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ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

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For Immediate Release

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**Notice Regarding the Revision of the Full-Year Consolidated Earnings Forecasts
for the Year Ended March 31, 2020**

Seibu Holdings Inc. (the “Company”), previously announced in the Notice Regarding Recognition of Extraordinary Losses (Impairment Loss) and the Full-Year Consolidated Earnings Forecasts for the Year Ended March 31, 2020, dated April 30, that there was the possibility of undershooting the consolidated earnings forecast of February 6, 2020. Today, the Company announces that it has made the following revisions to the consolidated earnings forecasts of February 6, 2020.

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

	Operating revenue	Operating profit	EBITDA	Ordinary profit	Profit attributable to owners of parent	Earnings per share
	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Yen
Financial forecast (A) (Announced on February 6, 2020)	573.8	67.5	125.7	59.2	40.0	133.69
Revised forecast (B)	554.5	56.8	114.5	48.7	4.6	15.18
Difference (B - A)	(19.2)	(10.6)	(11.1)	(10.4)	(35.3)	—
Change (%)	(3.3) %	(15.8) %	(8.9) %	(17.6) %	(88.3) %	—
(Reference) Results for the fiscal year ended March 31, 2019	565.9	73.3	127.3	65.4	45.4	145.21

2. Reason of the revision

Firstly, the spread of novel coronavirus (COVID-19) has led a reduction in use of accommodation, banquets and restaurants as well as a downturn in leisure demand associated with official requests to refrain from outings and events, the closures of leisure facilities, and cancellations of events. This has adversely affected the Company’s financial performance more than what was anticipated as of February 6, 2020. Secondly, as announced in the release dated April 30, 2020, the Company expects to recognize extraordinary losses (impairment loss) on certain non-current assets held by consolidated subsidiaries of the Company.

3. Forecasts for operating revenue, operating profit, and EBITDA by segment

(Billions of yen)

Segment	Operating revenue			Operating profit			EBITDA		
	For the year ended March 31, 2020 (Revised forecast)	Comparison with announcement of February 6	YoY change	For the year ended March 31, 2020 (Revised forecast)	Comparison with announcement of February 6	YoY change	For the year ended March 31, 2020 (Revised forecast)	Comparison with announcement of February 6	YoY change
Urban Transportation and Regional	161.1	(3.5)	(1.9)	23.3	(1.8)	(3.7)	45.4	(2.0)	(3.2)
Hotel and Leisure	209.1	(13.7)	(10.6)	8.0	(9.4)	(11.6)	25.4	(9.1)	(10.6)
Real Estate	66.3	(0.1)	(3.3)	18.1	0.2	(1.9)	29.9	0.2	(0.4)
Construction	111.7	(1.9)	2.0	5.6	0.3	(0.2)	6.0	0.2	(0.2)
Hawaii Business	22.4	0.0	3.3	0.5	0.0	1.8	3.2	0.0	2.0
Other	41.5	(1.2)	(0.3)	0.6	0.1	(0.6)	4.0	0.1	(0.3)
Total	612.4	(20.5)	(10.7)	56.3	(10.5)	(16.3)	114.2	(10.4)	(12.8)
Adjustments	(57.8)	1.3	(0.5)	0.5	(0.0)	(0.1)	0.3	(0.6)	0.0
Consolidated	554.5	(19.2)	(11.3)	56.8	(10.6)	(16.5)	114.5	(11.1)	(12.7)

(Notes) 1. Adjustments mainly consist of elimination of inter-company transactions.

2. EBITDA is calculated by adding depreciation and amortization of goodwill to operating profit.

In the Urban Transportation and Regional business, operating revenue is now estimated at ¥161.1 billion, ¥3.5 billion below the previous forecast as of February 6. The revision mainly reflects factors associated with the spread of COVID-19, such as sales decline in railway transportation and bus services due to the impact of people refraining from going out, the closures of Seibuen Amusement Park and Toshimaen since February 29, excepting certain periods, to prevent the spread of infection, and the cancellation of planned events at Yokohama Arena. Despite efforts to reduce costs, operating profit is now estimated at ¥23.3 billion, ¥1.8 billion below the forecast of February 6, mainly reflecting the lower-than-expected operating revenues, and EBITDA is estimated at ¥45.4 billion, ¥2.0 billion below the previous announcement.

In the Hotel and Leisure business, operating revenue is now estimated at ¥209.1 billion, ¥13.7 billion below the earlier forecast. The revision mainly reflects factors associated with the spread of COVID-19, such as a decrease in use of hotels for accommodation, banquet and restaurant services and the closures of certain leisure facilities, including Yokohama Hakkeijima Sea Paradise, since February 29, excepting certain periods, to prevent the spread of infection. Despite efforts to reduce costs, operating profit is now estimated at ¥8.0 billion, ¥9.4 billion below the forecast of February 6, mainly reflecting the lower-than-expected operating revenues, and EBITDA is estimated at ¥25.4 billion, ¥9.1 billion below the previous forecast.

In the Real Estate business, operating revenue is now estimated at ¥66.3 billion, ¥0.1 billion below the forecast of February 6. The revision mainly reflects factors associated with the spread of COVID-19, such as the adoption of shorter operating hours at certain commercial facilities, such as Karuizawa Prince Shopping Plaza, since March 2, and the impact of people refraining from going out on our in-station convenience store chain, "TOMONY." Mainly reflecting efforts to reduce costs, operating profit is now estimated at ¥18.1 billion, ¥0.2 billion above the forecast of February 6, and EBITDA is estimated at ¥29.9 billion, ¥0.2 billion above the previous forecast.

In the Construction business, operating revenue is now estimated at ¥111.7 billion, ¥1.9 billion below the forecast of February 6. The revision mainly reflects slower-than-expected progress on civil engineering and construction projects. Operating profit is now estimated at ¥5.6 billion, ¥0.3 billion above the forecast of

February 6, mainly reflecting improvements in the profit margin gained mostly from civil engineering projects and EBITDA is estimated at ¥6.0 billion, ¥0.2 billion above the previous forecast.

The Hawaii business is expected to deliver results as announced on February 6.

In Other business, operating revenue is now estimated at ¥41.5 billion, ¥1.2 billion below the forecast of February 6. The revision mainly reflects factors associated with the spread of COVID-19, such as holding the pre-season game of the Seibu Lions without spectators, and delaying the start of the baseball season, and the impact of people refraining from going out on the Izuhakone business and the Ohmi business. Mainly reflecting the absence of expenses related to the start of the baseball season of the Seibu Lions, operating profit is now estimated at ¥0.6 billion, ¥0.1 billion above the forecast of February 6, and EBITDA is estimated at ¥4.0 billion, ¥0.1 billion above the previous forecast.

4. Other

(1) Financial effects associated with the spread of COVID-19 (January to March, 2020, 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	¥(15.2 billion)	¥(11.5 billion)
Real Estate	¥(0.3 billion)	¥(0.2 billion)
Other	¥(1.5 billion)	¥(0.6 billion)
Total	¥(20.6 billion)	¥(15.3 billion)

(2) Main operating status in April (preliminary)

Item		Operating status (preliminary) YoY change	
Railway operations	Trends of users at main stations	Ikebukuro Station:	Approx. (62)%
		Takadanobaba Station:	Approx. (61)%
Hotel operations	RevPAR	All:	Approx. (95)% City hotels: Approx. (95)% Resort hotels: Approx. (94)%
	Average daily rates	All:	Approx. (26)% City hotels: Approx. (26)% Resort hotels: Approx. (25)%
	Occupancy rates	All:	Approx. (73)pt City hotels: Approx. (86)pt Resort hotels: Approx. (46)pt
	Staying guests	All:	Approx. (94)% Japanese guests: Approx. (90)% Non-Japanese guests: Approx.(100)%

(Note) The hotel operations' indicators are calculated based on the total number of rooms available including the ones that are temporarily closed.

* 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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