

# Financial Highlights

## FY2024 Third Quarter (First Nine Months)

### Ended December 31, 2024

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February 7, 2025



I will now explain the overview of the financial results for the third quarter of the fiscal year ending March 2025.  
Please proceed to page 4.

**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.**

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## | Highlights |

Topics	Contents
Financial results for the Q3 under review	Operating profit: 87.8 billion yen (YoY +12.5 billion yen) Net profit*: 47.4 billion yen (YoY +2.0 billion yen) Both operating revenue and profits reached record levels for the third quarter, mainly due to strong condominium and real-estate sales agent performance against the backdrop of a robust housing sales market, and strong hotel business performance as a result of rising inbound demand.
Integrated Renewable Japan Co.,Ltd. as a consolidated subsidiary (January 16, 2025)	Carried out a takeover bid (TOB) for Renewable Japan Co.,Ltd., with the aim of strengthening the Renewable Energy Business, and integrated Renewable Japan Co.,Ltd. as a consolidated subsidiary on January 16, 2025. Strengthen the value chain for the Renewable Energy Business through synergies between both companies. Accelerate growth with the aim of being a leading renewable energy business operator in Japan.
Upgrade of Long-term Issuer Rating A (Positive) → A+ (Stable) (January 30, 2025)	The Company's Long-term Issuer Rating obtained from Japan Credit Rating Agency, Ltd. (JCR) was upgraded from A to A+. Strengthening stable sources of earnings such as office building leasing, real estate management, and renewable energy, and improvement of financial structure were highly regarded.

\* Quarterly net profit attributable to owners of parent

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In the third quarter, operating profit of 87.8 billion yen and net profit attributable to owners of the parent of 47.4 billion yen, thanks to strong performance in the condominium sales and brokerage businesses against the backdrop of a robust housing sales market, as well as strong performance in the hotel business due to robust inbound demand, both operating revenue and profits reached record highs for the third quarter.

In January 2025, the TOB for Renewable Japan Co., Ltd. was completed, and the company became a consolidated subsidiary. From now on, we will strengthen the value chain of our renewable energy business and aim for further growth.

In addition, the long-term issuer rating we have received from Japan Credit Rating Agency, Ltd. has been upgraded from A to A+ in recognition of our efforts to strengthen stable revenue sources such as office building leasing, real estate management, and renewable energy, as well as our improved financial structure.

Please go to page 15.

## **Progress of Medium-Term Management Plan and Initiatives to Enhance Corporate Value**

## Progress of Medium-Term Management Plan (Financial Targets) ①

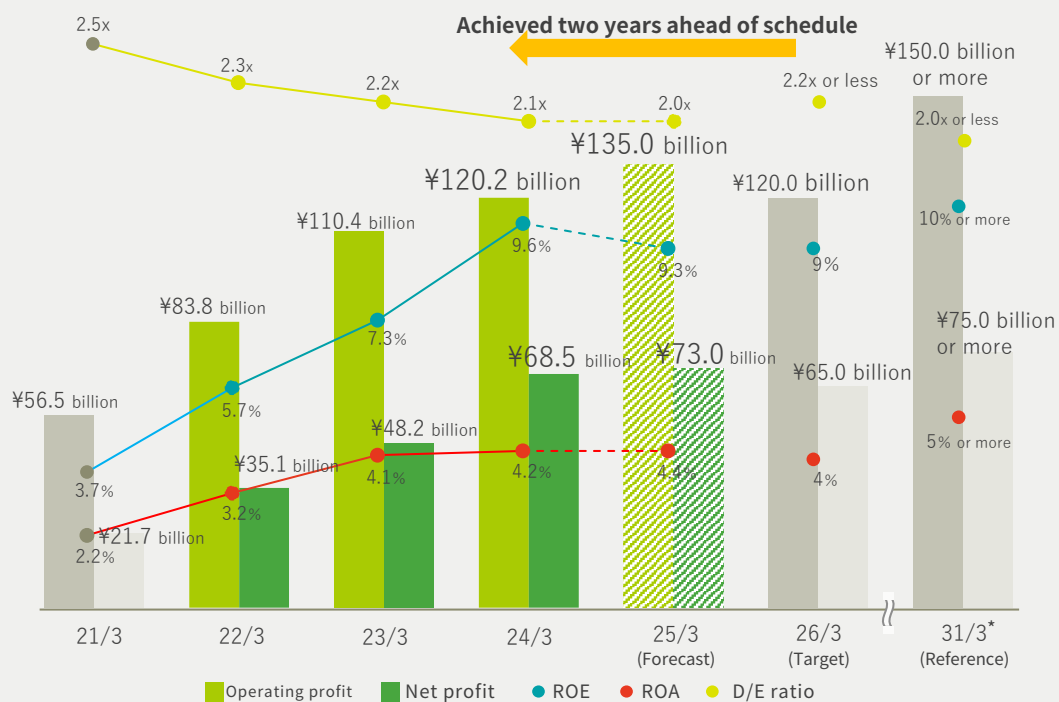
Achieved all financial targets for the medium-term management plan ending FY2025 **two years ahead of schedule**.

	FY2022 (Result)	FY2023 (Result)	FY2024 (Initial forecast) (Latest forecast)		FY2025 (Target)
Efficiency	ROE	7.3%	9.6%	9.0% ▶ 9.3%	9%
	ROA	4.1%	4.2%	4.2% ▶ 4.4%	4%
	EPS	¥67.21	¥96.40	¥98.27 ▶ ¥102.39	¥90 or more
Profit targets	Operating profit	¥110.4 billion	¥120.2 billion	¥130 billion ▶ ¥135 billion	¥120 billion
	Net profit*	¥48.2 billion	¥68.5 billion	¥70 billion ▶ ¥73 billion	¥65 billion
Financial soundness	D/E ratio	2.2x	2.1x	2.1x ▶ 2.0x	2.2x or less
	EBITDA multiple	9.3x	9.4x	9.4x ▶ 8.7x	10x or less
Asset-utilizing business** ROA	3.5%	3.0%	3.1% ▶ 3.2%	3.6%	
Human capital-utilizing business** operating profit margin	7.7%	9.3%	9.8% ▶ 10.2%	8.1%	

\* Profit attributable to owners of parent

\*\* Asset-utilizing business: Urban Development and Strategic Investment business  
Human capital-utilizing business: Property Management & Operation and Real Estate Agents business

## Progress of Medium-Term Management Plan (Financial Targets) ②



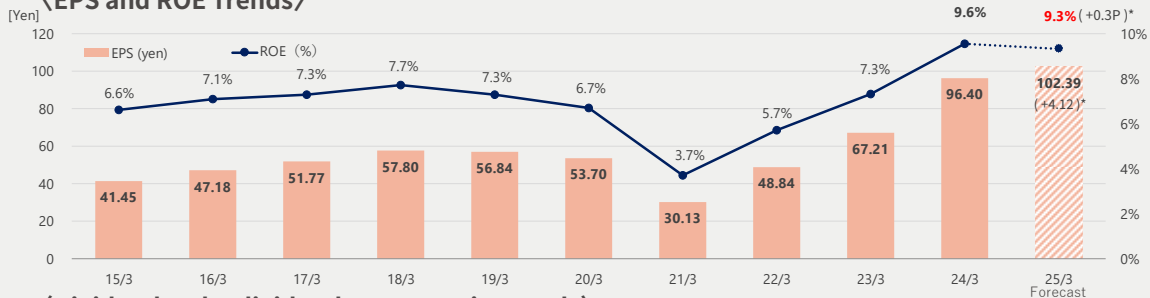
\* Scheduled for review in the next medium-term management plan (to be announced May 2025)

## Shareholder Return

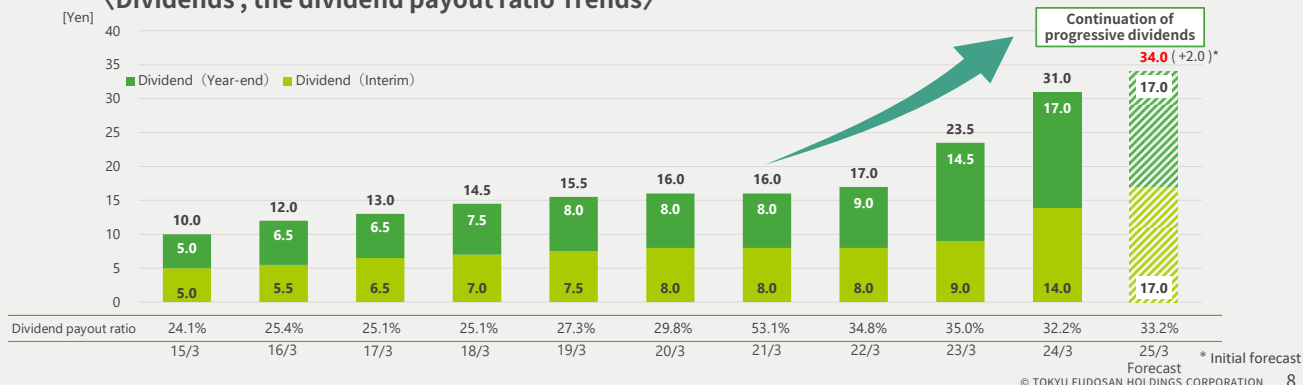
Shareholder return policy: Payout ratio of 30% or more and maintain stable dividends

Annual dividend: Revised to 34.0 yen for the year ending March 2025 (+2.0 yen compared to the initial forecast, +3.0 yen compared to the previous year), with progressive dividend payments to be continued

### 〈EPS and ROE Trends〉



### 〈Dividends, the dividend payout ratio Trends〉

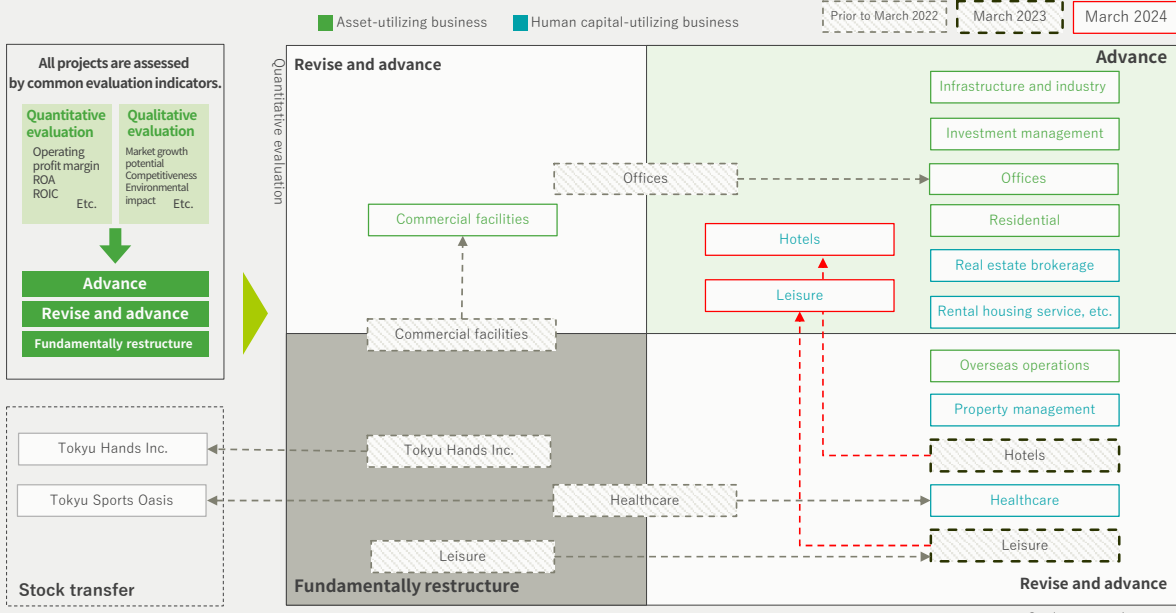




# Progress in business portfolio management (FY2021-FY2023)

Reprint of Presentation Materials of FY2023

Structural reforms of businesses that require fundamentally restructure was completed, with significant profit improvement in the hotel and leisure businesses.



\* Quantitative evaluation is assumed to be done by the end of FY2023 and the Budget of FY2024, and qualitative evaluation is assumed to be done by the mid-2020s.

## Progress in business portfolio management② (from FY2024) |

Reprint of  
Presentation Materials  
of FY2024 Q1

For the businesses identified for “revise and advance”, continue to drive transformation and growth, focusing on improving efficiency.

### Business

### Business policies and Initiatives

#### Commercial facilities

While continuing to monitor the impact of decreased tenant interest in opening new stores due to labor shortages etc., **promote the maximization of business value in new facilities opening mainly in the Greater Shibuya Area.**

#### Overseas operations

While closely monitoring the impacts of U.S. policy interest rates and the presidential election, **review existing businesses to reduce business risks and promote initiatives to improve profitability.**

#### Property management

Shift from "quantity" to "quality" and expand business domains, rather than profit growth through stock expansion. **Improve productivity and profitability and expand business domains** by improving quality.

#### Healthcare

**Made the decision to transfer all shares** of the Tokyu Sports Oasis fitness business **to industry leader Renaissance Incorporated** on March 31, 2024. In the senior housing business, strengthen development and operating capabilities through a business alliance with Charm Care Corporation.

## Regarding the next medium-term management plan

The initial year of the next medium-term management plan has been moved up one year to FY2025, and it is to be scheduled to announce in May 2025.

### GROUP VISION 2030 Create value for the future

2021-2024

Long-term management policy:  
Restructuring phase

2025-2030

Long-term management policy: Resilience phase

\*The initial year of the next medium-term management plan has been move up to FY2025.

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

Medium-Term  
Management Plan 2025



Build a solid and distinctive business portfolio

## The next Medium-Term Management Plan

Historical turning point of business environment

- Shrinking domestic population, net inflow into urban centers
- Inflation and High construction costs
- Renewable becomes the main power source(GX promotion)
- Rise in inbound tourism
- Growing gulf in incomes and services
- Normalization of domestic interest rates etc.

#### Key themes of the next medium-term management plan

Into the age of people-gathering being the source of competitiveness

1. Strengthening the competitiveness of international cities (especially in the Greater Shibuya Area)

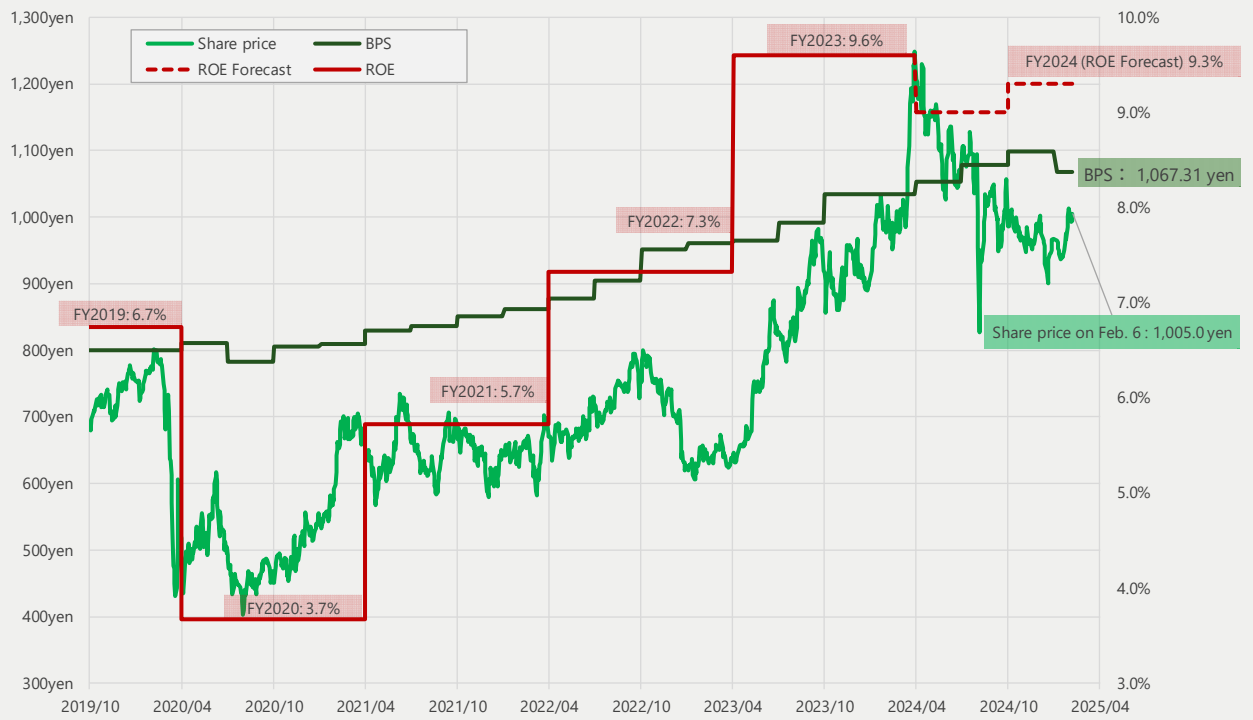
Into the age of sustainable business models

2. Creating added value utilizing regional resources (Renewable energy, resorts, etc.)

Into the age of seeking special, experiences that surpass expectations

Revenue expansion through enhanced value offering

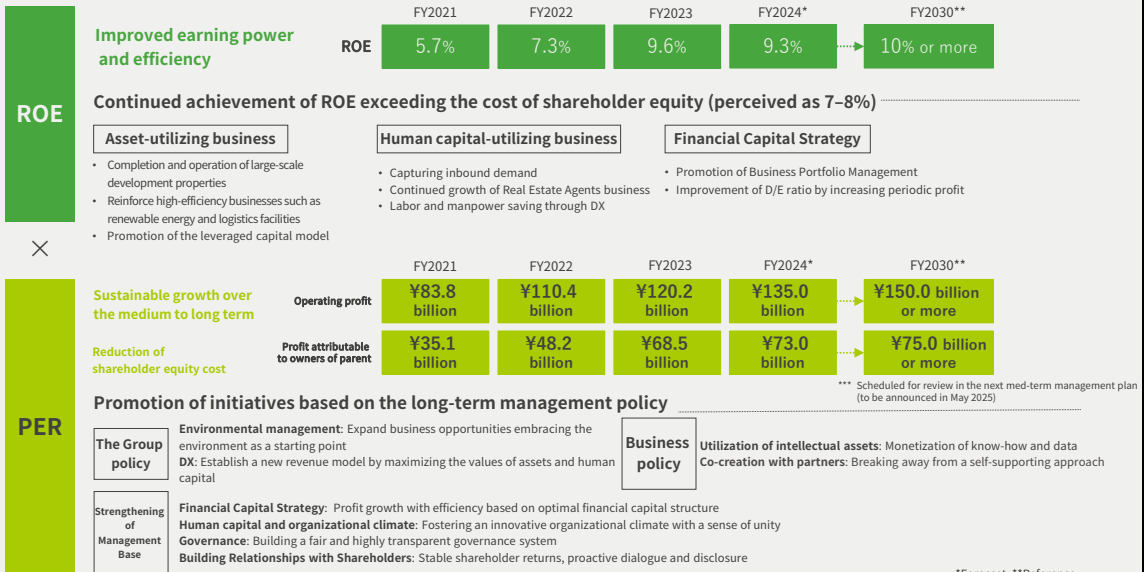
## Changes in Share Price, etc. (October 1, 2019 – February 6, 2025)



## Initiatives to enhance corporate value and market valuation

Aim to enhance corporate value and market evaluation by continuously achieving ROE that exceeds the cost of shareholder equity and promoting initiatives based on the long-term management policy.

$$\text{PBR} \uparrow = \text{ROE} \uparrow \times \text{PER} \uparrow$$



### Improved earning power and efficiency

Continued achievement of ROE exceeding the cost of shareholder equity (perceived as 7-8%)

#### Asset-utilizing business

- Completion and operation of large-scale development properties
- Reinforce high-efficiency businesses such as renewable energy and logistics facilities
- Promotion of the leveraged capital model

#### Human capital-utilizing business

- Capturing inbound demand
- Continued growth of Real Estate Agents business
- Labor and manpower saving through DX

#### Financial Capital Strategy

- Promotion of Business Portfolio Management
- Improvement of D/E ratio by increasing periodic profit

### Sustainable growth over the medium to long term

#### Reduction of shareholder equity cost

Promotion of initiatives based on the long-term management policy

#### The Group policy

**Environmental management:** Expand business opportunities embracing the environment as a starting point  
**DX:** Establish a new revenue model by maximizing the values of assets and human capital

#### Strengthening of Management Base

**Financial Capital Strategy:** Profit growth with efficiency based on optimal financial capital structure  
**Human capital and organizational climate:** Fostering an innovative organizational climate with a sense of unity  
**Governance:** Building a fair and highly transparent governance system  
**Building Relationships with Shareholders:** Stable shareholder returns, proactive dialogue and disclosure

#### Business policy

**Utilization of intellectual assets:** Monetization of know-how and data  
**Co-creation with partners:** Breaking away from a self-supporting approach

**Summary of the FY2024 Third Quarter (First Nine Months)  
Ended December 31, 2024**

## | FY2024 Major business environment |

In an uncertain environment, we will pay even closer attention to changes in the business environment, but we assume that there will be no major changes in the immediate future.

Topics	Contents
Offices	In the Shibuya area, where we have numerous properties, tenant demand is strong, and there are a growing number of rent increase cases. Improvement trends are observed in the overall market, including other central urban areas.
Commercial facilities	Tenant sales exceeded pre-COVID levels due to inbound consumption, etc. High-end roadside properties are performing well, and the willingness to open new shops is also recovering, centered on bars and restaurants.
Condominiums	While it is necessary to monitor mortgage interest rate trends closely, there has been no apparent impact on condominium sales, which remain steady. Construction costs continue to rise, mainly driven by labor expenses.
Renewable energy facilities	Market expansion continues in response to the trend toward decarbonization. The development of rooftop solar and wind power generation is being promoted as suitable locations for solar power generation become limited.
Hotels	Due to capturing inbound demand, Tokyu Stay's RevPAR has remained high. Steady inbound demand is expected throughout FY2024.
Real estate agents and transaction market	The real estate market is steadily progressing, but domestic interest rate trends are something to keep an eye on. The market environment is expected to remain favorable for the time being.

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This is an overview of the environment for our main businesses.

Although there are some factors to watch, such as rising construction costs and trends in domestic interest rates, there have been no major changes in the business environment since the announcement of our second quarter results, and the environment for all of our businesses remains favorable.

In the office sector, tenant demand in the Shibuya area, where we have a large number of properties, is strong, and there are an increasing number of cases of rent increases. In addition, the market as a whole, including other areas of the city center, continues to improve.

Sales at commercial facilities are strong for high-brand roadside stores due to inbound demand, and for other stores, too, there is a recovery in the appetite for opening new stores, especially restaurants, and tenant sales are trending above pre-COVID levels.

In the condominium sales market, sales are strong, although it is necessary to keep a close eye on trends in housing loan interest rates.

In the renewable energy business, the market continues to expand in line with the trend towards decarbonization. Although suitable sites for solar power generation facilities are becoming limited, we will continue to promote the development of rooftop solar power generation facilities and wind power generation facilities.

In the hotel business, the RevPAR of Tokyu Stay continues to remain at a high level due to inbound demand.

In the real estate agents business and the sales market, although it is necessary to continue to pay attention to domestic interest rate trends, the real estate sales market is performing well. The market environment is expected to remain strong for the time being.

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## FY2024 Q3 (First Nine Months) Operating Results, major index

Both revenues and profit increased year on year.

(¥ billion)	FY2023 Q3	FY2024 Q3	Comparison	FY2023	FY2024 Forecast**	Progress	note
<b>Operating Revenue</b>	717.8	763.2	45.4	1,103.0	1,140.0	67.0%	
<b>Operating profit</b>	75.4	87.8	12.5	120.2	135.0	65.1%	□Extraordinary income
Non-operating income	2.6	2.4	(0.2)	4.1	—	—	— FY2023: Profit on sales of affiliated
Non-operating expenses	9.9	11.1	1.2	13.9	—	—	— company shares ¥0.5 billion
<b>Ordinary profit</b>	68.0	79.1	11.1	110.4	121.5	65.1%	FY2024 Q3: Profit on sales of affiliated
Extraordinary income	—	2.9	2.9	0.5	—	—	— company shares ¥2.9 billion
Extraordinary losses	0.8	5.0	4.2	7.9	—	—	—
Income before income taxes and minority interests	67.2	77.0	9.8	103.0	—	—	□Extraordinary losses
<b>Profit attributable to owners of parent</b>	45.5	47.4	2.0	68.5	73.0	65.0%	— FY2023: Impairment loss ¥6.6 billion etc. — FY2024 Q3: Impairment loss ¥2.9 billion etc.
Total assets	2,976.1	3,032.9	56.7	3,030.8	—	—	
<b>ROA</b>	—	—	—	4.2%	4.4%	—	□ROA of Asset-utilizing business****
<b>Interest-bearing Debt</b>	1,645.1	1,642.4	(2.7)	1,590.1	1,650.0	—	— FY2023: 3.0% FY2024 forecast: 3.2%
Equity	736.3	762.3	26.0	750.1	—	—	
Equity ratio	24.7%	25.1%	0.4P	24.8%	—	—	□Operating profit ratio of Human
<b>Operating profit ratio</b>	10.5%	11.5%	1.0P	10.9%	11.8%	—	— capital-utilizing business****
<b>ROE</b>	—	—	—	9.6%	9.3%	—	— FY2023: 9.3% FY2024 forecast: 10.2%
Earnings per share (Yen)	—	—	—	96.40	102.39	—	
<b>D/E ratio</b>	2.2	2.2	(0.1)	2.1	2.0	—	
<b>[D/E ratio in consideration of hybrid financing]****</b>	2.0	1.9	(0.1)	1.9	1.8	—	
EBITDA	—	—	—	169.9	189.2	—	
EBITDA multiple	—	—	—	9.4	8.7	—	
Dividends per share	—	—	—	¥ 31.0	¥ 34.0	—	
<b>Dividend payout ratio</b>	—	—	—	32.2%	33.2%	—	

\* Figures in brackets show amounts posted, and figures with the mark + or figures in parentheses show increases or decreases. (common for all pages)

\*\* The figures are the revised forecast that we announced on November 5, 2024 (common for all pages)

\*\*\* Consideration of capitalization approval from Japan Credit Rating Agency for hybrid finance (common to all pages)

\*\*\*\* Asset-utilizing business: Urban Development and Strategic Investment businesses;

Human capital-utilizing business: Property Management & Operation and Real Estate Agents businesses

\*\*\*\*\* Figures are all before reflecting the inclusion of Renewable Japan Co.,Ltd. as a consolidated subsidiary (made into a consolidated subsidiary on January 16, 2025) (applies to all pages)

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This is an overview of the third quarter financial results.

Operating revenue was 763.2 billion yen, operating profit was 87.8 billion yen, ordinary profit was 79.1 billion yen, and net profit attributable to owners of the parent company was 47.4 billion yen.

The progress rate against the full-year forecast is shown on the right.

The progress rate for the third quarter looks low because we are planning to sell part of the Shibuya Sakura Stage in the fourth quarter, but operating conditions are progressing favorably.

The full-year earnings forecast has not changed from the figures announced in November.

Please turn to page 18.



## FY2024 Q3 (First Nine Months) Segment performance

More than 90% of the gross profit from the sale of assets has already been secured out of the gross profit forecast for FY2024.

(¥ billion)	FY2023 Q3	FY2024 Q3	Comparison	FY2023	FY2024 Forecast	Progress
<b>Operating revenue</b>	<b>717.8</b>	<b>763.2</b>	<b>45.4</b>	<b>1,103.0</b>	<b>1,140.0</b>	<b>67.0%</b>
Urban Development	206.9	187.1	(19.8)	365.4	364.0	51.4%
Strategic Investment	63.1	84.0	20.9	108.0	111.0	75.6%
Property Management & Operation	261.0	265.9	4.9	371.5	362.0	73.5%
Real Estate Agents	208.4	241.4	33.1	285.6	326.0	74.1%
Elimination	(21.6)	(15.2)	6.5	(27.4)	(23.0)	—
<b>Operating profit</b>	<b>75.4</b>	<b>87.8</b>	<b>12.5</b>	<b>120.2</b>	<b>135.0</b>	<b>65.1%</b>
Urban Development	29.7	27.3	(2.4)	53.2	73.9	36.9%
Strategic Investment	7.7	10.3	2.6	15.1	2.8	367.9%
Property Management & Operation	15.6	19.8	4.2	22.8	23.9	82.8%
Real Estate Agents	28.9	38.3	9.4	38.5	46.1	83.1%
Elimination	(6.6)	(7.9)	(1.3)	(9.5)	(11.7)	—

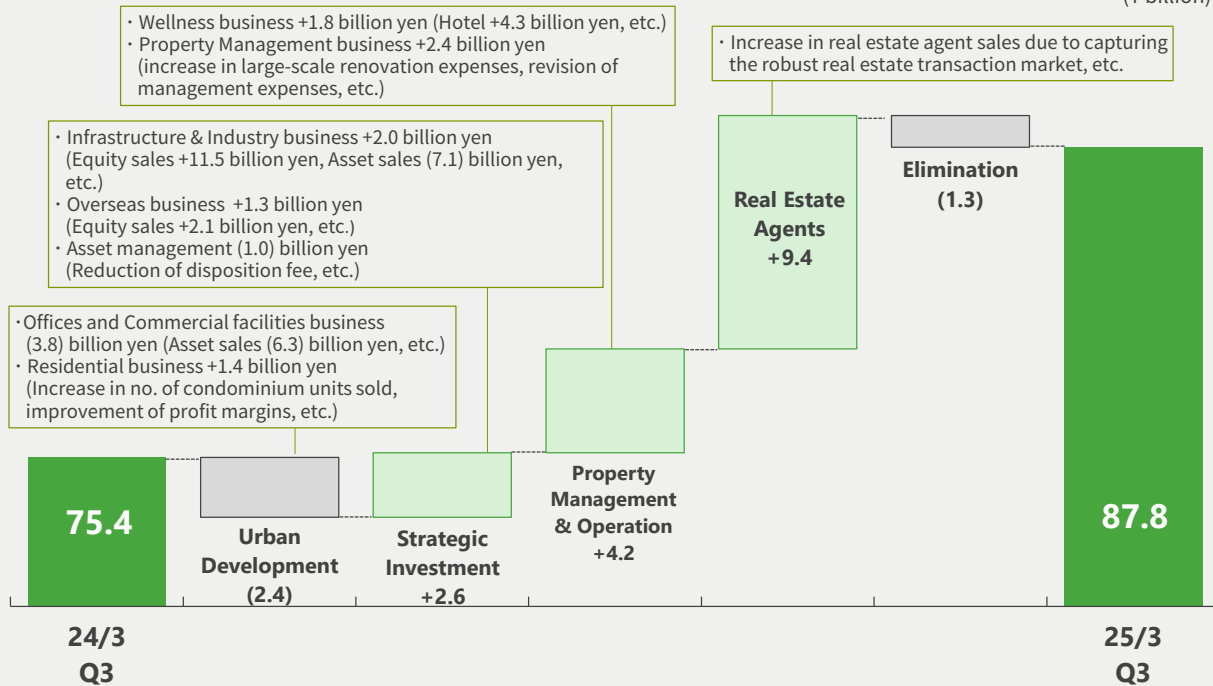
### <Gain on sales by assets>

<b>Operating revenue</b>	<b>136.9</b>	<b>75.0</b>	<b>(61.9)</b>	<b>225.7</b>	<b>183.5</b>	<b>40.8%</b>
Urban Development	42.2	18.2	(23.9)	73.7	102.9	17.7%
Strategic Investment	62.2	32.9	(29.3)	89.3	52.4	62.7%
Property Management & Operation	31.7	20.1	(11.6)	58.3	24.5	82.0%
Real Estate Agents	0.9	3.7	2.9	4.5	3.7	100.0%
Elimination	—	—	—	—	—	—
<b>Operating gross profit</b>	<b>31.7</b>	<b>12.1</b>	<b>(19.6)</b>	<b>50.9</b>	<b>48.7</b>	<b>24.9%</b>
Urban Development	10.1	3.7	(6.3)	16.9	35.8	10.5%
Strategic Investment	10.9	4.1	(6.8)	14.4	8.0	50.9%
Property Management & Operation	10.2	3.0	(7.1)	17.8	3.6	84.5%
Real Estate Agents	0.6	1.3	0.6	1.9	1.3	100.0%
Elimination	—	—	—	—	—	—

## FY2024 Q3 (First Nine Months) Analysis of segment performance

Profit increase of 12.5 billion yen YoY due to strong condominium, hotel, and real-estate agent performance, despite lower gain on sales of assets.

(¥ billion)



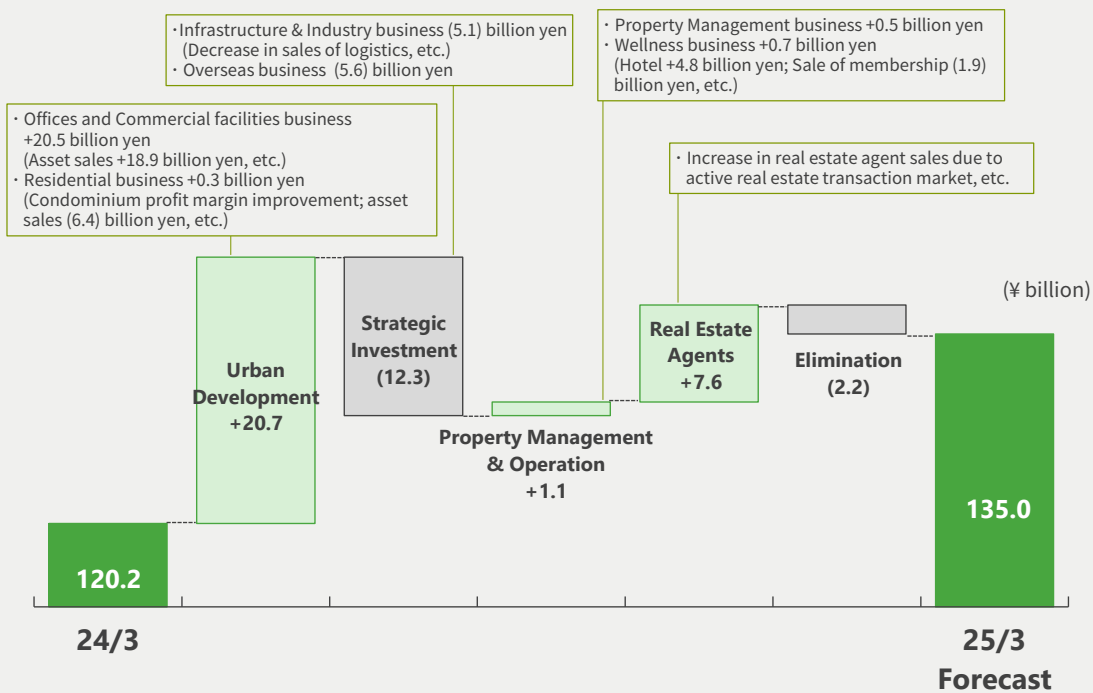
This is an analysis of the year-on-year change in operating profit by segment for the third quarter.

While urban development saw a decrease in profits due to factors such as a decrease in gains on the sale of assets, management and operation thanks to strong performance of the hotel business, and real estate distribution saw strong brokerage, leading to an overall increase in profits of 12.5 billion yen year-on-year.

Please turn to page 20.

## FY2024 Analysis of segment performance forecast

Plan to increase profit by 14.8 billion yen YoY due to improved margins for condominiums and increased earnings from hotels and Real Estate Agents business, etc.



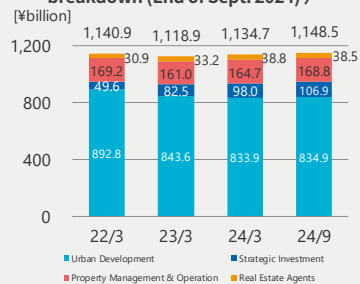
## FY2024 Q3 (First Nine Months) Summary of balance sheets

Increase in real estate for sale due to progress in investment.

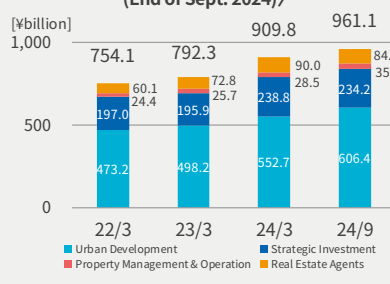
(¥ billion)	FY2023 Mar-31, 2024	FY2024 Dec-31, 2024	Comparison	(¥ billion)	FY2023 Mar-31, 2024	FY2024 Dec-31, 2024	Comparison
Cash and deposits	246.6	116.4	(130.2)	<b>Interest-bearing Debt</b>	<b>1,590.1</b>	<b>1,642.4</b>	<b>52.2</b>
<b>Real estate for sale*</b>	<b>909.8</b>	<b>985.3</b>	<b>75.5</b>	Deposits	315.8	291.7	(24.0)
<b>Property and equipment, Intangible assets**</b>	<b>1,134.7</b>	<b>1,172.7</b>	<b>38.0</b>	Trade payables etc.	148.5	107.1	(41.3)
Goodwill	43.5	38.2	(5.3)	Other	204.5	209.0	4.5
<b>Other investments</b>	<b>467.8</b>	<b>492.4</b>	<b>24.6</b>	<b>Total liabilities</b>	<b>2,258.9</b>	<b>2,250.3</b>	<b>(8.6)</b>
Accounts receivable etc.	106.6	67.4	(39.3)	<b>Equity</b>	<b>750.1</b>	<b>762.3</b>	<b>12.2</b>
Other	121.7	160.6	38.9	Non-controlling interests etc.	21.8	20.3	(1.5)
<b>Total assets</b>	<b>3,030.8</b>	<b>3,032.9</b>	<b>2.1</b>	<b>Total net assets</b>	<b>771.9</b>	<b>782.6</b>	<b>10.7</b>

\* Total real estate for sale and real estate for sale in process \*\*Tangible and intangible assets subtracting goodwill

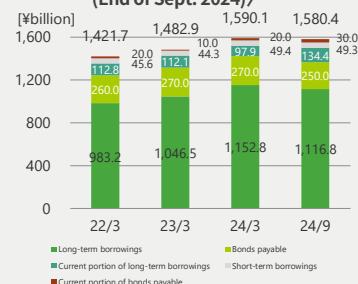
〈Property and equipment, Intangible assets breakdown (End of Sept. 2024)〉



〈Real estate for sale breakdown (End of Sept. 2024)〉



〈Interest-bearing debt breakdown (End of Sept. 2024)〉



\*\*\* Before consolidated accounting treatment

\*\*\* Before consolidated accounting treatment

\*\*\*\* Figures are all before reflecting the inclusion of Renewable Japan Co.,Ltd. as a consolidated subsidiary (made into a consolidated subsidiary on January 16, 2025)

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This is an overview of the balance sheet.

Compared to the end of the previous fiscal year, investment progress has led to an increase of 75.5 billion yen in real estate for sale, and an increase of 38 billion yen in fixed assets.

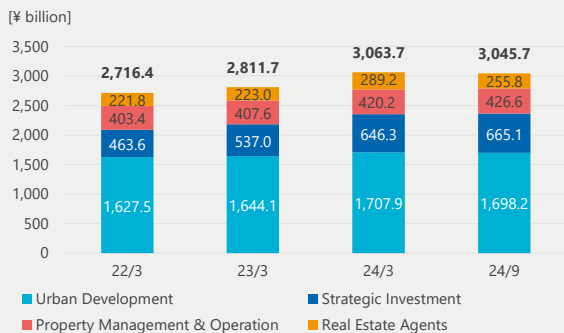
In the liabilities section, interest-bearing debt has increased by 52.2 billion yen, and net assets have increased by 10.7 billion yen due to factors such as an increase in shareholders' equity.

Please turn to page 24.

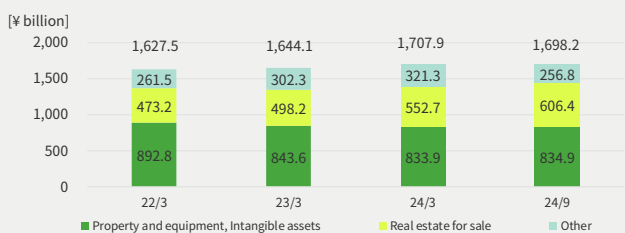
# FY2024 Q2 (First Six Months) Asset Breakdown by Segment and ROA Trends

Progress in investments has led to an increase in land and buildings for sale in Urban Development business.

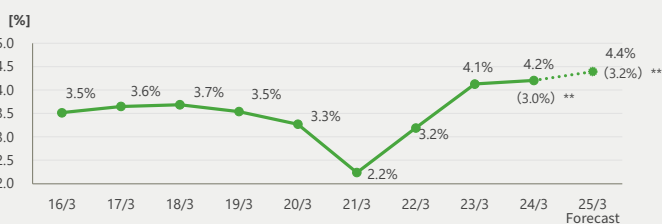
## <Asset breakdown by segment> \* Excluding elimination



## <Breakdown of Urban Development segment>

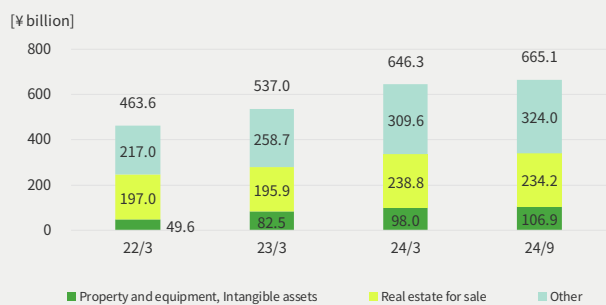


## <ROA Trends>



\*\* Figures in parentheses are ROA of Asset-utilizing business (Urban Development / Strategic Investment business segment)

## <Breakdown of Strategic Investment segment>

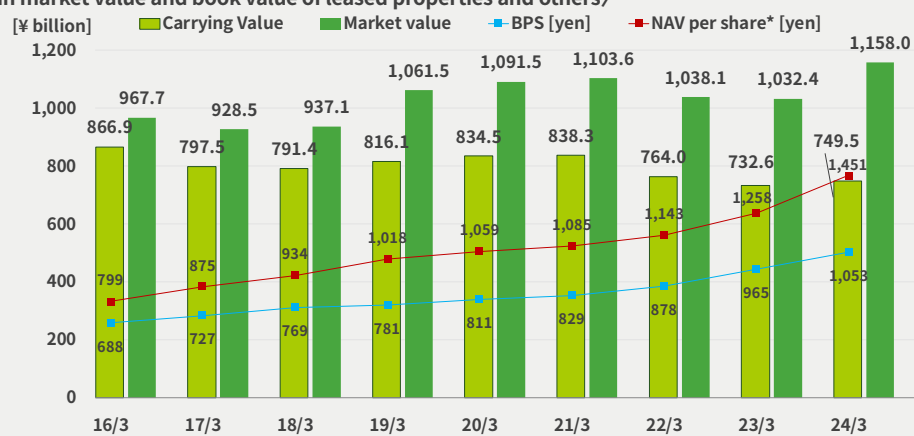


## Market value appraisal for leased properties

Unrealized gains on rental and other real estate expanded due to the inclusion of Shibuya Sakura Stage and other factors.

(¥ billion)	FY2022 Mar-2023	FY2023 Mar-2024	Comparison	Remarks
Carrying Value	732.6	749.5	16.9	□Market value at the end of the fiscal year is calculated by our company mainly according to the "standards for appraisal of real estate".
Market value	1,032.4	1,158.0	125.6	□The properties to be developed before opening are in the early process of development and therefore their market value cannot be grasped (¥69.9 billion at the end of March 2023 and ¥41.4 billion at the end of March 2024).
Difference (latent profit)	299.8	408.4	108.7	□NOI yield on operating properties at normal times : approx.5%

### <Changes in market value and book value of leased properties and others>



\*BPS added to unrealized gains per share (after adjustment for tax)

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## Summary of Cash flow and Investment plan

Capital investment will focus on renewable energy facilities, and investment mainly in rental housing and logistics facilities is planned for real estate for sale.

(¥ billion)	FY2023 Q2	FY2024 Q2	Main factors for changes
Net cash provided by (used in) operating activities	32.6	(34.4)	+44.7 billion yen of Intermediate net benefit before tax +25.0 billion yen of depreciation (61.0) billion yen for Increase in inventories (37.9) billion yen for decrease in deposits received for consignment sales
Net cash provided by (used in) investment activities	(55.9)	(52.1)	+8.2 billion yen of sales and redemption of securities and investment securities (34.0) billion yen for purchase of noncurrent assets (30.0) billion yen for purchase of securities and investment securities
Net cash provided by (used in) financing activities	180.1	(14.9)	+54.9 billion yen of long-term liabilities (54.6) billion yen of repayment of long-term liabilities
cash and cash equivalents at end of period	328.5	146.5	

### <investment actuals and plans>

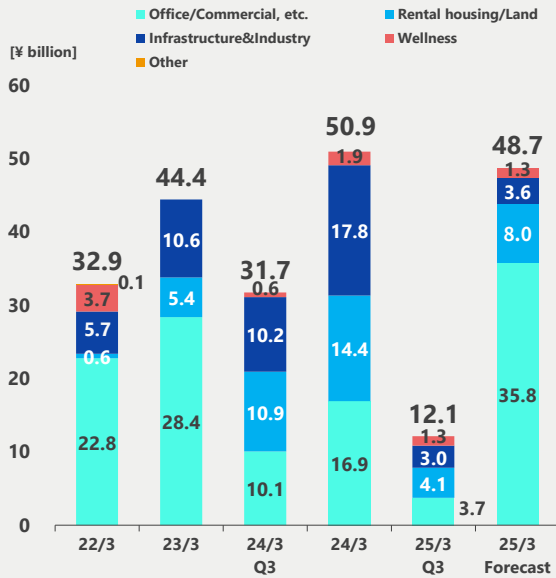
(¥ billion)	FY2023	FY2024	
		Q2	Forecast
Capital Investment	243.9	46.2	80.0
Real estate for sale (domestic business excluding condominiums)	175.0	57.2	220.0
Land for sale (domestic condominiums)	61.7	22.4	45.0
Equity Investment (domestic business)	22.6	1.8	15.0
Overseas Investment *	24.6	20.7	55.0

\*Contributions are included

## Gross profit on sales of assets and land and buildings for sale by assets

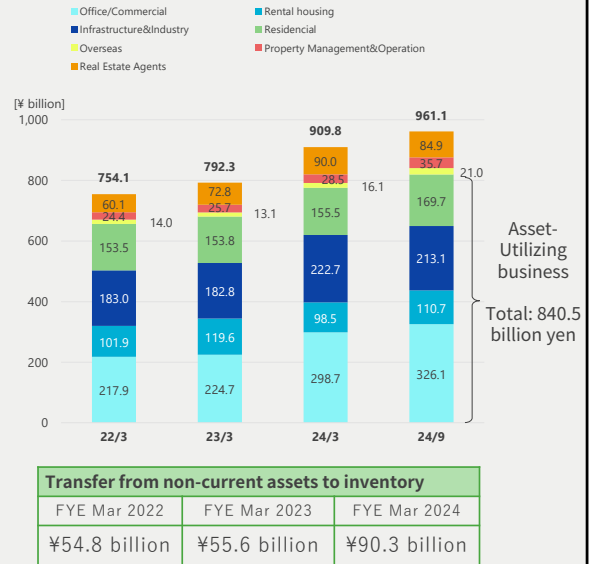
Driven by a strong buying and selling market, efficient asset turnover and profit generation are being promoted. More than 90% of the projected gross profit for FY2024 is already sold or under contract.

### <Gross Profit from Asset Sales Trends>



### <Land and Buildings for Sale by Asset (As of September 30, 2024)>

\* After elimination for inter-company transactions



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This is a graph showing the trend in gross profit from asset sales and the book value of land and buildings for sale.

Against the backdrop of a robust sales market, we are generating profits through efficient asset turnover and reinvesting the funds we recover.

As you can see from the graph on the left, gross profit from asset sales in the third quarter was 12.1 billion yen, and we have already secured more than 90% of the gross profit forecast for the fiscal year ending March 2025.

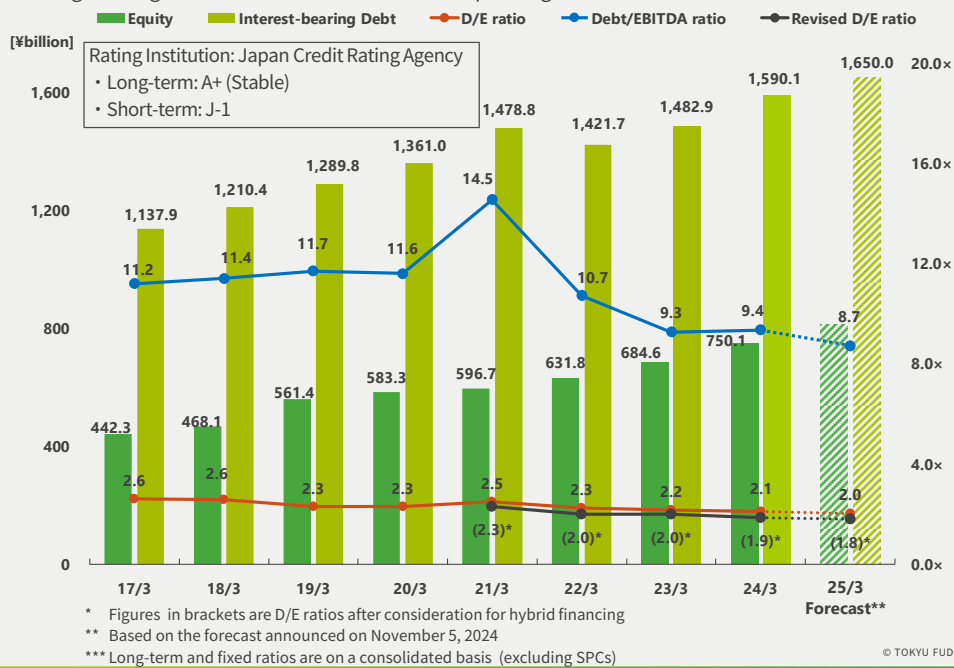
Please turn to page 27.



## Transitions in Financial Condition

As of the end of September 2024, the long-term ratio of interest-bearing debt was 95.8%, and the fixed ratio was 95.6%.

The Japan Credit Rating Agency (JCR) upgraded its long-term issuer rating from A to A+ in recognition of strengthening stable revenue sources and improving financial structure.



## Segment Overview

## Urban Development ① FY2024 Q3 (First Nine Months) |

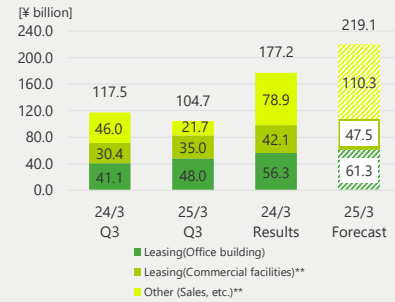
Despite performance changes due to asset sales fluctuations, rental and condominium sales remain strong.

(¥ billion)	FY2023 Q3	FY2024 Q3	Comparison	note
<b>Operating revenue</b>	<b>206.9</b>	<b>187.1</b>	<b>(19.8)</b>	
Offices and Commercial facilities	117.5	104.7	(12.8)	Newly operated +11.1
(the sale)	42.2	18.2	(23.9)	Sales of assets (23.9)
Residential	89.4	82.4	(7.0)	No. of condominiums sold +176 units [540 units]
(the sale)	62.2	32.9	(29.3)	Sales of assets (29.3)
<b>Operating profit</b>	<b>29.7</b>	<b>27.3</b>	<b>(2.4)</b>	
Offices and Commercial facilities*	23.8	20.0	(3.8)	Newly operated +2.3
(the sale)	10.1	3.7	(6.3)	Sales of assets (6.3)
Residential*	5.9	7.3	1.4	Increase in the number of condominiums sold, Improve profit margins
(the sale)	10.9	4.1	(6.8)	Sales of assets (6.8)

(¥ billion)	FY2023 Results	FY2024 Forecast	Comparison	note
<b>Operating revenue</b>	<b>365.4</b>	<b>364.0</b>	<b>(1.4)</b>	
Offices and Commercial facilities	177.2	219.1	41.9	Newly operated +10.3 , Lost revenue for properties sold (0.5)
(the sale)	73.7	102.9	29.2	Sales of assets +29.2
Residential	188.2	144.9	(43.3)	No. of condominiums sold (274) units [1,005 units]
(the sale)	89.3	52.4	(36.9)	Sales of assets (36.9)
<b>Operating profit</b>	<b>53.2</b>	<b>73.9</b>	<b>20.7</b>	
Offices and Commercial facilities*	33.7	54.2	20.5	Newly operated +1.8
(the sale)	16.9	35.8	18.9	Sales of assets +18.9
Residential*	19.4	19.7	0.3	Improve profit margins on condominiums
(the sale)	14.4	8.0	(6.4)	Sales of assets (6.4)

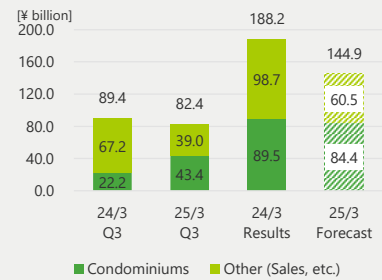
\* Operating profit stated above is a reference value before consolidated accounting treatment.

〈Breakdown of revenues in Offices and Commercial facilities〉



\*\*With the scheme change of leased commercial facilities, part of the breakdown has been modified from the FY2023 results.

〈Breakdown of revenues in Residential business〉



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I will now explain the situation in each segment.  
First, the Urban Development business segment.

In the third quarter, sales were 187.1 billion yen and operating profit was 27.3 billion yen, both down year-on-year.

In the Offices and Commercial facilities business, profits declined due to a decrease in asset sales, etc.

In the Residential business, profits increased due to an increase in the number of condominiums sold and an improvement in profit margins, etc., despite a decrease in asset sales.

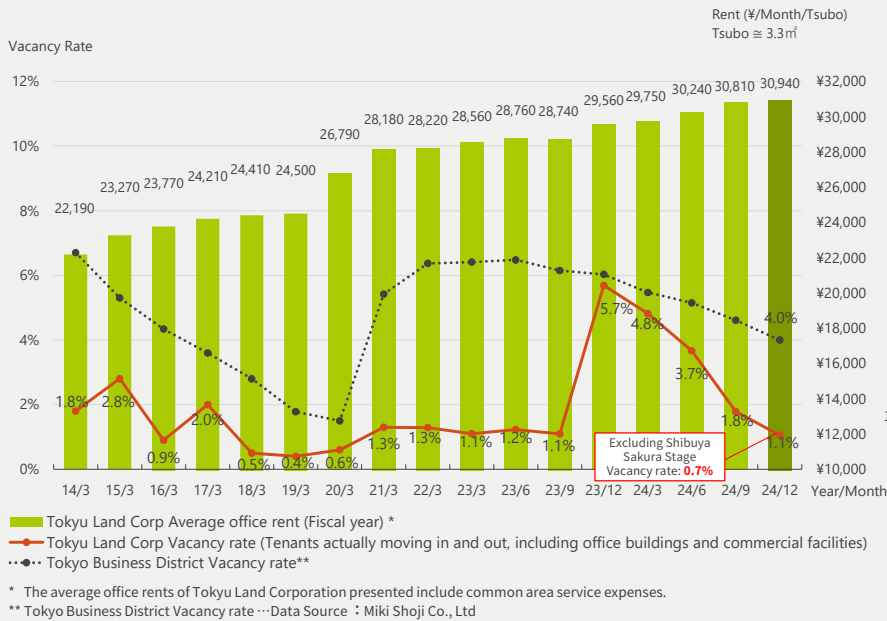
There are no changes to the full-year forecasts for all segments from those announced in November.

Please turn to page 28.

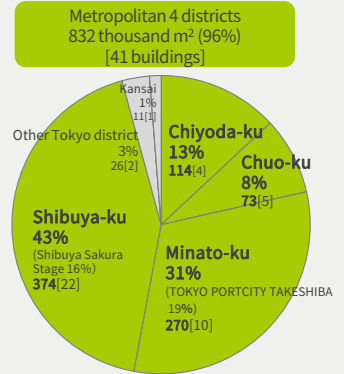
## Urban Development ② Vacancy Rate and Rent trends and Portfolio Characteristics

As of December 31, 2024, vacancy rate at 1.1% (office buildings and commercial facilities), and average office rent steadily rising to 30,940 yen (month/tsubo), with tenants of Shibuya Sakura Stage moving in.

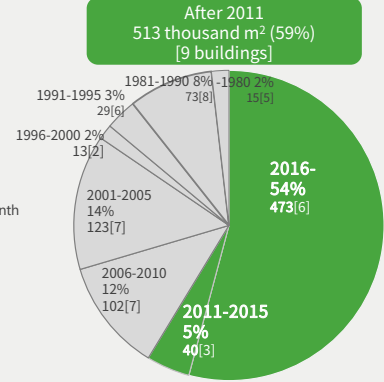
### 〈Vacancy Rate and Rent trends〉



### 〈Office Area〉



### 〈Office Completed Year〉



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This is a graph showing the trends in vacancy rates and rents.

The vacancy rate at the end of December 2024 was 1.1%.

The vacancy rate had temporarily risen due to the completion of Shibuya Sakura Stage in November 2023, but the occupancy rate for this property is already around 99%, and the vacancy rate is declining as the handover of the property to tenants progresses.

The vacancy rate excluding Shibuya Sakura Stage is 0.7%.

The average rent for offices was 30,940 yen at the end of December, due to factors such as the progress of tenant move-ins at Shibuya Sakura Stage.

Please go to page 34.

## Urban Development ③ Major projects (Offices/Commercial facilities, etc.)



\*Total floor space: Before conversion to equity, thousand m<sup>2</sup>

## Urban Development ④ Major projects (the Greater Shibuya Area)

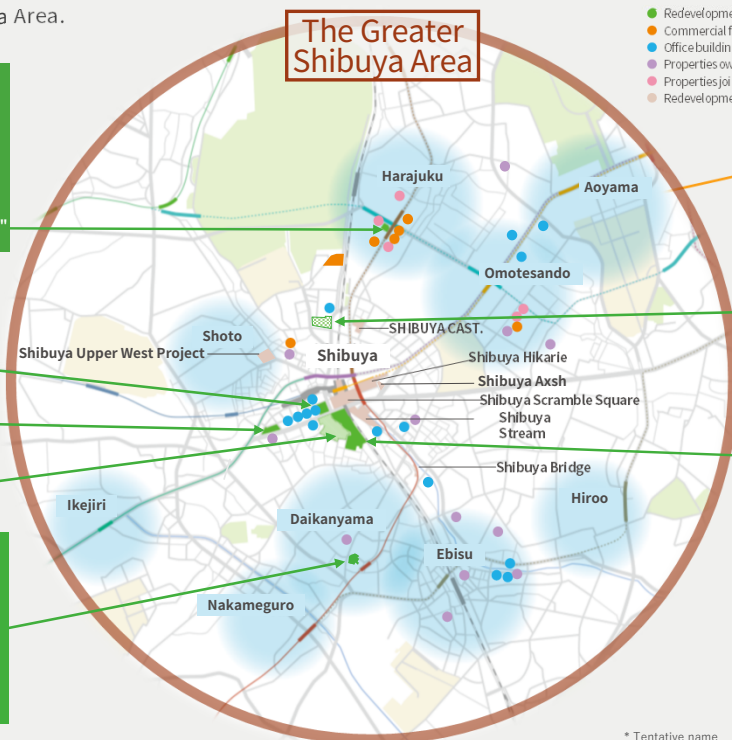
Several projects, such as Next Shibuya Sakuragaoka Block and Jinnan 1-chome Block, are underway in the Greater Shibuya Area.



**Shibuya Fukuras**  
Completed in October 2019

**Shibuya Solasta**  
Completed in March 2019

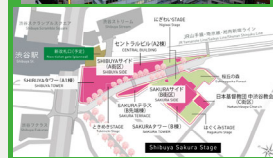
**Next Shibuya Sakuragaoka Block** (Redevelopment Preparatory Association)



- Redevelopment Project
- Commercial facility
- Office building
- Properties owned by Activia Properties Inc.
- Properties joint capital investment with Norges Bank
- Redevelopment Project led by Tokyu Corporation



**Jinnan 1-chome Block**  
(Redevelopment Preparatory Association)



**Shibuya Sakura Stage**  
Open sequentially from December 2023

\* Tentative name © TOKYU FUDOSAN HOLDINGS CORPORATION 30



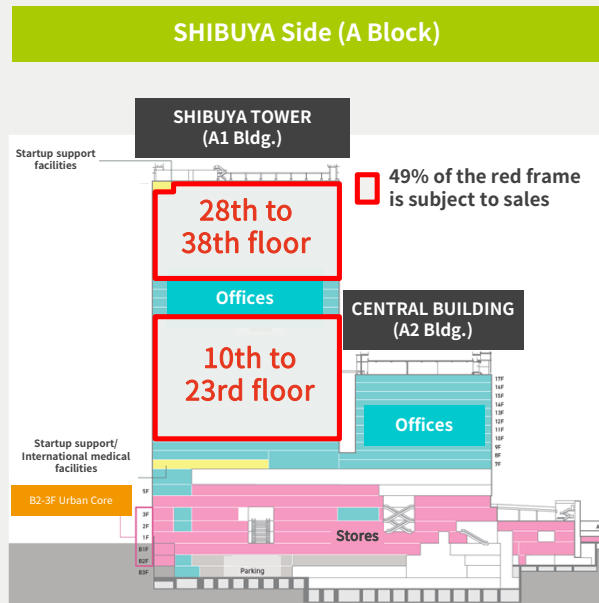
As part of the "Co-Creation with Partners" business policy, decided to sell the equivalent of 49% co-ownership interest in the sectional ownership of Shibuya Sakura Stage SHIBUYA Tower.

<Overview of Sale>

- Name of property: Shibuya Sakura Stage
- Subject of sale: SHIBUYA Tower 10th to 23rd floors, 28th to 37th floors, and part of 38th floor Sectional interests in the floors equivalent to 49% of the co-ownership interest
- Use: Office
- Buyer: Special purpose company in which an investment fund (domestic institutional investors) and Tokyu Land Corporation make a silent partnership contribution.
- Book value: 71,595 million yen
- Amount of transfer: Not disclosed due to confidentiality obligations with the counterparty
- Conclusion of contract: February 9, 2024
- Delivery of property: 60% of the sale target on March 19, 2025 (planned) and the remaining 40% on March 19, 2026 (planned).

<Overview of Transaction>

- As part of the "Co-Creation with Partners" business policy outlined in the long-term management policy, the sale was implemented from the perspective of expanding the assets involved and increasing efficiency through leveraging other parties' capital.
- Tokyu Land Capital Management Inc. will be entrusted with asset management operations for the portion sold.
- Tokyu Land Corporation will continue to own all other assets not subject to sale and will also continue to operate the portion of the property subject to sale.





## Urban Development ⑦ Major project ~ Tokyu Plaza Harajuku “Harakado”~

Opened in April 2024 as a new place to create and experience Harajuku culture that will stimulate the senses of a diverse range of people.



TOKYU PLAZA  
HARAJUKU

H A  
R A



Opened “Kosugiyu Harajuku,” offering a lifestyle centered on public baths



In November 2024, “Dior Jingumae” opened in a street-level store

### <Property Summary>

Facility name	Tokyu Plaza Harajuku “Harakado”
Completion	August 31, 2023
Opening	April 17, 2024
Site area	Approx. 3,085㎡
Total floor space	Approx. 19,894㎡
Joint operator	Tokyo Metro Co., Ltd.
Operator	Tokyu Land Corporation



An experience media rooftop terrace set at Jingumae intersection, where roughly 89 million people pass through every year (Also linked with the diagonally opposite Tokyu Plaza Omotesando “Omokado”)



24 restaurants are gathered together to serve as Harajuku’s eclectic food court

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## Urban Development ⑧ Condominium index |

BRANZ

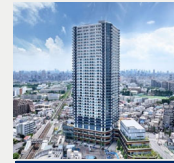


The contract obtaining rate at the end of FY2024 Q3 progressed to 96%.

Accounting year	FY2022	FY2023	FY2024 Forecast
No. of units sold	1,369	1,280	1,005 (Q3 : 540)
Average price per unit (million yen)	70	70	84 (Q3 : 80 million yen/unit)
Contract obtaining rate (Beginning-of-year→Q1→Q2→Q3)	58%→79%→90%→102%	82%→87%→94%→102%	74%→84%→91%→96%
Year-end inventory of completed units*	200	127	Q3 : 120 (as of December 31)
Major condominiums Number of units refers to the number of units of sale ( ) ownership ratio	BRANZ City Minami-Kusatsu 209units (100%) BRANZ Kamimeguro Suwayama 19units (100%) BRANZ Kagurazaka 8units (85%)	Branz Ushigome-yanagicho 82units (100%) BRANZ Tower Osaka-honmachi 302units (50%) ONE Sapporo Station Tower 542units (25%)	The Tower Jyujyo 394 units (50%) BRANZ Chiyodafujimi 69 units (100%) BRANZ Miyakojima 126 units (100%)
Purchase of land for sales (\$ billion)	73.7 (2,457 units)	61.7 (1,798 units)	45.0 Q3 : 34.2 billion yen (868 units)

\* The year-end inventory of completed units includes units not yet supplied.

### Major upcoming projects

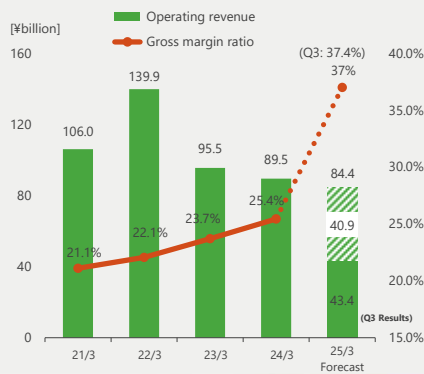


The TOWER JUJO  
(Kita-ku, Tokyo)

Delivery begins	Name	Units*
FY2025	HARUMI FLAG SKY DUO (Skyscrapers)	1,455
	BRANZ Chuurinkan	102
	BRANZ CITY Chiba New Town	401

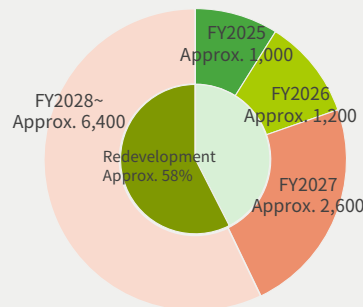
\* Before conversion to equity, number of units of sale

### Trends in condominium sales and gross margin



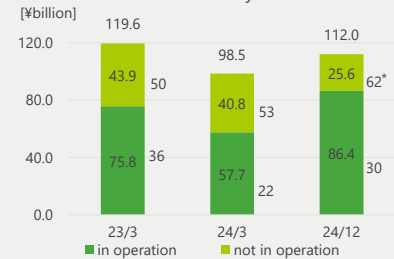
### Land bank of Condominiums to be completed

As of December 31, 2024 approx. 11,200 units  
(After conversion to equity)



### Rental housing amount posted in BS

As of December 31, 2024  
112.0 billion yen



\* As of December 2024, total investment of 62 non-operating properties: 168.8 billion yen

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This is a graph showing the trend in sales indicators for condominiums.

Sales of condominiums continue to be strong.

The contract-securing rate for the sales forecast for the fiscal year ending March 2025 has risen to 96%.

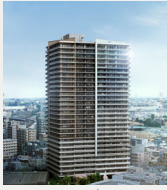
In addition, the gross profit margin for the third quarter was 37.4%.

The land bank scheduled to be completed from next year onwards is approximately 11,200 units, of which the proportion of redevelopment properties is approximately 58%.

Please turn to page 36.

## Urban Development ⑨ Major Large-Scale Residential Projects

**BRANZ TOWER Hashimoto**  
Address: Sagami-hara-shi, Kanagawa  
Units: 458



**Funabashi City Ichiba-cho Project (tentative name)\***  
Address: Funabashi-shi, Chiba  
\* Joint venture with JR East Group



**Kitanakadori North District B-1**  
Address: Yokohama-shi, Kanagawa  
Units: approx. 700



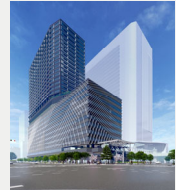
**BRANZ TOWER Osaka**  
Address: Shinagawa-ku, Tokyo  
Units: 389



**Nishi-Nippori Station District Redevelopment**  
Address: Arakawa-ku, Tokyo  
Units: approx. 1,000



**Sengakuji Station Block Type2 Urban Redevelopment Project**  
Address: Minato-ku, Tokyo  
Units: to be determined



(Fiscal year of recording)

FY2025

FY2026

FY2027 or Later

**HARUMI FLAG SKY DUO (Sky scraper)**  
Address: Chuo-ku, Tokyo  
Units: 1,455



**BRANZ TOWER Osaka Umeda**  
Address: Osaka-shi, Osaka  
Units: 256



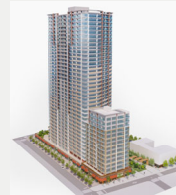
**THE TOYOMI TOWER MARINE&SKY**  
Address: Chuo-ku, Tokyo  
Units: approx. 2,046 (1,509 units for sale)



**JR Nishinomiya Station Southwest District Redevelopment**  
Address: Nishinomiya-shi, Hyogo  
Units: approx. 400



**Shirokane 1-chome Seibunaka Redevelopment**  
Address: Minato-ku, Tokyo  
Units: approx. 950



**Noborito Ekimae Block Redevelopment Project**  
Address: Kawasaki-shi, Kanagawa  
Units: approx. 400



Units: Number of units indicates the figure prior to equity conversion. Properties in planning stage include non-condominium units.

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## Strategic Investment ① FY2024 Q3 (First Nine Months)

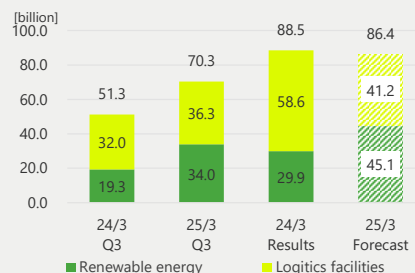
While performance changes due to fluctuations of logistics facilities sales, the operation of renewable energy facilities is steadily expanding.

(¥ billion)	FY2023 Q3	FY2024 Q3	Comparison	note
<b>Operating revenue</b>	<b>63.1</b>	<b>84.0</b>	<b>20.9</b>	
Infrastructure & Industry	51.3	70.3	19.0	Renewable energy in operation +3.3(20.9), ReENE (Electricity retailing, etc.) +12.3
(the sale)	31.7	20.1	(11.6)	Sales of assets (11.6), EQ sales +14.2(14.2)
Asset management	7.3	6.2	(1.1)	
Overseas operations	4.5	7.5	2.9	
<b>Operating profit</b>	<b>7.7</b>	<b>10.3</b>	<b>2.6</b>	
Infrastructure & Industry*	12.2	14.2	2.0	EQ sales +11.5(11.5), Project management fees (0.7)
(the sale)	10.2	3.0	(7.1)	Sales of assets (7.1)
Asset management*	4.9	3.9	(1.0)	
Overseas operations*	(9.1)	(7.8)	1.3	Increase in U.S. equity sales, etc.

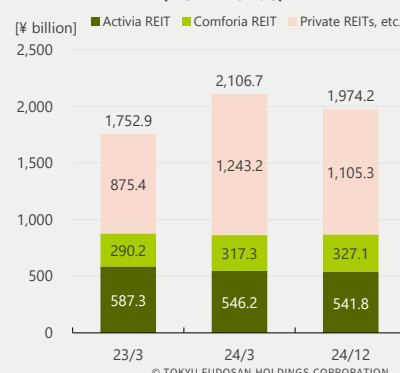
(¥ billion)	FY2023 Results	FY2024 Forecast	Comparison	note
<b>Operating revenue</b>	<b>108.0</b>	<b>111.0</b>	<b>3.0</b>	
Infrastructure & Industry	88.5	86.4	(2.2)	Renewable energy in operation +4.5(27.7), ReENE (Electricity retailing, etc.) +14.9
(the sale)	58.3	24.5	(33.8)	Sales of assets (33.8), EQ sales +10.9(13.6)
Asset management	9.9	8.5	(1.4)	
Overseas operations	9.5	16.1	6.6	increased number of units sold in Indonesia, etc.
<b>Operating profit</b>	<b>15.1</b>	<b>2.8</b>	<b>(12.3)</b>	
Infrastructure & Industry*	19.3	14.2	(5.1)	EQ sales +10.0(10.9)
(the sale)	17.8	3.6	(14.2)	Sales of assets (14.2)
Asset management*	6.8	5.6	(1.2)	
Overseas operations*	(11.4)	(17.0)	(5.6)	Loss on write-down of U.S. properties, etc.

\* Operating profit stated above is a reference value before consolidated accounting treatment.

### Breakdown of revenues in Infrastructure & industry business



### AUM Trends



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This is about the Strategic Investment business segment.

In the third quarter, sales were 84.0 billion yen and operating profit was 10.3 billion yen, both of which increased compared to the previous year.

The Infrastructure and Industrial business saw an increase in profits due to factors such as an increase in the sale of logistics facilities on an equity basis, and the overseas business also saw an increase in profits due to factors such as an increase in the sale of equity in the United States.

Please turn to page 37.

## Strategic Investment ② Renewable energy business

The number of operating properties has increased, and it has grown to make a stable contribution to earnings.

### Domestic projects acquired (As of December 31, 2024)

Total properties in operation: 122  
 Properties in operation: 93\*  
 Projects under development: 29  
 Rated capacity\*\*: 1,884MW After conversion to equity: 1,290MW

\* Multiple rooftop solar projects are counted as a single solar project  
 \*\* Before conversion for ownership share (including projects under development); Domestic projects only



ReENE Matsumae Wind Power Plant (Hokkaido)  
 Rating capacity: 41 MW  
 (Operation began in FY2019)



ReENE Namegata Wind Power Plant (Ibaraki)  
 Rating capacity: 28 MW  
 (Operation began in FY2020)

### Overseas projects



Manzanares Solar Power Plant (Spain)  
 Rated capacity: 40 MW  
 (Commercial operation started in June 2023)



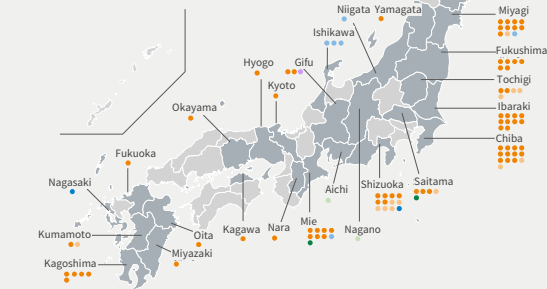
Valdecarreras Solar Power Plant (Spain)  
 Rated capacity: 38 MW  
 (Commercial operation started in December 2023)

### Portfolio

Solar Power Plant	In operation	83	(1,115.1MW)
	Under development	18	(93.4MW)
	Rooftop solar project, etc.	1	(146.0MW)
1,069 properties nationwide			
Wind Power Plant	In operation	7	(247.0MW)
	Under development	8	(226.0MW)
Biomass power plant	In operation	2	(4.0MW)
	Under development	2	(52.0MW)
Small-medium Hydropower Plant	In operation	1	(0.8MW)

Others			
Storage battery	Generating	3	(approx. 269.8MWh/ 82.0MW)
	System use	2	(approx. 60.9MWh/ 21.8MW)
Overseas		2	(77.8MW)
Europe			

\* Others include properties in operation and projects under development.  
 \*\* Figures for the storage battery business are before conversion to equity.  
 MWh is for storage battery capacity, and MW is for storage battery generation capacity.  
 \* Figures for the overseas business are before conversion to equity.



\*\*\*Figures are all before reflecting the inclusion of Renewable Japan Co., Ltd. as a consolidated subsidiary (made into a consolidated subsidiary on January 16, 2025)

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This is about the portfolio of renewable energy projects.

All figures are as of the end of December 2024, and do not reflect the consolidation of Renewable Japan Co, Ltd.

As of the end of December 2024, we are working on a total of 122 projects in various parts of Japan, including 93 properties that are already operational and 29 projects that are under development.

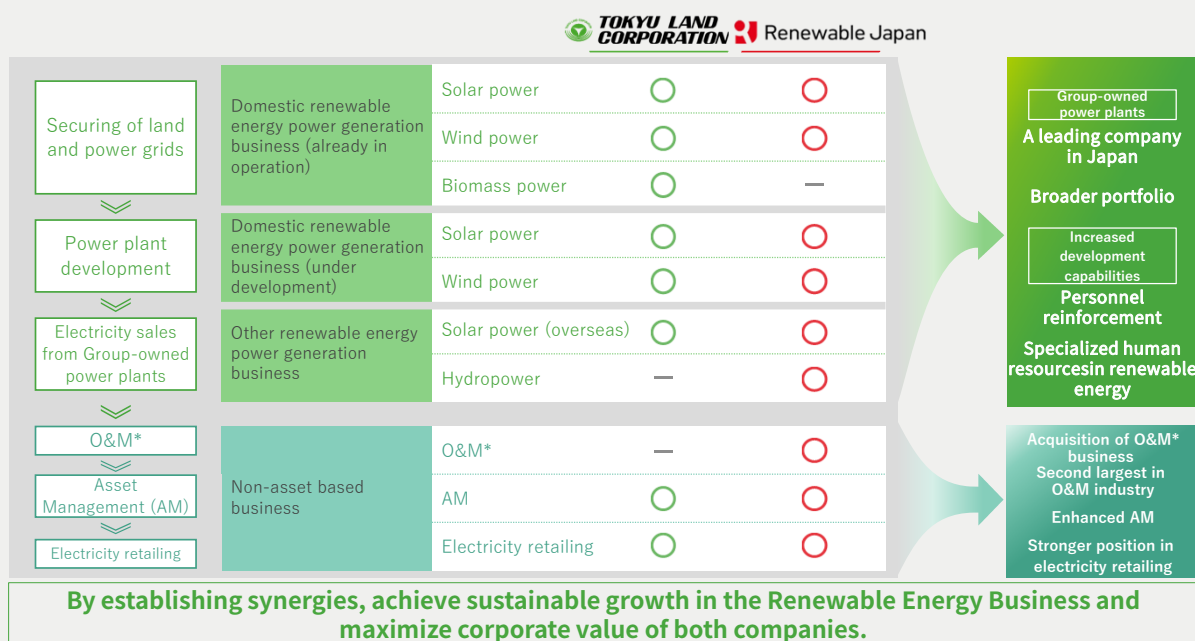
The total rated capacity (before equity conversion) of all projects in Japan after they have started operating is 1,884 MW (1.9 GW), an increase of 134 MW from the end of March 2024, and the total rated capacity after equity conversion is 1,290 MW (1.3 GW), an increase of 122 MW from the end of the previous fiscal year.

Please go to page 38.

### Strategic Investment ③ Purpose of making Renewable Japan a consolidated subsidiary (1)

Realize value chain development for the Renewable Energy Business by making Renewable Japan a consolidated subsidiary.

#### Value chain for the Renewable Energy Business



\*An abbreviation for Operation & Maintenance, referring to a maintenance approach

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In January 2025, the tender offer for Renewable Japan Co., Ltd. was successful, and the company became a consolidated subsidiary.

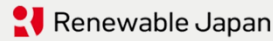
As a result, our renewable energy power plant portfolio has expanded to become one of the largest in Japan, and in addition to strengthening our green power supply system, we believe that we have also been able to strengthen our power plant development capabilities by increasing our specialist human resources.

In addition, we have been able to acquire a new O&M business that carries out maintenance and management of renewable energy facilities, and we will continue to work towards growth across the entire renewable energy business value chain, including non-asset businesses.

Please turn to page 40.

## Strategic Investment ④ Purpose of making Renewal Japan a consolidated subsidiary (2)

Further accelerate growth in the Renewable Energy Business through synergies between both companies.



<b>Strengthening green electricity supply systems through large numbers of power generation facilities</b> (Stronger market presence)	<ul style="list-style-type: none"> <li>Group-owned power plants (domestic)* 1,884MW (before holdings conversion) 1,290MW (after holdings conversion)</li> </ul>	<ul style="list-style-type: none"> <li>Group-owned power plants (domestic)** 610MW (before holdings conversion) 404MW (after holdings conversion)</li> </ul>	<b>One of Japan's leading power plant owners</b>
<b>Securing of new customers for Non-FIT electricity sales</b> Expansion of electricity retail business	<ul style="list-style-type: none"> <li>Group-owned power plants (domestic)</li> <li>Customer information of Tokyu Land Corporation Group</li> </ul>	<ul style="list-style-type: none"> <li>Securing of new customers for Non-FIT electricity sales</li> </ul>	<b>Stronger position in electricity retailing</b>
<b>Acquisition of O&amp;M business</b>	—	<ul style="list-style-type: none"> <li>Track record as the second largest contractor in Japan (2,314 MW, Bases: 36***)</li> </ul>	<b>Creation of new business opportunities</b>
<b>Collaboration enhancement and mutual complementation</b>	<ul style="list-style-type: none"> <li>Extensive track records in various asset developments</li> <li>Track record in onshore wind power development, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Extensive track records in development and know-how</li> <li>Multiple development pipelines, etc.</li> </ul>	<b>Increased development capabilities</b>
<b>Human resource exchanges</b> Specialized human resource development	<ul style="list-style-type: none"> <li>A wide range of business models and human resources</li> <li>Development capabilities as a real estate developer</li> </ul>	<ul style="list-style-type: none"> <li>Multiple specialized human resources in renewable energy</li> <li>Development and technological capabilities (O&amp;M, EPC****, etc.)</li> </ul>	<b>Acquisition and development of highly skilled human resources in renewable energy</b>
<b>Enhancement of financial stability</b> Funding cost reduction	<ul style="list-style-type: none"> <li>Funding capabilities based on the credibility Tokyu Fudosan Holdings brings</li> </ul>	<ul style="list-style-type: none"> <li>Funding know-how such as project finance</li> </ul>	<b>Enhanced capital strength</b> <b>Development promotion</b>

\* Includes projects already in operation/under development as of December 31, 2024 (Solar, wind, biomass, and small-medium hydropower)

\*\* Includes projects already in operation/under development as of September 30, 2024 (Solar, wind, and hydropower)

\*\*\* As of September 30, 2024

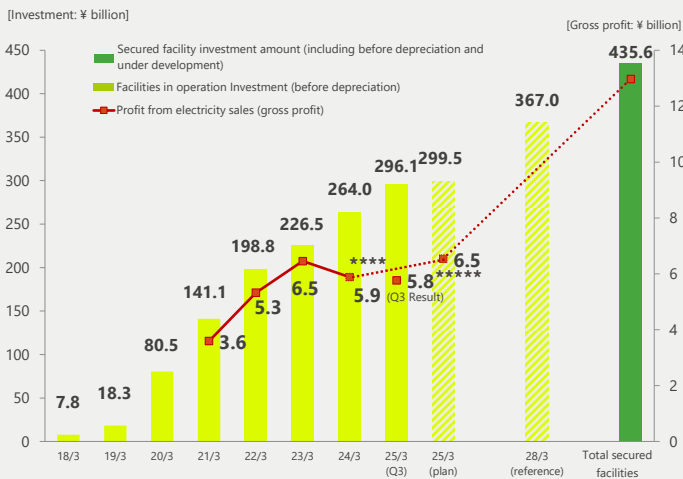
\*\*\*\* An abbreviation for Engineering, Procurement and Construction. Business of procuring construction materials, designing and constructing renewable energy power generation facilities

## Strategic Investment ⑤ Expansion of renewable energy business | ReENE

Further profit expansion is planned through the solid execution of projects for which decisions have already been made and the acquisition of new non-FIT projects such as wind power generation and PPA projects.

### Investment in facilities already in operation (before depreciation) and profit from electricity sales (including plan)

- \* Domestic projects only
- \*\* As of December 31, 2024
- \*\*\* The figures below are all before reflecting the inclusion of Renewable Japan Co., Ltd. as a consolidated subsidiary (made into a consolidated subsidiary on January 16, 2025)



- \*\*\*\* Profit from electricity sales (before depreciation) FY2023 : 16.1 billion yen
- \*\*\*\*\* Profit from electricity sales (before depreciation) FY2024 Q3: 15.0 billion yen

### Business environment

Growing importance of renewable energy has led to a succession of entrants from various industries, and the acquisition environment is overheated.

### Strategies for future expansion

- **Shift the focus of development to wind power generation**  
Focus on developing onshore wind power generation facilities that have obtained FIT and FIP certification while considering the commercialization of offshore wind power generation facilities.
- **Development from the ground up by the Company**  
Leveraging the know-how accumulated from existing projects the Company will utilize the FIP system to work on in-house development from land acquisition upward.
- **Expansion of business domain**  
Verify new business models such as the PPA model for selling electricity directly to customers, the model for solar sharing on farmland, and the model for overseas business expansion

This is a summary of our renewable energy business to date and our future plans.

As with the previous page, all figures are as of the end of December 2024, and do not reflect the consolidation of Renewable Japan Co, Ltd.

The gross profit from the sale of electricity in the line graph is 5.8 billion yen for the third quarter, and is progressing steadily towards the full-year plan of 6.5 billion yen.

Please turn to page 41.

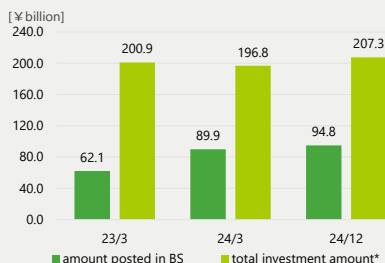


While increasing asset turnover, the acquisition and leasing of prime location projects are steadily progressing.

Projects acquired (As of December 31, 2024)

Properties in operation: 6  
 Projects under development: 20  
 Investment progress: ¥94.8 billion

Amount posted in BS/Total investment amount Trends



\*Total investment in unconsolidated deals after conversion to equity

Involvement in the frozen and refrigerated warehouse business

Demand is expected to rise due to changes in household size, the expansion of the "Hometown Tax" system, increased consumption of frozen and refrigerated foods, and the replacement of old cold storage due to fluorocarbon gas regulations. The Company is participating in two planned projects in Osaka City, Osaka Prefecture, and plans to expand actively nationwide.

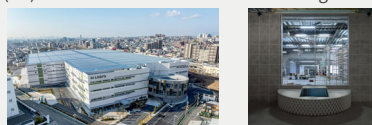
Major projects

Property name	Location	Total floor area	Completion
LOGI'Q Minami Ibaraki	Ibaraki-shi, Osaka	162 thousand m <sup>2</sup>	January 2024
T-LOGI Fukuoka Island City	Fukuoka-shi, Fukuoka	148 thousand m <sup>2</sup>	January 2024
Kashiwa Shonan PJ	Kashiwa-shi, Chiba	33 thousand m <sup>2</sup>	March 2024
LOGI'Q Shiraoka II	Shiraoka-shi, Saitama	57 thousand m <sup>2</sup>	March 2024
LOGI'Q Hasuda	Hasuda-shi, Saitama	98 thousand m <sup>2</sup>	Jan. 2026 (plan)
LOGI'Q Ichihara	Ichihara-shi, Chiba	35 thousand m <sup>2</sup>	Apr. 2026 (plan)
LOGI'Q Shiraoka III	Shiraoka-shi, Saitama	74 thousand m <sup>2</sup>	Jul. 2026 (plan)
LOGI'Q Kobe Shinnagata	Kobe-shi, Hyogo	57 thousand m <sup>2</sup>	Aug. 2026 (plan)



Full-scale operation of LOGI'Q Minami Ibaraki "R&D Center"

In the logistics industry, more efficient warehouse operations and workforce reduction are needed against the backdrop of a declining population and the "2024 problem." To address these issues, an R&D Center was established in LOGI'Q Minami Ibaraki to verify Digital Transformation (DX) solutions in the rationalization of logistics processes.



This is the status of our logistics facilities business.

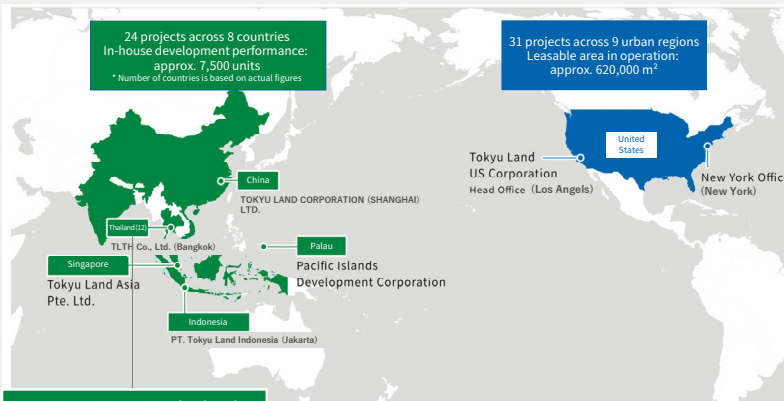
As of the end of December 2024, we are working on a total of 26 projects, including 6 that are already in operation and 20 that are under development, with a balance of investments of 94.8 billion yen and a total investment of 207.3 billion yen after the completion of projects under development.

Please turn to page 42.

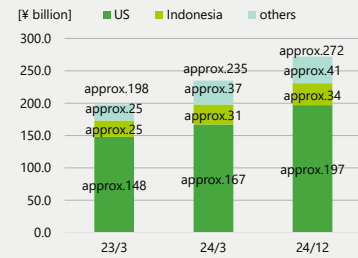
## Strategic Investment ⑦ Overseas operations

Multiple projects underway in the United States and Asia.

### Status of overseas expansion



### <Balance by Overseas Business Area>



### Major Projects in Thailand

#### <One Phayathai Project>

Urban region: Bangkok  
Use: Hotels, etc.  
Scheduled for completion: 2025



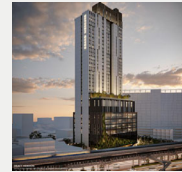
#### <Alpha Laem Chabang Project>

Urban region: Suburban Bangkok  
Use: Logistics facilities  
Completion: 2024



#### <Udom Suk Project>

Urban region: Bangkok  
Use: Hotels, offices, etc.  
Scheduled for completion: 2026



#### <BRANZ Mega Kuningan>

Urban region: Jakarta, Indonesia  
Use: Condominiums, extended stay hotel, etc.  
Scheduled for completion: 2024



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This is an overview of our overseas business initiatives.

We are currently working on 24 projects in Asia and 31 projects in the United States in collaboration with local partners.

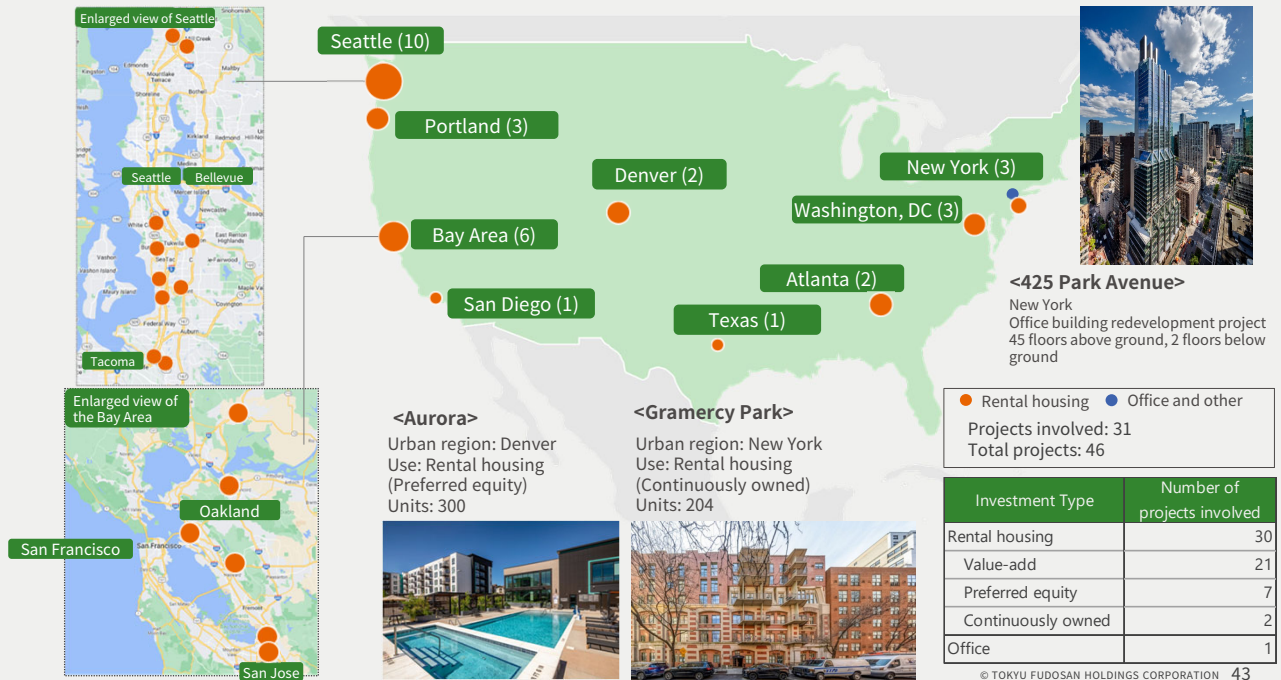
In Asia, we are promoting projects centered on Thailand and Indonesia.

Please turn to page 43.

## Strategic Investment ⑧ Overseas operations (U.S. Business) |

We will work to improve profitability and secure stable profits by investing in preferred equity and continuously owned investments / The occupancy rate for rental housing is maintained at over 90%

### U.S. Portfolio



This is an update on our business in the United States.

Until now, we have been focusing on the value-added business, which involves increasing the value of rental housing before selling it on in order to generate a profit on the sale, but we are now moving forward with investments in preferred equity and other types of projects that are designed to generate income over the long term, with the aim of securing stable profits and improving our profit and loss position.

In addition, our overseas business is currently running at a loss due to the high interest burden on non-consolidated SPCs in which we have invested, but the occupancy rate for rental housing is good, and we are maintaining an occupancy rate of over 90%. With regard to the office building 425 Park Avenue in New York, leasing of the office space has been completed, and the office contract rate is now 100%.

Please turn to page 44.

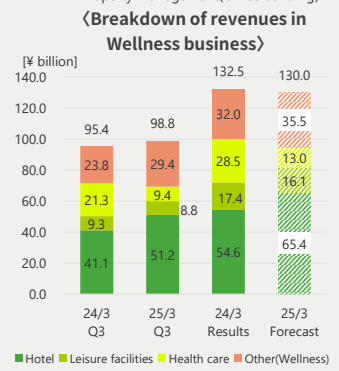
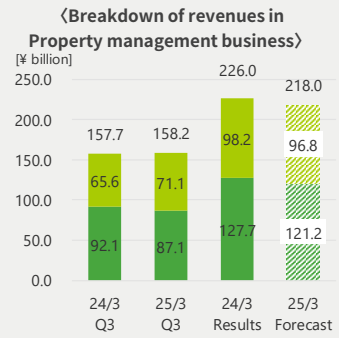
## Property Management & Operation ① FY2024 Q3 (First Nine Months) |

Profit increased mainly due to capturing inbound demand centered on the hotel business.

(¥ billion)	FY2023 Q3	FY2024 Q3	Comparison	note
<b>Operating revenue</b>	<b>261.0</b>	<b>265.9</b>	<b>4.9</b>	
Property management	157.7	158.2	0.5	Management +0.1, Construction (0.6), Leasing conference rooms, etc. +1.1
Wellness	95.4	98.8	3.4	Hotel +10.1, Tokyu Sports Oasis fitness business consolidation exclusions, etc.
(the sale)	0.9	3.7	2.9	Sales of assets +2.9
Environmental greening, etc.	7.9	8.8	0.9	
<b>Operating profit</b>	<b>15.6</b>	<b>19.8</b>	<b>4.2</b>	
Property management*	7.3	9.7	2.4	Management +0.6, Construction +1.4, Leasing conference rooms, etc. +0.4
Wellness*	8.3	10.2	1.8	Hotel +4.3, Sales of membership (1.7)
(the sale)	0.6	1.3	0.6	
Environmental greening, etc.*	(0.2)	0.0	0.2	

(¥ billion)	FY2023 Results	FY2024 Forecast	Comparison	note
<b>Operating revenue</b>	<b>371.5</b>	<b>362.0</b>	<b>(9.5)</b>	
Property management	226.0	218.0	(8.0)	Management (0.3), Construction (9.0), Leasing conference rooms, etc. +1.3
Wellness	132.5	130.0	(2.4)	Hotel +10.8, Tokyu Sports Oasis fitness business consolidation exclusions, etc.
(the sale)	4.5	3.7	(0.7)	
Environmental greening, etc.	13.0	14.0	1.0	
<b>Operating profit</b>	<b>22.8</b>	<b>23.9</b>	<b>1.1</b>	
Property management*	11.5	12.0	0.5	
Wellness*	11.0	11.8	0.7	Hotel +4.8, Sales of membership (1.9)
(the sale)	1.9	1.3	(0.6)	
Environmental greening, etc.*	0.4	0.1	(0.3)	

\* Operating profit stated above is a reference value before consolidated accounting treatment.



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This is the Property Management and Operation business segment.

In the third quarter, sales were 265.9 billion yen and operating profit was 19.8 billion yen, both of which increased compared to the same period last year.

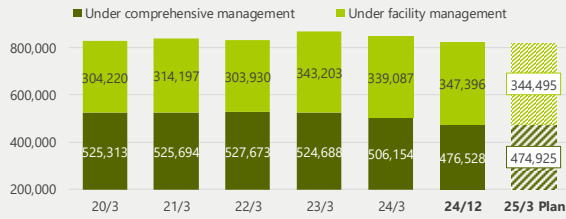
The management business saw an increase in profits due to the start of management of large projects and an increase in orders for construction of common areas in condominiums, and the wellness business saw an increase in profits due to the strong performance of the hotel business.

Please turn to page 46.

## Property Management & Operation ② Stock of properties

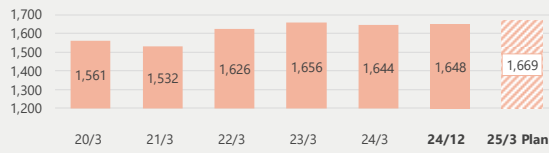
Rather than relying on profit growth through stock expansion, aim to shift from "quantity" to "quality."

### Condominium Management Stock Trends



Total units	829,533	839,891	831,603	867,891	845,241	823,924	819,420
(Change from the end of preceding fiscal year)	(2,151)	+ 10,358	(8,288)	+ 36,288	(22,650)	(21,317)	(25,821)

### Buildings and other facilities Management Stock Trends



Number of projects	1,561	1,532	1,626	1,656	1,644	1,648	1,669
(Change from the end of preceding fiscal year)	+ 21	(29)	+ 94	+ 30	(12)	+ 4	+ 25

### Major properties under management



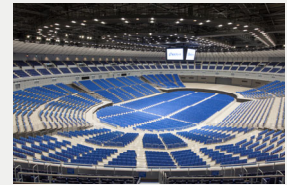
ES CON FIELD HOKKAIDO  
(opened in March 2023)



Dentsu Headquarters Building



Yoyogi Park Park-PFI Project  
(tentative name)  
(operatorship scheduled to start in February 2025)



Yokohama Arena  
(Contracted operations commenced April 2024)

## Property Management & Operation ③ Main projects and Operation status

Due to factors such as capturing inbound demand, Tokyu Stay's RevPAR has remained high, with its ADR exceeding 20,000 yen.



**Grancree HARUMI FLAG**  
Senior housing  
Opened in April 2024



**nol hakone myojindai**  
Resort Hotel  
Opened in May 2024



**TOKYU Harvest Club VIALA Hakonekoyu**  
Membership Resort Hotel  
Opened in October 2024



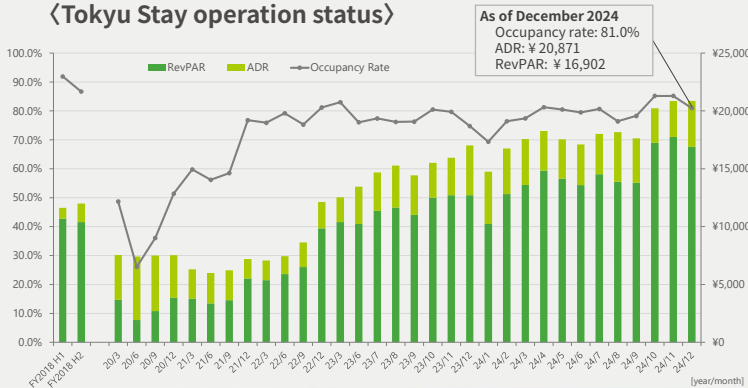
**Tokyu Stay Hiroshima (tentative name)**  
Urban hotel  
Scheduled to open in May 2026

(Scheduled to open)

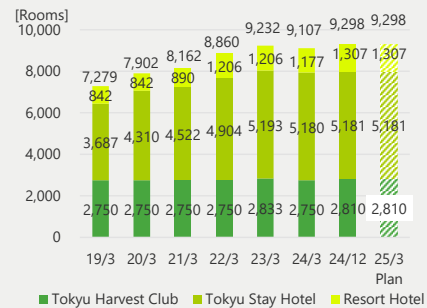
**FY2024**

**After FY2025**

### <Tokyu Stay operation status>



### <Number of rooms trends>



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We will explain the main projects for hotels and healthcare facilities going forward, as well as the operating status of Tokyu Stay.

The upper section introduces the main projects.

Sales of Harvest Club memberships are progressing well, including the “Tokyu Harvest Club VIALA Hakonekoyu” that opened in October.

The lower left section shows the operating status of Tokyu Stay.

We continue to capture strong inbound demand, and RevPAR remains at a high level.

RevPAR in December 2024 was 16,902 yen.

RevPAR in December 2023 was 12,724 yen, so it has risen 33% year on year.

Please turn to page 47.

## Real Estate Agents ① FY2024 Q3 (First Nine Months)

Revenue and profits increased, centering on the real estate brokerage business capturing the robust real estate market **Number 1**\*\*\* in the amount of real estate brokerage transactions\*\* for FY2023

(¥ billion)	FY2023 Q3	FY2024 Q3	Comparison	note
<b>Operating revenue</b>	<b>208.4</b>	<b>241.4</b>	<b>33.1</b>	
Real Estate Agents	136.9	166.7	29.8	Retail +7.0, Wholesale +0.2 Real estate sales +21.2
Rental housing service	71.5	74.8	3.3	
<b>Operating profit</b>	<b>28.9</b>	<b>38.3</b>	<b>9.4</b>	
Real Estate Agents*	26.4	34.2	7.8	Brokerage +5.0
Rental housing service*	2.5	3.9	1.4	

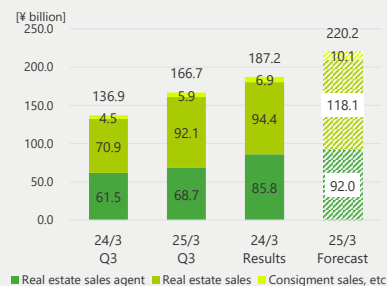
(¥ billion)	FY2023 Results	FY2024 Forecast	Comparison	note
<b>Operating revenue</b>	<b>285.6</b>	<b>326.0</b>	<b>40.4</b>	
Real Estate Agents	187.2	220.2	33.0	Retail +6.7, Wholesale (0.2) Real estate sales +23.7
Rental housing service	98.4	105.8	7.4	
<b>Operating profit</b>	<b>38.5</b>	<b>46.1</b>	<b>7.6</b>	
Real Estate Agents*	33.8	39.2	5.4	Brokerage +3.2
Rental housing service*	4.7	6.9	2.2	

\* Operating profit stated above is a reference value before consolidated accounting treatment.

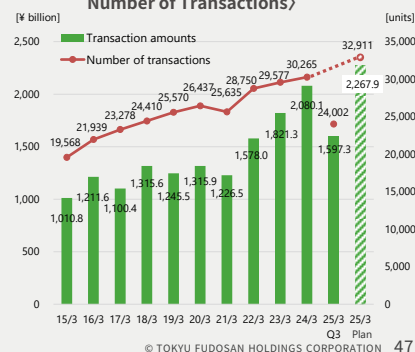
\*\* Total value of real estate brokered by Tokyu Livable (including real estate sales to individuals and corporate clients)

\*\*\* Based on newspaper reports (results of transaction surveys from April 2023 to March 2024 of 20-30 major real estate agents selected by newspapers for each real estate agent), etc.

〈Breakdown in revenues of Real estate sales agent business〉



〈Trends in Brokerage Volume and Number of Transactions〉



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This is the Real Estate Agents business segment.

In the third quarter, sales were 241.4 billion yen and operating income was 38.3 billion yen, and both sales and income increased year-on-year due to factors such as strong performance in brokerage and real estate sales.

Please turn to page 48.

## Real Estate Agents ② Performance indicators in sales agent

	FY2024 Q3			FY2024 (Plan)		
	Retail*	Wholesale*	Total	Retail *	Wholesale *	Total
	Rate of change YoY			Rate of change YoY		
<b>No. of transactions</b> (units)	23,172 +9.5%	830 ( 0.5)%	24,002 +9.1%	31,728 +9.0%	1,183 +3.0%	32,911 +8.7%
<b>Amount of transactions</b> (billion yen)	1,153.4 +13.1%	444.0 ( 7.8)%	1,597.3 +6.4%	1,576.6 +10.3%	691.3 +6.3%	2,267.9 +9.0%
<b>Average handling price</b> (million yen)	50 +4.7%	535 ( 4.1)%	67 ( 2.5)%	50 +1.2%	584 +3.2%	69 +0.3%
<b>Commission fee ratio</b>	4.6%	3.0%	4.1%	4.6%	2.4%	3.9%

### Highlights

- Retail
  - Number of offices: 219 as of March 31, 2024, 225 as of December 31, 2024, 225 shops at the end of March 2025 (planned).
- Wholesale
  - Steadily progressing towards Full-Year plan, although average transaction prices and transaction volumes were down on the previous year due to a reactionary fall from large-scale projects in the previous term.

\* From FY2024, some operations will be transferred from wholesale to retail due to organizational changes. YoY comparisons have been recalculated based on the new organizational structure, using the results from FY2023.

This is a sales index for sales agent.

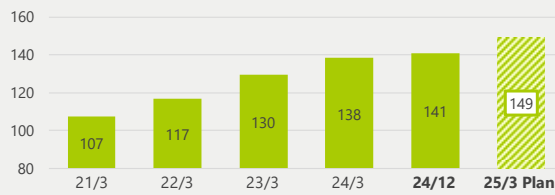
Regarding the results for the third quarter, shown in the upper left, we have seen an increase in the volume of transactions, not only due to an increase in the average transaction price for retail, and we recognize that we have been able to firmly grasp the active market.

Please turn to page 55.



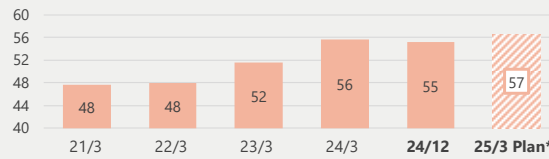
## Real Estate Agents ③ Changes in properties under management

### Rental Housing Management Stock Trends



[Units: thousand]	107	117	130	138	141	149
(Change from the end of preceding fiscal year)	+ 14	+ 10	+ 13	+ 9	+ 2	+ 11

### Student Condominiums, etc. Management Stock Trends



[Units: thousand]	48	48	52	56	55	57
(Change from the end of preceding fiscal year)	+ 2	+ 0	+ 4	+ 4	(0)	+ 1

\* The plan for the number of managed units including student condominiums for the fiscal year ending March 2025 is the initial plan for the fiscal year ending March 2026.

### Major properties under management



SHINONOME CANAL COURT CODAN  
(Started property management in 2019;  
total rental units: 1,712)



CAMPUS VILLAGE Ikuta  
(Completed in March 2024;  
total student condominiums units: 130)

Tokyu Land Corporation has developed an environmentally friendly property: the first student residence with a large hybrid structure combining wood and RC construction.

## **Initiatives for Co-Creation with Partners and Utilization of Regional Resources**

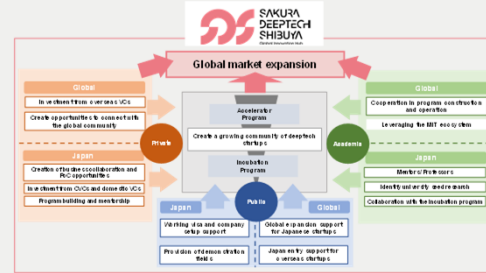
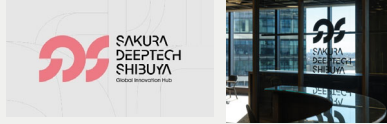
## Co-Creation with Partners initiatives

Co-create with external partners to expand assets involved and further enhance value.

### SAKURA DEEPTech SHIBUYA officially launched (January 2025)

SAKURA DEEPTech SHIBUYA, the largest community base in Shibuya to support the growth of deep tech startups, has opened at Shibuya Sakura Stage.

In collaboration with the Massachusetts Institute of Technology (MIT) faculty, the UTokyo IPC, Shibuya District, and others, it serves to provide multifaceted support for deep tech startups in Japan and overseas.



### Comprehensive business alliance with JR East, established renewable energy fund

A comprehensive business alliance was formed with the aim of solving social issues through environmentally symbiotic, community self-help sustainable community development and the growth of both company groups in February 2023. The Funabashi Ichiba-cho Project (tentative name) is being promoted in the residential business. A joint fund in the renewable energy business was established in March 2024, advancing a wide range of business collaborations.



### An off-site corporate PPA signed with Yasuda Logistics (November 2024)

The Company has concluded an off-site corporate power purchase agreement (PPA) with Yasuda Logistics, which has identified "contributing to a low-carbon, recycling-oriented society" as one of its key material management issues.

The agreement serves to supply electricity from renewable energy sources generated by the ReENE Katori Solar Power Plant to Yasuda Logistics' Shibaura Logistics Center through ReENE, an electricity retailer.



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## | Initiatives for Utilization of Regional Resources |

Promoting creation of added value by utilizing regional resources in renewable energy and resort businesses.

### Construction of the Ishikari Renewable Energy Data Center No. 1 began (October 2024)

Construction of the Ishikari Renewable Energy Data Center No. 1, which had been underway in Ishikari City since 2022, began.

Constructed as a data center that operates 100% on renewable energy generated by Tokyu Land Corporation and a limited liability company, etc., in which the company has a stake.

Ishikari City and Tokyu Land signed an "Agreement on Sustainable Town Development through the Use of Renewable Energy" to collaborate to realize Ishikari City's decarbonization-leading region and zero-carbon city and to continue developing the town.



Combining renewable energy projects and data centers with high power demand to achieve Green Transformation (GX) and DX simultaneously.

Establishing a business model that solves social issues and contributes to the SDGs while further developing business.

### Large investment made to enhance the value of international mountain resort experience at Niseko Tokyu Grand HIRAFU

At the Niseko Tokyu Grand HIRAFU, a new "Ace Gondola" has started operation. Going forward, a new restaurant will be opened on the second floor of the "Ace Gondola" summit station, and Ace Lift #3 will be upgraded to a 4-seater hooded lift.

In addition, a new housing facility called NATURE NISEKO HIRAFU has been opened in Niseko Hirafu area as an initiative to help solve local issues. This will contribute to solving the shortage of housing facilities for Niseko's winter resort workers.



Ace Lift #3 (current)









NATURE NISEKO HIRAFU

## Sustainability and DX Initiatives

## Materiality and KPI

We will aim to achieve non-financial KPI based on materialities.

Themes to work on (Materialities)	Target indicators	FY2023 Result	FY2025 Targets	(FY) FY2030 Targets
 Create a variety of lifestyles	• Customer satisfaction level*	92.8%	90% or more	90% or more
	• Products and services that contribute to Lifestyles Creation 3.0	Total 50 cases**** (FY2023 25 cases)	50 cases or more (10/year)	100 cases or more (10/year)
 Create communities and lifestyles that encourage well-being	• Measures to revitalize communities	Total 64 cases **** (FY2023 26 cases)	50 cases or more (10/year)	100 cases or more (10/year)
	• Strengthening buildings safety and security**	100%	100%	100%
 Create a sustainable environment	• CO <sub>2</sub> emissions (compared with FY2019)	Scope 1,2: (69)%	Scope 1,2: (50)% or more Scope 3: Reduction through cooperation with construction companies, etc.	(46.2)% (SBT certification)
	• Environmental efforts through business	Total 70 cases **** (FY2023 34 cases)	50 cases or more (10/year)	100 cases or more (10/year)
 Create value in the digital era	• Number of initiatives for digital utilization	Total 101 cases **** (FY2023 58 cases)	50 cases or more (10/year)	100 cases or more (10/year)
	• Acquisition of IT passport***	84%	80% or more	100%
 Create an organizational climate under which diverse human capital is enlivened	• Ensuring of diversity in the core human capital (ratio of female managers)	9%	9% or more	20% or more
	• Deepened DE&I understanding (E-learning attendance rate)	96%	100%	100%
 Create governance to accelerate growth	• Engagement with shareholders and investors	325 cases	290 cases or more	300 cases or more
	• Improvement of effectiveness of the Board of Directions (third party evaluation)	100%	100%	100%

\* Tokyu Cosmos Members Club Questionnaire survey

\*\* Support people who have difficulty returning home in the event of a disaster in a large and non-residential building, etc.

\*\*\* Tokyu Land Corporation employees

\*\*\*\* Cumulative results since FY2021

\*\*\*\*\*FY2023 results include results prior to third-party verification and are subject to change.

## Sustainability Initiatives

We address socioenvironmental issues through our business activities.

**Tokyu Land Corporation is the first domestic company to achieve “RE100.” (March 2024)**



At the Company's 204 business locations and owned facilities (including offices, commercial facilities, hotels, etc.),\* we have completed the switch to 100% renewable energy for the electricity used.\*\* After the international RE100 initiative formally reviewed our one-year\*\*\* renewable energy usage, and recognized our achievement of the RE100 target. The first business entity to achieve RE100 in Japan\*\*\*\*.



\* Excludes properties scheduled to be sold or torn down that are outside the scope of RE100 and certain joint projects for which Tokyu Land does not have energy management authority.  
\*\* Excludes electricity from on-site cogeneration because RE100-approved green gas does not exist on the Japanese market. Tokyu Land conducts decarbonization initiatives using carbon neutral gas supplied by Tokyo Gas.  
\*\*\* December 1, 2022 – November 30, 2023  
\*\*\*\* Except in financial institutions in Japan

**Received the Grand Prize in Daiwa Investor Relations “Internet IR Awards” (December 2024)**



Tokyu Fudosan Holdings received the Grand Prize in Daiwa Investor Relations “Internet IR Awards 2024,” the only prize of its kind in the domestic real estate industry, for the second consecutive year.

It also received the Excellence Award in the Sustainability Category.

The Company's sustainability website has been highly rated for its provision of ESG information and initiatives necessary for dialogue with stakeholders, with an awareness of legal systems and trends.



**GREEN AGENDA for BRANZ won the Good Design Best100 Award 2024 (October 2024)**



GREEN AGENDA for BRANZ won the Good Design Award 2024.

In addition, the Company was selected as one of the Good Design Best100 Award winners for the first time as Tokyu Land.

GREEN AGENDA is an entirely new landscape management plan that contributes to conserving urban biodiversity in condominiums.

After construction is completed, a 10-year management plan for planting, which forms the basis for biodiversity, will be developed. At the same time, efforts will be made to foster long-term empathy with the residents to create a home that will be loved and cherished by the people of the town for many years to come.



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We will introduce examples of our sustainability initiatives.

We have won the “Grand Prize” for two consecutive years in the Daiwa IR “Internet IR Awards”.

We are the only real estate company in Japan to have won the “Grand Prize”.

We have also won the “Excellence Award” in the Sustainability category, and our sustainability website has been evaluated for providing ESG information and initiatives necessary for dialogue with stakeholders, while being aware of legal systems and trends.

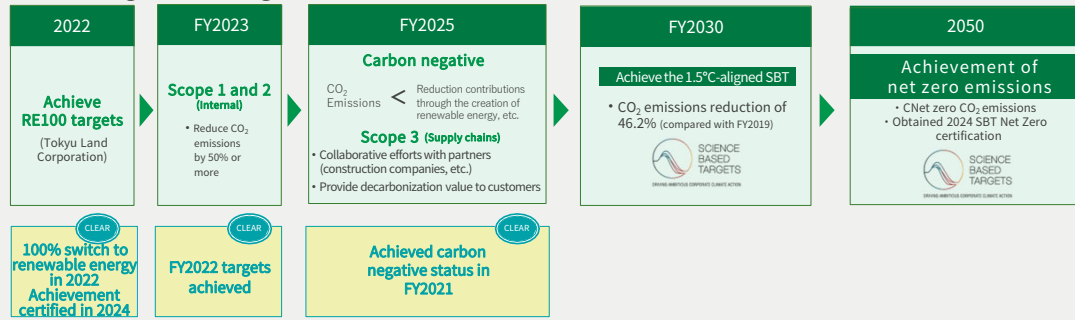
Please go to page 60.

# Science-Based Targets for the Low-Carbon Transition



We're stepping up climate efforts, committing to our 1.5°C-aligned science-based target for 2030.

## Climate change-related targets



## Progress toward environmental targets

Environmental certifications obtained*	<ul style="list-style-type: none"> <li>Percentage of large non-residential properties certified as low-carbon buildings: FY2025: 70% FY2030: 100%</li> <li>In September, we added condos to the metric Percentage of condos certified as low-carbon buildings: FY2023: 100%</li> <li>Low-carbon building certification obtained for all properties</li> </ul>	ZEB/ZEH Percentage**	FY2025: approx. 50% FY2030: 100% In the housing business, the expansion of the target and 100% advance in fiscal year 2023.
Use of ICP	FY2021: Adopted ICP FY2022: Graphical data on ICP presented at Tokyu Land's General Executive Committee	Participation in GX League	Tokyu Fudosan Holdings Corporation has joined METI's GX League, led by the Ministry of Economy, Trade and Industry .

\*This metric applies to large non-residential properties (with a total floor space of at least 10 km<sup>2</sup>) other than some jointly owned properties.

\*\*This metric describes the percentage of residential properties certified as ZEH Oriented or better and the percentage of non-residential properties certified as ZEB Oriented or better (as of construction commencement).





We've set human capital KPIs for each strategy.

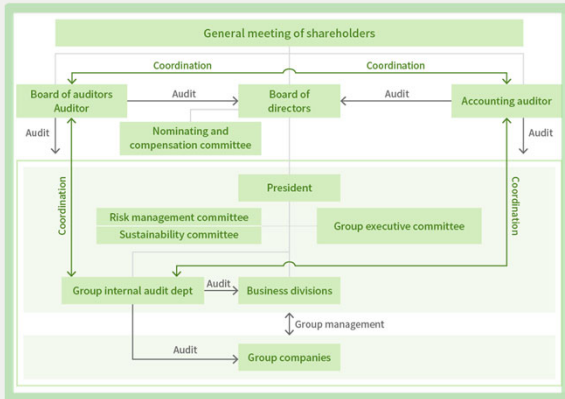
Human capital strategies	Measures	Human capital KPI	FY2023 Results (YoY) * Results for FY2023 or April 2024 Actual	Target	Outcomes
<p>Develop people who create value</p>	Dissemination of Group philosophy	1. Degree of personal investment in achieving the long-term vision of executive officers at each Group company (extent of Group coordination)	92% (+4) (covering a total of 138 officers)	90% (FY2025)	<p>2030 Create value for the future</p> <p>Challenge-oriented DNA</p> <p>Mission to engage in society</p>
	Development of DX talent	2. Acquisition of IT passports <sup>*1</sup> 3. Number of business utilizing digital technology	84% (+13) 58 (+45), cumulative total of 101	100% (FY2030) Cumulative total of at least 100 (FY2030)	
	Human capital development based on environmental management	4. Sustainable Action Awards 5. Environmental efforts through business	181 (+58), cumulative total of 304 34 (+20), cumulative total of 70	60 entries/year, cumulative total of 300 (FY2025) Cumulative total of at least 100 (FY2030)	
<p>Develop organizations with diversity and a sense of unity</p>	Empowerment of women	6. Ratio of women among new graduate hires <sup>*2</sup> 7. Ratio of female managers <sup>1</sup> 8. Ratio of female candidates for management positions <sup>2</sup>	39% (-7) 9% (+1) 18% (+0)	50% (April 2030) At least 20% (April 2030) At least 20% (April 2030)	
	Empowerment of diverse human capital	9. Ratio of mid-career hires among managers <sup>*2</sup> 10. Deepening understanding of DE&I (percentage of employees who took an e-learning course) <sup>*2</sup>	54% (+8) 96% (+10)	50% (April 2030) 100% (FY2030)	
	Fostering of an innovative organizational climate	11. Number of proposals commercialized through STEP, the Group's co-creation-based internal venture scheme 12. Acquiring external knowledge and sharing expertise within the Group	4 commercialized (+1), 49 entries (-6), cumulative total of 302 11 (+3), cumulative total of 119	Commercialization of 1 proposal/year (FY2025) Hold 4 seminars/year (FY2025)	
<p>Enhance motivation to work and foster an employee-friendly work culture</p>	Promotion of health and productivity management	13. Ratio of employees who undergo physical examinations <sup>*1</sup> 14. Ratio of employees who undergo stress checks <sup>*1</sup> 15. Ratio of childcare leave taken by male employees <sup>*2</sup>	100% (+0) 93% (+0) 89% (+24)	100% (FY2030) 100% (FY2030) 100% (FY2030)	
	Support for diverse work styles	16. Ratio of Group companies implementing a remote working system <sup>*2</sup> 17. Ratio of Group companies implementing a flextime (or staggered working hours) system <sup>*2</sup>	100% (+0) 100% (+0)	100% (FY2030) 100% (FY2030)	
	Improvement of employee engagement	18. Carrying out employee engagement surveys and implementing improvements <sup>*1</sup>	AA engagement rating (same as last year)	AA engagement rating (FY2030)	

\*1 Tokyu Land Corporation \*2: Combined total of the five main business companies (Tokyu Land Corporation, Tokyu Livable Inc., Tokyu Community Corp., Tokyu Ho using Lease Corporation, and National Students Information Center, Co., Ltd.)

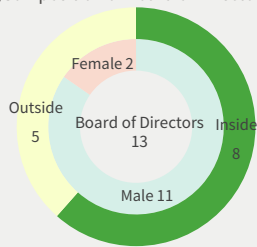


Establish a governance system that contributes to ensuring sound and transparent management and strengthening the system for implementing the long-term management policy.

<Corporate Governance Structure>



<Composition of Board of Directors>

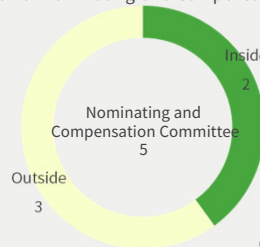


<System of Remuneration for Officers>

Improved linkage between achievement of KPIs (including ESG) and compensation

Item	Fixed Remuneration	Variable Remuneration	
	Monthly Remuneration	Bonus	Stock-based Compensation
Positioning	Basic remuneration	Short-term incentive	Medium-to-long-term incentive
Target percentage of total remuneration	50%	40%	10%
Approach to fluctuation		Linked to performance evaluation	Linked to stock price
Fluctuation from base amount		40~160%	Linked to stock price









<Composition of Nominating and Compensation Committee>



## Sustainable Management (External Evaluation)

Selected as a constituent of the FTSE4Good Index Series for a total of 15 consecutive years  
 Received "AA" in the MSCI ESG Rating and recognized on the highest-rated A-List by CDP for the fourth consecutive year.

● Selected - Not selected

Classification	Index/Evaluation	Description of Evaluation	2019	2020	2021	2022	2022	2024
ESG	FTSE 4good Index Series 	Evaluating companies' activities to fulfill their social responsibilities in terms of environmental, social, and governance (ESG) aspects	●	●	●	●	●	●
	FTSE Blossom Japan Index 	Adopted by the GPIF. The index reflects the performance of outstanding Japanese companies in terms of ESG management.	●	●	●	●	●	●
	MSCI Japan ESG Select Leaders 	Adopted by the GPIF. Selecting outstanding Japanese companies in different industries in terms of ESG evaluation	●	●	●	●	●	●
	GRESB Real Estate Assessment 	The benchmark assessment that measures the ESG considerations of real estate companies and funds.	—	Green Star 3 Stars	Green Star 4 Stars	Green Star 4 Stars	Green Star 4 Stars	Green Star 4 Stars
E (environment)	S&P/JPX Carbon Efficient Index 	Adopted by the GPIF. The weights of the constituents are determined in accordance with their carbon efficiency.	●	●	●	●	●	●
	CDP 	The companies' initiatives related to climate change, decarbonization strategies and performance in line with the TCFD recommendations, are evaluated.	A- (climate change)	A- (climate change)	A (climate change)	A (climate change)	A (climate change)	A (climate change, water security)
S (society)	MSCI Japan Empowering Women Index 	Adopted by the GPIF. Companies with high gender diversity scores based on data on the employment of women are selected.	●	●	●	●	●	●
	Health & Productivity Management Outstanding Organizations 	Evaluating health management practices. Evaluated by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi.	●	●	●	●	●	*

\* Health & Productivity Management Outstanding Organizations will be announced in March 2025

Our digital transformation focuses on business processes and customer experience.

**Development of the communication app “SHIBUYA MABLS”**

Developed the real estate industry's first area-specific app for the creation of new forms of communication. Based on usage data and other factors, store and event information tailored to individual preferences will be provided, visitors' understanding will be deepened, and this information will be utilized for urban development in the Greater Shibuya Area.



**Tokyu Livable is collaborating with tenants of Shibuya Sakura Stage to develop a unique text creation system for social media postings that incorporates generative AI (November 2024)**

Tokyu Livable collaborated with Arsaga Partners, Inc., which relocated its head office to the Shibuya Sakura Stage, to develop a unique business-specific system that utilizes generative AI.



The AI handles everything from reading and understanding real estate information to drafting social media post content, which the person in charge then revises. This reduces working hours from 45 minutes per case to 10 minutes (approx. 35 minutes, an approx. 80% reduction)

**Started provision of comprehensive facility management services utilizing digital twin technologies (July 2024)**

By utilizing digital twin technologies such as BIM\*, point cloud data, and 3D modeling and mapping tools, Tokyu Community aims to maintain appropriate information on facilities, visualize issues and points for improvement in the operation and maintenance of real estate, and promote efficient operation and optimization of management.



\* An abbreviation for Building Information Modeling, which involves constructing a building information model on a computer that contains mainly three-dimensional shape information as well as information on building attributes such as room names and areas, material and component specifications and properties, and finishing.

**Local web3 lab.@Shibuya's first local DAO “Osakana DAO Nagasaki” Recognized as project No. 84 under the Nagasaki Creation Project Recognition System (August 2024).**

Local DAO (Decentralized Autonomous Organization) “Osakana DAO Nagasaki” rolled out by Local web3 lab.@Shibuya,\*\* a demonstration experiment for solving local problems, is recognized as Nagasaki City's Nagasaki Creation Project No. 84.



\*\*A demonstration experiment in which Tokyu Fudosan Holdings, MeTown Inc., and Unyte Inc. collaborate to create an autonomous, decentralized, local co-creation online community (“Local DAO”), aiming to solve regional issues using web3 technology.

We will now introduce our DX initiatives.

With the aim of using them for urban development in the Greater Shibuya area, we have developed the first area-specific app in the real estate industry, and we are also promoting business process reforms at each of our group companies, including Tokyu Livable and Tokyu Community.

That concludes my explanation.

## Status of dialogue implementation with investors and analysts

We continued engaging with investors and analysts to aid our sustainable growth and build our organization's value over the long term.

### IR events organized

Major IR events	FY2022	FY2023	Person who primarily handled the event
Earnings briefing session	Twice	Twice	President & CEO, Director, Operating Officer
Interviews and meetings	284times	325 times	Director, Operating Officer, Executive Manager, Investor Relations Office Senior Manager, Investor Relations Staff
Conferences sponsored by brokerage firms	11times	7 times	Director, Operating Officer, Executive Manager, Investor Relations Office Senior Manager
Small meeting with the president	Once	Once	President & CEO, Director, Operating Officer
International IR	Twice	3 times	President & CEO, Director, Operating Officer
Business briefing session	Once	Once	Director, Operating Offer
Business tour	Twice	8 times	Business division staff, Investor Relations Office Senior Manager, Investor Relations Staff
Briefing for individual investors	Once	Once	President & CEO

### Main themes of our dialogue with investors and analysts/main concerns expressed by investors and analysts

- Likelihood of achieving the growth strategies and financial targets set forth in the medium-term management plan
- Direction of the next medium-term management plan
- Company initiatives to enhance corporate value and improve the PBR
- Impact of rising construction costs and labor shortages on business
- Domestic interest rate outlook and the impact of rising interest rates on finance and business
- Market conditions for various businesses (office, condominiums for sale, real estate agents, real estate trading, etc.) and how the Company is impacted
- Outlook for office rent increases under the inflation environment
- Trends in inbound demand in the hotel business and potential for further profit increases from the next fiscal year onward
- The current state of overseas business and the strategy for turning a profit in the future
- Growth strategy for the renewable energy business
- Shareholder return policy
- ESG initiatives

### Feedback from investors and analysts (such as opinions and concerns) to management, etc.

Opinions and concerns expressed by investors and analysts during our interactions are always conveyed to senior management. Periodic reports are made to the Company's Board of Directors (twice in FY2023) and to the management meetings of major subsidiaries (twice in FY2023).

***WE ARE GREEN***

 ***TOKYU FUDOSAN HOLDINGS***