

# Overview of financial results for the nine months ended December 31, 2022

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February 9, 2023

Seibu Holdings Inc. (9024)

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

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## ■ Financial results for the nine months ended Dec. 31, 2022

- Sales grew year on year due to a rebound in demand as a result of the lifting of restrictions on movement and other factors
- Operating profit and other profit figures returned to profitability, and segment profits were in the black in all segments
- Transferred four hotels including The Prince Park Tower Tokyo in Sept. and the partial site of former Toshimaen in Dec., and booked gain on sale of non-current assets
- Equity-to-asset ratio rose to 24.7%
- Operating revenue and each profit figure are progressing and exceeding the revised forecast on Sept. 29

## ■ FY2023/3 forecasts

Revised up the earnings forecast announced on Sept. 29 \* See page 35-39

## ■ Current business trend \* See page 38, 39

- **Railway operations: Number of gate passage in Jan.**  
(vs the same period in FY2019, excluding the year end and new-year holidays)  
Commuter: 77% Non-commuter: 94%
- **Domestic hotel operations: Booking trends**
  - RevPAR in Jan. was around 85% of the same month in 2020
  - The number of rooms booked were at 94% for Feb., and 103% for Mar. (as of Feb. 5) vs the same period in 2019
    - \* The number of rooms as of 12/31/2022 is 12.3% higher vs 12/31/2018
  - ADR for Feb. is expected to be at the same level as it was in the same month in 2019

# Financial results for the nine months ended Dec. 31, 2022

- Despite the decline in sales from Seibu Construction Co., Ltd. being deconsolidated, sales grew YoY due to a rebound in demand as a result of the lifting of restrictions on movement and other factors (Operating revenue was 320.5 billion yen up 6.7%)
  - Sales from railway transportation +9.6%, RevPAR of Domestic hotel operations +58.2%
- Operating profit and ordinary profit returned to profitability due to the increase in sales
- Booked extraordinary income of 79.9 billion yen of gain on sale of non-current assets, and extraordinary losses of 22.0 billion yen of impairment losses
- Posted a profit attributable to owners of parent of 70.5 billion yen
- Fixed expenses decreased by 19.0 billion yen compared to the same period in FY2019

	billions of yen					
	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / %)		March 31, 2023 3Q (Oct.-Dec.)	YoY change (Amount)
Operating revenue	300.2	320.5	20.2	6.7%	107.9	2.5
Operating profit	(4.4)	20.1	24.5	–	6.7	7.5
EBITDA*	37.0	61.4	24.4	66.0%	20.2	6.8
Ordinary profit	(9.0)	18.3	27.3	–	5.5	7.2
Profit attributable to owners of parent	(8.8)	70.5	79.3	–	5.8	1.9

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

# Operating revenue by segment

billions of yen

	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / % )		Details (YoY) (+)Increase factor, (-)Decrease factor
Urban Transportation and Regional	98.7	107.1	8.3	8.5%	(+) Increase in railway and bus transportation revenue (+) Increase in users of leisure facilities along railway lines such as Seibuen Amusement Park
Hotel and Leisure	96.0	142.8	46.8	48.8%	(+) Increase in users of hotels in Japan and overseas, aquariums and golf courses (+) Increase in leased hotel buildings due to a request from administrative agencies for measures to prevent the spread of COVID-19 (-) Fallback of demand accompanied by the Olympic and Paralympic Games in the previous year (-) Decrease due to the shift from ownership to MC followed by some asset transfer (net <sup>1</sup> ): -2.0 billion yen (Ref.) Comparison of the revenue if ownership had continued: -5.0 billion yen
Real Estate	59.1	54.6	(4.4)	(7.6%)	(-) Decrease in inter-segment transactions followed by organizational restructuring in the Group (leasing within the Group, etc.) * No impact on profit (-) Fall-back from occurrence of cancellation fees in conjunction with the withdrawal of tenants in the previous year (-) Decrease in the number of land sales in our resort areas, etc. (-) Decrease in revenue of landscape work (-) Decrease in fee revenue from insurance agency business (+) Increase in Seibu SCCAT's revenue * Minor impact on profit
Construction	49.4	—	(49.4)	(100.0%)	(-) The removal of Seibu Construction and Seibu Construction Supply from the scope of consolidation
Other	26.6	31.5	4.9	18.4%	(+) Increase in the number of professional baseball league spectators (+) Expanding demand for tourism and increase in users of bus and taxi in the Izuhakone business and the Ohmi business (+) Increase in events held at Yokohama Arena and Belluna Dome (-) Temporary suspension of operations due to Yokohama Arena's renovation (From Jan. through July 2022)
Adjustments	(29.7)	(15.7)	14.0	—	(+) Decrease in elimination of inter-company transaction (+) Impact of foreign exchange
Consolidated	300.2	320.5	20.2	6.7%	

1 The net figure: difference between decreases in the Domestic hotel operations (Ownership / Lease) & Sports operations (Ownership / Lease) and increases in the Domestic hotel operations (MC / FC) and Sports operations (MC / FC) (See page 24)

Note: Reportable segments were changed as of April 1, 2022. (See page 41-42)

The figures in the previous year were presented based on the reportable segments after the change.

# Operating profit and EBITDA by segment

## ■ Operating profit

billions of yen

	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / % )		Details (YoY) (+)Increase factor, (-)Decrease factor
Urban Transportation and Regional	(1.4)	4.1	5.5	-	(+) Increase in operating revenue (+) Decrease in depreciation and repair expenses (-) Increase in power & fuel costs and general & administrative expenses
Hotel and Leisure	(22.5)	3.0	25.6	-	(+) Increase in operating revenue (including the impact of the asset transfer: +1.0 billion yen (net)) (Ref.) Comparison of the revenue if ownership had continued: -1.1 billion yen (+) Decrease in selling, general and administrative expenses* (-) Increase in utility costs and personnel expenses (-) Fixed expenses of 5.3 billion yen transferred to extraordinary losses (previous fiscal year)
Real Estate	17.4	9.7	(7.6)	(44.0%)	(-) Decrease in operating revenue (-) Increase in selling, general and administrative expenses*
Construction	3.2	-	(3.2)	(100.0%)	(-) The removal of Seibu Construction and Seibu Construction Supply from the scope of consolidation
Other	(1.0)	1.8	2.8	-	(+) Increase in operating revenue
Adjustments	0.0	1.3	1.3	-	(+) The removal of Seibu Construction from the scope of consolidation (+) Impact of foreign exchange
Consolidated	(4.4)	20.1	24.5	-	

\* 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

	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / % )	
Urban Transportation and Regional	15.2	20.2	4.9	32.5%
Hotel and Leisure	(10.0)	15.4	25.5	-
Real Estate	26.4	18.4	(7.9)	(30.0%)
Construction	3.3	-	(3.3)	(100.0%)
Other	2.0	4.7	2.7	132.0%
Adjustments	(0.1)	2.4	2.5	-
Consolidated	37.0	61.4	24.4	66.0%

## ■ Fixed expenses transferred to extraordinary losses

billions of yen

	9months ended December 31, 2021	9months ended December 31, 2022	Details
Urban Transportation and Regional	0.0	-	
Hotel and Leisure	5.3	-	[Previous fiscal year] Personnel expenses, depreciation, etc. associated with hotels and some leisure facilities during the suspension of their operations
Real Estate	-	-	
Construction	-	-	
Other	-	-	
Adjustments	(0.0)	-	
Total	5.3	-	

Note: Reportable segments were changed as of April 1, 2022. (See page 41-42)

The figures in the previous year were presented based on the reportable segments after the change.

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# Business status

	The nine months ended December 31, 2021	The nine months ended December 31, 2022
Urban Transportation and Regional	<p><b>[Lifestyle service operations along railway lines·Sports operations]</b></p> <ul style="list-style-type: none"> <li>· Closed facilities such as hot spa and fitness clubs located in Tokyo (From April 25 through May 31)</li> <li>· On May 19, Seibuen Amusement Park reopened after renovation with limited capacity of visitors</li> </ul>	<p><b>[Lifestyle service operations along railway lines·Sports operations]</b></p> <ul style="list-style-type: none"> <li>· Excluding changes to the business hours of certain facilities, normal operations</li> <li>· Closed four “TOMONY” stores in Feb. 2022</li> </ul>
Hotel and Leisure	<p><b>[Hotel operations]</b></p> <ul style="list-style-type: none"> <li>· 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</li> </ul> <p><b>[Overseas hotel operations]</b> (Jan. -Sept.)</p> <ul style="list-style-type: none"> <li>· Hawaii: 3 hotels and 3 golf courses remain in operation</li> <li>· StayWell: 7 Hotels suspended operations as of March 31, 6 hotels as of June 30 and remained suspended at 4 hotels as of Sept. 30 (The Prince Akatoki London resumed operation on May 17)</li> </ul> <p><b>[Sports operations]</b></p> <ul style="list-style-type: none"> <li>· Golf courses: Normal operations in all 28 golf courses (Except for winter closure)</li> <li>· Ski resorts: Operations for the 2021-2022 season have commenced in stages since Nov. 3</li> </ul> <p><b>[Others]</b></p> <ul style="list-style-type: none"> <li>· Suspended operations at Maxell Aqua Park Shinagawa (From April 25 through May 31)</li> <li>· Suspended operations at “Xpark,” a aquarium located in Taoyuan city, Taiwan (From May 17 through July 26)</li> </ul>	<p><b>[Domestic hotel operations]</b></p> <ul style="list-style-type: none"> <li>· Excluding suspended operation at a hotel located in Hokkaido, normal operations (Consolidation of the hotel operations was implemented in 1H)</li> <li>· Leased some hotel buildings located in Tokyo due to a request from administrative agencies for measures to prevent the spread of COVID-19</li> </ul> <p><b>[Overseas hotel operations]</b> (Jan. -Sept.)</p> <ul style="list-style-type: none"> <li>· Hawaii: 3 hotels and 3 golf courses remain in operation</li> <li>· StayWell: 2 hotels suspended operations as of the end of Sept. 2022</li> </ul> <p><b>[Sports operations]</b></p> <ul style="list-style-type: none"> <li>· Golf courses: Normal operations in all 28 golf courses (Except for winter closure)</li> <li>· Ski resorts: Operations for the 2022-2023 season have commenced in stages since Nov. 3</li> </ul>
Real Estate	<p><b>[Leasing operations]</b></p> <ul style="list-style-type: none"> <li>· In addition to suspending operations (from April 25 through May 14) at some commercial facilities located in Tokyo, business hours shortened</li> </ul>	<p><b>[Leasing operations]</b></p> <ul style="list-style-type: none"> <li>· Excluding changes to the business hours of certain commercial facilities, normal operations</li> </ul>
Other	<p><b>[Seibu Lions]</b></p> <ul style="list-style-type: none"> <li>· Held games with limited capacity of visitors in accordance with the policies of the national and local governments</li> </ul>	<p><b>[Seibu Lions]</b></p> <ul style="list-style-type: none"> <li>· Held games without spectators limit in 2022 baseball regular season</li> </ul> <p><b>[Yokohama Arena]</b></p> <ul style="list-style-type: none"> <li>· Temporary suspension due to a large scale renovation (Closed until July 31)</li> </ul>



# The progress of our initiatives in the Medium-term Management Plan (Management reforms)

Nine months ended Dec. 31, 2022

4Q onward

## ■ Asset-light business operation

- Signed the contract based on the earlier basic agreement with GIC with respect to the transfer of the part of the assets (31 assets) of the Hotel and Leisure business (June 30, 2022)

Transfer price : 147.1 billion yen  
 Book value (as of March 31, 2022) : 66.0 billion yen  
 Profit arising from the transfer : approx. 80.0 billion yen

\* The profit arising from the transfer is an approximate amount based on the transfer price and the book value as of March 31, 2022 without taking into account advisory costs, etc. related to the transfer

- ✓ Executed a transfer of subsidiary's 19 assets out of 31 assets (Sept. 30 and Dec. 1, 2022)

Name of the asset	Transfer date
<ul style="list-style-type: none"> <li>• The Prince Park Tower Tokyo</li> <li>• Sapporo Prince Hotel</li> <li>• Grand Prince Hotel Hiroshima</li> <li>• The Prince Kyoto Takaragaike</li> </ul>	Sept. 30, 2022
<ul style="list-style-type: none"> <li>• Six hotels such as Naeba Prince Hotel and Hakodate-Onuma Prince Hotel</li> <li>• Six Golf courses such as Hokkaido Country Club</li> <li>• Three ski resorts such as Naeba Ski Resort, Kagura Ski Resort</li> </ul>	Dec. 1, 2022

→ Booked 69.3 billion yen of gain on sale of non-current assets as of 3Q. Also booked 14.1 billion yen of impairment losses as of 3Q regarding the part of the assets scheduled to be transferred (partially completed)

- ✓ Scheduled to execute a transfer of subsidiary's 12 assets of 31 assets in 4Q (including 6 assets transferred on Feb. 1)

Name of the asset	(Scheduled) transfer date
<ul style="list-style-type: none"> <li>• Manza Prince Hotel and Manza Kogen Hotel</li> <li>• Ryuo Golf Course and Ohara-Onjuku Golf Course</li> <li>• Manza Onsen Ski Resort and Muikamachi Hakkaisan Ski Resort</li> </ul>	Feb. 1, 2023
<ul style="list-style-type: none"> <li>• Three hotels such as Sunshine City Prince Hotel</li> <li>• Tsumagoi Kogen Golf Course, Nichinan Kushima Golf Course</li> <li>• Shiga Kogen Yakebitaiyama Ski Resort</li> </ul>	Each day until March 31, 2023

- Acquisition and cancellation of preferred shares by consolidated subsidiary (March 28, 2023 (scheduled))

Decided to acquire and cancel all of the preferred shares (70.0 billion yen) issued by Seibu Railway Co., Ltd. in light of the progress in management reforms under the theme of asset-light

- Consolidated some of the non-current assets held by Seibu Railway into Seibu Realty Solutions

Implemented the consolidation of assets related to the Group's Hotel and Leisure business including some golf courses to manage them in a centralized and efficient manner

→ As a result of reviewing the future recoverability of the assets, booked 6.7 billion yen of impairment losses in 2Q

# The progress of our initiatives in the Medium-term Management Plan (Management reforms)

*Nine months ended Dec. 31, 2022*

*4Q onward*

## ■ Lowering the break-even point

### ■ Fixed expenses decreased by 19.0 billion yen (vs the same period in FY2019)

- ✓ Decrease of 13.0 billion yen came from Hotel and Leisure business (personnel expenses, depreciation, SG&A)
- ✓ Decrease of 6.7 billion yen came from Construction business (the removal of Seibu Construction from the scope of consolidation)

### □ Expect to reduce fixed expenses of 25.0 billion yen in FY2022 vs FY2019 \*Target announced on Sept. 29: 24.0 billion yen

- Implementing cost controls in response to rising energy prices and demands trends

*Nine months ended Dec. 31, 2022*

## ■ Management Reforms for Urban Transportation and Regional business

### ■ Decentralizing congestion and promoting the use of facilities along railway lines

July 2022

Established two types of ride point services: "Off-Peak Plus," where SEIBU Smile POINTS are accumulated when entering and leaving during specified times on weekday mornings, which are times other than peak riding times, and "Odekake Plus," where SEIBU Smile POINTS are accumulated when boarding a train under specific conditions when going out to sightseeing areas, events, etc. along the Seibu Railway lines

From April 2023, "Repeat Plus," which allows passengers to earn points by riding the same fare segment multiple times within the same month, will also begin

### ■ Promoting the use of express trains with reserved seating

Dec. 2022

Conducted a full renewal of the "Smooz" ticketless service that allows passengers to purchase limited express tickets and reserved-seat tickets on the Seibu Railway website

Strengthening membership ties by integrating the membership base with the SEIBU PRINCE CLUB

### ■ Promoting barrier-free environment by using a barrier-free fare system

Mar. 18, 2023: Will start collecting barrier-free fares at stations

- Period: Eight years (From Mar. 2023 through Mar. 2031), The amount to be collected annually: Approx. 4.9 billion yen  
The total amount to be collected: Approx. 39.2 billion yen  
Total funds required for the above plan (From Apr. 2021 through Mar. 2031): Approx. 55.7 billion yen (Newly building platform gates on 62 platforms of 23 stations, etc.)
- 10 yen per ride in principle will be added to passenger fares as a railway station barrier-free charge for all lines

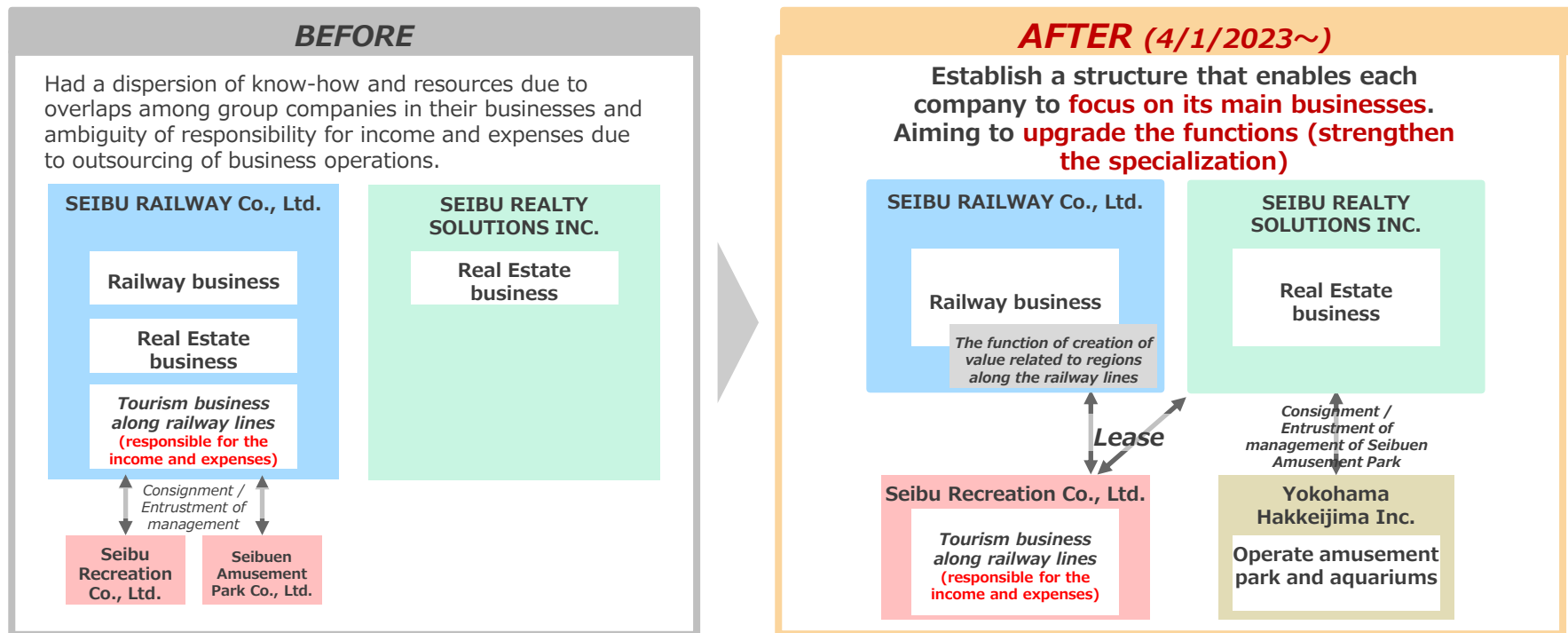
# The progress of our initiatives in the Medium-term Management Plan (Management reforms)

4Q onward

## Management Reforms for Urban Transportation and Regional business

### Review of organization and management structure (April 1, 2023 (scheduled))

- ✓ Decided to transfer real estates and review the management structure in the Tourism business along railway lines with the goal of improving profitability and building the best management structure that enhances group synergies in Urban Transportation and Regional business.
- ✓ Aiming for further growth in each business by consolidating the Group's know-how and resources and strengthening the specialization.



\* image

4Q onward

## ■ Management Reforms for Urban Transportation and Regional business

### □ Review of organization and management structure (April 1, 2023 (scheduled))

#### Transfer of real estate via the Company Split (from Seibu Railway to Seibu Realty Solutions)

- ✓ Transfer Seibu Railway's real estate other than that related to the railway business (book value: approx. 80.0 billion yen) to Seibu Realty Solutions

〈Details of the real estates to be transferred〉

- Seibuen area (the area excluding areas along the Yamaguchi Line and including Seibuen Amusement Park, Belluna Dome, Seibuen Golf Course, etc.)
- The site where "Warner Bros. Studio Tour Tokyo – The Making of Harry Potter" plans to open (a part of the former "Toshimaen Amusement Park" site)

#### SEIBU RAILWAY Co., Ltd.

Specializing in railway business, the core business, and value creating functions related to regions along the railway lines.

Due to enhancing its expertise and profitability, aiming to be a core entity of the mobility business.

#### SEIBU REALTY SOLUTIONS INC.

Working toward the optimal use, and maximization of the value of assets along the Seibu-lines in addition to its assets in urban centers and resort areas.

### "Best Management Structure for the Seibu Group" in the Tourism business along railway lines

- ✓ Changing the management structure with the aims of further improving the profitability by consolidating the resources and know-how held by the Group and improving the expertise of each operating company
  - ✓ The operator of Seibuen Amusement Park will be changed to Yokohama Hakkeijima Inc.
  - ✓ Kikusuitei will be operated under the MC by Seibu Prince Hotels Worldwide
  - ✓ Regarding other tourism facilities along the Seibu Railway lines, the management structure will be changed to one in which Seibu Recreation Co., Ltd. leases the facilities from the asset holder (Seibu Railway Co., Ltd. and Seibu Realty Solutions Inc.) and Seibu Recreation Co., Ltd. will be responsible for the income and expenses thereof

# The progress of our initiatives in the Medium-term Management Plan (Management reforms)

4Q onward

## ■ Sharing of back office (Establish a shared services company)

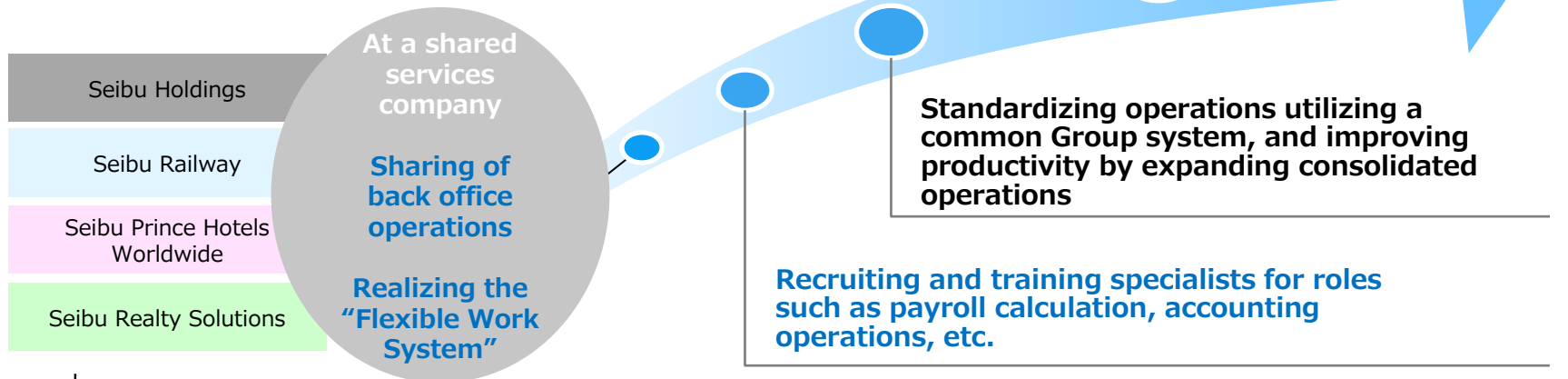
### □ Sharing of back office operations

- ✓ Established a shared services company (preparatory company) on Dec. 1, 2022, with (sales) operations to commence from June 2023
- ✓ During FY2022, promoting specific plans and preparations, such as organizational design and personnel system construction towards consolidation of business operations

### □ Realizing a new work style, the “Flexible Work System” — a flexible work style to accommodate individual lifestyles

Realizing a system in which ANYONE can work flexibly to fit in not only with childcare or nursing but also with study, interests, etc. (optional 4-day working week, telework-based workstyle, permission to take side job, etc.)

Enhancing profitability of the Group through shifting human resources to corporate planning operations and business companies



# The progress of our initiatives in the Medium-term Management Plan (Management reforms)

4Q onward

## ■ Structure for FY2023 and beyond based on Management reforms

- ✓ Building a structure to maximize corporate value and shareholder value post-COVID by Management Reforms for Urban Transportation and Regional business and sharing of back office (Establish a shared services company) as well as restructuring of our internal Group organization with SEIBU PRINCE HOTELS WORLDWIDE INC. and SEIBU REALTY SOLUTIONS INC. in April 2022



# The progress of our initiatives in the Medium-term Management Plan (Management reforms)

Nine months ended Dec. 31, 2022

4Q onward

## ■ Service transformation to suit the new normal

### Transform services for different ways of working

- April 4, 2022  
Opened “emiffice Tokorozawa,” our third “emiffice” shared office property, in the commercial facilities, “Grand Emio Tokorozawa,” directly connected to the Seibu Railway Tokorozawa Station
- April 11, 2022  
Began onsite viewings and rental applications for “Emi Cube SHAKUJII-KŌEN,” our third Emi Cube rental unit house property
- **Proposing hotel stays based on the concept of a “New Travel Style” involving work + vacation** at the Shinagawa Prince Hotel Annex Tower, which has a co-working space and a library in its lobby area

### Expand business field related to outdoor activities

- At Step Out Co., Ltd., we began **developing BBQ businesses** at city parks in metropolitan Tokyo
  - April 2022  
Started operations at seven parks in Chiba, Kanagawa, Saitama prefectures and Tokyo
  - June 2022  
Started operations at another park in Tokyo

### Realize seamless movement and living

- **BOPISTA, a logistics hub service using smart lockers**, to be fully operational by the end of 2023, with demonstration tests being conducted at 19 facilities in 10 locations along Seibu Railway lines, Kioicho, Marunouchi, and other areas



### Expand business field related to outdoor activities

- **February 2023**  
**Started BBQ business at a park in Tokyo**

### Collaboration inside and outside the Group

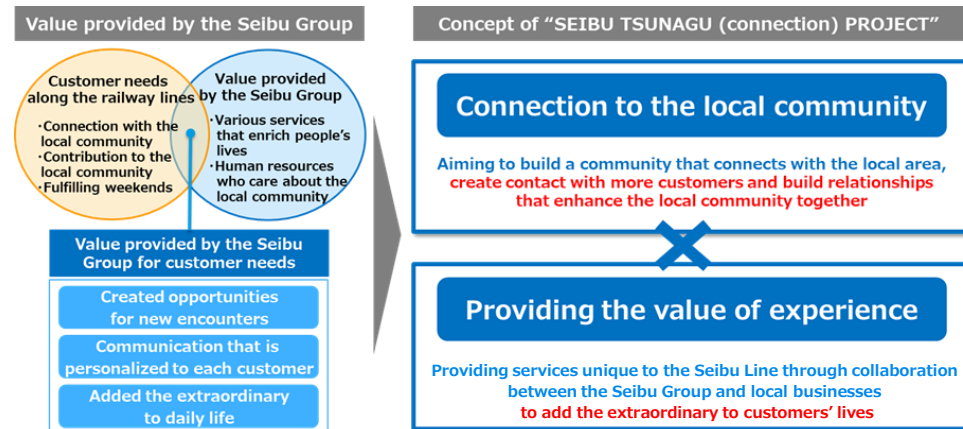
- July 2022
  - Purchased new shares issued by Allm Inc. through third-party allotment, with which we have maintained a business alliance, including opening PCR-specialized clinics in the Group facilities and providing accommodation plans with PCR pre-testing at Prince Hotels
  - Aiming to respond to essential needs for “safe, secure health and living” in the post-COVID-19 world and realize “creating a comfortable child-raising environment,” **we are working in collaboration with our partners to create various businesses, such as expanding available medical services for families with small children along the Seibu Lines**
- Sept. 28, 2022  
**Concluded a memorandum** with East Japan Railway Company **with regard to the field of railway technology**

# The progress of our initiatives in the mid-term management plan (Digital management)

Nine months ended Dec. 31, 2022

## Digital management

- April 1, 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
- April 2022  
Updated accounting system to adopt common system for administrative core systems throughout the Group
- July 2022
  - Launched the “SEIBU TSUNAGU (connection) PROJECT” as verification testing aimed at increasing the number of Seibu Group fans by creating more “easy-to-live” and “interesting” neighborhoods along the Seibu Railway lines
  - Provided a space as a place for local residents to feel comfortable becoming involved in the project and for like-minded people who want to create better communities to meet and take the next step
- Launched “Kaiyu Karuizawa,” a sightseeing and regional MaaS that allows the use and payment of on-demand travel and electronic tickets for transportation, as well as electronic tickets for use in regional affiliated stores, via smartphone (from Sept. 2022 to March 2023)
- October 2022  
Began sending emails using marketing automation with the aim of intra-group migration for customers utilizing the Group marketing platform
- Collaborated with Allm Inc. and others to propose a project that will develop health management functions that link medical data and Mynportal data and **communicate information like new lifestyle and social activities through railway companies, etc., using both digital and analogue channels.**  
Started an epidemiological study called the “New Normal Promotion Project” from Dec.  
Goal: Achieving both infection countermeasures and social and economic activity by realizing digital transformation of industrial, governmental, academic and citizenly infection countermeasures  
→ Selected as a “Business Supporting the Construction of Next-Generation Wellness Solutions for Tokyo 2022”





# The progress of our initiatives in the Medium-term Management Plan (Sustainability)

Nine months ended Dec. 31, 2022

4Q onward

## ■ Sustainability

### ■ April 2022

As a part of measures to reduce plastic waste, Prince Hotels started donating a certain amount of money to the environmental protection activities of local governments in areas where each hotel operates when guests voluntarily do not use their amenities or waive their daily hotel room cleaning

### ■ Selected continuously as a member of “MSCI Japan ESG Select Leaders Index” and “SOMPO Sustainability Index” in recognition of our ESG initiatives

### ■ July 2022

Joined the Ministry of the Environment’s “30by30 Alliance for Biodiversity” to achieve its “30by30 target,” aiming for the effective preservation of 30% or more of land and sea areas as healthy ecosystems by 2030



### ■ August 5, 2022

In collaboration with Chichibu Omotenashi Tourism Organization, etc., Seibu Realty Solutions renovated three old homes in the area around Seibu-Chichibu Station **Opened “NIPPONIA Chichibu Shrine Town” as a distributed-type lodging facility combining restaurants and cafes to create excitement about the Chichibu area and for sustainable regional revitalization**

### ■ January 2023

**Started preparatory work for demonstration tests with a wireless train control (CBTC) system** on the Tamagawa Line to realize more sustainable railway operations. Running tests are scheduled to begin in early FY2024

### ■ July 2022

- Created a web portal, **“Seibu Group’s Portal for COVID-19-Related Information,”** on the corporate website
- Built a system for residents living near the Seibu Railway lines to easily obtain information on local vaccination centers, PCR testing sites along the railway lines, in addition to PCR-specialized clinics and sales of PCR test kits at TOMONY, a convenience store inside stations

### ■ November 2022

To promote sustainable procurement throughout the supply chain with our business partners, we have established the **Seibu Group’s Sustainable Procurement Policy and Supplier Guidelines**, which set forth the direction of the Group with regard to procurement

### ■ December 2022

**SEIBU PRINCE HOTELS WORLDWIDE joined “TOKYO ETHICAL,”** a project launched by the Tokyo Metropolitan Government to further penetrate and promote ethical consumption, **as partner companies**

# The progress of our initiatives in the Medium-term Management Plan (Sustainability)

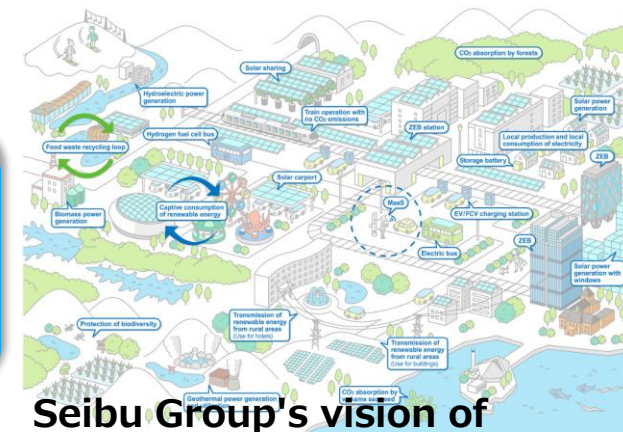
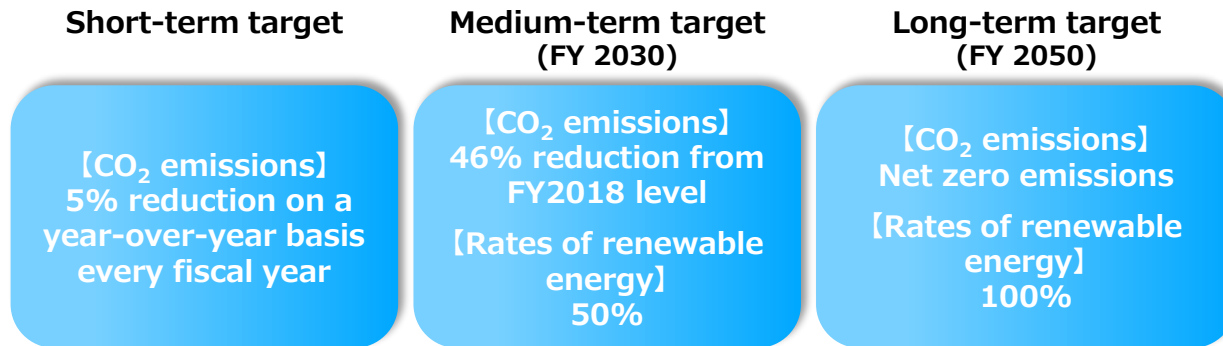
Nine months ended Dec. 31, 2022

4Q onward

## Sustainability (GHG reduction)

- April 2022  
Introduced green energy to DaiyaGate Ikebukuro supplied by Seibu Takeyama Solar Power Station managed by Seibu Railway and **achieved virtually zero CO<sub>2</sub> emissions**
- July 2022  
At Seibu Bus, we collaborated with ITOCHU ENEX CO., LTD. **to begin service of Japan's first passenger buses that use renewable diesel**, which is produced using waste edible oil, etc. as the raw materials
- Sept. 2022  
**Revised and newly established environmental load reduction targets** of the Group
- February 2023  
**Calculated and disclosed the volume of CO<sub>2</sub> emissions (scope 3)** to the extent that can be calculated in order to ascertain CO<sub>2</sub> emissions from the supply chain that are related to business activities  
URL:  
[https://www.seibuholdings.co.jp/en/sustainability/esg\\_data/](https://www.seibuholdings.co.jp/en/sustainability/esg_data/)
- March 2023  
**Plan to introduce solar power generation through an onsite PPA at the Karuizawa Prince Shopping Plaza** Contributing to a reduction in CO<sub>2</sub> emissions equivalent to approximately 870 t-CO<sub>2</sub> per year
- Oct. 2022  
Tokyo Garden Terrace Kioicho **achieved virtually zero CO<sub>2</sub> emissions** by powering the whole facility with renewable energy

## Environmental load reduction targets



Seibu Group's vision of society in 2050

# Major projects

Urban Transportation and Regional

FY2022/3

FY2023/3

FY2024/3 onward

Renewed on May 2021  
Seibuen Amusement Park

Dec. 2022  
Transferred the partial site of former Toshimaen (approx. 40,000m<sup>2</sup>)  
(To cooperate with the Tokyo City Planning, Park No. 5/5/10 Nerima-Joshi Park Project)



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

Spring 2023  
Renewal of Ikebukuro and Toshimaen station on Seibu Line

## Continuous grade separation of SS Line

Hotel and Leisure

Opened a new guest room building and hot spring building with onsen in April 2021  
Karuizawa Prince Hotel West

Opened in April 2022  
"Okinawa Prince Hotel ocean view Ginowan"

Scheduled to open in 2023  
"The Prince Kitano New York" (New York, USA)

## Expansion of Prince Smart INN



Opened in May 2021  
"Prince Smart INN Kyoto Shijo Omiya"

Opened in Oct. 2022 "Prince Smart INN Hakata"

Opened in Nov. 2022 "Prince Smart INN Naha"

Opened in April 2021  
"Prince Smart INN Atami"

Opened in April 2022  
"Prince Smart INN Kyoto Sanjo"

Opened in Nov. 2022 "Prince Smart INN Osaka Yodoyabashi"

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

## Global expansion by StayWell

(Main facilities scheduled to open)

"The Prince Akatoki" (Guangzhou, China)

"Park Regis by Prince Deira Islands" (Dubai, UAE)

"The Prince Akatoki Riverside Bangkok" (Bangkok, Thailand)

"Park Proxi El Hayat Sharm" (Arab Republic of Egypt)

Real Estate

July 2021  
Emio Hibarigaoka reopened scaling up operations



In Dec. 2021 "Emi Cube Sakuradai" started accepting rental applications

In March 2022 "Emi Base Iruma Kagiya" started accepting rental applications

April 2022 Emiffice Tokorozawa opened

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

In fall 2024  
Plan to open Tokorozawa Station West Exit Development Plan

July 2021  
Launched "Karuizawa Prince The Workation Core"



Nov. 2022  
Shinagawa Station West gate district plan Change in the urban redevelopment project Proceeding with fully-fledged considerations regarding the development plan with the aim of a higher floor area ratio. Will formulate a district maintenance plan that, in phases, implements business, commercial, residential, etc. functions, while utilizing the integrated functions of the existing MICE and lodging.

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

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

# Business Overview of "Tokorozawa Station West Exit Development Plan"

**Promoting urban planning to transform the Tokorozawa area from a "residential bed-town" to a "living town" with the four elements of "live, work, learn, and play" with the key phrase, "Smile Living Town - Make this town your home."**

**A commercial facility attracting visitors from a wide area is scheduled to open in fall 2024**

## 【Business Overview】

Business Owner	Seibu Railway Co. Ltd., Sumitomo Corporation
Construction	Nov. 2022
Scheduled Opening Date	In fall 2024
Operating Cost	Approx. 29.5 billion yen
Site Area	Approx. 34,000m <sup>2</sup>
Total Floor Area	Approx. 129,000m <sup>2</sup>
No. of Floors	Seven floors above ground (Four commercial floors)
No. of Stores	Approx. 150



(Image)

(1F)  
Next-generation market floor  
for daily life that is friendly to  
people and the environment



1F Southwest side food court  
(Image)

(2F)  
Trend-setting fashion and  
lifestyles floor



2F Plaza space (Image)  
©SEIBU Lions

(3F)  
Family-oriented tenant floor



(4F)  
Restaurant floor integrating a rooftop  
plaza and indoor space



4F Rooftop plaza (Image)

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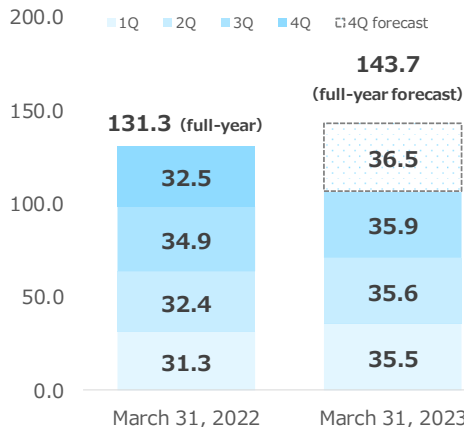
# Urban Transportation and Regional Overview

millions of yen

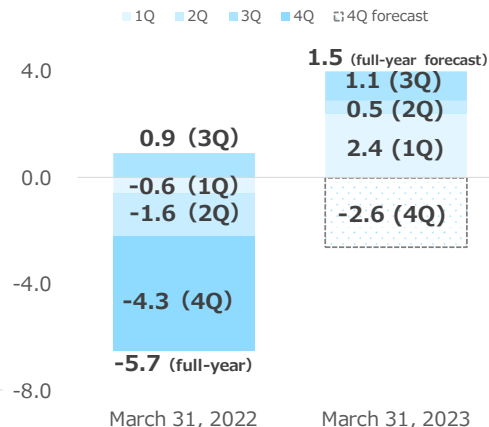
	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / % )		Details (+)Increase factor, (-)Decrease factor
Operating revenue	98,758	107,137	8,378	8.5%	
Railway operations	62,450	67,739	5,289	8.5%	(+) Increase in railway transportation revenue
Bus operations	15,402	16,648	1,246	8.1%	(+) Increase in bus transportation revenue
Lifestyle service operations along railway lines	16,356	17,644	1,288	7.9%	(+) Increase in users of leisure facilities along railway lines such as Seibuen Amusement Park
Sports operations	2,071	2,284	213	10.3%	
Others	2,478	2,818	340	13.7%	(+) Increase in taxi revenue
Operating profit	(1,403)	4,190	5,593	-	(+) Increase in operating revenue (+) Decrease in depreciation and repair expenses
EBITDA	15,262	20,228	4,966	32.5%	(-) Increase in power & fuel costs and general & administrative expenses

## Changes by quarter billions of yen

### Operating revenue



### Operating profit



## Major expenses in Railway operations at Seibu Railway

millions of yen

	9months ended December 31, 2022	YoY change
Personnel expenses	19,820	(50)
Repair expenses	4,554	(337)
Power costs	5,911	1,836
Depreciation	12,267	(624)
Non-current asset retirement costs	309	(240)

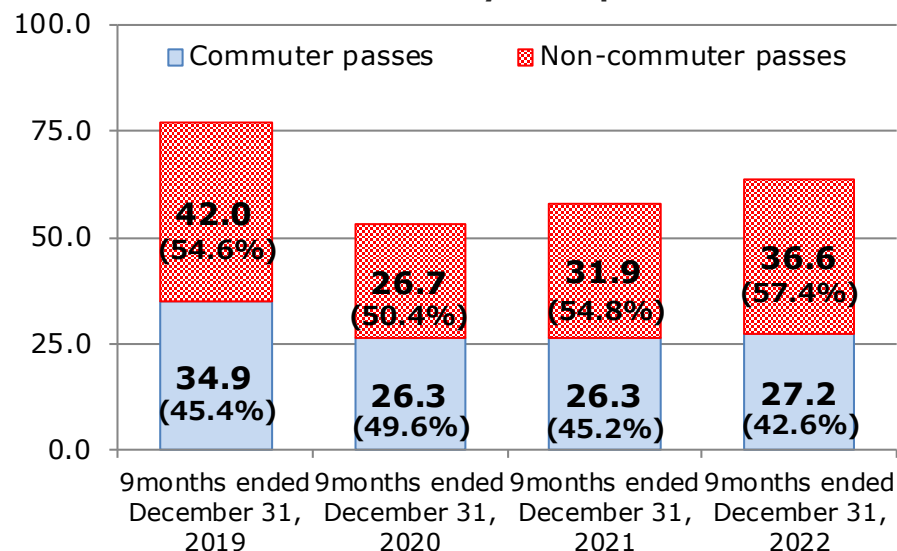
# Urban Transportation and Regional: Indicators of Railway operations

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

thousands of passengers, millions of yen

		9months ended December 31, 2019	9months ended December 31, 2020	YoY change	9months ended December 31, 2021	YoY change	9months ended December 31, 2022	YoY change
Number of passengers	Commuter passes	323,118	229,920	(28.8%)	236,794	3.0%	256,061	8.1%
	Non-commuter passes	189,096	124,963	(33.9%)	147,592	18.1%	166,930	13.1%
	Total	512,215	354,884	(30.7%)	384,387	8.3%	422,992	10.0%
Sales from railway transportation	Commuter passes	34,931	26,303	(24.7%)	26,369	0.3%	27,233	3.3%
	Non-commuter passes	42,016	26,778	(36.3%)	31,919	19.2%	36,627	14.7%
	Total	76,947	53,082	(31.0%)	58,289	9.8%	63,860	9.6%

billions of yen **Sales from railway transportation** \* ( ) percentage breakdown



# Hotel and Leisure Overview

millions of yen

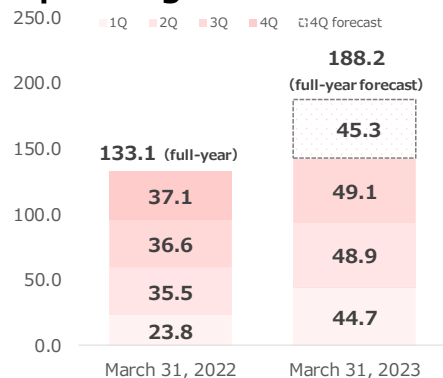
	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / %)		Details (+)Increase factor, (-)Decrease factor
Operating revenue	96,051	142,892	46,840	48.8%	
Domestic hotel operations (Ownership / Lease)	55,942	90,441	34,499	61.7%	(+) Increase in users of hotels (+) Increase in leased hotel buildings due to a request from administrative agencies for measures to prevent the spread of COVID-19 (-) Fallback of demand accompanied by the Olympic and Paralympic Games in the previous year (-) Decrease due to the shift from ownership to MC followed by some hotels transfer: -4.1 billion yen
Domestic hotel operations (MC / FC)	53	2,339	2,285	-	(+) Increase due to the shift from ownership to MC followed by some hotels transfer: +2.1 billion yen
Overseas hotel operations (Ownership / Lease) *	16,342	22,396	6,054	37.0%	(+) Increase in users of hotels
Overseas hotel operations (MC / FC)*	87	189	101	115.2%	
Sports operations (Ownership / Lease)	11,294	12,588	1,293	11.5%	(+) Increase in users of golf courses (-) Decrease due to the shift from ownership to MC followed by some golf courses and ski resorts transfer : -0.2 billion yen
Sports operations (MC / FC)	-	128	128	-	(+) Increase due to the shift from ownership to MC followed by some golf courses and ski resorts transfer : +0.1 billion yen
Others	12,330	14,809	2,478	20.1%	(+) Increase in users at Yokohama Hakkeijima Sea Paradise and Maxell Aqua Park Shinagawa
Operating profit	(22,587)	3,014	25,602	-	(+) Increase in operating revenue (including the impact of the asset transfer: +1.0 billion yen (net)) (+) Decrease in selling, general and administrative expenses
EBITDA	(10,035)	15,485	25,521	-	(-) Increase in utility costs and personnel expenses (-) Fixed expenses of 5.3 billion yen transferred to extraordinary losses (previous fiscal year)

\* Third quarter accounting periods for entities in overseas hotel operations are mainly Jan. to Sept.

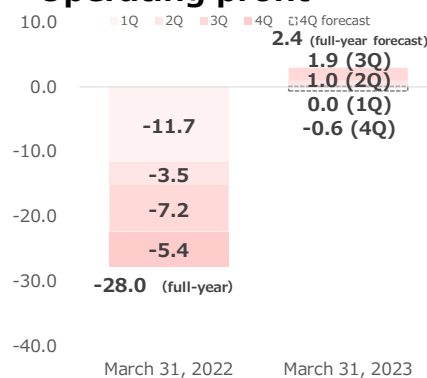
Reportable segments and breakdown classification were changed as of April 1, 2022. (See page 41-42)  
The figures in the previous year were presented based on the reportable segments after the change.

## Changes by quarter

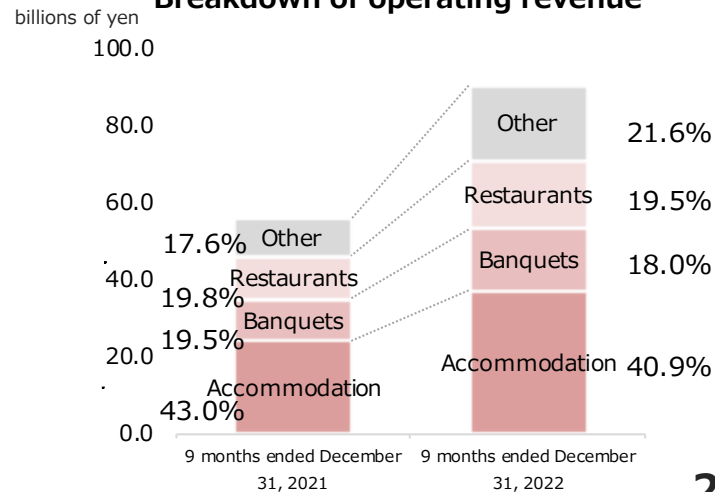
### Operating revenue



### Operating profit



## Domestic hotel operations (Ownership / Lease) Breakdown of operating revenue





# Hotel and Leisure: Key indicators

## Indicators of Domestic hotel operations

RevPAR, room rates in yen

		9months ended December 31, 2019	9months ended December 31, 2020	YoY change	9months ended December 31, 2021	YoY change	9months ended December 31, 2022	YoY change
RevPAR	Ownership / Lease	13,055	3,286	(74.8%)	5,052	53.8%	7,883	56.0%
	MC / FC	—	4,008	—	5,518	37.7%	9,402	70.4%
	All	13,055	3,300	(74.7%)	5,070	53.7%	8,021	58.2%
Average daily rate (ADR)	Ownership / Lease	16,385	17,274	5.4%	16,426	(4.9%)	15,885	(3.3%)
	MC / FC	—	25,076	—	17,198	(31.4%)	18,854	9.6%
	All	16,385	17,404	6.2%	16,458	(5.4%)	16,155	(1.8%)
Occupancy rate	Ownership / Lease	79.7%	19.0%	(60.7pt)	30.8%	11.7pt	49.6%	18.9pt
	MC / FC	—	16.0%	—	32.1%	16.1pt	49.9%	17.8pt
	All	79.7%	19.0%	(60.7pt)	30.8%	11.8pt	49.6%	18.8pt

## Reference: By area (Overall Domestic hotel operations)

		9months ended December 31, 2019	9months ended December 31, 2020	YoY change	9months ended December 31, 2021	YoY change	9months ended December 31, 2022	YoY change
RevPAR	Greater Tokyo Area & Central Japan	14,559	2,778	(80.9%)	4,896	76.2%	7,511	53.4%
	Takanawa and Shinagawa area	14,200	1,685	(88.1%)	3,676	118.1%	5,780	57.2%
	East Japan	9,690	3,637	(62.5%)	5,554	52.7%	9,217	65.9%
	Karuizawa area	21,569	12,069	(44.0%)	15,754	30.5%	23,001	46.0%
	West Japan	11,927	5,798	(51.4%)	5,141	(11.3%)	8,515	65.6%
Average daily rate (ADR)	Greater Tokyo Area & Central Japan	16,944	17,269	1.9%	16,254	(5.9%)	15,691	(3.5%)
	Takanawa and Shinagawa area	15,789	14,424	(8.6%)	15,682	8.7%	13,706	(12.6%)
	East Japan	15,229	17,805	16.9%	17,313	(2.8%)	17,126	(1.1%)
	Karuizawa area	29,880	34,205	14.5%	32,080	(6.2%)	33,236	3.6%
	West Japan	14,885	17,230	15.8%	15,877	(7.9%)	16,573	4.4%
Occupancy rate	Greater Tokyo Area & Central Japan	85.9%	16.1%	(69.8pt)	30.1%	14.0pt	47.9%	17.7pt
	Takanawa and Shinagawa area	89.9%	11.7%	(78.3pt)	23.4%	11.8pt	42.2%	18.7pt
	East Japan	63.6%	20.4%	(43.2pt)	32.1%	11.7pt	53.8%	21.7pt
	Karuizawa area	72.2%	35.3%	(36.9pt)	49.1%	13.8pt	69.2%	20.1pt
	West Japan	80.1%	33.6%	(46.5pt)	32.4%	(1.3pt)	51.4%	19.0pt

Note1: The hotel names in each category are noted on page 44.

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 suspended based on demand trends.

# Hotel and Leisure: Key indicators

## Indicators of Overseas hotel operations (Ownership/Lease) \* Jan. – Sept.

### ■ Hawaii

	9months ended September 30, 2019	9months ended September 30, 2020	YoY change	9months ended September 30, 2021	YoY change	9months ended September 30, 2022	YoY change
RevPAR ( ¥ )	31,401	9,423	(70.0%)	27,769	194.7%	38,460	38.5%
RevPAR ( \$ )	273.06	88.90	(67.4%)	257.12	189.2%	356.11	38.5%
Average daily rate ( ¥ )	38,424	36,811	(4.2%)	39,150	6.4%	46,332	18.3%
Average daily rate ( \$ )	334.12	347.28	3.9%	362.50	4.4%	429.00	18.3%
Occupancy rate	81.7%	25.6%	(56.1pt)	70.9%	45.3pt	83.0%	12.1pt

### ■ The Prince Akatoki London

	9months ended September 30, 2020	9months ended September 30, 2021	YoY change	9months ended September 30, 2022	YoY change
RevPAR ( ¥ )	7,259	5,388	(25.8%)	23,762	341.0%
RevPAR ( £ )	53.78	36.97	(31.2%)	169.20	357.6%
Average daily rate ( ¥ )	29,871	38,318	28.3%	49,928	30.3%
Average daily rate ( £ )	221.29	262.93	18.8%	355.52	35.2%
Occupancy rate	24.3%	14.1%	(10.2pt)	47.6%	33.5pt

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

## Overall Domestic hotel operations

in thousands of persons

		9months ended December 31, 2019	9months ended December 31, 2020	YoY change	9months ended December 31, 2021	YoY change	9months ended December 31, 2022	YoY change
Number of customers	Japanese customers	2,831	1,238	(56.3%)	1,750	41.4%	2,870	63.9%
	Non-Japanese customers	983	3	(99.7%)	27	821.5%	165	496.5%
	Total	3,814	1,241	(67.5%)	1,778	43.3%	3,035	70.7%
	Ratio of Non-Japanese customers	25.8%	0.2%	(25.5pt)	1.6%	1.3pt	5.5%	3.9pt

## Reference: Domestic hotel operations (Ownership / Lease)

in thousands of persons, millions of yen

		9months ended December 31, 2019	9months ended December 31, 2020	YoY change	9months ended December 31, 2021	YoY change	9months ended December 31, 2022	YoY change
Number of customers	Japanese customers	2,831	1,213	(57.1%)	1,682	38.6%	2,597	54.4%
	Non-Japanese customers	983	2	(99.7%)	22	650.1%	144	543.9%
	Total	3,814	1,216	(68.1%)	1,704	40.1%	2,741	60.8%
	Ratio of Non-Japanese customers	25.8%	0.2%	(25.5pt)	1.3%	1.1pt	5.3%	4.0pt
Room revenue	Non-Japanese customers	21,108	148	(99.3%)	3,175	2,041.9%	4,002	26.1%
	Ratio of Non-Japanese customers	37.9%	1.0%	(36.8pt)	14.6%	13.5pt	12.0%	(2.6pt)

## Reference: Domestic hotel operations (Ownership / Lease)

### Breakdown of number and room revenue of Non-Japanese customers

		Number of Non-Japanese customers		Room revenue of Non-Japanese customers	
		9months ended December 31, 2021	9months ended December 31, 2022	9months ended December 31, 2021	9months ended December 31, 2022
Breakdown by country/area of guests	China	5.2%	6.2%	5.6%	6.4%
	Taiwan	0.2%	8.1%	0.1%	5.4%
	Korea	0.4%	15.2%	0.6%	11.5%
	Hong Kong	0.2%	7.2%	0.5%	6.9%
	Thailand	0.7%	11.6%	0.4%	6.4%
	Other Asia	1.2%	19.8%	1.8%	16.6%
	North America & Europe	35.1%	22.8%	48.3%	35.8%
	Other	57.0%	9.0%	42.7%	10.9%

# Real Estate Overview

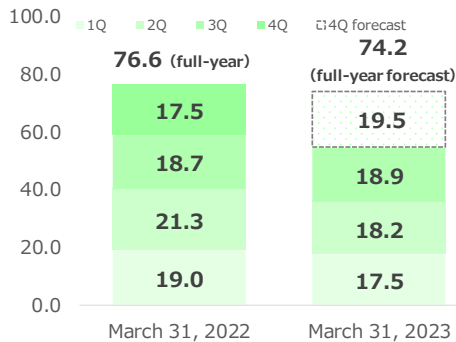
millions of yen

	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / %)		Details (+)Increase factor, (-)Decrease factor
Operating revenue	59,126	54,637	(4,488)	(7.6%)	
Leasing operations	36,235	31,692	(4,543)	(12.5%)	(-) Decrease in inter-segment transactions followed by organizational restructuring in the Group (leasing within the Group, etc.) * No impact on profit (-) Fall-back from occurrence of cancellation fees in conjunction with the withdrawal of tenants in the previous year
Others	22,890	22,945	55	0.2%	(-) Decrease in the number of land sales in our resort areas, etc. (-) Decrease in revenue of landscape work (-) Decrease in fee revenue from insurance agency business (+) Increase in Seibu SCCAT's revenue * Minor impact on profit
Operating profit	17,418	9,757	(7,660)	(44.0%)	(-) Decrease in operating revenue
EBITDA	26,443	18,498	(7,944)	(30.0%)	(-) Increase in selling, general and administrative expenses

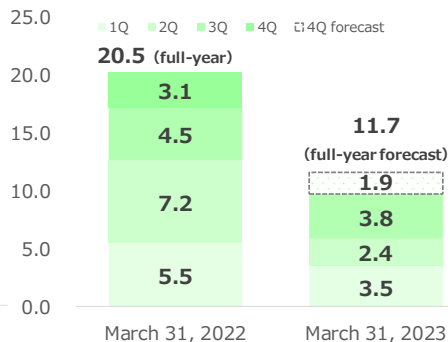
Reportable segments and breakdown classification were changed as of April 1, 2022. (See page 41-42)  
The figures in the previous year were presented based on the reportable segments after the change.

## Changes by quarter billions of yen

### Operating revenue



### Operating profit



## Leasing space

in thousands of square meters

	As of December 31, 2019	As of December 31, 2020	As of December 31, 2021	As of December 31, 2022	YoY change
Commercial retail	246	247	244	244	0
Office/Residential	204	207	194	202	7

Note: The lease of land is not included.

## Vacancy rate for leasable space

	As of December 31, 2019	As of December 31, 2020	As of December 31, 2021	As of December 31, 2022	YoY change
Commercial retail	1.0%	2.3%	2.2%	2.1%	(0.1pt)
Office/Residential	3.6%	2.3%	8.4%*	4.5%	(3.9pt)

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

# Other Overview, Operating revenue in sports-related businesses

## Other

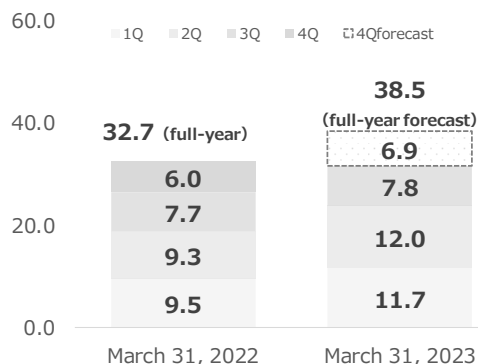
millions of yen

	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / %)		Details (+)Increase factor, (-)Decrease factor
Operating revenue	26,671	31,576	4,904	18.4%	(+) Increase in the number of professional baseball league spectators (+) Expanding demand for tourism and increase in users of bus and taxi in the Izu Hakone business and the Ohmi business (+) Increase in events held at Yokohama Arena and Belluna Dome (-) Temporary suspension of operations due to Yokohama Arena's renovation (From Jan. through July 2022)
Operating profit	(1,066)	1,829	2,895	-	(+) Increase in operating revenue
EBITDA	2,058	4,776	2,718	132.0%	

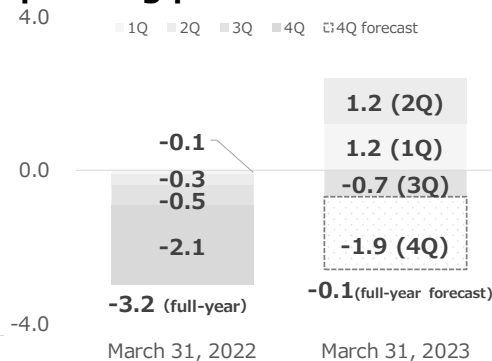
## Changes by quarter

billions of yen

### Operating revenue



### Operating profit



## Operating revenue of sports-related businesses \*

millions of yen

	9months ended December 31, 2021	9months ended December 31, 2022	YoY change (Amount / %)		Details
Operating revenue	27,306	31,515	4,209	15.4%	Urban Transportation and Regional (Sports operations) YoY +0.2 billion Hotel and Leisure (Sports operations) YoY +1.4 billion yen Other (Sports business) YoY +2.5 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

	9months ended December 31, 2021	9months ended December 31, 2022	YoY change	Details
Operating revenue	300,282	320,523	20,240	Urban Transportation and Regional: +8.3 billion yen, Hotel and Leisure: +46.8 billion yen, Real Estate: -4.4 billion yen, Construction: -49.4 billion yen, Other: +4.9 billion yen, Adjustments: +14.0 billion yen
Operating profit	(4,410)	20,127	24,537	Urban Transportation and Regional: +5.5 billion yen, Hotel and Leisure: +25.6 billion yen, Real Estate: -7.6 billion yen, Construction: -3.2 billion yen, Other: +2.8 billion yen, Adjustments: +1.3 billion yen
Non-operating income	3,455	5,067	1,612	
Non-operating expenses	8,073	6,886	(1,186)	
Ordinary profit	(9,028)	18,308	27,337	
Extraordinary income	23,591	81,489	57,897	(Current fiscal year) Gain on sale of non-current assets: 79.9 billion yen (Previous fiscal year) Gain on sale of non-current assets: 13.7 billion yen Subsidies for employment adjustment: 8.3 billion yen
Extraordinary losses	12,319	23,586	11,266	(Current fiscal year) Impairment losses: 22.0 billion yen (Previous fiscal year) Loss on temporary suspension of operations: 5.3 billion yen Loss on sale of shares of subsidiaries: 3.5 billion yen
Profit before income taxes	2,242	76,211	73,968	
Income taxes	9,615	4,585	(5,029)	Income taxes - current: +7.2 billion yen Income taxes - deferred: -12.2 billion yen
Profit	(7,372)	71,625	78,998	
Profit attributable to non-controlling interests	1,496	1,120	(375)	
Profit attributable to owners of parent	(8,868)	70,504	79,373	

# Non-operating income and expenses and extraordinary income and losses

millions of yen

	9months ended December 31, 2021	9months ended December 31, 2022	YoY change	Details
Operating profit	(4,410)	20,127	24,537	
Non-operating income	3,455	5,067	1,612	
Interest and dividend income	859	891	32	
Subsidy to keep a bus on a regular route	379	370	(8)	
Share of profit of entities accounted for using equity method	1	—	(1)	
Subsidies for infection-prevention measures	819	1,011	192	
Other	1,394	2,792	1,398	
Non-operating expenses	8,073	6,886	(1,186)	
Interest expenses	6,909	5,874	(1,034)	
Share of loss of entities accounted for using equity method	—	12	12	
Other	1,164	999	(164)	
Ordinary profit	(9,028)	18,308	27,337	
Extraordinary income	23,591	81,489	57,897	
				(Current fiscal year)
Gain on sale of non-current assets	13,782	79,962	66,179	Transferring of the part of the assets of the Hotel and Leisure business including The Prince Park Tower Tokyo: 69.3 billion yen Transferring of the partial site of former Toshimaen: 8.2 billion yen (Previous fiscal year) Transferring (securitizing) of Shin-Yokohama Square Bldg., Shin-Yokohama Seibu Bldg. and Shibakoen 2-chome Bldg.
Contribution for construction	989	50	(938)	
Subsidy income	14	18	3	
Gain on sales of investment securities	—	1,164	1,164	
Subsidies for employment adjustment	8,391	—	(8,391)	
Other	414	293	(120)	
Extraordinary losses	12,319	23,586	11,266	
				(Current fiscal year)
Impairment losses	541	22,034	21,493	Impairment losses regarding the part of the assets of the Hotel and Leisure business scheduled to be transferred (partially completed): 14.1 billion yen Shin Musashigaoka Golf Course, Kuni Country Club and Musashigaoka Golf Course: 6.7 billion yen
Loss on sale of non-current assets	9	0	(8)	
Loss on retirement of non-current assets	1,357	1,183	(173)	
Tax purpose reduction entry of contribution for construction	905	50	(855)	
Loss on tax purpose reduction entry of non-current assets	9	17	7	
Loss on sale of shares of subsidiaries	3,574	—	(3,574)	(Previous fiscal year) Transfer of shares of Seibu Construction Supply Co., Ltd.
Loss on valuation of investment securities	18	141	122	
Loss on temporary suspension of operations	5,345	—	(5,345)	(See page 6, "Fixed expenses transferred to extraordinary losses")
Other	557	158	(398)	
Profit before income taxes	2,242	76,211	73,968	



# Summary of consolidated balance sheet

millions of yen

	March 31, 2022	December 31, 2022	YoY change	Details
Total assets	1,703,442	1,583,533	(119,908)	
Current assets	135,713	89,212	(46,501)	Cash and deposits: -65,235 Notes and accounts receivable - trade, and contract assets: +4,519 Other: +14,050 (increased accounts receivable related to land transfers, etc.)
Non-current assets	1,567,729	1,494,321	(73,407)	Property, plant and equipment and Intangible assets: -69,303 Retirement benefit asset -1,159 Deferred tax assets: -1,156 Investment securities: -1,085
Total liabilities	1,316,225	1,116,493	(199,732)	
Current liabilities	451,186	284,716	(166,470)	Short-term borrowings: -166,976 Provision for bonuses: -2,363 Notes and accounts payable - trade: -1,348 Other: -8,697 (decrease in accounts payable for construction contracts) Advances received: +11,620 Income taxes payable: +1,549
Non-current liabilities	865,038	831,776	(33,261)	Long-term borrowings: -27,204 Deferred tax liabilities: -7,510 Long-term accounts payable to Japan railway construction, transport and technology agency: -1,098 Lease liabilities: +3,254
Total net assets	387,217	467,040	79,823	
Equity	311,141	391,530	80,388	Retained earnings: +67,787 Foreign currency translation adjustment: +15,148 Remeasurements of defined benefit plans: -1,627 Valuation difference on available-for-sale securities: -1,451
Non-controlling interests	75,777	75,316	(460)	
Interest-bearing debt	931,116	737,678	(193,437)	
Net interest-bearing debt	843,628	715,425	(128,202)	
Equity-to-asset ratio	18.3%	24.7%	6.5pt	
D/E ratio (times)	3.0	1.9	(1.1)	

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# Consolidated earnings forecast for FY2023/3 (revised)

Revised up the earnings forecast announced on Sept. 29 based on the current trend, etc.

## ■ FY2023/3 (forecast)

	March 31, 2023 (Previous forecast*)	March 31, 2023 (Current forecast)	Change from previous forecast (amount)	March 31, 2022	YoY change (Amount / % )	
Operating revenue	416.0	424.0	8.0	396.8	27.1	6.8%
Operating profit	13.0	17.0	4.0	(13.2)	30.2	—
EBITDA	70.0	74.0	4.0	42.4	31.5	74.5%
Ordinary profit	11.0	14.0	3.0	(17.4)	31.4	—
Profit attributable to owners of parent	75.0	79.0	4.0	10.6	68.3	643.7%

billions of yen

\* Announced on Sept. 29, 2022

## • Fixed expenses

- Aiming to achieve a cost reduction of 25.0 billion yen because of the transfer of the part of assets of the Hotel and Leisure business vs the previous target of 24.0 billion yen (vs FY2019)
- An increase of power cost of 2.6 billion yen (vs FY2021) in Railway operations in the Urban Transportation and Regional business has been factored in the above forecasts (An increase of 2.1 billion yen had been factored in the previous forecast (vs FY2021))

## • Transferred (securitized) the part of assets of Hotel and Leisure business

The revenue, profit and profit arising from the transfer of target business sites are taken into account on the assumption that the six assets scheduled to be transferred after the 3Q earnings announcement on 2/9/2023 would be delivered at the end of March 2023

【Revenue and profit of the six assets that are factored in 4Q forecast for March 2023】

Operating revenue: approx. 2.1 billion yen, Gross profit: approx. 0.2 billion yen

# Earnings forecast by segment (operating revenue)

	billions of yen					
	March 31, 2023 (Previous forecast*)	March 31, 2023 (Current forecast)	Change from previous forecast (amount)	Details (+)Increase factor, (-)Decrease factor	March 31, 2022	YoY change (Amount / %)
Urban Transportation and Regional	144.7	143.7	(1.0)	(-) Downward in Lifestyle service operations along railway lines and Bus operations (+) Upturn in railway transportation revenue in 3Q	131.3	12.3 9.4%
Hotel and Leisure	187.3	188.2	0.9	(+) Upturn in users of hotels in Japan in 2H (-) The impact for transferring the part of assets	133.1	55.0 41.3%
Real Estate	73.1	74.2	1.1	(+) Increase in the number of land sales in our resort areas, etc. (+) Increase in users of commercial facilities in 3Q	76.6	(2.4) (3.2%)
Construction	-	-	-		62.2	(62.2) (100.0%)
Other	38.0	38.5	0.5	(+) Additional acquisition of events held at Yokohama Arena and Belluna Dome in 3Q (+) Upturn in the number of professional baseball league spectators	32.7	5.7 17.5%
Adjustments	(27.1)	(20.6)	6.5	(+) Difference mainly due to foreign exchange impact	(39.3)	18.7 -
Consolidated	416.0	424.0	8.0		396.8	27.1 6.8%

\* Announced on Sept. 29, 2022

Note: Reportable segments were changed as of April 1, 2022. (See page 41-42)

The figures in 2022/3 were presented based on the reportable segments after the change.

# Earnings forecast by segment (operating profit, EBITDA)

## ■ Operating profit

							billions of yen		
	March 31, 2023 (Previous forecast*)	March 31, 2023 (Current forecast)	Change from previous forecast (amount)	Details			March 31, 2022	YoY change (Amount / %)	
				(+ )Increase factor, (-)Decrease factor					
Urban Transportation and Regional	1.4	1.5	0.1	(+ ) Downward in general & administrative expenses, repair costs and personnel expenses in 3Q (- ) Downward in operating revenue (- ) Upturn in power & fuel costs in 4Q			(5.7)	7.2	-
Hotel and Leisure	2.3	2.4	0.1	(+ ) Upturn in operating revenue (- ) Increase in personnel expenses and utility costs			(28.0)	30.4	-
Real Estate	10.0	11.7	1.7	(+ ) Upturn in operating revenue (+ ) Decrease in repair costs and taxes & dues			20.5	(8.8)	(43.1%)
Construction	-	-	-				3.1	(3.1)	(100.0%)
Other	(1.1)	(0.1)	1.0	(+ ) Upturn in operating revenue (+ ) Downward in repair costs in 4Q			(3.2)	3.1	-
Adjustments	0.4	1.5	1.1	(+ ) Difference mainly due to foreign exchange impact			0.0	1.4	-
Consolidated	13.0	17.0	4.0				(13.2)	30.2	-

## ■ EBITDA

							billions of yen		
	March 31, 2023 (Previous forecast*)	March 31, 2023 (Current forecast)	Change from previous forecast (amount)	Details			March 31, 2022	YoY change (Amount / %)	
Urban Transportation and Regional	23.7	23.8	0.1				16.7	7.0	42.1%
Hotel and Leisure	20.1	19.5	(0.6)				(11.1)	30.6	-
Real Estate	21.7	23.4	1.7				32.5	(9.1)	(28.1%)
Construction	-	-	-				3.3	(3.3)	(100.0%)
Other	2.9	3.9	1.0				0.8	3.0	365.4%
Adjustments	1.6	3.4	1.8				0.0	3.3	-
Consolidated	70.0	74.0	4.0				42.4	31.5	74.5%

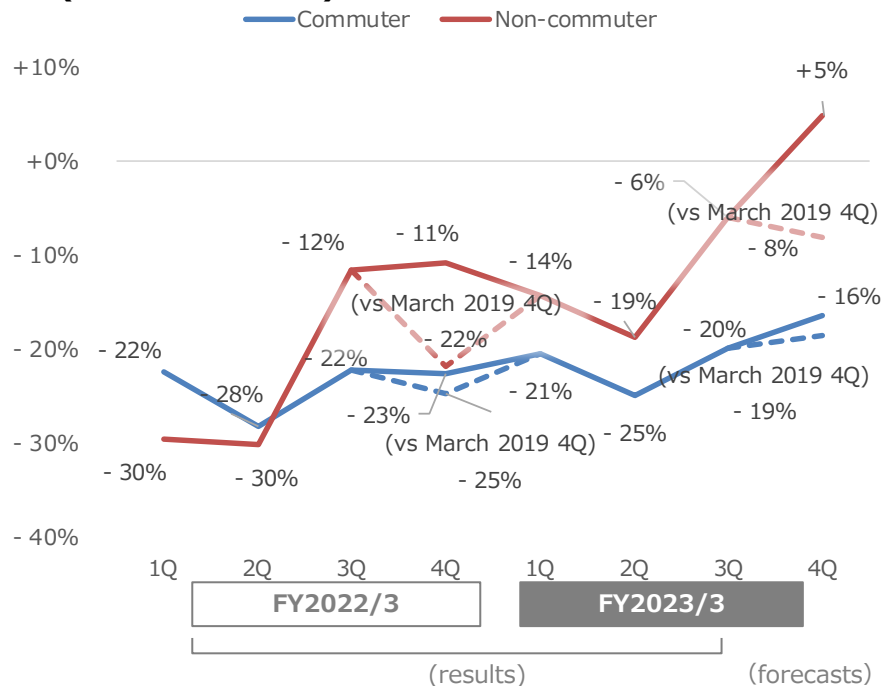
\* Announced on Sept. 29, 2022

Note: Reportable segments were changed as of April 1, 2022. (See page 41-42)

The figures in 2022/3 were presented based on the reportable segments after the change.

# Assumptions for earnings forecasts (Railway operations)

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



## ■ Estimates for the number of passengers

	March 31, 2023 (Previous forecast*)	March 31, 2023 (Current forecast)	Change from previous forecast (amount)	thousand of passengers	
				March 31, 2022	YoY change
Commuter passes	336,076	339,066	2,990	312,309	8.6%
Non-commuter passes	219,254	222,335	3,080	195,756	13.6%
Total	555,330	561,401	6,071	508,066	10.5%

## ■ Estimates for sales from railway transportation

	March 31, 2023 (Previous forecast*)	March 31, 2023 (Current forecast)	Change from previous forecast (amount)	millions of yen	
				March 31, 2022	YoY change
Commuter passes	36,062	36,411	348	34,861	4.4%
Non-commuter passes	48,010	48,849	838	42,308	15.5%
Total	84,073	85,260	1,186	77,169	10.5%

\* Announced on Sept. 29, 2022

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

	2022	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
Commuter passes		4.4%	13.4%	10.3%	8.7%	6.8%	14.1%	6.3%	4.2%	5.9%	5%
vs FY2019		(17.7%)	(28.0%)	(21.7%)	(24.2%)	(26.7%)	(24.2%)	(17.0%) <sup>1</sup>	(26.2%)	(14.6%) <sup>2</sup>	(30%) <sup>2</sup>
Non-commuter passes		13.8%	29.5%	16.4%	8.5%	19.7%	19.3%	10.0%	4.1%	2.4%	13%
vs FY2019		(13.7%)	(10.0%)	(9.8%)	(18.1%)	(16.4%)	(11.7%)	(2.5%) <sup>1</sup>	(5.7%)	(6.6%) <sup>2</sup>	(9%) <sup>2</sup>
Total		8.9%	20.7%	13.0%	8.6%	13.1%	16.6%	8.1%	4.1%	4.1%	9%
vs FY2019		(15.8%)	(20.3%)	(16.7%)	(21.4%)	(21.7%)	(18.6%)	(10.6%)	(17.5%)	(10.8%)	(21%)

Note: The gate passage compares to the same day of week FY2021 and FY2019

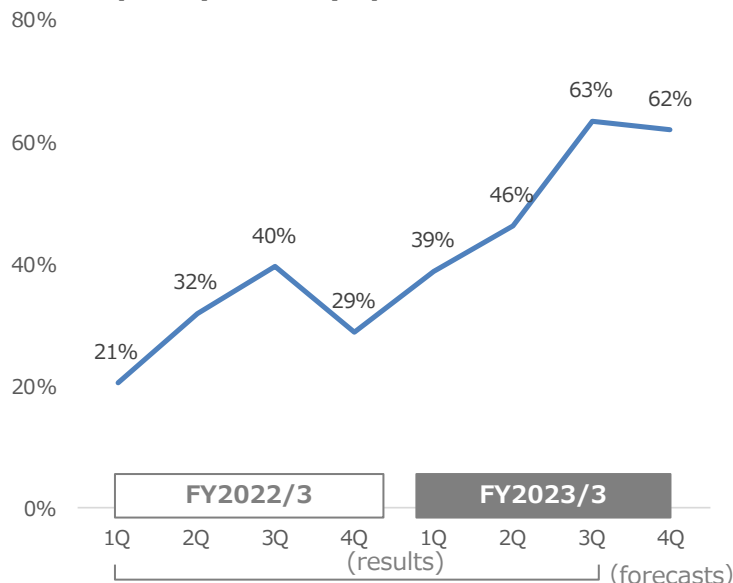
1 Excluding special factors such as typhoon-related impact  
Commuter passes: Down approx. 20%  
Non-commuter passes: Down just below 10%

2 Excluding the year end and new-year holidays  
Commuter passes: Dec. Down 23%, Jan. Down 23%  
Non-commuter passes: Dec. Down 10%, Jan. Down 6%

# Assumptions for earnings forecasts (Domestic hotel operations<sup>1</sup>)

<sup>1</sup> The total of Domestic hotel operations (Ownership / Lease) and (MC / FC) referred in page 41 (The figures in the past years and comparative ones also presented in the same format as noted above)

## ■ Occupancy rate by quarters



## ■ Estimates for operations' indicators

	March 31, 2023 (Previous forecast <sup>2</sup> )	March 31, 2023 (Current forecast)	Change from previous forecast (amount)	March 31, 2022	YoY change
RevPAR (yen)	8,283	8,567	3.4%	4,846	76.8%
Average daily rate (ADR) (yen)	16,225	16,204	(0.1%)	15,982	1.4%
Occupancy rate	51.1%	52.9%	1.8pt	30.3%	22.5pt

<sup>2</sup> Announced on Sept. 29, 2022

## ■ Current operations' indicators (YoY)

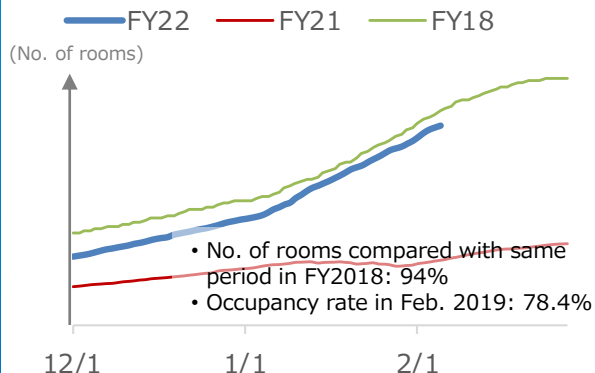
	2022	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
RevPAR		75.5%	116.0%	115.4%	(25.6%)	14.6%	127.5%	116.1%	106.9%	77.4%	108%
vs FY2019		(64.8%)	(52.8%)	(52.5%)	(46.1%)	(39.8%)	(40.1%)	(33.7%)	(16.8%)	(2.8%)	(15%)
Average daily rate		12.3%	0.6%	7.9%	(33.9%)	(15.0%)	7.0%	24.8%	26.6%	19.6%	14%
vs FY2019		(20.1%)	(6.2%)	(10.7%)	2.2%	11.0%	(4.4%)	(7.3%)	(0.8%)	10.1%	10%
Occupancy rate		12.5pt	21.2pt	20.9pt	4.8pt	11.8pt	26.9pt	23.8pt	26.0pt	21.9pt	24pt
vs FY2019		(44.0pt)	(39.2pt)	(36.9pt)	(38.1pt)	(38.6pt)	(30.3pt)	(22.4pt)	(12.9pt)	(8.9pt)	(16pt)
FY Results		34.7%	39.7%	42.0%	42.6%	45.7%	50.7%	56.3%	67.0%	67.3%	54%

## ■ Booking trends (The number of rooms booked)

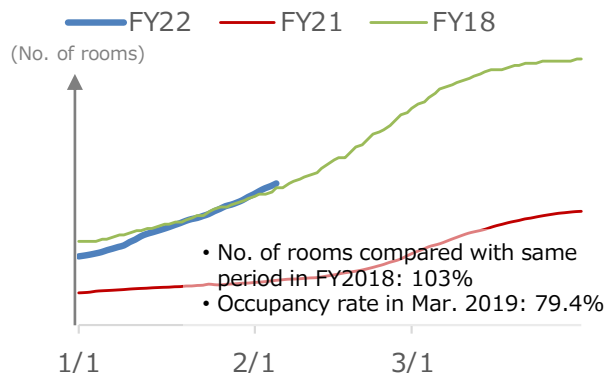
Note: The number of rooms as of 12/31/2022 is 12.3% higher vs 12/31/2018 (12/31/2022: 19,528 rooms, 12/31/2018: 17,386 rooms)

\* As of Feb. 5 in the FY2022

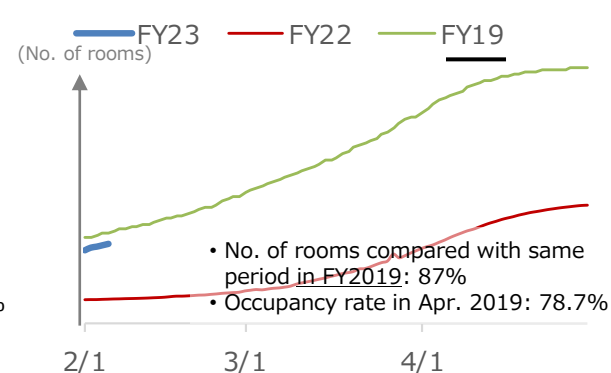
### February



### March



### April



- ✓ ADR for Feb. 2023 is expected to be at the same level as it was in the same period in 2019 (15,577 yen)
- ✓ Inbound booking trends: room revenue is around 70% for Feb. and March vs the same periods in 2019

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# Impact of changes in reportable segments (Operating revenue)

- ✓ Changes reportable 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.

billions of yen

Before				After			
Segment	Classification	Major businesses	FY2021 3Q (before)	Segment	Classification	Major businesses	FY2021 3Q (after)
<b>Hotel and Leisure</b>			96.0	<b>Hotel and Leisure</b>			96.0
Hotel and Leisure	City hotel operations	Hotels in Japan owned by Prince Hotels or leased by third-party owners excluding Prince Smart INN (PSI)	35.9	Domestic hotel operations (Ownership / Lease)	Hotel assets in Japan owned by SEIBU REALTY SOLUTIONS (SRS) or leased by third-party owners	55.9	
	Resort hotel operations		19.3		Domestic hotel operations (MC / FC)	Hotels in Japan operated by SEIBU PRINCE HOTELS WORLDWIDE (SPW) under MC/FC (entrusted with the operation services by third-party owners)	0.0
	Overseas hotel operations	Hawaii, StayWell, etc.	16.4	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.)	16.3	
	Sports operations	Golf courses, Ski resorts, Tennis facilities, Bowling alley, etc.	11.9	Overseas hotel operations (MC / FC)	Overseas hotels operated by Seibu Group under MC/FC	0.0	
	Others	Hotels in Japan operated by Prince Hotels under MC/FC *1, PSI*2, Yokohama hakkeijima, etc. * MC : management contract FC : franchise	12.4	Sports operations (Ownership / Lease)	Golf courses and ski resorts in Japan owned by SRS or leased by third-party owners	11.2	
<b>Real Estate</b>			46.2	<b>Real Estate</b>			59.1
Real Estate	Leasing operations	Office, Residence, Commercial facilities, etc. including PM (Property Management)	36.2	Leasing operations	Office, Residence, Commercial facilities, etc. (including PM)	36.2	
	Others	Seibu SCCAT, Sales, AM (Asset Management), etc.	10.0	Others	Seibu SCCAT, Sales, AM etc. Seibu Landscape, etc.	22.8	
<b>Construction</b>			62.2	<b>Construction</b>			49.4
Construction	Construction operations	Seibu Construction	48.5	Construction operations	Seibu Construction	48.5	
	Others	Seibu Construction Supply, Seibu Landscape, etc.	13.7	Others	Seibu Construction Supply	0.9	
<b>Other</b>			26.6	<b>Other</b>			26.6
Sports business	Seibu Lions, Yokohama Arena			Sports business	Seibu Lions, Yokohama Arena Blue MUSE		
New businesses	Blue Incubation Blue MUSE		0.1 bn	New businesses	Blue Incubation		

\*1 As of the end of March 2022: Tokyo Bay Shiomi Prince Hotel, 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)

# Impact of changes in reportable segments (Operating profit, EBITDA)

billions of yen

## Before

### ■ Operating profit

Segment	Major businesses	FY2021 3Q (before)
Hotel and Leisure		-22.5
Real Estate		16.8
Construction		3.7
	Seibu Landscape, etc.	0.5
Other		-1.0

### ■ EBITDA

Segment	Major businesses	FY2021 3Q (before)
Hotel and Leisure		-10.0
Real Estate		25.8
Construction		3.9
	Seibu Landscape, etc.	0.6
Other		2.0

## After

Segment	Major businesses	FY2021 3Q (after)
Hotel and Leisure		-22.5
Real Estate		17.4
Construction		3.2
Other		-1.0

Segment	Major businesses	FY2021 3Q (after)
Hotel and Leisure		-10.0
Real Estate		26.4
Construction		3.3
Other		2.0

# Hotel and Leisure: Overview of facilities

## ■ Domestic hotel operations

	Number of facilities		Number of rooms	
	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022
Domestic hotel operations	51	56	18,390	19,528
Ownership / Lease	49	43	17,737	13,887
MC / FC	2	13	653	5,641

## Reference: By area (Overall Domestic hotel operations)

	Number of facilities		Number of rooms	
	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022
Greater Tokyo Area & Central Japan	25	25	10,952	10,942
Takanawa and Shinagawa area	4	4	5,138	5,138
East Japan	19	19	5,615	5,614
Karuizawa area	3	3	687	687
West Japan	7	12	1,823	2,972

## ■ Overseas hotel operations

	Number of facilities		Number of rooms	
	September 30, 2021	September 30, 2022	September 30, 2021	September 30, 2022
Overseas hotel operations	33	31	5,568	5,147
Ownership / Lease	13	12	1,902	1,518
Hawaii	3	3	1,064	1,064
The Prince Akatoki	1	1	82	82
MC / FC	20	19	3,666	3,629

# A list of hotels categorized in Domestic hotel operations (As of Dec. 31, 2022)

Area	Ownership / Lease		MC / FC (Management Contract· Franchise Contract )
Greater Tokyo Area & Central Japan (the hotels in the Takanawa and Shinagawa area are underlined)	<p>The Prince Gallery Tokyo Kioicho Tokyo Prince Hotel <u>The Prince Sakura Tower Tokyo</u> <u>Grand Prince Hotel Takanawa</u> <u>Grand Prince Hotel Shin Takanawa</u> <u>Shinagawa Prince Hotel</u> Shinjuku Prince Hotel Sunshine City Prince Hotel Kawagoe Prince Hotel Shin Yokohama Prince Hotel Kamakura Prince Hotel</p>	<p>Oiso Prince Hotel PRINCE SMART INN EBISU The Prince Hakone Ashinoko Ryuguden Hakone Yunohana Prince Hotel Hakone Sengokuhara Prince Hotel Hakone En Cottage Sanyo-So PRINCE VACATION CLUB Sanyo-So Kawana Hotel PRINCE SMART INN ATAMI</p>	<p>The Prince Park Tower Tokyo<sup>1</sup> Tokyo Bay Shiomi Prince Hotel Shimoda Prince Hotel<sup>2</sup></p>
East Japan (the hotels in the Karuizawa area are underlined)	<p>Furano Prince Hotel Shin Furano Prince Hotel Towada Prince Hotel <u>The Prince Villa Karuizawa</u> <u>The Prince Karuizawa</u> <u>Karuizawa Prince Hotel</u> Karuizawa Asama Prince Hotel</p>	<p>PRINCE VACATION CLUB Karuizawa Asama PRINCE VACATION CLUB Villa Karuizawa Asama Tsumagoi Prince Hotel Manza Prince Hotel<sup>3</sup> Manza Kogen Hotel<sup>3</sup> Shiga Kogen Prince Hotel</p>	<p>Sapporo Prince Hotel<sup>1</sup> Kussharo Prince Hotel<sup>2</sup> Kushiro Prince Hotel<sup>2</sup> Hakodate-Onuma Prince Hotel<sup>2</sup> Shizukuishi Prince Hotel<sup>2</sup> Naeba Prince Hotel<sup>2</sup></p>
West Japan	<p>Nagoya Prince Hotel Sky Tower Lake Biwa Otsu Prince Hotel PRINCE SMART INN KYOTO SHIJO OMIYA PRINCE SMART INN KYOTO SANJO</p>	<p>Nichinan Kaigan Nango Prince Hotel Okinawa Prince Hotel Ocean View Ginowan PRINCE SMART INN HAKATA PRINCE SMART INN NAHA</p>	<p>The Prince Kyoto Takaragaike<sup>1</sup> Grand Prince Hotel Hiroshima<sup>1</sup> THE HOTEL SEIRYU KYOTO KIYOMIZU PRINCE SMART INN OSAKA YODOYABASHI</p>

1 Their assets were transferred on Sept. 30, 2022 and, therefore, the classification was changed from Ownership/Lease to MC/FC.

2 Their assets were transferred on Dec. 1, 2022 and, therefore, the classification was changed from Ownership/Lease to MC/FC.

3 Their assets were transferred on Feb. 1, 2023 and, therefore, the classification was changed from Ownership/Lease to MC/FC.

## **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.**