

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

NOTICE IS HEREBY GIVEN by the Company to the holders 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 of the Bonds as follows:

Reason for the adjustment: Adjustment of Conversion Price of the Bonds pursuant to Condition 5.2.4 due to the distribution of an Extraordinary Dividend (as defined in such Condition 5.2.4) resulting from payments of an interim dividend of ¥3 per Share and a yearend dividend of ¥20 per Share (an annual dividend per Share of ¥35 in respect of the fiscal year ended 31 March 2018 after taking into account a consolidation of Shares (on the basis of a 5-to-1 ratio) effective on 1 October 2017). The payment of a yearend dividend was approved at the general meeting of our shareholders on 19 June 2018.

Old Conversion Price: ¥5,315

New Conversion Price: ¥5,307.1

Record Date: 31 March 2018 (Japan time)

Effective Date for the new Conversion Price: Retroactively from the day after the Record Date set out above (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, and the Agency Agreement.

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

19 June 2018