

Notice Concerning Issuance of Preferred Shares through Third Party Allotment

Tokyo, Japan., Aug. 10, 2021 – JTB announces of the Issuance of Preferred shares through Third Party Allotment.

JTB has resolved to issue Preferred Shares through Third Party Allotment (the "Preferred Shares") totaling 30 billion yen to its main banks, Mizuho Bank, Ltd., The Mitsubishi UFJ Bank, Ltd., Sumitomo Mitsui Banking Corporation (SMBCCP Investment Limited Partnership 1 operated by SMBC Capital Partners Co. Ltd., a specialized investment subsidiary), and the limited partnership in which the Development Bank of Japan Inc. invests by way of a third-party allotment, and concluded an investment agreement on August 10, 2021 regarding the underwriting of the Preferred Shares.

<Purpose of and reason for issuance>

The spread of the COVID-19 has had an enormous impact on our business. In particular, in the tourism industry, which is the core of our business, travel demand declined significantly and consolidated sales for the fiscal year ended March 31, 2021 dropped to 28.9% of the previous year's level. Under the circumstance, we launched our medium-term management plan, "Vision for Pioneering in a New Era", in July 2020 in anticipation of the rapid deterioration of the market environment and the prolonged stagnation of demand. As a result, we have been able to reduce considerable costs through our structural reform efforts. On the business front, we are striving to create "new value experiences in travel" with a view to the post-Covid-19 era and are reforming our existing business model. At the same time, we aim to transform our business portfolio into a stable one over the mid and long term by bringing solutions to regional or corporate issues and establishing a business model that does not depend on human flow.

On the other hand, in the market environment, although a recovery is expected from the spread of vaccinations, the outlook for a recovery in demand remains uncertain due to the emergence of mutant strains and other factors. Considering this situation, we have decided to issue preferred shares to strengthen our financial base by quickly recovering our equity capital and securing funds and ensuring the investment capacity to achieve recovery and growth for the future.

<Specific use of proceeds to be raised>

The funds raised through the issuance of these preferred shares will be appropriated to the funds necessary for the continuation of our business, and will also be used mainly for the following investments, focusing on growth strategies that will contribute to the transformation of our business portfolio:

- Funds for digital investments to improve the customer's value experience in purchasing and traveling
- Funds for investment in the development of attractions and contents for tourism in local communities
- Funds for investment in the development of a digital platform for local communities and tourism businesses
- Funds for investment in the development of meeting and event support tools and HR tech tools for companies and corporations.

<Outline of the issuance of the Preferred Shares>

(1) Classes and numbers of Newly Issued Shares	Class A Preferred Shares / 2,350,000 shares, Class B Preferred Shares / 650,000 shares
(2) Issue Price	10,000Yen per share
(3) Total amount to be paid in	30,000,000,000 Yen
(4) Method of offering or allotment (Allottees)	By way of the Third-Party Allotment, 850,000 Class A Preferred Shares are allotted to Mizuho Bank, Ltd., 850,000 Class A Preferred Shares to The Mitsubishi UFJ Bank, Ltd., 650,000 Class A Preferred Shares to SMBCCP Investment Limited Partnership 1 operated by SMBC Capital Partners Co. Ltd., a specialized investment subsidiary, 650,000 Class B Preferred Shares to the limited partnership in which the Development Bank of Japan Inc. invests
(5) Payment Date (Issuance Date)	September 30, 2021

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<About JTB>

Today's JTB traces its roots back to Japan Tourist Bureau, an agency formed in 1912 for the purpose of servicing the ticketing needs of foreign tourists in Japan. Over the span of its first 100 years, JTB steadily evolved into a travel and tourism industry leader. Through vision, integrity, innovation and unsurpassed know-how, the JTB Group consistently creates unparalleled value for its stakeholders.

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