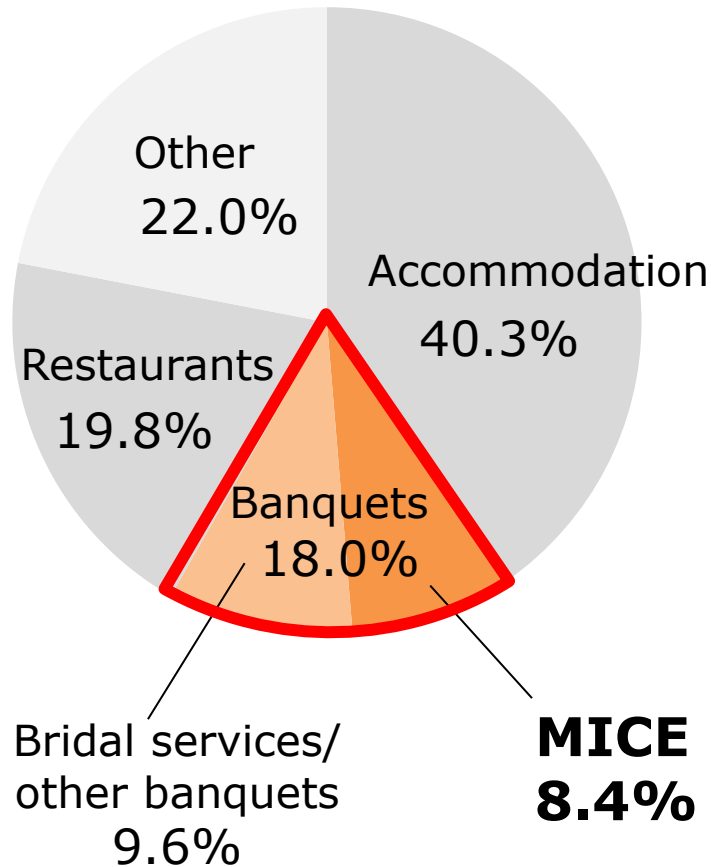
Sapporo Prince Hotel, Kussharo Prince Hotel, Kushiro Prince Hotel, Furano Prince Hotel, Shin Furano Prince Hotel, Hakodate-Onuma Prince Hotel, Towada Prince Hotel, Shizukuishi Prince Hotel, Naeba Prince Hotel, The Prince Villa Karuizawa, The Prince Karuizawa, Karuizawa Prince Hotel, Karuizawa Asama Prince Hotel, PRINCE VACATION CLUB Karuizawa Asama, PRINCE VACATION CLUB Villa Karuizawa Asama, Tsumagoi Prince Hotel, Manza Prince Hotel, Manza Kogen Hotel, Shiga Kogen Prince Hotel, Kamakura Prince Hotel, Oiso Prince Hotel, The Prince Hakone Ashinoko, Ryuguden, Hakone Yunohana Prince Hotel, Hakone Sengokuhara Prince Hotel, Hakone En Cottage, Shimoda Prince Hotel, Sanyo-So, PRINCE VACATION CLUB Sanyo-So, Kawana Hotel, Nichinan Kaigan Nango Prince Hotel

■ Overseas hotel operations

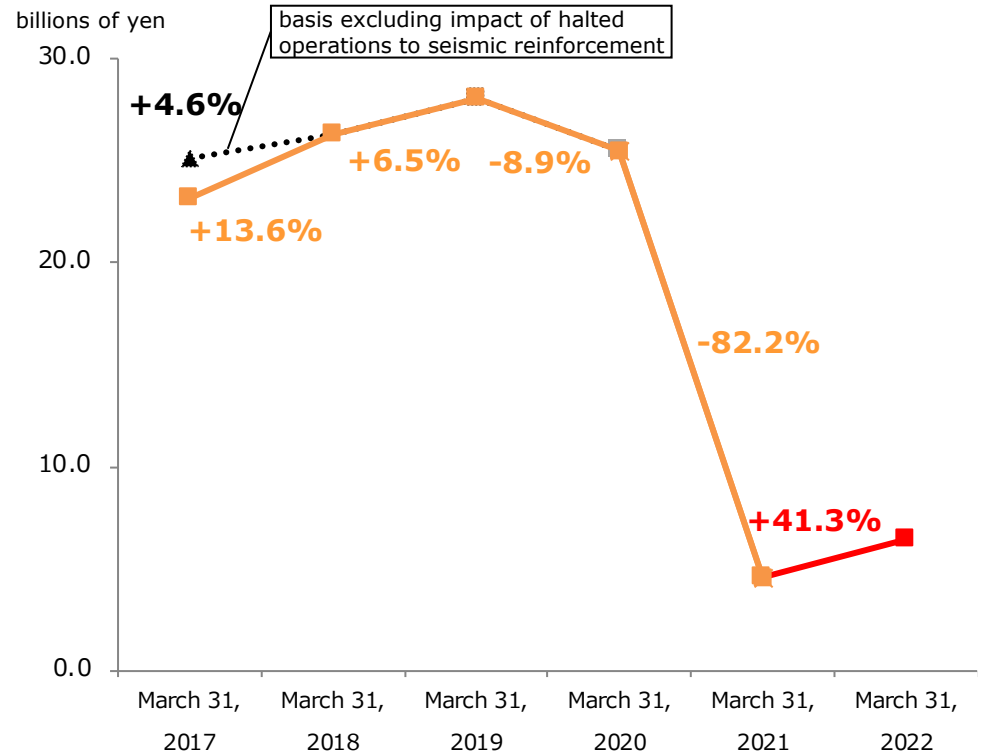
	Number of facilities				Number of rooms			
	December 31, 2020		December 31, 2021		December 31, 2020		December 31, 2021	
	(Ownership · Lease)	(Ownership · Lease)	(Ownership · Lease)	(Ownership · Lease)	(Ownership · Lease)	(Ownership · Lease)	(Ownership · Lease)	(Ownership · Lease)
Overseas hotel operations	35	(6)	33	(6)	5,678	(1,611)	5,570	(1,610)
Hawaii	3	(3)	3	(3)	1,064	(1,064)	1,064	(1,064)
The Prince Akatoki	1	(1)	1	(1)	82	(82)	82	(82)

Hotel and Leisure: Status of MICE*

■ The breakdown of the hotel revenue (the fiscal year ended March 31, 2022)



■ Change in MICE Sales 【Fiscal year】



Disclaimer

The forward-looking statements, including earnings forecasts, contained in these materials are based on information available to the Company at the announcement of these materials and on certain assumptions pertaining to factors of uncertainty.

These statements may differ from the actual business results.