

Overview of financial results for the fiscal year ended March 31, 2021 and forecasts for the fiscal year ending March 31, 2022

May 13, 2021

Seibu Holdings Inc. (9024)
<https://www.seibuholdings.co.jp/en/>

I . Executive summary

P3

II . Operational highlights of the fiscal year ended March 31, 2021

P8

III . Segment information and key performance indicators

P17

IV . Details on financial results

P27

V . Consolidated earnings forecasts for the fiscal year ending March 31, 2022

P34

VI . Dividends for the current period and the following period

P41

VII . Appendix

P43

Financial results for the fiscal year ended March 31, 2021

- Operating revenue dropped 39.2% to 337.0 billion yen due to weak demand amid the spread of COVID-19 and the development of "New Lifestyle" and the suspension of operations at some facilities, etc.
(Sales from railway transportation -28.8%, RevPAR of Prince Hotels, Inc -74.0%)
- Operating loss came to 51.5 billion yen and loss attributable to owners of parent was 72.3 billion yen
- Booked extraordinary income of 15.5 billion yen from gain on sales of non-current assets and 11.4 billion yen from subsidies for employment adjustment
- Booked extraordinary losses of 20.2 billion yen from impairment loss and 18.9 billion yen from fixed expenses during temporarily suspension of operations

billions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)		March 31, 2021 (Forecast) ²	Change from forecast (Amount / %)	
Operating revenue	554.5	337.0	(217.5)	(39.2%)	334.0	3.0	0.9%
Operating profit	56.8	(51.5)	(108.4)	—	(58.0)	6.4	—
EBITDA ¹	114.5	1.8	(112.6)	(98.4%)	(4.0)	5.8	—
Ordinary profit	48.7	(58.7)	(107.5)	—	(68.0)	9.2	—
Profit attributable to owners of parent	4.6	(72.3)	(76.9)	—	(80.0)	7.6	—

¹ EBITDA is calculated by adding depreciation and amortization of goodwill to operating profit

² Forecasts announced on February 25, 2021

Operating revenue by segment

billions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)		Details (+)Increase factor, (–)Decrease factor	March 31, 2021 (Forecast) ¹	Change from forecast (Amount / %)		Details (+)Increase factor, (–)Decrease factor
Urban Transportation and Regional	168.5	122.5	(45.9)	(27.3%)	(–) Decrease in railway and bus transportation revenue (–) Suspension of operations of leisure facilities along railway lines and decrease in users (–) Decrease in foot traffic at "TOMONY" in-station convenience stores due to decrease in station users	122.1	0.4	0.4%	(+) Upturn in railway transportation revenue (+) Upturn in advertising revenue
Hotel and Leisure	227.4	84.0	(143.4)	(63.0%)	(–) Decrease in users of hotels and golf courses in Japan/overseas, ski resorts and Yokohama Hakkeijima Sea Paradise etc. and suspension of operations at some facilities	81.7	2.3	2.9%	(+) Stronger than expected demand in hotels, golf courses and Yokohama Hakkeijima Sea Paradise, etc.
Real Estate	60.4	55.3	(5.0)	(8.4%)	(–) Decrease in users of commercial facilities and rent relief for business clients (–) Fall-back after sale of condominium units (+) Increase in rent at DaiyaGate Ikebukuro	55.1	0.2	0.5%	
Construction	111.7	96.1	(15.6)	(14.0%)	(–) Decrease in private residential building construction, civil engineering works and renovation projects due to drop in construction progress and orders received (–) Decrease in sales of landscape work and building materials (–) Closure and decrease in users of parks where the company is contracted as the designated manager (+) Increase in building construction	97.1	(0.9)	(1.0%)	(–) Decrease in progress of civil engineering works (+) Increase in progress of building construction
Other	44.2	26.7	(17.4)	(39.5%)	(–) Decrease in the numbers of Seibu Lions baseball games and spectators (–) Shrinking demand for tourism and decrease in bus passengers in the Izuhakone business and the Ohmi business (–) Decrease in events at Yokohama Arena and MetLife Dome	26.4	0.3	1.4%	(+) Upturn in tourism demand and bus passengers in the Izuhakone business and the Ohmi business
Adjustments	(57.8)	(47.8)	10.0	–	(+) Decrease in cancellation of transactions between Group Companies	(48.4)	0.5	–	
Consolidated	554.5	337.0	(217.5)	(39.2%)		334.0	3.0	0.9%	

* Forecasts announced on February 25, 2021

Reportable segments were changed from the fiscal year ending March 31, 2021. (See page 43-46)
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

	March 31, 2020	March 31, 2021	YoY change (Amount / %)	Details (+)Increase factor, (–)Decrease factor	March 31, 2021 (Forecast) ¹	Change from forecast (Amount / %)	Details (+)Increase factor, (–)Decrease factor
Urban Transportation and Regional	22.8	(9.8)	(32.6)	– (–) Decrease in operating revenue (+) Decrease in personnel expenses, power and fuel costs, repair expenses and general and administrative expenses (+) Recording fixed expenses as extraordinary losses	(12.7)	2.8	– (+) Downward in personnel expenses, non-current asset retirement costs and advertising expenses (+) Upturn in operating revenue
Hotel and Leisure	8.5	(53.4)	(61.9)	– (–) Decrease in operating revenue (+) Decrease in personnel expenses, utility costs, advertising expenses and selling, general and administrative expenses (+) Recording fixed expenses as extraordinary losses	(55.6)	2.1	– (+) Upturn in operating revenue (+) Downward in personnel expenses and repair expenses (+) Higher than expected fixed expenses recorded as extraordinary losses
Real Estate	17.4	15.4	(2.0)	(11.6%) (–) Decrease in operating revenue (+) Decrease in advertising expenses and personnel expenses	14.8	0.6	4.2% (+) Upturn in operating revenue (+) Downward in selling, general and administrative expenses, etc.
Construction	5.6	4.0	(1.5)	(28.0%) (–) Decrease in operating revenue (–) Decrease in gross profit margin in construction operations (+) Decrease in selling, general and administrative expenses and indirect construction costs in construction operations	3.9	0.1	4.1% (+) Upturn in profit margins of landscape work
Other	1.8	(7.5)	(9.4)	– (–) Decrease in operating revenue (+) Decrease in personnel expenses and advertising expenses (+) Recording fixed expenses as extraordinary losses	(8.5)	0.9	– (+) Downward in personnel expenses and depreciation (+) Upturn in operating revenue
Adjustments	0.5	(0.2)	(0.7)	–	0.1	(0.3)	–
Consolidated	56.8	(51.5)	(108.4)	–	(58.0)	6.4	–

■ EBITDA

billions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)	March 31, 2021 (Forecast) ¹	Change from forecast (Amount / %)
Urban Transportation and Regional	44.6	12.3	(32.2) (72.2%)	9.6	2.7 29.1%
Hotel and Leisure	28.6	(38.1)	(66.8) —	(40.2)	2.0 —
Real Estate	29.1	27.4	(1.7) (6.0%)	26.8	0.6 2.4%
Construction	6.0	4.5	(1.5) (25.2%)	4.4	0.1 3.5%
Other	5.6	(3.4)	(9.1) —	(4.4)	0.9 —
Adjustments	0.3	(0.8)	(1.1) —	(0.2)	(0.6) —
Consolidated	114.5	1.8	(112.6) (98.4%)	(4.0)	5.8

■ Fixed expenses of extraordinary losses recorded

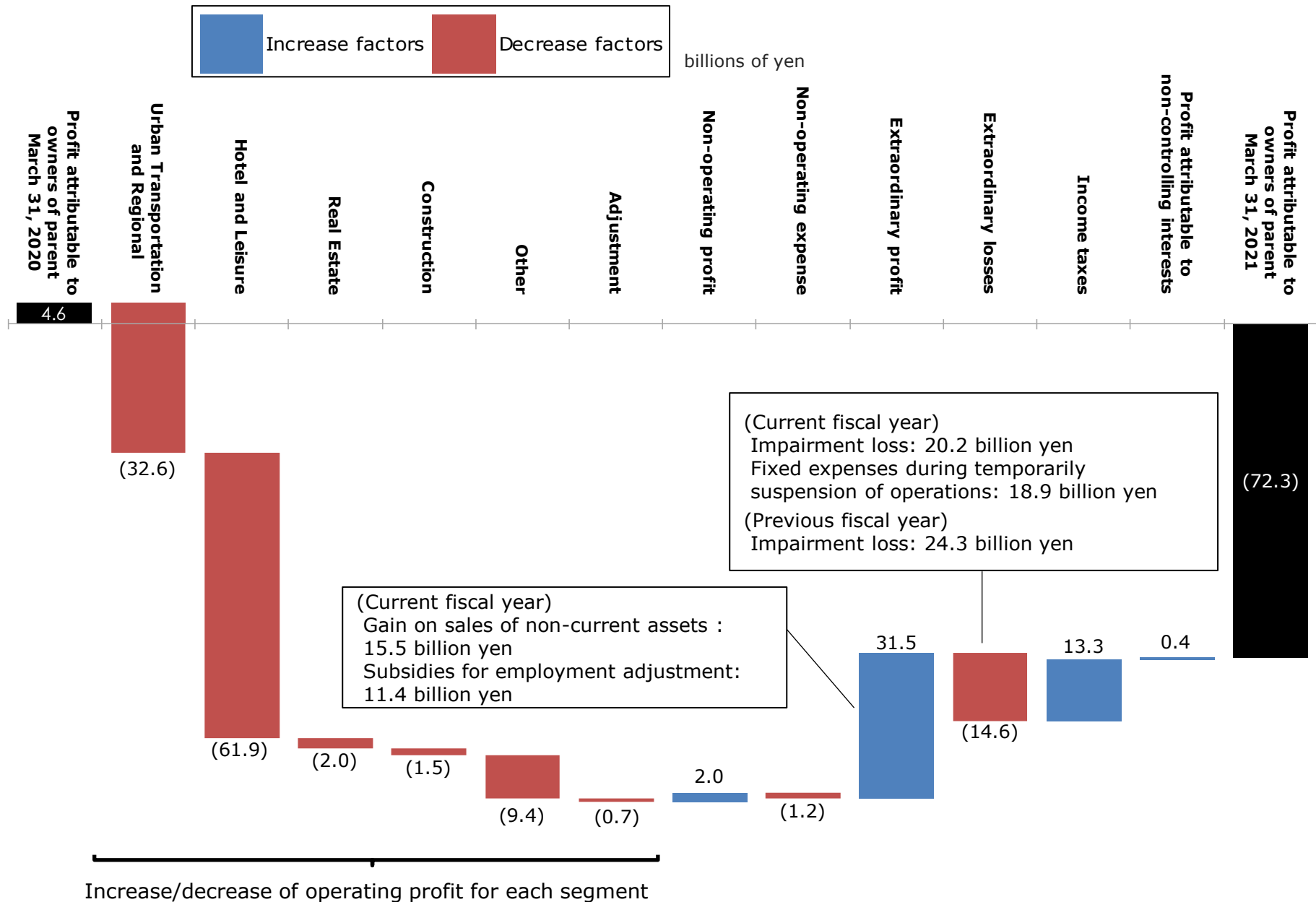
billions of yen

	March 31, 2021	Details
Urban Transportation and Regional	1.1	• Personnel expenses, depreciation, etc associated with some leisure facilities alongside railway lines during the suspension of their operations
Hotel and Leisure	16.4	• Personnel expenses, depreciation, etc associated with hotels, golf courses and some leisure facilities during the suspension of their operations
Real Estate	0.0	
Construction	–	
Other	1.2	• A portion of participation remuneration was recorded as an extraordinary losses due to a decrease in the number of official professional baseball games hosted • Personnel expenses, etc in the Izu Hakone business
Adjustments	(0.0)	
Total	18.9	

* Forecasts announced on February 25, 2021

Reportable segments were changed from the fiscal year ending March 31, 2021. (See page 43-46)
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Profit attributable to owners of parent: Factors increasing/decreasing profit



I . Executive summary

P3

**II . Operational highlights of the fiscal year
ended March 31, 2021**

P8

**III . Segment information and
key performance indicators**

P17

IV . Details on financial results

P27

**V . Consolidated earnings forecasts for the
fiscal year ending March 31, 2022**

P34

**VI . Dividends for the current period and
the following period**

P41

VII . Appendix

P43

Business status by segment

Urban Transportation and Regional

Railway operations

- Suspended limited express train services mainly on weekends and holidays as well as "S-TRAIN" and "HAIJIMA LINER" (from the end of April to the end of May and from mid-Feb. to late March)
- Have brought forward the times of the last train since Jan. 20 to March 12, 2021 following the declaration of a state of emergency
- Moved up the schedule of the last train in the timetables that were revised on March 13, 2021

Lifestyle service operations along railway lines, Sports operations

- Suspended operations at amusement parks, spa facilities, fitness clubs in Tokyo and Saitama (Operations restarted in phases from the end of May to mid-June)
- Returned to normal operation in stages at "TOMONY" in-station convenience stores after May 19
- Since Nov. 1, Seibuen Amusement Park has been temporarily closed (Scheduled to reopen on May 19, 2021)
- Since Jan. 8, 2021, operating hours have been shortened at some facilities along railway lines following the declaration of a state of emergency

Real Estate

Leasing operations

- Suspended operations or shortened operations at commercial facilities in Tokyo, Kanagawa, Saitama, and Nagano (Resumed operations on May 29 onwards)
- Since Jan. 8, 2021, operating hours have been shortened at commercial facilities following the declaration of a state of emergency

Other

Seibu Lions business

- Delayed the opening of the 2020 professional baseball league regular season (Held official games without spectators from June 19)
- Held games with the cap on the number of spectators at 5,000 from July 21, raised to 10,000 from Sept. 22 and to 12,000 from Oct.6
- On March 26, 2021, the 2021 regular season started with the maximum number of spectators set to 10,000

Izuhakone business and Ohmi business

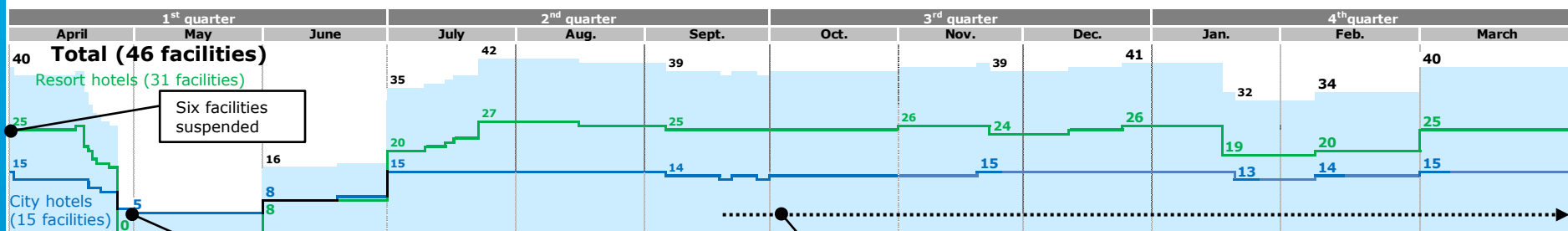
- Ran bus services on reduced timetables

Business status by segment (continued from the previous page)

Hotel and Leisure

Hotel operations (City hotels, Resort hotels)

The number of facilities in operation (See page 48-49)



Six facilities suspended

4/30-5/31 Operations were suspended except the following hotels:
 The Prince Gallery Tokyo Kioicho
 The Prince Park Tower Tokyo
 Grand Prince Hotel Shin Takanawa
 Shinagawa Prince Hotel
 Nagoya Prince Hotel Sky Tower

Based on the demand trends
 【Temporary suspension】

8/16-12/24 Naeba Prince Hotel
 9/6-10/31 Nichinan Kaigan Nango Prince Hotel
 9/6-11/19 Shinjuku Prince Hotel
 1/18-2/7 Naeba Prince Hotel
 1/18-2/28 Oiso Prince Hotel and Shimoda Prince Hotel
 1/18-4/16 Hakodate-Onuma Prince Hotel
 1/21-2/7 Lake Biwa Otsu Prince Hotel
 1/21-2/28 Grand Prince Hotel Hiroshima

【Consolidation of operations】

1/18-2/28
 • The Prince Karuizawa into Karuizawa Prince Hotel
 • Hakone Sengokuhara Prince Hotel and Hakone Yunohana Prince Hotel into The Prince Hakone Ashinoko

Consolidating operations of hotels and restaurants in Tokyo Prince Hotel etc.

Overseas hotel operations (Jan.-Dec.)

StayWell Group: Operations were suspended at 12 hotels as of March 31, at 10 hotels as of June 30, at 4 hotels as of Sept. 30 and 5 hotels as of Dec. 31

Hawaii: After March 28, operations were suspended at 3 hotels and 3 golf courses

(Restarted in phases from May 4 onwards at golf courses, and from Nov. 1 onwards at hotels)

Sports operations

Golf courses: After April 18, operations were sequentially suspended at all 28 golf courses

(Restarted in phases from June 1 onwards)

Ski resorts: Until April 21, 2019-2020 season ended earlier than initially planned

Operations for the 2020-2021 season have commenced in stages since Nov. 3

Operations were suspended at Naeba Ski Resort and Kagura Ski Resort from Jan. 13 to Feb. 7, 2021

Others

Suspended at Yokohama Hakkeijima Sea Paradise, Maxell Aqua Park Shinagawa until May 31

Approaches to securing required working capital

■ Enhance on-hand liquidity

Secured funding exceeding 250.0 billion yen throughout the fiscal year

- Made new borrowings from major financial institutions by 162.0 billion yen (April 2020 – March 2021)
- Expanded commitment lines to 150.0 billion yen from 60.0 billion yen (May)

■ Strengthen financial foundation of the Group

- The issuance of preferred shares by consolidated subsidiaries of the Company (Seibu Railway and Prince Hotels)

■ Control cash outflows

- Reduced fixed expenses such as personnel expenses, utility costs, advertising expenses, and selling, general and administrative expenses
- Reduction in remuneration of Directors (ongoing) and employees' second half bonuses

→ **FY2020 fixed expenses decreased by around 56.0 billion yen compared to pre-COVID-19 forecast**
(1st half: 18.0 billion yen, Oct.-Dec.: 17.0 billion yen, Jan.-March: 21.0 billion yen)

- Curbed non-urgent capital investment
- Decided to not pay out the interim dividend and have set the forecast for the year-end dividend at zero for FY2020

■ Asset sale

- Sold Sugita Golf Driving Range (golf driving range and tennis courts) owned and operated in Kanazawa-ku, Yokohama City in March 2021 (gain from sales of non-current assets: 12.9 billion yen)

■ Response to restrictive financial covenants

- The amount of net assets that we are required to maintain in the covenants for some borrowings has been changed with the consent of all of the financial institutions that are applicable (Sept.)

Initiatives to ensure safety and security of customers and employees, and to recover earnings

Overall

- Seibu Group business management policy during COVID-19 pandemic
 - Place safety and security of customers and employees as our top priority in conducting our business
 - Grasp changing needs quickly and accurately from the customers perspective, and work swiftly to develop services
 - Actively pursue profits through the measures mentioned above
- Promoted telework and staggered working hours to prevent the spread of infection

Urban Transportation and Regional

- Take infection prevention measures such as sterilization, ventilation, antiviral, antibacterial coating inside trains/buses and at the stations
- Started providing teleworking space service at BIGBOX Higashi-Yamato and Hatara-kuukan (in front of Seibu-Chichibu station) using via-at app
- Closed Toshimaen at the end of Aug. and entered an agreement to develop a facility of Warner Bros. Studio Tour Tokyo - The Making of Harry Potter in part of the former site of Toshimaen
- Conducted a field trial for tourism-oriented MaaS in the Hanno area (Sept. 2020-Jan. 2021)
- Conducted a field trial on transporting agricultural products by limited express "Laview" (Oct. 2020 and Feb. 2021)
- Held renewal opening of Sayama Indoor Skiing Ground (Nov. 12)
- Conducted a field trial for the use of automated driving on route buses in the Hanno area (Feb. and March 2021)
- Moved up the schedule of the last train in the timetables that were revised on March 2021 to improve safety and efficiency of nighttime maintenance
- Seibuen Amusement Park undergoing a revamp collaborating with Katana Inc. (set to open on May 19, 2021)



■ Transportation field trial for agricultural products

Initiatives to ensure safety and security of customers and employees, and to recover earnings (continued from the previous page)

Hotel and Leisure

- Established “Guidelines for Preventing COVID-19 Infection” at Prince Hotels to put safety and security of guests and employees first in operations
Established “Prince Safety Commitment,” new standards for health safety and disinfection, and “PROMISING Wedding,” the eight safety standards that promise safe and secure weddings, and made guidelines for our guests easier to understand
- Developed workation plans for corporations to support company problem-solving and “local workations” that also offer the opportunity to enjoy unique local experiences as well as accommodation plan using coupon tickets that will allow guests to choose the hotel they prefer on their desired dates
- Proposed remote wedding plans that “connect” with wedding facilities nationwide, “NEW BANQUET EXPERIENCE,” which incorporates wagon services, communication space, the “Hybrid MICE,” which combines the real world and the online world at hotels nationwide in cooperation with NTT Advertising, Inc. and other services
- Opened Xpark, aquarium with cutting-edge technology, in Taoyuan, Taiwan (Aug. 7)
- Opened Tokyo Bay Shiomi Prince Hotel, hotel under a management contract (Sept. 1)
- Opened “Prince Smart Inn Ebisu,” the first hotel of the next-generation hotel brand (Oct. 8)
- Rebranded the Grand Prince Hotel Kyoto as “The Prince Kyoto Takaragaike,” the flagship brand of the Prince Hotels (Oct. 9)
Joined the Autograph Collection of Marriott International, Inc.
- Opened “Park Regis Zhuhai” (Zhuhai, China) and “Leisure Inn Arion” (Jakarta, Indonesia) (Dec. 16)
- Through a partnership with Allm Inc., a medical care provider, Prince Hotels will provide services to further ensure the safety and security for weddings, MICE* and other banquets by launching a solution to infection prevention
Opened PCR-specialty clinic inside Shinjuku Prince Hotel (March 30, 2021)



aquarium with cutting-edge technology
“Xpark” (Taoyuan, Taiwan)

* MICE: Meetings, Incentives, Conventions/Conferences, Exhibitions/Events

Initiatives to ensure safety and security of customers and employees, and to recover earnings (continued from the previous page)

Real Estate

- Operate commercial facilities implementing measures to prevent infection such as restricting entry with an awareness of avoiding the “three Cs” and ensuring social distancing and worked with business clients to overcome this difficult period, such as offering rent relief for facilities (mostly during the first quarter)
- Opened “Grand Emio Tokorozawa” phase II and started shared use of new station facilities (Sept. 2)
- Ran outdoor markets (farmer’s markets) by making use of open space in front of a Seibu's commercial facility
- Launched an online consultation service that allows customers to consult on purchasing and selling vacation homes and houses, lifestyle support, and purchasing burial plots, all while staying at their own home or when they are outdoors
- Started prefabricated unit rental service “Emi Cube,” which utilizes idle land of the Group and looking for tenants for the Emi Cube Musashi-Seki as the first property (Feb. 25, 2021)
- Opened “emiffice Oizumi-Gakuen” as the second property of the “emiffice” shared-office (Mar. 22, 2021)
- Launched “Emi Farm,” farm rental as an outdoor service to respond to stay-at-home demand, in collaboration with Seibu Agribusiness Inc.

Construction

- Conduct construction works, taking thorough measures to prevent infection

Other

- Izu Hakone Railway and Ohmi Railway concluded sister station agreements with Taiwan Railway Administration
- Launched BOPISTA, a station delivery service using smart coin lockers, as a new purchasing style during the COVID-19 pandemic
- Completed refurbishment plan for converting MetLife Dome into a ball park (March 2021)
- Launched “LIONS VIRTUAL STADIUM,” which enables users to experience MetLife Dome virtually at any time or anywhere using digital technology, as a joint project with NTT Communications Corporation



Grand Emio Tokorozawa



Promotion of DX (digital transformation) and marketing strategy and collaboration inside and outside the Group

■ Offensive strategy towards DX (digital transformation), marketing strategy

- Started official smartphone app membership services for “SEIBU PRINCE CLUB” and “SEIBU PRINCE CLUB emi”
- Seibu Group’s MaaS app “SeMo,” brought into service and conducted field trials for tourism-oriented MaaS in the Kawagoe area (Sept. 14-Nov. 30)
- Invited Mr. Tetsuya Shoji (Corporate Advisor to NTT Communications Corporation) as Executive Advisor
- By using ICT, promoting of computerization of accounting operations and shifting to paperless operations in order to reform teleworking and other workstyles
- Implementation of in-house training for human resource development in the field of DX



■ MaaS app image

■ Collaboration inside and outside the Group

- Blue Incubation Co., Ltd. and operating company Blue Muse Co., Ltd. were established to invest in and manage new business fields
- Selected 6 proposal ideas from a total of 171 submissions under the Seibu Group new business creation program, “SWING OPEN” and started examination and field trials for commercialization
- Announcement of partnership with East Japan Railway Company
→Offering the following through a long-term partnership
(1) New work styles and lifestyles (2) Town development (3) Revitalization of rail line-side areas
We will promote a comprehensive range of initiatives centering on the three pillars as mentioned above
- Partnership with Allm Inc. (See page 12)

Promotion of Sustainability Actions

- The Seibu Group set Environmental Footprint Reduction Target
→Aiming to reduce its CO₂ emissions per basic unit (CO₂ emissions per operating revenue) by 25% over fiscal 2018 by fiscal 2030
- In order to prepare a framework to sustainably, aggressively and systematically promote Sustainability Actions, the Group established the "Seibu Group Sustainability Committee" and "Seibu Group Council for Promotion of Sustainability Actions"
- Posted Seibu Group's environmental data on the Company's website (including CO₂ emissions and water consumption of all companies in the Seibu Group)
https://www.seibuholdings.co.jp/sustainability/environment/210104kannkyofukadata_en.pdf
- Established SEIBU AGRIBUSINESS INC., entering the business field of agricultural and solar sharing
→Plan to start the businesses from fiscal 2021 on the Seibu line
- Started the project "LOSS TO VALUE," aimed at converting all "loss" into "value"
→With the key concept of utilizing various losses in apparel, food, and housing, cooperated with local communities and companies in other industries and fields to create networks for sharing issues, expertise, and ideas
 - Started sales of "Chabacco," a new style of selling souvenirs during the COVID-19 pandemic, utilizing cigarette vending machines that had been scheduled to be scrapped
- At Seibu Bus, started operating route buses that use environmentally friendly euglena biodiesel fuel, and fuel cell buses that do not emit CO₂ or other environmentally harmful substances during operation
- Underwrote third-party allocation of shares by Mirairo Inc. in order to further promote principle of "Universal Design"
- Nine parties, including Chichibu City and Zenrin Co., Ltd., have begun efforts to build a logistics and public transportation network called the "Chichibu Model," which focuses on the difficulty of moving people and goods due to the declining birthrate and aging population in the mountainous areas of Chichibu City, Saitama Prefecture
- Concluded a sustainability-linked loan contract with Sumitomo Mitsui Trust Bank, Limited linking CO₂ emission reduction with the borrowing terms
- Effective April 1, 2021, Seibu Railway started operating the Yamaguchi line known as the Leo Liner, with all of the electricity being covered by the environmentally valuable electricity generated by the Seibu Takeyama Solar Power Station, thereby operating with virtually zero CO₂ emissions

I . Executive summary	P3
II . Operational highlights of the fiscal year ended March 31, 2021	P8
III . Segment information and key performance indicators	P17
IV . Details on financial results	P27
V . Consolidated earnings forecasts for the fiscal year ending March 31, 2022	P34
VI . Dividends for the current period and the following period	P41
VII . Appendix	P43

Urban Transportation and Regional Overview

millions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)	Details (+)Increase factor, (–)Decrease factor
Operating revenue	168,563	122,597	(45,965) (27.3%)	
Railway operations	106,488	77,330	(29,158) (27.4%)	(–) Decrease in railway transportation revenue
Bus operations	25,847	18,081	(7,765) (30.0%)	(–) Decrease in bus transportation revenue
Lifestyle service operations along railway lines	28,100	21,516	(6,583) (23.4%)	(–) Suspension of operations of leisure facilities along railway lines and decrease in users (–) Decrease in foot traffic at “TOMONY” in-station convenience stores due to decrease in station users
Sports operations	3,553	2,556	(997) (28.1%)	(–) Decrease in users of BIGBOX Takadanobaba and BIGBOX Higashi-Yamato, among others
Others	4,573	3,112	(1,460) (31.9%)	(–) Decrease in taxi revenue
Operating profit	22,829	(9,817)	(32,646) –	(–) Decrease in operating revenue (+) Decrease in personnel expenses, power and fuel costs, repair expenses and general and administrative expenses
EBITDA	44,608	12,392	(32,216) (72.2%)	(+) Recording fixed expenses as extraordinary losses

Reportable segments and breakdown classification were changed from the fiscal year ending March 31, 2021. (See page 43-46)
The figures in the previous year were presented based on the reportable segments after the change.

<Seibu Railway / Railway operations>

millions of yen

	March 31, 2021	YoY change
Personnel expenses	26,435	(757)
Repair expenses	7,221	(745)
Power costs	5,370	(840)
Depreciation	17,284	1,023
Non-current asset retirement costs	1,130	(131)

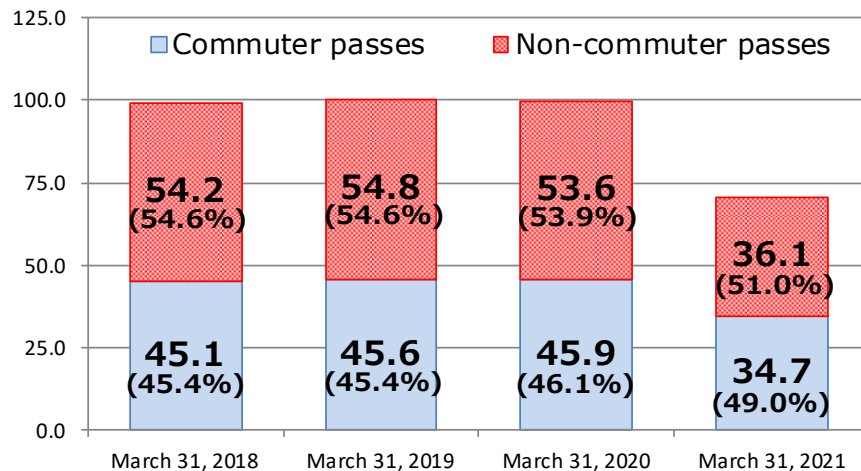
Urban Transportation and Regional: Indicators of Railway operations

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

thousands of passengers, millions of yen

		March 31, 2018	March 31, 2019	YoY change	March 31, 2020	YoY change	March 31, 2021	YoY change
Number of passengers	Commuter passes	412,680	417,162	1.1%	419,719	0.6%	303,513	(27.7%)
	Non-commuter passes	245,969	248,080	0.9%	242,268	(2.3%)	168,709	(30.4%)
	Total	658,650	665,242	1.0%	661,988	(0.5%)	472,222	(28.7%)
Sales from railway transportation	Commuter passes	45,137	45,638	1.1%	45,912	0.6%	34,755	(24.3%)
	Non-commuter passes	54,211	54,895	1.3%	53,668	(2.2%)	36,107	(32.7%)
	Total	99,348	100,533	1.2%	99,580	(0.9%)	70,863	(28.8%)
Other revenue		4,097	3,997	(2.4%)	4,070	1.8%	3,641	(10.5%)
Total net sales		103,445	104,530	1.0%	103,651	(0.8%)	74,504	(28.1%)

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



Hotel and Leisure Overview

millions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)	Details (+)Increase factor, (–)Decrease factor
Operating revenue	227,452	84,050	(143,402) (63.0%)	
City hotel operations	118,461	32,119	(86,342) (72.9%)	(–) Decrease in users of hotels and suspension of operations
Resort hotel operations	40,141	16,647	(23,494) (58.5%)	
Overseas hotel operations *	27,064	9,587	(17,477) (64.6%)	(–) Suspension of operations and decrease in users of hotels 【For reference】Hawaii's operating revenue Current fiscal year: 7.8 billion yen Previous fiscal year: 22.4 billion yen
Sports operations	22,069	12,760	(9,308) (42.2%)	(–) Suspension of operations of golf courses and decrease in users (–) Decrease in users of ski resorts and the number of business days
Others	19,715	12,934	(6,780) (34.4%)	(–) Decrease in users at Yokohama Hakkeijima Sea Paradise, etc. and suspension of operations
Operating profit	8,533	(53,413)	(61,946) –	(–) Decrease in operating revenue (+) Decrease in personnel expenses, utility costs, advertising expenses and selling, general and administrative expenses (+) Recording fixed expenses as extraordinary losses
EBITDA	28,687	(38,145)	(66,832) –	【For reference】Hawaii's operating profit Current fiscal year: -2.9 billion yen Previous fiscal year: 0.5 billion yen

* The accounting period for our overseas hotel operations mainly runs from Jan. through Dec.

Reportable segments and breakdown classification were changed from the fiscal year ending March 31, 2021. (See page 43-46)
The figures in the previous year were presented based on the reportable segments after the change.

Hotel and Leisure: Indicators of hotel operations

Indicators of hotel operations (Prince Hotels, Inc.)

RevPAR, room rates in yen

		March 31, 2018	March 31, 2019	YoY change	March 31, 2020	YoY change	March 31, 2021	YoY change
RevPAR	City hotels	12,732	13,473	5.8%	12,566	(6.7%)	2,540	(79.8%)
	Takanawa and Shinagawa area	13,354	13,811	3.4%	12,474	(9.7%)	1,622	(87.0%)
	Resort hotels	9,889	10,319	4.3%	9,757	(5.4%)	4,021	(58.8%)
	Karuizawa area	20,980	22,085	5.3%	20,585	(6.8%)	10,674	(48.1%)
	Total	11,786	12,435	5.5%	11,636	(6.4%)	3,029	(74.0%)
Average daily rate (ADR)	City hotels	15,196	15,845	4.3%	16,089	1.5%	15,267	(5.1%)
	Takanawa and Shinagawa area	14,830	15,397	3.8%	15,487	0.6%	14,031	(9.4%)
	Resort hotels	16,208	16,439	1.4%	16,401	(0.2%)	18,980	15.7%
	Karuizawa area	31,713	30,529	(3.7%)	29,811	(2.4%)	33,095	11.0%
	Total	15,466	16,003	3.5%	16,174	1.1%	16,699	3.2%
Average occupancy rate	City hotels	83.8%	85.0%	1.2pt	78.1%	(6.9pt)	16.6%	(61.5pt)
	Takanawa and Shinagawa area	90.0%	89.7%	(0.4pt)	80.5%	(9.1pt)	11.6%	(69.0pt)
	Resort hotels	61.0%	62.8%	1.8pt	59.5%	(3.3pt)	21.2%	(38.3pt)
	Karuizawa area	66.2%	72.3%	6.2pt	69.1%	(3.3pt)	32.3%	(36.8pt)
	Total	76.2%	77.7%	1.5pt	71.9%	(5.8pt)	18.1%	(53.8pt)

Takanawa and Shinagawa area : The Prince Sakura Tower Tokyo, Grand Prince Hotel Takanawa, Grand Prince Hotel Shin Takanawa, Shinagawa Prince Hotel
 Karuizawa area : The Prince Karuizawa, The Prince Villa Karuizawa, Karuizawa Prince Hotel

The hotel operations' indicators for the fiscal year ended March 31, 2021 are calculated based on the total number of rooms available including the ones that are temporarily closed.

Hotel and Leisure: Indicators of hotel operations

(continued from the previous page)

Indicators of hotel operations (Overseas hotel operations) * Jan.-Dec.

■ Hawaii

	December 31, 2017	December 31, 2018	YoY change	December 31, 2019	YoY change	December 31, 2020	YoY change
RevPAR (¥)	18,465	26,162	41.7%	32,123	22.8%	9,184	(71.4%)
RevPAR (\$)	175.86	227.49	29.4%	279.33	22.8%	86.64	(69.0%)
Average daily rate (¥)	30,539	35,956	17.7%	38,782	7.9%	36,368	(6.2%)
Average daily rate (\$)	290.85	312.66	7.5%	337.23	7.9%	343.10	1.7%
Average occupancy rate	60.5%	72.8%	12.3pt	82.8%	10.0pt	25.3%	(57.6pt)

■ The Prince Akatoki London

	December 31, 2020
RevPAR (¥)	6,143
RevPAR (£)	45.51
Average daily rate (¥)	29,772
Average daily rate (£)	220.57
Average occupancy rate	20.6%

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

		in persons, millions of yen						
		March 31, 2018	March 31, 2019	YoY change	March 31, 2020	YoY change	March 31, 2021	YoY change
Breakdown by Japanese/non- Japanese	Japanese customers	3,652,410	3,678,164	0.7%	3,481,011	(5.4%)	1,506,310	(56.7%)
	Non-Japanese customers	1,186,777	1,342,145	13.1%	1,168,839	(12.9%)	3,772	(99.7%)
	Total	4,839,187	5,020,309	3.7%	4,649,850	(7.4%)	1,510,082	(67.5%)
	Ratio of Non-Japanese customers	24.5%	26.7%	2.2pt	25.1%	(1.6pt)	0.2%	(24.9pt)
Room revenue	Non-Japanese customers	22,742	26,259	15.5%	24,803	(5.5%)	194	(99.2%)
	Ratio of Non-Japanese customers	34.4%	36.9%	2.5pt	37.0%	0.1pt	1.1%	(35.9pt)

Breakdown of number and room revenue of non-Japanese customers

		Number of non-Japanese customers		Room Revenue of non- Japanese customers	
		March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021
breakdown by country/area of guests	China	31.5%	10.2%	25.9%	8.6%
	Taiwan	19.1%	1.8%	9.0%	0.7%
	Korea	4.2%	6.6%	3.8%	4.3%
	Hong Kong	5.1%	0.5%	4.8%	1.4%
	Thailand	4.5%	1.7%	3.2%	0.6%
	Other Asia	11.6%	7.9%	12.2%	8.6%
	North America & Europe	16.7%	35.0%	28.8%	44.0%
Other		7.3%	36.3%	12.3%	31.7%

Real Estate Overview

millions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)		Details (+)Increase factor, (–)Decrease factor
Operating revenue	60,464	55,395	(5,068)	(8.4%)	
Leasing operations	48,398	46,527	(1,870)	(3.9%)	(–) Decrease in users of commercial facilities and rent relief for business clients (+) Increase in rent at DaiyaGate Ikebukuro
Others	12,065	8,867	(3,197)	(26.5%)	(–) Fall-back after sale of condominium units (–) Decrease in revenue in sales operations and parking services
Operating profit	17,447	15,422	(2,024)	(11.6%)	(–) Decrease in operation revenue
EBITDA	29,192	27,442	(1,750)	(6.0%)	(+) Decrease in advertising expenses and personnel expenses

Reportable segments and breakdown classification were changed from the fiscal year ending March 31, 2021. (See page 43-46)
The figures in the previous year were presented based on the reportable segments after the change.

in thousands of square meters

		as of March 31, 2018	as of March 31, 2019	YoY change	as of March 31, 2020	YoY change	as of March 31, 2021	YoY change
Leasing space	Commercial retail	244	244	0	246	2	246	0
	Office/Residential	172	184	11	208	24	205	(3)
Vacancy rate for leasable space	Commercial retail	1.1%	1.0%	(0.1pt)	1.0%	(0.1pt)	2.7%	1.7pt
	Office/Residential	1.9%	11.0% *	9.1pt	2.0%	(9.0pt)	3.5%	1.6pt

The lease of land is not included.

* Large YoY rise in vacancy rates is occurred by the completion of DaiyaGate Ikebukuro.

Construction Overview

millions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)	Details (+)Increase factor, (–)Decrease factor
Operating revenue	111,771	96,134	(15,636) (14.0%)	
Construction operations	80,252	68,644	(11,607) (14.5%)	(–) Decrease in private residential building construction, civil engineering works and renovation projects due to drop in construction progress and orders received (+) Increase in building construction
Others	31,519	27,489	(4,029) (12.8%)	(–) Decrease in sales of landscape work and building materials (–) Closure and decrease in users of parks where the company is contracted as the designated manager
Operating profit	5,637	4,058	(1,578) (28.0%)	(–) Decrease in operating revenue (–) Decrease in gross profit margin in construction operations
EBITDA	6,088	4,552	(1,535) (25.2%)	(+) Decrease in selling, general and administrative expenses and indirect construction costs in construction operations

Status of orders received in the Construction operations

millions of yen

	March 31, 2018	March 31, 2019	YoY change	March 31, 2020	YoY change	March 31, 2021	YoY change
Orders carried over from the previous fiscal year	89,755	100,542	10,787	88,975	(11,567)	77,871	(11,103)
Orders received during the period	84,599	69,527	(15,071)	68,793	(734)	58,890	(9,903)
Orders carried over to the next period	100,542	88,975	(11,567)	77,871	(11,103)	68,454	(9,416)

Other Overview, Operating revenue in sports-related businesses

■ Other

millions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)		Details (+)Increase factor, (–)Decrease factor
Operating revenue	44,216	26,760	(17,455)	(39.5%)	(–) Decrease in the numbers of Seibu Lions baseball games and spectators (–) Shrinking demand for tourism and decrease in bus passengers in the Izuhakone business and the Ohmi business (–) Decrease in events at Yokohama Arena and MetLife Dome
Operating profit	1,874	(7,562)	(9,437)	–	(–) Decrease in operating revenue (+) Decrease in personnel expenses and advertising expenses
EBITDA	5,642	(3,499)	(9,141)	–	(+) Recording fixed expenses as extraordinary losses

Reportable segments were changed from the fiscal year ending March 31, 2021. (See page 43-46)
The figures in the previous year were presented based on the reportable segments after the change.

■ Operating revenue of sports-related businesses *

millions of yen

	March 31, 2020	March 31, 2021	YoY change (Amount / %)		Details
Operating revenue	45,041	26,659	(18,382)	(40.8%)	• Seibu Lions business Current fiscal year: 10.4 billion yen Previous fiscal year: 16.7 billion yen • Yokohama Arena Current fiscal year: 0.9 billion yen Previous fiscal year: 2.6 billion yen • Urban Transportation and Regional (Sports operations) Current fiscal year: 2.5 billion yen Previous fiscal year: 3.5 billion yen • Hotel and Leisure (Sports operations) Current fiscal year: 12.7 billion yen Previous fiscal year: 22.0 billion yen

* The total of operating revenue of sports operations from "Urban Transportation and Regional" and "Hotel and Leisure" as well as sports business from "Other" segment.

I . Executive summary	P3
II . Operational highlights of the fiscal year ended March 31, 2021	P8
III . Segment information and key performance indicators	P17
IV . Details on financial results	P27
V . Consolidated earnings forecasts for the fiscal year ending March 31, 2022	P34
VI . Dividends for the current period and the following period	P41
VII . Appendix	P43

Summary of consolidated statement of income

millions of yen

	March 31, 2020	March 31, 2021	YoY change	Details
Operating revenue	554,590	337,061	(217,529)	Urban Transportation and Regional: -45.9 billion yen, Hotel and Leisure: -143.4 billion yen, Real Estate: -5.0 billion yen, Construction: -15.6 billion yen, Other: -17.4 billion yen, Adjustments: +10.0 billion yen
Operating profit	56,823	(51,587)	(108,410)	Urban Transportation and Regional: -32.6 billion yen, Hotel and Leisure: -61.9 billion yen, Real Estate: -2.0 billion yen, Construction: -1.5 billion yen, Other: -9.4 billion yen, Adjustments: -0.7 billion yen
Non-operating income	3,382	5,470	2,087	(Current fiscal year) Insurance claim income : 0.9 billion yen Foreign exchange gains: 0.7 billion yen
Non-operating expenses	11,435	12,668	1,233	(Current fiscal year) Share issuance costs: 1.4 billion yen
Ordinary profit	48,770	(58,785)	(107,556)	
Extraordinary income	1,940	33,447	31,506	(Current fiscal year) Gain on sales of non-current assets: 15.5 billion yen Subsidies for employment adjustment: 11.4 billion yen
Extraordinary losses	31,938	46,632	14,694	(Current fiscal year) Impairment loss: 20.2 billion yen Loss on temporary suspension of operations: 18.9 billion yen (Previous fiscal year) Impairment loss: 24.3 billion yen Provision for loss on disaster: 1.5 billion yen Loss on disaster: 0.7 billion yen
Profit before income taxes	18,773	(71,970)	(90,744)	
Income taxes	13,775	427	(13,347)	Income taxes - current: -9.9 billion yen Income taxes - deferred: -3.4 billion yen
Profit	4,998	(72,398)	(77,396)	
Profit attributable to non-controlling interests	328	(96)	(424)	
Profit attributable to owners of parent	4,670	(72,301)	(76,971)	

Non-operating income and expenses and extraordinary income and losses

millions of yen

	March 31, 2020	March 31, 2021	YoY change	Details
Operating profit	56,823	(51,587)	(108,410)	
Non-operating income	3,382	5,470	2,087	
Interest and dividend income	959	882	(76)	
Subsidy to keep a bus on a regular route	942	1,064	121	
Foreign exchange gains	—	795	795	
Insurance claim income	106	936	829	
Other	1,374	1,791	417	
Non-operating expenses	11,435	12,668	1,233	
Interest expenses	9,979	9,959	(19)	
Share of loss of entities accounted for using equity method	76	108	32	
Share issuance costs	—	1,408	1,408	(Current fiscal year) Share issuance costs due to issuance of preferred share by consolidated subsidiaries
Other	1,379	1,191	(187)	
Ordinary profit	48,770	(58,785)	(107,556)	
Extraordinary income	1,940	33,447	31,506	
Gain on sales of non-current assets	286	15,568	15,281	(Current fiscal year) Sale of Sugita Golf Driving Range and the land that had initially been planned to be used for Ahina railway yard, etc.
Contribution for construction	955	3,262	2,307	
Subsidy income	138	482	344	
Gain on sales of investment securities	10	382	371	
Gain on reversal of contingent consideration	284	332	48	
Subsidies for employment adjustment	—	11,489	11,489	
Other	264	1,928	1,663	(Current fiscal year) Compensation income etc.
Extraordinary losses	31,938	46,632	14,694	
Impairment loss	24,373	20,225	(4,147)	(Current fiscal year) Ohmi Railway*: 5.0 billion yen, Izuhakone Railway (Sunzu Line): 3.4billion, Karuizawa Asama Prince Hotel: 3.1 billion yen, Loss related to the closure of Toshimaen: 3.0 billion yen, Overseas hotel operations (Staywell Group): 1.9 billion yen, etc. *Railway facilities that are expected to be transferred to the public sector due to the separation of the infrastructure and operations under a scheme where the facilities are publicly owned and the operations are privately managed, etc.
Loss on sales of non-current assets	16	378	361	(Previous fiscal year) Kuni Country Club: 11.9 billion yen, Hakodate-Onuma Prince Hotel: 2.0 billion yen, Hakone Yunohana Prince Hotel 1.3 billion yen, Manza Prince Hotel 1.3 billion yen, Ryuo Golf Course 1.2 billion yen, etc.
Loss on retirement of non-current assets	3,227	2,652	(574)	
Tax purpose reduction entry of contribution for construction	941	3,091	2,150	
Loss on tax purpose reduction entry of non-current assets	125	468	342	
Loss on sales of investment securities	0	—	(0)	
Loss on valuation of investment securities	813	86	(727)	
Loss on temporary suspension of operations	—	18,904	18,904	(See page 5, "fixed expenses of extraordinary losses recorded")
Loss on disaster	783	—	(783)	
Provision for loss on disaster	1,555	—	(1,555)	
Other	101	825	723	
Profit before income taxes	18,773	(71,970)	(90,744)	

Summary of consolidated balance sheet

millions of yen

	March 31, 2020	March 31, 2021	YoY change	Details
Total assets	1,707,784	1,698,497	(9,287)	
Current assets	121,968	124,086	2,118	Other: +8,749 (increase in consumption taxes refund receivable, etc) Notes and accounts receivable - trade: -5,154
Non-current assets	1,585,816	1,574,410	(11,405)	Property, plant and equipment and intangible assets: -14,580 Deferred tax assets: -5,688 Retirement benefit asset: -2,411 Investment securities: +11,364
Total liabilities	1,334,356	1,312,809	(21,547)	
Current liabilities	396,336	378,883	(17,452)	Short-term borrowings: -5,852 Notes and accounts payable - trade: -4,609 Income taxes payable: -4,398 Other: -11,557 (decrease in accounts payable for construction contracts) Advances received: +10,234
Non-current liabilities	938,020	933,926	(4,094)	Retirement benefit liability: -7,984 Long-term accounts payable to Japan railway construction, transport and technology agency: -3,702 Deferred tax liabilities: -3,423 Long-term borrowings: +8,780 Lease obligations: +3,226
Total net assets	373,427	385,687	12,259	
Equity	367,222	299,742	(67,480)	Retained earnings: -75,515 Capital surplus: -13,776 Foreign currency translation adjustment: -4,149 Treasury shares: +14,868 Valuation difference on available-for-sale securities: +8,682 Remeasurements of defined benefit plans: +3,713
Non-controlling interests	5,682	85,538	79,855	(Current fiscal year) Issuance of preferred shares by consolidated subsidiaries: 80.0 billion yen
Interest-bearing debt	934,574	937,156	2,581	
Net interest-bearing debt	906,234	908,340	2,106	
Equity-to-asset ratio	21.5%	17.6%	(3.9pt)	
D/E ratio (times)	2.5	3.1	0.6	
Net interest-bearing debt / EBITDA (times)	7.9	482.4	474.5	

Consolidated cash flows

millions of yen

	March 31, 2020	March 31, 2021	YoY change	Details
Operating activities	101,458	(24,264)	(125,723)	Decrease in EBITDA, etc.
Investing activities	(96,655)	(47,537)	49,118	
Purchase of property plant and equipment and intangible assets	(107,951)	(78,886)	29,064	(Current fiscal year) Grand Emio Tokorozawa phase II, Refurbishment work in the MetLife Dome area, etc. (Previous fiscal year) Completed DaiyaGate Ikebukuro, Introducing new limited express train, Refurbishment work in the MetLife Dome area, etc.
Proceeds from sales of property, plant and equipment and intangible assets	537	15,961	15,424	(Current fiscal year) Sale of Sugita Golf Driving Range, etc.
Proceeds from contribution received for construction	10,966	15,562	4,596	
Financing activities	(3,025)	72,394	75,420	(Current fiscal year) Issuance of preferred shares by consolidated subsidiaries, etc.
Cash and cash equivalents at beginning of the period	26,269	28,056	1,787	
Cash and cash equivalents at the end of the period	28,056	28,538	482	
Free cash flow	4,802	(71,801)	(76,604)	

Capital investment by segment

millions of yen

	March 31, 2020	March 31, 2021	YoY change	List of main investments
Urban Transportation and Regional	40,609	32,141	(8,468)	- Project on a continuous grade-separation work on Higashi Murayama station area (ongoing) - Project on a continuous grade-separation work between Nakai and Nogata stations (ongoing) - Seibuen Amusement Park revamp project (in progress) - Platform gates
Hotel and Leisure	17,289	15,436	(1,852)	- Karuizawa Prince Hotel West renovation (in progress) - Prince smart INN Atami and Prince smart INN Ebisu
Real Estate	12,952	8,360	(4,591)	Grand Emio Tokorozawa phase II
Construction	629	636	6	
Other	14,768	9,032	(5,736)	Refurbishment work in the MetLife Dome area
Adjustments	743	(4,934)	(5,677)	Adjustments of intercompany transactions, capital investment of the parent company
Total capital investment	86,993	60,673	(26,319)	

Reportable segments were changed from the fiscal year ending March 31, 2021. (See page 43-46)
The figures in the previous year were presented based on the reportable segments after the change.

Depreciation by segment

millions of yen

	March 31, 2020	March 31, 2021	YoY change	Details
Urban Transportation and Regional	21,779	22,209	430	
Hotel and Leisure	20,154	15,268	(4,886)	Decrease by booking depreciation that arose during the period of suspended operations as extraordinary loss, etc.
Real Estate	11,745	12,019	274	
Construction	450	494	43	
Other	3,768	4,063	295	
Adjustments	(1,184)	(1,074)	110	
Depreciation (operating expenses) Total	56,713	52,981	(3,732)	
Depreciation (extraordinary loss)	—	4,858	4,858	Depreciation that arose during the period of suspended operations, which is included in extraordinary loss on "Loss on temporary suspension of operations"
Depreciation Total	56,713	57,839	1,125	

Reportable segments were changed from the fiscal year ending March 31, 2021. (See page 43-46)
The figures in the previous year were presented based on the reportable segments after the change.

I . Executive summary	P3
II . Operational highlights of the fiscal year ended March 31, 2021	P8
III . Segment information and key performance indicators	P17
IV . Details on financial results	P27
V . Consolidated earnings forecasts for the fiscal year ending March 31, 2022	P34
VI . Dividends for the current period and the following period	P41
VII . Appendix	P43

Consolidated earnings forecasts for the fiscal year ending March 31, 2022

						billions of yen				
	Forecast for March 2022	Compared to March 2021(YoY)		Compared to March 2020		Forecast for 1H March 2022	Compared to 1H March 2021		Compared to 1H March 2020	
Operating revenue	456.0	118.9	35.3%	(98.5)	(17.8%)	220.0	65.1	42.0%	(74.6)	(25.3%)
Operating profit	9.0	60.5	—	(47.8)	(84.2%)	3.0	33.6	—	(40.7)	(93.2%)
EBITDA	67.0	65.1	—	(47.5)	(41.5%)	32.0	37.0	—	(39.7)	(55.4%)
Ordinary profit	0.0	58.7	—	(48.7)	(100.0%)	(1.0)	33.6	—	(40.4)	—
Profit attributable to owners of parent	(5.0)	67.3	—	(9.6)	—	(8.0)	31.0	—	(36.1)	—

(Assumptions for consolidated earnings forecasts)

- Based on the assumption that fluctuations in the state of infections will lead to a continuance of difficult conditions, we expect a gradual easing of economic restrictions in the second half as progress is made with vaccinations
- We have excluded the impact of visitors from overseas in our calculation of the effects of holding the Tokyo Olympics and Paralympics
- Changes in values and behavior that developed during the COVID-19 pandemic (widespread use of remote working, online meetings, etc.) will persist

■ Operating revenue 456.0 billion yen*

Based on the above assumptions, the company expects a drop of 17.8% in sales from the fiscal year ended Mar. 2020, before the pandemic fully hit the businesses, but sales are expected to increase from the fiscal year ended Mar. 2021 due to a service transformation to suit the new normal within and outside the Group

■ Operating profit 9.0 billion yen

We forecast an operating profit by reducing fixed costs, etc.

■ Profit attributable to owners of parent -5.0 billion yen

⇒Forecast to turn to profits of 14.0 billion yen by FY2022 (the fiscal year ending March 2023)

Some extraordinary gains and losses from selling and liquidating assets and businesses are expected to be booked (current approx. value from selling Shin-Yokohama Seibu Bldg., SEIBU construction supply co. Ltd. and liquidating Shin-Yokohama Square Bldg. and Shibakoen 2-chome Bldg.)

The details of the "Hotel Asset Utilization Policy" (whether to sell and manage hotels on consignment or continue to hold hotels within the Group, etc.) are under scrutiny, and have not been factored into the forecast. The company aims to realize these sales and liquidation

* The forecast of operating revenue includes the impact of the adoption of the accounting standard for revenue recognition (full-year forecast around -11.0 billion yen and 2Q forecast around -7.0 billion yen)

Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (Operating revenue)

Operating revenue by segment

billions of yen

	Forecast for March 2022	Compared to March 2021(YoY)	Compared to March 2020	Details	Forecast for 1H March 2022	Compared to 1H March 2021	Compared to 1H March 2020
Urban Transportation and Regional	142.8	20.2 16.5%	(25.7) (15.3%)	Despite expecting a decline in revenues relative to the fiscal year ended March 31, 2020 due to reasons including the spread of remote working and the impact of people refraining from going out as a result of fluctuations in the state of infections, we seek to reverse the situation and expect to grow revenues relative to the fiscal year ended March 31, 2021 by stimulating local leisure demand, such as through renewal of the Seibuen Amusement Park (Impact from applying the Accounting Standard for Revenue Recognition: forecast for FY2021 approx. -3.9 bn yen, FY2021 1H -2.4 bn yen)	70.2	11.5 19.6%	(17.6) (20.1%)
Hotel and Leisure	176.9	92.8 110.5%	(50.5) (22.2%)	Despite expecting a decline in revenues relative to the fiscal year ended March 31, 2020 mainly due to declines in the number of customers visiting hotels and leisure facilities as a result of fluctuations in the state of infections, we seek to reverse the situation and expect to increase revenues relative to the fiscal year ended March 31, 2021 by creating service innovations for the new normal utilizing cooperation both inside and outside the Group, and by capturing Tokyo Olympics/Paralympics related demand. (Impact from applying the Accounting Standard for Revenue Recognition: forecast for FY2021 approx. -1.7 bn yen, FY2021 1H -0.9 bn yen)	78.0	43.9 129.3%	(44.0) (36.1%)
Real Estate	55.8	0.4 0.7%	(4.6) (7.7%)	In addition to a negative impact of approximately 2.8 billion yen in the FY2021 and 1.5 billion yen in the 1H by applying the Accounting Standard for Revenue Recognition, the impact on commercial facilities of people refraining from going out is expected to result in lower revenues relative to the fiscal year ended March 31, 2020. However, due to service innovations to suit diversification in work styles and the recording of an early cancellation fee related to the departure of tenants from Tokyo Garden Terrace Kioicho, we expect to grow revenues relative to the fiscal year ended March 31, 2021.	30.5	3.7 13.8%	(1.2) (3.9%)
Construction	89.0	(7.1) (7.4%)	(22.7) (20.4%)	In the construction business, a decrease in carried over construction work is expected to reduce the increase in earnings only slightly. Due to a reduction in construction projects carried over in addition to our plans to sell Seibu Construction Supply Co., Ltd., we expect declines in revenue relative to the fiscal years ended in both March 31, 2020, and March 31, 2021. (Impact from applying the Accounting Standard for Revenue Recognition: forecast for FY2021 approx. -2.1 bn yen, FY2021 1H -1.8 bn yen)	42.1	(4.2) (9.1%)	(8.0) (16.0%)
Other	33.4	6.6 24.8%	(10.8) (24.5%)	Despite expecting a decline in revenues relative to the fiscal year ended March 31, 2020 mainly due to the reduction in popular events in the Sports business, and the impact on the Izu Hakone business and Ohmi business of people refraining from going out, we seek to reverse the situation and expect to grow revenues relative to the fiscal year ended March 31, 2021 through various measures at the renewed MetLife Dome. (Impact from applying the Accounting Standard for Revenue Recognition: forecast for FY2021 approx. -1.5 bn yen, FY2021 1H -1.1 bn yen)	20.2	7.2 56.0%	(8.8) (30.5%)
Adjustment	(41.9)	5.9 —	15.9 —		(21.0)	2.8 —	5.1 —
Consolidated	456.0	118.9 35.3%	(98.5) (17.8%)	(Impact from applying the Accounting Standard for Revenue Recognition: forecast for FY2021 approx. -11.0 bn yen, FY2021 1H -7.0 bn yen)	220.0	65.1 42.0%	(74.6) (25.3%)

Forecast of operating indicators and the current business trends in railway operations and hotel operations

Railway operations

- ✓ Sales from commuter passes in 1H of FY03/2022 expected to be down approx. 22% and 2H approx. down 10% compared to the same period of FY03/2020
- ✓ Sales from non-commuter passes in 1H of FY03/2022 expected to be down approx. 18% and 2H approx. down 9% compared to the same period of FY03/2020

(thousands of passengers, millions of yen)

Railway operations (Seibu Railway Co., Ltd.)		Forecast for March 2022	Compared to March 2021 (YoY)	Compared to March 2020
Number of passengers	Commuter passes	349,878	15.3%	(16.6%)
	Non-commuter passes	213,325	26.4%	(11.9%)
	Total	563,204	19.3%	(14.9%)
Sales from railway transportation	Commuter passes	38,454	10.6%	(16.2%)
	Non-commuter passes	46,231	28.0%	(13.9%)
	Total	84,686	19.5%	(15.0%)

(Ref.) Current number of gate passage in railway operations (compared to the same period in 2019)

	Jan. 2021	Feb. 2021	Mar. 2021	Apr. 2021
Commuter passes	(38%)	(33%)	(28%)	(22%)
Non-commuter passes	(34%)	(26%)	(22%)	(23%)
Total	(36%)	(30%)	(25%)	(22%)

Hotel operations

- ✓ Occupancy rate in 1Q of FY03/2022 expected to hover around 20-30% and see a gradual recovery. The rate in the 2H is expected to be 60% to 70%

(RevPAR, room rates in yen)

Hotel operations (Prince Hotels, Inc.)		Forecast for March 2022	Compared to March 2021 (YoY)	Compared to March 2020
Total	RevPAR	9,917	227.4%	(14.8%)
	Average daily rate (ADR)	17,246	3.3%	6.6%
	Average occupancy rate	57.5%	39.4pt	(14.4pt)

(Ref.) Current operations' indicator (compared to the same period in 2019)

	Jan. 2021	Feb. 2021	Mar. 2021	Apr. 2021
RevPAR	(82.7%)	(84.6%)	(75.2%)	(80%)
Average daily rate (ADR)	10.4%	(12.9%)	(11.0%)	(28%)
Average occupancy rate	(58.0pt)	(64.6pt)	(57.2pt)	(57pt)
FY Results	10.8%	13.9%	22.2%	22%

* The hotel operations' indicators for the forecast for March 2022 and the result for March 2021 are calculated based on the total number of rooms available including the ones that are temporarily closed.

Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (Operating profit, EBITDA)

Operating profit by segment

						billions of yen				
	Forecast for March 2022	Compared to March 2021(YoY)		Compared to March 2020		Details	Forecast for 1H March 2022	Compared to 1H March 2021		Compared to 1H March 2020
Urban Transportation and Regional	0.0	9.8	—	(22.8)	(100.0%)		1.4	7.1	—	(14.8) (91.4%)
Hotel and Leisure	(4.0)	49.4	—	(12.5)	—		(9.1)	21.1	—	(18.8) —
Real Estate	15.9	0.4	3.1%	(1.5)	(8.9%)		10.9	3.4	45.5%	0.8 8.2%
Construction	3.3	(0.7)	(18.7%)	(2.3)	(41.5%)		1.1	(0.7)	(39.2%)	(1.2) (53.8%)
Other	(4.7)	2.8	—	(6.5)	—		(0.7)	3.3	—	(5.3) —
Adjustment	(1.5)	(1.2)	—	(2.0)	—		(0.6)	(0.6)	—	(1.3) —
Consolidated	9.0	60.5	—	(47.8)	(84.2%)		3.0	33.6	—	(40.7) (93.2%)

EBITDA by segment

						billions of yen				
	Forecast for March 2022	Compared to March 2021(YoY)		Compared to March 2020		Details	Forecast for 1H March 2022	Compared to 1H March 2021		Compared to 1H March 2020
Urban Transportation and Regional	23.1	10.7	86.4%	(21.5)	(48.2%)		12.4	7.3	146.1%	(14.1) (53.3%)
Hotel and Leisure	14.1	52.2	—	(14.5)	(50.8%)		0.0	22.8	—	(19.6) (100.0%)
Real Estate	27.7	0.2	0.9%	(1.4)	(5.1%)		16.9	3.4	26.0%	0.9 6.2%
Construction	3.7	(0.8)	(18.7%)	(2.3)	(39.2%)		1.3	(0.7)	(36.4%)	(1.2) (49.9%)
Other	(0.5)	2.9	—	(6.1)	—		1.3	3.5	—	(5.1) (79.8%)
Adjustment	(1.1)	(0.2)	—	(1.4)	—		0.1	0.5	—	(0.5) (84.3%)
Consolidated	67.0	65.1	—	(47.5)	(41.5%)		32.0	37.0	—	(39.7) (55.4%)

Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (Operating expenses)

- ✓ Operating expenses are forecast to decrease 50.7 billion yen compared to the fiscal year ended March 2020
- ✓ Fixed costs are forecast to be reduced by about 22.0 billion from the fiscal year ended March 2020 by refining operations in line with demand, updating business operations mainly in the hotel business, divisional structure, and in-house production, in addition to examining costs

Operating expenses by segment

billions of yen

	Forecast for March 2022	Compared to March 2021(YoY)	Compared to March 2020	Details(Compared to FY03/2020)
Urban Transportation and Regional	142.8	10.3	(2.9)	Decrease in electricity, fuel and other costs due to revision of schedules and routes in the fiscal year ended March 2021 Reduction of personnel expenses through reduction of overtime work, etc. Scrutiny of repairs and other expenses
Hotel and Leisure	180.9	43.4	(38.0)	In-house production of operations, optimizing staffing and revamp of divisional structure (reduction of personnel expenses, utilities expenses, etc.) Scrutiny of advertising and other expenses
Real Estate	39.9	(0.0)	(3.1)	In-house production of PM/BM operations Scrutiny of advertising and other expenses
Construction	85.7	(6.3)	(20.4)	Revamp of business and organizational structure Improving productivity through work style reform Scrutiny of SG&A and other expenses
Other	38.1	3.7	(4.2)	Revamp of business and organizational structure
Adjustment	(40.4)	7.2	17.9	
Total operating expenses	447.0	58.3	(50.7)	Reduce fixed cost by approx. 22.0 billion yen* and lower variable cost ratio by about 3pt* * Based on the total figure of each segment

Capital investment by segment for the fiscal year ending March 31, 2022

- ✓ Focus on strengthening our financial position, we will carefully examine projects while placing top priority on safety and security for safety and maintenance and renewal investments. For investments to increase value, we will carefully select projects with an awareness of business-specific hurdle rates
- ✓ Plan capital investment of 49.0 billion yen in the fiscal year ending March 2022

Capital investment by segment

billions of yen

	Forecast for March 2022	Compared to March 2021(YoY)	Compared to March 2020	Details
Urban Transportation and Regional	28.4	(3.7)	(12.2)	Project for continuous grade separation of Seibu Shinjuku Line Newly built Seibu Railway 40000 series
Hotel and Leisure	10.5	(4.9)	(6.7)	Karuizawa Prince Hotel West renovation
Real Estate	5.3	(3.0)	(7.6)	
Construction	0.6	(0.0)	(0.0)	
Other	2.3	(6.7)	(12.4)	
Adjustment	1.9	6.8	1.1	
Total Capital investment	49.0	(11.6)	(37.9)	

I . Executive summary	P3
II . Operational highlights of the fiscal year ended March 31, 2021	P8
III . Segment information and key performance indicators	P17
IV . Details on financial results	P27
V . Consolidated earnings forecasts for the fiscal year ending March 31, 2022	P34
VI . Dividends for the current period and the following period	P41
VII . Appendix	P43

Dividends for the current period and the following period

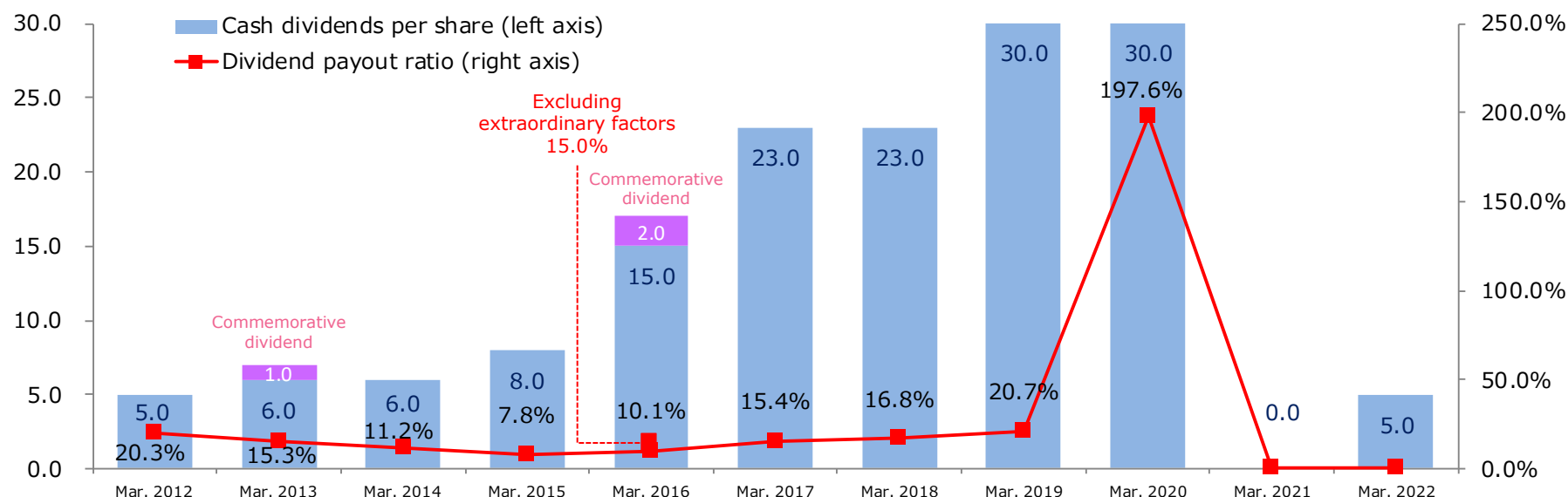
✓ FY03/2021

As we announced our forecasts on Sept. 24, 2020, we booked a significant net loss for the fiscal year ended March 31, 2021. Therefore, we regretfully will not pay a dividend for the fiscal year ended March 31 2021 in order to minimize the loss of net assets.

✓ FY03/2022

While prioritizing strengthening our deteriorated financial structure under COVID-19, we will work for improvement through carrying out "management reforms" on the theme of "asset light," and also giving comprehensive consideration to profit levels of earning forecasts for the fiscal year ending March 2022 and the newly announced plan over the three years, the status of funds, despite forgoing the interim dividend, we are forecasting a year-end dividend of 5 yen per share.

in yen

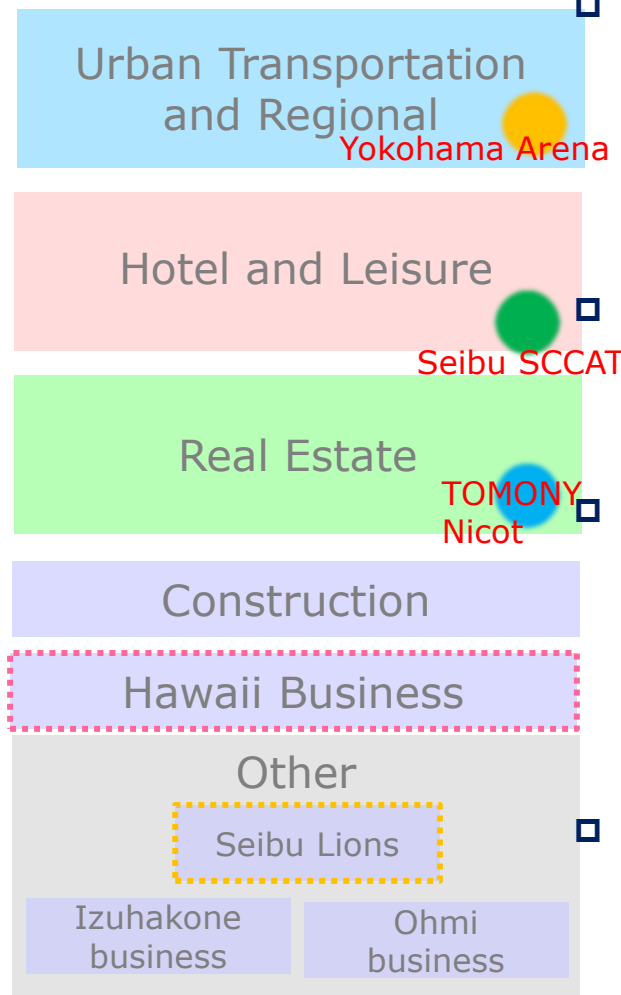


*Extraordinary factors: Impairment loss associated with the decision to cancel the development plan for Ahina railway yard, profit upon recognition of indemnification claims, and tax rate changes

I . Executive summary	P3
II . Operational highlights of the fiscal year ended March 31, 2021	P8
III . Segment information and key performance indicators	P17
IV . Details on financial results	P27
V . Consolidated earnings forecasts for the fiscal year ending March 31, 2022	P34
VI . Dividends for the current period and the following period	P41
VII . Appendix	P43

Changes in business segments (from the fiscal year ended March 31, 2021)

Former Segment Structure



Establishing of new Sports business

- Add Yokohama Arena to Seibu Lions to create new business
- ⇒ In future, we will also look at integration of fitness centers and golf courses, etc. with existing businesses, and work on this aspect

Hawaii Business

Consolidate on Hotels and Leisure business

- ⇒ Accelerate global expansion of hotels

In-station convenience store "TOMONY" / Close-to-station children's daycare facility "Nicot"

Transfer from Real Estate business to Urban Transportation and Regional business

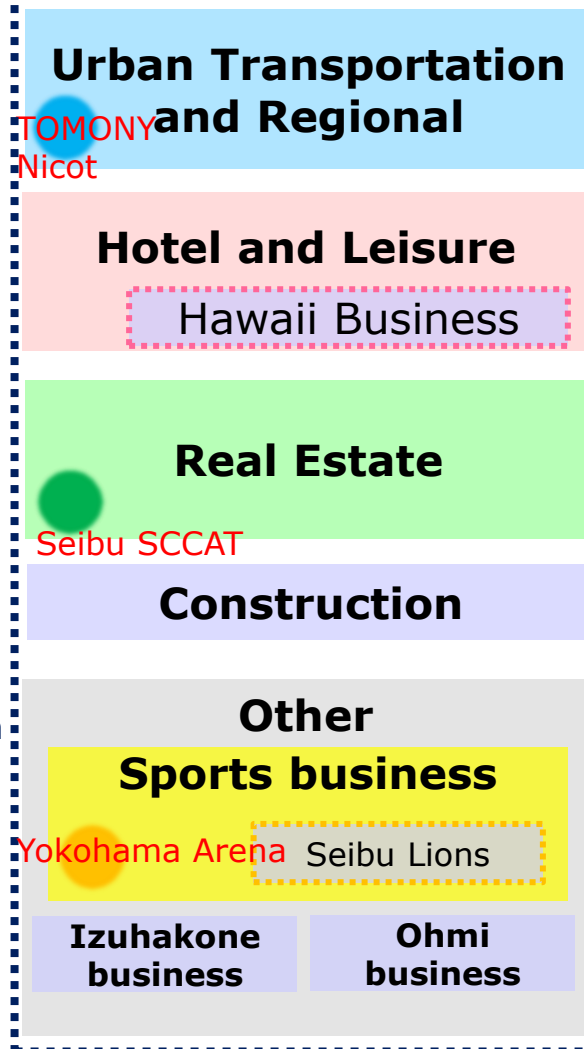
- ⇒ Strengthen lifestyle-related business

Seibu SCCAT (Building Maintenance/Security)

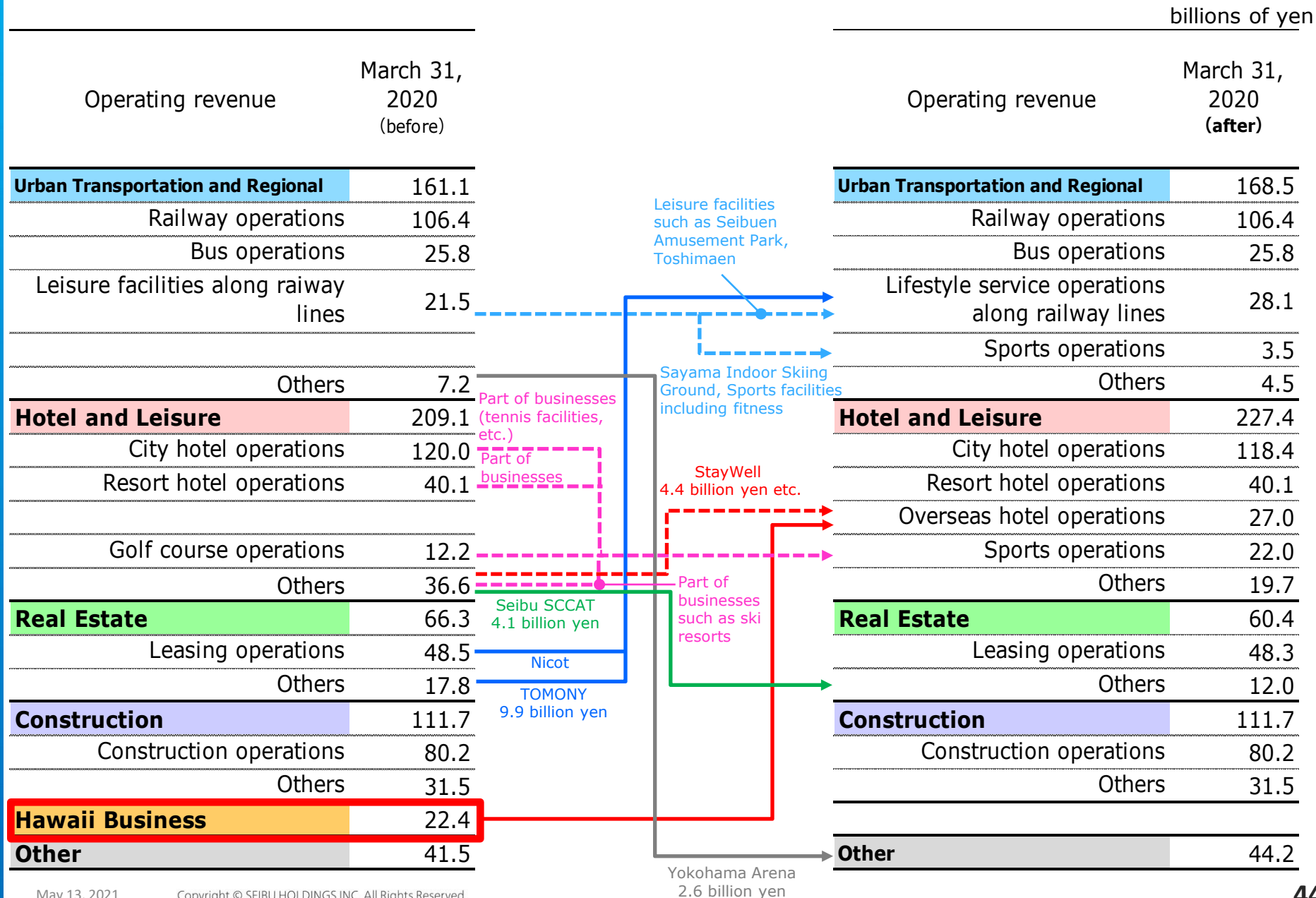
Transfer from Hotels and Leisure business to Real Estate business

- ⇒ extend Company's domain

New Segment Structure



Impact of changes in business segments (Operating revenue)



Impact of changes in business segments (Operating profit, EBITDA)

billions of yen

Operating profit		March 31, 2020 (before)		Operating profit	March 31, 2020 (after)
Urban Transportation and Regional		23.3		Urban Transportation and Regional	22.8
Yokohama Arena		1.2			
Hotel and Leisure		8.0		Hotel and Leisure	8.5
Seibu SCCAT		0.0			
Real Estate		18.1		Real Estate	17.4
TOMONY, Nicot		0.7			
Construction		5.6		Construction	5.6
Hawaii Business		0.5			
Other		0.6		Other	1.8

EBITDA		March 31, 2020 (before)		EBITDA	March 31, 2020 (after)
Urban Transportation and Regional		45.4		Urban Transportation and Regional	44.6
Yokohama Arena		1.6			
Hotel and Leisure		25.4		Hotel and Leisure	28.6
Seibu SCCAT		0.0			
Real Estate		29.9		Real Estate	29.1
TOMONY, Nicot		0.7			
Construction		6.0		Construction	6.0
Hawaii Business		3.2			
Other		4.0		Other	5.6

Impact of changes in business segments (capital investment, depreciation)

billions of yen

Capital investment		March 31, 2020 (before)		Capital investment	March 31, 2020 (after)
Urban Transportation and Regional		40.5		Urban Transportation and Regional	40.6
Yokohama Arena		0.0			
Hotel and Leisure		16.0		Hotel and Leisure	17.2
Seibu SCCAT		0.0			
Real Estate		13.0		Real Estate	12.9
TOMONY, Nicot		0.1			
Construction		0.6		Construction	0.6
Hawaii Business		1.2			
Other		14.7		Other	14.7

Depreciation		March 31, 2020 (before)		Depreciation	March 31, 2020 (after)
Urban Transportation and Regional		22.1		Urban Transportation and Regional	21.7
Yokohama Arena		0.3			
Hotel and Leisure		17.3		Hotel and Leisure	20.1
Seibu SCCAT		0.0			
Real Estate		11.7		Real Estate	11.7
TOMONY, Nicot		0.0			
Construction		0.4		Construction	0.4
Hawaii Business		2.7			
Other		3.4		Other	3.7

Hotel and Leisure: Overview of facilities

■ Hotel operations

	Number of facilities		Number of rooms	
	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021
City hotels	15	15	10,625	10,619
Takanawa and Shinagawa area	4	4	5,144	5,138
Resort hotels	31	31	6,764	6,739
Karuizawa area	3	3	712	687

Takanawa and Shinagawa area : The Prince Sakura Tower Tokyo, Grand Prince Hotel Takanawa, Grand Prince Hotel Shin Takanawa, Shinagawa Prince Hotel
 Karuizawa area : The Prince Karuizawa, The Prince Villa Karuizawa, Karuizawa Prince Hotel

■ Overseas hotel operations

	Number of facilities				Number of rooms			
	December 31, 2019		December 31, 2020		December 31, 2019		December 31, 2020	
	(Ownership · Lease)		(Ownership · Lease)		(Ownership · Lease)		(Ownership · Lease)	
Overseas hotel operations	34	(6)	35	(6)	5,452	(1,611)	5,678	(1,611)
Hawaii	3	(3)	3	(3)	1,064	(1,064)	1,064	(1,064)
The Prince Akatoki	1	(1)	1	(1)	82	(82)	82	(82)

Hotel operations-summary of operating status by hotel

■ City hotel operations

Name	No. of rooms ^{*1}	FY2020 1 st quarter			2 nd quarter			3 rd quarter			4 th quarter		
		Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
The Prince Gallery Tokyo Kioicho	250												
The Prince Park Tower Tokyo	603												
Tokyo Prince Hotel	462	4/2-5/31 closed											
The Prince Sakura Tower Tokyo	288	4/2-6/30 closed											
Grand Prince Hotel Takanawa	388	4/20-6/18 closed											
Grand Prince Hotel Shin Takanawa	908												
Shinagawa Prince Hotel	3,554												
Shinjuku Prince Hotel	571	4/23-6/30 closed					9/6-11/19 closed						
Sunshine City Prince Hotel	1,091	4/30-6/30 closed											
Kawagoe Prince Hotel	110	4/27-5/31 closed											
Shin Yokohama Prince Hotel	875	4/27-5/31 closed											
Nagoya Prince Hotel Sky Tower	170												
Lake Biwa Otsu Prince Hotel	529	4/27-6/30 closed									1/21-2/7 closed		
The Prince Kyoto Takaragaike ^{*2}	310	4/20-6/30 closed											
Grand Prince Hotel Hiroshima	510	4/27-6/30 closed									1/21-2/28 closed		

*1 As of March. 31, 2021

*2 Former Grand Prince Hotel Kyoto opened on Oct. 9, 2020 being rebranded as "The Prince Kyoto Takaragaike"

*3 Besides the above mentioned, we consolidate operations at some of our hotels and restaurants

Hotel operations-summary of operating status by hotel (continued from the previous page)

■ Resort hotel operations		FY2020 1 st quarter			2 nd quarter			3 rd quarter			4 th quarter		
Name	No. of rooms ^{*1}	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Sapporo Prince Hotel	587	4/27-6/30 closed											
Kushsharo Prince Hotel	300	remained closed until 6/30							closed during the winter (reopened on 4/28)				
Kushiro Prince Hotel	400	4/27-6/30 closed											
Furano Prince Hotel	112	remain closed during the winter (undecided on reopening)											
Shin Furano Prince Hotel	407	4/21-6/30 closed											
Hakodate-Onuma Prince Hotel	331	4/25-6/30 closed									1/18-4/16 closed		
Towada Prince Hotel	66	closed	4/19-7/22 closed						closed during the winter (reopened on 4/15)				
Shizukuishi Prince Hotel	266	4/19-7/22 closed											
Naeba Prince Hotel	1,216	4/19-7/22 closed				8/16-12/24 closed					1/18-2/7 closed		
The Prince Villa Karuizawa	20	4/27-5/31 closed											
The Prince Karuizawa	100	4/21-7/22 closed							consolidated into Karuizawa Prince Hotel (1/18-2/28)				
Karuizawa Prince Hotel	567	4/27-5/31 closed											
Karuizawa Asama Prince Hotel	30	4/27-5/31 closed											
PRINCE VACATION CLUB Karuizawa Asama	48	4/27-5/31 closed											
PRINCE VACATION CLUB Villa Karuizawa Asama	15	4/27-5/31 closed											
Tsumagoi Prince Hotel	112	remain closed during the winter (scheduled to reopen July 17, 2021)											
Manza Prince Hotel	227	4/27-7/16 closed											
Manza Kogen Hotel	145	March 30, 2020 - April 9, 2021 closed											
Shiga Kogen Prince Hotel	666	closed during the summer (4/19-12/11)											
Kamakura Prince Hotel	97	4/27-6/30 closed											
Oiso Prince Hotel	305	4/27-6/30 closed									1/18-2/28 closed		
The Prince Hakone Ashinoko	140	4/27-6/30 closed											
Ryuguden	24	4/1-6/30 closed											
Hakone Yunohana Prince Hotel	60	4/19-7/14 closed						consolidated into The Prince Hakone Ashinoko (1/18-2/28)					
Hakone Sengokuhara Prince Hotel	100	4/27-6/30 closed						consolidated into The Prince Hakone Ashinoko (1/18-2/28)					
Hakone En Cottage	44	4/27-6/30 closed											
Shimoda Prince Hotel	133	4/20-7/9 closed									1/18-2/28 closed		
Sanyo-So	29	4/27-5/31 closed											
PRINCE VACATION CLUB Sanyo-So	8	4/27-5/31 closed											
Kawana Hotel	100	4/27-5/31 closed											
Nichinan Kaigan Nango Prince Hotel	84	4/22-6/30 closed					9/6-10/31 closed						

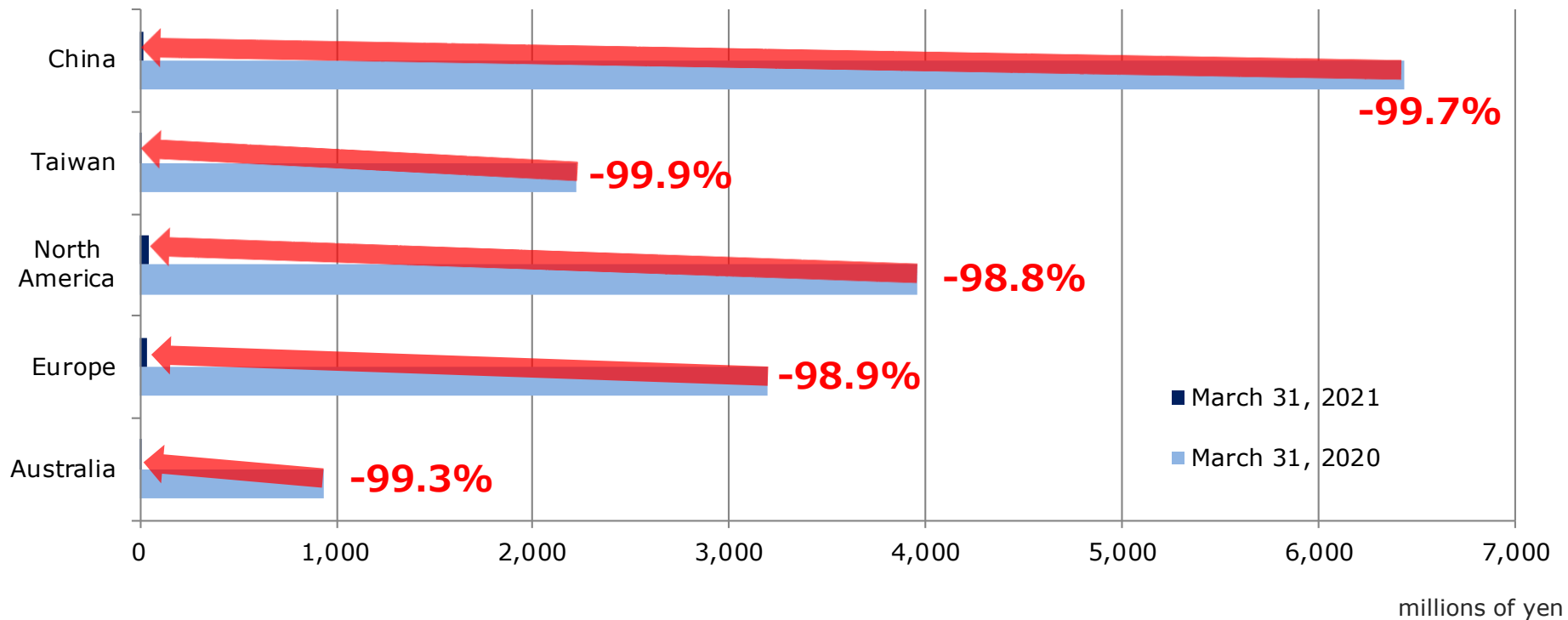
*1 As of March. 31, 2021

*2 Besides the above mentioned, we consolidate operations at some of our hotels and restaurants

Hotel and Leisure

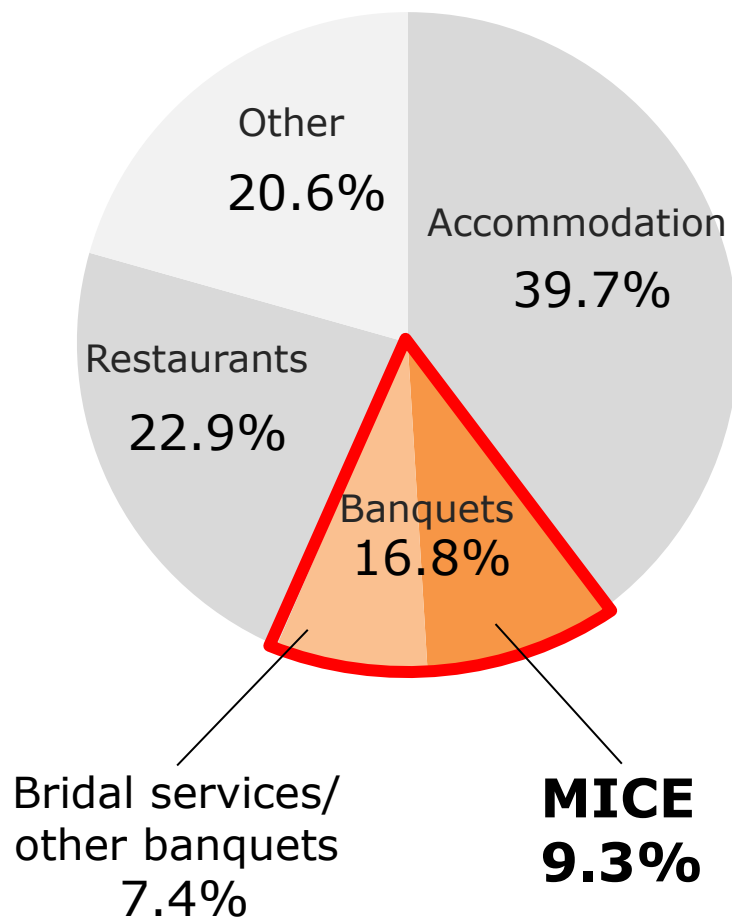
Inbound room revenue by major country, etc.

■ Inbound room revenue by major country, etc.



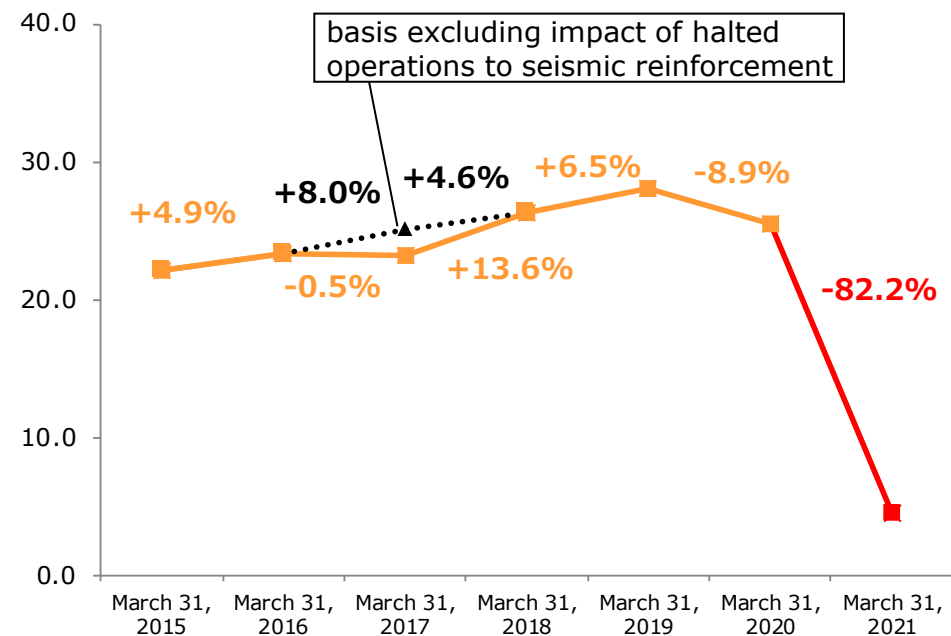
Hotel and Leisure: Status of MICE

■ The breakdown of the hotel revenue (the fiscal year ended March 31, 2021)



■ Change in MICE Sales 【Fiscal year】

billions of yen



Disclaimer

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