

# Presentation Material for the First Three Quarters of FY2021 (Ending December 31, 2021)

November 10, 2021

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## Business Results for the First Three Quarters of FY2021

- Although the hotel, retail facilities and parking business continued to be affected by the spread of COVID-19, the mainstay leasing business of office buildings remained strong and the for-sale condominiums business performed well, and both revenue and profit increased due to factors such as an increase in property sales to investors. (Amount of property sales to investors: ¥35.6 billion, gross profit therefrom: ¥12.6 billion)

## Topics

- Participated in UN Global Compact (August/p.49)
- Newly acquired “DBJ Green Building Certification” in 5 properties (August/p.10)
- The Group acquired SBT (Science Based Targets) certification for its targets of reducing greenhouse gas emissions (September/p.10)
- Obtained the highest rank of “5 stars” for the fifth consecutive year in the GRESB Standing Investment Benchmark” of GRESB Real Estate Assessment, and was selected as a “Global Sector Leader” in 2021 (October/p.49)
- Opened show house for Brillia Tower Hamarikyu (August) and began accepting applications for Brillia Tower Dojima (October)

# Consolidated Statement of Income for the First Three Quarters of FY2021

- Although the hotels, retail facilities and parking business continued to be affected by the spread of COVID-19, the mainstay leasing business of office buildings remained strong and the for-sale condominiums business performed well, and both revenue and profit increased due to factors such as an increase in property sales to investors.  
(Amount of property sales to investors: ¥35.6 billion, gross profit therefrom: ¥12.6 billion)

Unit: ¥ billion	2020/9 Actual	2021/9 Actual	Increase/ Decrease	Main factors for increase/decrease	2021/12 Forecasts	Achievement rate
Operating revenue	212.8	223.1	10.2	<ul style="list-style-type: none"> <li>Operating revenue; Business profit Both revenue and profit increased due to factors such as an increase in property sales to investors.</li> </ul>	355.0	63%
Commercial properties	86.2	93.8	7.6		167.0	56%
Residential	76.0	83.3	7.3		120.0	69%
Asset service	33.0	30.5	(2.4)		46.0	66%
Other	17.5	15.3	(2.1)		22.0	70%
Operating profit	26.9	41.6	14.6		54.0	77%
Share of profit (loss) of entities accounted for using equity method	0.2	0.1	(0.1)		(1.0)	-
Business profit <sup>*1</sup>	27.2	41.7	14.5		53.0	79%
Commercial properties	25.7	30.3	4.5		45.5	67%
Residential	6.5	14.2	7.7		15.5	92%
Asset service	1.3	2.6	1.3	<ul style="list-style-type: none"> <li>Recorded an increase in gain on sales of investment securities in addition to gain on sales and gain on liquidation of investments in capital for overseas businesses</li> <li>Impact of loss on valuation of investment securities in the previous fiscal year, etc.</li> </ul>	3.0	88%
Other	0.8	1.1	0.3		(1.0)	-
Elimination/Corporate	(7.2)	(6.6)	0.5		(10.0)	-
Non-operating income	3.8	4.0	0.2		3.5	115%
Non-operating expenses	6.2	6.5	0.2		9.5	69%
Interest expense	5.0	5.0	(0.0)		.	
Ordinary profit	24.5	39.1	14.6		48.0	82%
Extraordinary income	2.7	7.2	4.5		2.0	360%
Extraordinary loss	2.8	0.3	(2.5)		-	-
Profit before income taxes	24.3	46.0	21.6		50.0	92%
Profit attributable to owners of parent	16.8	31.4	14.6		33.0	95%

\*1: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method

# Consolidated Balance Sheet for the First Three Quarters of FY2021

- Total assets increased by ¥46 billion due to an increase in real estate for sale as a result of the acquisition of land for development of for-sale condominiums and properties for sale to investors.

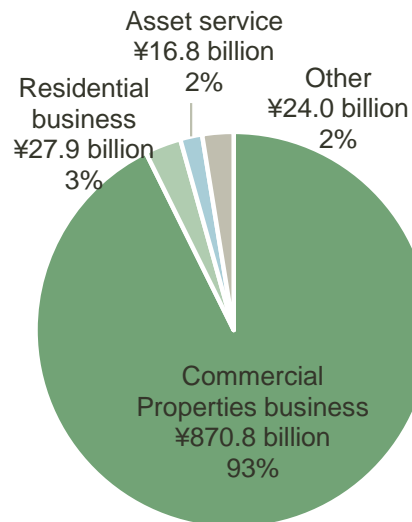
Unit: ¥ billion	2020/12-end	2021/9-end	Increase/ Decrease	Main factors for increase/decrease
Total assets	1,624.6	1,670.6	46.0	
Current assets	447.7	486.2	38.4	
Cash and deposits	54.6	65.5	10.9	
Real estate for sale	348.5	365.5	16.9	• Real estate for sale Increase due to acquisition of land for the development of for-sale condominiums and properties for sale to investors
Other	44.5	55.1	10.5	
Non-current assets	1,176.8	1,184.4	7.5	
Property, plant and equipment	806.2	808.7	2.4	
Intangible assets	130.5	130.9	0.3	
Investments and other assets	240.0	244.7	4.7	• Investments and other assets Increase in investment securities due to increase in market price of listed stocks, etc.
Total liabilities	1,225.5	1,240.6	15.1	
Interest-bearing debt	976.8	994.4	17.5	• Interest-bearing debt Increased due to issuance of hybrid bonds and other factors
Other liabilities	248.6	246.1	(2.4)	
Total net assets	399.1	430.0	30.8	
Shareholders' equity	300.2	321.4	21.1	• Shareholders' equity Profit attributable to owners of parent +¥31.4 billion; Dividends paid -¥10.0 billion
Accumulated other comprehensive income	89.1	97.8	8.7	• Accumulated other comprehensive income Increase in valuation difference on available-for-sale securities
Non-controlling interests	9.7	10.7	0.9	
Capital adequacy ratio	24.0%	25.1%	1.1p	
Debt equity ratio <sup>*1</sup>	2.5	2.4	(0.1)	• Net DE ratio 2.2x
Interest-bearing debt / EBITDA multiple <sup>*2</sup>	13.4	-	-	

\*1: Debt equity ratio = Interest-bearing debt / Equity capital

\*2: Interest-bearing debt / EBITDA multiple = Interest-bearing debt / (Operating profit + Interest & dividend income + Share of profit (loss) of entities accounted for using equity method + Depreciation expense + Goodwill amortization expense)

# Consolidated Balance Sheet for the First Three Quarters of FY2021

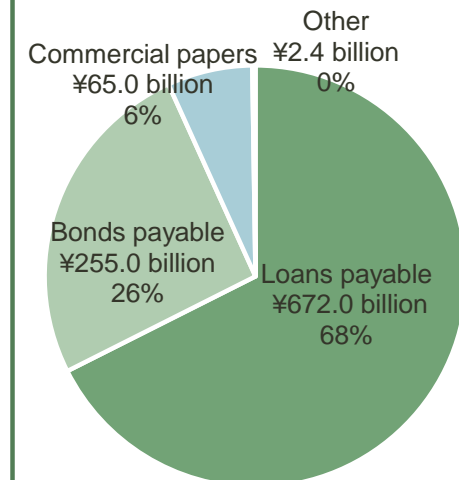
Breakdown of Property and Equipment and Intangible Assets



## Total assets: ¥1,670.6 billion

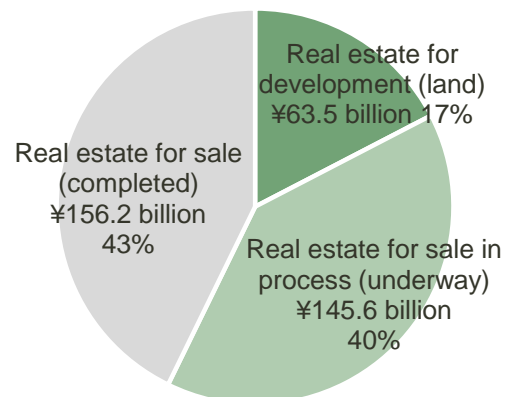
Current assets		486.2	Liabilities		1,240.6
Cash and deposits	65.5		Interest-bearing debt	994.4	
Real estate for sale	365.5		Loans payable	672.0	
Real estate for sale	156.2		Bonds payable	255.0	
Real estate for sale in process	145.6		Commercial papers	65.0	
Real estate for development	63.5		Other	2.4	
Other	55.1		Other liabilities	246.1	
Non-current assets		1,184.4			
Property, plant and equipment	808.7				
Intangible assets	130.9				
Investments and other assets	244.7				
Net assets		430.0			
			Shareholders' equity	321.4	
			Accumulated other comprehensive income	97.8	
			Non-controlling interests	10.7	

Breakdown of Interest-Bearing Debt

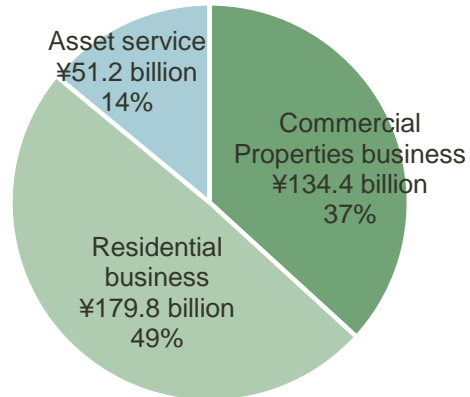


Breakdown of Real Estate for Sale

<By Status of Development>



<By Segment>



Status of Debt Equity Ratio

	2021/9-end	
		Taking into account hybrid loans/bonds <sup>*3</sup>
Debt equity ratio <sup>*1</sup>	2.4x	1.9x
Net debt equity ratio <sup>*2</sup>	2.2x	1.7x

\*1: Debt equity ratio = Interest-bearing debt / Equity capital

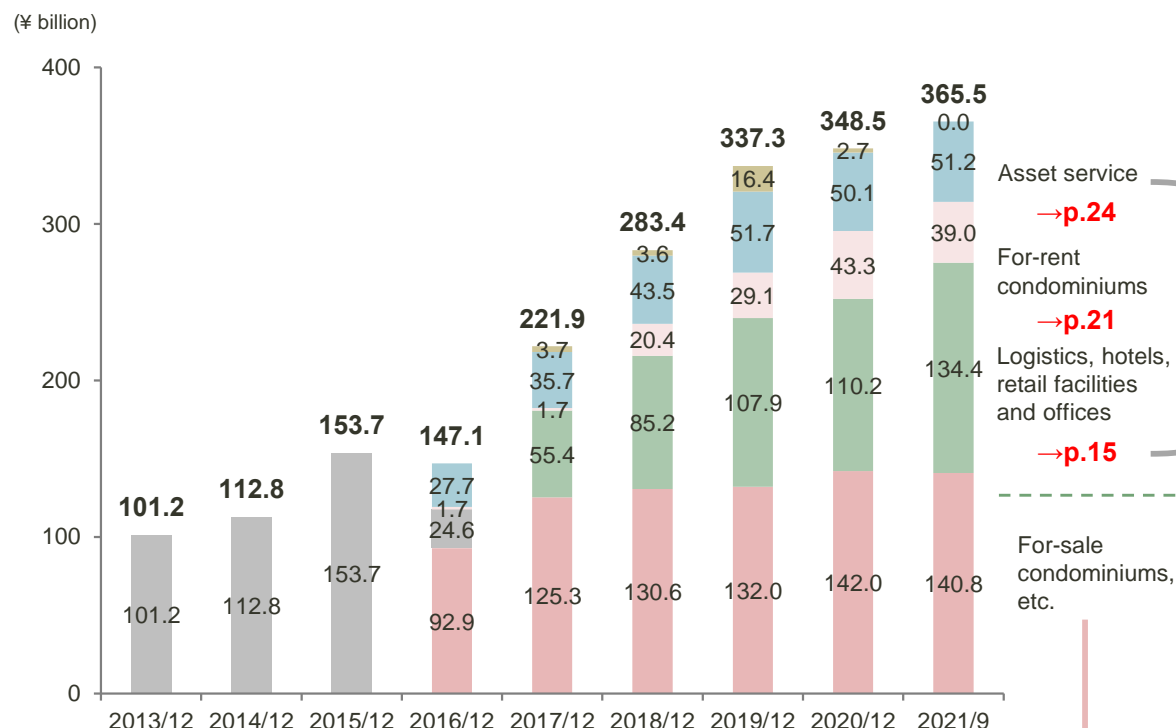
\*2: Net debt equity ratio = (Interest-bearing debt - Cash and deposits) / Equity capital

\*3: Calculated by taking into account the total equity credit of ¥74.0 billion concerning ¥148.0 billion of the total amount procured from the hybrid loan and hybrid bonds

# Balance of Real Estate for Sale

- In FY2021 3Q, the amount outstanding of real estate for sale increased to ¥365.5 billion despite progress in property sales to investors such as for-rent condominiums and sales of for-sale condominiums, as a result of the acquisition of land for the development of logistics facilities in the commercial properties business and land for the development of for-sale condominiums in the residential business.
- Properties for sale to investors increased by approximately ¥50.0 billion to approximately ¥390.0 billion on a total investment basis. For-sale condominiums and land bank increased steadily, securing approximately 8,400 units.

## <Balance of Real Estate for Sale>



## Transfer from non-current assets to real estate for sale

End of 2018 Offices and condominiums for rent Total of approx. ¥ 35.0 billion	End of 2019 Offices: ¥10.0 billion Senior residences: approx. ¥13.0 billion	End of 2020 Offices: ¥24.0 billion
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\*1: Calculated by aggregating total investment amount, in which construction costs, etc. that arise after the acquisition are added to the book value of each property at the time of acquisition.

\*2: Calculated by deducting the gain on sale of properties sold in the current fiscal year from the expected gain on sale as of the end of 2020 and adding the expected gain on sale of properties to be newly acquired decided in the current fiscal year.

## Property sales to investors

(Commercial properties, for-rent condominiums, asset services)

◆ Balance of real estate for sale (as of September 30, 2021):  
**¥224.7 billion (up ¥18.2 billion from the end of 2020)**

◆ Total investment amount\*<sup>1</sup> (based on decisions made):  
**¥390.0 billion (up ¥50.0 billion from the end of 2020)**  
⇒ Estimated gain on sale\*<sup>2</sup>: **Approx. ¥77.0 billion**

[Projects to be acquired in 2021]

3 logistics facilities, 3 medium-size offices, 2 for-rent condominiums and 13 under asset solution business, etc.

[Projects already sold in 2021]

3 urban retail properties, 7 for-rent condominiums  
18 under asset solution business, etc.

## For-sale condominiums

◆ Balance of real estate for sale:  
**¥140.8 billion**  
(down ¥1.2 billion from the end of 2020)

◆ Land bank  
(including 1,060 units scheduled to be posted in 2021):  
**Approx. 8,400 units**  
(900 units acquired in FY2021 3Q total)

# Main Impacts of the COVID-19 Pandemic

- The leasing business of hotels and retail facilities, the parking lot business, and the leisure business have continued to be particularly affected by the COVID-19 outbreak.
- On the other hand, the commercial properties leasing business as a whole has been stable. The for-sale condominiums business and property sales to investors continued to perform well.

Main Items Affected	Anticipated Impacts of COVID-19 in FY2021	Impacts of COVID-19 in the Third Quarter of FY2021
Commercial Properties (Leasing)	<ul style="list-style-type: none"> <li>• In the leasing of hotels and retail facilities, sales will not recover to the level prior to the spread of COVID-19, and revenues are anticipated to decrease somewhat as a result of anticipating the replacement of some tenants and operators.</li> <li>• However, the volume of assets affected is limited, and an increase in revenues and earnings is expected in the commercial property leasing business as a whole.</li> </ul>	<ul style="list-style-type: none"> <li>• Although hotels and retail facilities continued to be affected, there are not any substantial changes from the initial plans.</li> </ul>
Residential (Sales)	<ul style="list-style-type: none"> <li>• In the sales of condominiums, show houses and sales centers will only operate on a reservation basis, and it is anticipated that sales will be conducted as planned while ensuring measures to prevent infection are implemented.</li> </ul>	<ul style="list-style-type: none"> <li>• Although the number of visitors during the same time period is limited in show houses and sales centers, the number of visitors has been steady. Sales have progressed strongly due to the increased willingness of customers to purchase housing.</li> </ul>
Asset Service (Parking business)	<ul style="list-style-type: none"> <li>• Although the operation is difficult in the parking business, it is anticipated that the situation will gradually recover from spring, and generally return to the same level as other years by the end of this year. However, it is anticipated that the recovery of some large parking lots will take until the next fiscal year.</li> </ul>	<ul style="list-style-type: none"> <li>• In the parking business, as a result of the demands to refrain from going out, parking lot occupancy remained low, especially for park and ride lots in front of major regional train stations and parking lots attached to large retail facilities.</li> </ul>
Other (Leisure business)	<ul style="list-style-type: none"> <li>• Dog-friendly hotels (Regina Resort) are expected to recover from spring, and earnings are expected to increase year on year.</li> <li>• Operation of spa facilities (Ofuro no Osama) is forecast to recover to pre-COVID-19 levels next fiscal year or later.</li> <li>• Recovery of visitors to golf courses. Income expected to increase compared with the previous year's results.</li> </ul>	<ul style="list-style-type: none"> <li>• All dog-friendly hotels (Regina Resort) and spa facilities (Ofuro no Osama) continued to be affected.</li> <li>• At golf courses, although sales of food and beverage services remained low, operating rates remained strong.</li> </ul>
Property sales to investors	<ul style="list-style-type: none"> <li>• Sales of properties will continue centered on offices and for-rent condominiums in good locations with strong investment demand.</li> </ul>	<ul style="list-style-type: none"> <li>• By the third quarter, sales of retail facilities and for-rent condominiums were implemented.</li> </ul>



# Assessment of the Market Environment and Future Policies

- There is a limited direct impact of the spread of COVID-19 on the Company.
- We are promoting new product planning with the intention to diversify work and housing in the post-COVID-19 era.
- In the real estate trading market, investors are eager to invest in real estate, mainly in logistics properties and for-rent condominiums where stable cash flow is expected. We will proactively promote investments to secure new projects.

## Assessment of the Future Market Environment and Tokyo Tatemono's Initiatives

Offices	<ul style="list-style-type: none"><li>Although the Company's portfolio has not had a significant impact on rent and vacancy rates, the market vacancy rate is on an upward trend, and attention should be paid to the <b>prolonged leasing period</b>.</li><li>However, <b>the likelihood of vacancy rates and rent levels significantly deteriorating is expected to be low</b> because the Company will not complete any major projects until 2025, there is little new supply in the market in 2021 and 2022, and the Company has a superior portfolio (in terms of size and location).</li><li>The <b>major trend of preferring good locations and high specifications remains unchanged</b>, but with the spread of remote work, etc., product planning for <b>offices with higher productivity</b> and responding to <b>the needs of customers who desire for flexible</b> workplaces are necessary.</li></ul>		<div>Specific initiatives</div> <p>We have developed a “<b>setup office</b>” that can be rented out while interior construction such as fixtures and meeting rooms has been completed. It is well received by companies due to the advantage of lower moving in and restoring cost to the original state costs.</p>  <p>Setup Office Image Perspective</p>
Residential	<ul style="list-style-type: none"><li><b>Demand</b> for for-sale condominiums <b>remains excellent among real consumers</b>. In addition to convenient locations in highly convenient central Tokyo, properties in suburban areas are also expected to perform well.</li><li>Stable demand is also expected in for-rent condominiums with no major changes in the business environment.</li><li>However, due to the spread of telework, <b>there is an increasing demand for balancing a comfortable working environment with a relaxing living environment</b>, and we will promote new product development such as securing co-working spaces in common areas and workspaces in residences.</li></ul>		<div>Specific initiatives</div> <p>Implementation of product planning with consideration for working from home and sanitation at Brillia Oshima Parkside.</p>  <p>Private base    Contactless faucet</p>
Asset service	<ul style="list-style-type: none"><li>Parking business:</li></ul>	In the parking business, although occupancy rates are down recently, growth is expected in the medium to long term due to the recovery of travel demand and an increase in the number of parking spaces.	
	<ul style="list-style-type: none"><li>Brokerage:</li></ul>	The brokerage business is expected to continue to perform well backed by a solid real estate transaction market.	
Other	<ul style="list-style-type: none"><li>Fund business:</li></ul>	In the fund business, steady growth is expected backed by strong investment needs for domestic real estate.	
	<ul style="list-style-type: none"><li>Overseas business:</li></ul>	Business plans for projects underway in Southeast Asia are <b>currently being reviewed based on the protracted impact of changes in the external environment</b> .	
	<ul style="list-style-type: none"><li>Leisure business:</li></ul>	Despite severe inbound demand, domestic travel is expected to gradually recover, and golf demand is expected to remain strong.	
Real estate transaction market	<ul style="list-style-type: none"><li>In the real estate trading market, investors are eager to invest in real estate. In particular, demand for investment in <b>conveniently located offices and logistics facilities, for-rent condominiums</b> is expected to remain strong in the future as they are expected to generate stable revenue. (This fiscal year, we have already secured new projects for 3 logistics properties, 3 medium-sized office buildings and 2 for-rent condominiums)</li></ul>		

# ESG Report: Recent Initiatives

## Medium- to long-term targets for reducing greenhouse gas emissions

**CO<sub>2</sub> Emissions**  
**40% reduction by FY2030 (compared with FY2019)**  
**Net zero by FY2050**

### Environmental KPIs and Goals

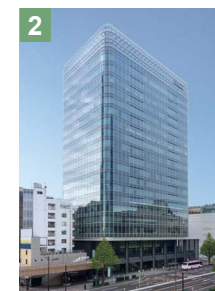
Item	Target business	KPIs Goals
Reduction of greenhouse gas emissions	All businesses	By 2050, CO <sub>2</sub> emissions net zero By 2030, reduce CO <sub>2</sub> emissions by 40% compared with FY2019
Introduction of renewable energy	All businesses	By 2050, 100% renewable energy consumption of electricity consumed in business activities
	Commercial Properties business	By 2030, 40% renewable energy consumption of electricity consumed in the real estate owned by the Company
Promotion of development of ZEB and ZEH	Commercial Properties business Residential business	ZEB and ZEH*1 will be developed in principle for all newly built office buildings, logistics properties, and for-sale condominiums by 2030
Acquisition of green building certification	Commercial Properties business	By 2030, green building certification will be obtained at all newly built office buildings and logistics properties developed in principle

September 2021

**Acquired SBT (Science Based Targets) certification**

\*1: ZEB includes Nearly ZEB (energy saving of 75% or more), ZEB Ready (energy saving of 50% or more), ZEB Oriented (10,000 m<sup>2</sup> or more of total floor area, more than 40% energy saving for offices, 30% or more for hotels, etc.).  
 ZEH includes Nearly ZEH-M (energy saving of 75% or more), ZEH-M Ready (energy saving of 50% or more), and ZEH-M Oriented (energy saving of 20% or more), etc.

## External evaluation and certification on green buildings



DBJ GB certification		BELS	
★★★★★	Hareza Tower	★★★★★	Hareza Tower
	The Otemachi Tower		
	Tokyo Square Garden	★★★	The Otemachi Tower
	Nakano Central Park South		
★★★★	SMARK Isesaki		
	Brillia ist Tower Kachidoki (Residential)	★★	Empire Building
	Tokyo Tatemono Nihonbashi Building		
	Tokyo Tatemono Yaesu Building	★★★★	
	Osaki Center Building		
★★★	Shinjuku Center Building	ZEB	
	Tokyo Tatemono Sendai Building	ZEB Ready	Hareza Tower
	Empire Building		
★★★	Yokohama First Building		
	Nihonbashi TI Building		

CASBEE for Buildings
Rank S: Hareza Tower, Nagoya Prime Central Tower
ABINC Certification (Association for Business Innovation in harmony with Nature and Community Certification®)
The Otemachi Tower, Tokyo Square Garden
SEGES Certification (Urban Oasis)
The Otemachi Tower, Tokyo Square Garden

\* The red text denotes properties that newly acquired external evaluation in August 2021

# Full-Year Earnings Forecast for FY2021

(Not updated from the time of announcement of financial results)



- The outlook for FY2021 is an increase in revenue and profit despite the impacts of the COVID-19 pandemic continuing in certain areas, while property sales to investors increase in the Commercial Properties business and the Residential business, and occupancy rates of parking lots and resort facilities recover.

Unit: ¥ billion	2020/12 Actual	2021/12 Forecasts	Increase/Decrease
Operating revenue	334.9	355.0	20.0
Commercial properties	144.5	167.0	22.4
Residential	99.1	120.0	20.8
Asset service	46.6	46.0	(0.6)
Other	44.5	22.0	(22.5)
Operating profit	49.6	54.0	4.3
Share of profit (loss) of entities accounted for using equity method	0.2	(1.0)	(1.2)
Business profit <sup>*1</sup>	49.8	53.0	3.1
Commercial properties	40.8	45.5	4.6
Residential	7.1	15.5	8.3
Asset service	2.6	3.0	0.3
Other	8.6	(1.0)	(9.6)
Elimination/Corporate	(9.5)	(10.0)	(0.4)
Non-operating income	5.6	3.5	(2.1)
Non-operating expenses	8.2	9.5	1.2
Ordinary profit	47.0	48.0	0.9
Extraordinary income	4.7	2.0	(2.7)
Extraordinary loss	4.8	-	(4.8)
Profit before income taxes	46.9	50.0	3.0
Profit attributable to owners of parent	31.7	33.0	1.2
Cash flows from operating activities	43.5	10.0	
Cash flows from investing activities	(66.7)	(60.0)	
Cash flows from financing activities	38.3	35.0	

Main factors for increase/decrease
<ul style="list-style-type: none"> <li>Operating revenue Increase in revenue due to an increase in property sales to investors in the Commercial Properties business and the Residential business, and a recovery in the operation of parking business and resort facilities.</li> <li>Breakdown of share of profit (loss) of entities accounted for using equity method ¥0.5 billion for commercial properties (+0), -¥1.5 billion for other business (-¥1.2 billion)</li> <li>Business profit Increase in profit due to increase in property sales to investors in the Commercial Properties business and Residential business, improvement of gross profit on sales of condominiums, and other factors.</li> </ul>
Impact of gain on investments in investment partnerships in the previous fiscal year, etc.
Increase in equity in losses

\*1: Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method

## Business Results by Segment

# (1) Commercial Properties Business: Business Results for the First Three Quarters of FY2021 and Full-Year Earnings Forecast for FY2021



- For FY2021 3Q, sales and profits increased due to an increase in revenue from the property sales to investors and strong business of leasing of office buildings, although rental revenues for urban hotels decreased due to the spread of COVID-19.

Unit: ¥ billion	2020/9 Actual	2021/9 Actual	Increase/Decrease	Main factors for increase/decrease	2021/12 Full-year forecasts	Achievement rate
Operating revenue	86.2	93.8	7.6	New operations +¥0.4 billion; Full-year operations +¥2.2 billion; Sale, reconstruction, etc. -¥1.6 billion; Existing buildings; -¥0.7 billion Property sales to investors +¥7.0 billion	167.0	56%
Leasing of buildings	55.9	56.2	0.3		75.5	75%
Sales of real estate	4.2	11.2	7.0		54.0	21%
Building management service, etc.	25.5	25.7	0.1		37.0	70%
Dividends	0.4	0.5	0.1		0.5	113%
Operating profit	25.3	30.0	4.6		45.0	67%
Business profit	25.7	30.3	4.5		45.5	67%

Unit: ¥ billion	2020/12 Actual	2021/12 Forecasts	Increase/Decrease	Main factors for increase/decrease
Operating revenue	144.5	167.0	22.4	New operations +¥0.7 billion; Full-year operations +¥2.4 billion; Sale, reconstruction, etc. -¥2.0 billion; Existing buildings; -¥0.6 billion Property sales to investors +¥21.1 billion
Leasing of buildings	74.9	75.5	0.5	
Sales of real estate	32.8	54.0	21.1	
Building management service, etc.	36.0	37.0	0.9	
Dividends	0.6	0.5	(0.1)	
Operating profit	40.4	45.0	4.5	Property sales to investors +¥4.8 billion (FY2020 cumulative total: ¥7.2 billion; FY2021 cumulative total: ¥12.0 billion) Share of profit (loss) of entities accounted for using equity method +¥0.0 billion (¥0.5 billion)
Business profit	40.8	45.5	4.6	

## New and full-year operations

- New operation in 2021: Candeo Hotels Kyoto Karasuma Rokkaku (completed in March 2021), eight Expert Office locations (acquired in August 2021)
- 2021 full-year operations: Hareza Tower (completed May 2020), Nonoayama Shop & Restaurant (completed May 2020), T-LOGI Kuki (completed June 2020)

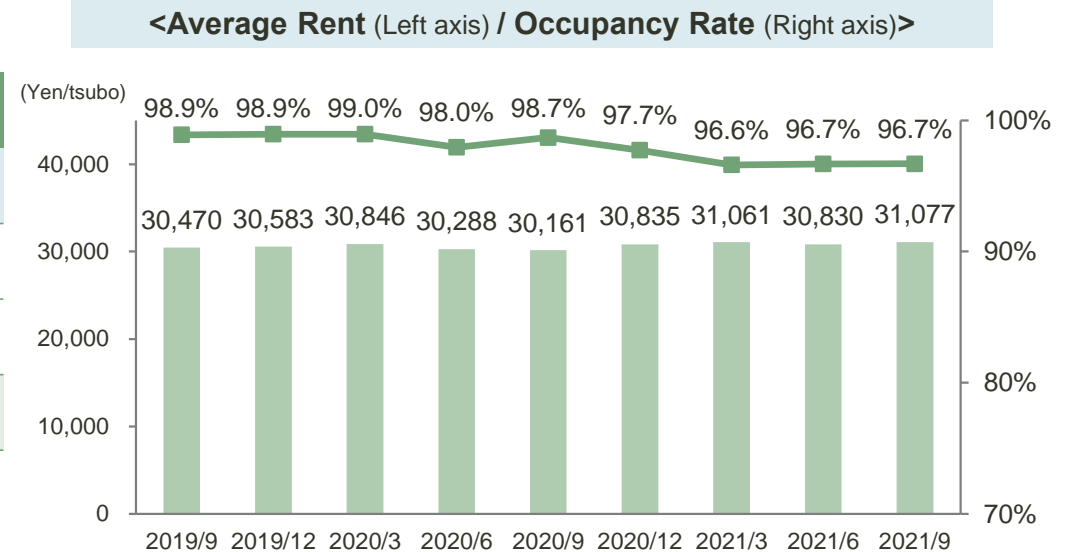
\*New operations: Impact of increase in revenue attributable to the buildings that were completed or acquired in the current fiscal year; Full-year operations: Impact of increase in revenue attributable to the buildings that were completed or acquired in the previous fiscal year contributing to full-year operations;  
Sale, reconstruction, etc.: Impact of decrease in revenue attributable to decrease in buildings in operation due to sale, reconstruction, etc.  
Existing buildings: Total amount of the effects of rent revisions, end of rent-free periods, occupancy rate changes, etc. at buildings other than those of new operations, full-year operations and sale, reconstruction, etc.

# (1) Commercial Properties Business:

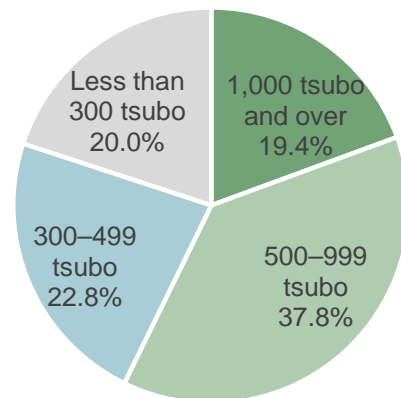
## Office Building Portfolio

- At the end of September, average rent was ¥31,077 per tsubo and the occupancy rate remained high at 96.7%.

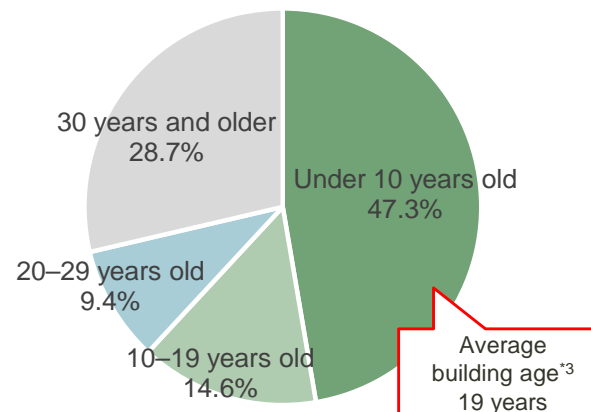
As of the end of September 2021	Number of buildings	Leasable area
Owned office buildings <sup>*1 *2</sup>	46	514,386 m <sup>2</sup>
Subleased buildings	—	87,662 m <sup>2</sup>
Hotels, retail facilities, logistics properties, etc.	—	279,803 m <sup>2</sup>
Total leasable area of commercial properties business	—	881,851 m <sup>2</sup>



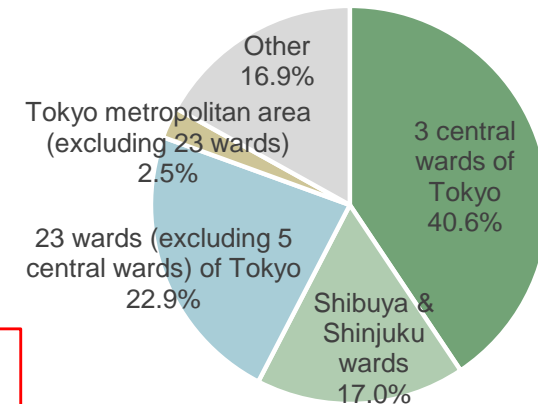
**<Breakdown of Leasable Area by Standard Floor Area>**



**<Breakdown of Leasable Area by Building Age>**



**<Breakdown of Leasable Area by Area of Location>**



\*1: Please refer to the note on page 50 for the definition for the subject of calculation of the number of owned office buildings, average rent and occupancy.

\*2: "DNP Gotanda Building," which was acquired at the end of September 2019, is not included in "Owned office buildings" nor in areas subject to calculation of average rent, occupancy rate and breakdown of leasable area.

\*3: Calculated by the weighted average based on leased area.

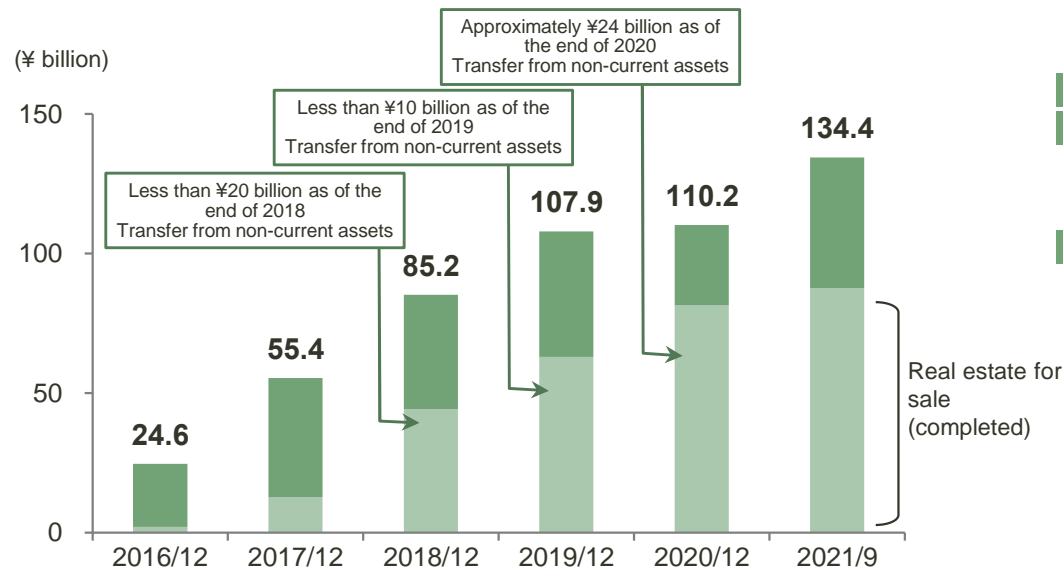


# (1) Commercial Properties Business:

## Initiatives for Property Sales to Investors

- As for total for FY2021 3Q, the Company secured new projects for 3 logistics properties and 3 medium-sized office buildings.
- The balance of real estate for sale increased by ¥24.1 billion from the end of FY2020 to ¥134.4 billion, and on a total investment basis, stock increased by approximately ¥60.0 billion to approximately ¥280.0 billion.

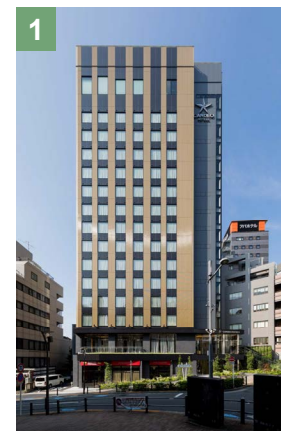
### <Commercial Properties Business: Balance of Real Estate for Sale>



### <Urban Hotels>

	Area	Hotel name	Number of guestrooms	Construction completed	Status
1	Roppongi	Candeco Hotels Tokyo Roppongi	149	Sept. 2017	In operation
2	Ginza	The Square Hotel Ginza	182	Aug. 2018	In operation
	Asakusa	Hotel Gracery Asakusa	125	Sept. 2018	In operation
	Midosuji (1)	the b Osaka Midosuji	306	Feb. 2019	In operation
3	Omiya	Candeco Hotels Omiya	321	Aug. 2019	In operation
	Sanjo, Kyoto	Hoshino Resorts OMO5 Kyoto Sanjo	122	Dec. 2019	In operation
	Shijo, Kyoto	Candeco Hotels Kyoto Karasuma Rokkaku	106	Mar. 2021	In operation
	Midosuji (2)	TBD	TBD	Summer 2023	Under development
	Akihabara	TBD	TBD	TBD	Under development

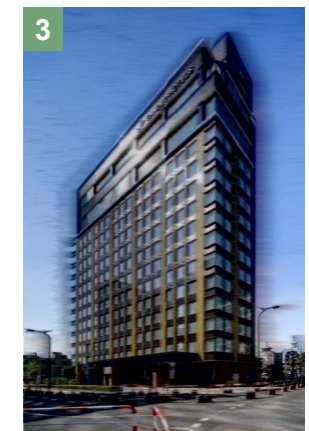
\* The above list includes key assets for property sales to investors



Candeco Hotels Tokyo Roppongi



The Square Hotel Ginza



Candeco Hotels Omiya

Total investment amount (based on decisions made)\*:  
approx. ¥280.0 billion  
Assume average NOI yield at stable occupancy of around 5%

\* Calculated by aggregating the total investment amount, in which construction costs, etc. that arise after the acquisition are added to the book value of each property at the time of acquisition.

# (1) Commercial Properties Business:

## Initiatives for Property Sales to Investors

### <Logistics Facilities>

	Property name	Opening	Status
1	T-LOGI Kuki	Jul. 2020	In operation
2	T-LOGI Yokohama Aoba (provisional name)	Feb. 2022	Under development
	T-LOGI Narashino (provisional name)	Feb. 2022	Under development
3	T-LOGI Fukuoka (provisional name)	May 2022	Under development
	T-LOGI Ayase (provisional name)	Jul. 2022	Under development
	T-LOGI Narashino II (provisional name)	Jul. 2022	Under development
	T-LOGI Kazo (provisional name)	Oct. 2022	Under development
	Osaka Logistics Facility Project (provisional name)	Fall 2022	Under development
	T-LOGI Chiba Kita (provisional name)	Winter 2022	Under development
	T-LOGI Akiruno (provisional name)	Summer 2023	To be acquired
	<b>T-LOGI Kyoto Fushimi (provisional name)</b>	<b>Summer 2023</b>	<b>Under development</b>
	T-LOGI Ichinomiya (provisional name)	Fall 2023	To be acquired
	T-LOGI Samukawa (provisional name)	Fall 2024	Under development
	T-LOGI Sagamiyama (provisional name)	Summer 2025	Under development



### <Urban Compact Retail Facilities>

Area	Property name	Construction completed	Status
Tenjin, Fukuoka	TENJIN249	Jul. 2018	Sold
Gotanda	FUNDES Gotanda	Jul. 2019	Sold
Ginza	FUNDES Ginza	Nov. 2019	Sold
Tenjin, Fukuoka	4 Tenjin Nishidori Project (provisional name)	Mar. 2022	Under development

### <Medium-Size Office Building>

Property name	Construction completed	Status
5 Nihonbashi Kodenmachi Project (provisional name)	Apr. 2022	Under development
<b>Sendai Hirose-dori Project (provisional name)</b>	<b>Spring 2023</b>	<b>To be acquired</b>
Sapporo Kita 8 West 1 Redevelopment Project (provisional name)	Winter 2023	Under development
Shibaura Project (provisional name)	Spring 2024	Under development
Sendai Ekimae Minamimachi Dori Project (provisional name)	Spring 2024	To be acquired
<b>Kamata Station Front Project (provisional name)</b>	<b>Winter 2023</b>	<b>Under development</b>

\* The above list includes key assets for property sales to investors

\* Projects acquired in 2021 are highlighted in red (including plans)



**T-LOGI Kuki**

(Completed in June 2020)  
⇒ Operating with no vacancy.



**T-LOGI Yokohama Aoba (provisional name)**

(Scheduled to open in February 2022)  
⇒ Major domestic logistics company to become tenant in January 2021.  
Bulk leasing.



**T-LOGI Fukuoka (provisional name)**

(Scheduled to open in May 2022)  
⇒ Major domestic logistics company to become tenant in July 2021.  
Bulk leasing.



**Tenjin Nishidori Project (provisional name)**

(Scheduled for completion in March 2022)



**Nihonbashi Kodenmachi Project (provisional name)**

(Scheduled for completion in April 2022)



## (2) Residential Business: Business Results for the First Three Quarters of FY2021 and Full-Year Earnings Forecast for FY2021



- For FY2021 3Q, although the number of for-sale condominium sales posted decreased from 955 in the same quarter of the previous year to 689, both revenue and profit increased significantly due to an increase in gross margins and an increase in property sales to investors.

Announced on  
August 10, 2021

Unit: ¥ billion	2020/9 Actual	2021/9 Actual	Increase/ Decrease	Main factors for increase/decrease	2021/12 Revised full- year forecast	Achievement rate
Operating revenue	76.0	83.3	7.3		120.0	69%
Sales of condominiums	50.7	44.6	(6.0)	Number of condo sales posted: 689 units; Condo unit price: ¥64.84 million; Gross margin: 28.4%	69.5	64%
Sales of residential houses	-	-	-		-	-
Sales of real estate	6.4	18.3	11.9	Sale of for-rent condominiums +¥16.3 billion (FY2020 3Q: ¥1.0 billion; FY2021 3Q: 17.4 billion)	22.0	83%
Residence leasing	4.0	4.3	0.3		6.0	73%
Fee from sales outsourcing services	0.7	1.0	0.2		1.0	102%
Building management service, etc.	14.0	14.9	0.8		21.5	69%
Operating profit	6.5	14.2	7.7	Sale of for-rent condominiums +¥5.9 billion (FY2020 3Q: ¥0.1 billion; FY2021 3Q: 6.0 billion)	15.5	92%
Business profit	6.5	14.2	7.7		15.5	92%

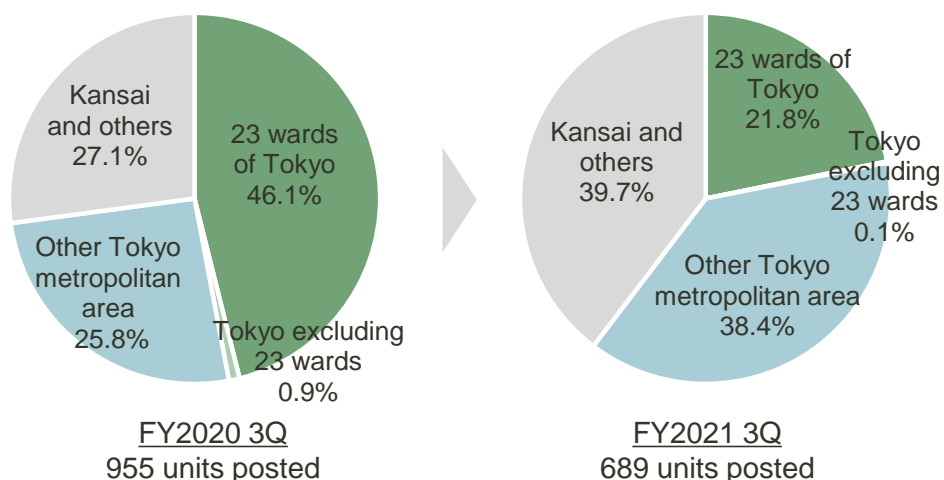
				Announced on August 10, 2021	
Unit: ¥ billion	2020/12 Actual	2021/12 Revised full- year forecast	Increase/ Decrease	Main factors for increase/decrease	
Operating revenue	99.1	120.0	20.8		
Sales of condominiums	64.4	69.5	5.0	Number of condo sales posted: 1,060 units; Condo unit price: ¥65.40 million; Gross margin: 24%	
Sales of residential houses	-	-	-		
Sales of real estate	8.8	22.0	13.1	Sales of for-rent condominiums +¥17.6 billion (FY2020 cumulative total: ¥2.4 billion; FY2021 cumulative total: ¥20.0 billion)	
Residence leasing	5.5	6.0	0.4		
Fee from sales outsourcing services	1.0	1.0	(0.0)		
Building management service, etc.	19.2	21.5	2.2		
Operating profit	7.1	15.5	8.3	Sales of for-rent condominiums +¥6.4 billion (FY2020 cumulative total: ¥0.2 billion; FY2021 cumulative total: ¥6.6 billion)	
Business profit	7.1	15.5	8.3		

## (2) Residential Business:

### For-Sale Condominiums – Main Operating Indicators

- The gross margin for FY2021 3Q maintained a favorable level at 28.4%.
- Against the backdrop of a strong market, our sales activities are progressing more than expected, so we have revised the number of units scheduled to be recorded for the current fiscal year from the initial plan of 980 units to 1,060 units (implemented in August 2021).
- Inventory of completed condos decreased to 54 units. The contract progress rate as of the end of FY2021 3Q was expected to be as planned at approximately 101% for the number of units scheduled to be recorded for the current fiscal year after the correction.

<Breakdown of Number of Condominium Sales Posted by Area>

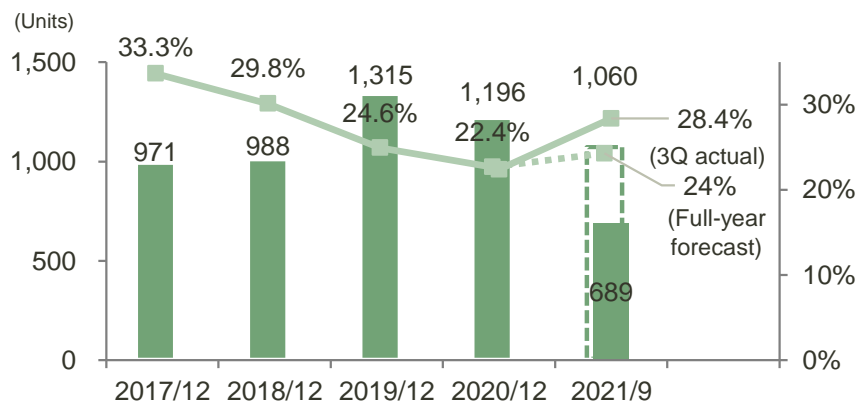


<Achievement Rate Against Number of Condominium Sales Posted>

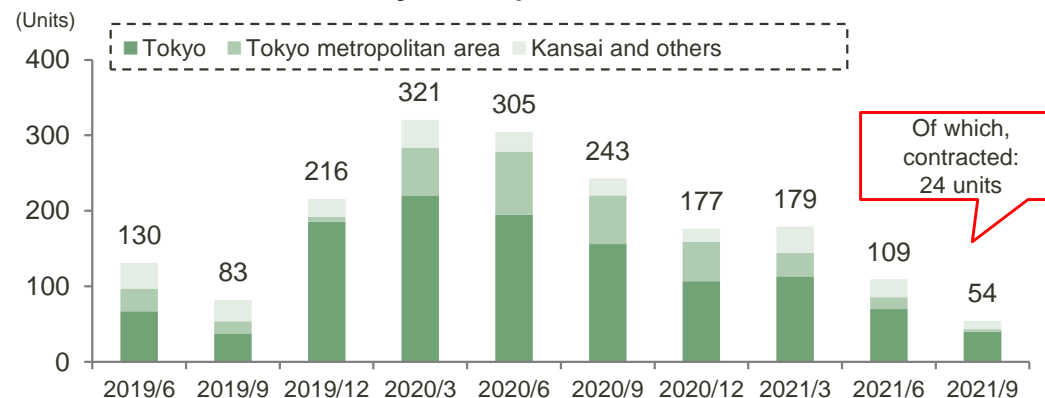
	2018/12	2019/12	2020/12	2021/12
At beginning	77%	83%	73%	70%*
At end of 1Q	91%	89%	83%	82%*
At end of 2Q	94%	94%	87%	96%*
At end of 3Q	97%	98%	95%	101%*
Number of condo sales posted	988 units	1,315 units	1,196 units	1,060 units* (planned)

\* The contract progress rate has also been revised due to the correction of the number of units scheduled to be recorded this fiscal year.

<Number of Condominium Sales Posted and Gross Margin>



<Inventory of Completed Condominiums>



## (2) Residential Business:

### For-Sale Condominiums - Main Property Sales Posting Schedule (1)

- Profitable properties, such as SHINTO CITY (District I) and Brillia Tower Nishijin are scheduled to be posted this fiscal year.
- Acquired land for approximately 900 units for FY2021 3Q, securing a land bank for approximately 8,400 units (including the number of units scheduled to be posted in 2021).

	Main properties to be posted	Total no. of units*1	No. of condo sales to be posted by Tokyo Tatemono	
Scheduled to be posted in 2021	Brillia Kita Urawa	65	65	
	SHINTO CITY (District I)	605	151	
	Brillia Tower Nishijin	306	245	
	Brillia Ueno Garden	99	79	
	Brillia Tower Ariake MID CROSS	300	300	*2
Scheduled to be posted in 2022	Brillia Kyoto Matsugasaki	109	109	
	SHINTO CITY (District II)	395	99	
	SHINTO CITY (District III)	411	103	
	Brillia City Nishi-Waseda	454	454	
	Brillia City Fujimino	708	283	*2
Scheduled to be posted in and after 2023	Brillia Tower Seiseki Sakuragaoka BLOOMING RESIDENCE	520	312	
	SHIROKANE The SKY	1,247	310	
	Brillia Tower Hamarikyu	420	144	
	Brillia City Shakujii Park ATLAS	844	204	
	Brillia Tower Maebashi	203	162	
	Brillia Tower Dojima	463	463	
	HARUMI FLAG	4,151	490	
	Nishishinjuku 3-chome West District Urban Redevelopment Project	Approx. 3,200	TBD	

#### <Properties Scheduled to Be Posted in 2021>



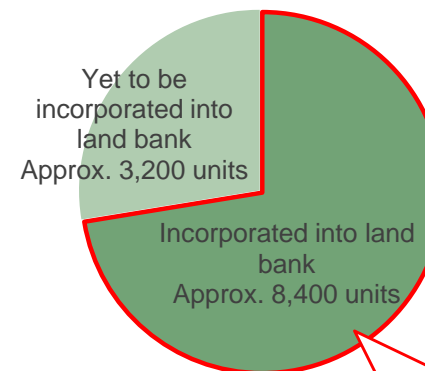
Brillia Tower Nishijin



SHINTO CITY (District I)

#### <Projects Promoted Under the Company's Business>

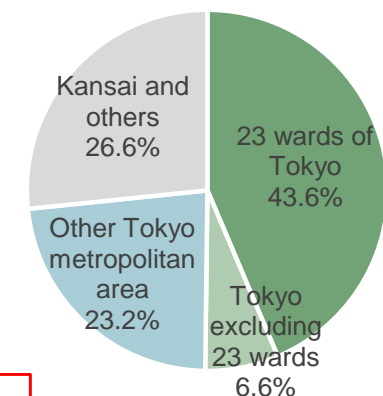
Approx. 11,600 units



Including 1,060 units scheduled to be posted in 2021

#### <Land Bank>

Approx. 8,400 units



\*1: Total number of units in total, including landowners' units

\*2: Including the number of units scheduled for sale over several years



## (2) Residential Business:

### For-Sale Condominiums - Main Property Sales Posting Schedule (2)

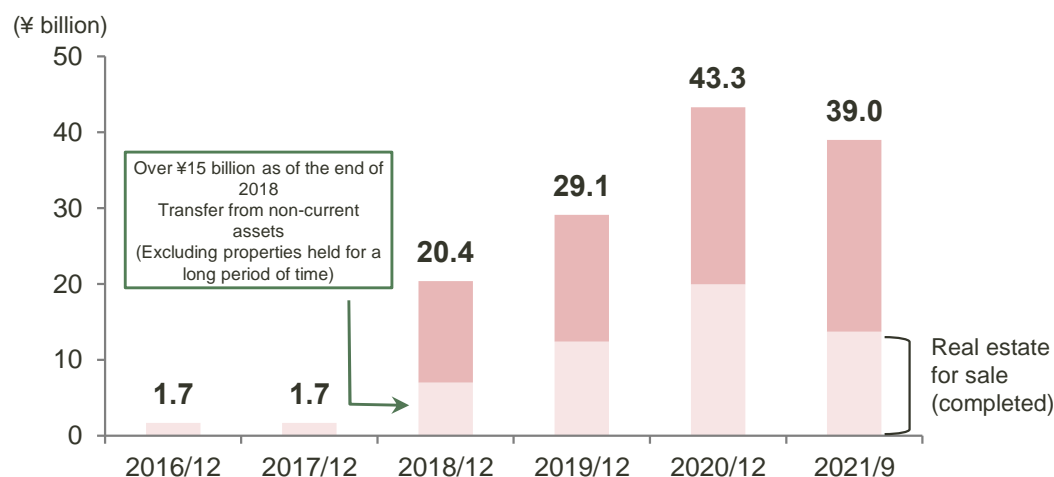
- The plan is to continue posting sales of properties that draw great attention every fiscal year, such as large-scale redevelopment projects in central Tokyo and large-scale tower condominiums in central areas of regional cities.
- Of the land bank of approximately 8,400 units, approximately 5,700 units are scheduled to be posted by FY2024, the final fiscal year of the new Medium-Term Business Plan.



## (2) Residential Business: For-Rent Condominiums

- For FY2021 3Q, 2 for-rent condominium projects were acquired.
- The balance of real estate for sale decreased by ¥4.3 billion from the end of FY2020 to ¥39.0 billion due to the progress in sales, and on a total investment basis, it decreased by approximately ¥10.0 billion to approximately ¥60.0 billion.

### <For-Rent Condominiums: Balance of Real Estate for Sale>



Total investment amount (based on decisions made)\*1: approx. ¥60.0 billion  
Assume average NOI yield at stable occupancy of around 5%

### <List of For-Rent Condominiums (for Long-Term Holding)>

Property name	Total no. of units	Construction (to be) completed	Status
Brillia ist Shinonome Canal Court	423	Mar. 2005	In operation
Brillia ist Tower Kachidoki	536	Jan. 2011	In operation
KURASU AOYAMA (Nonoaoayama Private Activity Building)	229	May 2020	In operation
Tsukui Nonoaoayama	49	May 2020	In operation
HARUMI FLAG (Post Olympic Village Site Development)	Approx. 1,500	TBD	Under development

\*1: Calculated by aggregating the total investment amount, in which construction costs, etc. that arise after the acquisition are added to the book value of each property at the time of acquisition.

\*2: "Minn Ueno" was developed as an apartment hotel (accommodation facility) in consideration of location characteristics.

### <List of For-Rent Condominiums (Sale to Investors)>

Property name	Total no. of units	Construction (to be) completed	Status
Brillia ist Nishiazabu Kasumicho	21	Jul. 2008	In operation
Grapes Asakusa	98	Dec. 2009	In operation
Brillia ist Nakano Central Park	17	May 2012	In operation
Brillia ist Ueno Okachimachi	33	Nov. 2017	Sold
Brillia ist Kiyosumi Shirakawa	47	Jan. 2018	Sold
Brillia ist Yotsuya Honshiocho	85	June 2018	Sold
Brillia ist Bunkyo Myogadani	43	Mar. 2019	Sold
Brillia ist Sendagaya	149	May 2019	Sold
Brillia ist Komagome	75	Feb. 2020	Sold
Brillia ist Ryogoku	85	Mar. 2020	In operation
Brillia ist Shinjuku Akebonobashi Minn Ueno <sup>2</sup>	-	Jun. 2020	In operation
Brillia ist Motoasakusa	49	Nov. 2020	In operation
Brillia ist Akabane	48	Feb. 2021	In operation
Brillia ist Shinnakano	42	Feb. 2021	In operation
Brillia ist Asakusabashi	49	Oct. 2021	Under development
Omori Sanno Project (provisional name)	59	Dec. 2021	Under development
Toyomachi 6-chome Project (provisional name)	49	Feb. 2022	Under development
Brillia ist Ueno	36	Feb. 2022	Under development
Higashi-Nakanobu 2-Chome Project (provisional name)	99	Apr. 2022	Under development
Machiya Station Front Project (provisional name)	59	May 2022	Under development
Shibuya Honmachi Project (provisional name)	47	Aug. 2022	Under development
<b>Nishiwaseda Project (provisional name)</b>	<b>30</b>	<b>Nov. 2022</b>	<b>Under development</b>
Kuramae 4-chome Project (1) (provisional name)	49	Nov. 2022	Under development
Aobadai Student Dormitory Project (provisional name)	130	Dec. 2022	Under development
Kuramae 4-chome Project (2) (provisional name)	74	Jan. 2023	Under development
Ikejiri Ohashi Project (provisional name)	200	Nov. 2024	Under development
Sendagaya II Project (provisional name)	TBD	TBD	Under development
<b>Senzokuike Project (provisional name)</b>	<b>TBD</b>	<b>TBD</b>	<b>Under development</b>

\* The above list includes key assets for property sales to investors

\* Projects acquired in 2021 are highlighted in red



## (2) Residential Business: For-Rent Condominiums

### Brillia ist Motoasakusa

(Construction completion in 2020)

- [Location] 1-16-2 Motoasakusa, Taito-ku, Tokyo
- [Access] 3-minute walk from Shin-okachimachi Station on the Toei Oedo Line, 6-minute walk from Inaricho Station on the Tokyo Metro Ginza Line, 10-minute walk from Ueno Station on the Tokyo Metro Ginza Line and Hibiya Line
- [Scale] 14 floors above ground
- [Floor plan] 1K, 1DK, 1LDK-3LDK
- [Total no. of units] 75 units



(Left) Entrance hall  
(Right) Exterior



### Brillia ist Shinnakano

(Construction completion in 2021)

- [Location] 3-41-7 Chuo, Nakano-ku, Tokyo
- [Access] 5-minute walk from Shinnakano Station on the Tokyo Metro Marunouchi Line  
13-minute walk from Nakano Station on the JR Chuo/Sobu Lines and Tokyo Metro Tozai Line
- [Scale] 12 floors above ground
- [Floor plan] 1R, 1DK, 1LDK
- [Total no. of units] 42 units



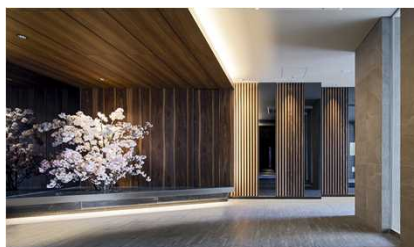
(Left) Entrance hall  
(Right) Exterior



### Brillia ist Akabane

(Construction completion in 2021)

- [Location] 37-9 Iwabuchimachi, Kita-ku, Tokyo
- [Access] 2-minute walk from Akabane-Iwabuchi Station on the Tokyo Metro Namboku Line  
10-minute walk from Akabane Station on JR Lines
- [Scale] 12 floors above ground
- [Floor plan] 1R, 1DK, 1LDK, 2DK, 2LDK
- [Total no. of units] 48 units



(Left) Entrance hall  
(Right) Exterior



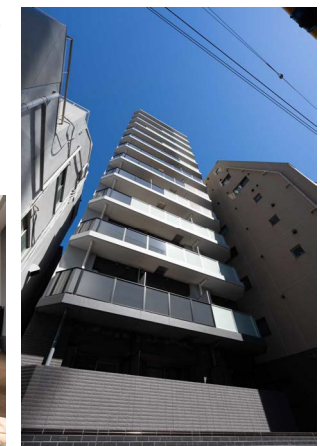
### Brillia ist Asakusabashi

(Slated for completion in 2021)

- [Location] 1-34-2 Asakusabashi, Taito-ku, Tokyo
- [Access] 2-minute walk from Asakusabashi Station on the JR Sobu Line  
4-minute walk from Asakusabashi Station on the Toei Asakusa Line
- [Scale] 13 floors above ground
- [Floor plan] 1R, 1DK, 1LDK, 2DK, 2LDK
- [Total no. of units] 49 units



(Left) Show house  
(Right) Exterior



### (3) Asset Service Business: Business Results for the First Three Quarters of FY2021 and Full-Year Earnings Forecast for FY2021



- For FY2021 3Q, sales decreased and profits increased resulting from such factors as a decline in earnings from property sales to investors in asset solutions, strong business development in the brokerage business and improvements in parking business operations.

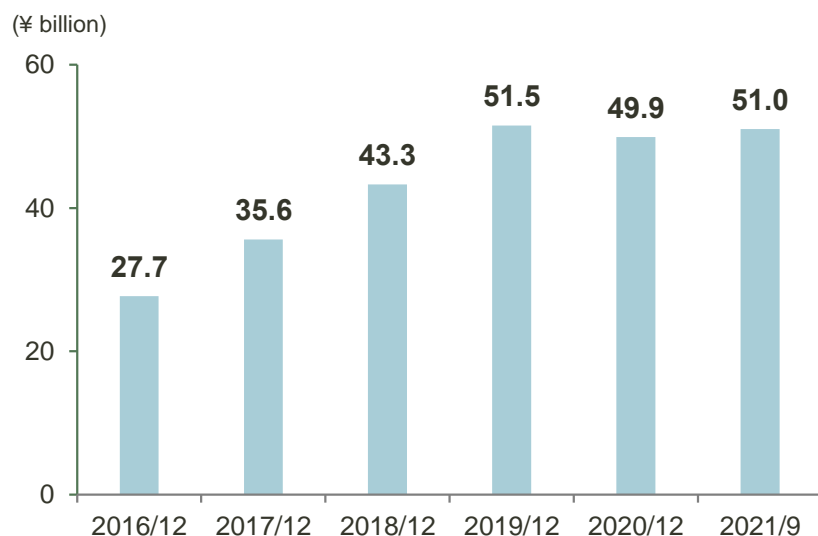
Unit: ¥ billion	2020/9 Actual	2021/9 Actual	Increase/ Decrease	Main factors for increase/decrease	Announced on August 10, 2021	
					2021/12 Revised full- year forecast	Achievement rate
Operating revenue	33.0	30.5	(2.4)		46.0	66%
Brokerage	2.0	3.4	1.3	Increase in brokerage turnover	4.5	76%
Asset solution	14.0	9.3	(4.7)	Property sales to investors -¥4.6 billion (FY2020 3Q: ¥11.5 billion; FY2021 3Q: ¥6.8 billion)	16.5	57%
Management service, etc.	3.2	3.3	0.1		4.5	74%
Parking business	13.6	14.4	0.7	Mitigation of the impact of the COVID-19 pandemic	20.5	71%
Operating profit	1.3	2.6	1.3	Property sales to investors -¥0.2 billion (FY2020 3Q: ¥2.3 billion; FY2021 3Q: ¥2.0 billion), Parking business ¥0.5 billion	3.0	88%
Business profit	1.3	2.6	1.3		3.0	88%

Unit: ¥ billion	2020/12 Actual	2021/12 Revised full- year forecast	Increase/ Decrease	Main factors for increase/decrease	Announced on August 10, 2021	
Operating revenue	46.6	46.0	(0.6)			
Brokerage	3.4	4.5	1.0			
Asset solution	20.0	16.5	(3.5)	Property sales to investors -¥3.6 billion (FY2020 cumulative total: ¥16.6 billion; FY2021 cumulative total: ¥13.0 billion)		
Management service, etc.	4.2	4.5	0.2			
Parking business	18.8	20.5	1.6	Recovery of occupancy, increase in parking spaces, etc.		
Operating profit	2.6	3.0	0.3	Property sales to investors -¥0.3 billion (FY2020 cumulative total: ¥2.8 billion; FY2021 cumulative total: ¥2.5 billion)		
Business profit	2.6	3.0	0.3	Improvement in profit/loss of parking business +¥0.6 billion		

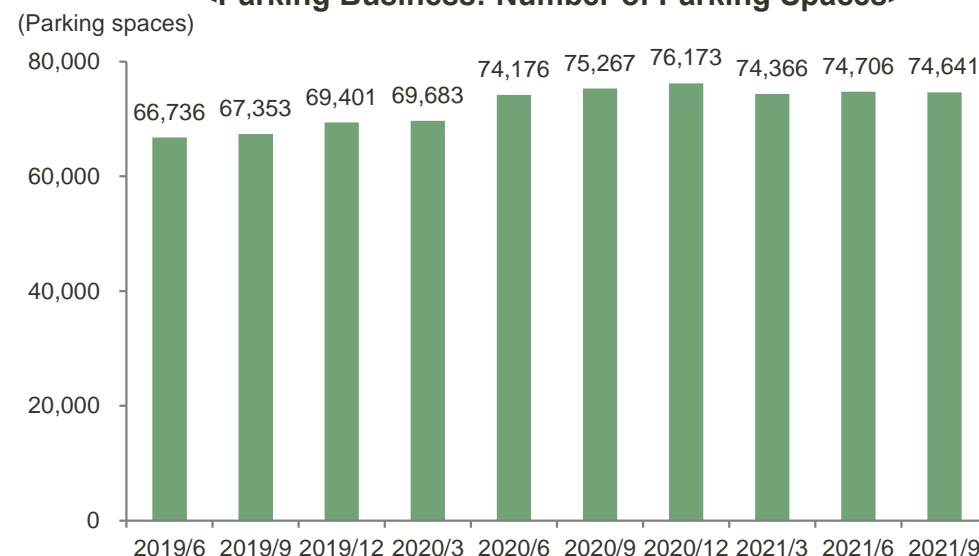
### (3) Asset Service Business: Main Operating Indicators

- Asset solution: Securing stock mainly in central Tokyo through selective investment that utilizes sharp real estate assessment abilities.
- Parking business: The number of parking spaces decreased by 1,532 from the end of FY2020 to 74,641 due to cancellations in some parking lots.

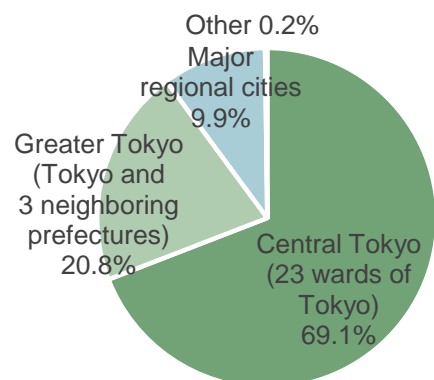
**<Asset Solution Business: Balance of Assets Owned>**



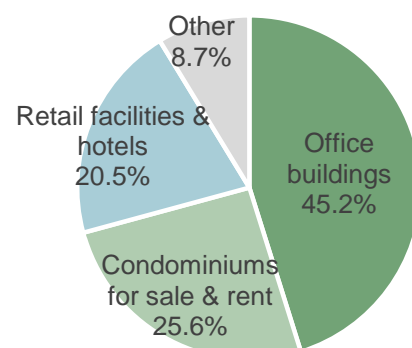
**<Parking Business: Number of Parking Spaces>**



**<Asset Solution Business: Breakdown of Balance of Assets Owned>**



Breakdown by Area of Location



Breakdown by Asset Type



## (4) Other: Business Results for the First Three Quarters of FY2021 and Full-Year Earnings Forecast for FY2021

- With the transfer of the business operating senior residences, etc. in December 2020, the Senior & Child Care Business Division and Leisure Business Division have been integrated in FY2021. In these presentation materials, the Senior & Child Care Business Division and Leisure Business Division have been combined to be disclosed as the “Leisure & Child Care business.”
- For FY2021 3Q, sales decreased and profits increased due to the recovery in operation of each leisure business, although operating and rental income was not recorded due to the transfer of senior facility operations and the sale of senior residences in the previous fiscal year.

Unit: ¥ billion	2020/9 Actual	2021/9 Actual	Increase/Decrease	Main factors for increase/decrease	2021/12 Forecasts	Achievement rate
Operating revenue	17.5	15.3	(2.1)	Reaction to senior business transfers and sales of senior residences recorded in the previous fiscal year -¥3.8 billion Due to the mitigation of the impact of the COVID-19 pandemic, the leisure business was +¥1.4 billion	22.0	70%
Leisure & child care business	14.4	12.2	(2.1)		18.0	68%
Fund business	2.9	2.9	0.0		3.5	85%
Other	0.1	0.1	(0.0)		0.5	20%
Operating profit	0.9	1.3	0.3		0.5	268%
Business profit	0.8	1.1	0.3		(1.0)	-

Unit: ¥ billion	2020/12 Actual	2021/12 Forecasts	Increase/Decrease	Main factors for increase/decrease
Operating revenue	44.5	22.0	(22.5)	Reaction to senior business transfers and sales of senior residences recorded in the previous fiscal year -¥25 billion Recovery of leisure business revenue +¥2.5 billion
Leisure & child care business	40.6	18.0	(22.6)	
Fund business	3.7	3.5	(0.2)	
Other	0.1	0.5	0.3	
Operating profit	8.8	0.5	(8.3)	Sales of senior residences -¥7.3 billion (FY2020 cumulative total: ¥7.3 billion; FY2021 cumulative total: ¥0.0 billion) Recovery of occupancy in leisure business +¥0.3 billion
Business profit	8.6	(1.0)	(9.6)	

## (4) Other: Initiatives for Fund Business

- Under the medium-term business plan, further expansion of profit opportunities for the Group will be pursued through sales of developed/owned properties to REITs and such sponsored by the Company.
- Japan Prime Realty Investment Corporation (JPR), which has entrusted asset management to the consolidated subsidiary Tokyo Realty Investment Management, Inc. (TRIM), as well as private funds and private REITs operated by Tokyo Tatemono Investment Advisors Co., Ltd. have steadily expanded their assets.



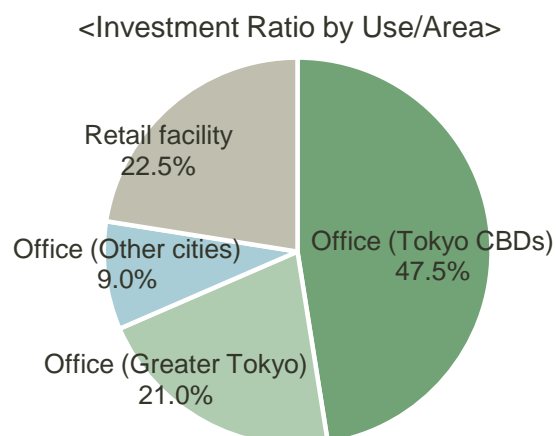
### Japan Prime Realty Investment Corporation

A J-REIT with a combined portfolio of office and urban retail properties, etc.

Total acquisition price ¥472.9 billion  
Appraisal value ¥556.9 billion

#### Portfolio Overview

Number of properties	Leasable area	Occupancy rate	NOI yield	Average building age
65	496,000 m <sup>2</sup>	98.1%	4.8%	24.2 years



\* As of June 30, 2021

### Tokyo Tatemono Private REIT, Inc.

A diversified private REIT investing in various asset types

Total acquisition price ¥73.6 billion  
Appraisal value ¥77.8 billion

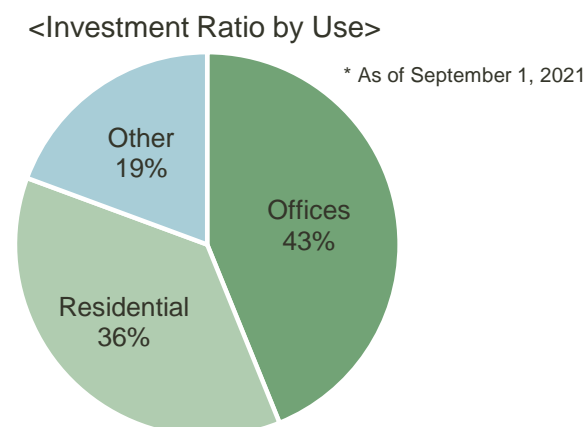
\* As of September 1, 2021

#### Portfolio Overview

Number of properties	Total floor area <sup>*1</sup>	Occupancy rate <sup>*2</sup>	Average building age <sup>*2</sup>
33	285,000 m <sup>2</sup>	95.8%	13.8 years

\*1: Sum total of total floor area of each entire building, and thus includes areas that are not owned.

\*2: Occupancy rate is as of September 30, 2021, average building age is as of June 4, 2021, and other figures are as of September 1, 2021



\* As of September 1, 2021

## (4) Other: Initiatives for Overseas Business

- Engaging in investment in businesses in China and Asia where high returns can be expected by obtaining business opportunities in growth markets as one of the measures in the property sales business.
- Balance of investment was approximately ¥50.0 billion at the end of September 2021.

### Basic Strategy

- Conduct business centering on partnerships with local partners who are familiar with the local market and have superior development and sourcing capabilities.
- Dispatch resident officers from the Company to the area in order to manage risks based on the Company's view and enhance relationship with the partners.
- Invest mainly in for-sale condominium projects with quick turnover primarily in China and countries in Asia in which the Company has invested before.

	Name of project	Location	Main uses	Total area	Scale (Total number of units/total floor area)	FY of construction completion
China	Shenyang Tomorrow Square Project	Shenyang City	Residential, commercial, office	Approx. 199,000 m <sup>2</sup>	Approx. 5,900 units	2013 onward
	Qingdao Project	Qingdao City	Residential, commercial	Approx. 86,000 m <sup>2</sup>	Approx. 1,800 units	2015 onward
	Xuzhou Qiaohu Project	Xuzhou City	Residential	Approx. 122,000 m <sup>2</sup>	Approx. 2,000 units	2020 onward
	Yangzhou-South Project	Yangzhou City	Residential, commercial	Approx. 94,000 m <sup>2</sup>	Approx. 1,200 units	2019 onward
	Yangzhou-East Project	Yangzhou City	Residential, commercial	Approx. 64,000 m <sup>2</sup>	Approx. 1,200 units	2023 onward
	Yinchuan Jinfeng Project	Yinchuan City	Residential, commercial	Approx. 98,000 m <sup>2</sup>	Approx. 1,500 units	2021 onward
	Jiaxing Tongxiang Project	Jiaxing City	Residential	Approx. 42,000 m <sup>2</sup>	Approx. 500 units	2020 onward
	Xuzhou Chengbei Project	Xuzhou City	Residential	Approx. 68,000 m <sup>2</sup>	Approx. 1,500 units	2023 onward
	Yangzhou Chengxi Project	Yangzhou City	Residential, commercial	Approx. 97,000 m <sup>2</sup>	Approx. 1,500 units	2022 onward
	Wenzhou Ouhai Project	Wenzhou City	Residential, commercial	Approx. 17,000 m <sup>2</sup>	Approx. 400 units	2023
Asia	79 Robinson Road	Singapore	Offices	Approx. 4,400 m <sup>2</sup>	Approx. 57,400 m <sup>2</sup>	2020
	Former Site of Yangon Military Museum Redevelopment Project	Yangon, Myanmar	Office, commercial, hotel	Approx. 16,000 m <sup>2</sup>	Approx. 92,000 m <sup>2</sup>	TBD Construction interruption
	Sukhumvit 26 Project	Bangkok, Thailand	Residential	Approx. 3,200 m <sup>2</sup>	Approx. 150 units	2022
	Sathorn 12 Project	Bangkok, Thailand	Residential	Approx. 2,900 m <sup>2</sup>	Approx. 250 units	2022
	Sukhumvit 38 Project	Bangkok, Thailand	Residential	Approx. 5,700 m <sup>2</sup>	Approx. 300 units	2025
	Dharmawangsa Project	Jakarta, Indonesia	Office, residential	Approx. 16,000 m <sup>2</sup>	Office building : Approx. 47,000 m <sup>2</sup> Residence: Approx. 90 units	2022
	Loggia Project	Jakarta, Indonesia	Residential	Approx. 11,900 m <sup>2</sup>	Approx. 500 units	2024 onward



■ Project city ■ Local subsidiary

## (4) Other: Initiatives for Overseas Business

### 79 Robinson Road \* CPF Building Redevelopment

(Construction started in 2017 and completed in 2020)

A rare, high-grade office was developed in Singapore's central business district, Tanjong Pagar. There are plans to connect the property directly to a subway station in the future, and about 90% of the sections have been contracted.

Total project cost: Approx. ¥75.0 billion  
Tokyo Tatemono's stake: Approx. 15%



### Xuzhou Qiaohu Project in China

A complex development project for residential and commercial properties in Xuzhou, a Tier 3 city where infrastructure development and foreign capital advancement are rapidly progressing (the Company is participating in the residential portion only). A subway station has opened at the southwest corner of the site, improving transportation convenience.

Total project cost:  
Approx. ¥37.0 billion  
Tokyo Tatemono's stake:  
Approx. 25%



### For-sale condominiums development projects in Bangkok, Thailand (3 projects)

Development of three high-grade for-sale condominiums in the Sukhumvit Area and the Sathorn Area located in the central district of Bangkok

Total project cost:  
Approx. ¥50.0 billion  
Tokyo Tatemono's stake:  
Approx. 50%



### Yangzhou Chengxi Project in China

A residential development project in Yangzhou, a Tier 3 city where the needs of actual demand are strong, marking the Company's fifth project in the city. There are large commercial facilities and educational facilities around the project site, and it is characterized by a location with high convenience of living.

Total project cost:  
Approx. ¥37.0 billion  
Tokyo Tatemono's stake:  
Approx. 25%



# Appendix

# Long-Term Vision and Medium-Term Business Plan

- In February 2020, announced a long-term vision for 2030, “Becoming a Next-Generation Developer,” and the Medium-Term Business Plan for FY2020-FY2024.
- Aim to achieve goals of Medium-Term Business Plan and realize the long-term vision through initiatives that contribute to the evolution of ESG management and the promotion of our five key strategies.

\* For details, please refer to “Long-Term Vision, Medium-Term Business Plan” announced on February 12, 2020.

## <Long-Term Vision for 2030>

### “Becoming a Next-Generation Developer”

Achieve the dual goals of “solving social issues” and “company growth” at higher levels

**Target for 2030:**  
Consolidated business profit\* of ¥120.0 billion

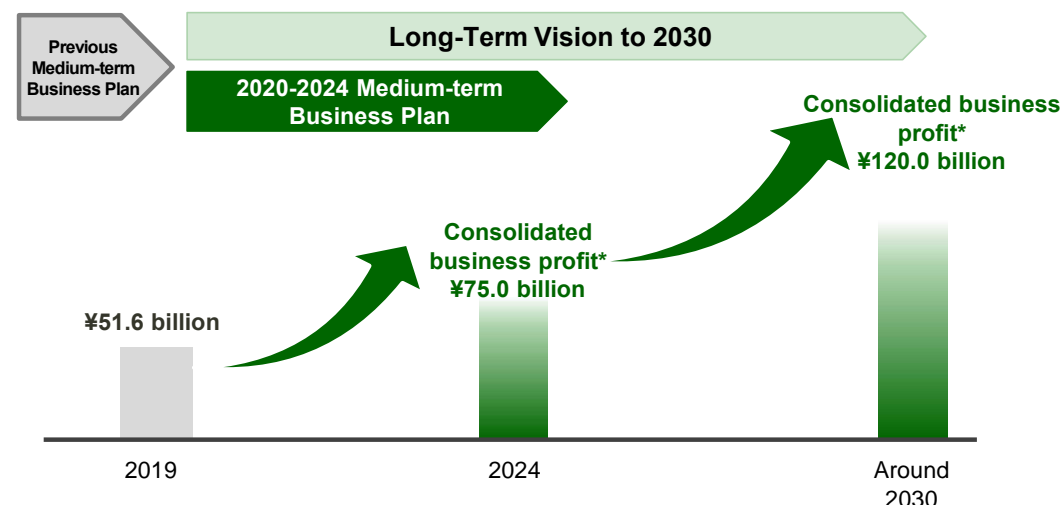
Contributing to the achievement of the SDGs

### <Basic Profit Growth Policy>

Steadily expand stable rental profits and aim for a well-balanced profit structure with an awareness of capital efficiency, which is central to profit composition

\* Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method

## <Positioning of the Medium-Term Business Plan>



## <Key Strategies in the Medium-Term Business Plan>

(1) Promotion of large-scale redevelopment

(2) Further Strengthening of for-sale condominium business

(3) Expansion of property sales to investors

(4) Strengthening of brokerage, fund, and parking businesses

(5) Growth in overseas business



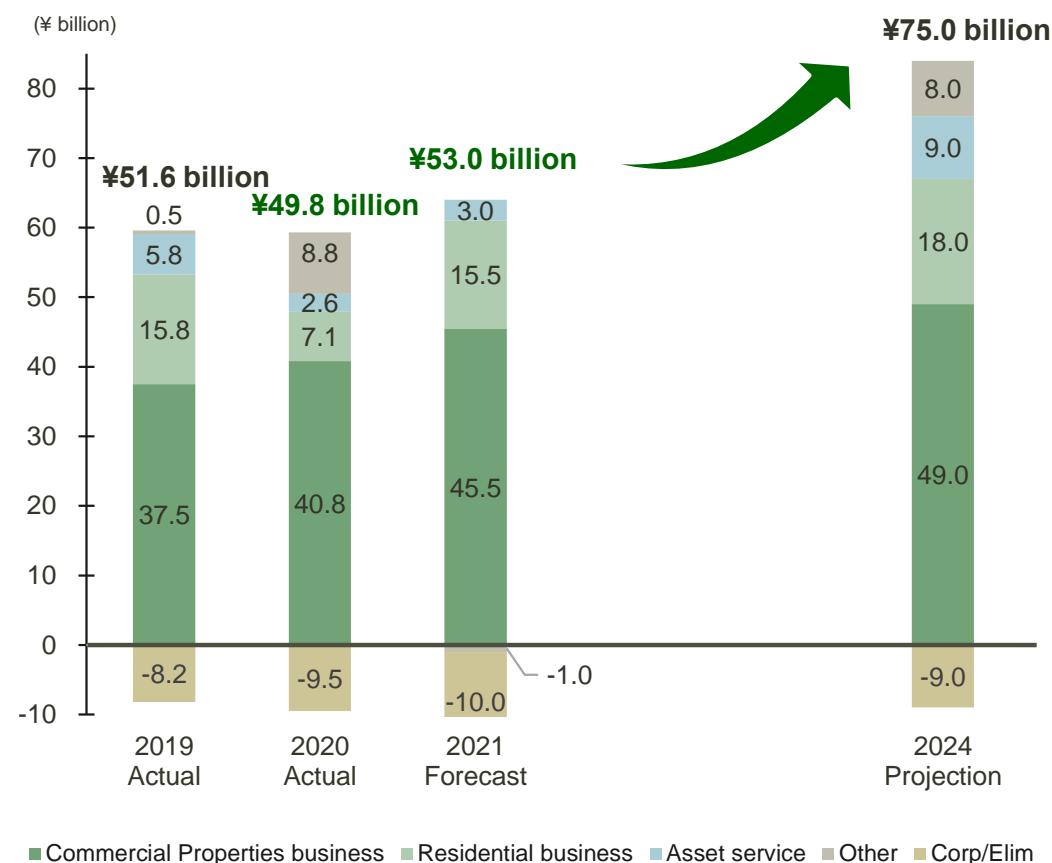
# Quantitative Plan in Medium-Term Business Plan

- In the Medium-Term Business Plan, we have set a profit target of ¥75 billion in business profit for FY2024. In addition, we have set targets for ROE, the debt-equity ratio, and the interest-bearing debt to EBITDA multiple in order to optimize the business portfolio in consideration of capital efficiency and fiscal discipline.
- Looking towards 2024, we plan to increase profit on property sales centering on property sales to investors.

## <Profit/Financial Plan – Figures for FY2024>

Profit Target	Consolidated business profit: ¥75.0 billion
Capital Efficiency	ROE: 8-10%
Financial Indicators	Debt-equity ratio: Appr. 2.4X Interest-bearing debt / EBITDA multiple: Appr. 12X
Reference Figures	Consolidated operating profit: ¥70.0 billion Profit attributable to owners of parent: ¥45.0 billion EPS: ¥215

## <Consolidated Business Profit Trend by Segment>



## ■ Business Portfolio Concepts (1)

- Our business portfolio can be classified into three categories based on their profit characteristics: leasing, property sales (for-sale condominiums/sales), and services. We manage each segment with a focus on the value chain.
- We promote five key strategies with a focus on the balance between profitability, efficiency, and stability.

**Business classification and management by profit characteristics, with awareness of the balance between profitability, efficiency, and stability**

	Profit Type	Characterized by
<b>Leasing</b>	Profit from leasing offices, condominiums, etc.	Highly stable profit Requires significant investment
<b>Property Sales</b>	Development profit, acquired from sale of properties held	Highly volatile profit High capital efficiency
<b>Services</b>	Fee revenue from facility management/operation, provision of services	Highly stable profit Does not involve significant investment

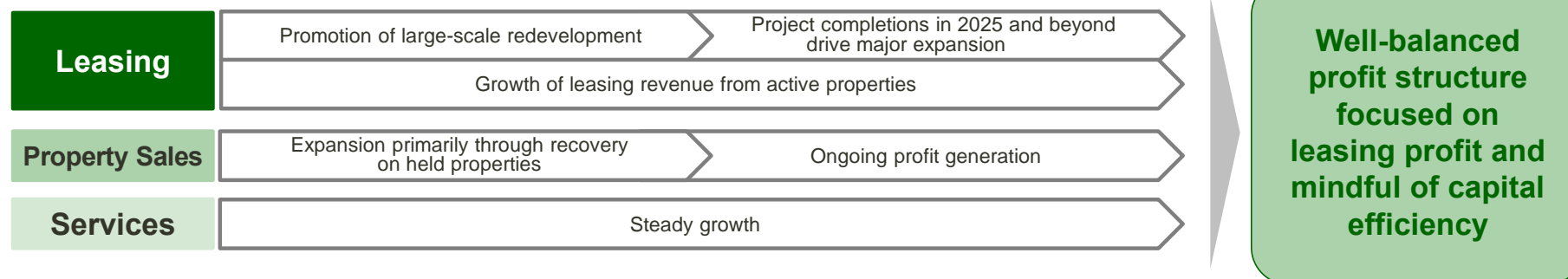
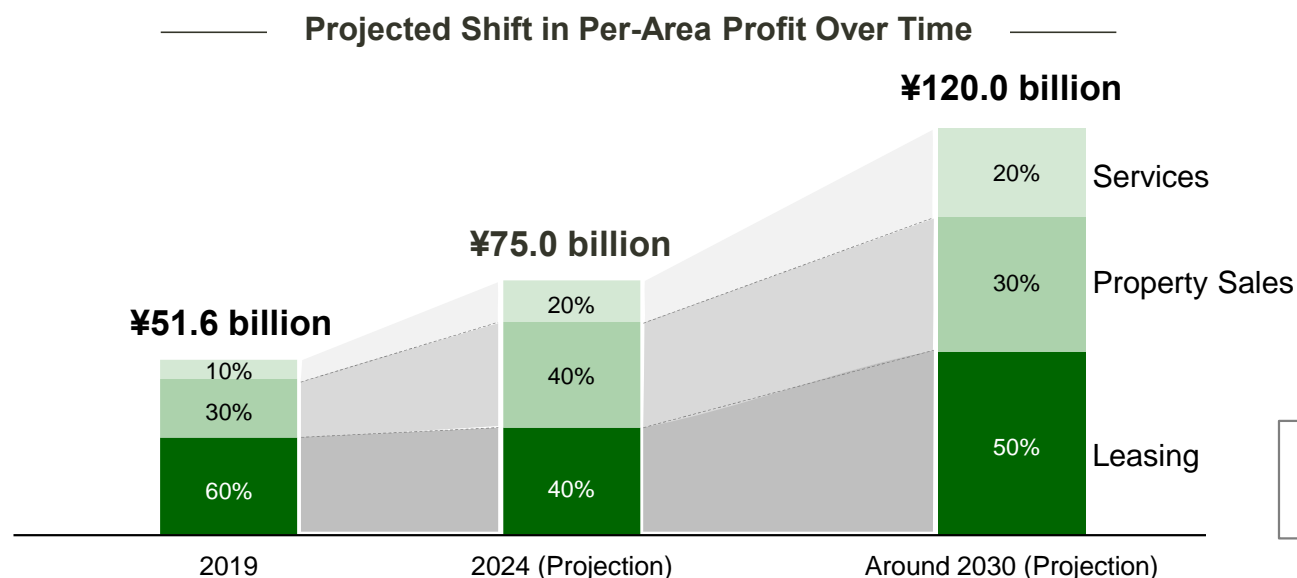
### — Key Strategies and Their Profit Sources —

Key Strategy	Profit Source
(1) Promotion of large-scale redevelopment	<b>Leasing</b>
(2) Further strengthening of for-sale condominium business	Property sales
(3) Expansion of property sales to investors	Property sales
(4) Strengthening of brokerage, fund, and parking businesses	Services
(5) Growth in overseas business	Property sales



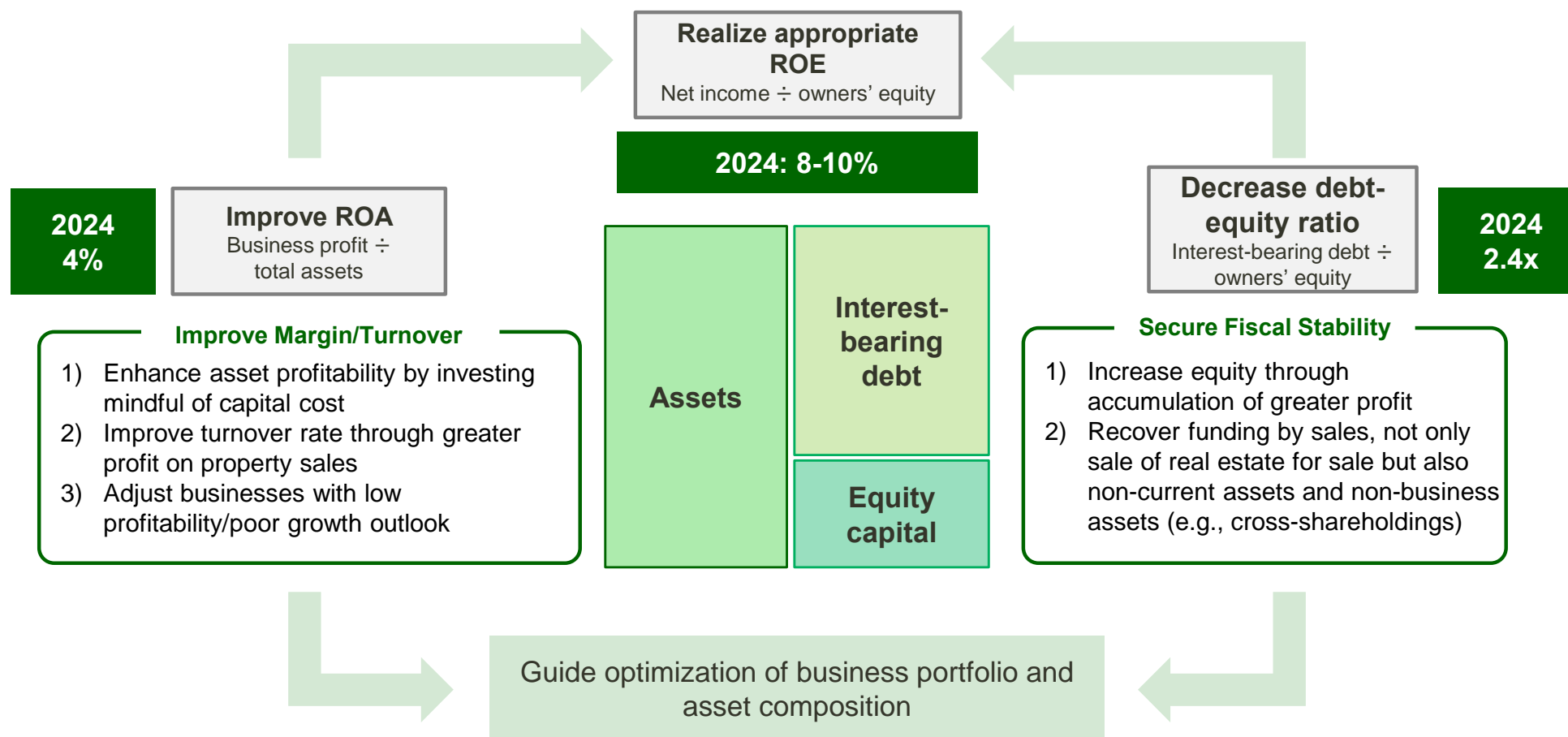
## ■ Business Portfolio Concepts (2)

- Working under our five key strategies, we are steadily growing our Services area, with profit growth driven especially by the Property Sales area through 2024 and expansion of Leasing in 2025 and beyond, achieving a well-balanced profit structure mindful of capital efficiency.



## ■ Management Mindful of Capital Efficiency

- We will target enhancement of ROA by improving margin and turnover, appropriate control of the debt-equity ratio through earnings growth and asset sales, realization of ROE of 8% to 10%, and optimization of our business portfolio and asset composition.



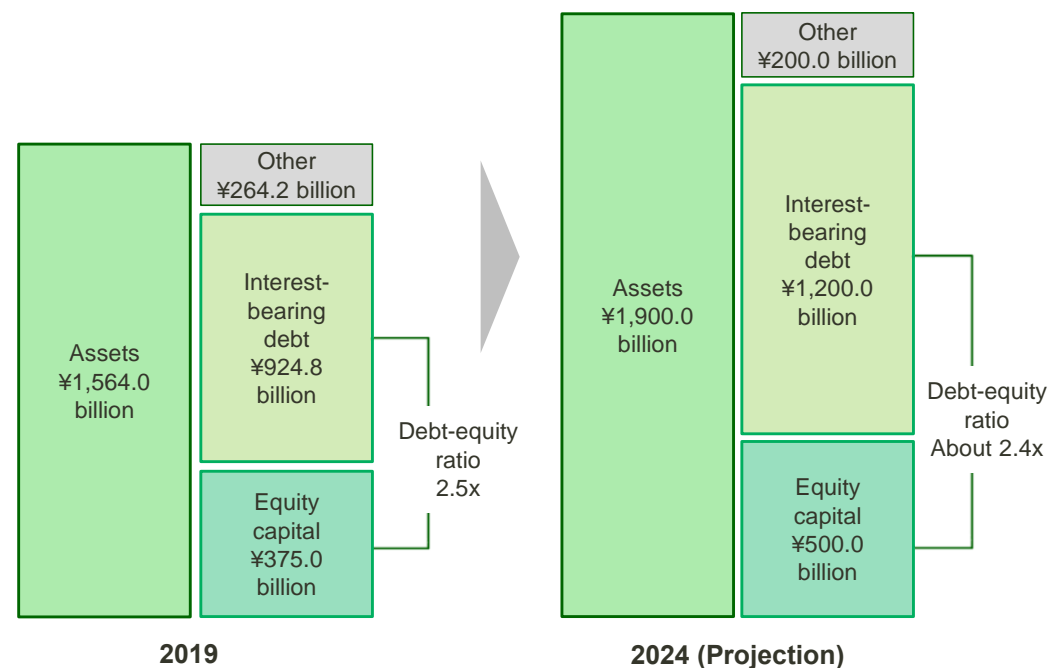
## ■ Investment Plan

- Estimated net investment of ¥500.0 billion in total over five years.
- In addition to enhancing owned capital through stable profit growth, we aim to optimize our asset composition by selling non-current assets in consideration of profitability and reducing cross-shareholdings in order to either maintain or reduce the debt-equity ratio and simultaneously control the balance sheet in an appropriate fashion.

Medium-Term Investment Plan  
(Cumulative)

	Unit: ¥ billion
Gross investment	1,400.0
Investment in large-scale redevelopment	230.0
Investment in for-sale condominium projects	430.0
Investment in properties for sale to investors	550.0
Investment in the overseas business	70.0
Other	120.0
Recovered	900.0
<b>Net investment</b>	<b>500.0</b>

Balance Sheet Changes



# Progress of Investment Plans

(As of December 31, 2020; not updated from the time of announcement of financial results)

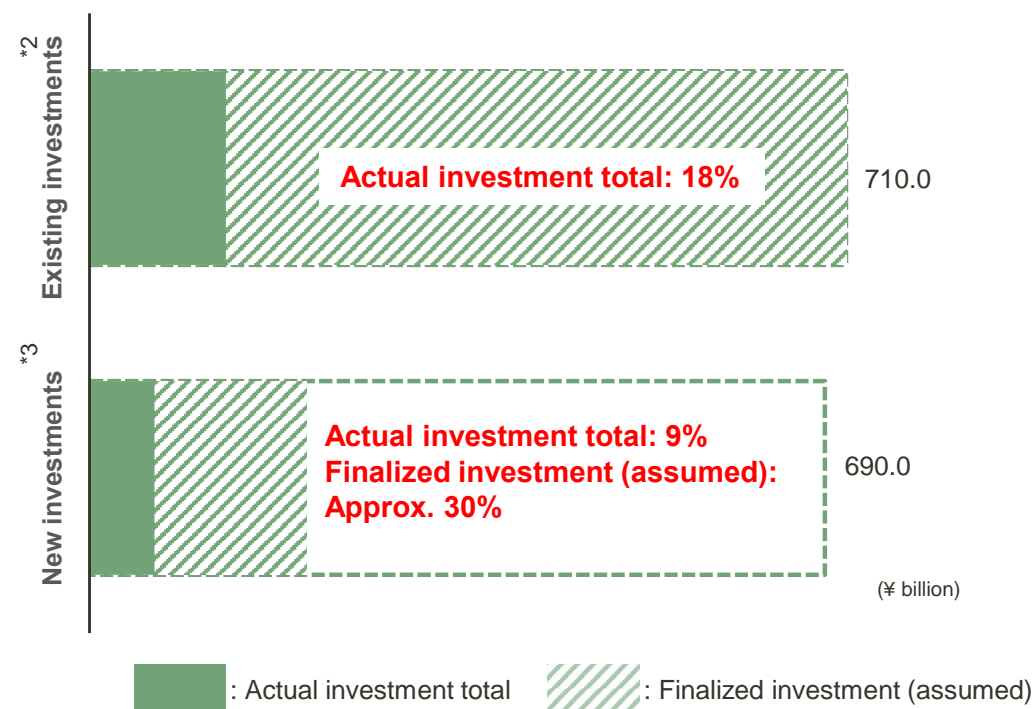


- The plan is to invest gross investment of ¥1,400.0 billion and net investment of ¥500.0 billion cumulatively over five years in the five key strategies set under the new medium-term business plan, and gross total investment executed in FY2020 was ¥189.1 billion.
- New projects have been steadily secured centered on logistics facilities projects, and as of the end of December 2020, approximately 30 percent of the anticipated amount of new investment (approx. ¥690.0 billion) for the period of the Medium-Term Business Plan (five years from 2020 to 2024) had been finalized.

## <Investment Plan of Medium-Term Business Plan (2020–2024)>

Unit: ¥ billion	5-year plan	2020 actual
Gross investment	1,400.0	189.1
Investment in large-scale redevelopment	230.0	13.8
Investment in for-sale condominium projects	430.0	64.4
Investment in properties for sale to investors	550.0	63.6
Investment in the overseas business	70.0	1.6
Other <sup>*1</sup>	120.0	45.7
Recovered	900.0	120.6
Net investment	500.0	68.5

## <Progress of Investment>



<sup>\*1</sup>: Inclusive of such amounts as expenditures for Hareza Tower, Kita Aoyama 3-chome Project, parking business facility development, and CAPEX, etc., and reserves for acquisition of seed-lot buildings for large-scale redevelopment and income-producing real estate.

<sup>\*2</sup>: At the end of 2019, investments in projects that have been decided to be invested.

<sup>\*3</sup>: Investments in projects that have been newly decided to be made into business after 2020.

# Investment Plan for FY2021

(Not updated from the time of announcement of financial results)

- The plan is to invest gross investment of ¥1,400.0 billion and net investment of ¥500.0 billion cumulatively over five years in the five key strategies set under the new medium-term business plan.
- In FY2021, the gross amount of investment is expected to be ¥220.0 billion due to expenditure on construction costs for progressively developing logistics facilities and for-sale condominium projects.

## <Investment Plan and Actual Results of New Medium-Term Business Plan (2020–2024)>

Unit: ¥ billion	5-year Plan	2020 Actual
Gross investment	1,400.0	189.1
Investment in large-scale redevelopment	230.0	13.8
Investment in for-sale condominium projects	430.0	64.4
Investment in properties for sale to investors	550.0	63.6
Investment in the overseas business	70.0	1.6
Other <sup>*1</sup>	120.0	45.7
Recovered	900.0	120.6
Net investment	500.0	68.5

## <Investment Plan for FY2021>

2021 Plan
220.0
0.0
65.0
90.0
15.0
50.0

\*1: Inclusive of such amounts as expenditures for Hareza Tower, Kita Aoyama 3-chome Project, parking business facility development, and CAPEX, etc., and reserves for acquisition of seed-lot buildings for large-scale redevelopment and income-producing real estate.

# Medium-Term Business Plan Progress Report

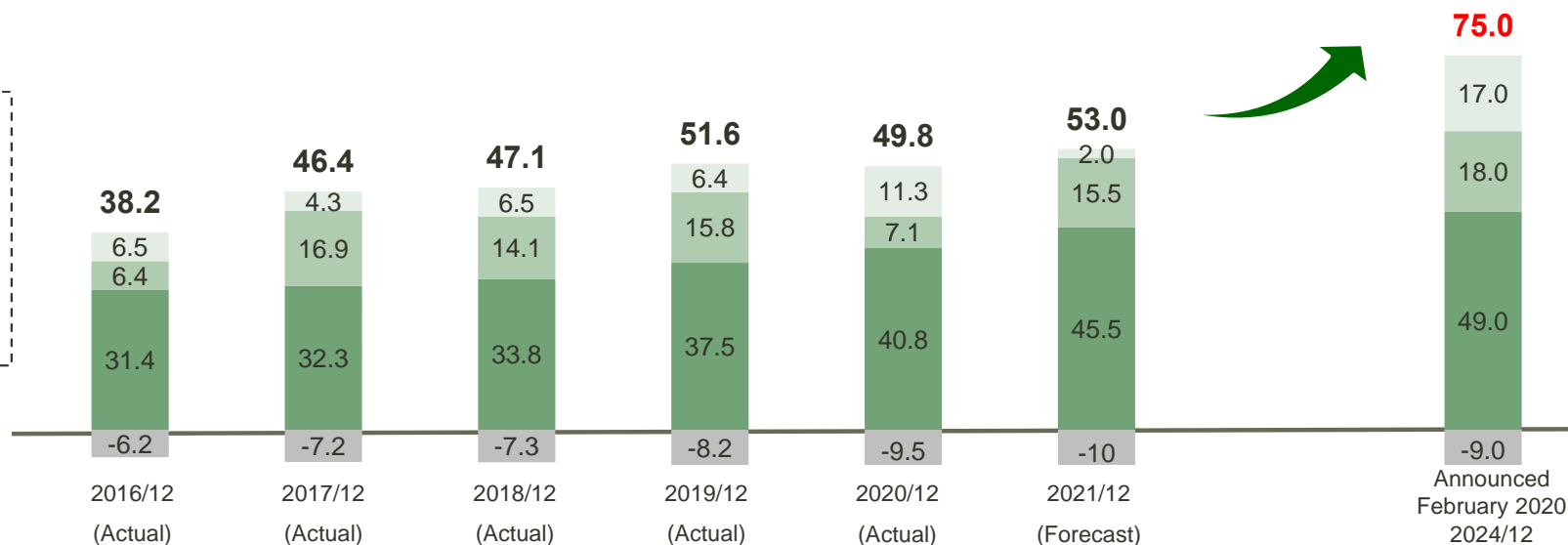
(Not updated from the time of announcement of financial results)



- The trends in business profits and key indicators for the previous fiscal year are as follows: We aim to steadily grow toward the target of business profit of ¥75.0 billion in FY2024.

Period of previous plan

Current plan (2020-2024)



Operating profit	¥36.3 billion	¥44.7 billion	¥46.7 billion	¥52.4 billion	¥49.6 billion	¥54.0 billion	¥70.0 billion
Business profit	¥38.2 billion	¥46.4 billion	¥47.1 billion	¥51.6 billion	¥49.8 billion	¥53.0 billion	¥75.0 billion
Profit	¥19.7 billion	¥22.5 billion	¥27.2 billion	¥29.7 billion	¥31.7 billion	¥33.0 billion	¥45.0 billion
Dividend per share	¥26.0	¥30.0	¥35.0	¥41.0	¥46.0	¥48.0	-
Payout ratio	28.6%	28.8%	27.8%	29.0%	30.2%	30.4%	-
Debt equity ratio	2.3x	2.4x	2.5x	2.5x	2.5x	-	About 2.4x
Net debt equity ratio <sup>*1</sup>	2.1x	2.2x	2.4x	2.4x	2.4x	-	-
Interest-bearing debt / EBITDA multiple	13.0x	12.5x	12.7x	12.6x	13.4x	-	About 12x
ROA <sup>*2</sup>	2.9%	3.4%	3.3%	3.4%	3.1%	-	-
ROE <sup>*3</sup>	6.4%	6.8%	7.9%	8.2%	8.3%	-	-

\*1: Net debt equity ratio = (Interest-bearing debt - Cash and deposits) / Equity capital

\*2: ROA = Business profit / Average of total assets at beginning of period and total assets at end of period

\*3: ROE = Profit attributable to owners of parent / Average of equity capital at beginning of period and equity capital at end of period

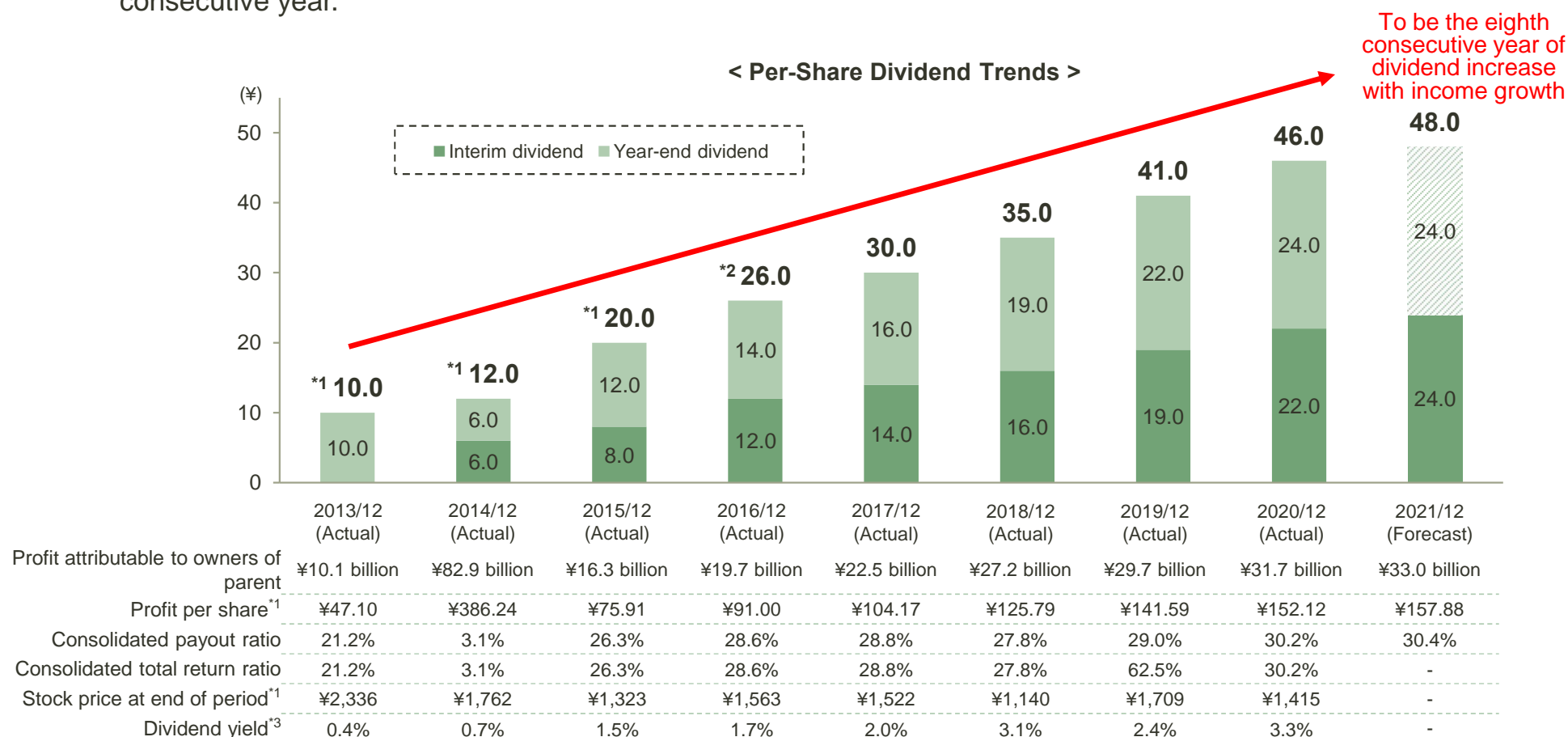
# Shareholder Returns

(Not updated from the time of announcement of financial results for the second quarter)



- For FY2021, the Company plans to pay an annual dividend of 48.0 yen/share (payout of 30.4%), an increase of 2.0 yen/share from 46.0 yen/share in the previous fiscal year, and it expects to increase dividends for the eighth consecutive year.

< Per-Share Dividend Trends >



## Shareholder returns policy

During the period of the medium-term business plan (FY2020–FY2024), establish a baseline consolidated payout ratio of 30% or more and aim to increase shareholder returns continuously through sustainable growth.

Consider whether to repurchase company shares based on the business environment and financial situation, among other factors.

\*1: A 1-for-2 reverse stock split was implemented on July 1, 2015. The figures for 2012 to 2015 are calculated by factoring in the reverse stock split.

\*2: The interim and year-end per-share dividend for FY2016 both include a ¥2 commemorative dividend to celebrate the 120th anniversary of the company's founding.

\*3: Dividend yield is calculated based on the closing price at the end of that period.

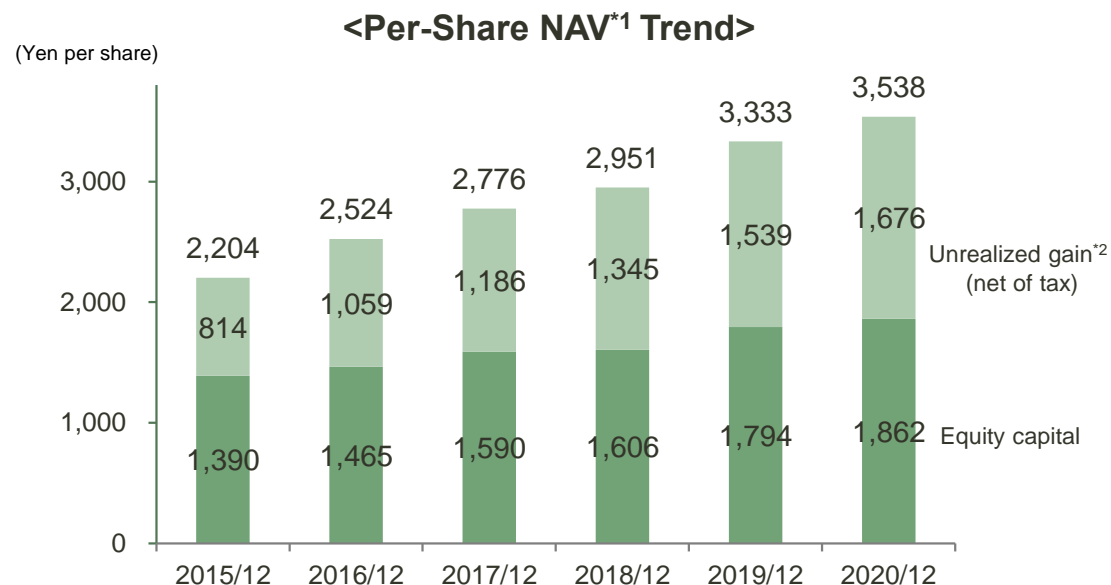
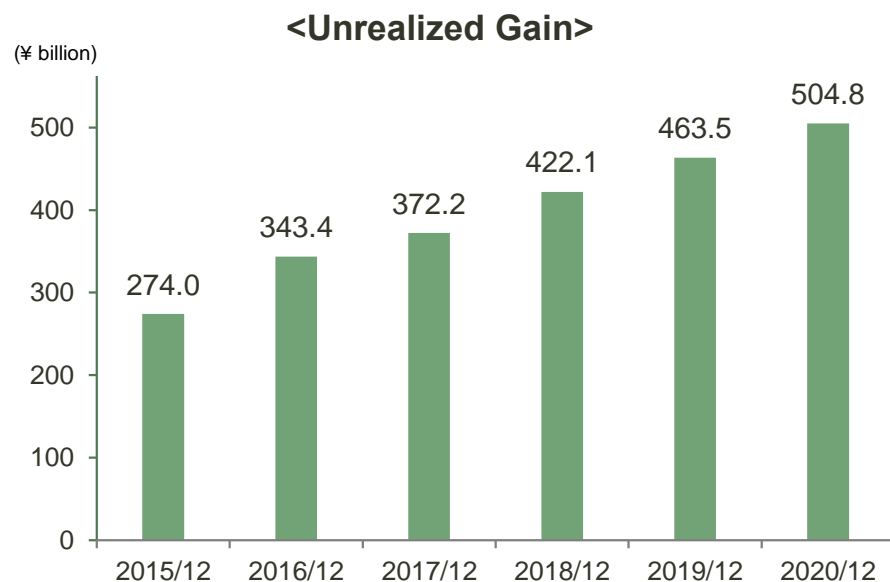
# Fair Value of Rental Properties

(Not updated from the time of announcement of financial results)

- In addition to the completion of Hareza Tower, the fair value increased due to upward rent revision, etc., resulting in an increase in unrealized gain of ¥504.8 billion.

Unit: ¥ billion	2019/12-end	2020/12-end	Increase/ Decrease
Fair value at end of period	1,334.9	1,389.7	54.7
Amount on B/S (carrying value)	871.4	884.8	13.4
Amount of difference	463.5	504.8	41.3

- ◆ <Subject properties> Of non-current assets, properties that are currently leased or properties under development that are scheduled to be leased after completion to third parties by the Company and its group companies (including properties where a portion is used by the Company and its subsidiaries) are subject to calculation
- ◆ <Method of calculation> For properties newly acquired during the period or properties under development at the end of the fiscal year, the book value at the end of the fiscal year is taken as the fair value



\*1: NAV per share = (Equity capital + Unrealized gain, net of tax) / Number of shares issued and outstanding at end of period, excluding treasury stock.

\*2: Unrealized gain, net of tax = Unrealized gain × (1 – Statutory tax rate applicable to each fiscal year)



# Major Development Projects

- In addition to Yaesu Project and Gofukubashi Project, promoting several projects in the Chuo, Minato and Shibuya wards.
- Redevelopment projects for approximately 320,000 m<sup>2</sup> of estimated leasable area are slated for completion one after another around the period between 2025 and 2030.

## Ongoing Redevelopment Projects

■ Project period(construction start to completion)



\* Estimated leasable area includes leasable area of non-office space, such as conference and retail facilities

# Features of Yaesu, Nihonbashi, and Kyobashi (Yaesu-Nihonbashi-Kyobashi) Areas

- Access to various locations including regional cities, areas in Tokyo and international airports is excellent due to the existence of bullet trains, existing JR lines and multiple subway lines, giving the area **phenomenal transportation convenience**, its main feature.
- Nearby are business areas, commercial/tourist areas and areas popular for residential purposes. Urban development that utilizes **diverse regional features** including the rich cultural resources and gathering of long-established corporations is expected.
- With highly diverse properties suitable for startups and several innovation hubs, the area's **innovativeness** has been accelerating in recent years.
- The land value and suitability for offices lag behind the Otemachi-Marunouchi-Yurakucho area, but the value of the area as a whole is expected to increase significantly going forward with the various redevelopment projects planned.



## Diverse Regional Features and Potential of the Yaesu-Nihonbashi-Kyobashi Area\*1

Phenomenal transportation convenience

Gathering of leading firms

Excellent halls and meeting room facilities

Highly diverse small and medium-size properties

Rich cultural resources transmitting culinary and craftsmanship traditions

\*1: Naming of the Yaesu-Nihonbashi-Kyobashi Area

## Comparison of Rent and Land Price of Large-Scale Office Buildings (200 tsubo or more)

	Yaesu-Nihonbashi-Kyobashi	Marunouchi-Otemachi
Market rent of large-scale office buildings (200 tsubo or more)*2	¥38,167 per tsubo	¥40,964 per tsubo
Land price*3	¥14,700 thousand per m <sup>2</sup> (Sotobori-dori Avenue / in front of Tokyo Station)	¥22,500 thousand per m <sup>2</sup> (Daimyo-Koji Avenue / in front of Marunouchi Building)

\*2: Source: Tokyo 5 Central Wards Office Market List by Sanko Estate (as of the end of December 2020)

\*3: Land price of fixed asset tax (fiscal 2020)

# Initiatives in the Yaesu-Nihonbashi-Kyobashi Area

- Tokyo Tatemono owns many office buildings in the area around Tokyo Station, a key area, and several large-scale redevelopment projects are scheduled to be completed by around 2030.
- Utilizing the properties it owns in the area, Tokyo Tatemono is promoting the formation of a business environment (innovation ecosystem) where venture firms, leading companies, investors, research institutions and other players from the fields of industry, academics and government come together and collaborate for coexistence and mutual prosperity, thereby nurturing cutting-edge industries and giving rise to positive economic growth cycles.

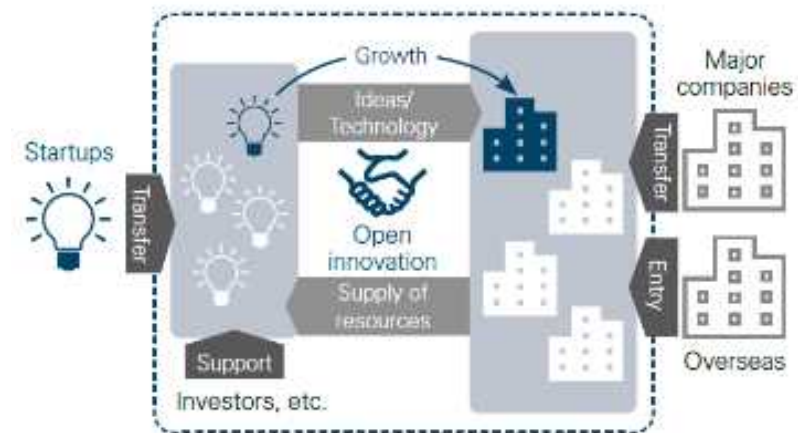


● : Redevelopment with Tokyo Tatemono's participation    
 ● : Redevelopment with Tokyo Tatemono's involvement    
 ■ : Buildings owned by Tokyo Tatemono    
 ● : Redevelopment with other companies' participation

\* Balloons indicate initiatives at properties owned by Tokyo Tatemono.

## Promotion of an Innovation Ecosystem

Promising startups will be attracted to the Yaesu-Nihonbashi-Kyobashi area by utilizing the diverse regional features and properties owned by Tokyo Tatemono. An initiative with focal categories of business topics and growth fields of leading companies such as x-tech, SDGs, food, craftsmanship, etc. is being promoted.



### 2020 Innovation Ecosystem Promotion Support Project Yaesu-Nihonbashi-Kyobashi Area Certified for the Regional Council by Authorized Regions (August 2020)

The Tokyo Metropolitan Government is aiming to form an innovation ecosystem where various players come together and cooperate and is providing support in dispatching personnel and information. As the leading company in the Regional Council by Authorized Regions, Tokyo Tatemono is engaged in various initiatives such as bringing in startups, promotion of open innovation with existing industries, active information dispatch, etc.



# Development Projects in the Yaesu-Nihonbashi-Kyobashi Area

- Promoting “Urban Redevelopment Project for Yaesu 1-Chome East Area in Front of Tokyo Station,” in front of Tokyo Station and “Urban Redevelopment Project for Yaesu 1-Chome North Area” along Nihonbashi River.
- Aiming to realize urban development that generates new added value for the entire area through various efforts that increase global competitiveness, reduce the environmental load, etc. while also securing stable leasing revenue.

## Urban Redevelopment Project for Yaesu 1-Chome East Area in Front of Tokyo Station (Yaesu Project)

- Large redevelopment project in front of Tokyo Station, including Tokyo Tatemono's former headquarters building
- Accumulation of sophisticated urban functions worthy for the land entrance of Tokyo, an international city
- Formation of prosperity that passes down Yaesu's history and tradition to the future  
⇒ **Rights conversion plan approved for B Area in June 2020**

[Total floor area]	District A: about 12,000 m <sup>2</sup> District B: 225,000 m <sup>2</sup>
[Main uses]	District A: offices, shops, etc. District B: offices, medical facilities, bus terminal, conference halls, etc.
[No. of floors]	District A: 11 floors above ground, 3 below District B: 51 floors above ground, 4 below
[Construction start]	Fiscal year 2021 (planned)
[Completed]	Fiscal year 2025 (planned)



### Value Created by the Project

#### Enhancement of traffic node function in front of Tokyo Station

- Establishment of large-scale bus terminal connecting to international airports and regional cities
- Establishment of above- and below-ground pedestrian network connecting Tokyo Station and nearby urban districts

#### Introduction of city functions that increase global competitiveness

- Establishment of primary care in collaboration with sophisticated medical facilities
- Increase of urban appeal and vibrancy through implementation of area management

#### Strengthening of disaster preparedness and reduction of environmental burden

- Establishment of space for those stranded during disasters and storage for disaster prevention
- Enhancement of business continuation functions through establishment of cogeneration systems and emergency power generation facilities

## Urban Redevelopment Project for Yaesu 1-Chome North Area (Gofukubashi Project)

- Large redevelopment project directly connected to Nihombashi subway station in excellent location
- Formation of cityscape worthy for the gate of the area alongside Nihonbashi River
- Accumulation of city functions forming a sophisticated financial hub  
⇒ **Urban development plan decided and designated as National Strategic Special Zone in October 2019**

[Total floor area]	South Block: about 180,500 m <sup>2</sup> North Block: about 1,000 m <sup>2</sup>
[Main uses]	Offices, shops, lodging facility, parking lot, etc.
[No. of floors]	South Block: 45 floors above ground, 5 below North Block: 2 floors above ground, 1 below
[Construction start]	Fiscal year 2025 (planned)
[Completed]	South Block: Fiscal year 2030 (planned) North Block: Fiscal year 2035 (planned)



### Value Created by the Project

#### Formation of financial hub that contributes to enhancement of global competitiveness

- Establishment of support facility for sophisticated financial personnel that assist international finance and urban MICE

#### Establishment of waterfront space and pedestrian network

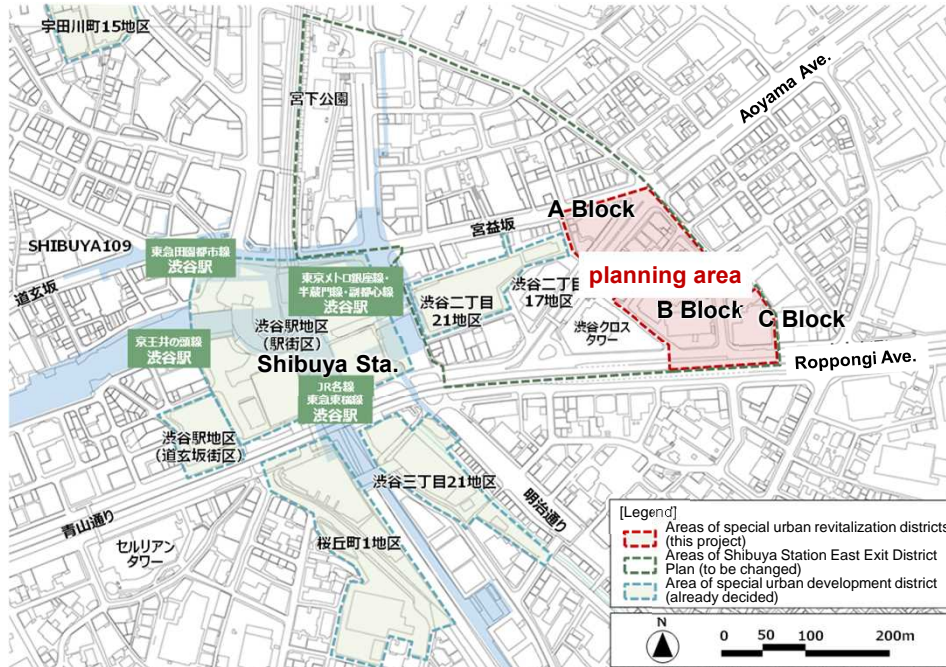
- Various types of cooperation for moving the Metropolitan Expressway belowground
- Establishment of plaza space that represents the bustling space on the Nihonbashi River
- Establishment of above- and below-ground pedestrian network that connects Tokyo Station, Otemachi Station and Nihombashi Station

#### Strengthening of disaster preparedness and reduction of environmental burden

- Establishment of space for those stranded during disasters and storage for disaster prevention
- Promotion of greater energy efficiency in the entire area through establishment of regional heating/cooling plant and cooperation with existing plants

# Shibuya 2-Chome West Area (Shibuya 2-Chome Project) (provisional name)

- Completed a city planning proposal for the Shibuya 2-Chome West Area (tentative name: Shibuya 2-Chome Project) in the east exit area of Shibuya Station (currently in the process of urban planning procedures).
- We aim for urban development that creates new added value in the area through various initiatives that contribute to urban infrastructure development, international competitiveness improvement, and environmental impact reduction that will create an expanse of the town.



[Total area]	Total:	Approx. 18,800 m <sup>2</sup>
	A Block:	Approx. 1,700 m <sup>2</sup>
	B Block:	Approx. 12,800 m <sup>2</sup>
	C Block:	Approx. 4,300 m <sup>2</sup>
[Total floor area]	Total:	Approx. 322,200 m <sup>2</sup>
	A Block:	Approx. 4,200 m <sup>2</sup>
	B Block:	Approx. 255,000 m <sup>2</sup>
	C Block:	Approx. 63,000 m <sup>2</sup>
[Main uses]	Offices, shops, hotels, human resource development facilities, bus terminals, housing, life support facilities, etc.	
[No. of floors]	A Block:	5 floors above ground, 1 below
	B Block:	41 floors above ground, 4 below
	C Block:	41 floors above ground, 2 below
[Construction start]	Fiscal year 2025 (planned)	
[Completion date]	Fiscal year 2029 (planned)	

\* A and B blocks are assumed to be type 1 urban redevelopment projects, and C block is assumed to be voluntary joint rebuilding project.

**December 2020** Apply for National Strategic Special Zone  
**June 2021** Urban development plan proposed



## Value Created by the Project

### Strengthening Shibuya's wide-area transportation functions and developing urban infrastructure to create an expanse of the town in the east exit area

- Development of bus terminals to enhance Shibuya's wide-area transportation functions
- Improvement of pedestrian network and road environment spreading from station to town
- Creation of plaza space, a center of the bustling and relaxation

### Introduction of urban functions that contribute to strengthening international competitiveness

- Development of STEAM human resource development base to contribute to next-generation innovation
- Development of residential and accommodation to meet the diverse needs of foreigners, etc.

### Strengthening of disaster preparedness and reduction of environmental burden

- Efforts to strengthen disaster preparedness of the area
- Efforts to reduce environmental burden



# Initiatives to Respond to Diverse Work Styles

## Serviced Office

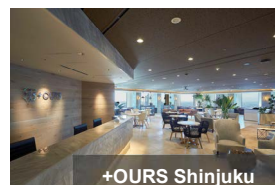
Fixed monthly fee

Mainly offices with small divisions

From individuals to large corporations

- +OURS and Expert Office expanded to a total of 10 locations with approximately 580 units.
- Considering new establishment in ongoing large-scale redevelopment projects and such.

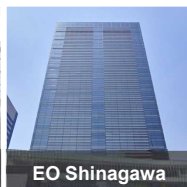
### ■ +OURS (Plus Ours) Locations (2)



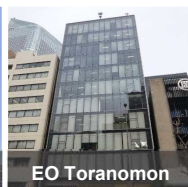
### ■ Expert Office Locations (8)



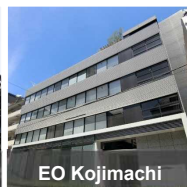
EO Tokyo



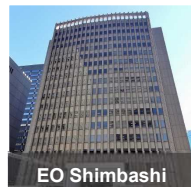
EO Shinagawa



EO Toranomon



EO Kojimachi



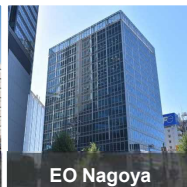
EO Shimbashi



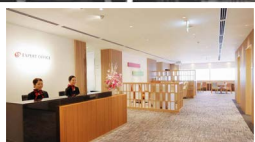
EO Shibuya



EO Shin Yokohama



EO Nagoya



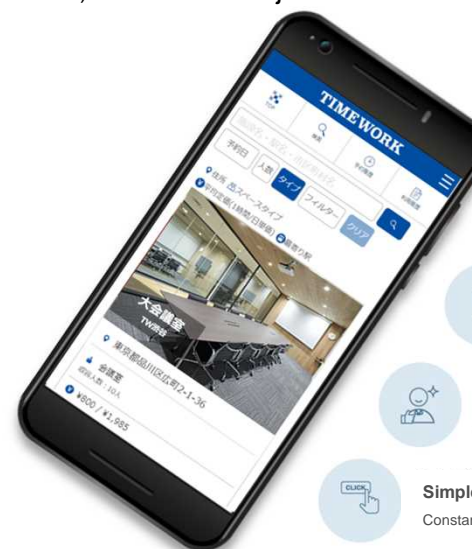
## Space Sharing Service

Pricing per hour\*

Open space/individual offices

For corporations

- Involved in operation of "TIMEWORK" space sharing platform.
- Member facilities increased to 190 locations (as of September 30, 2021). +OURS also joined.

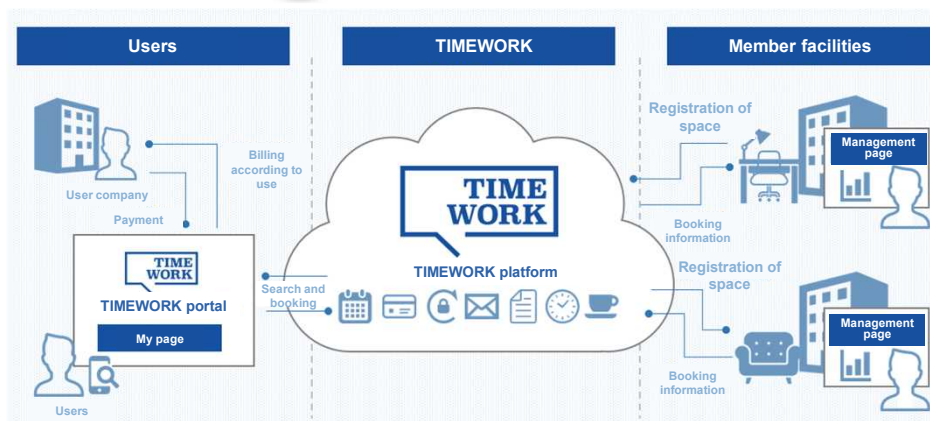


### Characteristics of TIMEWORK

**A metered billing system where users are only billed for the amount used**  
Fees are set for each space and users are only billed for the time of use of occupancy.

**Secure facilities that meet certain criteria**  
Provides optimal workplaces by screening based on the grade of furnishings and facilities.

**Simple and easily understandable interface**  
Constantly making improvements toward the next era


























\* Pricing is set in 15-minute increments or daily increments depending on the member facility.



# Materiality of the Tokyo Tatemono Group

- In order to achieve our long-term vision, we reviewed important issues that need to be addressed, mindful of the values to be shared with society through our business, 14 material issues were identified

	Important issues	Shared value with society	Contribution to SDGs
Creation of social value	 Strengthening Tokyo's competitiveness as an international city	■ Creating value of place and value of experience	  
	 Contributing to a safe and secure society		
	 Community building and revitalization		
	 Wellbeing		
	 Addressing of diverse needs of customers and society		
	 Value Co-Creation and Innovation		
	 Social implementation of technology		
	 Revitalizing and utilizing of real estate stock		
	 Promoting a decarbonized society	■ Coexistence with the earth and the environment	
	 Promoting a recycling-oriented society		
Foundation for value creation	 Improve employee growth and job satisfaction	■ Value-creating talent	  
	 Diversity & Inclusion		
	 Advancement of governance	■ Realizing Sustainability management	  
	 Strengthen risk management framework		

“Integrated Report 2021” and “Sustainability Report 2021” were released



“Integrated Report 2021” and “Sustainability Report 2021” can be downloaded from our website.

## Integrated Report 2021

<https://pdf.irpocket.com/C8804/xl10/eZ3h/mptc.pdf>

## Sustainability Report 2021

[https://tatemono.com/csr/english/reports/pdf/2021csrall\\_e.pdf](https://tatemono.com/csr/english/reports/pdf/2021csrall_e.pdf)

## Environment

### ■ Development of ZEB and ZEH



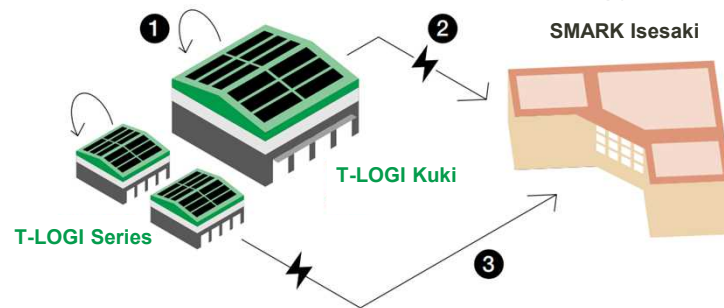
#### 1 Hareza Tower

The first project to obtain “ZEB Ready” certification for super high-rise mixed-use buildings (July 2019)

#### 2 Brillia Tower Seiseki Sakuragaoka BLOOMING RESIDENCE

Selected as the first and only project in the Tokyo metropolitan area as the “2019 Super High-Rise ZEH-M (ZEH Mansion) Demonstration Project” open to the public by the Ministry of Economy, Trade and Industry (September 2019)

### ■ Creation and utilization of renewable energy



1

The company plans to consume electricity generated by solar panels scheduled to be installed at the T-LOGI logistics facilities on the premises of the facility and have obtained ZEB certification as an environmentally friendly logistics property.

2

Surplus power is subject to self-consignment to the SMARK Isesaki retail facilities owned by the Company.

3

The same scheme will be employed in T-LOGI facilities to be developed in the future, and the Company intends to create a self-consignment business model for electric power interchange from multiple logistics facilities to specific properties.

## ESG Finance

### ■ March 2019: Issuance of Green Hybrid Bonds

- First issuance of green hybrid bonds in Japan (world-first in the real estate sector)
- Received the Minister for the Environment’s Award (Silver Award) in the Bond Section of the “ESG Finance Awards Japan” established by the Ministry of the Environment.
- Issuance period: 40 years Amount issued: ¥50 billion

### ■ July 2020: Issued sustainability bonds

- Japan's first in the real estate sector
- Received the gold award, the highest award given by the Minister of the Environment in the fundraiser section of the “ESG Finance Awards Japan” Awarded for the second consecutive year, the only company in the section
- Issuance period: 5 years Amount issued: ¥20 billion
- Issuance period: 10 years Amount issued: ¥20 billion



### ■ February 2021: Issued sustainability hybrid bonds

- Issuance period: 40 years Amount issued: ¥40 billion

### ■ July 2021: Issued sustainability bonds for individual investors

- First in Japan for a general operating company in the real estate sector
- Issuance period: 7 years Amount issued: ¥10 billion

## “Tokyo Tatemono Group Human Rights Policy” “Sustainable Procurement Standards”

### Tokyo Tatemono Group Human Rights Policy

We are keenly aware of the importance of respecting the human rights of all stakeholders involved in our business, and strengthen our initiatives to respect human rights, such as putting them into practice as the basis of all our business activities.

### Sustainable Procurement Standards

We work on the management of the entire supply chain by asking our business partners involved in the Tokyo Tatemono Group's business to understand and comply with sustainable procurement standards and to make improvements as necessary.

**We will further strengthen our human rights and environmental initiatives and continue our effort to realize a sustainable society.**

## ■ Environmental KPIs and Goals

Item	Range	KPIs Goals
Promotion of capacity development	Tokyo Tatemono	Average training hours per employee 15 hours or more per year Career training attendance rate 100% every year
Promotion of health management	Tokyo Tatemono	Health checkup attendance rate and reexamination attendance rate 100% every year Smoking rate 12% or less by 2022
Work-life balance	Tokyo Tatemono	Average rate of taking annual paid leave 70% or more every year Percentage of male employees taking childcare leave 30% or more by 2025
Promoting the active participation of diverse human resources	Tokyo Tatemono	Percentage of female managers: 10% or more by 2030 Employment rate of persons with disabilities: 2.3% or more every year
Respect for human rights	Tokyo Tatemono Group	Dissemination, deployment and observance of Human Rights Policy to group companies

## Participation in ESG-related Initiatives

### “GRESB\* Real Estate Assessment”

- “GRESB Standing Investment Benchmark,” an assessment of real estate management portfolios

▶ The only real estate developer in Japan who received the top-rated “5-star” for the fifth consecutive year.

- “GRESB Development Benchmark,” an assessment of new real estate development and large-scale renovation portfolios

▶ Obtained the highest rank of “5 stars” for the second consecutive year  
Chosen for the first time as a “Global Sector Leader” in the Diversified sector



Field	Rating agencies and Initiatives	Rating, etc.
ESG (Real Estate)	GRESB Standing Investment Benchmark	5-star
	GRESB Development Benchmark	5-star
Climate change	CDP	B
	RE100	Participated
	SBT	Certified
	TCFD	Agreed
Society (Human Resources)	UN Global Compact	Participated
	Nikkei Smart Work Management Survey	★3
	Health and Productivity Management Organization	White 500

\* GRESB (Global Real Estate Sustainability Benchmark)  
ESG benchmark specialized in real estate, which was established by European pension funds, etc.

# Quarterly Segment Data

Commercial Properties business <sup>*1</sup>	2018/12	2019/3	2019/6	2019/9	2019/12	2020/3	2020/6	2020/9	2020/12	2021/3	2021/6	2021/9
Number of office buildings	48	48	48	48	48	46	45	45	46	46	46	46 <sup>*2</sup>
Leasable area of office buildings (thousand m <sup>2</sup> )	495	495	495	495	494	490	520	520	511	514	514	514 <sup>*2</sup>
Vacancy rate	1.6%	1.4%	1.2%	1.1%	1.1%	1.0%	2.0%	1.3%	2.3%	3.4%	3.3%	3.3% <sup>*2</sup>
Average rent (Unit: yen/tsubo)	29,882	30,361	30,405	30,470	30,583	30,846	30,288	30,161	30,835	31,061	30,830	31,077 <sup>*2</sup>
Residential business	2018/12	2019/3	2019/6	2019/9	2019/12	2020/3	2020/6	2020/9	2020/12	2021/3	2021/6	2021/9
Number of sales posted (cumulative)	989	450	937	1,053	1,316	646	872	955	1,196	520	634	689
For-sale condominiums	988	450	937	1,053	1,315	646	872	955	1,196	520	634	689
Housing and residential land	2	0	0	0	1	0	0	0	0	0	0	0
Gross margin ratio of condo sales (cumulative)	29.8%	24.1%	25.5%	25.3%	24.6%	21.7%	22.9%	22.8%	22.4%	29.9%	28.6%	28.4%
Inventory of completed condos	94	174	130	83	216	321	305	243	177	179	109	54
Of which, contracted	13	30	26	17	18	40	31	43	27	41	36	24
Condo units supplied (cumulative)	1,210	449	674	956	1,301	201	286	499	948	297	760	1,036
Condo units contracted (cumulative)	1,107	420	651	936	1,285	200	275	527	962	288	794	1,045
Condo units contracted but yet to be posted	1,577	1,547	1,291	1,460	1,547	1,101	950	1,118	1,314	1,081	1,474	1,669
Number of condo buildings for rent	8	10	11	11	9	12	14	14	14	13	12	11
Number of managed condo units	93,206	93,950	93,171	93,230	94,319	95,401	95,958	95,581	95,720	97,152	97,738	97,668
Asset service	2018/12	2019/3	2019/6	2019/9	2019/12	2020/3	2020/6	2020/9	2020/12	2021/3	2021/6	2021/9
Brokerage: Number of deals (cumulative)	1,059	214	504	796	1,081	259	458	687	1,018	277	540	830
Of which, sales (cumulative)	1,029	209	482	769	1,044	250	448	671	991	271	526	810
Of which, rentals (cumulative)	30	5	22	27	37	9	10	16	27	6	14	20
Parking lots: Number of locations	1,715	1,711	1,726	1,739	1,767	1,751	1,805	1,837	1,867	1,859	1,863	1,864
Parking lots: Number of parking spaces	68,578	66,938	66,736	67,353	69,401	69,683	74,176	75,267	76,173	74,366	74,706	74,641
Other	2018/12	2019/3	2019/6	2019/9	2019/12	2020/3	2020/6	2020/9	2020/12	2021/3	2021/6	2021/9
Ofuro no Osama (Spa facility)	10	10	10	10	9	9	9	9	9	9	9	9
Golf Courses	12	12	12	12	12	12	12	12	12	12	12	12
Pet-Friendly Hotels (Regina Resort with DOGS)	9	9	9	9	9	8	8	8	8	8	8	8
Ohayo Child Care Centers/ After-school child care facility	8	8	11	11	11	11	14	15	15	15	16	16

\*1: Standards for areas subject to calculation are as follows.

1. Office buildings owned by group companies are included.

2. Since the area of retail facilities accounts for a large proportion under total leased floor area at GRAND FRONT OSAKA, the area of retail facilities is excluded from calculation.

3. With regard to buildings owned by consolidated SPCs, the equivalent areas of the SPCs' equity holdings in other companies have been included along with areas subject to recording of leasing revenue.

\*2: "DNP Gotanda Building," which was acquired at the end of September 2019, is not included in areas subject to calculation.



# List of Facilities (Leisure Business)

	Pet-Friendly Hotels (Regina Resort with DOGS)	Location	Number of guestrooms	Opening
1	Regina Resort Fuji	Minamitsuru-gun, Yamanashi	21	Nov. 2013
2	Regina Resort Hakone Ungaiso	Ashigarashimo-gun, Kanagawa	10	Jul. 2014
3	Regina Resort Izu Murin	Ito-shi, Shizuoka	8	Mar. 2016
4	Regina Resort Karuizawa Mikage Yosui	Kitasaku-gun, Nagano	26	Jul. 2016
5	Regina Resort Kyu-Karuizawa	Kitasaku-gun, Nagano	26	Nov. 2017
6	Regina Resort Biwako Nagahama	Nagahama-shi, Shiga	15	Jun. 2018
7	Regina Resort Kamogawa	Kamogawa-shi, Chiba	25	Jul. 2018
8	Regina Resort Hakone Sengokuhara	Ashigarashimo-gun, Kanagawa	22	Oct. 2018



Regina Resort Fuji

	Golf Courses	Location
1	Kawaguchiko Country Club	Minamitsuru-gun, Yamanashi
2	J-Golf Tsurugashima	Hidaka-shi, Saitama
3	River Fuji Country Club	Fuji-shi, Shizuoka
4	Holon Golf Club	Kikugawa-shi, Shizuoka
5	J-Golf Kasumigaura	Itako-shi, Ibaraki
6	Byron Nelson Country Club	Iwaki-shi, Fukushima
7	Miyako Golf Club	Tsuru-shi, Yamanashi
8	Washu Golf Club	Kurashiki-shi, Okayama
9	Tojo Golf Club	Kato-shi, Hyogo
10	Akasaka Country Club	Akaiwa-shi, Okayama
11	Tohnosho Golf Club	Katori-gun, Chiba
12	Shirakawa Kogen Country Club	Nishishirakawa-gun, Fukushima



Regina Resort Hakone Sengokuhara

	Bathing Facilities	Location	Opening
1	Ofuro no Osama Shiki	Shiki-shi, Saitama	Jan. 2003
2	Ofuro no Osama Konandai	Yokohama-shi, Kanagawa	Mar. 2005
3	Ofuro no Osama Hana Koganei	Kodaira-shi, Tokyo	Nov. 2006
4	Ofuro no Osama Tama Mogusa	Tama-shi, Tokyo	Jul. 2008
5	Ofuro no Osama Ooimachi	Shinagawa-ku, Tokyo	Mar. 2011
6	Ofuro no Osama Ebina	Ebina-shi, Kanagawa	Acquired in Feb. 2014
7	Ofuro no Osama Seya	Yokohama-shi, Kanagawa	Acquired in Feb. 2014
8	Ofuro no Osama Kouza-Shibuya Ekimae	Yamato-shi, Kanagawa	Acquired in Feb. 2014
9	Ofuro no Osama Machida	Sagamihara-shi, Kanagawa	Jun. 2015
10	Ofuro no Osama Wako (provisional name)(Wako City Hiroasawa Complex Development and Operation Project)	Wako-shi, Saitama	Dec. 2021

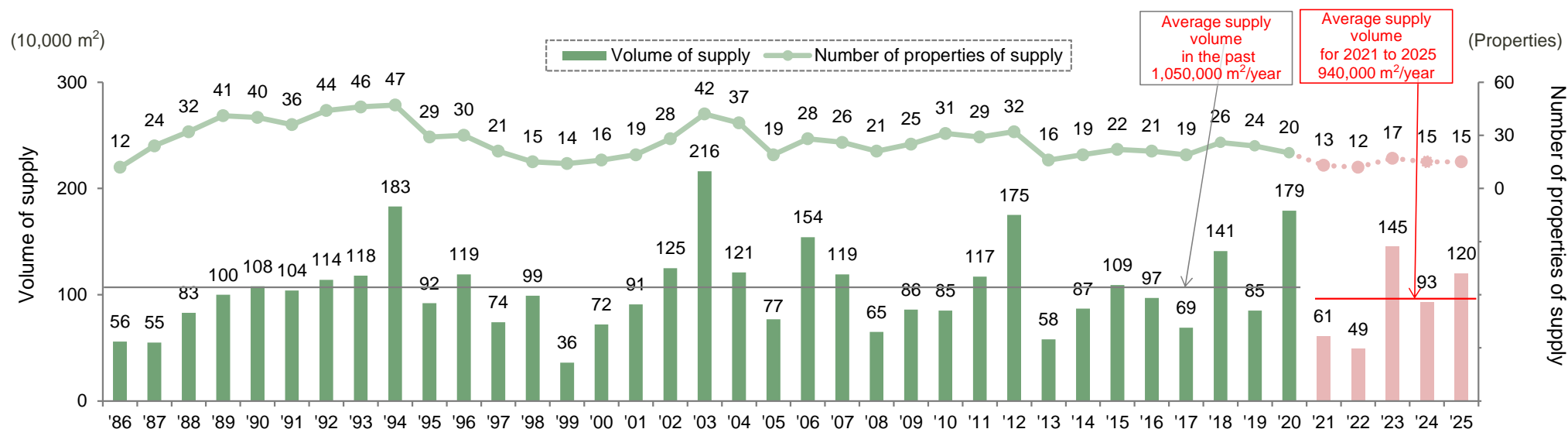


Ofuro no Osama Ooimachi

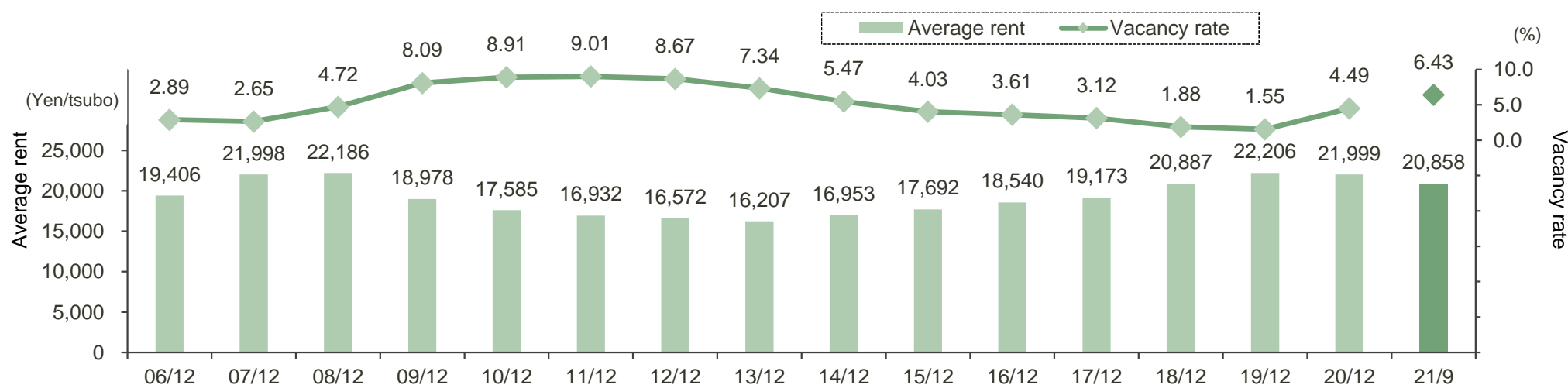
# Market Data

## (1) Office Building Market

Large-Scale Office Building Supply Volume Trends in Tokyo's 23 Wards



Average Rent and Vacancy Rate Trends in Tokyo's Central Business District (Chiyoda, Chuo, Minato, Shinjuku, and Shibuya)

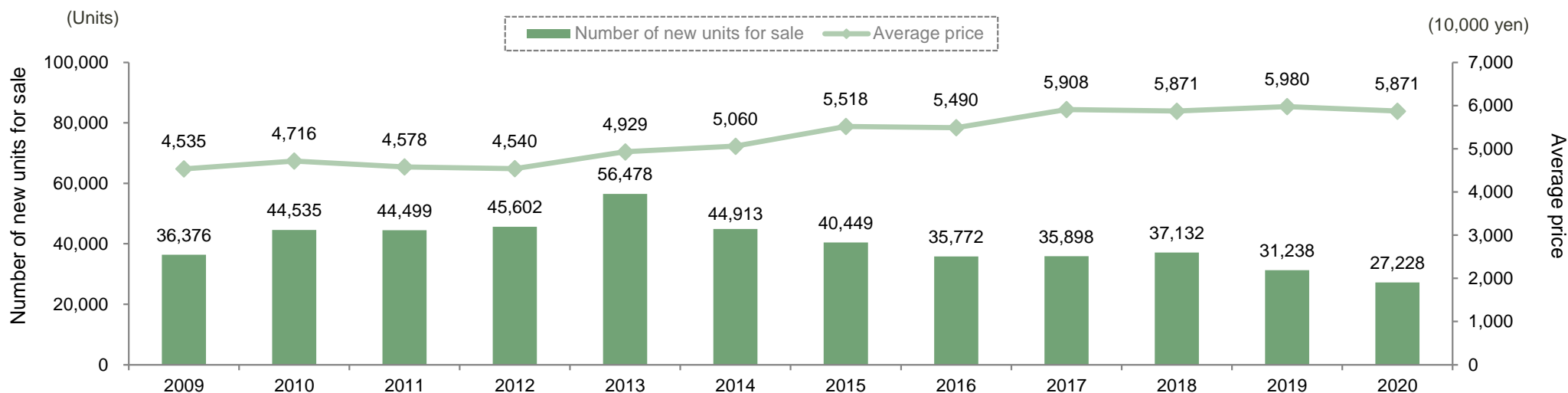




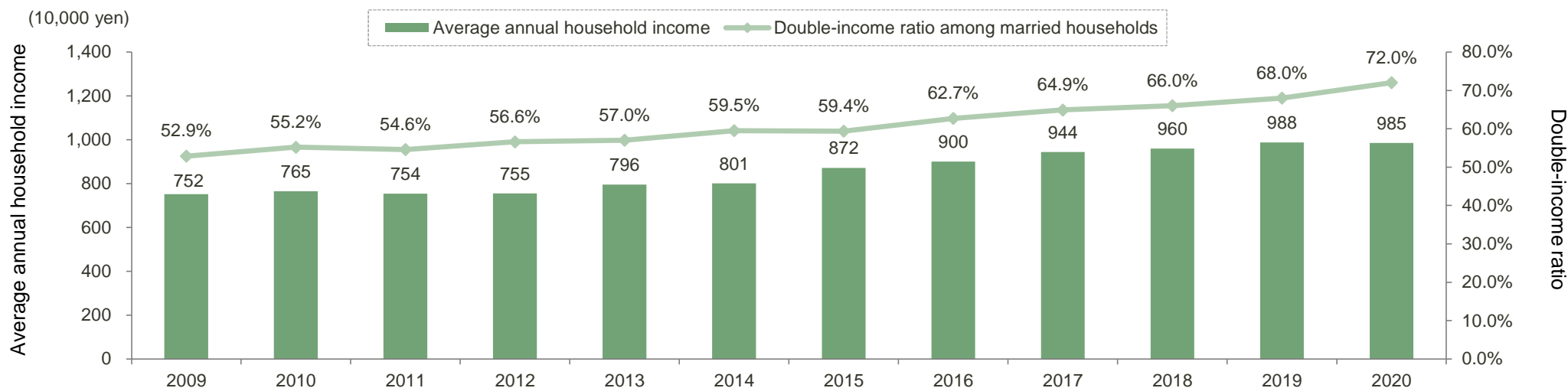
# Market Data

## (2) For-Sale Condominium Market

### Number of New Condominium Units for Sale and Average Price in the Tokyo Metropolitan Area (Tokyo, Kanagawa, Saitama, and Chiba)



### Trends in Double-Income Ratio and Average Annual Household Income Among Buyers of Condominium Units



Source: Real Estate Economic Institute; Recruit Sumai Company Ltd.'s 2020 survey on contract trend of new condominium units in Tokyo Metropolitan Area

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