

[Translation for Reference]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

This is an English translation of an original document in Japanese and is only provided for convenience. In all cases, the original one takes precedence.

For Immediate Release

February 10, 2016

Company Name: Seibu Holdings Inc.
Representative: Takashi Goto, President and CEO
(Securities Code: 9024 First Section of the Tokyo
Stock Exchange)
Inquiries: Ryuichiro Nishiyama, Director and
General Manager of Corporate Communication
(Tel: +81-4-2926-2645)

Notification regarding the conclusion of agreements by which our consolidated subsidiaries (Seibu Railway Co., Ltd. and Prince Hotels, Inc.) collect their indemnification claims and regarding expected recognition of extraordinary income

Seibu Railway Co., Ltd. and Prince Hotels, Inc. which are our consolidated subsidiaries (the “Relevant Subsidiaries”), have been in negotiations with Mr. Yoshiaki Tsutsumi, in order to request him to fulfill his responsibilities to compensate for the financial obligations that the Relevant Subsidiaries have incurred due to the lawsuits concerning the former Seibu Railway's statements regarding its shares in its annual securities reports and certain other documents (the “Lawsuits”). As a result of these negotiations, prior to this notification, the Relevant Subsidiaries and certain other subsidiaries decided to conclude an agreement with Mr. Yoshiaki Tsutsumi with respect to the indemnification claims for the financial obligations that the Relevant Subsidiaries have incurred and for certain other small claims they have against him, the details of which are described below. Moreover, in response to offers from 4 other former management members (together with Mr. Yoshiaki Tsutsumi, hereinafter collectively referred to as the “Former Management Members”) of the Relevant Subsidiaries, the Relevant Subsidiaries also decided to conclude a similar agreement with respect to the indemnification claims they have against the Former Management Members for the financial obligations that the Relevant Subsidiaries have incurred as a result of the Lawsuits (hereinafter these two agreements are collectively referred to as the “Relevant Agreement”). After the above mentioned agreements are fulfilled, we will have completed our collection of indemnity payment from the Former Management Members for the financial obligations that the Relevant Subsidiaries have incurred as a result of the Lawsuits.

We also note that we will report extraordinary income on a consolidated basis for the

[Translation for Reference]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

This is an English translation of an original document in Japanese and is only provided for convenience. In all cases, the original one takes precedence.

fourth quarter of the fiscal year ending March 31, 2016, in relation to what is described above.

Description

1. Overview of the Relevant Subsidiaries

Trade name	Seibu Railway Co., Ltd.
Location	1-16-15, Minami Ikebukuro, Toshima-ku, Tokyo
Representative	President and Representative Director Hisashi Wakabayashi

Trade name	Prince Hotels, Inc.
Location	1-16-15, Minami Ikebukuro, Toshima-ku, Tokyo
Representative	President and Representative Director Shigeyoshi Akasaka

2. Background to the conclusion of the Relevant Agreements

The Relevant Subsidiaries and Mr. Yoshiaki Tsutsumi were among the defendants in lawsuits brought by several plaintiffs who claimed damages in relation to Seibu Railway's statements regarding its shares in its annual securities reports and certain other documents.

As a result of these lawsuits, the Relevant Subsidiaries have incurred financial obligations to plaintiffs, most of which have already been paid. On the other hand, the Relevant Subsidiaries have indemnification claims against the Former Management Members for damages arising from the Relevant Subsidiaries' financial compensation obligations.

Up to today, all of the Lawsuits, with the exception of one plaintiff's lawsuit, have been conclusively determined. The total amount of damages claimed by the plaintiff in the remaining lawsuit is JPY10 million, excluding the damages the Tokyo High Court ruled, after the case was remanded to it, that we had already paid to the plaintiff. Therefore, we considered that the entire incident would be settled soon and decided to conclude the Relevant Agreements in order to clear up the indemnification issues between the Relevant Subsidiaries and the Former Management Members.

3. Overview of the Relevant Agreements

In accordance with the relevant agreements, Mr. Yoshiaki Tsutsumi is to fulfill his obligations regarding the indemnification claims that the Relevant Subsidiaries have

[Translation for Reference]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

This is an English translation of an original document in Japanese and is only provided for convenience. In all cases, the original one takes precedence.

and the other small claims that the Relevant Subsidiaries and certain other subsidiaries have, by paying to the Relevant Subsidiaries and certain other subsidiaries the amount equivalent to the consideration he will obtain from his disposal of our shares minus the income tax imposed thereon. The Former Management Members shall transfer the shares of NW Corporation that they hold either directly or indirectly to the Relevant Subsidiaries.

Upon the transfer of the shares of NW Corporation, a substantial amount of income tax is expected to be imposed on the Former Management Members. Since most of the Former Management Members' property will be allotted to performance of the financial obligations owed to the Relevant Subsidiaries, the Relevant Subsidiaries will purchase a part of the above shares of NW Corporation owned by the Former Management Members so that they can use the consideration for the payment of income tax.

4. Reporting of extraordinary income

We will report extraordinary income of JPY 25,555 million on a consolidated basis for the fourth quarter of the fiscal year ending March 31, 2016. The extraordinary income is generated from the cash payment by Mr. Yoshiaki Tsutsumi to the Relevant Subsidiaries and certain other subsidiaries as well as from the transfer of the shares of NW Corporation from the Former Management members to the Relevant Subsidiaries.

5. Outlook

As described above, the Relevant Subsidiaries will receive shares of NW Corporation from the Former Management Members and thus NW Corporation will fall under the category of our equity-method affiliate.

As a result, a certain percentage of our shares owned by NW Corporation, an equity method affiliated company, the percentage of which will be determined by the ratio of our equity interest in the shares of NW Corporation, will be reported as treasury shares on the consolidated balance sheet. The amount to be reported as treasury shares will be calculated based on the market price as of the moment when NW Corporation comes to fall under the scope of consolidation. If calculated based on the market price of our shares as of December 30, 2015, it would amount to JPY 55,022 million.

End