

# Financial Highlights

## FY2024 Second Quarter (First Six Months)

### Supplementary volume (Reference)

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2024.11.12

**The forecasts and other forward-looking statements in this report are based on currently available information and certain assumptions determined as rational. Consequently, any statements herein do not constitute assurances regarding actual results by the Group. Actual performance may significantly differ from these forecasts due to various factors in the future.**

# Reference

# Overview of Our Group Businesses



TOKYU COMMUNITY CORP.



## Tokyu Housing Lease

### Asset-utilizing business



#### Urban Development

Creating attractive communities and lifestyles



#### Strategic Investment

Building next-generation infrastructure

### Human capital-utilizing business



#### Property Management & Operation

Providing impressive experiences to customers



#### Real Estate Agents

Leading to a society with a healthy building stock situation

#### Office building



Shibuya Sakura Stage

#### Shared office



Business Airport (Kudan-Kaikana Terrace)

#### Commercial facility



Tokyu Plaza Harajuku "Harakado"

#### Residential



BRANZ (BRANZ CITY Hongdai)

#### Condominium management/Building and facility management



Tokyu Community Corp.

#### Renovation construction



Tokyu Re - Design Corporation

#### Rental conference room



TC Forum/INFIELD

#### Hotel



Tokyu Stay (Tokyu Stay HidaTakayama Musubi no Yu)

#### Rental Housing



COMFORIA (COMFORIA Higashi-Shinjuku)

#### Student residence



CAMPUS VILLAGE (CAMPUS VILLAGE Osaka Kindai-Mae)

#### Renewable energy



ReENE (Solar power generation facilities)

#### Renewable energy



ReENE (Wind power generation facilities)

#### Hotel



TOKYU Harvest Club (VIALA KINUGAWA KEISUI)

#### Leisure



Ski resorts (NISEKO TOKYU Grand HIRAFU)

#### Leisure



Golf courses (KININOMORI GOLF CLUB)

#### Senior housing



Grancree (Grancree Tachikawa)

#### Logistics facilities



LOGIQ (Kashiwa Shonan PJ)

#### Overseas (North America)



Rental housing (Prato at Midtown)

#### Overseas (Asia)



BRANZ (BRANZ Mega Kuningan)

#### Asset management



Tokyu Land Capital Management Inc./TLC REIT Management Inc.

#### Greening



ISHIKATSU EXTERIOR INC.

#### Real estate agents/Real estate sales, etc.



TOKYU LIVABLE INC.

#### Rental housing service



Tokyu Housing Lease Corporation

#### Rental housing service



National Students Information Center Co., Ltd.

# Business Segments Summary

## Asset-utilizing business



### Urban Development

Creating attractive communities and lifestyles

- Office buildings
- Commercial facilities
- Residential



### Strategic Investment

Building next-generation infrastructure

- Renewable energy generation
- Logistics facilities
- Invest management
- Overseas operations

## Human capital-utilizing business



### Property Management & Operation

Providing impressive experiences to customers

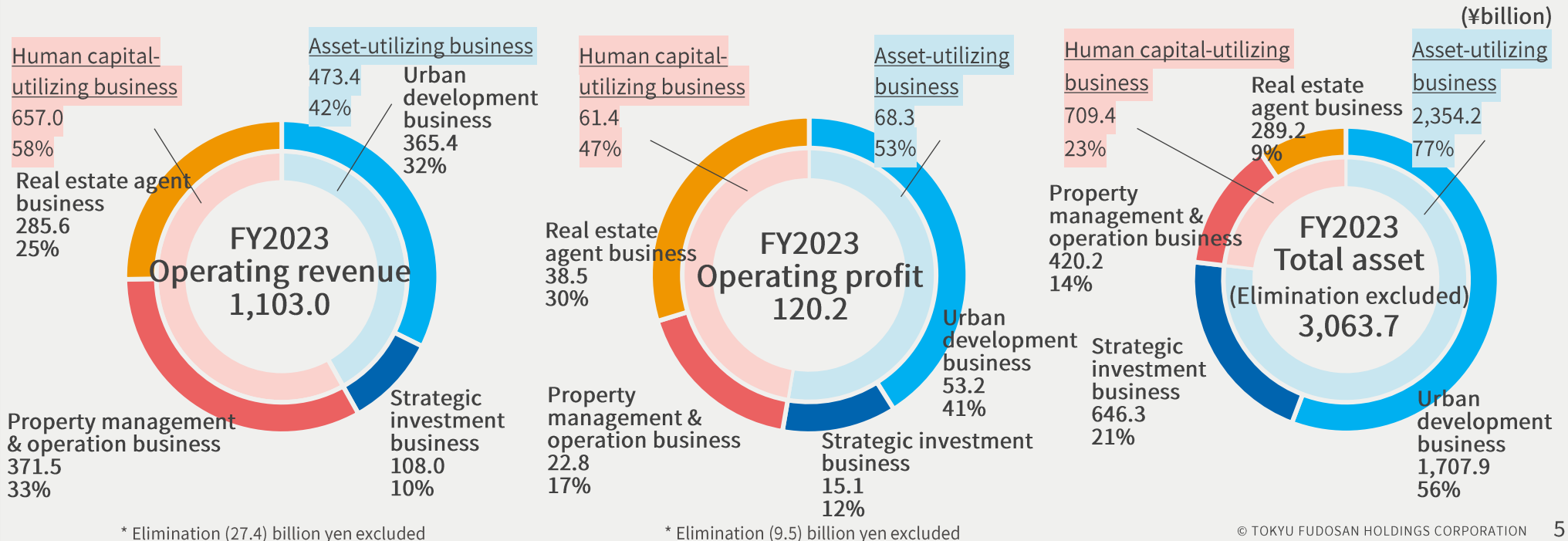
- Property management
- Wellness
- Greening management



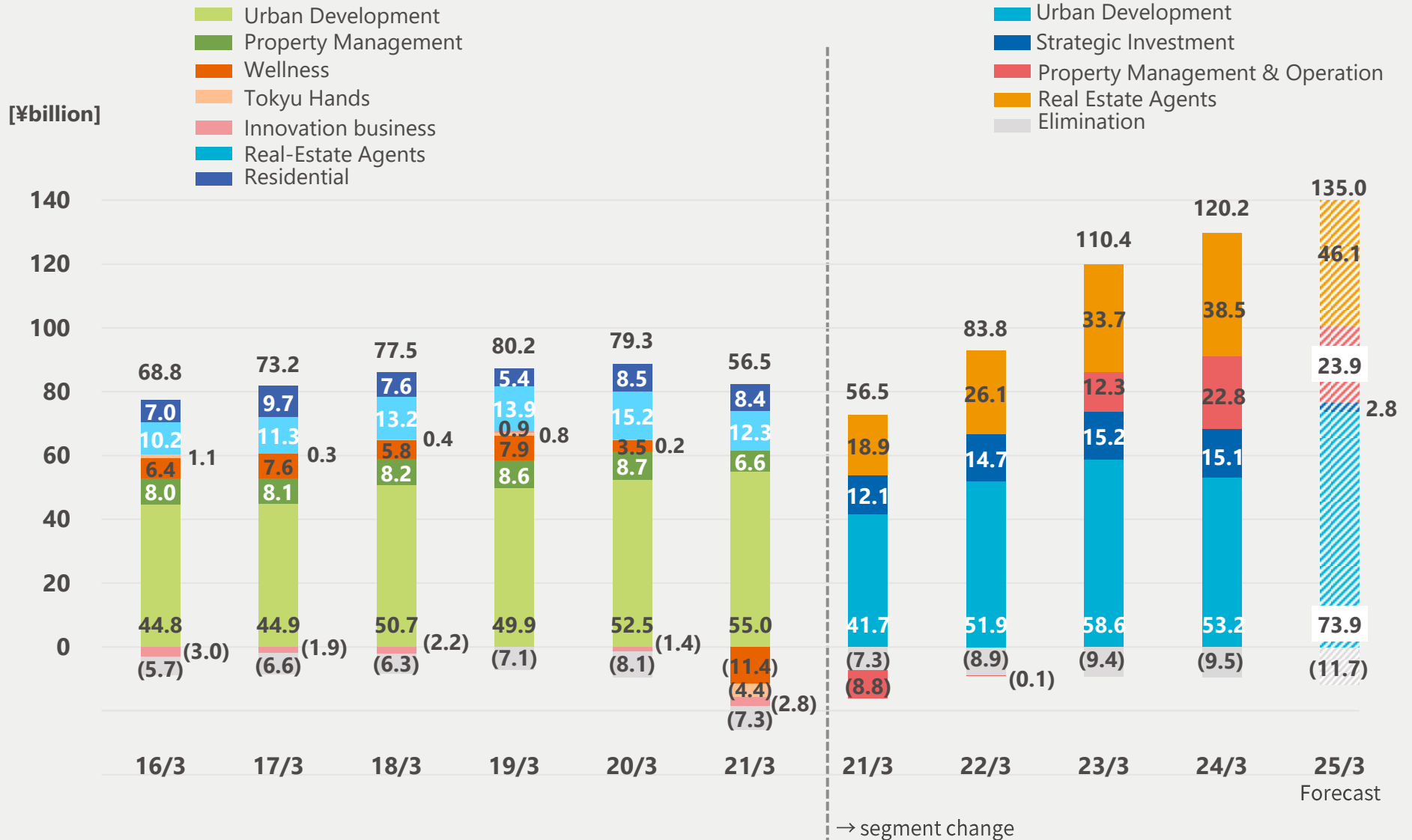
### Real Estate Agents

Leading to a society with a healthy building stock situation

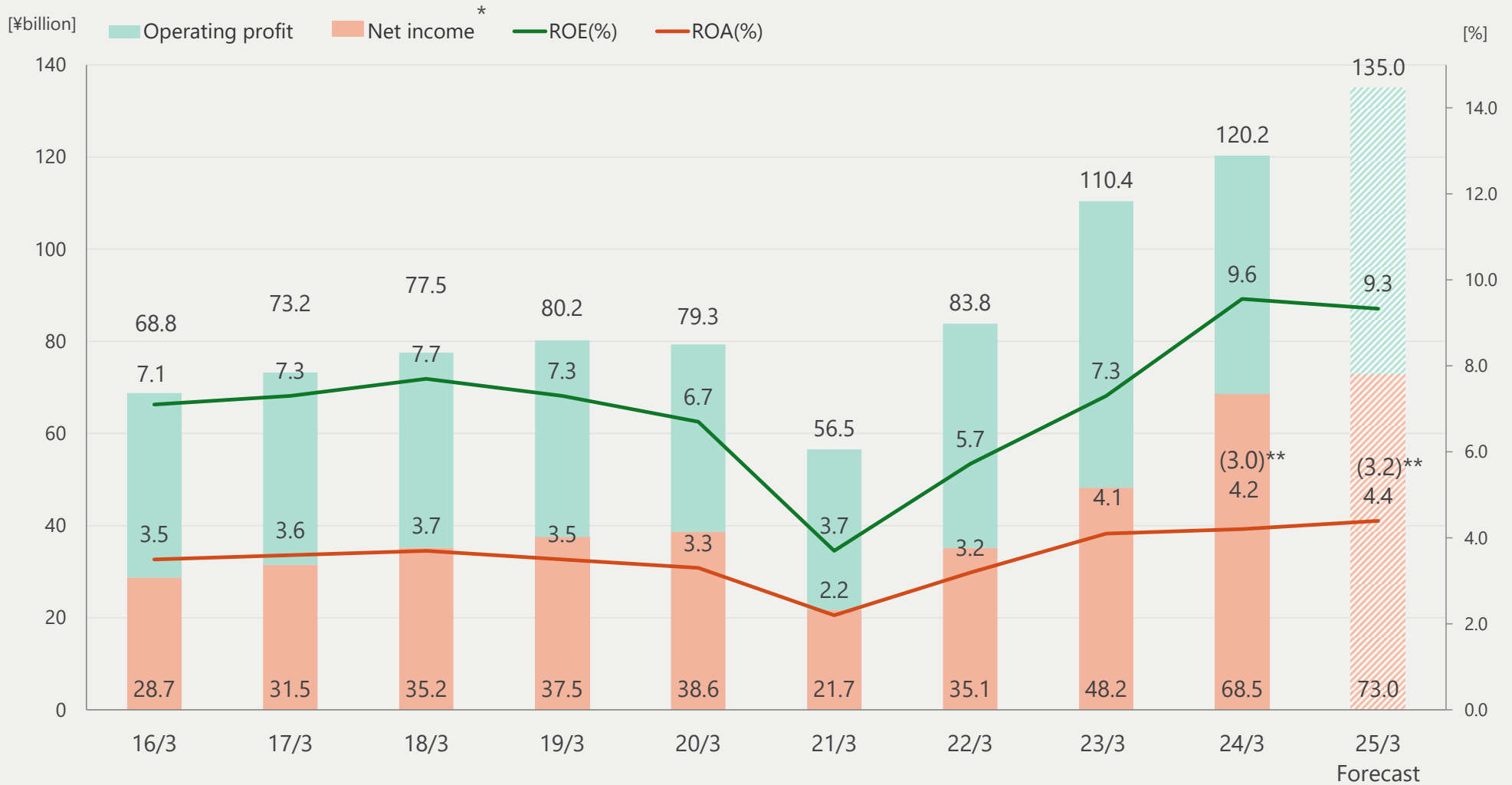
- Real estate agents
- Rental housing services



# Breakdown of Results by Segment



# Trends in business performance



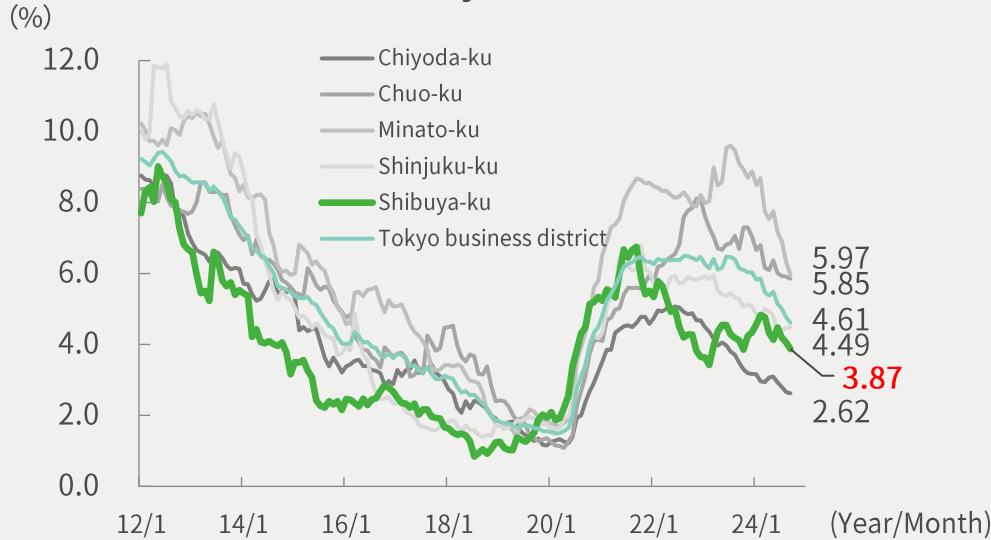
\* 'Net income' indicates 'profit attributable to owners of parent.'

\*\* Figures in parentheses are ROA of Asset-utilizing business

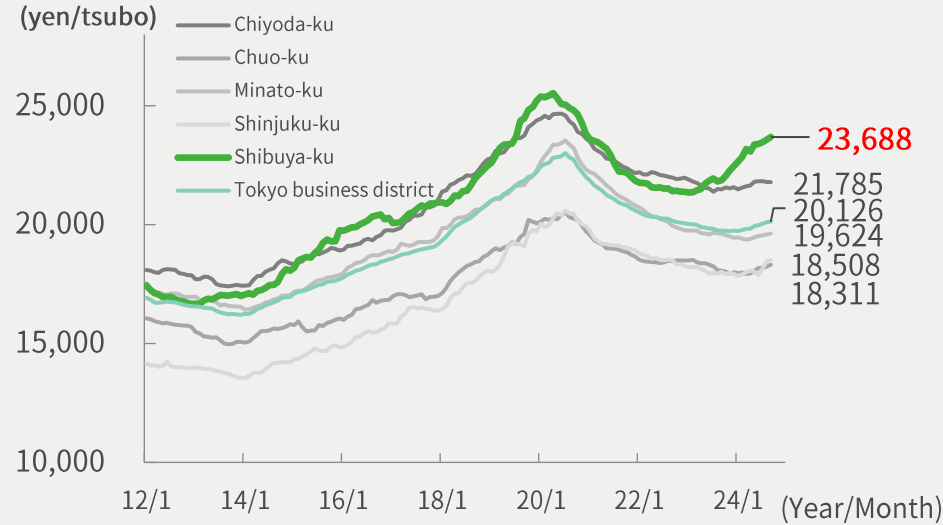
# Office Market

Average rents are on an upward trend in Shibuya-ku due to a tight supply-demand balance.

## 〈Vacancy rate〉

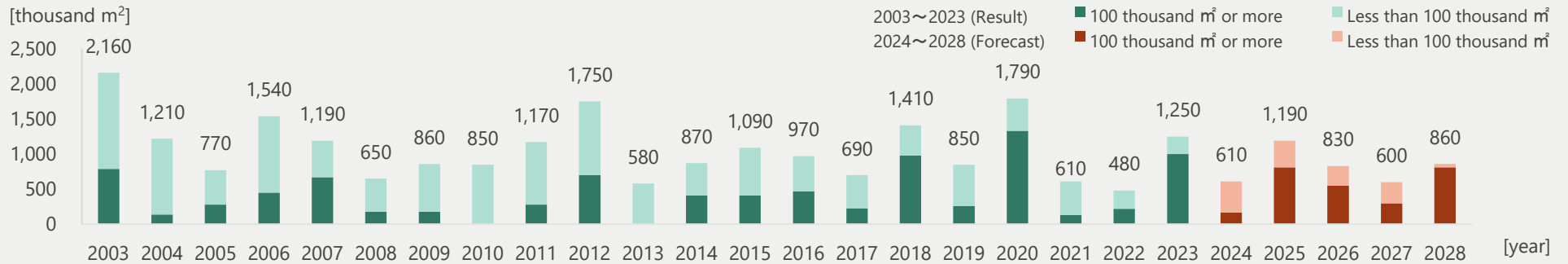


## 〈Average rent〉



\*Vacancy rate and Average rent are both as of the end of September 2024  
Source : Miki Shoji Co., Ltd

## 〈New office supply〉



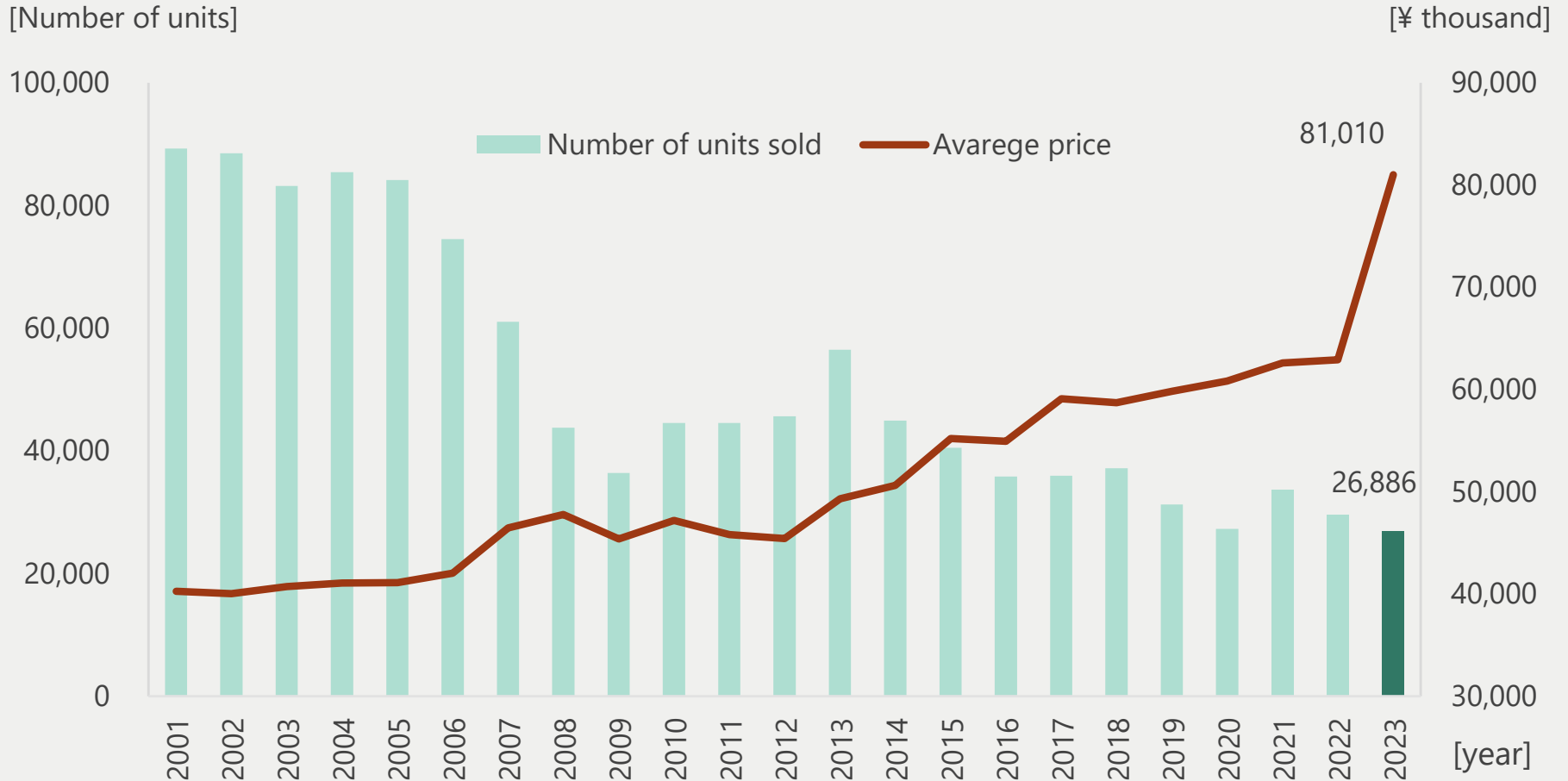
Source : Mori Building Co., Ltd.



## Condominiums for Sale Market

The number of units supplied remains stable at a low level, while the average price greatly exceeded the previous record high.

### 〈New condominiums sold in the Tokyo metropolitan area and average price〉

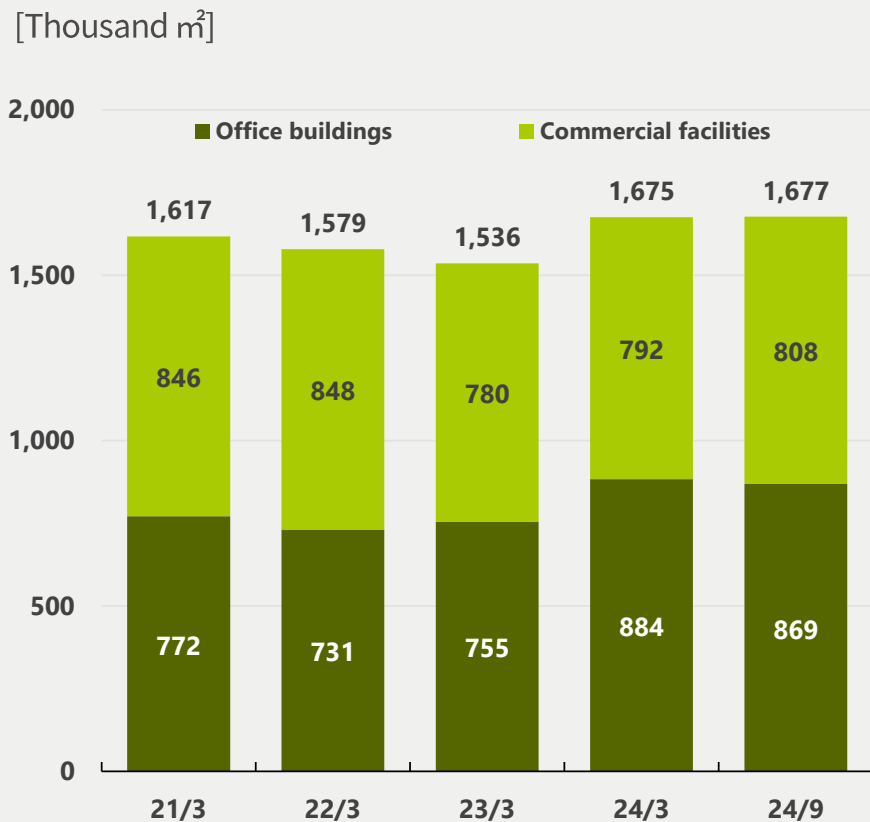


Source: Real Estate Economic Institute CO.,LTD

# Trends in Total Floor Area of Office and Commercial Facilities and Characteristics of Commercial Facilities

Developing commercial facilities in convenient areas, primarily in the Tokyo metropolitan area and the Kansai area

## 〈Total floor area Trends〉

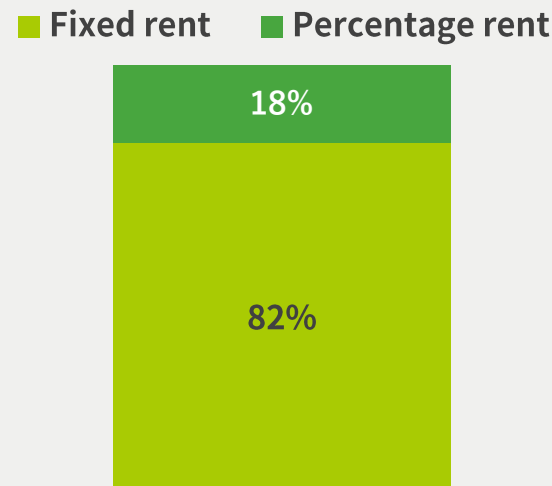
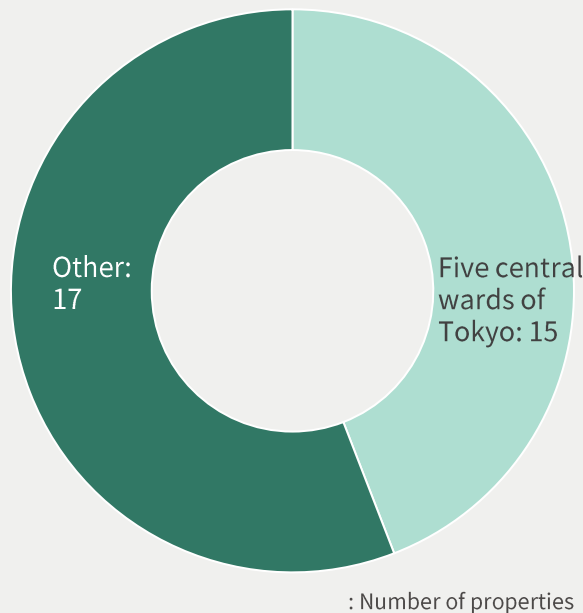


## 〈Features of our commercial facilities〉

Developing in commercially busy areas, primarily in the five central wards of Tokyo

A high percentage of fixed rent leads to stable rent income

\*As of the end of March 2024



\* A survey on major commercial facilities of the Group

# Major office buildings









Own 44 buildings mainly in 4 central wards of Tokyo

		Area	No. of buildings	Major properties[Building]	Year built	Total floor space *	Remarks		
Tokyo Metropolitan area	Shibuya-ku		22	Shibuya Dogenzaka Tokyu	1983	13	 Ebisu Business Tower	 Shibuya Minami Tokyu	 TOKYO PORTCITY TAKESHIBA
				Unosawa Tokyu	1984	15			
				Shibuya Shin-Minamiguchi	2000	7			
				Ebisu Business Tower	2003	23			
				Shibuya Square	2004	13			
				Shibuya Minami Tokyu	2005	20			
				Shibuya Place	2009	4			
				Shibuya Solasta	2019	44			
				Shibuya Fukuras	2019	53			
				Shibuya Sakura Stage and other	2023	141			
	Minato-ku		10	Hamamatsucho Square	2004	24	 Hamamatsucho Square	 Shimbashi Tokyu	 Shin-Aoyama Tokyu
				Shinagawa Tokyu	2007	21			
				Shimbashi Tokyu	2008	15			
				Spline Aoyama Tokyu	2012	8			
				Shin-Aoyama Tokyu	2015	10			
				TOKYO PORTCITY TAKESHIBA and other	2020	162			
	Chiyoda-ku		4	Sanban-cho Tokyu	2001	12	 Ichibancho Tokyu	 Uchisaiwaicho Tokyu	 Sanbancho Tokyu
				Ichiban-cho Tokyu	2002	20			
				Uchisaiwaicho Tokyu	2006	14			
				KUDAN-KAIKAN TERRACE	2022	68			
	Cyo-ku		5	St. Luke's Tower	1994	14	 Nihombashi Maruzen Tokyu	 Nihombashi Front	 Shin-Meguro Tokyu
				Nihombashi hon-cho Tokyu	2004	12			
Nihombashi Maruzen Tokyu				2006	17				
Nihombashi Front and other				2008	29				
Other		2	Yotsuya broadcasting center	1994	4				
			Shin-Meguro Tokyu	2012	22				
Kansai			1	Shinsaibashi Tokyu	1982	11			

\* (thousand m<sup>2</sup>): Total floor space is after conversion for ownership share (including the leased area).

# Major commercial facilities

The Group operates 23 locations in the Tokyo area and 9 locations in Kansai and other regions

Area	No. of facilities	Major properties [Commercial facilities]	Year built	Total floor space *	Remarks
Tokyo Metropolitan area	23	Tokyu Plaza Kamata	1968	28	 Tokyu Plaza Omotesando "Omokado"  Abeno Q'sMALL  Q Plaza Futakotamagawa  Minoh Q'sMALL  Tokyu Plaza Totsuka  Amagasaki Q'sMALL  DECKS Tokyo Beach  Morinomiya Q's MALL BASE
		Shibuya B E A M	1992	7	
		DECKS Tokyo Beach	1997	35	
		Glassarea Aoyama	2002	2	
		Northport Mall	2007	141	
		Tokyu Plaza Totsuka	2010	12	
		Tokyu Plaza Omotesando "Omokado"	2012	3	
		Q Plaza Harajuku	2015	3	
		Market Square Kawasaki East**	2016	30	
		Q Plaza Futakotamagawa	2017	3	
		Tokyu Plaza Shibuya***	2019	53	
		Shibuya Sakura Stage	2023	17	
		Forestgate Daikanyama	2023	7	
Tokyu Plaza Harajuku "Harakado" and other	2024	20			
Kansai and Other areas	9	Market Square Nakayamadera	2003	22	
		Minoh Q'sMALL	2003	37	
		Market Square SASASHIMA	2005	19	
		Amagasaki Q'sMALL	2009	164	
		Abeno Q'sMALL	2011	123	
		Tokyu Plaza Shinnagata**	2013	10	
		Morinomiya Q's MALL BASE	2015	25	
		COCONO SUSUKINO and other	2023	28	

\* (thousand m<sup>2</sup>) : Total floor space is after conversion for ownership share (including the leased area).

\*\* Sublease

\*\*\* Described the total floor area as Shibuya Fukuras

# Major operating facilities

The Group operates 69 hotels, 9,247 rooms

	Number of facilities	Number of rooms	Name of facilities
<b>TOKYU Harvest Club</b> (VIALA annex is not included in the total number of facilities)	28	2,760	VIALA annex Kyoto Takagamine VIALA Karuizawa Retreat VIALA Kinugawa Keisui Atami Izusan Hamanako Nasu Retreat RESERVE Kyoto Higashiyama Yamanakako Mount Fuji and other
<b>Tokyu Stay (Hotel)</b>	31	5,180	MERCURE OSAKA NAMBA Shinjuku Sapporo Shibuya Nihombashi Ginza Okinawa Naha Kanazawa and other
<b>Resort Hotel</b>	10	1,307	Hyatt Regency Seragaki Island Okinawa Palau Pacific Resort ROKU KYOTO, LXR Hotels & Resorts nol kyoto sanjo and other
<b>Ski resorts</b>	5	—	NISEKO TOKYU Grand HIRAFU Tateshina Tokyu Ski Resort and other
<b>Golf courses</b>	13	—	Kiminomori Golf Club NASU KOKUSAI COUNTRY CLUB Katsuura Tokyu Golf Course Amagikogen Golf Course Tateshina Tokyu Golf Course and other
<b>Senior housing</b>	18	2,246	Grancreeer Tsunashima Grancreeer Bajikoen Grancreeer HARUMI FLAG Grancreeer Aobadai and other



TOKYU Harvest Club  
VIALA annex Kyoto Takagamine



TOKYU Harvest Club  
VIALA Karuizawa Retreat



Tokyu Stay  
MERCURE OSAKA NAMBA



Hyatt Regency  
Seragaki Island Okinawa



Palau Pacific Resort



ROKU KYOTO,  
LXR Hotels & Resorts



NISEKO TOKYU Grand HIRAFU



Grancreeer Tsunashima

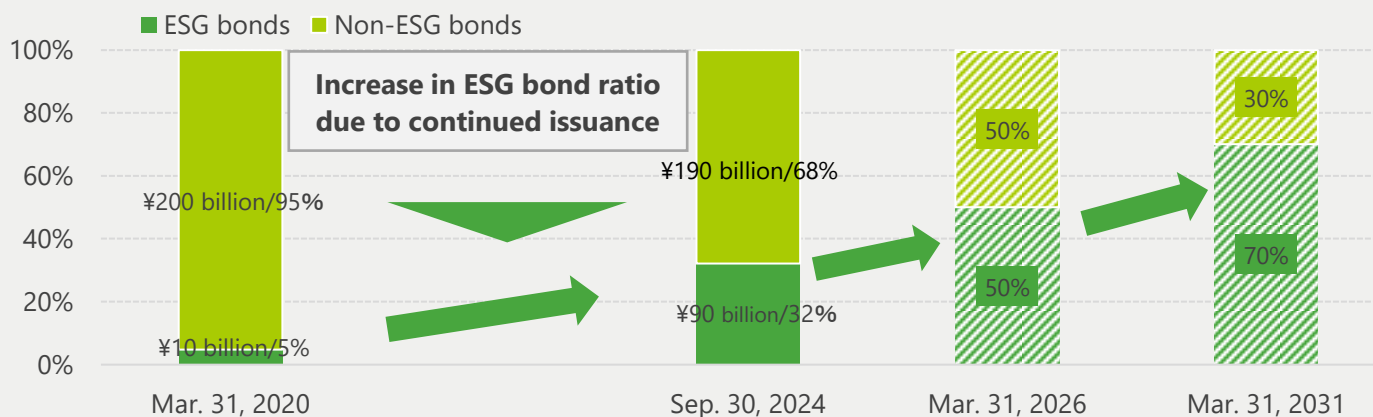
## Formulation of bond policy

Aiming to realize a sustainable society and growth through the continuous issuance of ESG bonds, we established Japan's first long-term issuance policy for ESG bonds.

### 〈Outline of the Bond Policy〉

Name	WE ARE GREEN Bond Policy
Purpose	<ul style="list-style-type: none"> <li>- We will obtain the comprehensive and continual understanding and approval of the Group's ESG initiatives from bond investors.</li> <li>- We will consistently provide bond investors with opportunities to invest in ESG bonds and will expand our financing base through ESG bonds.</li> </ul>
Target	The ratio of ESG bonds to the outstanding bonds of the Company <ul style="list-style-type: none"> <li>- End of FY2025: 50% or more</li> <li>- End of FY2030: 70% or more</li> </ul>
Deepening engagement	We will hold WE ARE GREEN Bond Policy Meetings <ul style="list-style-type: none"> <li>- Disseminate the Group's ESG initiatives and the progress/status of ESG bonds.</li> <li>- Collect opinions from participants and make the most of them for the Group's ESG initiatives.</li> </ul>
Types of ESG bonds	Green bonds, social bonds, sustainability bonds, sustainability-linked bonds (plan)

### 〈ESG bond ratio Trends〉



# Overview of the Medium-term management plan 2025



## | Positioning of Medium-term management plan 2025 |

Medium-term management plan has been positioned as the restructuring phase of our long-term management policy. During the plan period, we will work realizing efficiency with a view to returning to growth in the pos-COVID-19 period.

### GROUP VISION 2030 Create value for the future

Realizing a future where everyone can be themselves and shine vigorously

2021-2025

Long-term management policy: Restructuring phase

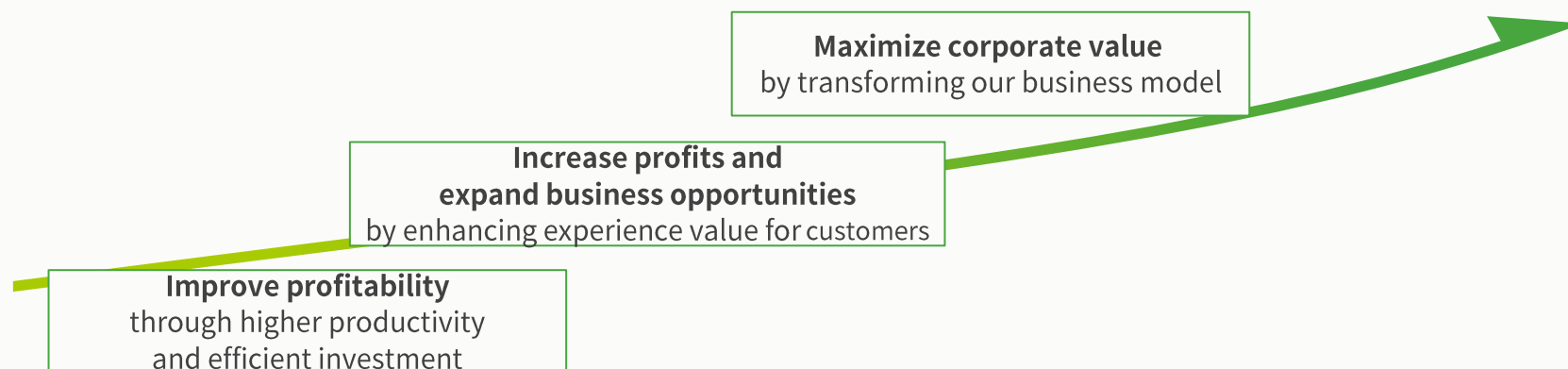
2026-2030

Long-term management policy: Resilience phase

Improve earning power and efficiency for the post-COVID-19 period in order to achieve renewed growth

Build a solid and distinctive business portfolio

## Medium-Term Management Plan 2025

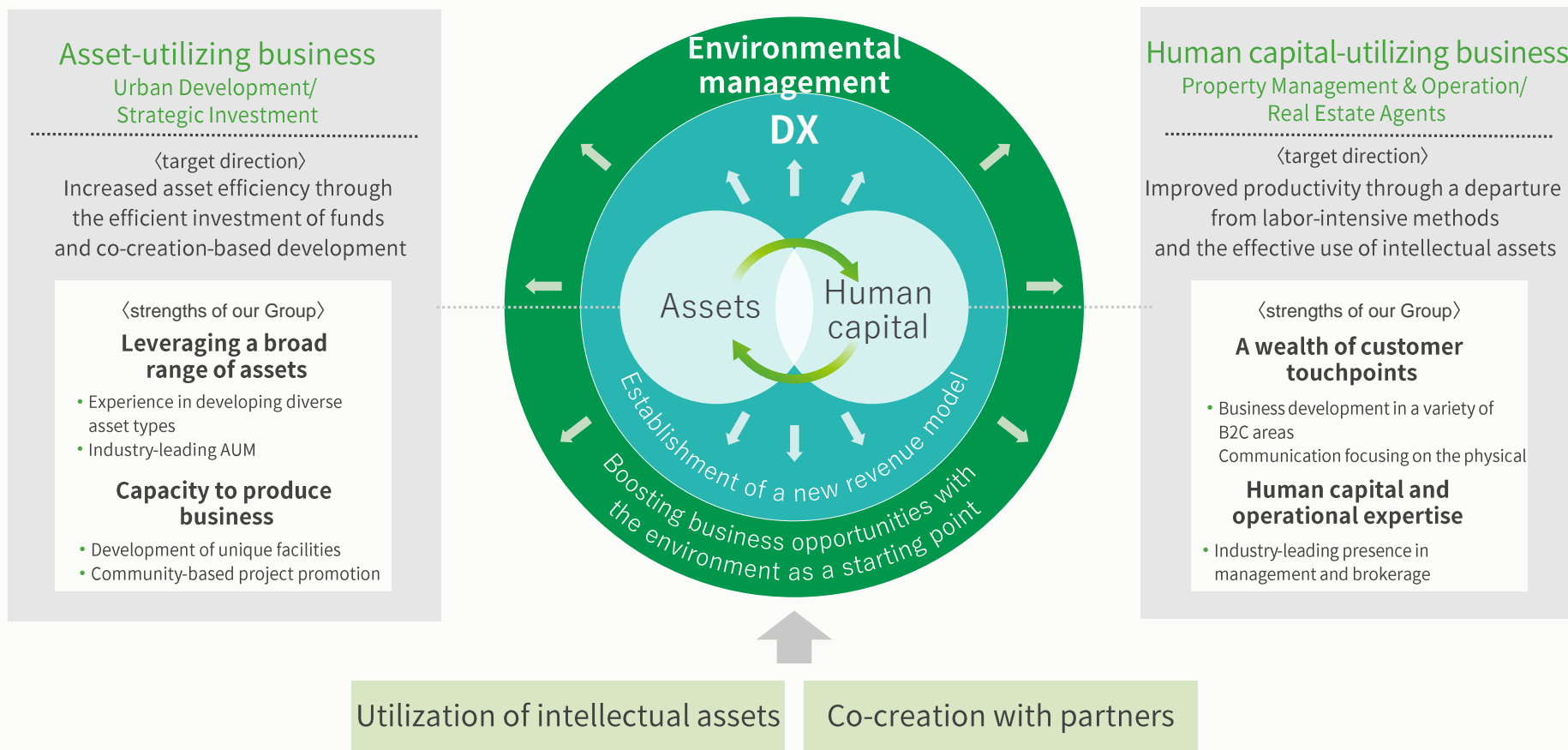




# Outline of the medium-term management plan

Combine Environmental management and DX to our Group's strengths to create unique value.

## Creating unique value through environmental management and DX



# Target Indicators for Fiscal 2025

Aim to achieve target indicators that integrate financial and non-financial data based on materialities.

## Primary Targets for Each Materiality\*1



Lifestyle

Customer satisfaction  
level\*2

**90% or more**



Liveable City

Community  
Revitalization  
measures

**50 cases or  
more**



Environment

CO<sub>2</sub> emissions or  
GHG (CO<sub>2</sub>)  
emissions\*3

**-50% or more**  
(versus fiscal 2019)



DX

Number of initiatives  
for digital utilization

**50 cases or  
more**



Human Capital

Ratio of childcare  
leave taken by male  
employees

**100%**



Governance

Improvement of  
effectiveness of the  
Board of Directors  
(Third-party  
evaluation)

**100%**

### Efficiency

**ROE**  
**9%**

**ROA**  
**4%**

**EPS**  
**¥ 90 or more**

### Profit targets

**Operating profit**  
**¥ 120 billion**

**Net profit**  
**¥ 65 billion\*4**

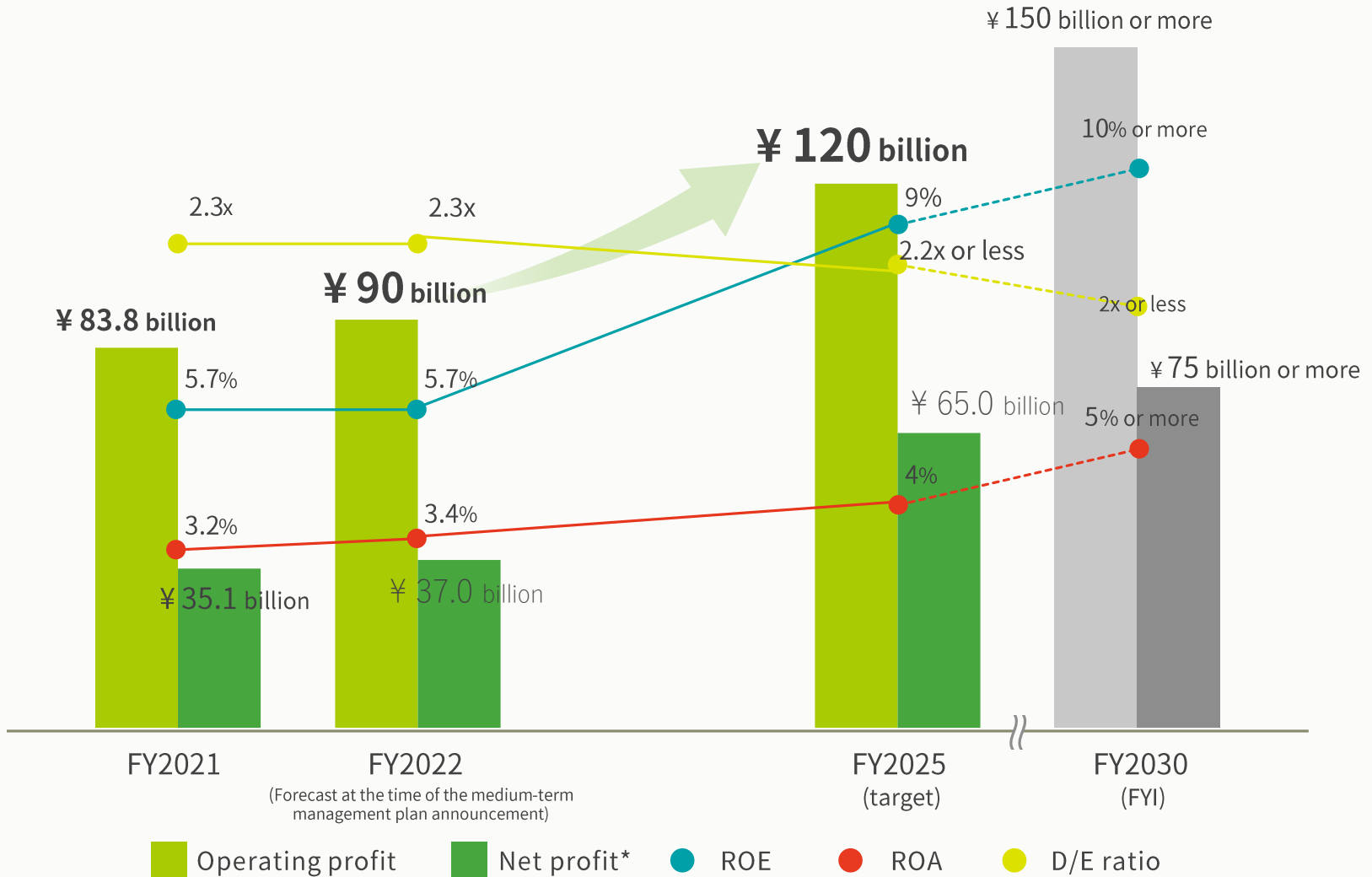
### Financial soundness

**D/E ratio**  
**2.2x or  
less**  
**EBITDA  
multiple**  
**10x or less**

\*1: Detailed targets are stated on p. 34. \*2: Tokyu Cosmos Members Club questionnaire \*3: Scope 1 & 2 under SBT certification \*4: Profit attributable to owners of parent

# Transitions in Target Indicators (financial indicators)

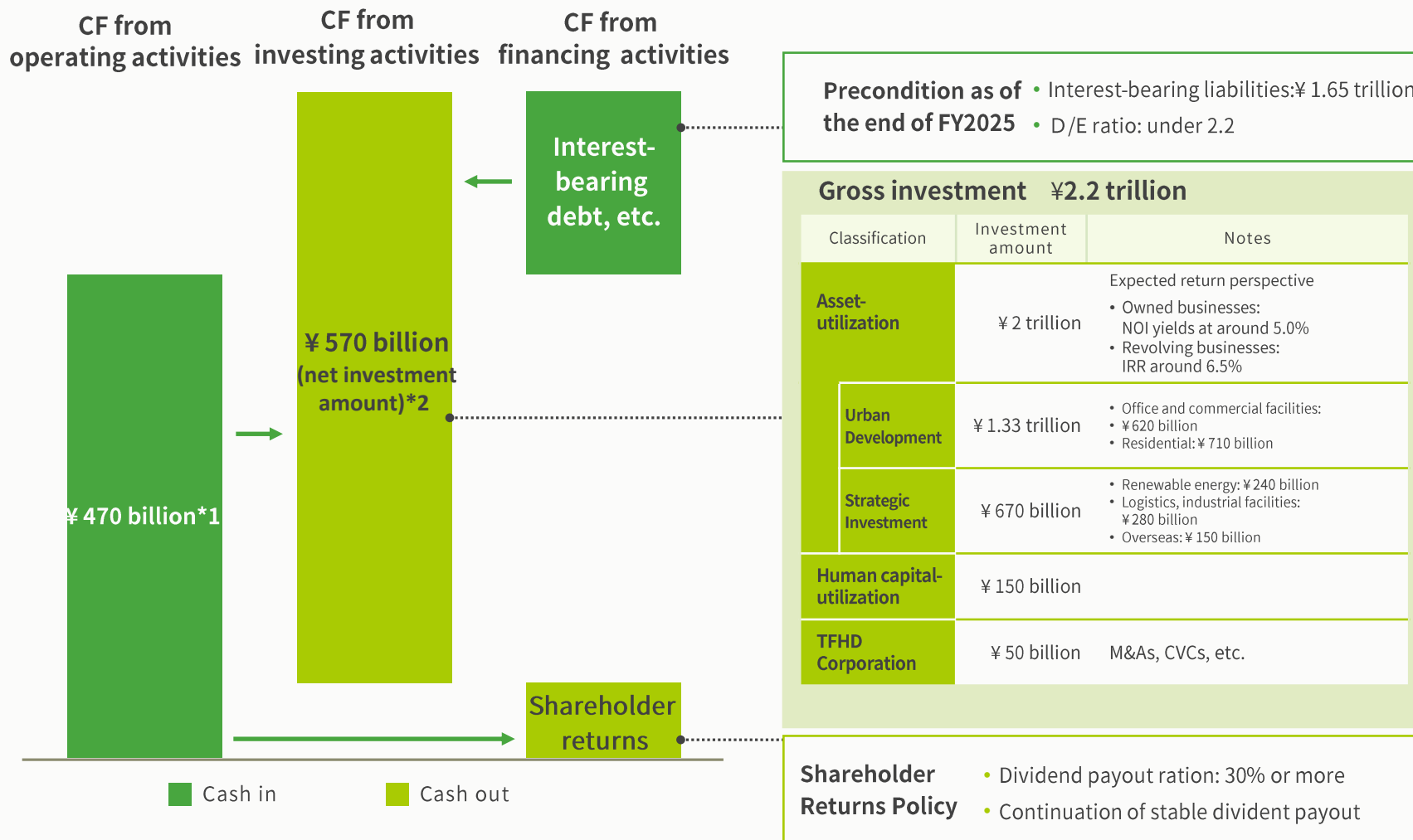
Aim for profit growth and efficiency improvement toward FY2025 through our business restructuring during the first half of the plan and the start of operations with our large-scale development properties.



\* Profit attributable to owners of parent.

# Capital Allocation

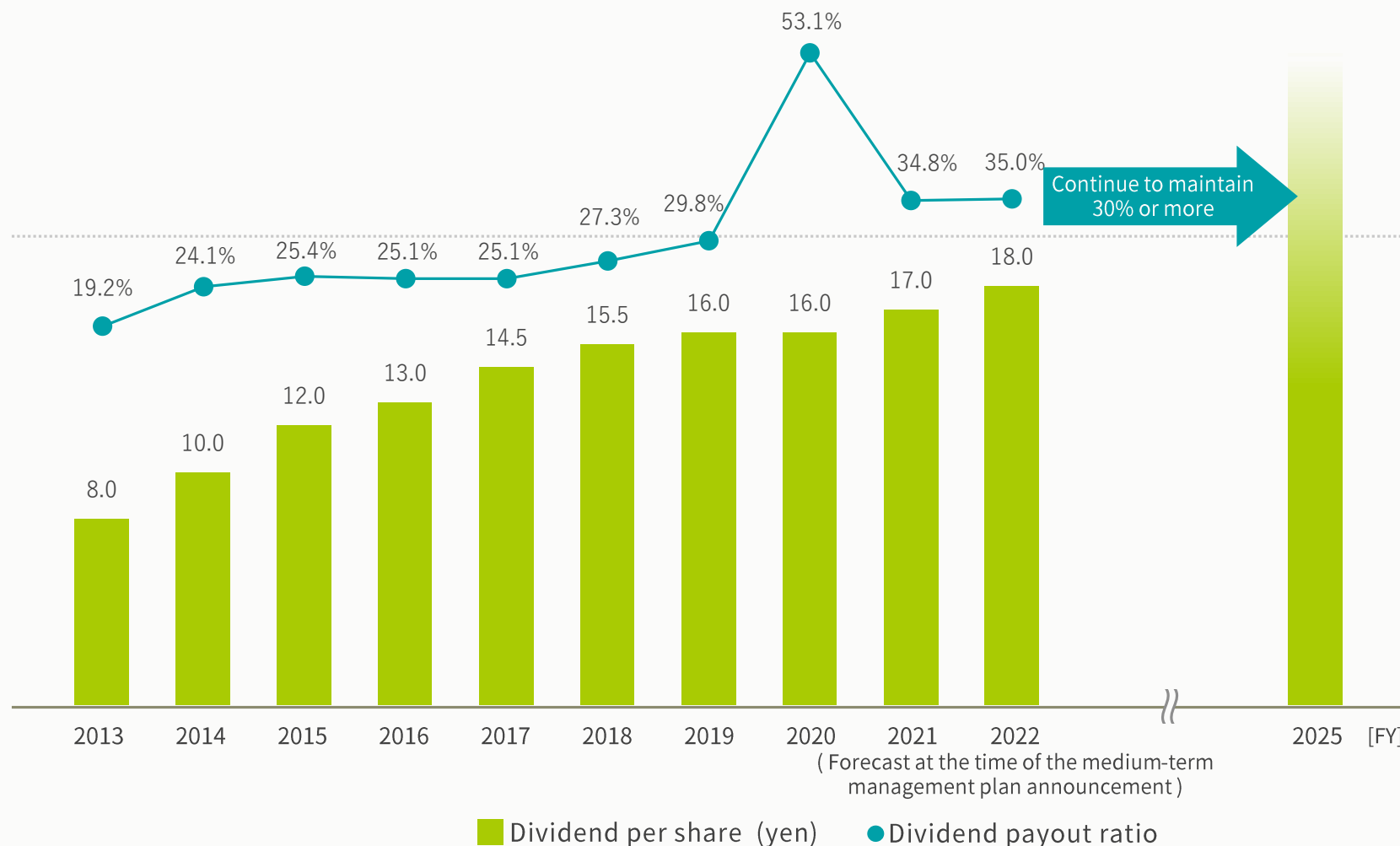
With a D/E ratio under 2.2x at the end of FY2025 as a precondition, we plan net investments at 570 billion yen (FY2021-FY2025.)



\*1: Net income for the period + amortization expenses   \*2: Includes inventory investment

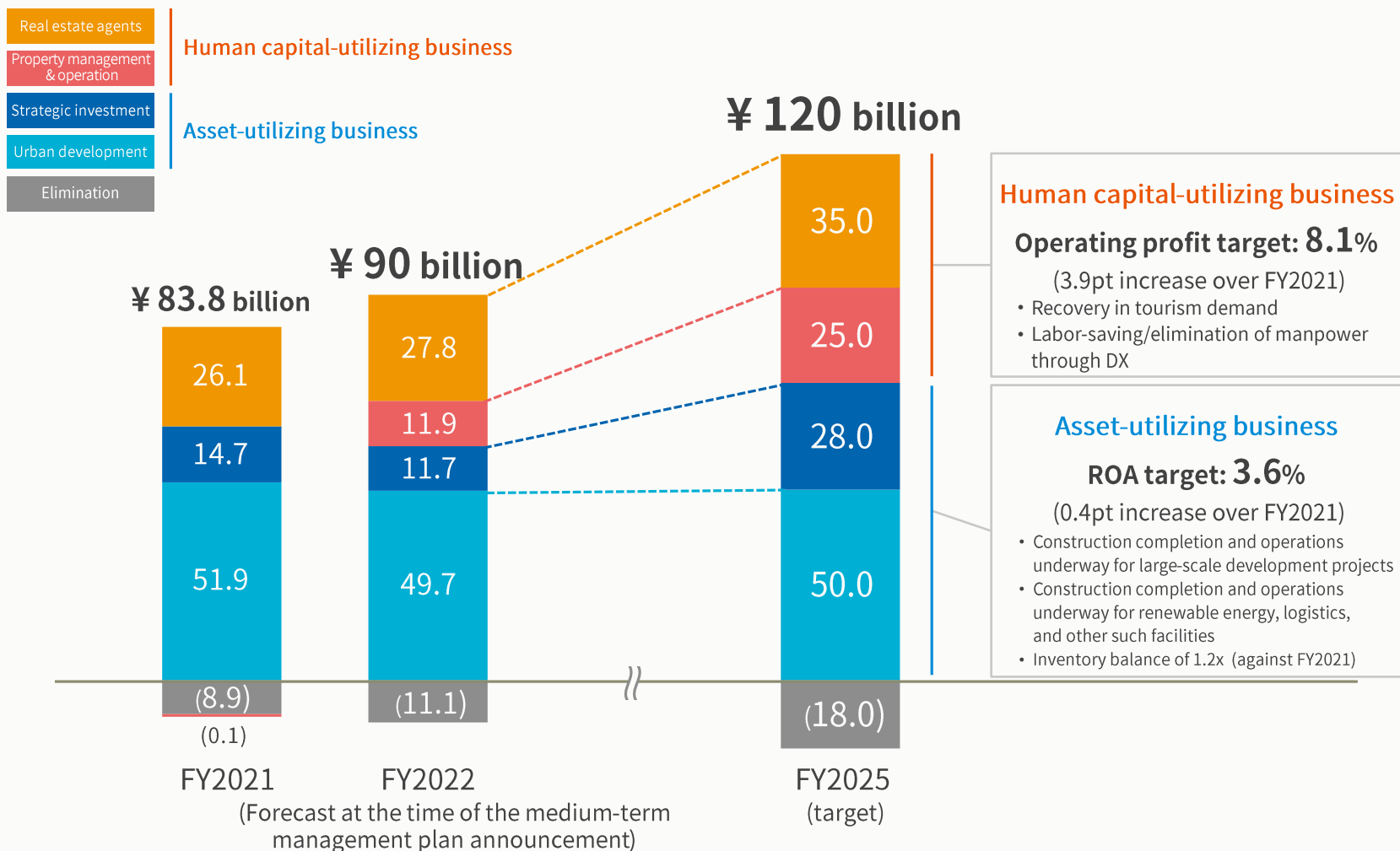
## Shareholder Returns Strategy

Increase EPS through reinvestment in growth and maintain a stable dividend payout ratio of 30% or more for the time being.



# Transitions in Operating Profit by Business Segment

Management and operations needs from a recovery in tourism demand and strategic investments to boost infrastructure and industry-related businesses will lead profit growth.



# Operating Profit by Business Segment (by business division)

Reprint of  
Presentation Materials  
in May 2022

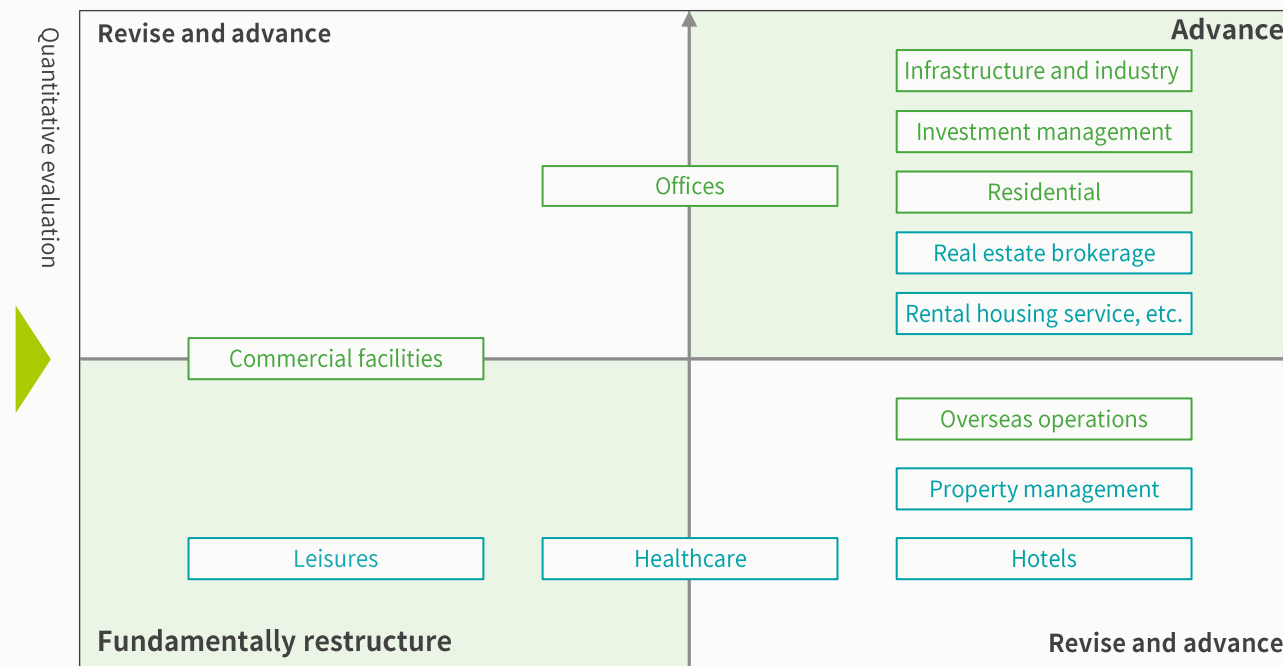
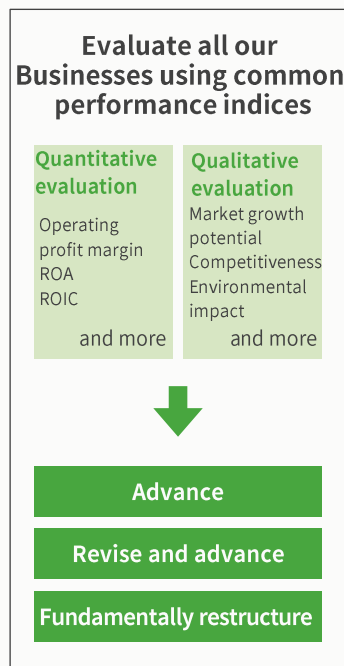
	FY2021	FY2022 (Forecast at the time of the medium-term management plan announcement)	FY2025 (target)
	¥83.8 billion	¥90.0 billion	¥120.0 billion
<b>Urban Development</b>	<b>51.9</b>	<b>49.7</b>	<b>50.0</b>
Office and commercial facility* (profit on sales from above)	43.1 [22.8]	44.7 [approx. 27.0]	40.0 [approx. 18.0]
Residential*	8.9	5.0	10.0
<b>Strategic Investment</b>	<b>14.7</b>	<b>11.7</b>	<b>28.0</b>
Infrastructure and industry*	9.0	10.5	20.0
Investment management business*	5.5	5.3	7.0
Overseas operations*	0.2	(4.0)	1.0
<b>Property Management &amp; Operation</b>	<b>(0.1)</b>	<b>11.9</b>	<b>25.0</b>
Property management*	7.9	11.0	14.5
Wellness*	(5.3)	0.3	10.0
Environmental and greening management*	0.8	0.5	0.5
Tokyu Hands business*	(4.0)	-	-
<b>Real Estate Agents</b>	<b>26.1</b>	<b>27.8</b>	<b>35.0</b>
Real estate brokerage*	21.1	22.7	27.0
Rental housing service, etc.	4.7	5.1	8.0
<b>Elimination</b>	<b>(8.9)</b>	<b>(11.1)</b>	<b>(18.0)</b>

\*Operating profits indicated above are referential values before consolidation processing.

# Business Portfolio Management (at the time of the medium-term management plan announcement)

In the plan, portfolio management is conducted by assessing all businesses along two axes, qualitative and quantitative evaluations. Our goal is to realize the transformation and growth of each business.

■ Asset-utilizing business ■ Human capital-utilizing business



\*Quantitative evaluations based on FY2020 results; qualitative evaluations expected to be based on period through mid 2020.

Qualitative evaluation

## Directions for businesses requiring for fundamentally restructuring

Tokyu Hands business → Transferred all shares to a new business partner (March 2022)

Leisure business → Promote steps to become asset-light based on TCFD scenarios, etc.

Healthcare business → Fundamentally restructure the fitness business with a focus on store operations due to expectations of a limited recovery in the number of members in the post-COVID-19 period.

Commercial facilities business → Shift focus of facilities to those that meet customer needs for experience-based/emphatic consumption amid developments in e-commerce; to promote changes in our portfolio.



*WE ARE GREEN*



***TOKYU FUDOSAN HOLDINGS***