

[Translation for Reference Only]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

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In all cases, the original Japanese version takes precedence.

April 30, 2020

For Immediate Release

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

**Notice Regarding Recognition of Extraordinary Losses (Impairment Loss)
and the Full-Year Consolidated Earnings Forecasts for the Year Ended March 31, 2020**

Seibu Holdings Inc. (the “Company”) now expects to record extraordinary losses (impairment loss) for the year ended March 31, 2020.

In addition, due to the aforementioned extraordinary losses (impairment loss) and the effect of the spread of the novel coronavirus disease (COVID-19), in regard to the Full-Year Consolidated Earnings Forecasts for the Year Ended March 31, 2020, there is now the possibility of undershooting the figures released on February 6, 2020. The details are described below.

1. Recognition of extraordinary losses (impairment loss)

The Company expects to recognize approximately ¥25.0 billion in extraordinary losses (impairment loss) in the fourth quarter of the fiscal year upon having analyzed future recoverability of certain non-current assets held by consolidated subsidiaries, pursuant to the “Accounting Standard for Impairment of Non-current Assets.”

Major business locations expected to record impairment loss	Estimated amount (approximation)
Kuni Country Club (Hanno-shi, Saitama)	¥11.9 billion
Hakodate-Onuma Prince Hotel (Nanae-cho, Kamada-gun, Hokkaido)	¥2.0 billion
Hakone Yunohana Prince Hotel (Hakone-machi, Ashigara-shimo-gun, Kanagawa)	¥1.3 billion
Manza Prince Hotel (Tsumagoi-mura, Agatsuma-gun, Gunma)	¥1.3 billion
Ryuo Golf Course (Ryuo-cho, Gamo-gun, Shiga)	¥1.2 billion

2. Forecast figures of the full-year consolidated earnings for the fiscal year ended March 31, 2020
(from April 1, 2019 to March 31, 2020)

Regarding expected changes to the full-year consolidated earnings forecasts for the fiscal year ended March 31, 2020 that were announced on February 6, 2020, developments stemming from the spread of COVID-19 have adversely affected the Company’s financial performance more than what was anticipated as of the date of that release. Those developments include canceled reservations and a slowing pace of reservations in hotel operations; a downturn in leisure demand associated with stay-at-home requests and a voluntary ban on events; closures of leisure facilities; and cancellations of events. As a result of those developments, the Company now believes it is possible that operating revenue will be approximately ¥21.0 billion lower than

the initially forecasted ¥573.8 billion. Similarly, the Company forecasts that operating profit will be approximately ¥11.0 billion lower than the initially forecasted ¥67.5 billion and that profit attributable to owners of parent will be approximately ¥36.0 billion lower than the initially forecasted ¥40.0 billion after factoring in the effect of the extraordinary losses (impairment loss).

Reference: Financial effects associated with the spread of COVID-19 (January to March, cumulative)

Segment	Effect on operating revenue (approximation)	Effect on operating profit (approximation)
Urban Transportation and Regional	¥(3.6 billion)	¥(3.0 billion)
Hotel and Leisure	¥(15.0 billion)	¥(11.3 billion)
Real Estate	¥(0.3 billion)	¥(0.2 billion)
Other	¥(1.5 billion)	¥(0.6 billion)
Total	¥(20.4 billion)	¥(15.1 billion)

* For details on the Seibu Group's response to COVID-19, please refer to the following, which was released on April 22, 2020.

Regarding Seibu Group's infection prevention measures against COVID-19

(Note) The above forecasts are based on information available to the Company at the announcement of this material. Actual earnings results may differ from the forecast figures due to various factors going forward.

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