

# Financial Highlights

FY2018 First Quarter (First Three Months)

Ended June 30, 2018

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 Company. Actual performance may significantly differ from these forecasts due to various factors in the future.

# FY2018 Q1 (First Three Months) Operating Results

Both revenue and profit decreased due to a fall in the number of condominiums, despite solid performances in individual segments.

(¥ billion)	Q1 First Three Months (ended June 30)			Full-year (ended March-31)		Progress	Compared to the same period last year
	FY2017 **	FY2018	Comparison	FY2017 **	FY2018 Forecast		
<b>Operating revenue</b>	<b>183.9</b>	<b>174.3</b>	<b>(9.7)</b>	<b>866.1</b>	<b>880.0</b>	<b>19.8%</b>	□ Operating revenue, Operating profit Both revenue and profit decreased, primarily reflecting a fall in the number of condominiums and a decrease in gains related to the sale of buildings for investors.
<b>Operating profit</b>	<b>17.4</b>	<b>11.8</b>	<b>(5.6)</b>	<b>77.5</b>	<b>80.0</b>	<b>14.7%</b>	
Non-operating income	0.4	<b>0.4</b>	(0.0)	1.4	–	–	
Non-operating expenses	2.4	<b>2.4</b>	0.0	10.3	–	–	
<b>Ordinary profit</b>	<b>15.4</b>	<b>9.8</b>	<b>(5.7)</b>	<b>68.7</b>	<b>70.0</b>	<b>14.0%</b>	
Extraordinary income	0.0	–	(0.0)	0.0	–	–	
Extraordinary losses	1.0	–	(1.0)	9.3	–	–	
Income before income taxes and minority interests	14.4	<b>9.8</b>	(4.7)	59.4	–	–	
<b>Profit attributable to owners of parent</b>	<b>8.1</b>	<b>5.4</b>	<b>(2.7)</b>	<b>35.2</b>	<b>37.0</b>	<b>14.6%</b>	
Total assets	2,066.2	2,229.1	162.8	2,173.2	–	–	
Interest-bearing Debt	1,182.1	1,301.6	119.5	1,210.4	1,355.0	–	
Equity	443.3	467.2	23.8	468.1	–	–	
Equity ratio	21.5%	21.0%	(0.5)P	21.5%	–	–	
<b>D/E ratio</b>	<b>2.7</b>	<b>2.8</b>	<b>0.1</b>	<b>2.6</b>	<b>2.7</b>	–	
EBITDA	–	–	–	106.1	107.1	–	
<b>EBITDA multiple</b>	–	–	–	<b>11.4</b>	<b>12.7</b>	–	

\* Figures in brackets show amounts posted, and figures with the mark + or figures in parentheses show increases or decreases.  
(The same will apply in the following pages.)

\*\* The Group has applied the “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, February 16, 2018) and relevant Guidances effective from the beginning of the first quarter ended June 30, 2018. Accordingly, the key management indicators associated with the first quarter of the previous consolidated fiscal year and the previous consolidated fiscal year have been retrospectively adjusted to reflect the application of the aforementioned standard.

# FY2018 Q1 (First Three Months) Segment performance

Progress was made in line with the full-year forecast, although the rate of progress was low in a number of segments.

(¥ billion)	Q1 First Three Months (ended June 30)			Full-year (ended March-31)		Progress	Compared to the same period last year
	FY2017	FY2018	Comparison	FY2017	FY2018 Forecast		
<b>Operating revenue</b>	<b>183.9</b>	<b>174.3</b>	<b>(9.7)</b>	<b>866.1</b>	<b>880.0</b>	<b>19.8%</b>	
Urban Development	55.1	54.7	(0.4)	269.8	233.4	23.4%	□Urban Development Revenue and profit decreased mainly due to a decline in gains related to the sale of buildings for investors, despite an increase in profitability for existing properties.
Residential	27.9	13.1	(14.8)	123.5	115.4	11.3%	□Residential Revenue and profit decreased chiefly due to a fall in the number of condominiums.
Property Management	33.6	37.7	4.0	160.9	174.3	21.6%	□Property Management Profit declined primarily due to an increase in expenses, which offset a rise in revenue mainly attributable to increased property stock under management.
Real Estate Agents	18.4	21.3	2.8	99.3	107.9	19.7%	□Real Estate Agents Revenue increased, mainly reflecting strong performance in Real Estate Agents. However, profit decreased mainly due to backlash in sales from development asset management which was posted in previous year.
Wellness	21.2	23.2	2.1	97.0	126.3	18.4%	□Wellness Revenue and profit rose, reflecting the opening of new Tokyu Stay hotels and other facilities as well as the posting of sales of country houses.
Tokyu Hands	22.9	23.0	0.1	97.1	98.6	23.3%	□Tokyu Hands Revenue and profit increased chiefly due to the opening of new stores and cost reduction.
Innovation business	9.5	7.0	(2.5)	41.7	48.6	14.4%	□Innovation business Revenue and profit fell as a result of the transfer of the renovation business.
Elimination	(4.7)	(5.6)	(0.9)	(23.3)	(24.5)	–	
<b>Operating profit</b>	<b>17.4</b>	<b>11.8</b>	<b>(5.6)</b>	<b>77.5</b>	<b>80.0</b>	<b>14.7%</b>	
Urban Development	14.2	10.6	(3.6)	50.7	50.0	21.2%	
Residential	2.1	0.1	(2.0)	7.6	5.0	1.8%	
Property Management	1.3	1.1	(0.1)	8.2	8.4	13.5%	
Real Estate Agents	2.0	1.7	(0.3)	13.2	14.0	12.4%	
Wellness	0.2	0.4	0.2	5.8	7.4	5.6%	
Tokyu Hands	0.0	0.3	0.2	0.4	0.5	49.0%	
Innovation business	(0.9)	(0.7)	0.2	(2.2)	1.2	–	
Elimination	(1.6)	(1.7)	(0.1)	(6.3)	(6.5)	–	

# Summary of balance sheets

Assets and liabilities increased, due mainly to an increase in Real estate for sale.

(¥ billion)	FY2017	FY2018	Comparison	Compared to the end of the previous fiscal year	
	As of Mar-31, 2018	As of June 30, 2018			
Cash and deposits	62.8	77.7	14.9	<input type="checkbox"/> <b>Real estate for sale</b> Real estate for sale increased mainly due to investments in predetermined projects in Residential and Wellness segments. <input type="checkbox"/> <b>Property and equipment, Intangible assets</b> Property and equipment as well as intangible assets increased by 15.5 billion yen mainly due to investments. [Reference] (As of Mar-31, 2018) Market value appraisal for leased properties Year-end book value: ¥791.4 billion Year-end market value: ¥937.1 billion Difference: + ¥145.7 billion	
<b>Real estate for sale</b>	<b>473.7</b>	<b>510.7</b>	<b>37.0</b>		
<b>Property and equipment, Intangible assets</b>	<b>1,165.6</b>	<b>1,181.1</b>	<b>15.5</b>		
Goodwill	82.6	81.2	(1.4)		
Other investments	258.1	257.0	(1.1)		
Accounts receivable etc.	43.9	34.1	(9.8)		
Other	86.5	87.3	0.8		
<b>Total assets</b>	<b>2,173.2</b>	<b>2,229.1</b>	<b>55.8</b>		
<b>Interest-bearing Debt</b>	<b>1,210.4</b>	<b>1,301.6</b>	<b>91.2</b>		<input type="checkbox"/> <b>D/E ratio</b> The D/E ratio rose from 2.7 to 2.8, mainly reflecting an increase in interest-bearing debt.
Guarantee and lease deposits received	180.0	179.2	(0.8)		
Deposits	70.5	56.4	(14.1)		
Trade payables etc.	83.1	61.9	(21.2)		
Other	154.0	155.7	1.7		
<b>Total liabilities</b>	<b>1,697.9</b>	<b>1,754.8</b>	<b>56.9</b>		
<b>Equity</b>	<b>468.1</b>	<b>467.2</b>	<b>(1.0)</b>	<input type="checkbox"/> <b>Equity ratio</b> 21.0% (As of Mar-2018, 21.5%)	
Non-controlling interests	7.2	7.1	(0.1)		
<b>Total net assets</b>	<b>475.3</b>	<b>474.3</b>	<b>(1.1)</b>		

\* The Group has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and relevant Guidances effective from the beginning of the first quarter ended June 30, 2018. Accordingly, the key management indicators associated with the previous consolidated fiscal year have been retrospectively adjusted to reflect the application of the aforementioned standard.

# Urban Development(1) FY2018 Q1(First Three Months)

Q1: Decreases in both revenue and profit    FY2018: Decreases in both revenue and profit

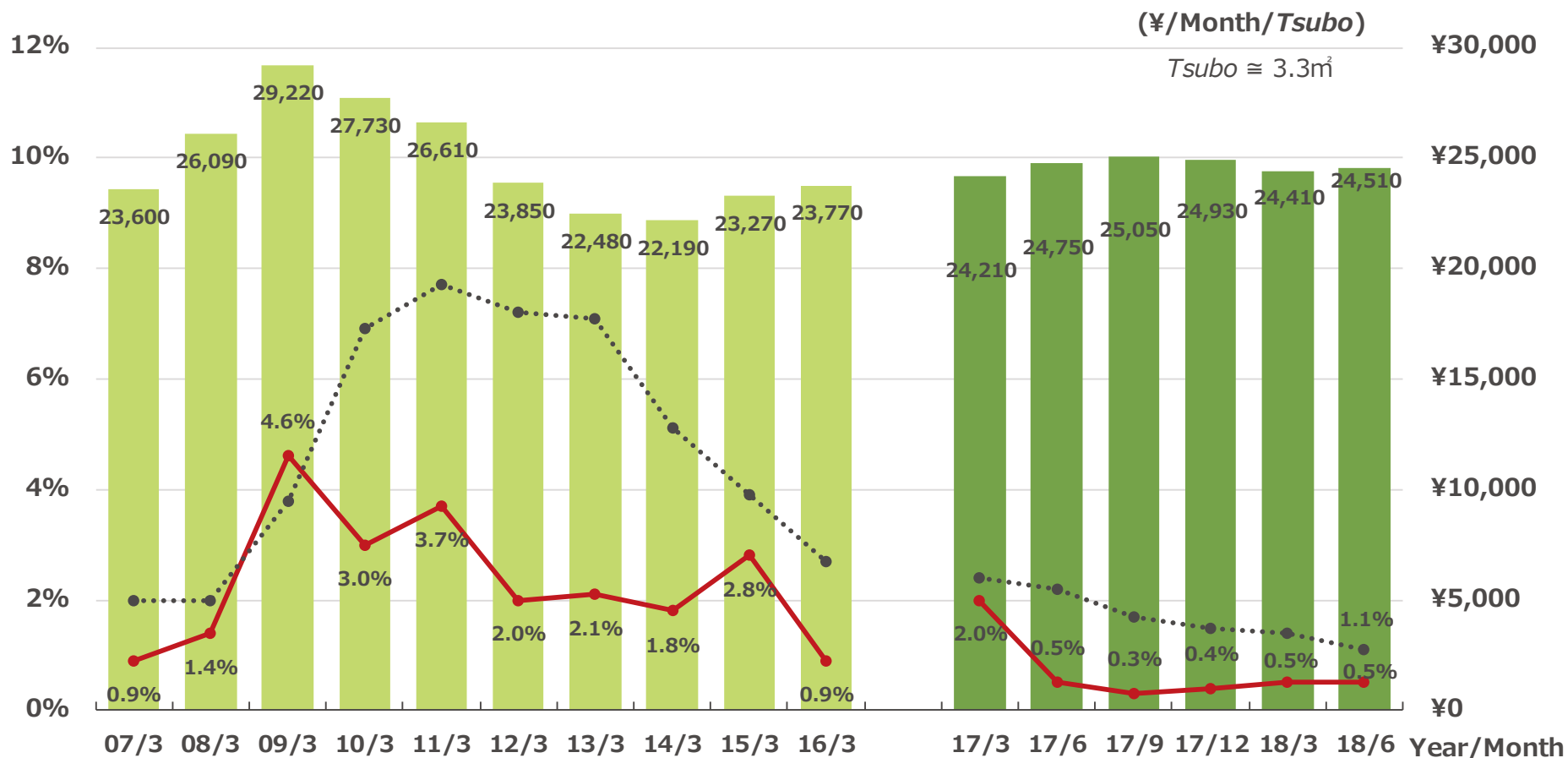
First Quarter First Three Months (¥ billion)	FY2017 Q1(Apr-Jun)	FY2018 Q1(Apr-Jun)	Comparison	Progress
<b>Operating revenue</b>	<b>55.1</b>	<b>54.7</b>	<b>(0.4)</b>	<b>23.4%</b>
Leasing (Office buildings)	10.2	9.1	(1.1)	
Leasing (Commercial facilities)	10.6	10.1	(0.5)	
Asset management etc.	13.4	14.0	0.6	
Leasing (Residence) etc.	20.8	21.4	0.6	
<b>Operating profit</b>	<b>14.2</b>	<b>10.6</b>	<b>(3.6)</b>	<b>21.2%</b>

Full-year (¥ billion)	FY2017	FY2018 Forecast	Comparison
<b>Operating revenue</b>	<b>269.8</b>	<b>233.4</b>	<b>(36.4)</b>
Leasing (Office buildings)	37.9	36.7	(1.3)
Leasing (Commercial facilities)	42.9	40.7	(2.2)
Asset management etc.	107.3	68.3	(39.1)
Leasing (Residence) etc.	81.6	87.7	6.1
<b>Operating profit</b>	<b>50.7</b>	<b>50.0</b>	<b>(0.8)</b>

# Urban Development(2) Vacancy Rate and Rent

As of June 30, 2018 Vacancy rate 0.5%

(Tenants actually moving in and out, Office buildings and commercial facilities)



Light Green Bar: Tokyu Land Corp Average office rent (Fiscal year)\*

Dark Green Bar: Tokyu Land Corp Average office rent (quarter)\*

Red Line with Circle: Tokyu Land Corp Vacancy rate

Dotted Line with Circle: Tokyo 23districts Vacancy rate\*\*

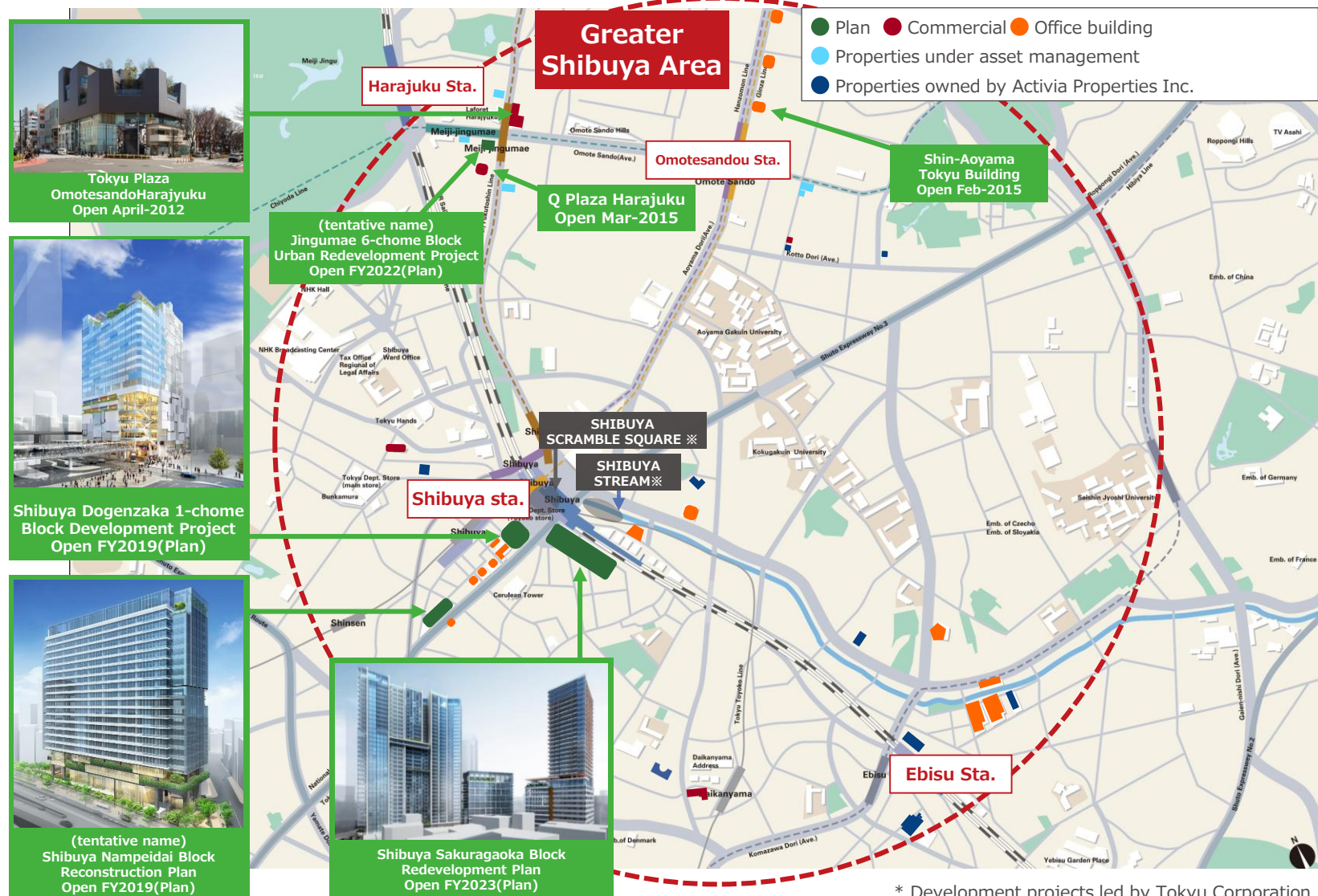
\* The average office rents of the Company presented include common area service expenses.

\*\* Date Source : CBRE K.K. 「Japan Office MarketView」



# Urban Development(3) Major projects Greater Shibuya Area

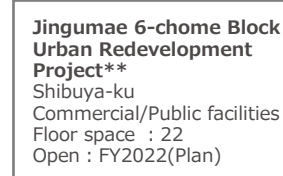
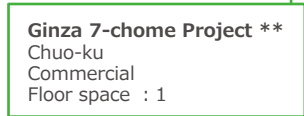
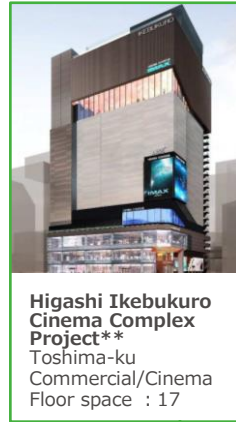
The Shibuya Redevelopment Project made steady progress. The properties are planned to be opened from FY2019.





# Urban Development(4)Major projects

Floor space : thousand m



\* Floor space of all the projects before taking our equity into account  
\*\* tentative name

# Urban Development(5)Renewable energy business

Investment in the renewable energy business, including investment in solar power and wind power generation plants, made progress.

## Projects acquired

Properties in operation: 11

Projects under development: 21

(solar power generation projects: 19,

wind generation projects: 2)

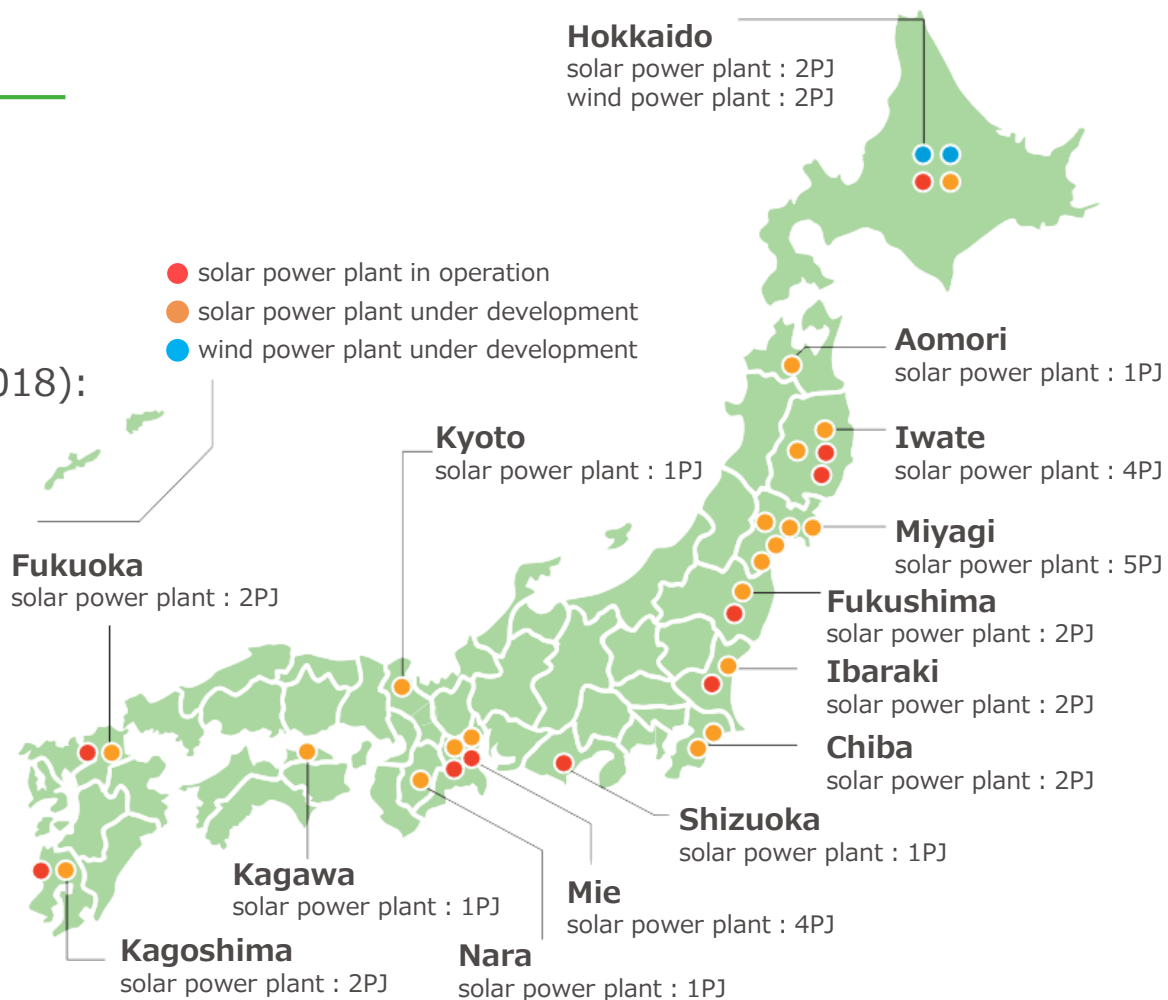
Investment progress(As of June 30, 2018):

¥49.6 billion

Major projects:

Kushiro (Hokkaido) 92MW

Yoshino (Nara) 32MW



# Residential(1) FY2018 Q1(First Three Months)

Q1: Decreases in both revenue and profit    FY2018: Decreases in both revenue and profit

First Quarter First Three Months (¥ billion)	FY2017 Q1(Apr-Jun)	FY2018 Q1(Apr-Jun)	Comparison	Progress
<b>Operating revenue</b>	<b>27.9</b>	<b>13.1</b>	<b>(14.8)</b>	<b>11.3%</b>
Condominiums	24.7	6.5	(18.2)	
Detached housing	0.5	0.3	(0.1)	
Others	2.8	6.2	3.5	
<b>Operating profit</b>	<b>2.1</b>	<b>0.1</b>	<b>(2.0)</b>	<b>1.8%</b>

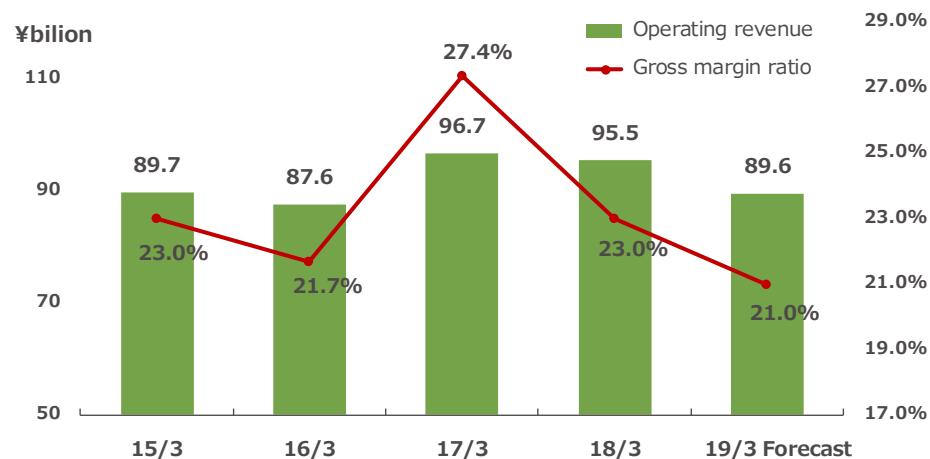
Full-year (¥ billion)	FY2017	FY2018 forecast	Comparison
<b>Operating revenue</b>	<b>123.5</b>	<b>115.4</b>	<b>(8.2)</b>
Condominiums	95.5	89.6	(5.9)
Detached housing	3.1	2.3	(0.8)
Others	25.0	23.4	(1.5)
<b>Operating profit</b>	<b>7.6</b>	<b>5.0</b>	<b>(2.6)</b>

# Residential(2) Change in the indexes for condominium sales

For the fiscal year ending March 31, 2019, high-end properties will increase, although the number of units estimated will decrease.

FY	FY2016	FY2017	FY2018 Forecast	FY2019 Forecast
No. of units sold	Total 1,560units	Total 1,627units	Total 1,266units	—
Contract ratio (Beginning-of-year→1Q→2Q→3Q)	57%→67%→84%→94%	54%→ 68%→ 80%→ 89%	32%→57% (As of Jun 30, 2018)	—
Year-end inventory of completed units	457	629	482 (As of Jun 30, 2018)	—
Major derevery condo Number of units refers to the number of units of sale ( ) ownership ratio	BRANZ Tower Minatomirai 228units(100%) BRANZ The House Ichibancho 56units(100%) BRANZ City Kugahara 278units(100%) BRANZ Kakogawa ekimae 150units(60%)	BRANZ Yokohama 210units(50%) BRANZ Shibuya Tokiwamatsu 72units(85%) BRANZ Tower Midousujihommachi 276units(50%)	BRANZ Futakotamagawa terrace 79units(100%) BRANZ Rokuban-cho 39units(100%) BRANZ Roppongi Iikurakatomachi 33units(65%) BRANZ Roppongi The Residence 51units(40%)	BRANZ Kawaguchi Honcho 163units(100%) BRANZ Tower Umeda North 653units(33%) BRANZ Tower Hagoromo 145units(80%)
Purchase of land for sales (¥ billion)	40.7 (1,966 units)	36.7 (2,439units)	50.0 (Plan) 1Q : 19.0 (98 units)	— —

## <Change in operating revenue and gross margin ratio for condominiums>



## <Land bank of properties to be completed>

Acquired land to be delivered on or after 2020: about 8,800units



BRANZ Futako Tamagawa Terrace  
(To be completed in January 2019)



BRANZ Tower Umeda North  
(to be completed in November 2019)

# Property Management(1) FY2018 Q1(First Three Months)

Q1: Increase in revenue and Decrease in profit    FY2018: Increases in both revenue and profit

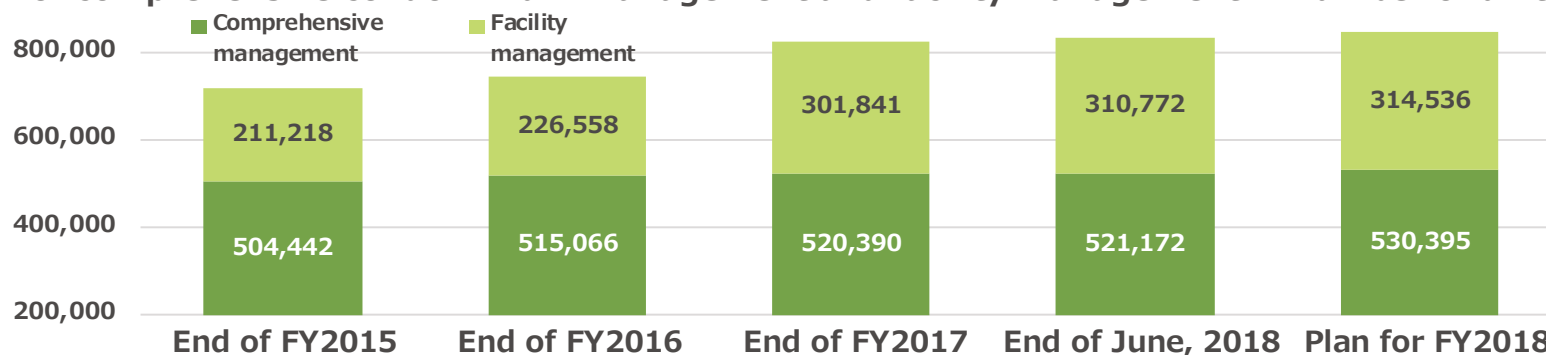
First Quarter First Three Months (¥ billion)	FY2017 Q1(Apr-Jun)	FY2018 Q1(Apr-Jun)	Comparison	Progress
<b>Operating revenue</b>	<b>33.6</b>	<b>37.7</b>	<b>4.0</b>	<b>21.6%</b>
Condominium	23.6	25.7	2.1	
Buildings and Other facilities	10.1	11.9	1.9	
<b>Operating profit</b>	<b>1.3</b>	<b>1.1</b>	<b>(0.1)</b>	<b>13.5%</b>

Full-year (¥ billion)	FY2017	FY2018 Forecast	Comparison
<b>Operating revenue</b>	<b>160.9</b>	<b>174.3</b>	<b>13.3</b>
Condominium	111.6	117.4	5.8
Buildings and Other facilities	49.3	56.9	7.5
<b>Operating profit</b>	<b>8.2</b>	<b>8.4</b>	<b>0.2</b>

# Property Management(2) Stock of properties

Condominiums and buildings under management steadily increased to expand stock under management.

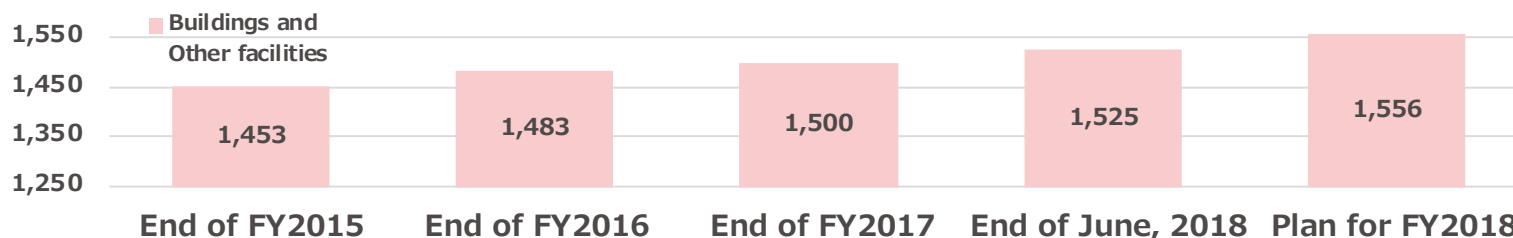
〈Trend in stock of comprehensive condominium management and facility management in number of units〉



[Units]

Number of condominium units under management	715,660	741,624	822,231	831,944	844,931
(Change from the end of preceding fiscal year)	(+37,181)	(+25,964)	(+80,607)	(+9,713)	(+22,700)
Under comprehensive management	504,442	515,066	520,390	521,172	530,395
Under facility management	211,218	226,558	301,841	310,772	314,536

〈Trend in stock of management of buildings and other facilities〉



[Projects]

Buildings and Other facilities	1,453	1,483	1,500	1,525	1,556
(Change from the end of preceding fiscal year)	+ 93	+ 30	+ 17	+ 25	+ 53

# Real Estate Agents(1) FY2018 Q1(First Three Months)

Q1: Increase in revenue and Decrease in profit FY2018: Increases in both revenue and profit

First Quarter First Three Months (¥ billion)	FY2017 Q1(Apr-Jun)	FY2018 Q1(Apr-Jun)	Comparison	Progress
<b>Operating revenue</b>	<b>18.4</b>	<b>21.3</b>	<b>2.8</b>	<b>19.7%</b>
Real-estate sales agent	11.4	12.7	1.3	
Consignment sales	0.5	0.4	(0.2)	
Real-estate sales	5.2	7.6	2.4	
Other	1.3	0.6	(0.7)	
<b>Operating profit</b>	<b>2.0</b>	<b>1.7</b>	<b>(0.3)</b>	<b>12.4%</b>

Full-year (¥ billion)	FY2017	FY2018 Forecast	Comparison
<b>Operating revenue</b>	<b>99.3</b>	<b>107.9</b>	<b>8.6</b>
Real-estate sales agent	54.9	60.9	5.9
Consignment sales	2.7	3.4	0.7
Real-estate sales	39.0	41.5	2.5
Other	2.7	2.2	(0.5)
<b>Operating profit</b>	<b>13.2</b>	<b>14.0</b>	<b>0.8</b>



# Real Estate Agents(2) Performance indicators in sales agency operations

Revenue increased due to solid performances in the retail business and wholesale business.

	FY2018 Q1		
	Retail	Wholesale	Total
No. of transactions (Rate of change YoY)	5,510 +1.6%	222 ( 11.6)%	5,732 +1.0%
Amount of transactions (Rate of change YoY)	207.0 billion yen +6.4%	69.6 billion yen +28.8%	276.7 billion yen +11.3%
Average handling price (Rate of change YoY)	38 million yen +4.7%	314 million yen +45.6%	48 million yen +10.2%
Commission fee ratio	4.7%	3.4%	4.4%

## Highlights

- Retail (Result)
  - Revenue increased due to growth both in the number of transactions and the average handling price on the back of a continued favorable market condition.
  - Five new stores opened (Nakanosakaue, Osone, Kiyosumishirakawa and others)  
Ten new stores will open this fiscal year.
- Wholesale (Result)
  - Revenue rose due to an increase in average handling prices (215 million yen → 314 million yen), despite a decline in the number of transactions.

	FY2017		
	Retail	Wholesale	Total
No. of transactions (Rate of change YoY)	23,268 +4.5%	1,142 +12.6%	24,410 +4.9%
Amount of transactions (Rate of change YoY)	884.5 billion yen +7.7%	431.1 billion yen +54.5%	1,315.6 billion yen +19.6%
Average handling price (Rate of change YoY)	38 million yen +3.0%	377 million yen +37.2%	54 million yen +14.0%
Commission fee ratio	4.7%	2.7%	4.0%

	FY2018 (Plan)		
	Retail	Wholesale	Total
No. of transactions (Rate of change YoY)	25,965 +11.6%	1,224 +7.2%	27,189 +11.4%
Amount of transactions (Rate of change YoY)	996.6 billion yen +12.7%	323.2 billion yen ( 25.0) %	1,319.8 billion yen +0.3%
Average handling price (Rate of change YoY)	38 million yen +1.0%	264 million yen ( 30.0) %	49 million yen ( 9.9) %
Commission fee ratio	4.7%	3.8%	4.5%

# Wellness(1) FY2018 Q1(First Three Months)

Q1: Increases in both revenue and profit FY2018: Increases in both revenue and profit

First Quarter First Three Months (¥ billion)	FY2017 Q1(Apr-Jun)	FY2018 Q1(Apr-Jun)	Comparison	Progress
<b>Operating revenue</b>	<b>21.2</b>	<b>23.2</b>	<b>2.1</b>	<b>18.4%</b>
Operation of resort facilities*	7.3	7.3	0.0	
Oasis (Sports Clubs)	4.1	4.3	0.1	
Senior housing	1.6	1.8	0.2	
TOKYU STAY (Hotels)	2.6	3.1	0.5	
Consignment welfare	2.3	2.6	0.3	
Sales of country houses and membership	0.4	0.8	0.4	
Other	2.9	3.3	0.5	
<b>Operating profit</b>	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>	<b>5.6%</b>

Full-year (¥ billion)	FY2017	FY2018 Forecast	Comparison
<b>Operating revenue</b>	<b>97.0</b>	<b>126.3</b>	<b>29.3</b>
Operation of resort facilities*	36.3	38.4	2.1
Oasis (Sports Clubs)	17.1	18.4	1.3
Senior housing	7.5	8.0	0.4
TOKYU STAY (Hotels)	10.6	13.4	2.8
Consignment welfare	9.2	9.4	0.2
Sales of country houses and membership	2.5	22.9	20.4
Other	13.8	15.8	2.0
<b>Operating profit</b>	<b>5.8</b>	<b>7.4</b>	<b>1.6</b>

\* Sales at golf courses, Tokyu Harvest Club facilities, and ski resorts

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# Wellness(2)Major projects

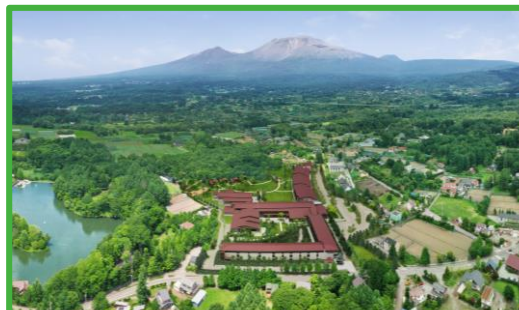
Plan new facilities mainly for hotel business such as Tokyu Stay and Harvest club

Type	Major project	Usage	Open
Tokyu Stay	Tokyu Stay Kyoto Rryogaemachi-Dori Tokyu Stay Takanawa (Sengakuji ekimae) Tokyu Stay Sapporo Tokyu Stay Hakata Tokyu Stay Kyoto Shin-Kyogoku Tokyu Stay Kyoto Rryogaemachi-Dori Annex Tokyu Stay Sapporo Odori Tokyu Stay Fukuoka Tenjin Tokyu Stay Naha * Tokyu Stay Osaka Hommachi *	Urban style hotel	November 2017 February 2018 April 2018 June 2018 Winter 2018 Winter 2018 Winter 2018 Spring 2019 Winter FY2019 Winter FY2019
Harvestclub	Tokyu Harvestclub Nasu Retreat Tokyu Harvestclub Karuizawa&VIALA	Membership Resort Hotel	October 2017 July 2018
Senior housing	Grancree Setagaya Nakamachi Creer-residence Yokohama Tōkaichiba	Senior housing (mixed use development)	July 2017 April 2019
Other	KYUKARUIZAWA KIKYO, Curio Collection by Hilton Hyatt Regency Seragaki Island Okinawa	Resort Hotel	April 2018 ** August 2018

\* tentative name \*\* The former Karuizawa Hotel, which was acquired in FY2016, has been renovated and opened.



**KYUKARUIZAWA KIKYO, Curio Collection by Hilton**  
Started operating in April 2018



**Tokyu Harvestclub karuizawa & VIALA**  
Started operating in July 2018



**Hyatt Regency Seragaki Island Okinawa**  
Open August 2018 (Plan)

# Tokyu Hands FY2018 Q1 (First Three Months)

Q1: Increases in both revenue and profit    FY2018: Increases in both revenue and profit

First Quarter First Three Months (¥ billion)	FY2017 Q1(Apr-Jun)	FY2018 Q1(Apr-Jun)	Comparison	Progress
Operating revenue	22.9	23.0	0.1	23.3%
Operating profit	0.0	0.3	0.2	49.0%

Full-year (¥ billion)	FY2017	FY2018 Forecast	Comparison
Operating revenue	97.1	98.6	1.5
Operating profit	0.4	0.5	0.1

# Innovation Business(1) FY2018 Q1(First Three Months)

Q1: Decrease in revenue and Increase in profit    FY2018: Increases in both revenue and profit

First Quarter First Three Months (¥ billion)	FY2017 Q1(Apr-Jun)	FY2018 Q1(Apr-Jun)	Comparison	Progress
<b>Operating revenue</b>	<b>9.5</b>	<b>7.0</b>	<b>(2.5)</b>	<b>14.4%</b>
Renovation / custom-built houses	7.0	4.1	(2.9)	
Landscape gardening	2.5	2.7	0.3	
Overseas operations, etc.	0.0	0.2	0.2	
<b>Operating profit</b>	<b>(0.9)</b>	<b>(0.7)</b>	<b>0.2</b>	<b>—</b>

Full-year (¥ billion)	FY2017	FY2018 Forecast	Comparison
<b>Operating revenue</b>	<b>41.7</b>	<b>48.6</b>	<b>6.9</b>
Renovation / custom-built houses	26.3	19.0	(7.3)
Landscape gardening	12.0	12.7	0.7
Overseas operations, etc.	3.4	16.8	13.4
<b>Operating profit</b>	<b>(2.2)</b>	<b>1.2</b>	<b>3.4</b>

# Innovation Business(2) Overseas operations

Business expansion mainly in Indonesia and America

## 〈Indonesia〉

### BRANZ BSD



Condominiums, Total number of units:  
about 3,000 units scheduled  
To be completed in December 2018 (\*)  
(\*) First project/BRANZ BSD Ai

### BRANZ Simatupang



Condominium, Total number of units:  
381 units scheduled  
To be completed in December 2018

### Puri Botanical project



Condominium, Total number of units:  
about 600 units scheduled  
To be completed at the end of 2021

### Mega Kuningan project



Condominium, Total  
number of units: to be  
decided  
To be completed in 2022

## 〈America〉

### 425 Park Avenue



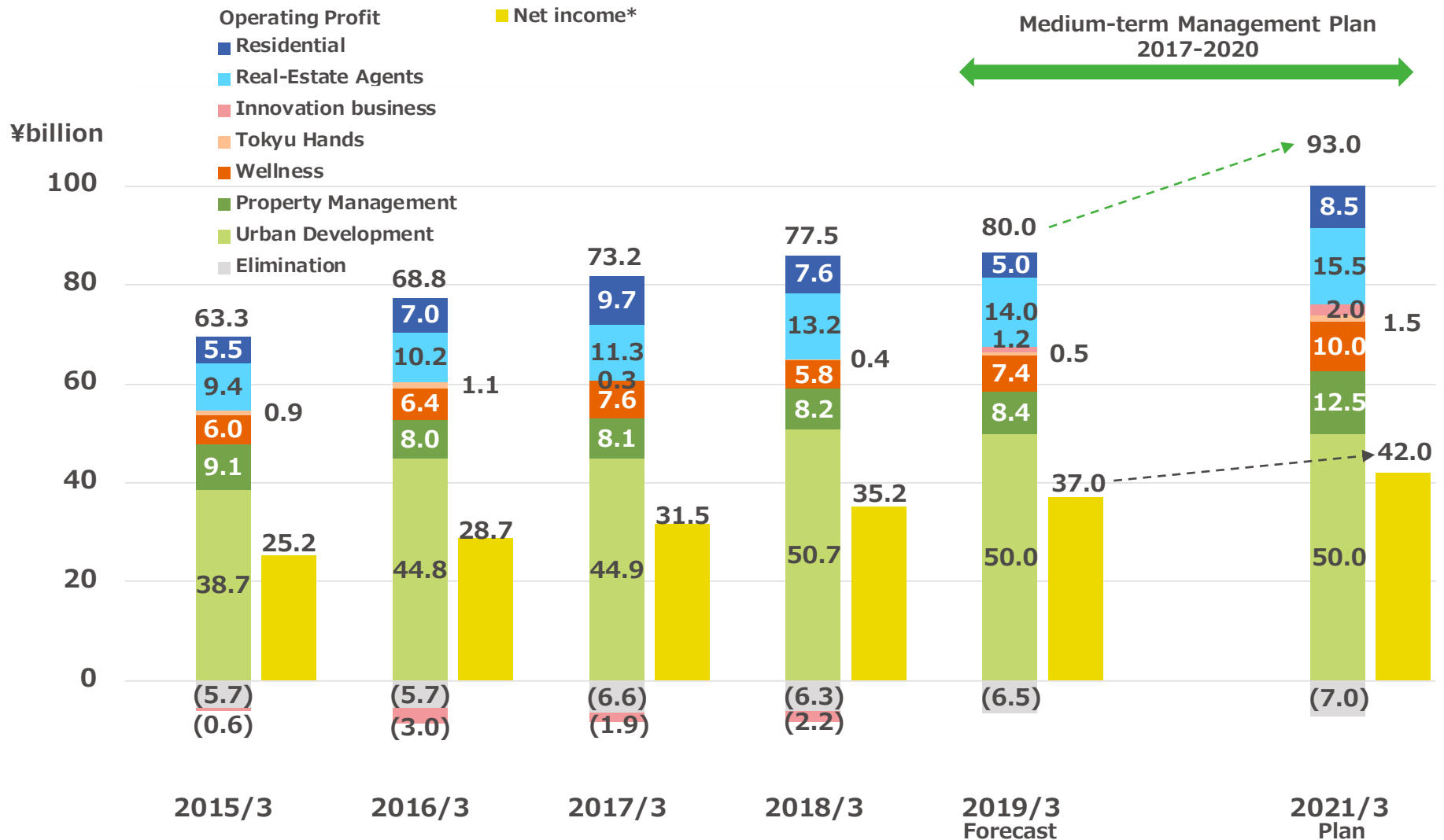
Office building redevelopment project  
New York, 47 stories above ground with  
2 basements  
Scheduled to be completed in 2019

# Reference

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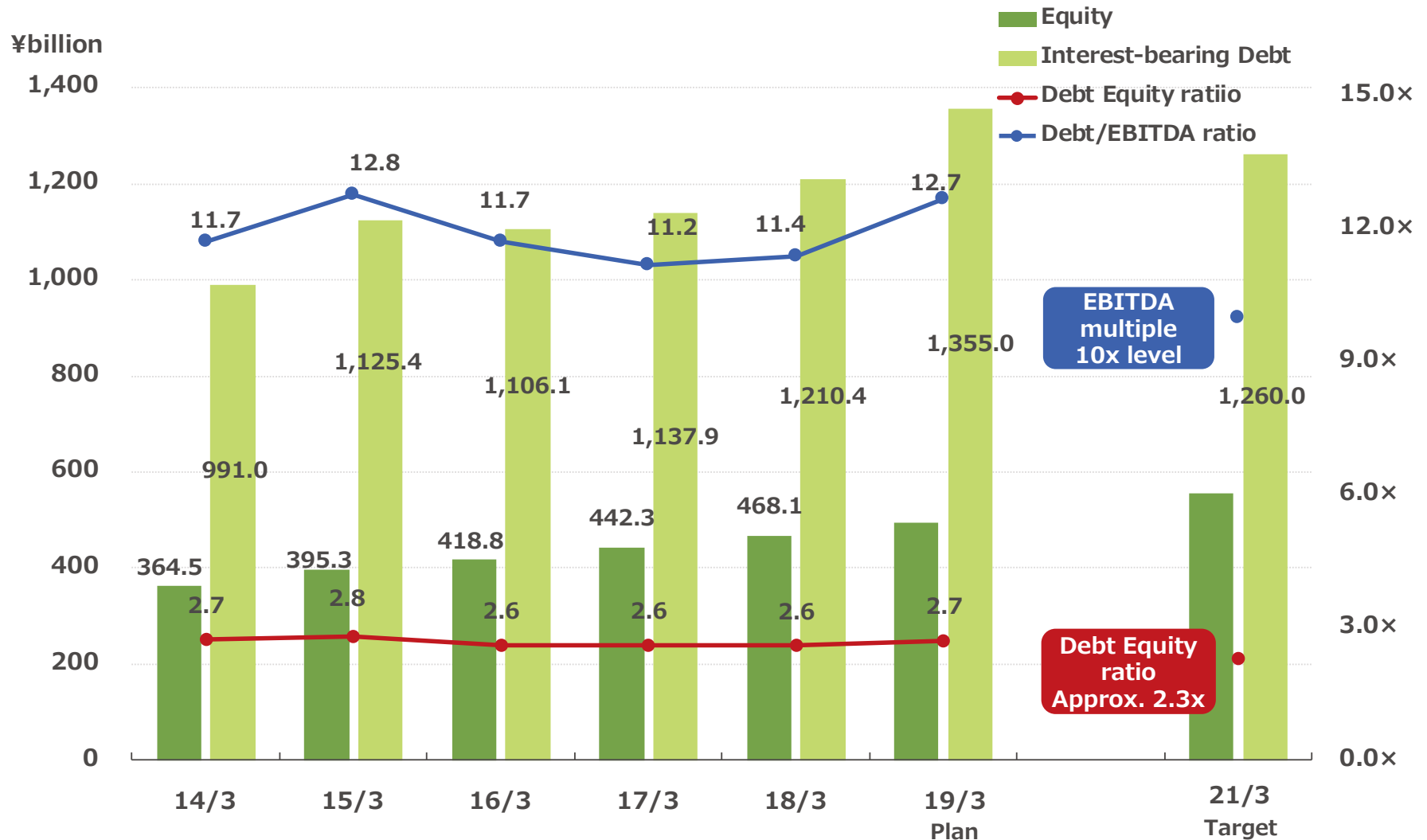
# Reference ① Progress in the Medium-term Management Plan (Operating profit/Net profit\*)



\* "Net income" was replaced with "profit attributable to owners of parent" in the fiscal year ended March 31, 2016.

# Reference② Trends in equity and interest-bearing debt

Rating Institution: Japan Credit Rating Agency, Ltd. Long-term : A- (Positive) Short-term : J-1



## Reference③ Return to Shareholders

Annual dividend for the fiscal year ending March 31, 2019, will be raised to 15.5 yen, representing the sixth consecutive increase.



	12/3	13/3	14/3	15/3	16/3	17/3	18/3	19/3E
Net income ** (¥billion)	34.2	22.1	23.7	25.2	28.7	31.5	35.2	37.0
EPS (Yen)	64.40	41.71	41.61	41.45	47.18	51.77	57.80	60.77
Dividend payout ratio (%)	10.9	16.8	19.2	24.1	25.4	25.1	25.1	25.5

\* Dividends before interim dividends for the fiscal year ended March 2014 are those paid by Tokyu Land Corporation.

\*\* "Net income" was replaced with "profit attributable to owners of parent" in the fiscal year ended March 31, 2016.

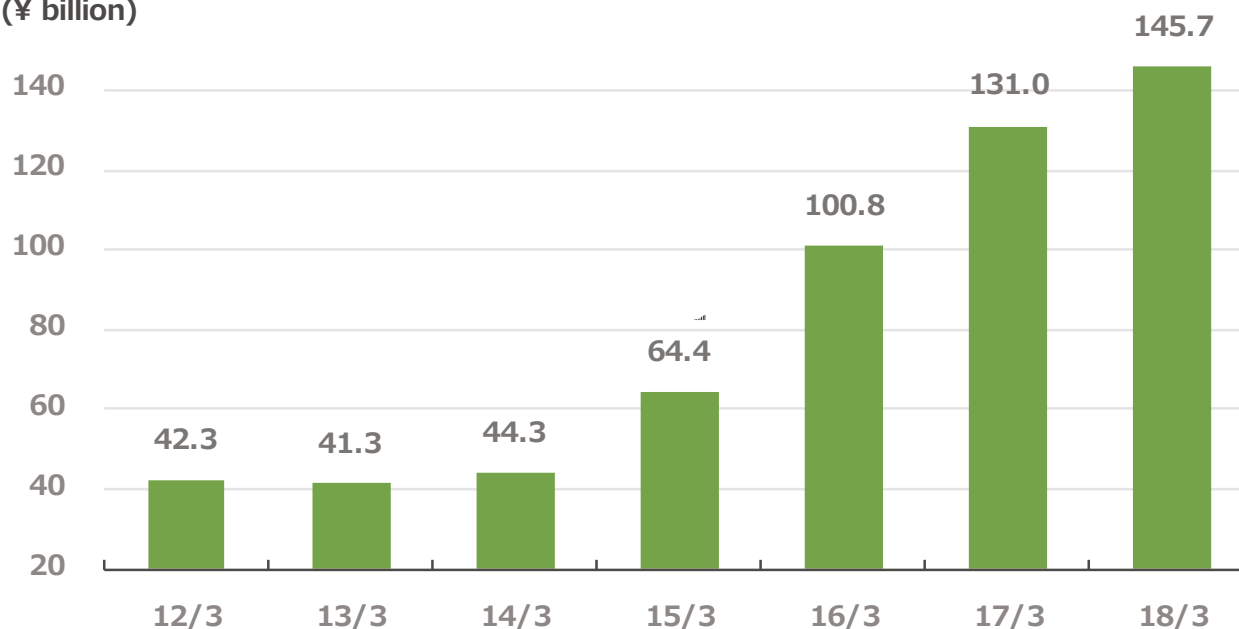
## Reference④ Market value appraisal for leased properties \*As of Mar-31, 2018

On the back of a brisk real estate market, unrealized profit of leased properties increased.

(¥ billion)	FY2016 Mar-2017	FY2017 Mar-2018	Comparison	Remarks
Carrying Value	797.5	791.4	(6.1)	<ul style="list-style-type: none"> <li>Market value at the end of the fiscal year is calculated by our company mainly according to the "standards for appraisal of real estate".</li> <li>The properties to be developed before opening are in the early process of development and therefore their market value cannot be grasped (¥127.4 billion at the end of March 2017 and ¥137.4 billion at the end of March 2018). The table on the left does not include those properties. (Reference: Dogenzaka 1-chome Shibuya-station Front District Urban Redevelopment, Nampeidai project and others)</li> </ul>
Market value	928.5	937.1	8.6	
Difference	131.0	145.7	14.7	

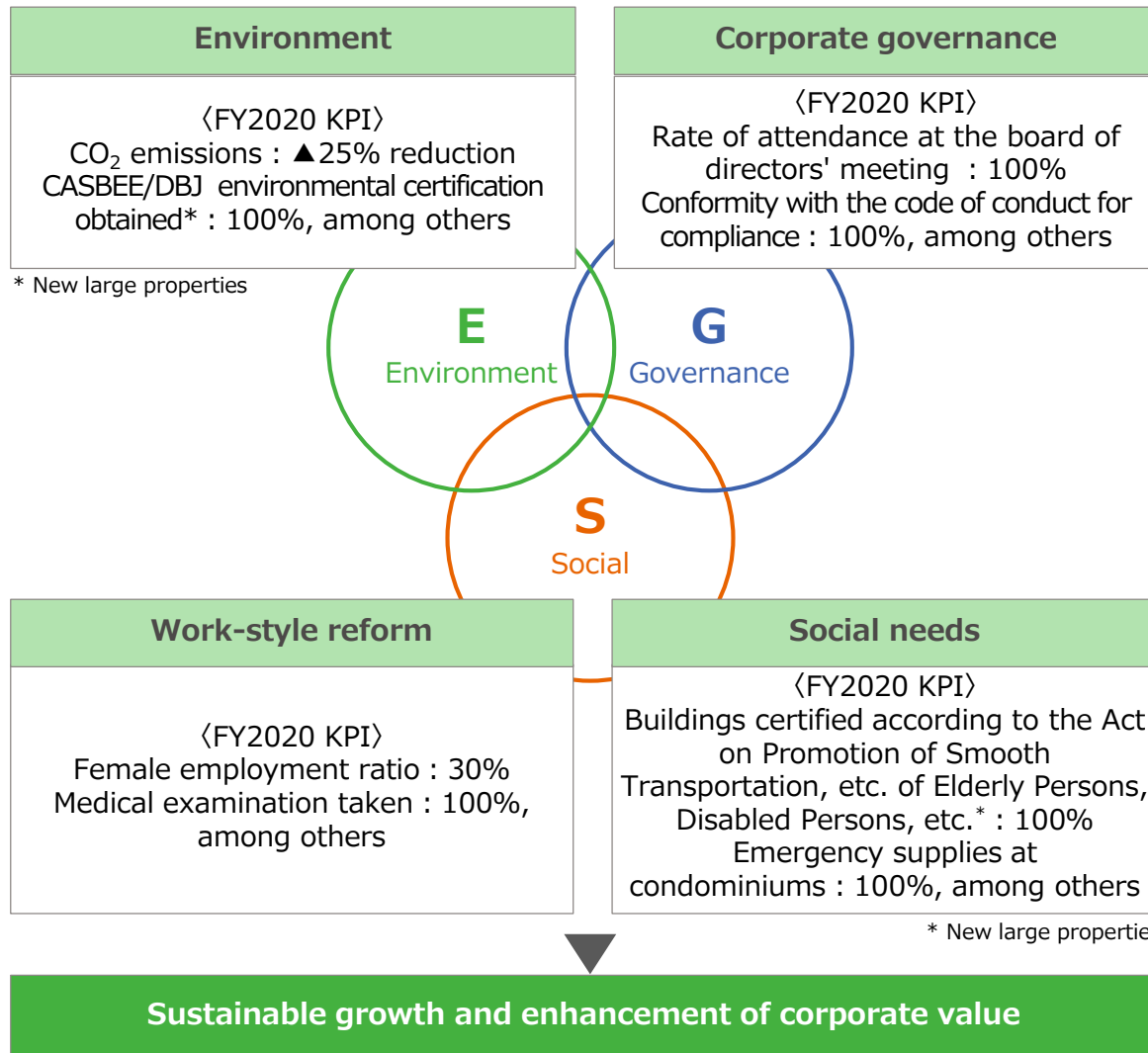
### <Change in unrealized profits>

(¥ billion)



# Reference⑤ ESG management

ESG management to realize sustainable growth and the enhancement of corporate value



— Selected as global ESG index —

MEMBER OF  
**Dow Jones Sustainability Indices**  
 In Collaboration with RobecoSAM



FTSE4Good

— Chosen all the three ESG indexes for GPIF —



2017 Constituent  
 MSCI ESG  
 Leaders Indexes



FTSE Blossom  
 Japan

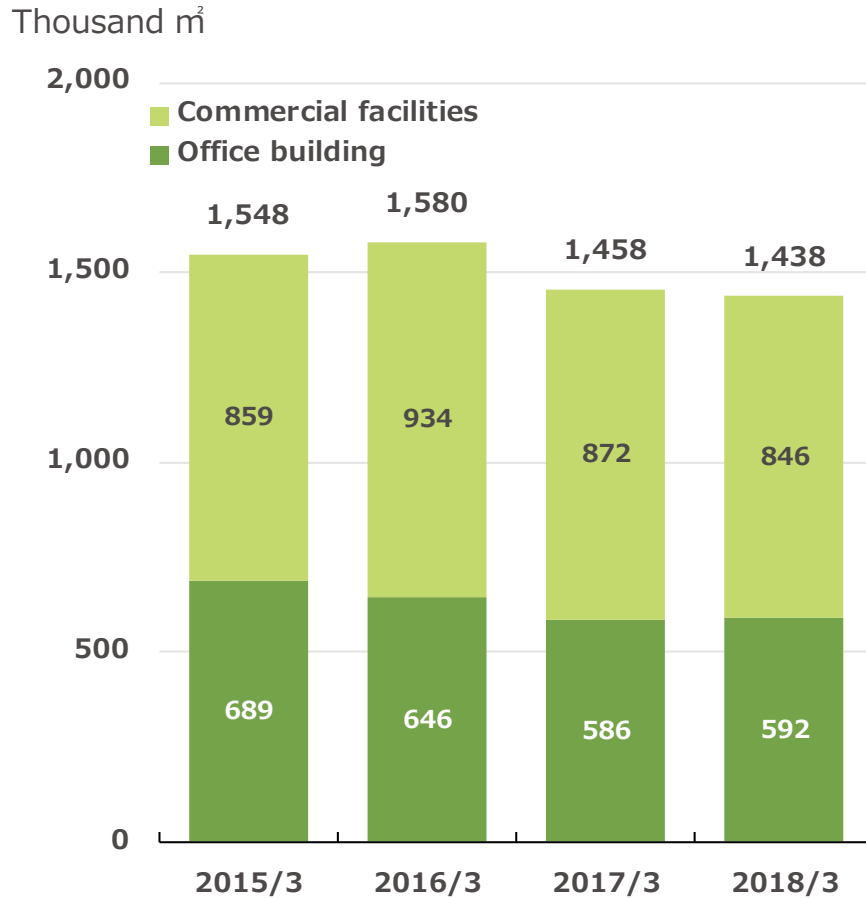


2017 Constituent  
 MSCI Japan Empowering  
 Women Index (WIN)

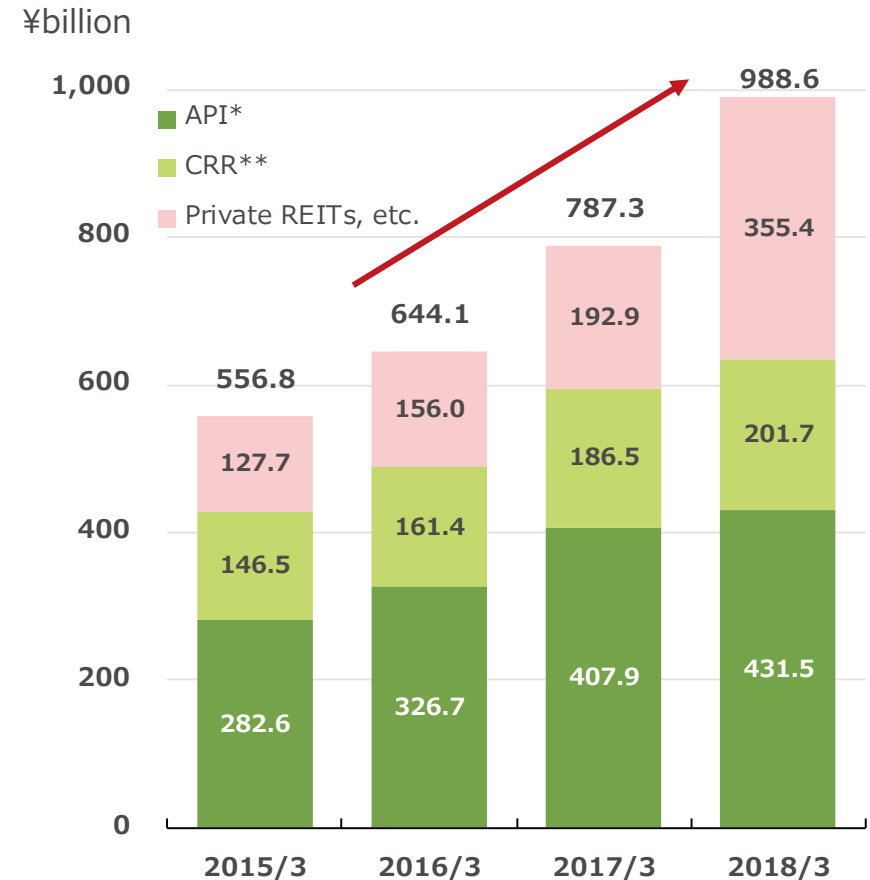
# Reference⑥ Transition in total floor area and AUM transition

(As of Mar-31, 2018)

〈Transition in total floor area〉



〈AUM transition〉







\* API: Activia Properties Inc.

\*\* CRR: Comforia Residential REIT, Inc

# Reference⑦ Major office buildings(Urban Development segment)

As of the end of March 2018, the Company holds 60 buildings, located mainly in four wards in central Tokyo.

Area	No. of buildings	Major properties[Building]	Year built	Total floor space *	notes	
Tokyo Metropolitan area	Shibuya-ku	Shibuya Center Place	1983	7	 Shibuya Minami Tokyu  Ebisu Business Tower  Hamamatsucho Square	
		Shibuya Dogenzaka Tokyu	1983	13		
		Unosawa Tokyu	1984	15		
		Ebisu Prime Square Tower	1997	35		
		Shibuya Shin-Minamiguchi	2000	7		
		Ebisu Business Tower	2003	23		
		Shibuya Square	2004	13		
		Shibuya Minami Tokyu	2005	20		
		Shibuya Place	2009	4		
	Minato-ku	15	Shimbashi Center Place	1986	9	 Minamiaoyama Tokyu  Shimbashi Tokyu  Shin-Aoyama Tokyu
			Hamamatsucho Square	2004	24	
			Shinagawa Tokyu	2007	21	
			Minamiaoyama Tokyu	2008	12	
			Shimbashi Tokyu	2008	15	
			Spline Aoyama Tokyu	2012	8	
			CROSS PLACE Hamamatsucho	2015	13	
	Shin-Aoyama Tokyu	2015	9			
	Chiyoda-ku	8	Sanban-cho Tokyu	2001	12	 Uchisaiwaicho Tokyu  Kasumigaseki Tokyu  Nihombashi Maruzen Tokyu
			Ichiban-cho Tokyu	2002	20	
			Ichigaya Tokyu	2004	15	
			Uchisaiwaicho Tokyu	2006	14	
Kasumigaseki Tokyu			2010	19		
Cyuo-ku	5	St. Luke's Tower	1994	14	 Nihombashi Front  Shin-Meguro Tokyu  Futako Tamagawa Rise Office	
		Nihombashi hon-cho Tokyu	2004	12		
		Nihombashi Maruzen Tokyu	2006	17		
Other	9	Nihombashi Front	2008	29		
		Meguro Tokyu	2003	10		
		Futako Tamagawa Rise · office	2010	19		
Kansai	2	Shin-Meguro Tokyu	2012	22		
		Shinsaibashi Tokyu	1982	11		

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



# Reference⑧ Major commercial facilities(Urban Development segment)

As of the end of March 2018, the Company operates 23 locations in the Tokyo area and 8 locations in Kansai and other regions.

Area	No. of facilities	Major properties [Commercial facilities]	Year built	Total floor space *	notes	
Tokyo Metropolitan area	23	Tokyu Plaza Kamata	1968	28		
		Tokyu Plaza Akasaka	1969	21		
		Shibuya B E A M	1992	7		
		Daini Musashino Building	1992	6		
		DECKS Tokyo Beach	1997	35		
		GLASSAREA AOYAMA	2002	2		
		Northport Mall	2007	141		
		Saclass Totsuka (sublease)	2009	48		
		Tokyu Plaza Totsuka	2010	12		
		Futakotamagawa rise · SC	2011	20		
		Tokyu Plaza Omotesando Harajyuku	2012	3		
		Q Plaza Harajyuku	2015	8		
		Market Square Kawasaki East (sublease)	2016	30		
Tokyu Plaza Ginza	2016	51				
Q Plaza Futakotamagawa	2017	3				
Kansai · Others	8	Market Square Nakayamadera	2003	22		
		Minoh Q'sMALL	2003	30		
		Market Square SASASHIMA	2005	19		
		Amagasaki Q'sMALL	2009	164		
		Abeno Q'sMALL	2011	123		
		Tokyu Plaza Shinnagata (sublease)	2013	10		
		Morinomiya Q's MALL BASE	2015	24		

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

# Reference⑨ Major facilities (Wellness business) \* As of Mar-31, 2018

Manage diverse resort facilities throughout the country

	Number of facilities	Number of rooms	Name of facilities			
<b>Tokyu Harvest Club</b>	24 facilities	2,578 rooms	Teteshina Katsuura Hamanako Amagi Kougen Shizunami Kaigan Kinugawa Nanki Tanabe	Ito Hakone Myojindai Madarao Tateshina Annex Skijam Katsuyama Yamanakako Mount Fuji Kyu Karuizawa	Tateshina Resort Hakone Koshien Urabandai Grandeco Nasu Kyu Karuizawa Annex VIALA Hakone Hisui Arima Rokusai	VIALA annex Arima Rokusai Atami Izusan VIALA annex Atami Izusan Kyoto Takagamine VIALA annex Kyoto Takagamine Nasu Retreat
<b>Ski resorts</b>	8 facilities	—	Niseko Mountain Resort Grand Hirafu Tateshina Tokyu Ski Resort Tambara Ski Park TANGRAM SKI CIRCUS (MADARAO)		GRANDECO SNOW SKIJAM KATSUYAMA Hunter Mountain Shiobara Mt. JEANS NASU	
<b>Golf courses</b>	20 facilities	—	OITA Tokyu Golf Club Aso Tokyu Golf Club Katsuura Tokyu Golf Course Tsukuba Tokyu Golf Club TATESHINA TOKYU Golf Course	Amagikogen Golf Course Mochizuki Tokyu Golf Club MADARAO Tokyu Golf Club Omigawa Tokyu Golf Club Kiminomori Golf Club	Arita Tokyu Golf Club NASU KOKUSAI COUNTRY Otakijo Golf Club Tsurumai Country Club Sashima Country Club	Yoshikawa Country Club Shibayama Golf Club Kansai Country Club Miki Yokawa Country Club Asakura Golf Club
<b>Tokyu Sports Oasis</b>	34 facilities	—	Tamagawa Kawaguchi Shinjuku 24Plus Musashi-Kosugi 24Plus Urawa 24Plus Aoyama Hon-Atsugi Musashi-Koganei Seiroka Garden	Kanamachi 24Plus Jujo Minami-Osawa 24Plus Yokosuka Kohoku Honkomagome Rafeel Ebisu Yukigaya Totsuka	Akatsuka 24Plus Minami-Koshigaya Esaka 24Plus Shinsaibashi EAST 24Plus Umeda Ibaraki 24Plus Hiroshima Shinsaibashi WEST 24Plus Abeno	Sumiyoshi Sannomiya Tsurugaoka 24Plus Sayama Katsuragawa Morinomiya Q's Mall Suminodo 24Plus
<b>Tokyu Stay Hotel</b>	19 facilities	2,735 rooms	Yutenji Monzen-Nakacho Yoga Shibuya Nihombashi	Yotsuya Shibuya Shin-Minamiguchi Tsukiji Gotanda Suidobashi	Aoyama Nishi-Shinjuku Ikebukuro Kamata Shimbashi	Shinjuku Ginza Kyoto Ryogaemachi-Dori Takanawa (in front of Sengakuji Station)
<b>Senior housing facilities</b>	11 facilities	1,332 units	Grancreer Azamino Grancreer Fujigaoka Lifenix Takaido	Grancreer Utsukushigaoka Grancreer Aobadai Creer Residence Sakuradai	Grancreer Center Minami Grancreer Seijo Grancreer Bajikoen	Grancreer Aobadai 2-chome Grancreer Setagaya Nakamachi



 **TOKYU FUDOSAN HOLDINGS**