

[Translation for Reference Only]

ENGLISH TRANSLATION OF DOCUMENT IN JAPANESE

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In all cases, the original Japanese version takes precedence.

May 13, 2021

For Immediate Release

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

Notice Regarding Transfer of Shares of Subsidiary

Seibu Holdings Inc. (the “Company”) hereby announces that the Company resolved at the meeting of the Board of Directors held today to transfer the shares of the Company’s consolidated subsidiary Seibu Construction Supply Co., Ltd. (hereinafter, “Seibu Construction Supply”). The details are described below.

1. Reasons for transfer

Since its founding in 1974, Seibu Construction Supply has developed its business in the manufacturing and wholesale industry, mainly handling building materials and mineral and metal materials centered in the northern Kanto and Shizuoka areas. At this time, the Company has agreed to transfer all of the shares of Seibu Construction Supply held by the Company’s consolidated subsidiary Seibu Construction Co., Ltd. to TOWA ARKS CO.,LTD. which has its business base in Saitama Prefecture and its main business is the manufacture and wholesale of building materials, etc.

The Company believes that this transfer will contribute to the future growth of Seibu Construction Supply. Also, as part of the “sale of non-core assets and businesses,” which is one of the management reforms in the “Notice Regarding the Formulation of “FY2021-FY2023 Seibu Group’s Medium-term Management Plan”” announced today, the Company views this transfer as an opportunity to realize an asset-light business operation by reviewing the Group’s business portfolio, and has agreed to this transfer.

2. Description of the subsidiary to be transferred

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|---------------------------|--|
| (1) Company name | Seibu Construction Supply Co., Ltd. |
| (2) Representative | Koji Aihara |
| (3) Location | 5-2019-7 Mihara-cho, Tokorozawa-shi, Saitama |
| (4) Date of establishment | September 9, 1974 |
| (5) Major businesses | Manufacture and wholesale of building materials, mineral and metal materials, etc. |
| (6) Fiscal year-end | March 31 |

- (7) Number of employees 94 (As of March 31, 2021)
- (8) Major business locations Head Office, Kita-kanto Branch, Shizuoka Branch, Ahina Factory, etc.
- (9) Share capital ¥352 million
- (10) Total number of shares issued 704,000 shares
- (11) Major shareholder structure and ownership ratio
Seibu Holdings Inc. (100% (indirect holdings))
Seibu Construction Co., Ltd. (100% (direct holdings))

(12) Business performance trends in recent fiscal years

	For the year ended March 31, 2019	For the year ended March 31, 2020
Net sales	¥10,225 million	¥11,722 million
Operating profit	¥129 million	¥154 million
Ordinary profit	¥138 million	¥162 million
Total assets	¥8,090 million	¥8,584 million
Net assets	¥5,239 million	¥5,294 million
Dividends per share	¥39.23	¥48.38

3. Transferee of shares

- (1) Company name TOWA ARKS CO.,LTD.
- (2) Representative Yujiro Ida
- (3) Head office location 4-384 Sakuragi-cho, Omiya-ku, Saitama-shi, Saitama
- (4) Major businesses Manufacture and wholesale of building materials, minerals, metal materials, etc.
- (5) Relationship with counterparty There is no personnel and capital relationship.

4. Number of shares to be transferred and number of shares held before and after transfer

- (1) Number of shares held before transfer 704,000 shares (ownership ratio 100%)
- (2) Number of shares to be transferred 704,000 shares (ownership ratio 100%)
- (3) Number of shares held after transfer 0 shares (ownership ratio 0%)

5. Schedule

- May 13, 2021 Resolution of the meeting of the Board of Directors of the Company
- May 13, 2021 Conclusion of share transfer agreement
- July 1, 2021 Date of share transfer (scheduled)

6. Future outlook

In line with the share transfer, the Company expects to record extraordinary losses of approximately ¥3.0 billion in the fiscal year ending March 31, 2022.

Regarding the consolidated earnings forecasts in the fiscal year ending March 31, 2022, the said extraordinary losses have already been factored in and there are no changes at this time.

End