

FY2021 Ended March 31, 2022 Financial Flash Report

(¥ billion)

1. Statements of Income (Consolidated base)	Mar-2019		Mar-2020		Mar-2021		Mar-2022		Mar-2023 Forecasts
	1H		1H		1H		1H		
Operating revenue	402.6	901.9	412.5	963.2	383.9	907.7	411.8	989.0	1,000.0
Operating gross profit	85.2	193.4	90.9	201.7	64.9	164.8	84.4	193.9	—
Gross margin ratio	21.2%	21.4%	22.0%	20.9%	16.9%	18.2%	20.5%	19.6%	—
SG&A expenses	53.0	113.2	59.3	122.4	48.0	108.3	50.9	110.1	—
SG&A expenses to sales	13.2%	12.6%	14.4%	12.7%	12.5%	11.9%	12.4%	11.1%	—
Operating profit	32.2	80.2	31.7	79.3	17.0	56.5	33.5	83.8	90.0
Non-operating income	0.9	2.4	0.6	1.4	1.3	3.8	1.4	3.3	—
Interest and dividends	0.4	0.9	0.3	0.7	0.2	1.0	0.2	0.6	—
Other	0.4	1.5	0.4	0.8	1.1	2.8	1.2	2.7	—
Non-operating expenses	5.3	11.9	6.2	13.3	6.2	13.7	8.0	14.3	—
Interest	4.5	9.3	5.0	10.3	5.3	11.9	5.6	11.1	—
Other	0.8	2.6	1.2	3.0	0.8	1.8	2.4	3.2	—
(Net interest receive)	(4.1)	(8.4)	(4.8)	(9.6)	(5.1)	(10.9)	(5.4)	(10.5)	—
Ordinary profit	27.8	70.7	26.1	67.5	12.1	46.6	26.8	72.8	76.0
Extraordinary income	—	0.1	—	0.1	2.1	7.3	2.5	7.1	—
Extraordinary losses	0.5	9.6	0.7	4.6	6.8	12.0	1.6	24.0	—
Profit before income taxes and minority interests	27.3	61.2	25.3	63.0	7.4	41.8	27.8	55.9	—
Profit	16.1	37.4	14.4	38.6	0.0	21.6	14.6	36.0	—
Profit attributable to owners of parent	16.7	37.5	14.4	38.6	0.6	21.7	14.3	35.1	37.0

2. Management Indexes

(Consolidated base)

Total assets	2,277.3	2,405.2	2,485.7	2,487.4	2,612.1	2,652.3	2,606.7	2,634.3	—
ROA	—	3.5%	—	3.3%	—	2.2%	—	3.2%	3.4%
Equity	479.9	561.4	575.1	583.3	579.3	596.7	612.0	631.8	—
Equity ratio	21.1%	23.3%	23.1%	23.5%	22.2%	22.5%	23.5%	24.0%	—
ROE	—	7.3%	—	6.7%	—	3.7%	—	5.7%	5.7%
Earnings per share (Yen)	27.37	56.84	20.02	53.70	0.84	30.13	19.90	48.84	51.44
Net assets per share (Yen)	788.21	780.78	799.82	811.04	805.50	829.50	850.86	878.32	—
Dividends per share (Yen)	7.5	15.5	8.0	16.0	8.0	16.0	8.0	17.0	18.0
Dividend payout ratio	—	27.3%	—	29.8%	—	53.1%	—	34.8%	35.0%
EBITDA *	46.8	110.2	47.6	117.1	38.0	101.7	57.3	132.5	137.1
Depreciation	11.9	24.6	13.2	32.3	18.4	39.8	21.1	43.3	41.8
Amortization of goodwill	2.7	5.4	2.7	5.4	2.6	5.3	2.7	5.4	5.2

3. Interest-bearing Debt

(Consolidated base)

Interest-bearing Debt	1,313.9	1,289.8	1,399.4	1,361.0	1,495.0	1,478.8	1,479.3	1,421.7	1,500.0
Interest-bearing Debt/EBITDA	—	11.7	—	11.6	—	14.5	—	10.7	10.9
D/E ratio	—	2.3	—	2.3	—	2.5	—	2.3	2.3
D/E ratio in consideration of hybrid financing *	—	2.3	—	2.3	—	2.3	—	2.0	2.1
Interest	4.5	9.3	5.0	10.3	5.3	11.9	5.6	11.1	—
Average interest rate	—	0.7%	—	0.8%	—	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-2019		Mar-2020		Mar-2021		Mar-2022		Mar-2023
	1H		1H		1H		1H		Forecasts
Capital Investment	36.7	89.8	83.9	136.1	80.4	108.7	21.1	41.7	80.0
Real estate for sale *1	43.4	96.8	30.0	70.4	36.4	85.8	66.3	158.4	200.0
Land for sale (Domestic condominiums)	6.7	40.5	17.6	24.9	0.1	10.0	8.4	28.2	25.0
Equity Investment *2 (Domestic business)	—	—	—	—	—	—	3.0	18.4	15.0
Overseas Investment	—	11.9	10.4	25.3	12.1	13.0	4.1	18.6	30.0

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

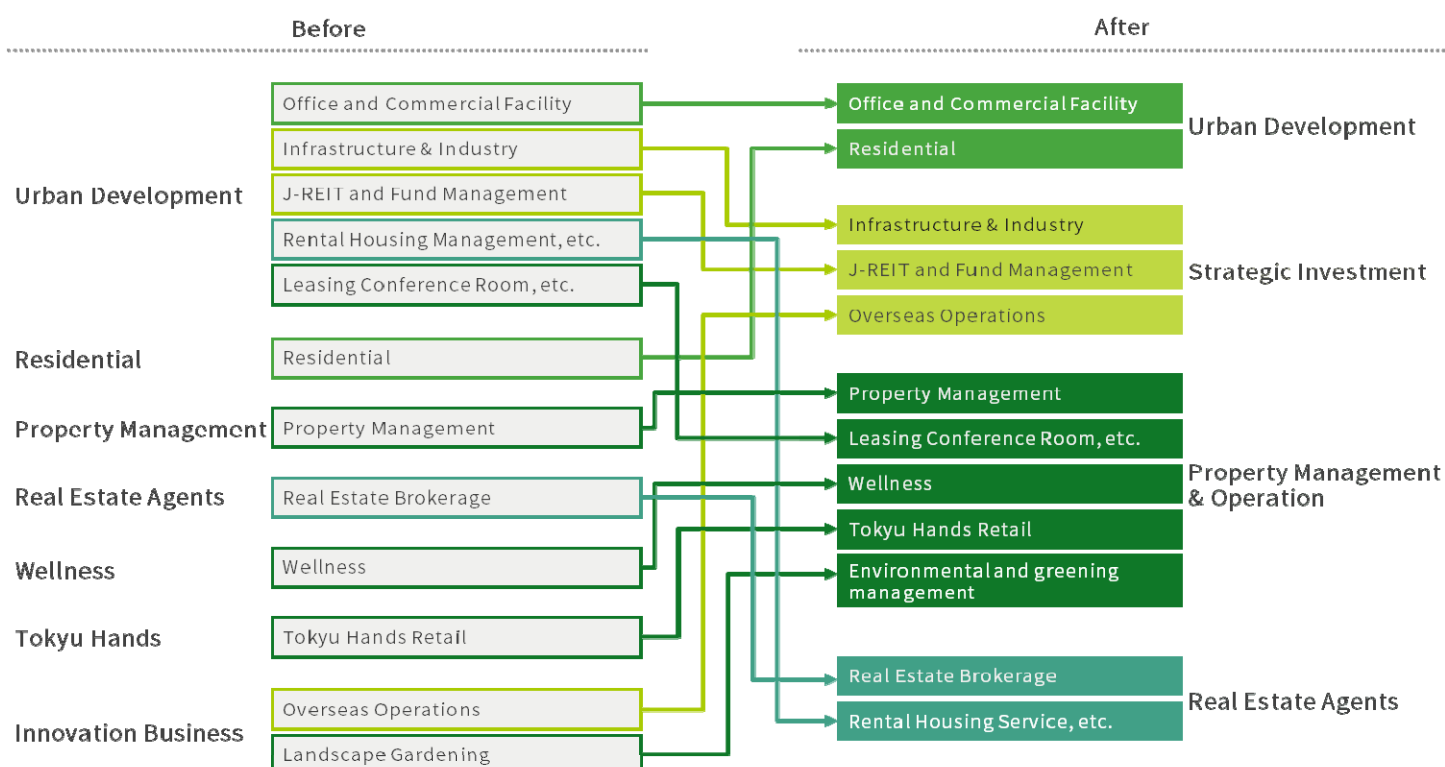
*2 Equity Investment (domestic business excluding condominiums) has been disclosed from the fiscal year ending March 2022.

5. Cash Flows (Consolidated base) (¥ billion)

CF from operating activities	(45.7)	44.5	(113.0)	(6.7)	(16.4)	100.4	(46.1)	76.5
CF from investing activities	(32.5)	(60.4)	(97.2)	(147.2)	(107.3)	(116.0)	(21.4)	(31.8)
CF from financing activities	102.8	139.1	108.4	65.1	130.3	108.3	(22.5)	(81.3)
Cash and cash equivalents at the end of the year	86.3	184.8	83.1	97.0	103.8	189.5	99.7	153.9

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		Mar-2023
	1H	Results	1H	Results	Forecasts
Operating revenue	383.9	907.7	411.8	989.0	1,000.0
Urban Development	132.3	316.7	106.4	325.8	335.0
Strategic Investment	11.0	46.9	19.5	67.0	83.0
Property Management & Operation	152.3	351.2	179.0	383.8	345.0
Real Estate Agents	96.9	212.3	117.7	234.5	257.0
Elimination	(8.7)	(19.4)	(10.8)	(22.0)	(20.0)
Operating profit	17.0	56.5	33.5	83.8	90.0
Urban Development	21.6	41.7	21.4	51.9	49.7
Strategic Investment	3.0	12.1	6.0	14.7	11.7
Property Management & Operation	(11.0)	(8.8)	(4.9)	(0.1)	11.9
Real Estate Agents	7.0	18.9	15.0	26.1	27.8
Elimination	(3.7)	(7.3)	(4.0)	(8.9)	(11.1)
Operating Profit Ratio	4.4%	6.2%	8.1%	8.5%	9.0%
Urban Development	16.4%	13.2%	20.1%	15.9%	14.8%
Strategic Investment	27.1%	25.7%	30.6%	22.0%	14.1%
Property Management & Operation	—	—	—	—	3.4%
Real Estate Agents	7.3%	8.9%	12.8%	11.1%	10.8%

(¥ billion)

	Mar-2021		Mar-2022	
	1H	Results	1H	Results
Assets	—	2,652.3	2,606.7	2,634.3
Urban Development	—	1,708.2	1,614.1	1,627.5
Strategic Investment	—	375.6	440.4	463.6
Property Management & Operation	—	455.9	434.7	403.4
Real Estate Agents	—	193.7	187.5	221.8
Elimination	—	(81.2)	(70.0)	(82.0)
Depreciation	—	39.8	21.1	43.3
Urban Development	—	17.1	9.1	18.3
Strategic Investment	—	5.6	3.7	8.1
Property Management & Operation	—	13.7	6.5	13.4
Real Estate Agents	—	2.6	1.3	2.8
Elimination	—	0.7	0.4	0.8
Additions to property, plant and equipment and intangible assets	—	106.0	21.6	48.8
Urban Development	—	76.0	5.1	12.5
Strategic Investment	—	11.8	9.3	22.0
Property Management & Operation	—	13.8	4.9	9.9
Real Estate Agents	—	3.8	2.1	4.2
Elimination	—	0.7	0.2	0.2

8. Segment Indicators

①Urban Development	Mar-2022		Mar-2023		Operating profit *3		(Figures in brackets show YoY comparison)
	1H		1H	Forecasts	Mar-2022 Results		Mar-2023 Forecasts
Operating revenue (¥ billion)	106.4	325.8	—	335.0			
Leasing (Office buildings)	25.9	51.0	—	50.5	Urban Development 43.1 [+9.8]		Urban Development 44.7 [+1.7]
Leasing (Commercial facilities)	19.5	39.6	—	40.0			
Other *1	27.8	78.8	—	122.2			
Condominiums	27.6	139.9	—	84.1	Residential 8.9 [+0.4]		Residential 5.0 [(3.8)]
Other *2	5.6	16.6	—	38.3			
Operating profit	21.4	51.9	—	49.7			

*1 Excluding lease in office and commercial facility business

*2 Excluding condominiums in residential business

*3 Operating profit before consolidation processing

Leasing (Office buildings Commercial facilities)	Mar-2019		Mar-2020		Mar-2021		Mar-2022		Mar-2023 Forecasts
	1H		1H		1H		1H		
Vacancy rate (%)	0.5%	0.4%	0.4%	0.6%	0.8%	1.3%	1.1%	1.3%	—
Total floor area (thousand m ²)	1,426	1,427	1,496	1,484	1,624	1,617	1,588	1,579	—
Office	582	582	646	640	775	772	748	731	—
Commercial facilities	844	845	850	844	849	846	840	848	—
Owned (Including SPC)	1,310	1,311	1,389	1,382	1,521	1,515	1,486	1,477	—
Subleased	116	116	107	102	102	102	102	102	—
Office for each area									
Chiyoda, Chuo, Minato, Shinjuku, Shibuya	486	486	544	543	688	685	678	661	—
Other Tokyo districts (total 23 districts)	66	66	72	72	62	62	52	52	—
Other Metropolitan area	14	14	14	14	14	14	7	7	—
Kansai area and Others	16	16	16	11	11	11	11	11	—

Residential

No. of units sold *1	434	1,377	800	1,697	273	1,777	464	2,194	1,215
Condominiums	352	1,266	789	1,680	273	1,777	464	2,194	1,215
Detached housing	82	111	11	17	—	—	—	—	—
Inventory of completed units *1	430	504	388	453	299	827	587	661	—
Condominiums	422	497	382	453	299	827	587	661	—
Detached housing	8	7	6	—	—	—	—	—	—
No. of units supplied *1	594	1,654	1,180	2,269	593	1,797	855	1,549	1,000
Condominiums	553	1,598	1,171	2,260	593	1,797	855	1,549	1,000
Metropolitan area	197	924	827	1,674	375	1,176	439	916	640
Kansai area	214	387	312	546	188	520	316	518	240
Other area	142	287	32	40	30	101	100	115	120
Detached housing	41	56	9	9	—	—	—	—	—

*1 Number of units after conversion to equity

②Strategic Investment	Mar-2022		Mar-2023		Operating profit *		(Figures in brackets show YoY comparison)
	1H		1H	Forecasts	Mar-2022 Results	Mar-2023 Forecasts	
Operating revenue (¥ billion)	19.5	67.0	—	83.0			
Infrastructure & Industry	13.5	52.8	—	63.8	Infrastructure & Industry 9.0 [(0.7)]	Infrastructure & Industry 10.5 [+1.5]	
Asset management	3.9	8.3	—	8.5	Asset management 5.5 [+0.2]	Asset management 5.3 [(0.3)]	
Overseas operations	2.0	5.9	—	10.7	Overseas operations 0.2 [+3.1]	Overseas operations (4.0) [(4.2)]	
Operating profit	6.0	14.7	—	11.7			

* Operating profit before consolidation processing

Renewable energy power generation facilities	Mar-2019		Mar-2020		Mar-2021		Mar-2022		Mar-2023
	1H		1H		1H		1H		Forecasts
No. of facilities in operation	10	16	19	30	35	38	48	66	72
Rated capacity (MW)	215	246	296	487	596	730	773	882	1,080

③Property Management & Operation	Mar-2022		Mar-2023		Operating profit *		(Figures in brackets show YoY comparison)
	1H		1H	Forecasts	Mar-2022 Results	Mar-2023 Forecasts	
Operating revenue (¥ billion)	179.0	383.8	—	345.0			
Property management (condominiums)	57.5	127.3	—	134.1	Property Management 7.9 [+1.7]	Property Management 11.0 [+3.1]	
Property management (Office buildings)	37.6	78.6	—	85.9			
Hotel	12.6	28.5	—	41.3			
Leisure facilities	5.3	16.0	—	17.1	Wellness (5.3) [+6.1]	Wellness 0.3 [+5.6]	
Health care	11.5	23.8	—	28.0			
Other (wellness)	22.4	39.0	—	25.9			
Tokyu Hands	27.3	56.7	—	—	Tokyu Hands (4.0) [+0.5]	—	
Environmental and greening management	4.8	13.8	—	12.7	Environmental greening 0.8 [+0.1]	Environmental greening 0.5 [(0.3)]	
Operating profit	(4.9)	(0.1)	—	11.9			

* Operating profit before consolidation processing

	Mar-2019		Mar-2020		Mar-2021		Mar-2022		Mar-2023
	1H		1H		1H		1H		Forecasts
Condominium units	835,410	831,684	841,817	829,533	842,927	839,891	851,679	831,603	880,057
Number of office buildings	1,529	1,540	1,562	1,561	1,552	1,532	1,524	1,626	1,668

④Real Estate Agents	Mar-2022		Mar-2023		Operating profit *		(Figures in brackets show YoY comparison)
	1H	Results	1H	Forecasts	Mar-2022 Results	Mar-2023 Forecasts	
Operating revenue (¥ billion)	117.7	234.5	—	257.0			
Real estate sales agent	33.0	69.0	—	74.6			
Real estate sales	40.9	70.6	—	77.6	Real Estate Agents 21.1 [+8.0]	Real Estate Agents 22.7 [+1.6]	
Consignment sales, etc.	3.4	7.1	—	7.5			
Rental housing service	40.4	87.8	—	97.3	Rental housing service 4.7 [(0.4)]	Rental housing service 5.1 [+0.4]	
Operating profit	15.0	26.1	—	27.8			

* Operating profit before consolidation processing

	Mar-2019		Mar-2020		Mar-2021		Mar-2022		Mar-2023
	1H		1H		1H		1H		Forecasts
No. of transactions in real estate agents	12,460	25,570	13,300	26,437	11,638	25,635	14,229	28,750	30,975
No. of rental housing under management *	133	137	140	145	148	155	161	165	—
No. of corporate housing under management *	92	86	87	85	86	83	85	79	—

* (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