

[Translation for Reference Only]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

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

May 13, 2021

For Immediate Release

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Notice Regarding the Formulation of “FY2021-FY2023 Seibu Group’s Medium-term Management Plan”

Seibu Holdings Inc. (the “Company”) hereby announces below that it has formulated the “FY2021-FY2023 Seibu Group’s Medium-term Management Plan” (hereinafter the “newly announced plan”) for the three-year period ending with FY2023.

The theme of the newly announced plan is “Looking ahead to our vision for the Group in a post-COVID-19 society, overcoming the impact of COVID-19 and creating a pathway for rapid growth.” The Group will take on the difficult business environment it currently faces and push forward with the initiatives under a three-point framework comprising “management reforms,” “digital management,” and “sustainability.”

The assumed business environment for the plan envisages the COVID-19 pandemic being brought under control by FY2022, setting inbound tourism and the Japanese economy on recovery paths for FY2023. In this environment, the Group envisages that the changes in people’s values and activities that occurred during the pandemic will become the norm in a post-COVID-19 society. Therefore, the Group aims to transform its business model in response to these changes. Also, as we envisage that crises with impacts comparable to the COVID-19 pandemic may occur again, we will strengthen the Group’s corporate structure to maximize corporate value and shareholder value under any business environment.

The newly announced plan clearly sets out the Group’s “vision for the Group in a post-COVID-19 society,” as “the best and strongest lifestyle support corporate group,” and sets the three-year period as a period of initiatives to achieve that.

The constant slogan of the Seibu Group has been, and will continue to be, “Smiles Ahead.” We aim to create an enriched and sustainable society by creating activity and excitement for customers as a company that grows together with customers and local communities. We aim to offer “the best” for our customers, local communities, and the earth’s environment, and to support this with “the strongest” protection through totally reliable safety and security, by continuing to drive innovation inspired by the key concept of Big Hairy Audacious Goals (BHAGs). Please See the attachment to this release for details.

(Note) The business forecasts, targets, plans, forecasts and other forward-looking information of the Group contained in this material should be regarded as the judgment and thoughts of the Company at the present point in time, that have been created based on information currently available as of the release of this material. Actual results of earnings, financial position, etc. of the Group may differ significantly from the content of this material or the content surmised from this material due to various factors of uncertainty at the time of this material’s preparation, including fluctuations in the state of domestic and global politics, economies and financial conditions, and the status of measures aimed for in the currently announced plan.

End

Notice Regarding the Formulation of “FY2021-FY2023 Seibu Group’s Medium-term Management Plan”

May 13, 2021

Seibu Holdings Inc. (9024)

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

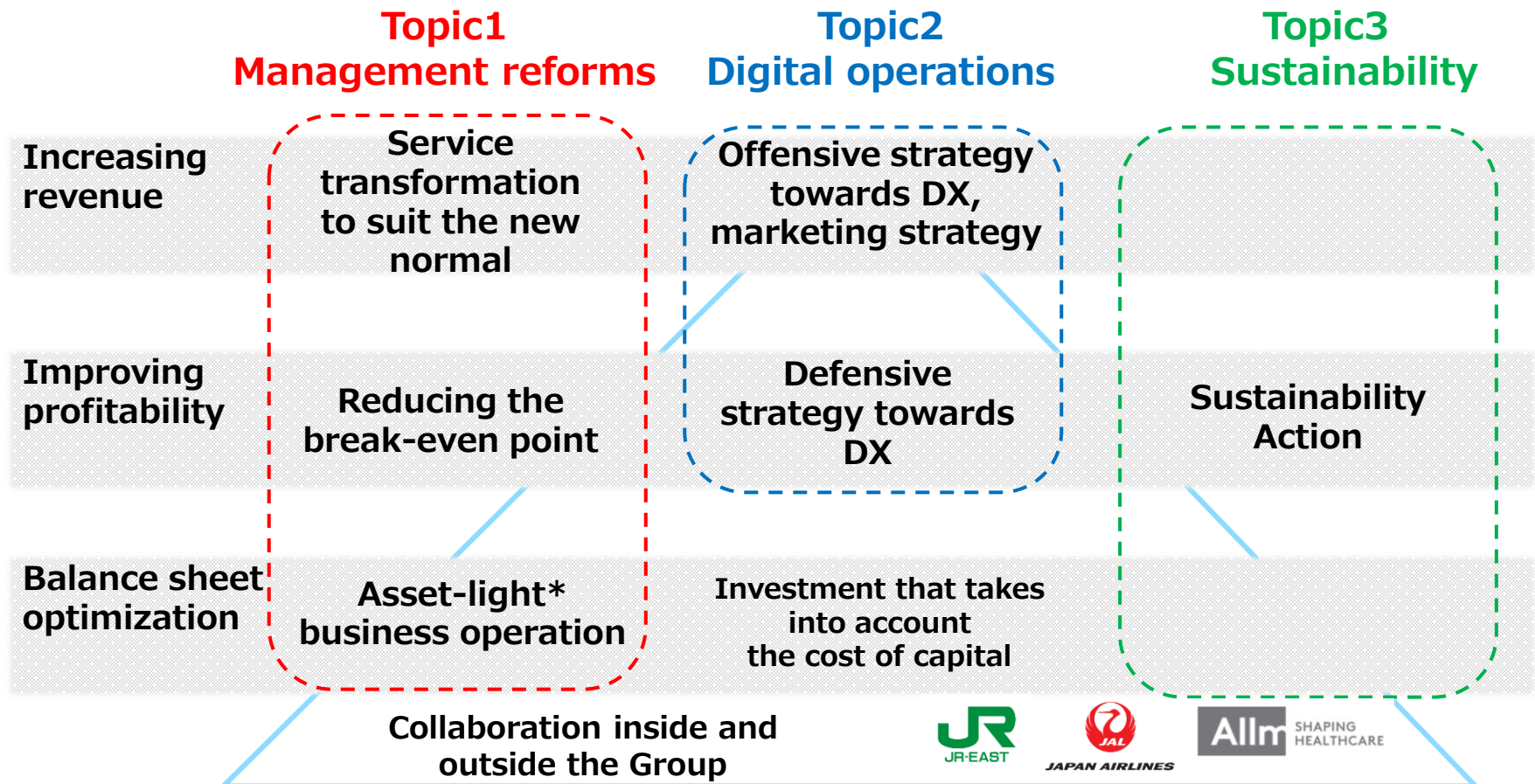
1. Basic Policies in the newly announced plan P.3
2. Key Initiatives P.9
3. Projected Figures for FY2021-2023 P.27
4. Consolidated Earnings Forecasts/Dividend Forecast for FY2021 P.39

1. Basic Policies in the newly announced plan

Themes

Looking ahead to our “vision for the Group in a post-COVID-19 society,” we will overcome the impact of COVID-19 and create a pathway for rapid growth.

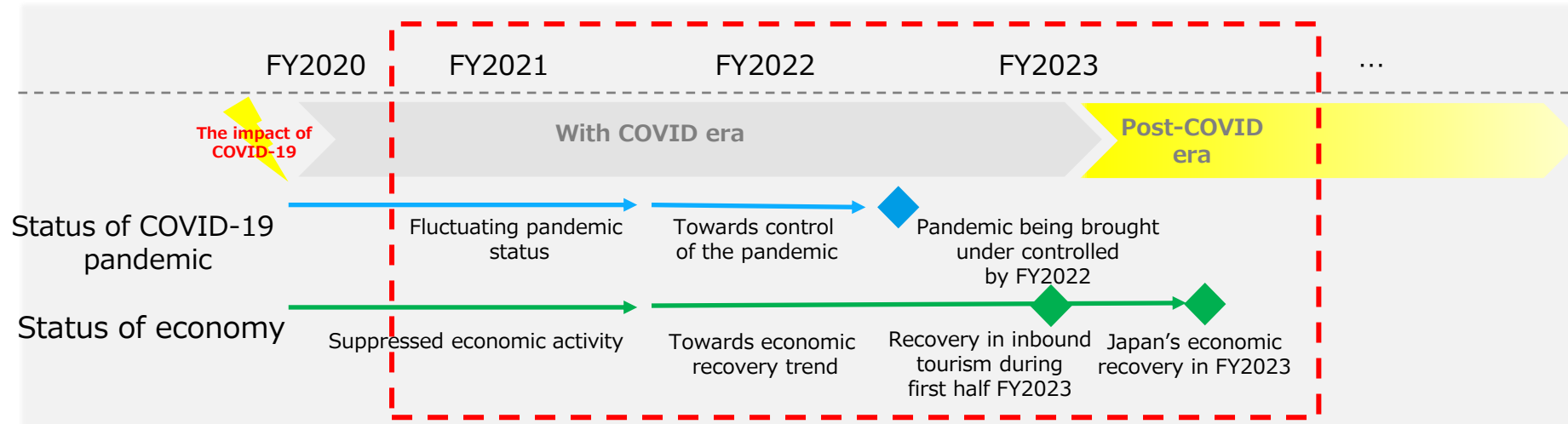
Key Initiatives



* Asset-light is a business strategy where a company runs business more flexibly by having fewer assets (the same applies hereinafter).

The assumed business environment for the plan

- ✓ We expect that the pandemic will settle down in FY2022 and inbound tourism and the country's economy will recover in FY2023.



- ✓ Transform our business models in response to **changes in values and behavior progressed during the COVID-19 pandemic (regular use of remote working, online meetings, etc.)** that are expected to persist in the post-COVID-19 society.
- ✓ Strengthen the corporate structure to enable maximization of **corporate and shareholder value under any business environment**, in response to pandemics, etc. which are expected to recur.

👉 **The newly announced plan clearly sets out our “vision for the Group in a post COVID-19 society,” and sets the three-year period as a period of initiatives to achieve that.**

Our vision for the Group in a post-COVID-19 society

✓ **The constant slogan of the Seibu Group has been, and will continue to be "Smiles Ahead."** We uphold this slogan as we aim to be "the best and strongest lifestyle support corporate group."

To be the best and strongest lifestyle support corporate group
–Continuing to strive for BHAGs (Big Hairy Audacious Goals)–

We aim to create an enriched and sustainable society by creating activity and excitement for customers as a company that grows together with customers and with local communities in order to assist them in life's various scenarios.

Best

- Empathize with the diverse values of our customers to create high-quality lifestyles that are full of smiles
- Develop the local communities and protect the environment

Strongest

- Unwavering Commitment to Safety & Security
- Combined and comprehensive capabilities of the whole Group
- Strong profit structure and financial foundation by implementing management reforms

Our Vision for the Group in a post-COVID-19 society

- ✓ We aim to be the best and strongest lifestyle support corporate group that can offer our traditional strengths in hardware such as moving people and providing goods and places, plus services that create lifestyle and time.

Urban Transportation and Regional

- Realize seamless movement & living and smart business operations for a new era



Reducing the break-even point

Collaboration inside and outside the Group

Sports

- Through business developed based on the concepts of “ease” and “enjoyment,” we will move toward provision of living environments offering rich mental and physical stimulation and creation of new activities.



Service transformation to suit the new normal

Sustainability Action

The best and strongest corporate group that supports people's lifestyles

Abundant infrastructural assets



Creative service content

Reliable safety and security are fundamental for all of our activities

Hotel and Leisure

- Develop asset-light business, and build the industry's No. 1 quality hotel chain



Defensive strategy towards DX

Asset-light business operation

Real Estate

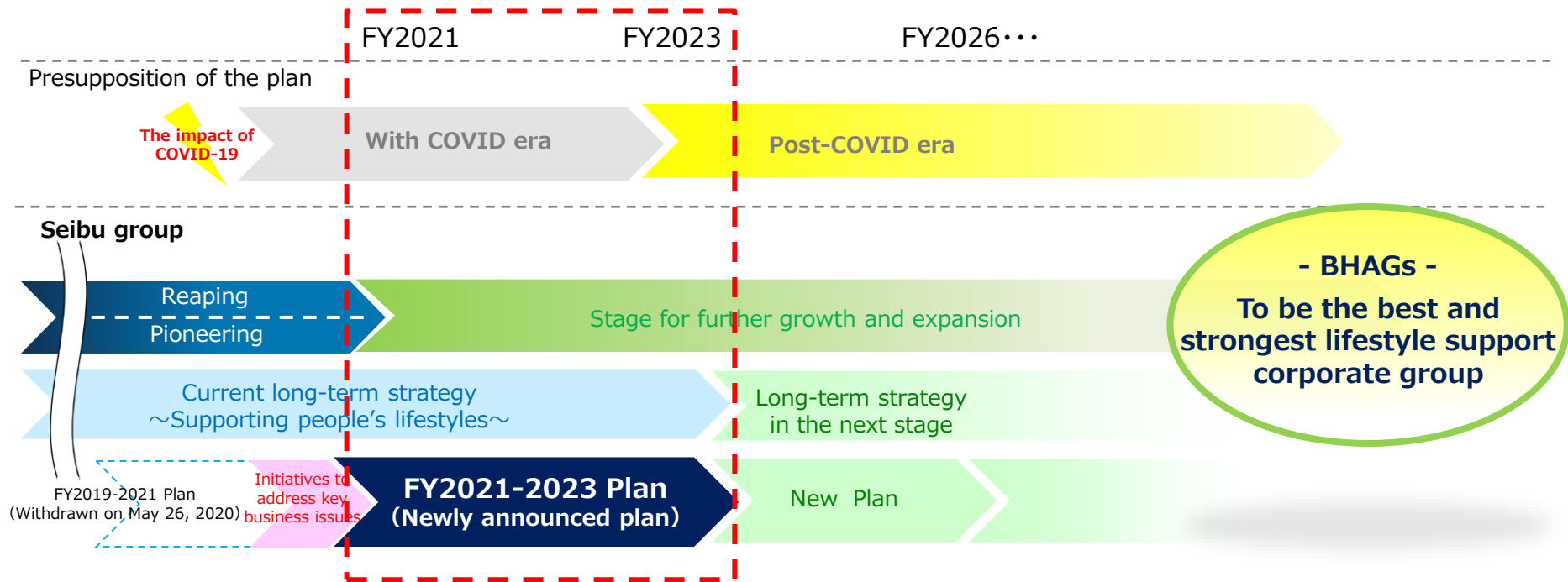
- Expand business operations and advance to general real estate business.



Investment that takes into account the cost of capital

Offensive strategy towards DX, marketing strategy

Positioning of FY2021-2023 Medium-term Management Plan



👉 **Looking ahead to our “vision for the Group in a post-COVID-19 society,” we will overcome the impact of COVID-19 and create a pathway for rapid growth and has set the three-year period as a period of initiatives to achieve that.**

- ✓ **Withdrawing the target levels of our long-term Challenge Target** announced on May 11, 2017, focusing on resolutely implementing management reforms on the theme of “asset-light” towards achieving the “vision for the Group in a post-COVID-19 society.”
- ✓ **Formulated the newly announced plan in a fixed format rather than the previous rolling format** to allow internal and external disclosure of progress on management reforms, business model transformation, and overcoming the impact of COVID-19.

2.Key Initiatives

- ✓ Directly tackle management issues highlighted by the COVID-19 pandemic, and resolutely carry out management reforms with no exceptions.

Asset-light business operation

- **Sales/Liquidation of assets and businesses**

- Transformation of the business model from the current structure integrating “ownership” with “operation” to an “asset-light” themed model with a view to creating a robust structure in the face of crises that are expected to recur–

Reducing the break-even point

- **Revamp the function and role of Prince Hotels, Inc. and Seibu Properties, Inc.**

- Prince Hotels Inc.

- Hotel operator—a driving force of the Hotel & Leisure business

- Seibu Properties Inc.

- A general real estate company tasked with maximizing the value of the Group’s assets

- **Reducing fixed cost in the Urban Transportation and Regional**

- Smart business operation for a new era–

- **Sharing of back office operations**

Service transformation to suit the new normal

- **Transform services to align with the changes in customers values driven by Society 5.0, the SDGs, and the COVID-19 pandemic**

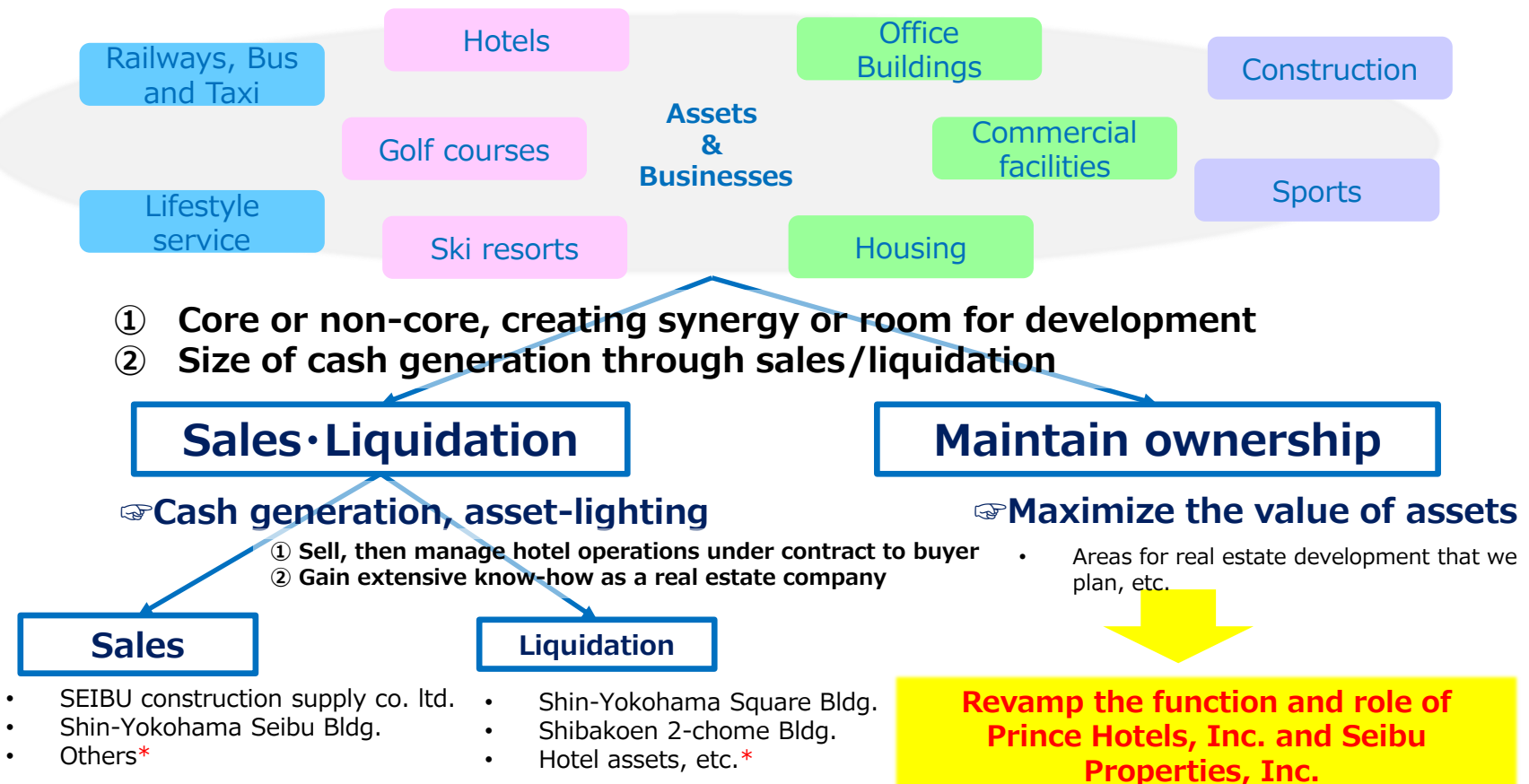
- Collaboration inside and outside the Group

- East Japan Railway Company
 - Japan Airlines Co., Ltd. ○ Allm Inc.

Sales/Liquidation of assets and businesses

- ✓ Transform the business model from the current structure integrating “ownership” with “operation” to an “asset-light” themed model with a view to creating a robust structure in the face of crises that are expected to recur.
- ✓ First, we will sell and liquidate assets and businesses based on the following policy.

Basic policies of sales/liquidation of assets and businesses



* Selection process is in progress for unlisted assets (The Prince Park Tower Tokyo and other city hotels, etc.), including hotels in Japan and overseas, and with selection to be made within this year.

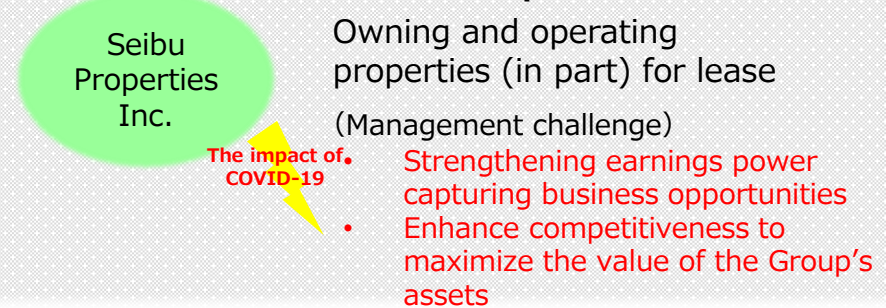
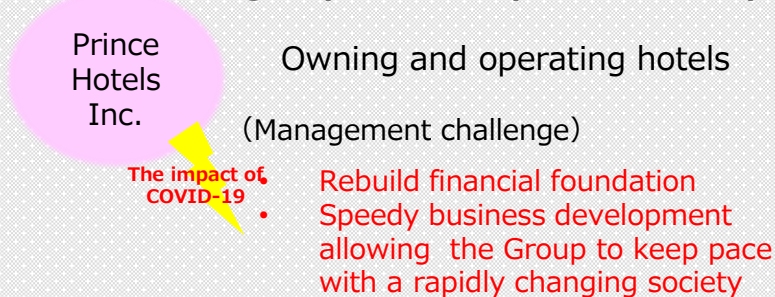
Revamp the function and role of Prince Hotels, Inc. and Seibu Properties, Inc.

Overview

(Current status)

Long-term strategy of the Hotel & Leisure business
 ~Establishing a position as the industry's No. 1 hotel and leisure group with comprehensive capability

Long-term strategy of the real estate business
 ~Realizing potential profitability by making effective use of the Group's real estate



Internal reorganization of the Group to overcome emergent management issues, **maximize the value of the Group's assets, and increase the competitiveness** of the Hotel and Leisure Business and Real Estate Business

(Current)

(FY2022 Plan)



Revamp the function and role of Prince Hotels, Inc. and Seibu Properties, Inc.

Vision for the Group in a post-COVID-19 society

- Hotel and Leisure business -

Develop asset-light business, and build the industry's No. 1 quality hotel chain

- Implement rapid business development through asset-light chain management based on management contracts.
- Able to enhance our brand capabilities and expand our business by providing satisfying services to staying guests and delivering returns above owners' expectations as a hotel operator.

"New"
Prince
Hotels Inc.

Hotel operator-driving force for the Hotel & Leisure business

- Real Estate business -

Expand business operations and advance to general real estate business

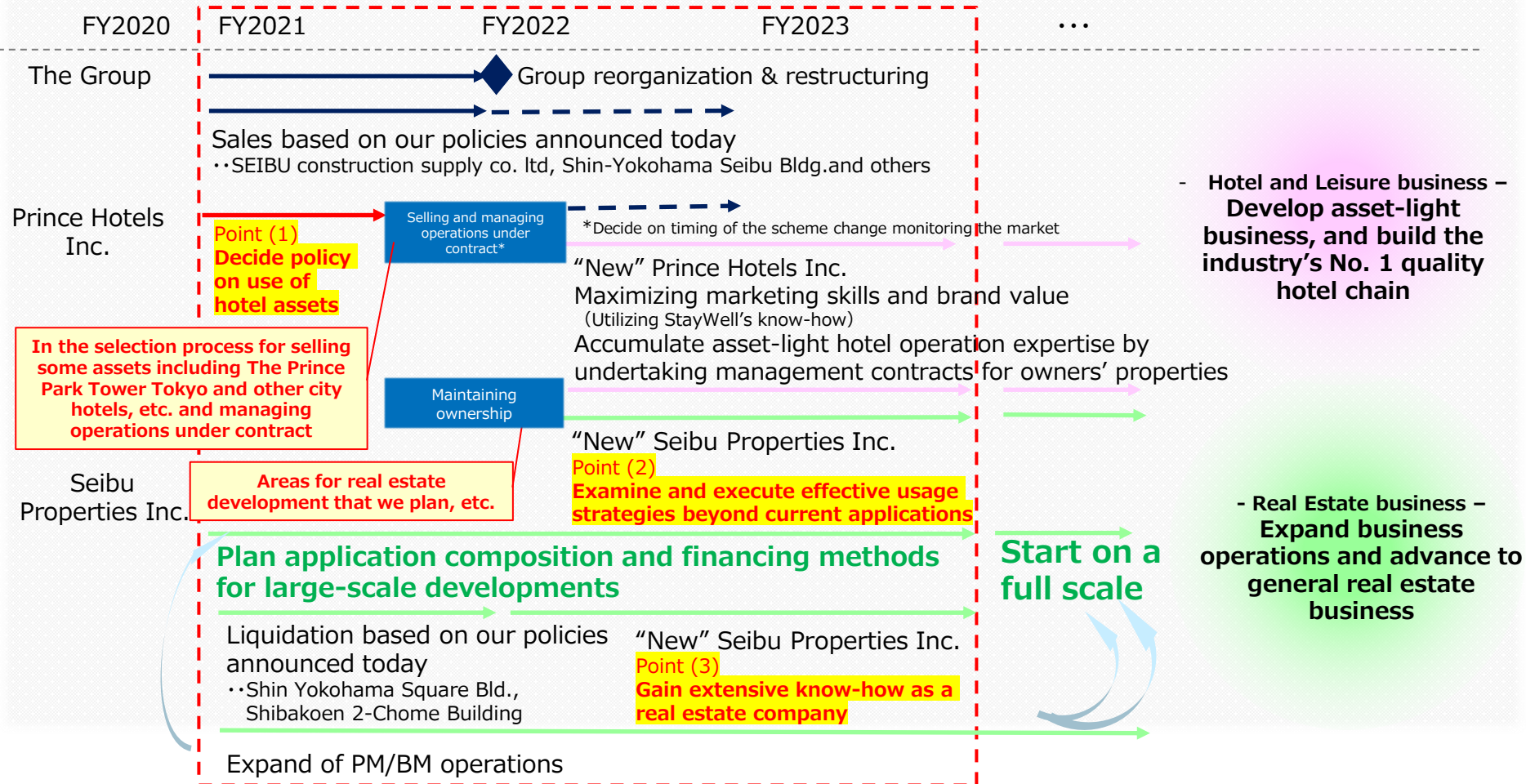
- Able to determine and execute optimal solutions by using diverse methods for strategies to effectively use the Group's nationwide assets and initiatives that contribute to increasing the value of areas alongside Seibu Railway lines.
- Able to consider and carry out collaboration with developers, sale of land, and organizing various financing schemes, particularly in large scale developments in central Tokyo area.

"New"
Seibu
Properties
Inc.

A general real estate company tasked with maximizing the value of the Group's assets

Revamp the function and role of Prince Hotels, Inc. and Seibu Properties, Inc.

Our roadmap to “Vision for the Group in a post-COVID-19 society”



⇒Maximize the value of asset holdings and Group revenue by combining elements such as sale and liquidation of assets and businesses, internal Group reorganization, and expertise acquisition, fully utilizing the respective functions and roles of both companies and striving to improve competitiveness.

- ✓ We will implement the following cost reduction initiatives along with smart business operations responding to the new normal and shrinking population.

Initiatives during this mid-term period

Renew timetable, routes, and ticket offices in line with demand

- Effects of initiatives during FY2020 manifested.
- Implement measures for diversifying demand during peak hours



Railway's timetable revision



Reorganize bus timetables and routes, streamline ticket offices



Rigorously select railcars and buses, etc. for replacement and make use of eco-friendly railcars, buses, etc.

- Optimize number of railcars and buses, etc. owned by combining review of operation and replacement plan
- Reduce CO₂ emissions through use of eco-friendly railcars, buses, etc.

40000 series



Operating bus using Euglena biodiesel fuel



Fuel cell bus



⇒ Optimize number of staff required and number of railcars and buses, etc. owned, annual reduction in power & fuel costs (by more than 2.0 billion in total, the amount of annual reduction)

- ✓ Personnel expenses --by more than 1.0 bn
- ✓ Power & Fuel costs --by more than 500 million
- ✓ Repair expenses & Depreciation--by more than 500 million (The figures above are the amount of annual reduction planned for FY2023 compared to FY2019)

Initiatives after this mid-term period (Plan currently being formulated)

Smart railway station operations

- Realize smart stations by using remote operations.

Smart driving operations

- Expand one-person operation area of railway lines and implement automated driving on buses at an early stage

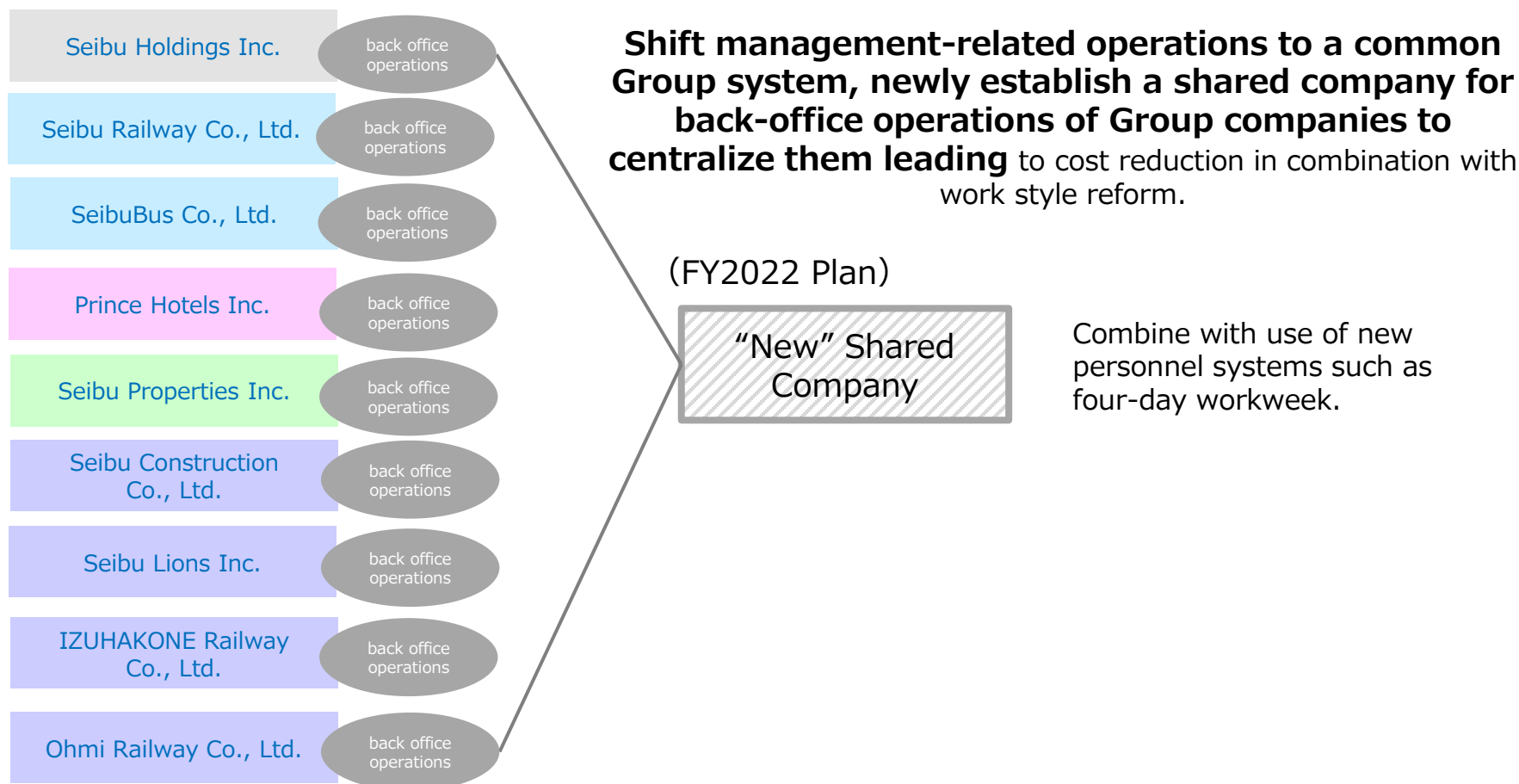
⇒ Reduce the number of staff required through the above measures (Control staff numbers through recruitment numbers).

For the future, incorporate unmanned operations and strive for smart business operations for a new era

Sharing of back office operations

Sharing of back office operations

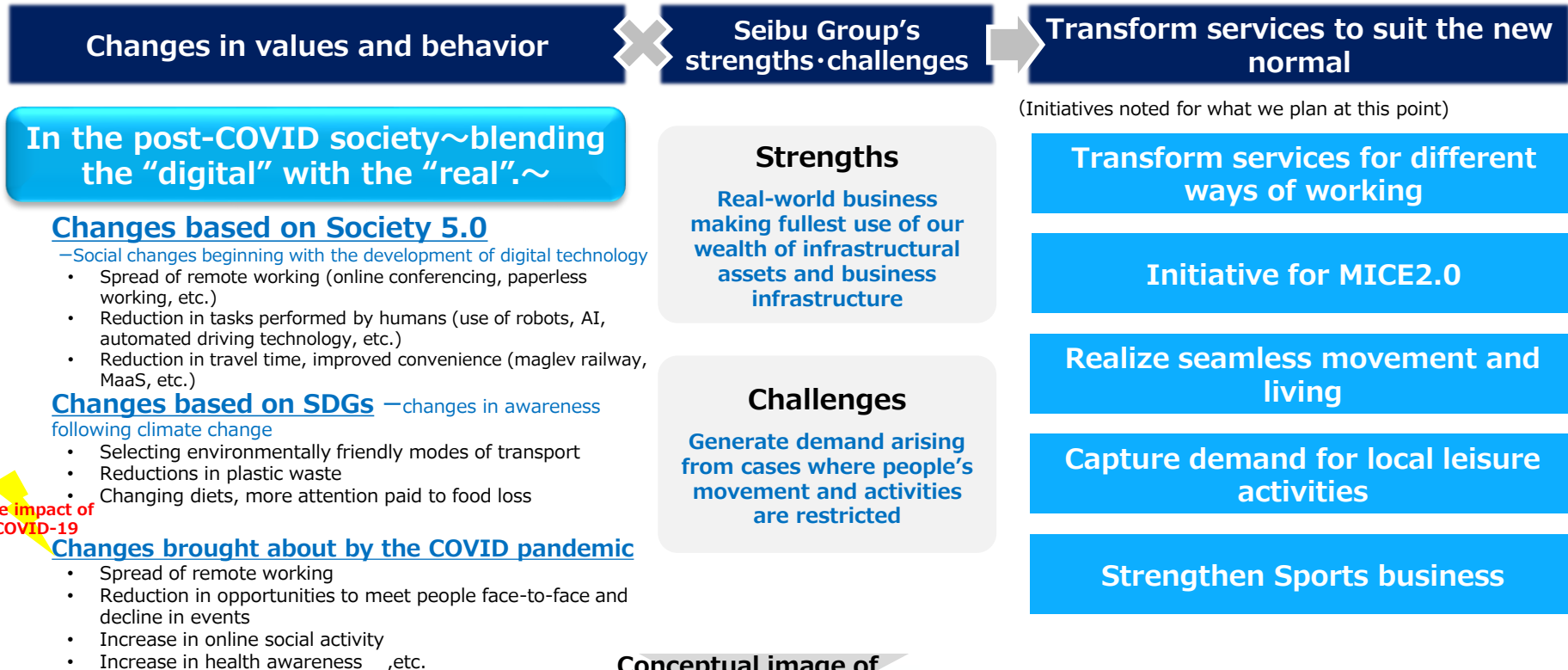
- ✓ Shift management-related operations to a common Group system, newly establish a shared company for back-office operations of Group companies to centralize them.
- ✓ Standardize and streamline Group operations to reduce fixed expenses.



and so on...

Service transformation to suit the new normal

- ✓ By accurately grasping changes in values and behavior progressed during the COVID-19 pandemic, in addition to Society 5.0 and the SDGs, and transforming the Seibu Group's services, we will increase "Seibu Group Fans", who are repeat users of our diverse services, by expanding the scope of customers using the Group's services and satisfying them in this new era.



The impact of COVID-19

Conceptual image of customer base expansion

Increase "Seibu Group Fans," who are repeat users of our diverse services.



Existing customers
 Satisfy staying customers



New customers
 Expand the scope of customers



Key initiatives

Transform services for different ways of working

Changes in values and behavior

The impact of COVID-19

- Permeation of remote work
- Spread of online meetings

Seibu Group's strengths/challenges

- Utilizing abundant assets effectively
- Expand service content by combining real-world and digital formats

Expansion of office sharing service (emiffice)
Responding to demand for workation (Stay plan)
MICE in response to online demand
Offering new way of commuting
 (Measures for diversifying demand during peak hours for railways and buses)

Operating prefabricated unit rental service "Emi Cube"



Developing service of "emiffice" shared work space



Offering workation plans at Prince Hotels



Initiative for MICE2.0

Changes in values and behavior

The impact of COVID-19

- Spread of online meetings
- Smaller numbers of participants in meetings and events

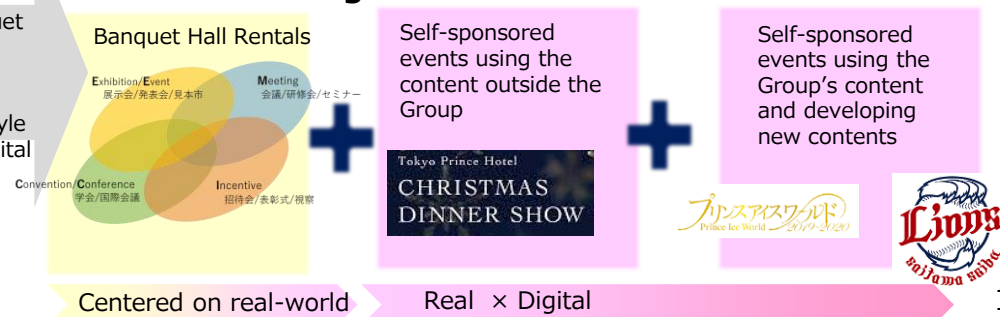
Seibu Group's strengths/challenges

- Make effective use of hotel banquet halls nationwide
- Enhance and expand the Group's internal content
- Expand services that create lifestyle and time, combining real and digital

Incorporate the MICE 2.0 concept to diversify uses for banquet halls

-Create demand through "autonomous initiatives," such as self-sponsored events using the Group's content, in addition to the previous "rental of spaces."

~MICE2.0 image~



Key initiatives

Realize seamless movement and living

Changes in values and behavior

Seibu Group's strengths/challenges

The impact of COVID-19

- Increased demand for efficiency and comfort driven by advances in digital technology and changes in customers behavior and values

- Enhance transportation services such as railways, buses, and taxis
- Abundant tourism resources alongside railway lines (Chichibu, Kawagoe and so on)
- Revitalization of the Tokorozawa area

Coordinate with Group Marketing foundation on P. 24 and expand functions

Realize seamless movement and living through collaboration inside and outside the Group

(Offering MaaS in the areas along Seibu lines)

Realize seamless movement and living



Cooperate with local government, etc., to solve issues in service provision areas

Capture demand for local leisure activities

Changes in values and behavior

Seibu Group's strengths/challenges

The impact of COVID-19

- Growing demand for local leisure activities
- Fall in consumption
- Smaller numbers of people moving

- Abundance of leisure facilities under operation
- Renew value provided to customers

Converted MetLife Dome into a ball park

(Completed in March 2021)

Seibuen Amusement Park undergoing a renewal

(Set to open on May 19, 2021)

Invited Warner Bros. Studio Tour Tokyo - The Making of Harry Potter in part of the former site of Toshimaen

(Set to open in the first half of 2023)

Metlife Dome Area



Seibuen Amusement Park



The former site of Toshimaen



Regarding the area over the former site of Toshimaen, we are currently in discussion with the Tokyo Metropolitan Government in accordance with memorandum of development of "Nerima castle ruins park," a city park

Key initiatives

Strengthening Sports business

The value of sports

Physical changes

- Health promotion, growth, development

Motivating

- Excitement, passion, attachment, empathy

The impact of COVID-19

- Penetration of social distancing
- Enhancement of digital services
- Longing and excitement regarding real-world spaces and contact points
- Lack of exercise due to refraining from going out and teleworking
- Increase in health awareness



Seibu Group's strengths/challenges

- Make effective use of abundant assets such as MetLife Dome, Yokohama Arena, golf courses and ski resorts
- Utilize sports business expertise developed with the Saitama Seibu Lions
- Develop and utilize fitness business
- Expand services that create lifestyle and time, combining real and digital

Through business developed in the sports and entertainment field based on the concepts of “ease” and “enjoyment,” we will provide living environments offering rich mental and physical stimulation to encourage the creation of new activities for our customers

→Connect the Group's diverse businesses and generate synergies.

Do Sports

- ✓ Expand services that provide easy daily interaction with sports, both online and offline, to increase interest in participating in sports.

Bringing “Sports Apps” in Service



Events at Group facilities



Fitness school /gym that are easy to participate in



Watch Sports

- ✓ Develop content to provide sports and entertainment experiences for enjoying both online and offline.

Opportunities to spectate in real-world facilities



Opportunities to participate in events online



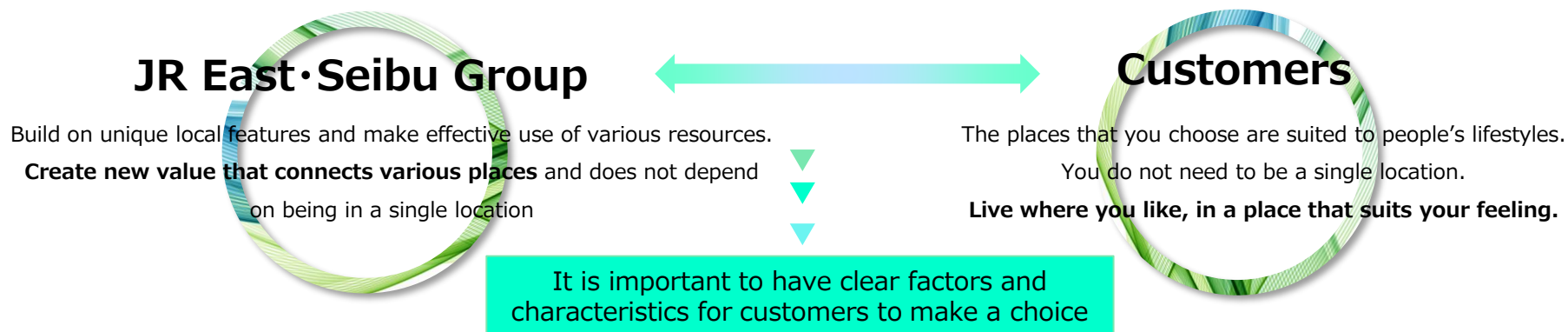
New profit opportunities utilizing digital



Partnership with East Japan Railway Company



In creating new lifestyles for the new normal era, we will innovate each infrastructure surrounding consumers and **realize their wellbeing by increasing satisfaction in highly diverse consumer living.**



Make full use of both companies' strengths and own resource to produce new services that will realize the creation of new lifestyles and regional revitalization

①Propose new work styles and lifestyles

(1) Permeation of workation

New initiatives centered on wellbeing

- Develop products targeting individuals
- Hold events that connect corporations and individuals with local communities
- Develop products targeting corporations

(2) Expansion of station work

Expand bases

- Install STATION BOOTH inside stations of Seibu Railway

②Long-term collaboration in town development

(1) Mobility service utilizing MaaS

Utilize the respective assets of JR East and the Seibu Group to provide sightseeing and regional MaaS in local areas for example, the Karuizawa area), etc.

(2) Promote location development

Collaboration in town development etc.

③Collaboration for revitalizing areas along the lines

(1) Cooperation of startup program with SDG theme



Reduction of food waste



Waste reduction through umbrella sharing

(2) Cosponsor events collaborating with community, such as regional market events

(3) Create value in the Shinagawa area through the start of a new collaborative project between JR East Shinagawa Station and Shinagawa Prince Hotel

(4) Regional revitalization through global MICE opportunities

Partnership with Japan Airlines Co. Ltd.



Seibu Holdings

–Propose new travel style and contribute to regional revitalization–

- ✓ Through collaboration between Japan Airlines Co., Ltd. , which operates various routes, and Prince Hotels, which operates hotels and leisure facilities such as golf courses and ski resorts, the two companies will combine their facilities and their knowledge and expertise regarding tourism to propose unique travel experiences.

(1) Propose travel products with a focus on regional attractions (2) Propose new travel products for the new normal

- Propose regional attractions and the ways to spend time in the area, recommended by JAL's "Furusato Ambassadors" and the staff of Prince Hotels
- With travel freedom restricted under COVID-19, propose opportunities to cultivate a sense of anticipation for the next trip by providing products that offer the sensation of travel

Tour of regional attractions

Sapporo Prince Hotel
Provide
optional
PCR tests



Local products fairs: Preparations in progress to hold fairs in hotel banquet halls

Plan for collaboration with JAL round trip charter flights

Grand Prince Hotel
Shin Takanawa

Experience simulated overseas travel while staying in Tokyo

Offering PCR tests for optional service



Looking ahead, in preparation for a recovery in demand for inbound tourism, examine proposal for “managed-type sightseeing tours” for overseas visitors to enjoy travel in Japan safely and securely

☞ **Make full use of both companies' strengths to encourage the recovery of tourism demand that had dropped in the COVID-19 pandemic**

Partnership with Allm Inc.



- Sophisticated measures for greater safety and security to suit the new normal -

- ✓ Provide even safer and more secure services to customers, as well as strengthen support structures for promoting health among employees by using health and medical ICT solutions from Allm Inc.

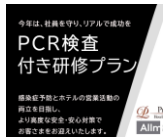
Measures for preventing infectious disease in accommodation and during events

- From May onward, we will provide guests staying at Prince Hotels with the opportunity to take a PCR test (beginning with the limited-quantity accommodation plan with a pre-stay PCR test, and expanding eligibility gradually thereafter).
- With the opportunity to take a PCR test, including weddings, MICE, and baseball, we will lower hurdles for holding events during the COVID-19 pandemic, and provide customers with real moving experiences.

- Holding events -

Before the event

Conduct antibody/PCR tests



Manage condition using "MySOS" health management app



During the event

Hosting/participation in a safer environment



After the event

Manage condition using "MySOS" health management app



Establishing a structure for PCR testing

- Establish a structure along Seibu Railway lines to enable PCR tests to be easily taken by customers using Group facilities, individuals living in the vicinity, and visitors to the area.



Opened in March 2021



Opened a clinic "Team Medical Clinic Shinjuku" specializing in PCR tests in the Shinjuku Prince Hotel

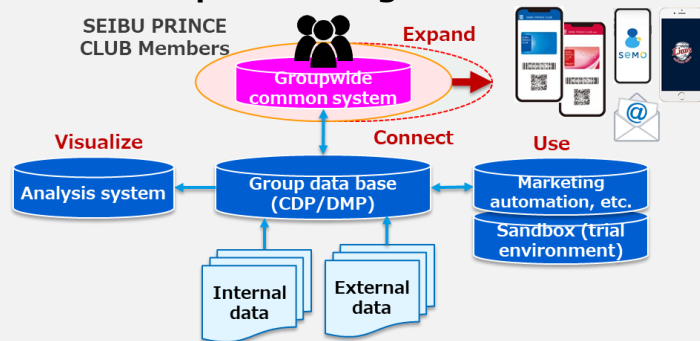
Discussing the areas as candidate locations

- ✓ With the internal structure we have created to promote the Group's digital transformation (DX), **realize digital management using approaches that take both offense and defense into account.**

Offensive strategy towards DX (digital transformation), marketing strategy

By connecting and utilizing data both inside and outside the Group, we will open the way to service innovations that capture changes in the values and the behavior of customers, create new value for customers, and lead to an increase "Seibu Group Fans."

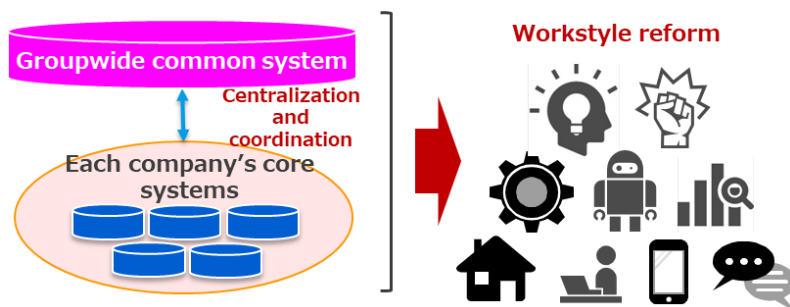
- Overview of Group Marketing Foundation -



- Integrate membership programs, centered on the Group's "SEIBU PRINCE CLUB" membership system, link our services together, and expand the Groupwide common system.
- **Build a group marketing foundation that will gradually come into use, beginning in FY2021.**

Defensive strategy towards DX

Reduce fixed expenses through such measures as business restructuring and work style reforms.



- Shift management-related operations to a common Group system
 - Update accounting systems (beginning gradually in FY2022).
- Use RPA (robotic process automation) and AI (artificial intelligence)
 - Promote the use of the RPA platform within the Group, beginning in FY2021
- Shift to paperless working and other digital approaches such as teleworking

- ✓Seibu Group will promote “Sustainability Actions” with the 12 key objectives (Materiality) in four areas of creating a sustainable society.

Safety

● Ensure safety and reliability

Measures of accident prevention and spread of infection



Testing driverless buses



Environment

“Green Management”

- Greenhouse gas reduction
- Waste reduction
- Ensuring water supply
- Protecting forest and species



Community Engagement

- Invigoration of railroad corridor and local communities
- Universal design
- Aging population and low birthrate



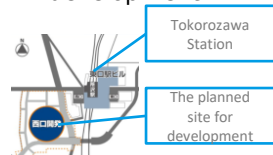
Operating farm rental service “Emi Farm”



Operating prefabricated unit rental service “Emi Cube”



Tokorozawa Station west side development



Seibu Lions “L-FRIENDS”



Preventive measures for child abuse

Corporate Culture

- Work style reforms
- Recruiting diverse workforce
- Human resource development/Human resource management
- Compliance



Managing employee health in coordination with Allm Inc. and others

Expansion of satellite offices



2021
健康経営優良法人
Health and productivity



- ✓ With the advance of global warming, we actively practice **“Green Management,”** maintaining an appropriate awareness of both the risks and business opportunities associated with climate change, to help mitigate its effects.
- ✓ The Group has endorsed the TCFD recommendations, and takes an active approach to sharing information on initiatives to deal with climate change risks, etc.

Seibu Group Targets for reduction of Environmental Impact

Seibu Group aims to reduce environmental footprint (CO₂ Emissions Per Basic Unit of Sales) by 25% by FY 2030 over Y2018

Reducing amount of electricity/fuel used

- Switching railways, hotels etc. to high-efficiency LED light fixtures, and utilizing CO₂-free electricity
- Reducing energy usage by replacing carriages, buses, and taxis

Operating bus using Euglena biodiesel fuel



Fuel Cell Bus



Seibu operates Leo liner, solar-powered train.



Waste reduction

- Enhance the “LOSS TO VALUE” project aimed at converting all “loss” into “value”
- Reduction of food waste
- Reusing soil from water treatment plants, agricultural produce, and food waste



Power generation

- Initiatives for solar power generation (expanding the use of self-consumption)
 - Existing large facilities in the countryside
 - Future development sites including the areas along Seibu Railway lines and large-scale development in central Tokyo area, etc..
- Initiative for the use of biofuels
 - Conversion of thinned and pruned branches, grass cuttings, and food waste into renewable energy at Seibu Landscape co. Ltd. (currently being researched)



3. Projected Figures for FY2021-2023

Management KPIs for implementing our “vision for the Group in a post-COVID-19 society”

- ✓ Keeping the “asset-light” model in mind, we have set “the medium- to long-term targets” for capital efficiency and optimized capital structure.
- ✓ Going forward, we will focus on ROE/ROA, which expresses efficiency, and equity-to-asset ratio and net interest-bearing debt/EBITDA ratio, which express financial soundness, as we monitor the progress of management reforms on our way to implementing the “vision for the Group in a post-COVID-19 society.”

ROE

of at least
10%

Cost of equity of around
7%

I. Profitability (Net profit margin) of at least 10%

- Reduction of fixed costs in the Urban Transportation and Regional
 - Renew timetables, routes, and ticket offices, and optimize the number of railcars and buses, etc. owned
- Reduction of fixed costs through using digital technology and workstyle reforms, etc.

II. Efficiency (Total asset turnover) 0.3× or higher

- Transformation of the business model--the “asset-light” themed model
 - Revamp the function and role of Prince Hotels, Inc. and Seibu Properties, Inc.
- Investment that takes into account the cost of capital
 - Rigorous selection of investments using different hurdle rates for each business, and taking into account a cost of capital of 3.71%

III. Financial soundness (Financial leverage) of around 3×

- Enhance retained earnings through improving the level of profit, and reduce debt through rigorous selection of investments
 - Utilize various sources of financing (e.g. project finance)
 - Gain extensive know-how as a real estate company, Seibu Properties Inc.
- 👉 **Capital-to-asset ratio**
25-30%
- 👉 **Net interest-bearing debt / EBITDA ratio**
around 6x

👉 **Over
ROA
3.5%**

Projected Figures for FY2023

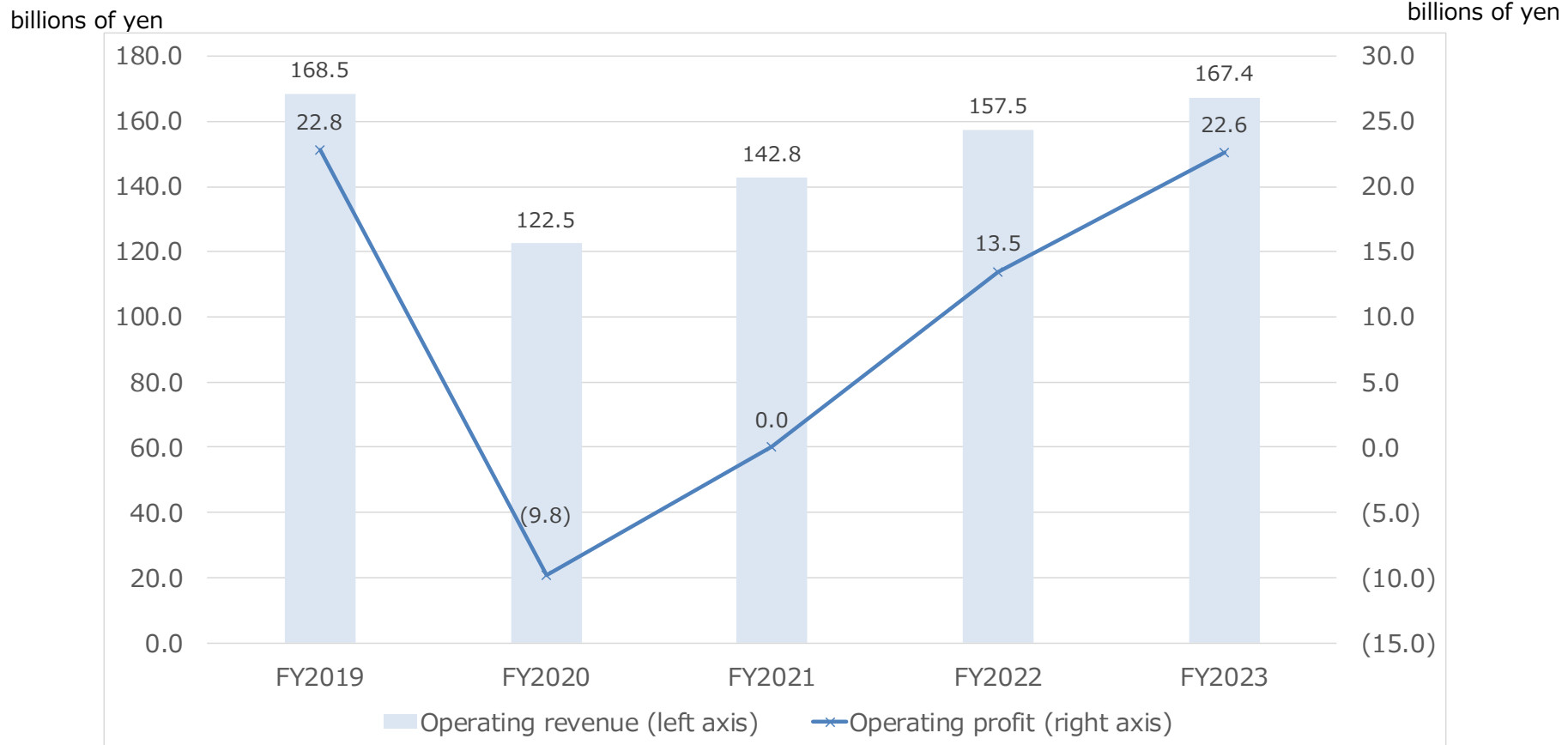
- ✓ For the business environment, we assume that by FY2023 both inbound tourism and domestic business conditions will have recovered. Despite anticipating some decline in demand arising from the persistence of changes in values and behavior, **we will strive to reach the pre-COVID-19 profit level by FY2023** through “management reforms”.
- ✓ Carry out management reforms resolutely with the “asset-light” themed model. Move ahead with quantifying “Decide policy on use of hotel assets (sell, then manage operations under contract to buyer, or maintain ownership within the Group, etc.; refer to P.14)” and “Sharing of back office operations (refer to P.16).” We will improve for achieving “the medium- to long-term target levels” for management indices used for capital efficiency and optimized capital structure are described on the previous page.

Management indices	FY2019 Actual (fiscal year ended 2020/3)	FY2020 Actual (fiscal year ended 2021/3)	FY2023 Plan (fiscal year ended 2024/3)
Operating revenue (Sales)	554.5 bn	337.0 bn	538.0 bn *
Operating profit	56.8 bn	(51.5) bn	66.0 bn
EBITDA (earnings before interest, taxes, depreciation, and amortization)	114.5 bn	1.8 bn	125.0 bn
Ordinary profit	48.7 bn	(58.7) bn	57.0 bn
Profit attributable to owners of parent	4.6 bn	(72.3) bn	40.0 bn
ROE	1.2%	(21.7%)	12.5%
ROA	0.3%	(4.2%)	2.4%
Capital-to-asset ratio	21.5%	17.6%	20.2%
Net interest-bearing debt/EBITDA ratio	7.9X	482.4X	6.8X

* From the fiscal year ending March 31, 2022, the Company applied “Accounting Standard for Revenue Recognition,” which is reflected in operating profit for the fiscal year ending March 31, 2024 (approx. – 12.0 billion yen)

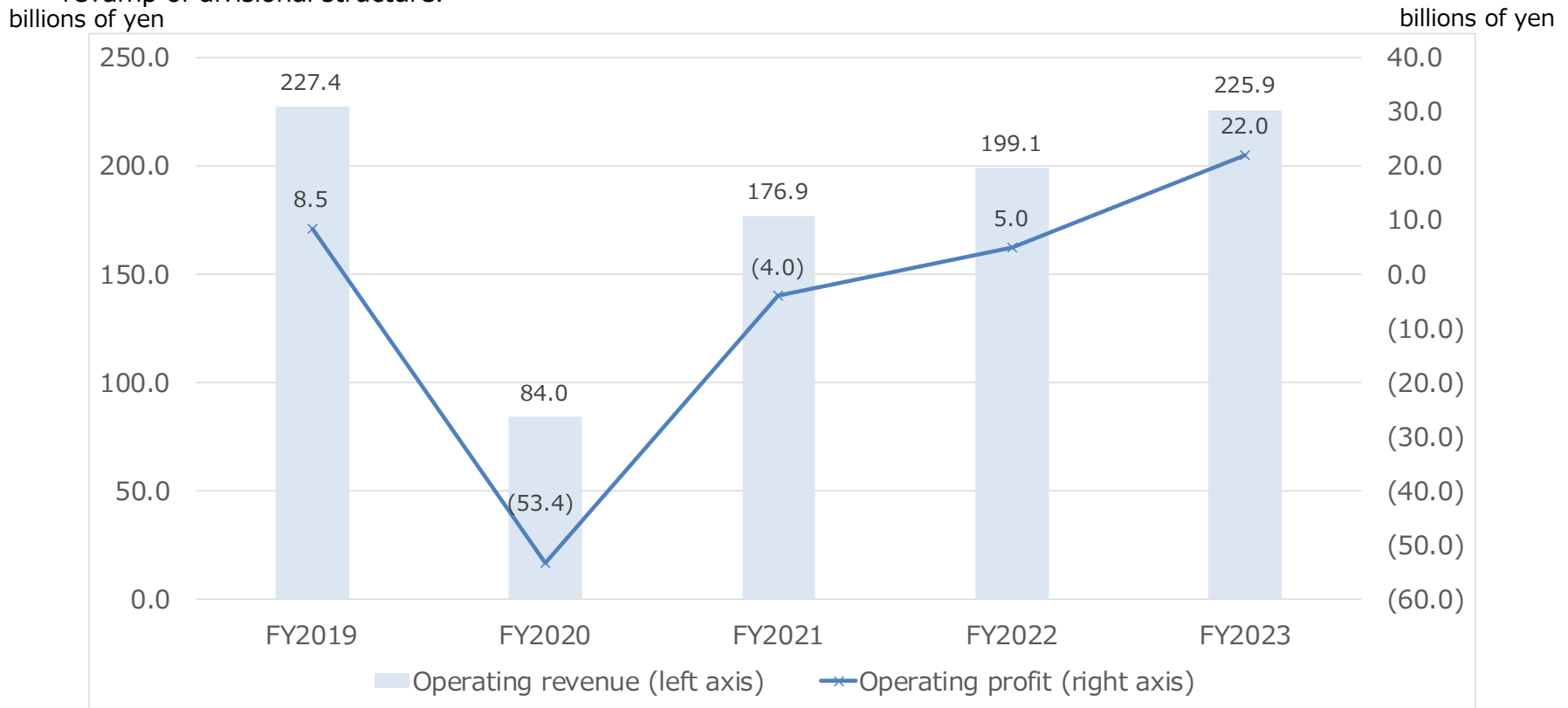
Main points of the segment plan

- Due to increases in teleworking and other factors, we expect a negative impact on sales from commuter passes in railway operations (down roughly 10% in FY2023 compared to FY2019), and on sales from transportation in bus operations.
- We will reduce costs by renewing timetable, routes, and ticket offices in line with demand and optimizing number of railcars and buses, etc. owned.
- We will capture demand for local leisure activities attracting to just renovated Seibuen Amusement Park and a new facility in the former site of Toshimaen, etc.



Main points of the segment plan

- We are currently conducting a detailed survey into the "Hotel Asset Utilization Policy" (whether to sell, then manage operations under contract to buyer, or maintain ownership within the Group, etc.; refer to P.14) and this has not been incorporated into the numerical targets.
- In the accommodation and restaurants division of the hotel operations, in addition to a recovery in inbound traffic and in domestic business conditions, we aim to recover earnings by FY2023 helped by transforming services to suit the new normal.
In the banquet division, we expect a negative impact on sales due to the spread of online meetings. (roughly down 30% in FY2023 compared to FY2019)
- We will reduce costs through bringing operations in-house, optimizing staffing (cutting about 1,000 temp staff) and revamp of divisional structure.

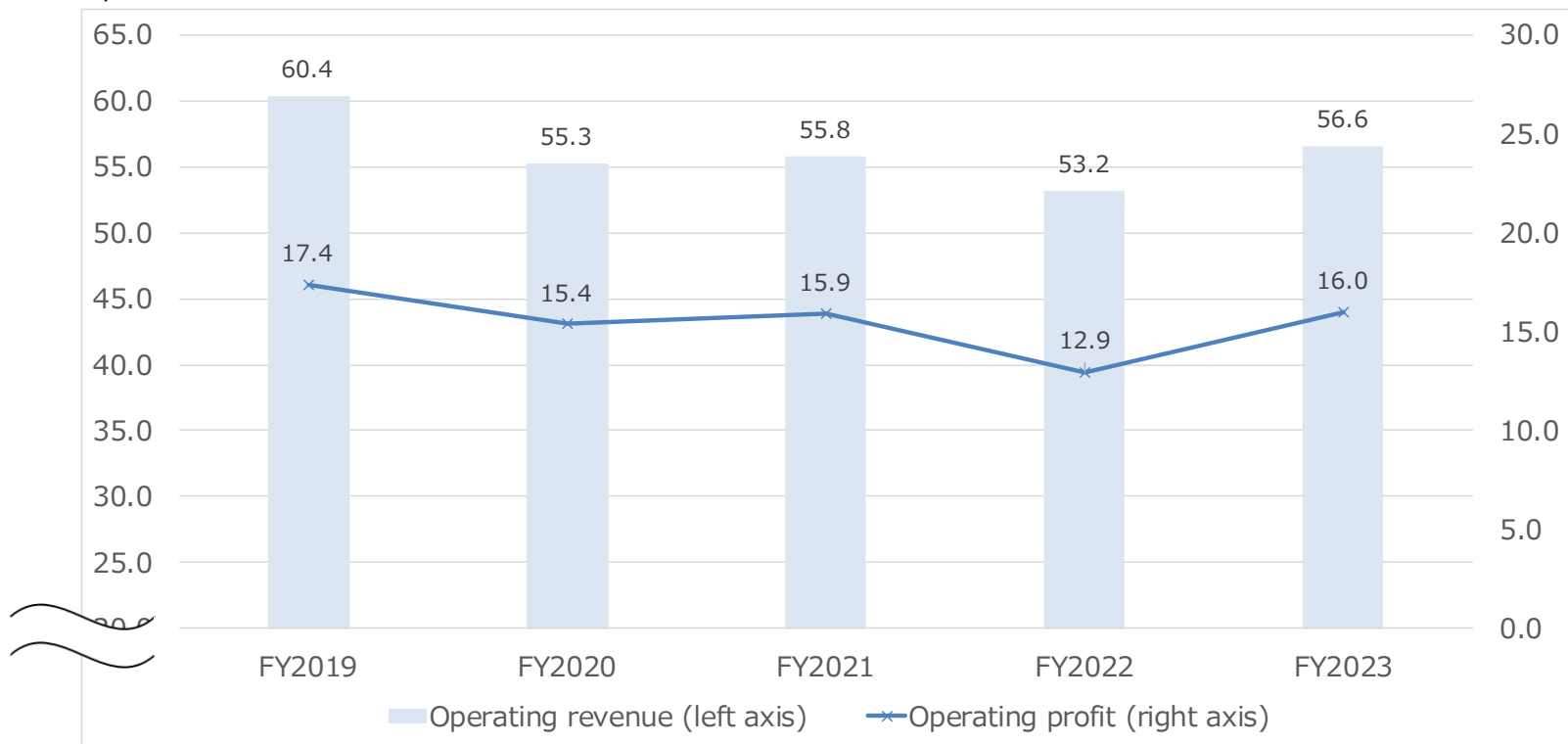


Main points of the segment plan

- We do not assume a significant deterioration in vacancy rates and average rents that form the base of the office and residential operations.
- The departure of an office tenant from Tokyo Garden Terrace Kioicho during the period has already been decided. We will strengthen our leasing activities to secure replacements as quickly as possible (the underlying assumptions for the figures is that new tenants will enter gradually in FY2022 to replace the one who left in FY2021).
- In commercial facilities, we expect a recovery in domestic business conditions and measures to stimulate demand to drive revenues past the FY2019 level.
- Expand new services such as office sharing as parts of efforts to transform services to suit different ways of working.
- We will reduce fixed costs by bringing PM/BM operations in-house, etc.

billions of yen

billions of yen



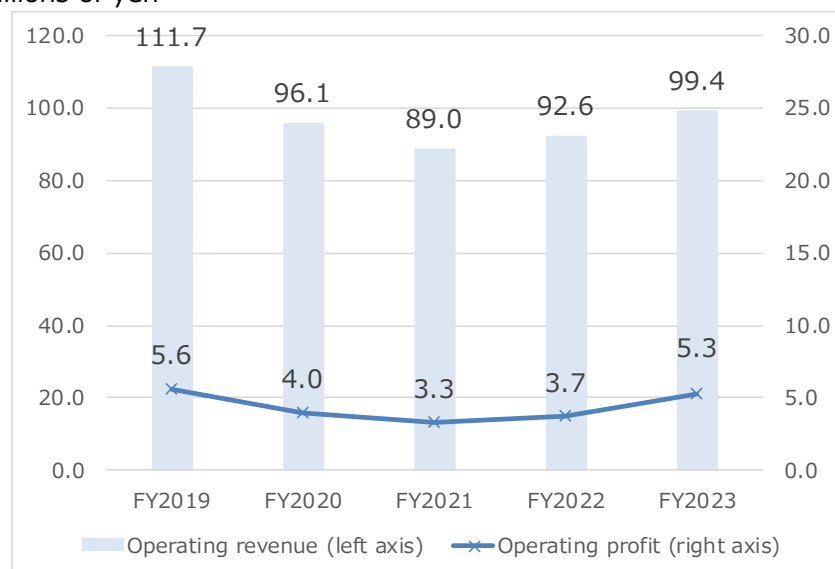
Main points of the construction business

- Work to strengthen order activities in growth areas, monetize sustainability actions such as getting renewable energy-related orders and biomass power generation.
- Reduce overtime work, manage costs rigorously, and revamp businesses and divisional structures (Seibu Construction Supply Co., Ltd. is scheduled to be sold in FY2021).

Main points of other business

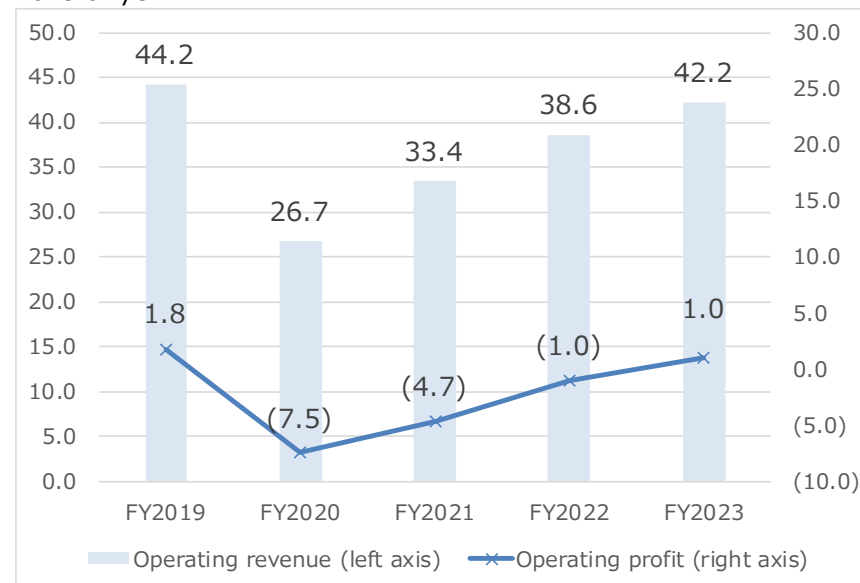
- Strengthen sports business and maximize effects coming from converting MetLife Dome into a ball park in March 2021.
- Increase profit opportunities by strengthening entertainment field as a new business.
- Revamp businesses and divisional structures of Izuhakone and Ohmi businesses. (Restructuring in Izuhakone's taxi business and promoting structure reform in Ohmi's railway business)

billions of yen



billions of yen

billions of yen

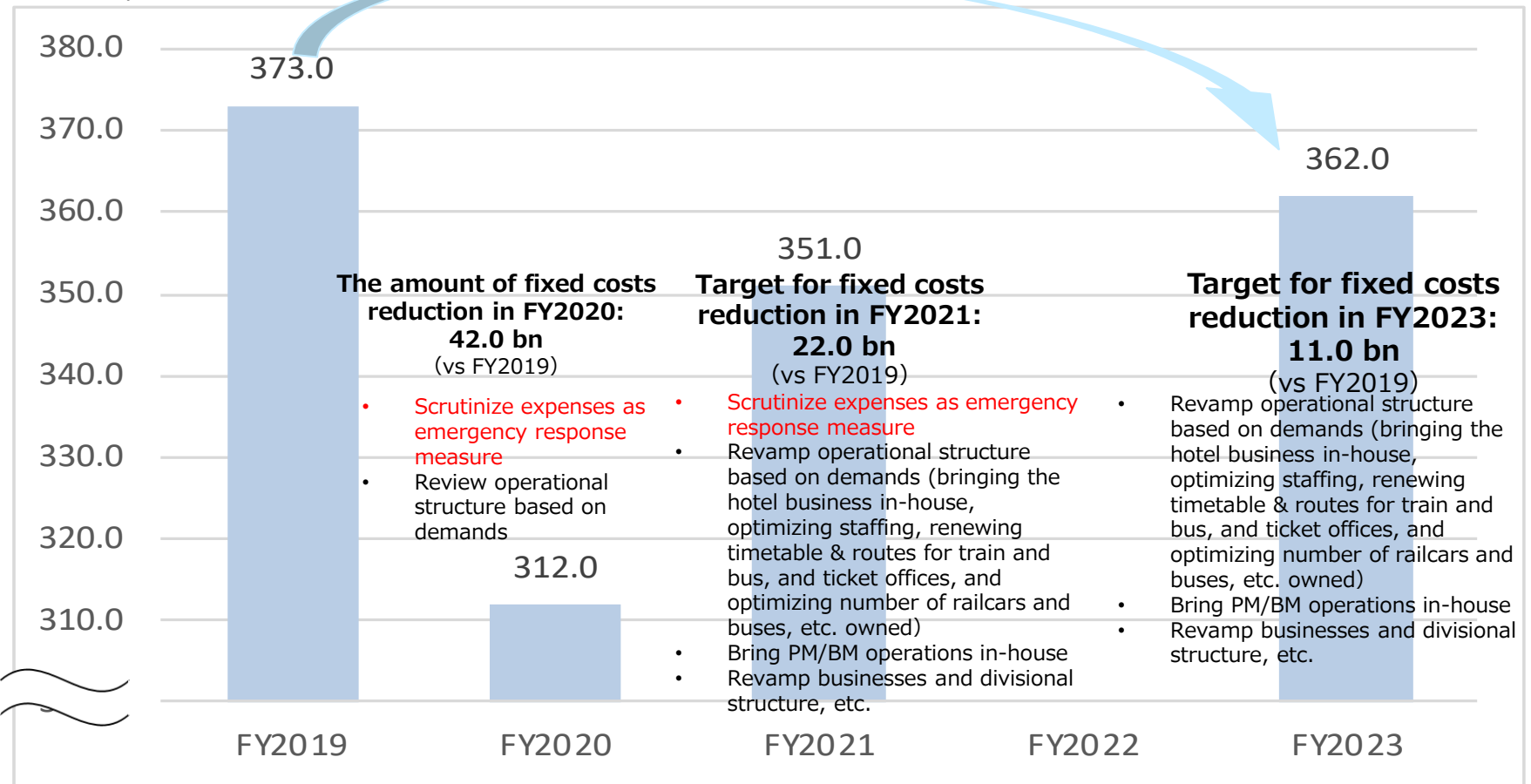


* The impact from applying "Accounting Standard for Revenue Recognition" (Operating revenue)
 (Construction business) FY2021: approx. -2.1 billion yen, FY2022: approx. -0.7 billion yen, FY2023: approx. -0.7 billion yen
 (Other business) FY2021: approx. -1.5 billion yen, FY2022: approx. -2.0 billion yen, FY2023: approx. -2.1 billion yen

Changes in fixed costs

Changes in fixed costs (based on the total figure of each segment)

billions of yen

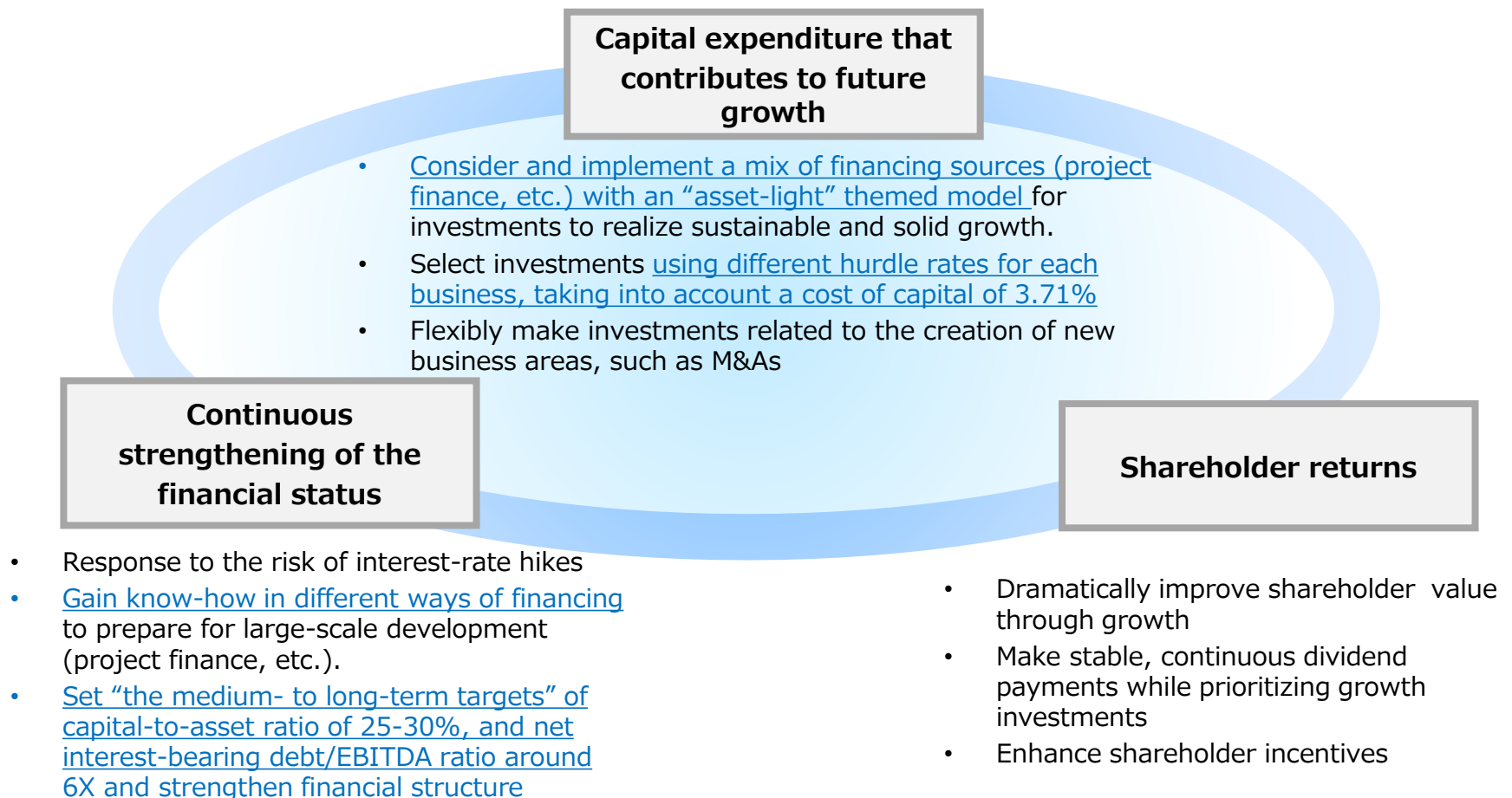


Note: The decline in the amount for FY2020 excludes the portion transferred to extraordinary losses (18.9 billion yen).

In addition, the decline of 56.0 billion yen (currently still being calculated), as explained in the separately announced "Overview of financial results for the fiscal year ended March 31, 2021," represents the comparison of the pre-COVID-19 forecast to figures.

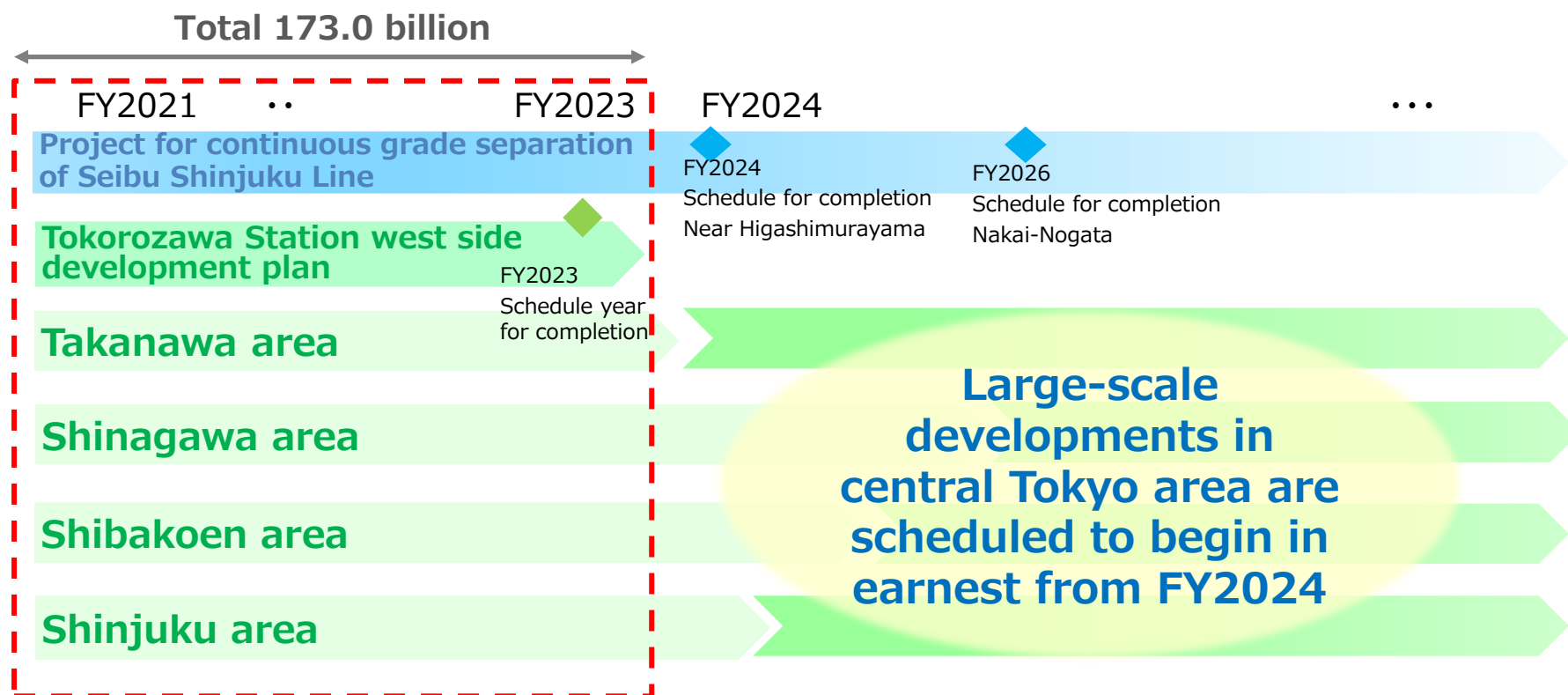
- ✓ In accordance with the financial part of the long-term strategy of the Seibu Group, we aim for the optimal balance between returns to our stakeholders and investments that contribute to growth.
- ✓ [In the newly announced plan, we have placed the highest priority on restoring the financial strength that has been lost during the COVID-19 pandemic, while also emphasizing returns to shareholders.](#)

~Financial strategy in the Group's long-term plan the whole picture~



- ✓ Select projects for capital investments such as Tokorozawa station west side development that contribute to future growth
 - Use hurdle rates for each business, taking into account a cost of capital of 3.71%
- ✓ The large-scale developments in central Tokyo area that will support future growth are expected to begin after the period of the plan that has just been announced, and we are currently planning a mix of applications that take the COVID-19 pandemic into account and financing sources (project finance, etc.).

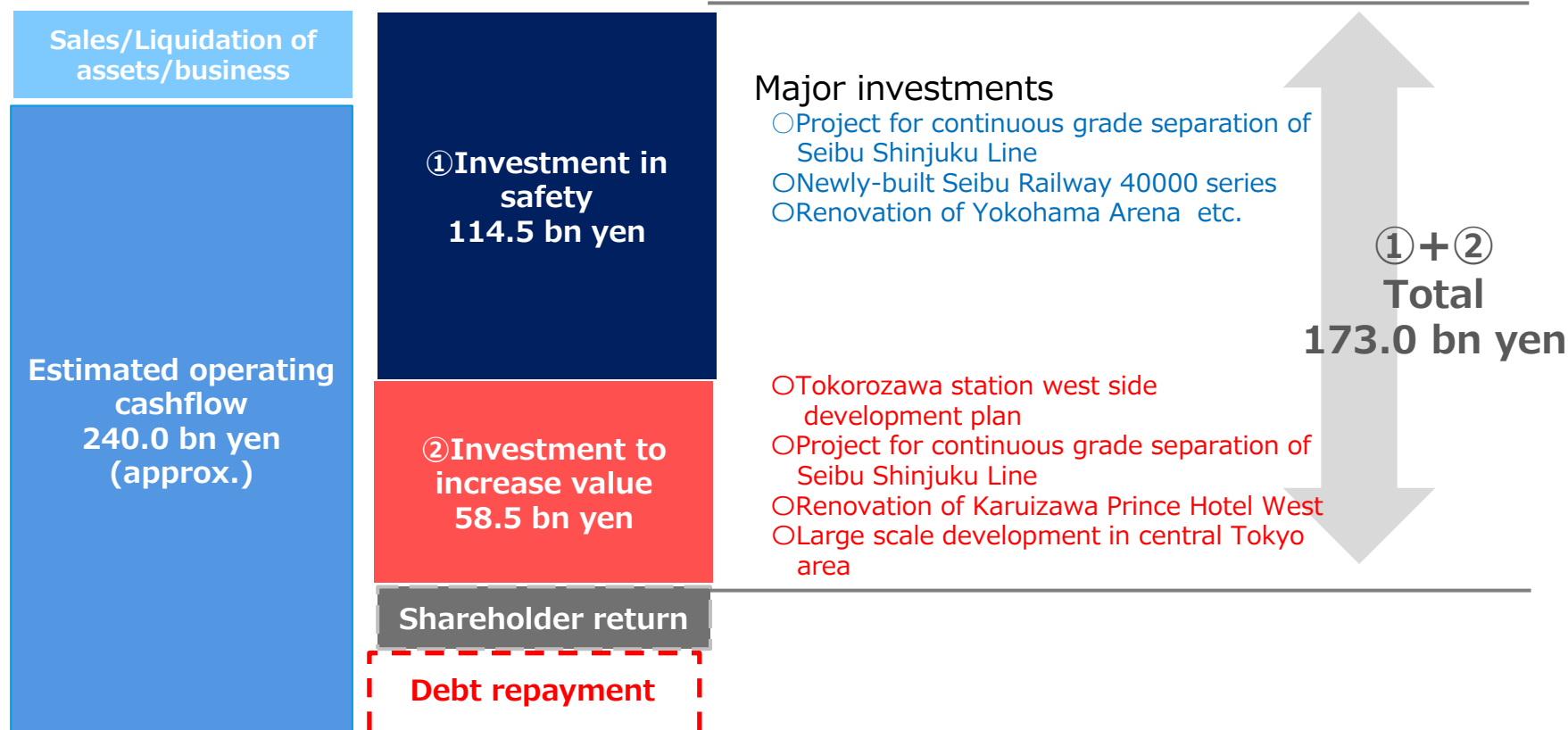
Investment timeline



Use of funds during the period of the Medium-term Management Plan

- ✓ We expect to achieve positive free cash flow by selling and liquidating assets and businesses, in addition to improving the level of profit and rigorous selection of investments.
- ✓ With regard to returns to shareholders, while taking into account the need for a balance with financial strength, we plan to restart payments in the fiscal year ending March 31, 2022.

Three-year total cash flow



Preparations for the assumed changes in the business environment

- ✓ In the newly announced plan, the risks of failing to achieve our goals due to the changes we assume in the business environment are as follows.
 - The recovery in base demand differs from our expectations
 - E.g. Slower recovery in domestic business conditions or in inbound tourism
 - Sales from railway transportation (non-commuter passes), Hotel's accommodation and restaurant divisions, commercial facilities, etc.
 - The changes in values and in behavior caused by the COVID-19 pandemic become more widespread than expected
 - E.g. Negative impact on sales from commuter passes in railway operations due to increases in teleworking
 - Negative impact on sales from hotel's banquet division due to the spread of online meetings
 - Worse than expected impact on demand for going out
 - Sales from railway transportation (non-commuter passes), Leisure facilities, Sports business etc.



Aim to achieve the target on a profit basis by gaining an accurate understanding of the internal and external environment and making every preparation.

- Implement management reforms
 - Review sales/liquidation of asset and business process (see P.11) and implement action
 - With further detailed surveys of hotel assets, examine and execute the most effective usage strategies beyond current applications
 - Scrutinize the details of fixed costs (see P.15) and implement such as renew timetable, routes, and ticket offices, and optimizing number of railcars and buses, etc. owned in the Urban Transportation and Regional business
 - Quantify the impact of the sharing of back office operations (refer to P.16), which is currently in the process of being calculated.
- Reduce costs as an emergency measure (the amount of reduction for FY2020 was 56.0 billion yen compared to what we were expecting before COVID-19)

4.Consolidated Earnings Forecasts/Dividend Forecast for FY2021

Summary of consolidated earnings forecasts

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). (Refer to P48)

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.; see page 14) 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)

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.

Operating profit and 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%)

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

- ✓ 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)	

Dividend for FY03/2021 and dividend forecast for FY03/2022

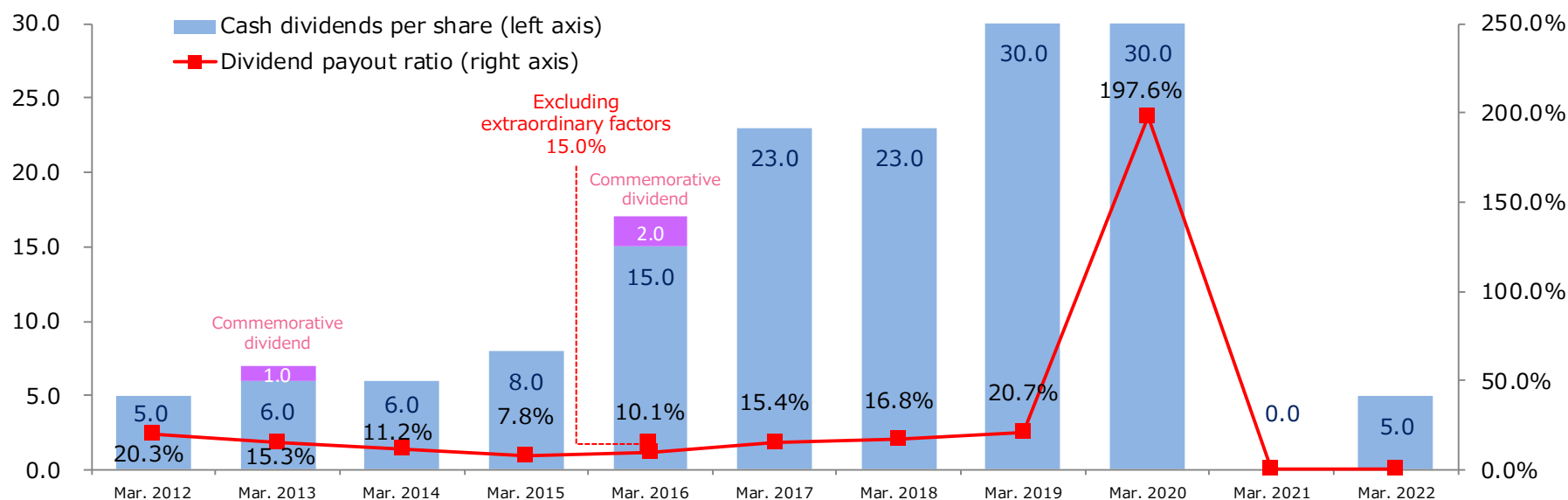
✓ FY03/2021

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

Appendix

Summary of consolidated statement of income/balance sheet

billions of yen

	FY2019 Actual (March 2020)	FY2020 Actual (March 2021)	FY2021 forecast		FY2022 Plan		FY2023 Plan		
			(March 2022)	YoY	(March 2023)	YoY	(March 2024)	YoY	Compared to FY2019 (March 2020)
Operating revenue	554.5	337.0	456.0	118.9	493.0	37.0	538.0	45.0	(16.5)
Operating profit	56.8	(51.5)	9.0	60.5	33.0	24.0	66.0	33.0	9.1
EBITDA	114.5	1.8	67.0	65.1	92.0	25.0	125.0	33.0	10.4
Ordinary profit	48.7	(58.7)	0.0	58.7	24.0	24.0	57.0	33.0	8.2
Profit attributable to owners of parent	4.6	(72.3)	(5.0)	67.3	14.0	19.0	40.0	26.0	35.3
Total assets	1,707.7	1,698.4	1,676.0	(22.4)	1,669.0	(7.0)	1,670.0	1.0	(37.7)
Total liabilities	1,334.3	1,312.8	1,297.0	(15.8)	1,279.0	(18.0)	1,246.0	(33.0)	(88.3)
Total net assets	373.4	385.6	379.0	(6.6)	390.0	11.0	424.0	34.0	50.5
Equity	367.2	299.7	293.0	(6.7)	304.0	11.0	338.0	34.0	(29.2)
Net interest-bearing debt	906.2	908.3	895.0	(13.3)	880.0	(15.0)	847.0	(33.0)	(59.2)
Capital investment	86.9	60.6	49.0	(11.6)	59.0	10.0	65.0	6.0	(21.9)
ROE	1.2%	(21.7%)	(1.7%)	20.0%	4.7%	6.4%	12.5%	7.8%	11.3%
ROA	0.3%	(4.2%)	(0.3%)	3.9%	0.8%	1.1%	2.4%	1.6%	2.1%
Equity-to-asset ratio	21.5%	17.6%	17.5%	(0.2%)	18.2%	0.7%	20.2%	2.0%	(1.3%)
Net interest-bearing debt / EBITDA (times)	7.9	482.4	13.4	(469.1)	9.6	(3.8)	6.8	(2.8)	(1.1)

Quantitative plans by segments

Operating Revenue

billions of yen

	FY2019 Actual (March 2020)	FY2020 Actual (March 2021)	FY2021 forecast		FY2022 Plan		FY2023 Plan		
			(March 2022)	YoY	(March 2023)	YoY	(March 2024)	YoY	Compared to FY2019 (March 2020)
Urban Transportation and Regional	168.5	122.5	142.8	20.2	157.5	14.7	167.4	9.9	(1.1)
Hotel and Leisure	227.4	84.0	176.9	92.8	199.1	22.2	225.9	26.8	(1.5)
Real Estate	60.4	55.3	55.8	0.4	53.2	(2.6)	56.6	3.4	(3.8)
Construction	111.7	96.1	89.0	(7.1)	92.6	3.6	99.4	6.8	(12.3)
Other	44.2	26.7	33.4	6.6	38.6	5.2	42.2	3.6	(2.0)
Adjustment	(57.8)	(47.8)	(41.9)	5.9	(48.0)	(6.1)	(53.5)	(5.5)	4.3
Consolidated	554.5	337.0	456.0	118.9	493.0	37.0	538.0	45.0	(16.5)

Operating profit

billions of yen

	FY2019 Actual (March 2020)	FY2020 Actual (March 2021)	FY2021 forecast		FY2022 Plan		FY2023 Plan		
			(March 2022)	YoY	(March 2023)	YoY	(March 2024)	YoY	Compared to FY2019 (March 2020)
Urban Transportation and Regional	22.8	(9.8)	0.0	9.8	13.5	13.5	22.6	9.1	(0.2)
Hotel and Leisure	8.5	(53.4)	(4.0)	49.4	5.0	9.0	22.0	17.0	13.4
Real Estate	17.4	15.4	15.9	0.4	12.9	(3.0)	16.0	3.1	(1.4)
Construction	5.6	4.0	3.3	(0.7)	3.7	0.4	5.3	1.6	(0.3)
Other	1.8	(7.5)	(4.7)	2.8	(1.0)	3.7	1.0	2.0	(0.8)
Adjustment	0.5	(0.2)	(1.5)	(1.2)	(1.1)	0.4	(0.9)	0.2	(1.4)
Consolidated	56.8	(51.5)	9.0	60.5	33.0	24.0	66.0	33.0	9.1

Quantitative plans by segments

(Continued from the previous page)

EBITDA

billions of yen

	FY2019 Actual (March 2020)	FY2020 Actual (March 2021)	FY2021 forecast		FY2022 Plan		FY2023 Plan		
			(March 2022)	YoY	(March 2023)	YoY	(March 2024)	YoY	Compared to FY2019 (March 2020)
Urban Transportation and Regional	44.6	12.3	23.1	10.7	36.7	13.6	46.5	9.8	1.8
Hotel and Leisure	28.6	(38.1)	14.1	52.2	23.3	9.2	39.9	16.6	11.2
Real Estate	29.1	27.4	27.7	0.2	24.3	(3.4)	27.4	3.1	(1.7)
Construction	6.0	4.5	3.7	(0.8)	4.1	0.4	5.7	1.6	(0.3)
Other	5.6	(3.4)	(0.5)	2.9	3.4	3.9	5.7	2.3	0.0
Adjustment	0.3	(0.8)	(1.1)	(0.2)	0.2	1.3	(0.2)	(0.4)	(0.5)
Consolidated	114.5	1.8	67.0	65.1	92.0	25.0	125.0	33.0	10.4

Capital investment

billions of yen

	FY2019 Actual (March 2020)	FY2020 Actual (March 2021)	FY2021 forecast		FY2022 Plan		FY2023 Plan		
			(March 2022)	YoY	(March 2023)	YoY	(March 2024)	YoY	Compared to FY2019 (March 2020)
Urban Transportation and Regional	40.6	32.1	28.4	(3.7)	30.0	1.6	33.0	3.0	(7.6)
Hotel and Leisure	17.2	15.4	10.5	(4.9)	10.6	0.1	10.6	0.0	(6.6)
Real Estate	12.9	8.3	5.3	(3.0)	9.3	4.0	16.4	7.1	3.4
Construction	0.6	0.6	0.6	(0.0)	0.4	(0.2)	0.4	0.0	(0.2)
Other	14.7	9.0	2.3	(6.7)	7.7	5.4	4.1	(3.6)	(10.6)
Adjustment	0.7	(4.9)	1.9	6.8	1.0	(0.9)	0.5	(0.5)	(0.2)
Consolidated	86.9	60.6	49.0	(11.6)	59.0	10.0	65.0	6.0	(21.9)

Disclaimer

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