

NOTICE TO THE HOLDERS OF THE OUTSTANDING
Keihan Holdings Co., Ltd. (the “Company”)
¥20,000,000,000 Zero Coupon Convertible Bonds due 2021 (the “Bonds”)
(ISIN: XS1374488747 Common Code: 137448874)

NOTICE IS HEREBY GIVEN by the Company to the holders (“**Bondholders**”) of the outstanding ¥20,000,000,000 Zero Coupon Convertible Bonds due 2021 (ISIN: XS1374488747 Common Code: 137448874) (the “**Bonds**”), of an adjustment of the Conversion Price (as defined in the terms and conditions of the Bonds) of the Bonds as follows:

Reason for the adjustment: Adjustment of Conversion Price pursuant to Condition 5.2.1 of the terms and conditions of the Bonds due to the consolidation of Shares (consolidate five Shares into one Share). The consolidation of Shares was approved at the general meeting of our shareholders on 20 June 2017.

Old Conversion Price: ¥1,063

New Conversion Price: ¥5,315

Record Date: 30 September 2017 (Japan time)

Effective Date for the new Conversion Price: 1 October 2017 (Japan time)

Capitalised terms used herein not otherwise defined herein have the meanings set out in the Trust Deed (including the terms and conditions of the Bonds) relating to the Bonds dated 30 March 2016, and the Agency Agreement relating to the Bonds dated 30 March 2016.

This notice is given by
Keihan Holdings Co., Ltd.

20 June 2017