

[Translation for Reference]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

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May 12, 2016

For Immediate Release

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Securities Code: 9024

First Section of the Tokyo Stock Exchange

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Regarding the “FY2016-FY2018 Seibu Group’s Medium-Term Business Plan”

Seibu Holdings Inc. (the “Company”) hereby announces that we have prepared the 3-year “FY2016-FY2018 Seibu Group’s Medium-Term Business Plan” (“Medium-Term Business Plan”), starting from the fiscal year ending in March 2017.

The Seibu Group, with the Company as the holding company, is working under the “Group Vision,” which is our management vision and policy. Through our wide range of businesses, centered on the Urban Transportation and Regional Business, the Hotel and Leisure Business, and the Real Estate Business, we are striving to fulfill our social responsibility, stimulate new actions and emotions, and become a corporate group that is trusted and chosen by customers.

The Medium-Term Business Plan is our action plan to achieve the “Seibu Group’s Long-Term Strategy”. The “Seibu Group’s Long-Term Strategy” describes the direction we will head in the coming decade and is the basic strategy for realizing the Group Vision. In preparing the Medium-Term Business Plan, we used the Seibu Group’s Long-Term Strategy and the previous Seibu Group Mid-term Business Plan (FY2016/3-2018/3), announced on February 26, 2015, as the base, and we are conducting a rolling review of the plan based on changes in the business environment, etc.

The highlights of the Plan are as per the attached document.

End



FY2016 – FY2018 Seibu Group's Medium- Term Business Plan

May 12, 2016

Seibu Holdings Inc. (9024)

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

- Review of previous Medium-Term Business Plan (FY2015-17)
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Review of previous Medium-Term Business Plan (FY2015-17) and recognition of business environment

Review of previous Medium-Term Business Plan (FY2015-2017)

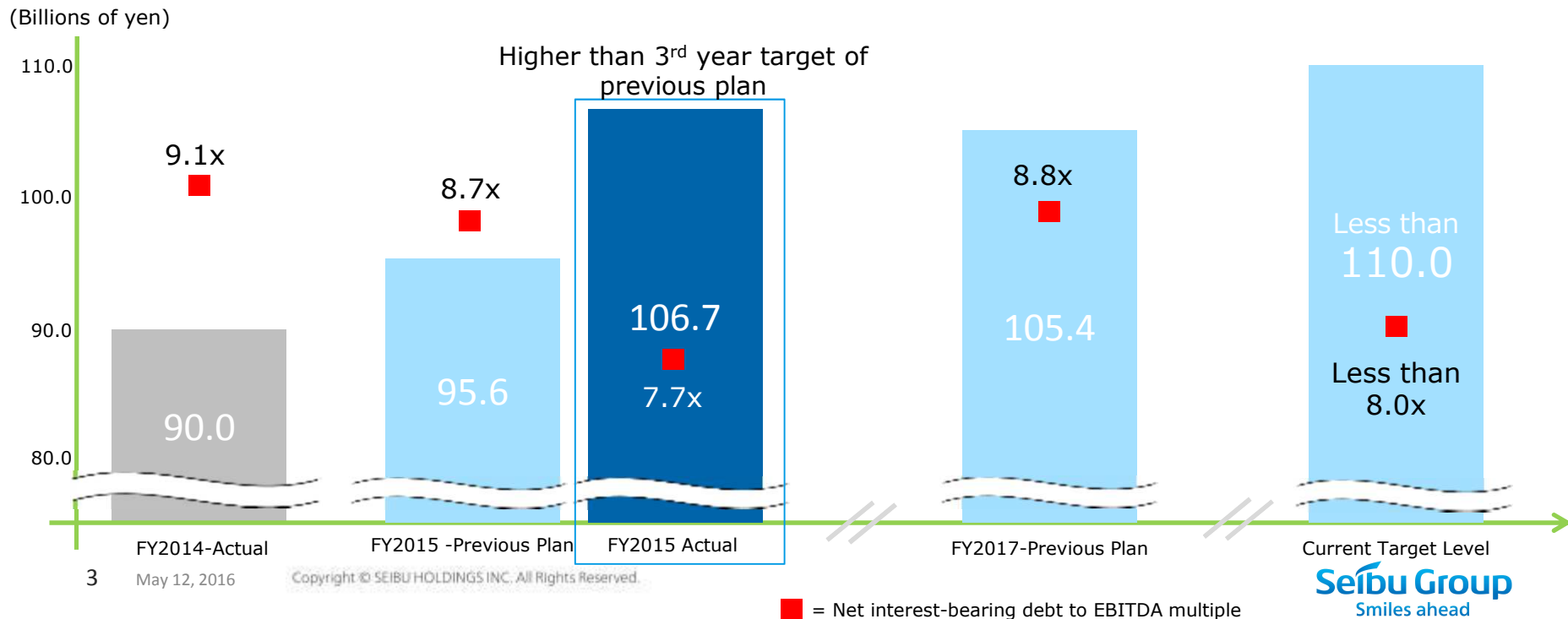


EBITDA and net interest-bearing debt to EBITDA multiple

The EBITDA for FY2015 not only exceeded the initial forecast of ¥95.6 billion, it also exceeded the ¥105.4 billion set as the third-year target of the previous plan. The main factors for this was as follows:

- [The Hotel and Leisure Business's hotel operation performed strongly](#) because we placed utmost efforts on revenue management while experiencing a sharp increase in overseas visitors to Japan.
- [The Urban Transportation and Regional Business's railway operation passenger revenue performed strongly](#) because of strengthening of promotions along railway lines.
- [The Real Estate Business, whose leasing operations of retail facilities, offices, etc. enjoyed strong performance.](#)
- In addition to steady progress on its initiatives made by each business, [costs were lower than initial expectations](#), namely fuel and motive power costs, and there was a decrease in retirement benefit costs.

We have made Medium-Term Business Plan (FY2016-18) a rolling plan that takes into account FY2015 results and future changes to the business environment (page 4), and by ensuring each business steadily promotes the business plan, we aim to achieve "EBITDA ¥110.0 billion" as the previous "current target level."



Recognition of the Group's business conditions



Domestic

Changing population dynamic

- National scale population decline, acceleration of population aging
- Continued concentration of population in Tokyo

Rapid increase in inbound tourism

- 19.74 million visitors in 2015, up 47.2% YoY
- Government target for 2020 revised upward to 40 million visitors

Changes in consumption behavior and customer contact points

- Changes in customer profile and lifestyles
- Increased diversity in society with active roles for women and seniors
- Accelerating advance of ICT

Domestic business conditions

- Solid activity ahead of 2020 Tokyo Olympic and Paralympic Games
- Recovery in employment situation

Global

Concerns over economic slowdown in China

Growth in Southeast Asian economies

Fall in crude oil prices

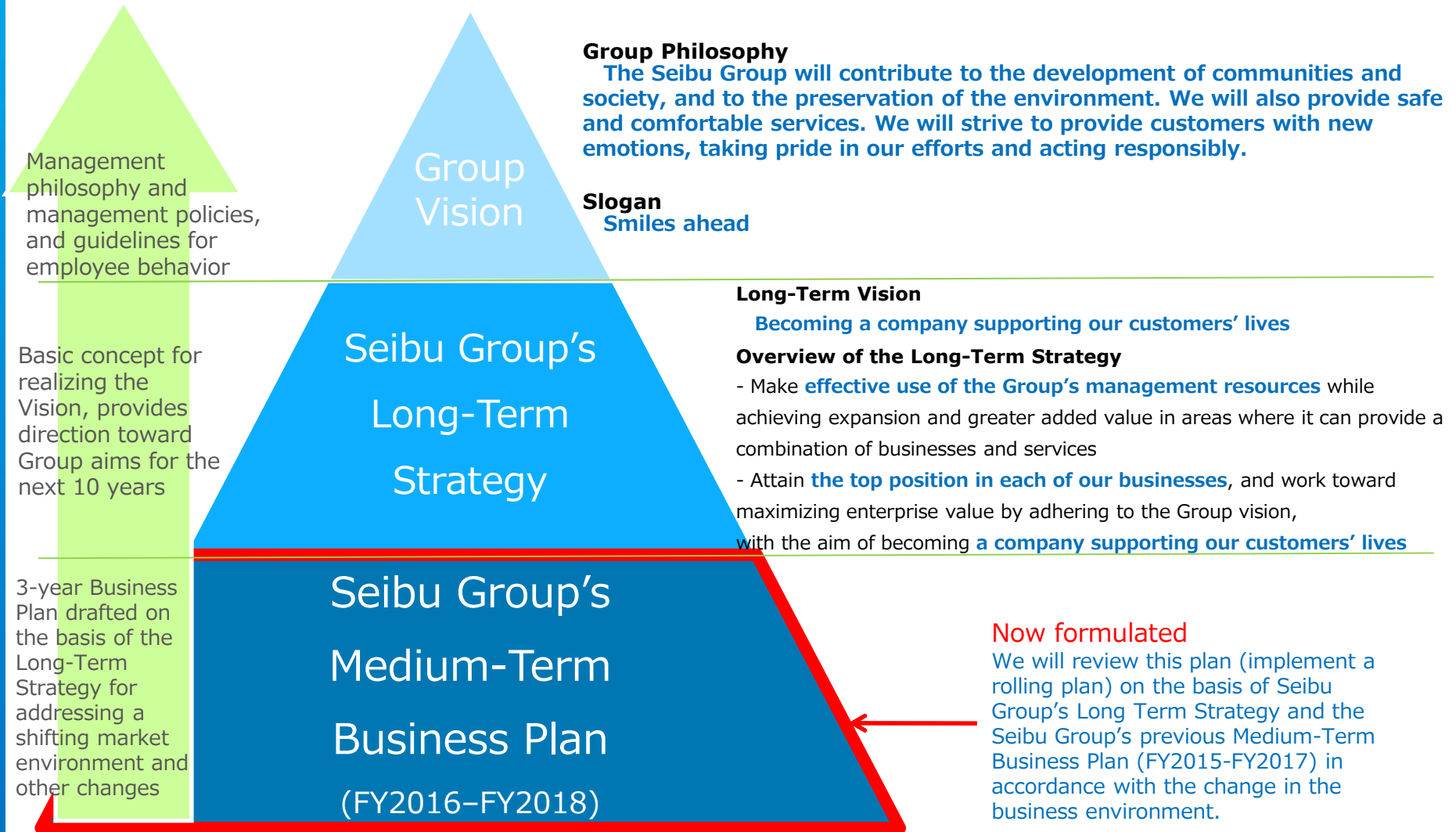
Geopolitical risk

Foreign exchange trends

The inbound tourism increase and recovery in domestic business conditions are expected to continue. In particular, inbound tourism is projected to rise even further. The government has revised upward its targets to 40 million for 2020 and 60 million for 2030. However, it is important to carefully monitor changes in domestic population trends and the global economic situation.

Schematic diagram of the management plan

Schematic diagram of the management plan



Basic policies and theme of Medium-Term Business Plan

Basic policies and theme of Medium-Term Business Plan



Theme of the Medium-Term Business Plan

"Taking advantage of our strengths to realize the strongest Seibu Group"

Basic policies

- 1 Pursue innovations, from a new viewpoint and with speed**
- 2 Shift gears to achieve further growth**

Key issues

■ Establish a long-term business platform

-Nurture new business models, and create revenue opportunities-

•Adapt to paradigm shifts, such as the increase in foreign visitors and the changing demographics of Japan, and expand our targets to markets such as "inbound", "senior" and "children", thereby create new business models and establish a long-term business platform. Moreover, make effective use of real estate holdings based on the Seibu Group's Asset Strategy to create further revenue opportunities. (Initiatives are mentioned on pages 10-14)

■ Strengthen our existing businesses

-Further heighten corporate strength by pursuing efficiency-

Continue to make effective use of assets by enhancing the value of existing facilities and re-balancing portfolio. Furthermore, to achieve lean management, establish a low-cost operations including utilizing ICT, installing low-maintenance equipment, strengthening cost management, and further strengthen our corporate structure.

⇒By carrying out these measures, the Seibu Group will be working toward achieving the plans of main management benchmarks listed on the following page.

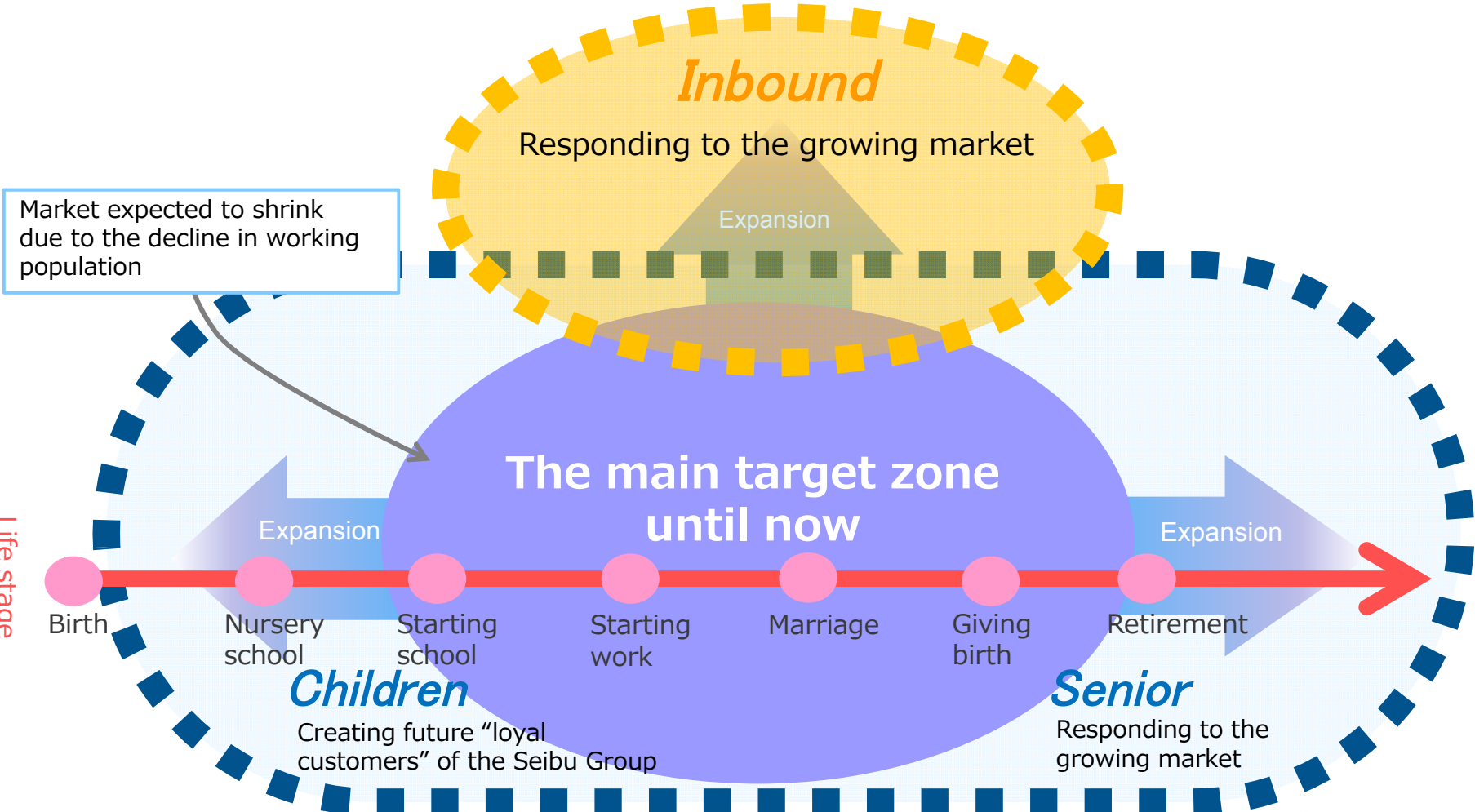
Plans of main management benchmarks



Management Benchmarks	FY2015 Result (Fiscal year ended March 2016)	FY2018 Plan (Fiscal year ending March 2019)
Operating revenue	¥508.0 billion	¥558.9 billion
EBITDA	¥106.7 billion	¥121.0 billion
EBITDA margin	21.0%	21.6%
Net interest-bearing debt	¥821.3 billion	¥899.2 billion
Net interest-bearing debt / EBITDA	7.7 times	7.4 times

Establish a long-term business foundation (responding to paradigm shifts)

In order to achieve further growth, we will respond **to paradigm shifts**, such as demographic changes and the increase in inbound (foreign visitors to Japan).



Responding to paradigm shifts (inbound)

Aiming to become the corporate group at the center of "tourism-oriented Japan"

We will hone the strategies of each Group company and aggressively conduct coordinate Group measures to attract customers focusing on key areas (Tokyo metropolitan area, areas along Seibu Railway lines, Izu and Hakone, and Karuizawa).

1) Develop local sightseeing routes and expand products

- Develop sightseeing routes centered on Seibu Group services
 - Create new products that organically connect transportation, accommodation, leisure, and other facilities
- ⇒ Become a corporate group at the center of local sightseeing



2) Strengthen promotion

- Further increase attraction for familiarization trips and actively participate in trade shows and conferences
- Strengthen links with overseas companies
- Strengthen activities of overseas offices and establish new overseas bases
- Strengthen information dissemination through TV commercials, SNS, websites, etc.



3) Upgrade systems for receiving customers

- Further upgrade Internet environment, such as Wi-Fi, at all facilities
- Expand tax-free services at retail facilities
- Develop and recruit foreign-language capable staff, enhance multilingual guidance, cater to religious needs



4) Make effective use of SPCemi (membership service for foreigners)

(service to start in July 2016)

- Develop Group customers through preferential treatment services (promote repeat customers)
- Enhance in-Group customer referrals and cross-selling
- Grasp needs by increasing marketing precision and conduct further measures



SEIBU PRINCE CLUB emi card

Responding to paradigm shifts (senior)

Supporting senior living full of smiles -Fun outings × Secure and comfortable living-

- (1) Actively promote measures in existing business fields as the “Smiling Seniors Project” and create a strong business platform.
- (2) Accelerate discussion on **building a Seibu CCRC(*)** to serve as a “a new framework for realizing comfortable and fulfilling senior lifestyles ”
Example) Creating local communities around “serviced residences for seniors,” and develop a new business model by cross-selling to existing business fields.

Fun outings Provide excitement for hobbies and leisure	Secure and comfortable living Provide support for secure, safe living
Create a new business model for providing the Seibu Group’s diverse services <ul style="list-style-type: none">Local communities that form a window for providing secure, fulfilling senior livingOperation of serviced residences for seniors and more	



(*) Seibu CCRC: Continuing Care Retirement Community

A community where the Seibu Group’s transportation system and leisure and retail facilities form networks with local residences, nursing care facilities, hospitals, universities, and so forth, promoting social participation by seniors in the community and enabling them to participate actively in aspects such as work, social activities, life-long learnings, and community interaction.

Responding to paradigm shifts (children)

Strengthening initiatives under the Children's Support Project to foster loyal customers for the Seibu Group

Although the market is contracting due to the declining birthrate, we will capture future customers, aiming to foster loyal customers for the Seibu Group.

We will strengthen our initiatives for the Seibu Group Children's Support Project

a) Initiatives for children's enjoyment

Develop strategies to enable children themselves to enjoy Seibu Group



Occasions that children enjoy

b) Initiatives for family enjoyment

Develop strategies to support the creation of memories and special occasions for families



c) Establishing a platform for providing security to children and their families

- Expand "Nicot" childcare centers near stations and examine facilities for school-age children
- Make facilities barrier-free
- Provide breastfeeding rooms and areas for children



Establish a long-term business platform (Seibu Group's asset strategy)



"Enhancing profitability" and "Enhancing efficiency of assets"



Expand, rebuild and renovate its real estate for lease and the hotels along the lines of its current use to maintain and enhance its competitive capabilities

Take TOKYO GARDEN TERRACE KIOICHO (the development project of the site where the Grand Prince Hotel Akasaka was previously located) as a model case for multipurpose redevelopment undertaken with local communities to pursue expansion of business opportunities, and re-balance its asset portfolio, primarily between offices, hotels, retail, and rental accommodation

- Use cash generated by expropriating and selling its assets, and other means, to reinvest in assets with potential to increase its revenues in line with the Group management strategy.
- Make use of under-utilized land and other under-utilized assets and areas underneath overpasses

Further promote asset strategy in order to maximize the Group's corporate value

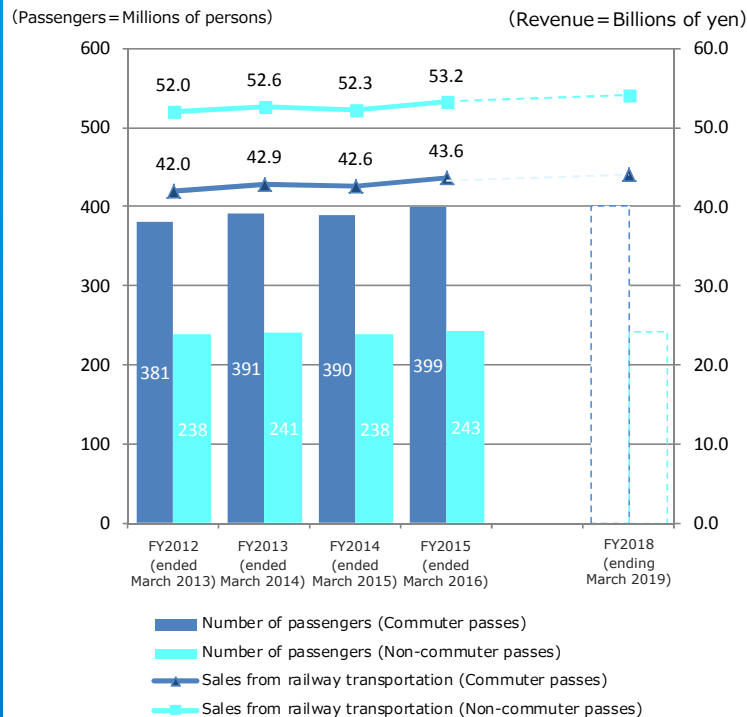
Key initiatives for Medium-Term Business Plan (by segment)

The source of higher corporate value, Urban Transportation and Regional Business



Catch the wave of the changing business environment and use innovation and challenge to shift gears to achieve further growth

Number of Passengers and passenger transportation revenues in railway operations



FY2015 ⇒FY2018 change

Passengers

Commuters +2.87 million (+0.7%)

Non-commuters +0.64 million (+0.3%)

Key Themes and Strategies

I Ensure safety, provide security

- Bolster safety aspects, platform door installation, antiseismic reinforcement, and joint projects to remove level crossings
- Strengthen fire safety equipment inspections, bolster safety in amusement park operations, and ensure rigorous food safety management

II Amid a changing business environment, strengthen links within the Group and increase earning capability

- Launch project to boost sales
- Strengthen sales strategies within a fee structure with a relative high degree of freedom
- Strengthen the Shinjuku Line with bus links

III Take on the challenge of becoming No. 1 in customer satisfaction

- Build new-type commuter trains and express trains, operate sightseeing trains
- Upgrade sightseeing locations at Hon-Kawagoe Station and Seibu-Chichibu Station and provide waiting rooms
- Ikebukuro Station elevator installation • toilet refurbishment
- Provide services to meet needs related to children and seniors, etc.

IV Pursue further business efficiency

- Implement measures to reduce the amount of electricity used in the Railway operations, pursue low-cost operations
- Utilize ICT • streamline assets • promote diversity

V Improving convenience of our bus operations

- Maintain and increase convenience by formulating plans that respond to changes in railway line conditions and demand (station-front areas, and residential, business, and retail-related)
- Increase visitors by expanding sightseeing demand in cooperation with local areas and event-related attractions and promote use of public transport
- Strengthen information and reservation-related services for highway buses using IT

Main Initiatives for Urban Transportation and Regional Business



Introduction of new rolling stock

- ✓ Introduction of new commuter rolling stock (40000 series)
- ✓ Introduction of new express rolling stock etc.



Ensure safety and provide security

- ✓ Install platform doors to increase safety on platforms (Ikebukuro Station, etc.)
- ✓ Upgrade track maintenance machinery to ensure track safety
- ✓ Antiseismic reinforcement work
- ✓ Devices to prevent accidental opening of train doors, etc.



Capture inbound tourism

- ✓ Sales of event tickets to foreigners
- ✓ Provide Wi-Fi at stations and on trains
- ✓ Strengthen guidance and reception services for inbound tourism
- ✓ Conduct familiarization tours, etc.



Attract visitors to sightseeing areas

- ✓ Establish Chichibu Nakamise Onsen Facility (Provisional Name)
- ✓ Broadcast promotional TV commercials
- ✓ Start sightseeing train services
- ✓ Strengthen bus operations, etc.



Promotion of continuous grade-separated crossing

- ✓ Shinjuku Line: Between Nakai and Nogata stations
- ✓ Shinjuku Line: Vicinity of Higashi-Murayama Station



Promotion of development and events along railway lines

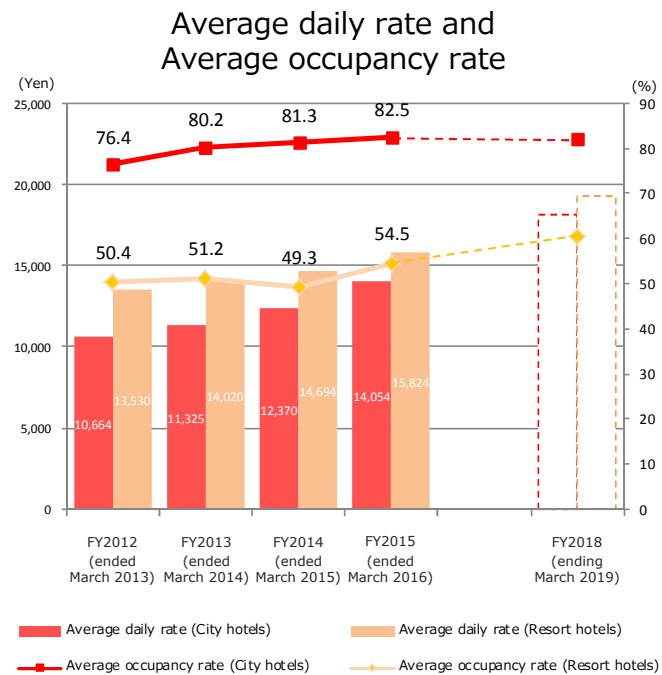
- ✓ Create large-scale mobility demand through Tokorozawa Station East Building Plan, Rebuilding Plan of Former Headquarters in Ikebukuro, etc.
- ✓ Hold events at Seibu Prince Dome
- ✓ Hold events using stations and trains
- ✓ Hold events in coordination with areas alongside railway lines and other railway companies, etc.



The driving force of higher corporate value, Hotel and Leisure Business



Respond swiftly and accurately to environmental changes by honing key strategies, shifting gears to accelerate growth, and taking on the challenge of changing the market



FY2015⇒FY2018 change

Average daily rate

City hotels +29.3% Resort hotels +21.7%

Average occupancy rate

City hotels Δ 0.3pt Resort hotels +6.0pt

Key Themes and Strategies

I Secure dominating market share in the MICE market

- Host MICE events using our nationwide network of facilities, and achieve dramatic growth in market share
- Capture more demand for inbound MICE
- Sophisticate sales activities and transaction management

II Offer trips that meet the needs of customers' hearts

- Consider and execute strategic capital investments
- Advance efforts to foster life-long customers using "SEIBU PRINCE CLUB" and "PRINCE STATUS SERVICE"
- Examine and implement strategic promotion
⇒Increase the ratio of direct sales
- Strengthen initiatives for improving customer satisfaction
⇒Improve food and service levels

III Promoting Japanese "Omotenashi (hospitality)" to the world

- Securely capturing the growing inbound demand
⇒Promote role-specific measures at each business site, develop capability to provide guest rooms to meet high demand
- Expanding new businesses and sales bases overseas

IV Strengthening the managerial foundations

- Build a next-generation hotel system to improve customer convenience and operational efficiency
- Enhance operational efficiency by promoting shared operations (facility management, purchasing, accounting, etc.)
- Enhance human resource development and retention

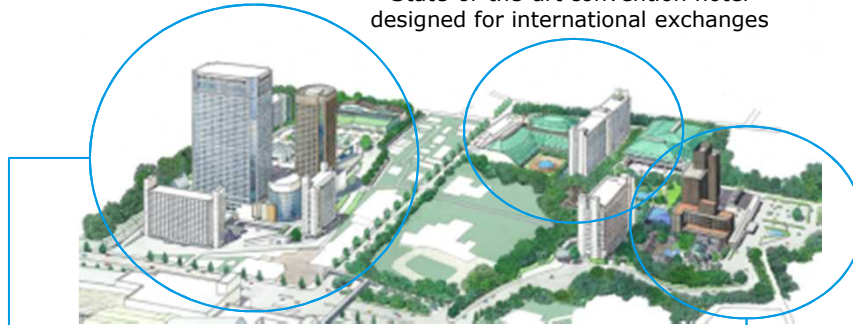
Main Value Increases in the Hotel and Leisure Business



Focusing on Tokyo Olympics/Paralympics and aiming for maximized profit of areas

Takanawa and Shinagawa area

Grand Prince Hotel New Takanawa
State-of-the-art convention hotel
designed for international exchanges



Shinagawa Prince Hotel
Evolution of an entertainment area transcends the traditional concept of a hotel

Grand Prince Hotel Takanawa
From a hotel for accommodation to a "place for spending time"



Shinagawa Prince Hotel
Lobby (Renewal)



Grand Prince Hotel New Takanawa
Lobby, Front counter (Renewal)



Grand Prince Hotel Takanawa
Japanese style lounge (New)



Shinagawa Prince Hotel
Cafe Restaurant 24 (Renewal)



Grand Prince Hotel New Takanawa
Lobby (Renewal)



Grand Prince Hotel Takanawa
Japanese room (Renewal)



Sunshine City Prince Hotel
Muslim Prayer Room (New)



Grand Prince Hotel Hiroshima
Suite room (New)



The Prince Gallery Tokyo Kioicho (Opening)



AKASAKA PRINCE CLASSIC HOUSE
(Opening)



"Hokkaido Country Club Onuma Course" and
"Hakodate-Onuma Prince Golf Course"
Shared Club House (New)



Hotel in the "Global Gate" in Nagoya(Opening)

The key to higher corporate value, Real Estate Business



We will work quickly to realize the earning potential of the Group's real estate holdings, while pursuing an efficient management structure and establishing a long-term business foundation based on the real estate leasing operations



FY2015⇒FY2018 year-end change
Retail facilities +6%
Offices and residences +194%

Key Themes and Strategies

I Expansion of business opportunities through large-scale redevelopments and steady execution

- Start of operations at TOKYO GARDEN TERRACE KIOICHO and Establish steadily implement a property management system
- Steadily advance and complete the plan for rebuilding the former headquarters in Ikebukuro
- Advance the Tokorozawa Station East Building Plan and phase I start of operations, as well as the West Entrance development plan
- Examine the development projects in the Tokyo CBD area (Takanawa and Shinagawa area, Shiba Koen area, etc.)

II Improve profitability of existing retail facilities, mainly along the Seibu Railway lines

- Renovating the retail facilities along our railway lines
- Improving earning capabilities of existing retail facilities in or near stations, mainly by converting them into Emio facilities
- Actively promoting the Emilive (rental condos) business
- Further improve profitability from operations in the Karuizawa area

III Actively working on new business areas and growth areas

- Enhance Smile Living
- Establish new Nicot facilities and expand the service menu
- Examine and advance facilities for promoting seniors activities and new facilities for children

Tokyo Garden Terrace Kioicho

A mixed-use facility combining the comprehensive capabilities of the Group



Grand Prince Hotel Akasaka



Total floor area: 97,207m²
 Hotel: 93,792m²
 Residential: 3,415m²
 Floor area ratio: 300%

Increasing value by transforming a hotel into a mixed-use facility



TOKYO GARDEN TERRACE KIOICHO



TOKYO GARDEN TERRACE KIOICHO
 July 27, 2016 grand opening

TOKYO GARDEN TERRACE KIOICHO

Location: 1-2 Kioicho, Chiyoda-ku, Tokyo
Site area: Approx. 30,400m² **Total capital:** Approx. ¥104.0 billion
Total floor area: Approx. 227,200m² **New construction start date:** January 2013
Floor area ratio: 600% **Openig:** July 27, 2016

Kioi Tower

- 36 floors above ground, 2 floors below ground, Height 180 m
- Construction Companies : Consortium (Kajima/Tekken/Kumagai)

The Prince Gallery Tokyo Kioicho (Hotel)

- 30th to 36th floors (250 rooms)
- Partnered with Starwood Hotels & Resorts Worldwide, Inc. and joined the highest category, "Luxury Collection"

Offices

- 5th to 28th floors
- **Planned occupancy rate of 100%**
- Offices offer over 1,000 tsubo (3,310 m²) per floor with an 18-meter wide span space
- Yahoo Japan Corporation, MetLife, Inc. and others set to become the main tenant

Kioi Terrace (Retail facilities)

- 1st to 4th floors
- **Planned occupancy rate of 100%**

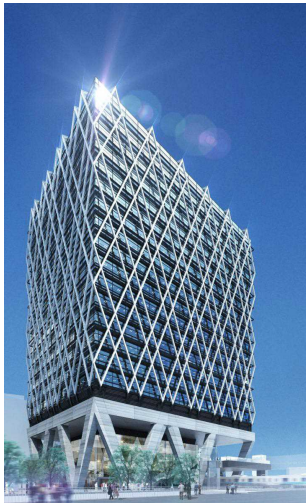
Kioi Residence

- Rental units (approx. 135)
- 21 floors above ground, 2 floors below, Height 90m
- Construction Companies : Consortium (Seibu/Obayashi/Maeda)

Main Real Estate development projects



Rebuilding Plan of Former Headquarters in Ikebukuro



The new building will be a rental office building of total floor area of 50,084 m² to be built on a site comprising the existing plot, the space above the Seibu Railway Ikebukuro Lines, and a plot on the west side of the railway line. With one of the largest total rental areas in the Ikebukuro area, the new building will contribute to higher revenues for the real estate operation.

Use:	Offices, stores and Parking lots
Completion:	March 2019
Total capital:	Approx. ¥38.0 billion
Site area:	Approx. 5,530m ²
Total floor area:	Approx. 50,084m ²
Structure:	Steel construction (Partial reinforced concrete and steel-reinforced concrete)
Scale:	18 floors above ground, 2 floors below

Tokorozawa Station East Building Plan

As a joint development with Sumitomo Corporation that combines the station building and retail facilities, the project will be executed in two stages (project budget: ¥26.8 billion). The project will be a synergy of the Sumitomo Group's wealth of knowhow of the large-scale retail facilities and our knowhow of the development and operation of shopping centers and retail facilities in and near railway stations.

- Opening: Stage I: 2018 Spring (plan)
Stage II: 2020 Summer (plan)
- Total floor area: Approx. 116,000m²



Initiatives in the Other Business

Construction Business

- Make further profit margin improvements through order selection, cost management, and cost control

Hawaii Business

- Make investments to increase value, such as major renovations of hotels
- Promote sale of real estate

Other (Izuhakone Business)

- Sightseeing business: Strengthen inbound tourism initiatives
- Nursing care business: Strengthen sales activities to lift occupancy rates
- Make effective use of real estate holdings

Other (Ohmi Business)

- Strengthen inbound tourism initiatives centered on bus operations
- Effectively utilize held real estate

Other (Seibu Lions)

- Strengthening the team, make the Seibu Prince Dome more attractive
- Strengthen events to attract visitors at Seibu Prince Dome



Hawaii Prince Hotel Waikiki



Izuhakone Railway Lines
Combined facility for short-stay
and day services
Emies Higashimakado



Ohmi Railway Lines
Image of Redevelopment Moriyama
Building in front of the station



Numerical plans of Medium-Term Business Plan

Consolidated numerical plans



billions of yen

	FY2015	FY2016	YOY	FY2017	YOY	FY2018	YOY	3yr change
	Actual①	Budget②	②-①	Plan③	③-②	Plan④	④-③	④-①
Operating revenue	508.0	514.2	+6.1	544.1	+29.9	558.9	+14.8	+50.9
Operating income	65.9	48.4	△ 17.4	58.1	+9.7	66.4	+8.3	+0.5
EBITDA	106.7	95.5	△ 11.1	110.9	+15.4	121.0	+10.1	+14.3
Ordinary income	58.5	40.7	△ 17.8	48.6	+7.9	57.3	+8.7	△ 1.2
Profit attributable to owners of parent	57.2	29.5	△ 27.6	35.4	+5.9	42.7	+7.3	△ 14.5
Total assets	1,553.0	1,633.5	+80.5	1,683.6	+50.1	1,715.2	+31.6	+162.2
Equity	391.4	363.2	△ 28.2	389.9	+26.7	424.4	+34.5	+33.0
ROE	15.1%	7.8%	△ 7.3pt	9.4%	+1.6pt	10.5%	+1.1pt	
EBITDA margin	21.0%	18.6%	△ 2.4pt	20.4%	+1.8pt	21.6%	+1.3pt	
Net interest-bearing debt	821.3	879.2	+57.9	885.8	+6.6	899.2	+13.3	+77.9
Net interest-bearing debt / EBITDA (times)	7.7	9.2	+1.5	7.9	△ 1.3	7.4	△ 0.5	△ 0.3

We plan for operating revenue to increase through the opening of TOKYO GARDEN TERRACE KIOICHO and growth in the Hotel and Leisure business. As for EBITDA, profits decreased temporarily in FY 2016 due to extraordinary factors relating to the suspension of some hotel operations for seismic reinforcement in the Hotel and Leisure business and the recording of one-time expenses for opening of TOKYO GARDEN TERRACE KIOICHO.

However, we plan EBITDA of ¥121.0 billion for FY 2018, considering the expected boost from our investments in growth.

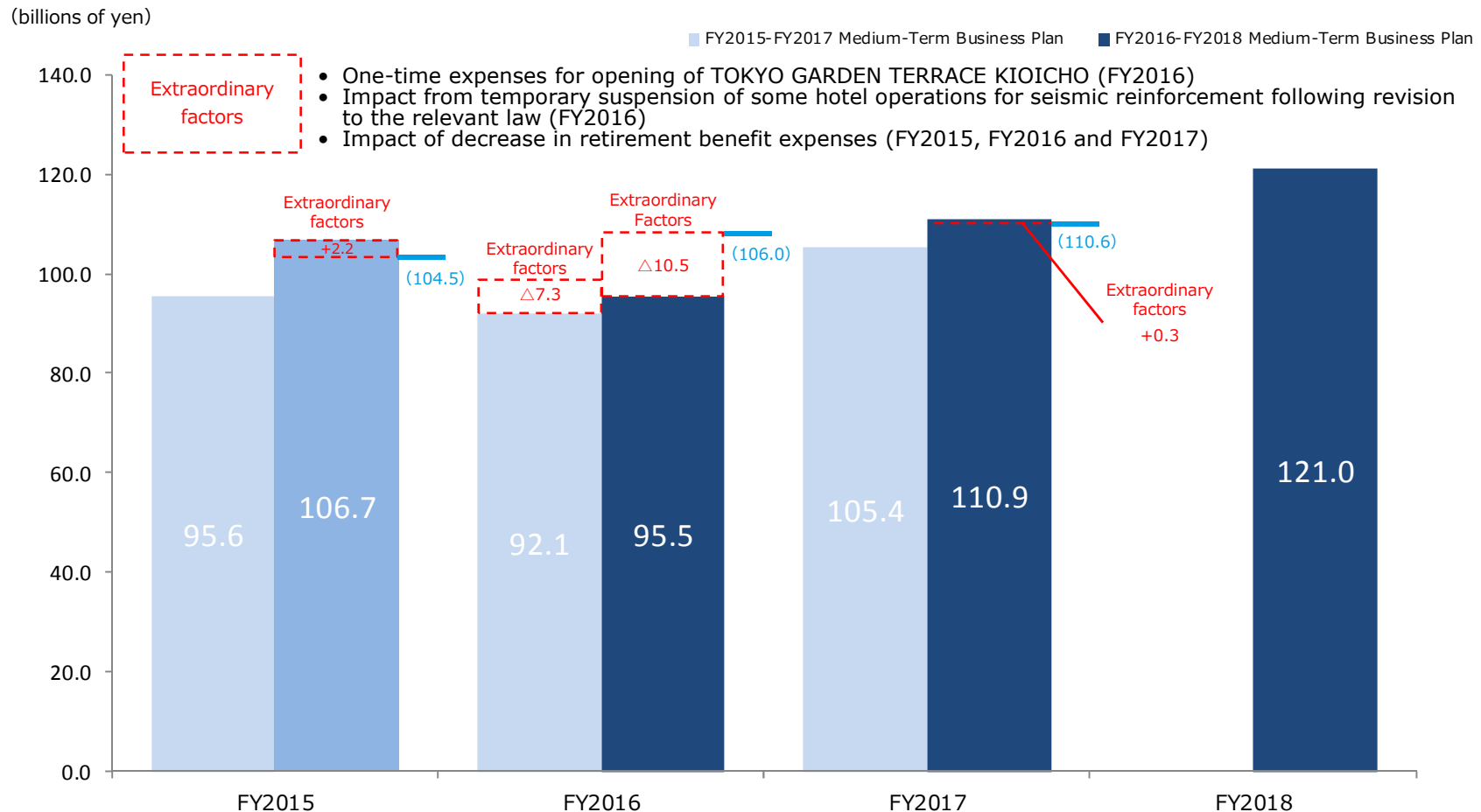
The FY2018 target for ordinary income is slightly lower than FY2015 owing to increased interest payable accompanying an increase in net interest-bearing debt.

We plan for profit attributable to owners of parent to decrease because of the absence of the profit upon recognition of indemnification claims recorded in FY 2015.

We plan for net interest-bearing debt to increase due to investment in large-scale projects such as TOKYO GARDEN TERRACE KIOICHO.

However, we plan for net interest-bearing debt/EBITDA to improve by achieving EBITDA growth.

Differences (EBITDA) from previous Medium-Term Business Plan (FY2015-FY2017)



- One-time expenses for opening of TOKYO GARDEN TERRACE KIOICHO (FY2016)
- Impact from temporary suspension of some hotel operations for seismic reinforcement following revision to the relevant law (FY2016)
- Impact of decrease in retirement benefit expenses (FY2015, FY2016 and FY2017)

Plan to achieve a target level higher than previous target through various measures in business operations.
 Plan to achieve growth on the basis of business operations' intrinsic state in a case excluding the extraordinary factors stated above.

Plan to **achieve EBITDA of at least ¥110.0 billion for FY2017**, which is the current target level till present.

Operating Revenue Plan for Each Segment



billions of yen

	FY2015	FY2016		FY2017		FY2018		
	Actual ^①	Budget ^②	YOY ②-①	Plan ^③	YOY ③-②	Plan ^④	YOY ④-③	3yr change ④-①
Urban Transportation and Regional	157.3	158.3	+0.9	158.2	△ 0.1	159.7	+1.5	+2.3
Hotel and Leisure	188.0	192.3	+4.2	210.1	+17.8	219.4	+9.3	+31.3
Real Estate	49.6	54.3	+4.6	60.8	+6.5	67.5	+6.7	+17.8
Construction	104.9	103.6	△ 1.3	103.2	△ 0.4	102.5	△ 0.7	△ 2.4
Hawaii Business	19.3	20.9	+1.5	21.9	+1.0	21.5	△ 0.4	+2.1
Other	37.5	37.8	+0.2	38.3	+0.5	38.7	+0.4	+1.1
Adjustments	△ 48.8	△ 53.0	△ 4.1	△ 48.4	+4.6	△ 50.4	△ 2.0	△ 1.5
Consolidated	508.0	514.2	+6.1	544.1	+29.9	558.9	+14.8	+50.8

Note: Monetary amounts are rounded down to one-tenth of a billion and the changes are rounded to the nearest one-tenth of a billion.

Operating Income Plan for Each Segment



billions of yen

	FY2015	FY2016		FY2017		FY2018		
	Actual ^①	Budget ^②	YOY ②-①	Plan ^③	YOY ③-②	Plan ^④	YOY ④-③	3yr change ④-①
Urban Transportation and Regional	25.8	25.2	△ 0.6	23.0	△ 2.2	24.3	+1.3	△ 1.5
Hotel and Leisure	20.6	11.4	△ 9.2	16.2	+4.8	20.4	+4.2	△ 0.2
Real Estate	14.5	5.5	△ 9.0	13.9	+8.4	16.5	+2.6	+1.9
Construction	3.6	3.2	△ 0.4	3.4	+0.2	3.5	+0.1	△ 0.1
Hawaii Business	△ 0.8	1.1	+1.9	0.4	△ 0.7	1.4	+1.0	+2.2
Other	1.0	0.5	△ 0.5	0.2	△ 0.3	0.3	+0.1	△ 0.7
Adjustments	0.9	1.5	+0.5	1.0	△ 0.5	0.0	△ 1.0	△ 0.9
Consolidated	65.9	48.4	△ 17.5	58.1	+9.7	66.4	+8.3	+0.4

Note: Monetary amounts are rounded down to one-tenth of a billion and the changes are rounded to the nearest one-tenth of a billion.

EBITDA Plan for Each Segment



billions of yen

	FY2015	FY2016		FY2017		FY2018		
	Actual ^①	Budget ^②	YOY ②-①	Plan ^③	YOY ③-②	Plan ^④	YOY ④-③	3yr change ④-①
Urban Transportation and Regional	46.7	46.3	△ 0.4	44.9	△ 1.4	46.1	+1.2	△ 0.6
Hotel and Leisure	32.0	24.6	△ 7.4	32.4	+7.8	37.7	+5.3	+5.6
Real Estate	18.7	14.0	△ 4.7	23.4	+9.4	26.7	+3.3	+7.9
Construction	4.0	3.6	△ 0.4	3.8	+0.2	3.9	+0.1	△ 0.1
Hawaii Business	1.2	3.2	+1.9	2.9	△ 0.3	4.0	+1.1	+2.7
Other	3.6	3.2	△ 0.4	3.3	+0.1	3.5	+0.2	△ 0.1
Adjustments	0.1	0.6	+0.4	0.2	△ 0.4	△ 0.9	△ 1.1	△ 1.0
Consolidated	106.7	95.5	△ 11.2	110.9	+15.4	121.0	+10.1	+14.2

Note: Monetary amounts are rounded down to one-tenth of a billion and the changes are rounded to the nearest one-tenth of a billion.

Capital Expenditure Plan for Each Segment



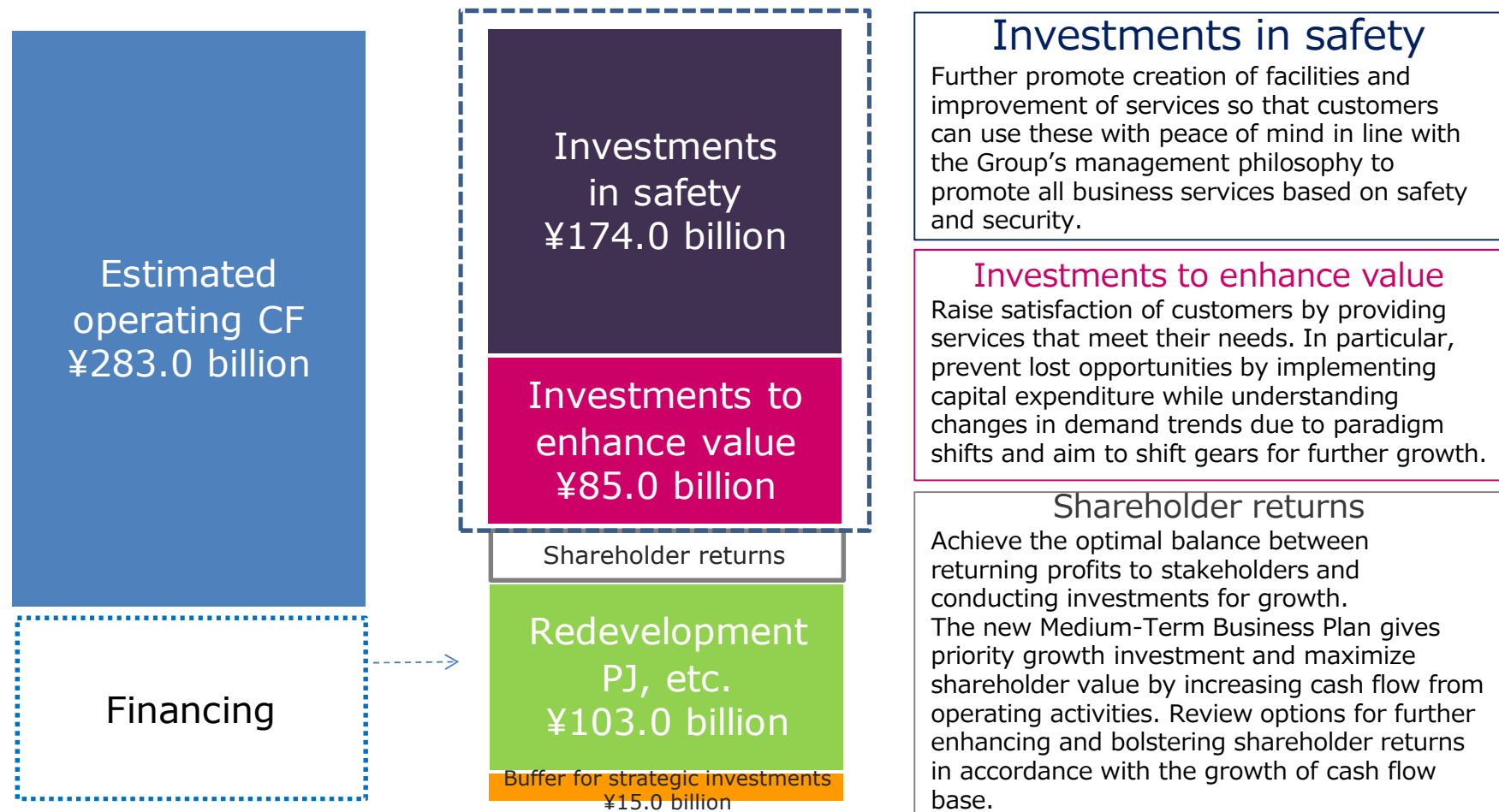
billions of yen

	FY2015	FY2016		FY2017		FY2018	
	Actual ^①	Budget ^②	YOY ②-①	Plan ^③	YOY ③-②	Plan ^④	YOY ④-③
Urban Transportation and Regional	25.8	28.4	+2.6	32.2	+3.9	29.1	△ 3.1
Hotel and Leisure	14.8	39.0	+24.3	36.0	△ 3.0	26.4	△ 9.7
Real Estate	30.7	76.0	+45.4	28.0	△ 48.1	24.8	△ 3.2
Construction	0.7	0.5	△ 0.2	0.3	△ 0.2	0.2	△ 0.2
Hawaii Business	1.7	7.7	+6.0	4.9	△ 2.8	6.3	+1.4
Other	2.8	7.3	+4.5	3.2	△ 4.1	8.7	+5.6
Buffer for strategic investments	-	5.0	+5.0	5.0	+0.0	5.0	+0.0
Adjustments	4.5	1.0	△ 3.4	0.8	△ 0.2	1.5	+0.7
Consolidated	80.7	164.6	+84.0	110.2	△ 54.5	101.7	△ 8.5

While promoting capital expenditure that brings safety and security, the Seibu Group aims to spend a total of ¥376.5 billion over three years. This includes real estate development such as the TOKYO GARDEN TERRACE KIOICHO, rebuilding of Former Headquarters in Ikebukuro and Tokorozawa Station East Building Plan, and value-enhancement investments in the Hotel and Leisure Business, such as renovations of hotel rooms.

Note: Monetary amounts are rounded up to one-tenth of a billion and the changes are rounded to the nearest one-tenth of a billion.

Use of Funds During the Period of the Medium-Term Business Plan (Image)



Investments in safety

Further promote creation of facilities and improvement of services so that customers can use these with peace of mind in line with the Group's management philosophy to promote all business services based on safety and security.

Investments to enhance value

Raise satisfaction of customers by providing services that meet their needs. In particular, prevent lost opportunities by implementing capital expenditure while understanding changes in demand trends due to paradigm shifts and aim to shift gears for further growth.

Shareholder returns

Achieve the optimal balance between returning profits to stakeholders and conducting investments for growth. The new Medium-Term Business Plan gives priority growth investment and maximize shareholder value by increasing cash flow from operating activities. Review options for further enhancing and bolstering shareholder returns in accordance with the growth of cash flow base.

We plan to carry out capital expenditure for purposes other than redevelopment projects and strategic investment, depending on the estimated operating cash flow.

Capital expenditure exceeding the estimated operating cash flow will rely on financing.

* Redevelopment Projects : TOKYO GARDEN TERRACE KIOICHO, Former Headquarters in Ikebukuro and Tokorozawa Station East Building Plan

The figures, graphs, and other information contained in this document are created based on various assumptions related to factors such as the assumed economic environment, business conditions, and management strategy at the time of publication. Please note that actual results may differ due to various factors in the future.