

## FY2021 Second Quarter (First Six Months) Financial Flash Report

(¥ billion)

1. Statements of Income (Consolidated base)	Mar-2018		Mar-2019		Mar-2020		Mar-2021		Mar-2022	
	1H		1H		1H		1H		1H	Forecasts
Operating revenue	408.0	866.1	402.6	901.9	412.5	963.2	383.9	907.7	411.8	1,010.0
Operating gross profit	85.3	182.5	85.2	193.4	90.9	201.7	64.9	164.8	84.4	—
Gross margin ratio	20.9%	21.1%	21.2%	21.4%	22.0%	20.9%	16.9%	18.2%	20.5%	—
SG&A expenses	50.3	105.0	53.0	113.2	59.3	122.4	48.0	108.3	50.9	—
SG&A expenses to sales	12.3%	12.1%	13.2%	12.6%	14.4%	12.7%	12.5%	11.9%	12.4%	—
Operating profit	35.0	77.5	32.2	80.2	31.7	79.3	17.0	56.5	33.5	80.0
Non-operating income	0.6	1.4	0.9	2.4	0.6	1.4	1.3	3.8	1.4	—
Interest and dividends	0.2	0.6	0.4	0.9	0.3	0.7	0.2	1.0	0.2	—
Other	0.4	0.8	0.4	1.5	0.4	0.8	1.1	2.8	1.2	—
Non-operating expenses	4.9	10.3	5.3	11.9	6.2	13.3	6.2	13.7	8.0	—
Interest	3.9	7.9	4.5	9.3	5.0	10.3	5.3	11.9	5.6	—
Other	1.0	2.3	0.8	2.6	1.2	3.0	0.8	1.8	2.4	—
(Net interest receive)	(3.7)	(7.3)	(4.1)	(8.4)	(4.8)	(9.6)	(5.1)	(10.9)	(5.4)	—
Ordinary profit	30.7	68.7	27.8	70.7	26.1	67.5	12.1	46.6	26.8	66.5
Extraordinary income	0.0	0.0	—	0.1	—	0.1	2.1	7.3	2.5	—
Extraordinary losses	1.1	9.3	0.5	9.6	0.7	4.6	6.8	12.0	1.6	—
Profit before income taxes and minority interests	29.6	59.4	27.3	61.2	25.3	63.0	7.4	41.8	27.8	—
Profit	17.6	35.4	16.1	37.4	14.4	38.6	0.0	21.6	14.6	—
Profit attributable to owners of parent	17.6	35.2	16.7	37.5	14.4	38.6	0.6	21.7	14.3	30.0

## 2. Management Indexes

(Consolidated base)

Total assets	2,124.4	2,173.2	2,277.3	2,405.2	2,485.7	2,487.4	2,612.1	2,652.3	2,606.7	—
ROA	—	3.7%	—	3.5%	—	3.3%	—	2.2%	—	3.0%
Equity	452.3	468.1	479.9	561.4	575.1	583.3	579.3	596.7	612.0	—
Equity ratio	21.3%	21.5%	21.1%	23.3%	23.1%	23.5%	22.2%	22.5%	23.5%	—
ROE	—	7.7%	—	7.3%	—	6.7%	—	3.7%	—	5.0%
Earnings per share (Yen)	28.92	57.80	27.37	56.84	20.02	53.70	0.84	30.13	19.90	41.71
Net assets per share (Yen)	742.91	768.85	788.21	780.78	799.82	811.04	805.50	829.50	850.86	—
Dividends per share (Yen)	7.0	14.5	7.5	15.5	8.0	16.0	8.0	16.0	8.0	16.0
Dividend payout ratio	—	25.1%	—	27.3%	—	29.8%	—	53.1%	—	38.4%
EBITDA *	48.9	106.1	46.8	110.2	47.6	117.1	38.0	101.7	57.3	124.5
Depreciation	11.1	23.1	11.9	24.6	13.2	32.3	18.4	39.8	21.1	39.2
Amortization of goodwill	2.7	5.4	2.7	5.4	2.7	5.4	2.6	5.3	2.7	5.3

## 3. Interest-bearing Debt

(Consolidated base)

Interest-bearing Debt	1,223.0	1,210.4	1,313.9	1,289.8	1,399.4	1,361.0	1,495.0	1,478.8	1,479.3	1,480.0
Interest-bearing Debt/EBITDA	—	11.4	—	11.7	—	11.6	—	14.5	—	11.9
D/E ratio	—	2.6	—	2.3	—	2.3	—	2.5	—	2.4
D/E ratio in consideration of hybrid financing *	—	2.6	—	2.3	—	2.3	—	2.3	—	2.2
Interest	3.9	7.9	4.5	9.3	5.0	10.3	5.3	11.9	5.6	—
Average interest rate	—	0.7%	—	0.7%	—	0.8%	—	0.8%	—	—

\* EBITDA (Operating profit before depreciation) = Operating profit+Depreciation+Amortization of goodwill

\* Hybrid financing of 100 billion yen raised in December 2020 and April 2021. Acquired equity credit rating for 50% of raised funds from the Japan Credit Rating Agency.

(¥ billion)

4. Investment etc. (Consolidated base)	Mar-2018		Mar-2019		Mar-2020		Mar-2021		Mar-2022	
	1H		1H		1H		1H		1H	Forecasts
Capital Investment	24.1	44.6	36.7	89.8	83.9	136.1	80.4	108.7	21.1	60.0
Real estate for sale *1	37.6	88.4	43.4	96.8	30.0	70.4	36.4	85.8	66.3	190.0
Land for sale (Condominiums)	4.7	36.7	6.7	40.5	17.6	24.9	0.1	10.0	8.4	25.0
Equity Investment *2	—	—	—	—	—	—	—	—	3.0	15.0
Overseas Investment	6.2	9.6	—	11.9	10.4	25.3	12.1	13.0	4.1	25.0

\*1 Investment in for-rent housing is included in real estate for sale (domestic business excluding condominiums) from the fiscal year ending March 2022.

\*2 Equity Investment (domestic business excluding condominiums) has been disclosed from the fiscal year ending March 2022.

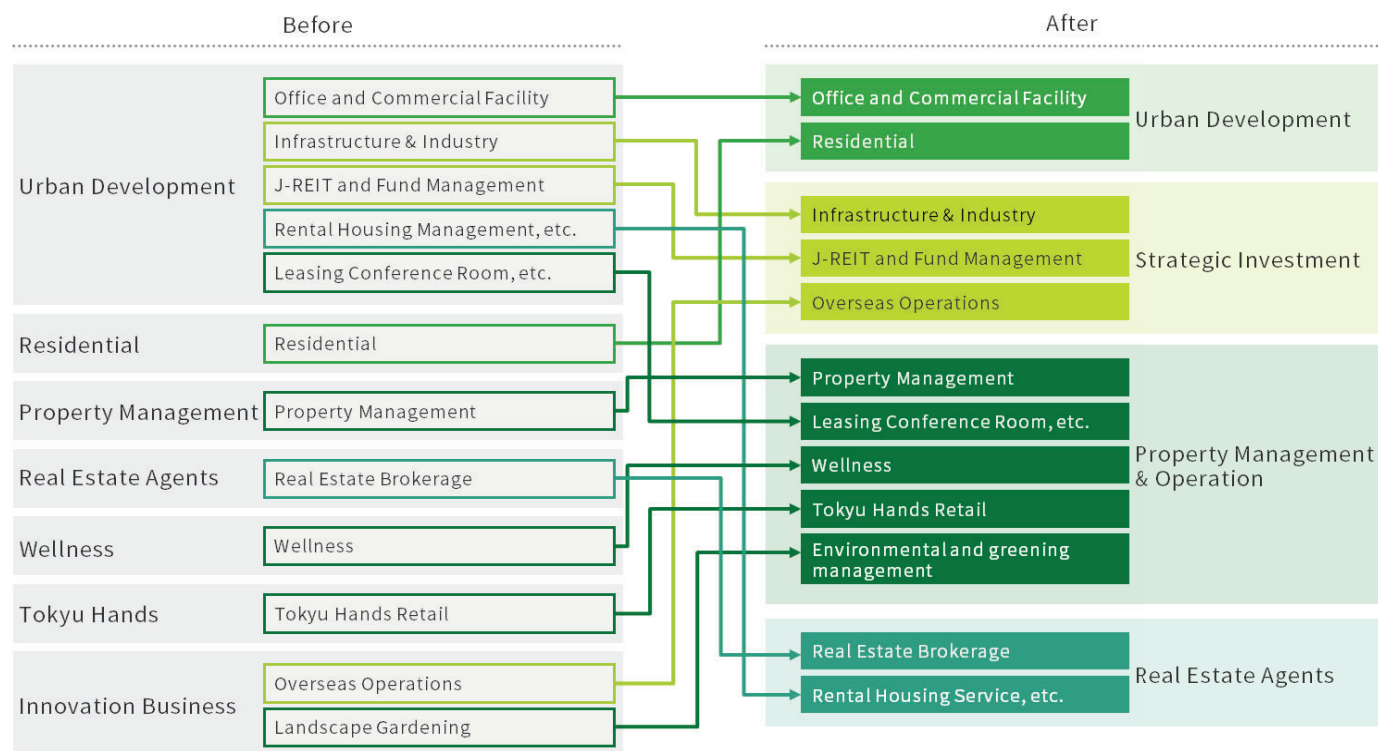
#### 5. Cash Flows (Consolidated base)

(¥ billion)

CF from operating activities	(34.3)	12.3	(45.7)	44.5	(113.0)	(6.7)	(16.4)	100.4	(46.1)	—
CF from investing activities	(47.7)	(96.4)	(32.5)	(60.4)	(97.2)	(147.2)	(107.3)	(116.0)	(21.4)	—
CF from financing activities	94.6	82.4	102.8	139.1	108.4	65.1	130.3	108.3	(22.5)	—
Cash and cash equivalents at the end of the year	74.8	61.7	86.3	184.8	83.1	97.0	103.8	189.5	99.7	—

#### 6. Reorganization of Business Segments

We have consolidated and reorganized our business segments from the previous seven segments to four segments from the fiscal year ending March 2022.



(¥ billion)

7. Segment Performance	Mar-2021		Mar-2022	
	1H	Results	1H	Forecasts
Operating revenue	383.9	907.7	411.8	1,010.0
Urban Development	132.3	316.7	106.4	335.0
Strategic Investment	11.0	46.9	19.5	74.0
Property Management & Operation	152.3	351.2	179.0	390.0
Real Estate Agents	96.9	212.3	117.7	232.0
Elimination	(8.7)	(19.4)	(10.8)	(21.0)
Operating profit	17.0	56.5	33.5	80.0
Urban Development	21.6	41.7	21.4	51.6
Strategic Investment	3.0	12.1	6.0	13.4
Property Management & Operation	(11.0)	(8.8)	(4.9)	0.0
Real Estate Agents	7.0	18.9	15.0	23.8
Elimination	(3.7)	(7.3)	(4.0)	(8.8)
Operating Profit Ratio	4.4%	6.2%	8.1%	7.9%
Urban Development	16.4%	13.2%	20.1%	15.4%
Strategic Investment	27.1%	25.7%	30.6%	18.1%
Property Management & Operation	—	—	—	—
Real Estate Agents	7.3%	8.9%	12.8%	10.3%

(¥ billion)

	Mar-2021		Mar-2022	
	1H	Results	1H	Forecasts
Assets	—	2,652.3	2,606.7	—
Urban Development	—	1,708.2	1,614.1	—
Strategic Investment	—	375.6	440.4	—
Property Management & Operation	—	455.9	434.7	—
Real Estate Agents	—	193.7	187.5	—
Elimination	—	(81.2)	(70.0)	—
Depreciation	—	39.8	21.1	—
Urban Development	—	17.1	9.1	—
Strategic Investment	—	5.6	3.7	—
Property Management & Operation	—	13.7	6.5	—
Real Estate Agents	—	2.6	1.3	—
Elimination	—	0.7	0.4	—
Additions to property, plant and equipment and intangible assets	—	106.0	21.6	—
Urban Development	—	76.0	5.1	—
Strategic Investment	—	11.8	9.3	—
Property Management & Operation	—	13.8	4.9	—
Real Estate Agents	—	3.8	2.1	—
Elimination	—	0.7	0.2	—

## 8. Segment Indicators

## ①Urban Development

	Mar-2021		Mar-2022		Operating profit *3		(Figures in brackets show YoY comparison)	
	1H	Results	1H	Forecasts	1H	Forecasts		
Operating revenue (¥ billion)	132.3	316.7	106.4	335.0				
Leasing (Office buildings)	20.4	45.9	25.9	50.4	Urban Development 23.4 [+1.5]	Urban Development 42.6 [+9.3]		
Leasing (Commercial facilities)	18.0	38.6	19.5	39.1				
Other *1	64.2	86.0	27.8	92.0				
Condominiums	15.6	106.0	27.6	133.6	Residential (2.0) [(1.7)]	Residential 8.9 [+0.5]		
Other *2	14.1	40.3	5.6	19.9				
Operating profit	21.6	41.7	21.4	51.6				

\*1 Excluding lease in office and commercial facility business

\*2 Excluding condominiums in residential business

\*3 Operating profit before consolidation processing

	Mar-2018		Mar-2019		Mar-2020		Mar-2021		Mar-2022	
	1H		1H		1H		1H		1H	Forecasts
Vacancy rate (%)	0.3%	0.5%	0.5%	0.4%	0.4%	0.6%	0.8%	1.3%	1.1%	—
Total floor area (thousand m <sup>2</sup> )	1,451	1,438	1,426	1,427	1,496	1,484	1,624	1,617	1,588	—
Office	576	592	582	582	646	640	775	772	748	—
Commercial facilities	875	846	844	845	850	844	849	846	840	—
Owned (Including SPC)	1,335	1,322	1,310	1,311	1,389	1,382	1,521	1,515	1,486	—
Subleased	116	116	116	116	107	102	102	102	102	—
Office for each area										
Chiyoda,Chuo,Minato, Shinjuku,Shibuya	480	497	486	486	544	543	688	685	678	—
Other Tokyo districts (total 23 districts)	66	66	66	66	72	72	62	62	52	—
Other Metropolitan area	14	14	14	14	14	14	14	14	7	—
Kansai area and Others	16	16	16	16	16	11	11	11	11	—

## Residential

No. of units sold *1	604	1,698	434	1,377	800	1,697	273	1,777	464	2,082
Condominiums	561	1,627	352	1,266	789	1,680	273	1,777	464	2,082
Detached housing	43	71	82	111	11	17	—	—	—	—
Inventory of completed units *1	344	635	430	504	388	453	299	827	587	—
Condominiums	332	629	422	497	382	453	299	827	587	—
Detached housing	12	6	8	7	6	—	—	—	—	—
No. of units supplied *1	684	1,565	594	1,654	1,180	2,269	593	1,797	855	1,300
Condominiums	650	1,491	553	1,598	1,171	2,260	593	1,797	855	1,300
Metropolitan area	221	627	197	924	827	1,674	375	1,176	439	710
Kansai area	355	729	214	387	312	546	188	520	316	480
Other area	74	135	142	287	32	40	30	101	100	110
Detached housing	34	74	41	56	9	9	—	—	—	—

\*1 Number of units after conversion to equity

## ② Strategic Investment

	Mar-2021		Mar-2022		Operating profit *		(Figures in brackets show YoY comparison)
	1H	Results	1H	Forecasts	1H	Forecasts	
Operating revenue (¥ billion)	11.0	46.9	19.5	74.0			
Infrastructure & Industry	5.6	34.5	13.5	60.1	Infrastructure & Industry 3.4 [+2.1]	Infrastructure & Industry 8.6 [(1.1)]	
Asset management	3.5	7.8	3.9	8.0	Asset management 2.5 [+0.2]	Asset management 4.8 [(0.5)]	
Overseas operations	1.9	4.6	2.0	5.9	Overseas operations 0.0 [+0.6]	Overseas operations (0.0) [+2.8]	
Operating profit	3.0	12.1	6.0	13.4			

\* Operating profit before consolidation processing

	Mar-2018		Mar-2019		Mar-2020		Mar-2021		Mar-2022	
	1H		1H		1H		1H		1H	Forecasts
No. of facilities in operation	—	7	10	16	19	30	35	38	48	56
Rated capacity (MW)	—	30	215	246	296	487	596	730	773	893

## ③ Property Management &amp; Operation

	Mar-2021		Mar-2022		Operating profit *		(Figures in brackets show YoY comparison)
	1H	Results	1H	Forecasts	1H	Forecasts	
Operating revenue (¥ billion)	152.3	351.2	179.0	390.0			
Property management (condominiums)	54.0	122.7	57.5	134.5	Property Management 2.6 [+1.9]	Property Management 10.0 [+3.8]	
Property management (Office buildings)	31.8	71.0	37.6	80.5			
Hotel	9.2	22.1	12.6	28.3			
Leisure facilities	4.7	14.3	5.3	14.9	Wellness (5.1) [+4.3]	Wellness (6.7) [+4.7]	
Health care	11.1	23.3	11.5	24.0			
Other (wellness)	7.8	22.7	22.4	36.4			
Tokyu Hands	29.1	63.2	27.3	58.1	Tokyu Hands (2.4) [(0.2)]	Tokyu Hands (3.3) [+1.2]	
Environmental and greening management	4.5	12.1	4.8	13.3	Environmental greening 0.0 [(0.1)]	Environmental greening 0.7 [(0.1)]	
Operating profit	(11.0)	(8.8)	(4.9)	0.0			

\* Operating profit before consolidation processing

	Mar-2018		Mar-2019		Mar-2020		Mar-2021		Mar-2022	
	1H		1H		1H		1H		1H	Forecasts
Condominium units	819,414	822,231	835,410	831,684	841,817	829,533	842,927	839,891	851,679	853,184
Number of office buildings	1,517	1,500	1,529	1,540	1,562	1,561	1,552	1,532	1,524	1,664

## ④ Real Estate Agents

	Mar-2021		Mar-2022		Operating profit *		(Figures in brackets show YoY comparison)
	1H	Results	1H	Forecasts	1H	Forecasts	
Operating revenue (¥ billion)	96.9	212.3	117.7	232.0			
Real estate sales agent	24.3	55.6	33.0	67.2			
Real estate sales	29.5	67.0	40.9	68.9	Real Estate Agents 12.8 [+9.0]	Real Estate Agents 18.5 [+5.5]	
Consignment sales, etc.	2.8	7.3	3.4	7.7			
Rental housing service	40.4	82.4	40.4	88.1	Rental housing service 1.9 [(1.0)]	Rental housing service 4.5 [(0.6)]	
Operating profit	7.0	18.9	15.0	23.8			

\* Operating profit before consolidation processing

	Mar-2018		Mar-2019		Mar-2020		Mar-2021		Mar-2022	
	1H		1H		1H		1H		1H	Forecasts
No. of transactions in real estate agents	12,189	24,410	12,460	25,570	13,300	26,437	11,638	25,635	14,229	29,269
No. of rental housing under management *	—	128	133	137	140	145	148	155	161	—
No. of corporate housing under management *	—	90	92	86	87	85	86	83	85	—

\* (thousand)

(¥ billion)

Reference: Segment information (before change)	Mar-2018		Mar-2019		Mar-2020		Mar-2021	
	1H		1H		1H		1H	
Operating revenue	408.0	866.1	402.6	901.9	412.5	963.2	383.9	907.7
Urban Development	145.8	269.8	121.8	256.4	100.5	292.6	156.8	304.9
Residential	41.7	123.5	32.0	121.4	50.5	136.3	29.7	146.3
Property Management	72.8	160.9	80.7	173.9	96.2	190.8	81.7	184.8
Real Estate Agents	44.4	99.3	51.4	118.9	59.4	131.4	55.7	128.4
Wellness	45.6	97.0	62.3	123.9	54.4	114.5	35.2	87.6
Tokyu Hands	49.1	97.1	49.3	97.4	50.5	96.6	29.1	63.2
Innovation business	19.8	41.7	17.6	41.6	17.1	35.2	6.4	16.7
Elimination	(11.2)	(23.3)	(12.5)	(31.6)	(16.1)	(34.3)	(10.8)	(24.2)
Operating profit	35.0	77.5	32.2	80.2	31.7	79.3	17.0	56.5
Urban Development	27.3	50.7	23.0	49.9	20.7	52.5	29.1	55.0
Residential	1.4	7.6	0.1	5.4	2.6	8.5	(0.2)	8.4
Property Management	3.3	8.2	3.3	8.6	4.5	8.7	0.9	6.6
Real Estate Agents	6.6	13.2	6.4	13.9	8.4	15.2	3.4	12.3
Wellness	1.6	5.8	2.6	7.9	0.7	3.5	(9.4)	(11.4)
Tokyu Hands	(0.1)	0.4	0.1	0.8	0.4	0.2	(2.2)	(4.4)
Innovation business	(1.9)	(2.2)	(0.1)	0.9	(0.9)	(1.4)	(1.0)	(2.8)
Elimination	(3.0)	(6.3)	(3.2)	(7.1)	(4.7)	(8.1)	(3.7)	(7.3)
Operating Profit Ratio	8.6%	9.0%	8.0%	8.9%	7.7%	8.2%	4.4%	6.2%
Urban Development	18.7%	18.8%	18.9%	19.5%	20.6%	17.9%	18.5%	18.0%
Residential	3.3%	6.1%	0.4%	4.4%	5.1%	6.3%	—	5.8%
Property Management	4.5%	5.1%	4.1%	4.9%	4.7%	4.6%	1.2%	3.6%
Real Estate Agents	14.8%	13.3%	12.4%	11.7%	14.1%	11.6%	6.1%	9.6%
Wellness	3.5%	6.0%	4.2%	6.3%	1.2%	3.0%	—	—
Tokyu Hands	—	0.4%	0.2%	0.8%	0.9%	0.3%	—	—
Innovation business	—	—	—	2.2%	—	—	—	—

(¥ billion)

Reference: Segment information (before change)	Mar-2018		Mar-2019		Mar-2020		Mar-2021	
	1H		1H		1H		1H	
Assets	—	2,173.2	—	2,405.2	—	2,487.4	—	2,652.3
Urban Development	—	1,427.1	—	1,534.1	—	1,612.2	—	1,791.5
Residential	—	211.9	—	236.4	—	282.5	—	284.1
Property Management	—	92.6	—	102.5	—	127.1	—	117.8
Real Estate Agents	—	75.4	—	104.9	—	98.3	—	99.2
Wellness	—	258.9	—	273.7	—	273.3	—	272.5
Tokyu Hands	—	38.7	—	37.8	—	37.1	—	32.9
Innovation business	—	117.6	—	130.0	—	138.1	—	134.8
Elimination	—	(48.9)	—	(14.1)	—	(81.2)	—	(80.5)
Depreciation	—	23.1	—	24.6	—	32.3	—	39.8
Urban Development	—	10.9	—	11.0	—	16.5	—	22.8
Residential	—	0.5	—	0.6	—	0.9	—	0.9
Property Management	—	1.1	—	1.3	—	1.6	—	1.8
Real Estate Agents	—	1.2	—	1.3	—	1.6	—	1.6
Wellness	—	7.4	—	8.3	—	9.4	—	10.1
Tokyu Hands	—	1.5	—	1.3	—	1.6	—	1.5
Innovation business	—	0.1	—	0.1	—	0.1	—	0.4
Elimination	—	0.4	—	0.6	—	0.8	—	0.7
Additions to property, plant and equipment and intangible assets	—	47.3	—	86.6	—	136.4	—	106.0
Urban Development	—	21.8	—	48.4	—	114.6	—	87.4
Residential	—	1.1	—	1.2	—	1.7	—	1.0
Property Management	—	2.1	—	2.9	—	2.4	—	1.4
Real Estate Agents	—	1.8	—	1.9	—	2.8	—	2.0
Wellness	—	17.0	—	30.2	—	11.7	—	9.9
Tokyu Hands	—	1.3	—	1.2	—	2.2	—	1.7
Innovation business	—	1.0	—	0.2	—	0.1	—	2.0
Elimination	—	1.2	—	0.6	—	1.0	—	0.7