

Special Article: Inheriting and Evolving Our Challenge-oriented DNA (1)

# The Challenges of the Greater Shibuya Area Concept

Since the development of Den-en Chofu, we have offered value to our customers and society, working on urban development while also facing social issues. The Greater Shibuya Area is an example of inheriting our Challenge-oriented DNA and implementing new value creation throughout the area.



## Greater SHIBUYA

### Social Issues We Are Facing

- Improving the value of areas following intensified competition between cities
- Creating urban charm in a society with a decreasing population
- Realizing a variety of lifestyles
- Responding to globalization
- Preparing for the risk of large-scale natural disasters

### Value Provided to Our Customers

- A comfortable urban life
- Safe and secure housing
- Fulfilling leisure time

### Value Provided to Society

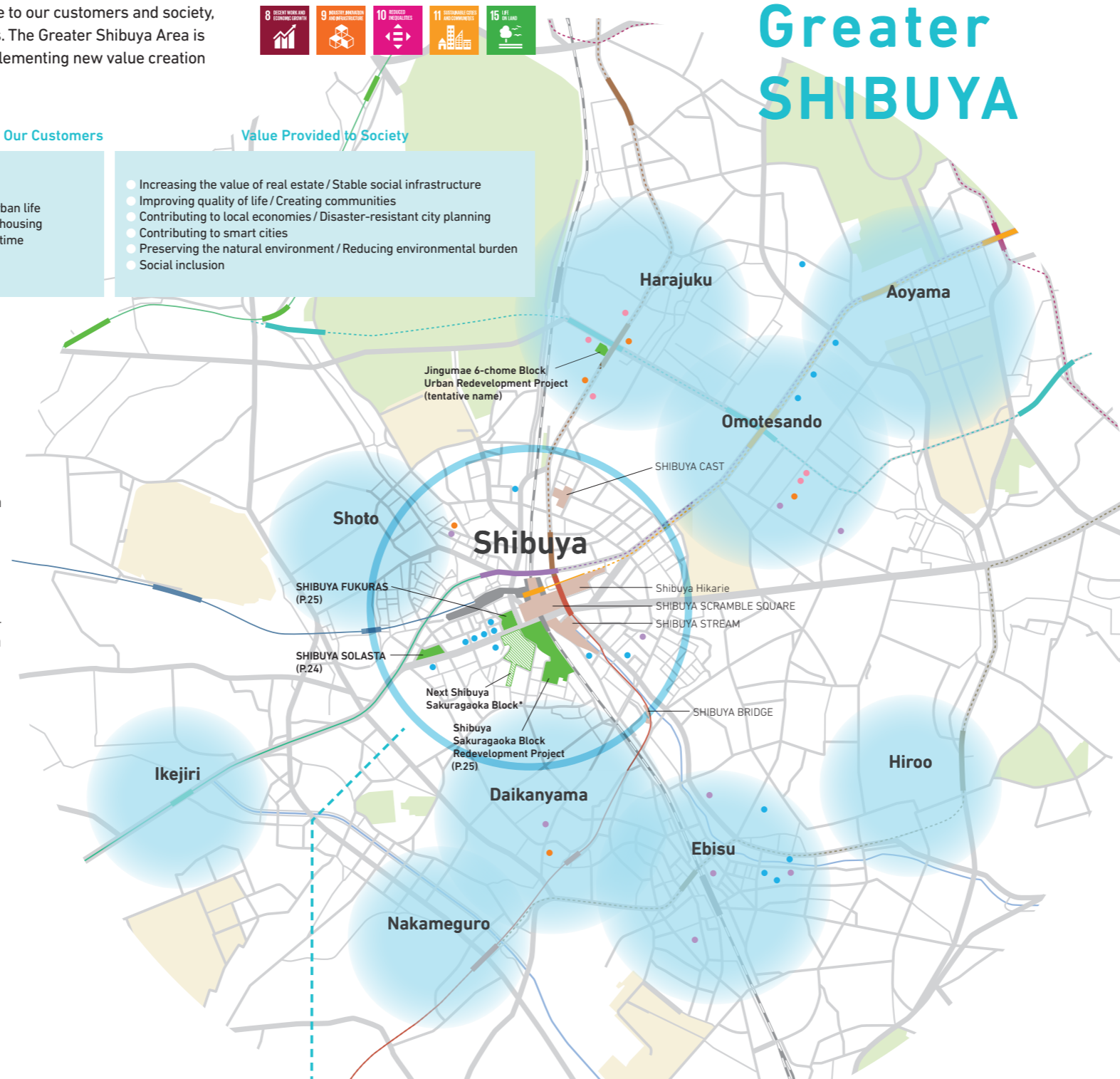
- Increasing the value of real estate / Stable social infrastructure
- Improving quality of life / Creating communities
- Contributing to local economies / Disaster-resistant city planning
- Contributing to smart cities
- Preserving the natural environment / Reducing environmental burden
- Social inclusion

## Increasing the Area's Overall Value by Bringing Together All that the Area Has to Offer

Shibuya, our home base, is an area overflowing with unique charm and vitality. Creative content, including movies, music, and fashion, and start-up ventures gather in the area, and we think perhaps Shibuya is the only place with such diverse urban functions for work, life, leisure, education, rest, creation, and more.

Said to be a once-in-a-100-year project, what we are aiming for with this large-scale redevelopment is the realization of the so-called Entertainment City Shibuya concept, which would transform the area into a stage that draws the world in and showcases business and culture. For the three redevelopment projects that are progressing around the station, we are actively proposing new Home Styles, Work Styles, Play Styles centered around Lifestyle Creation, which we've come to be quite good at. We will create attractive features for Shibuya that will be selected by a wide variety of customers. At the same time, we are dealing with societal problems that modern-day cities face and contributing to increasing the area's international competitiveness.

The Greater Shibuya Area Concept expands Shibuya's urban development to the surrounding areas, increasing the overall potential of the greater area made up of smaller areas full of individuality. The character of each of these areas is exuded by people and locations and will be brought together. Based on this concept, we are moving ahead with urban development that merges the tangible with the intangible. We will add to the management and operations from the development of each individual project and expand start-up support, area management, and a variety of other measures that develop the character of the area, raising the value of the Greater Shibuya Area.



### Shibuya's Attractive Points

<b>Concentration of IT firms</b> Growth of creative industry	<b>Abundant residential properties</b> Including embassies and foreign residents
<b>Major hub of commercial and cultural activity</b> A district that attracts new trends	<b>Good access</b> Links up to 8 lines (JR and private train lines)

**Greater Shibuya Area** Refers to the area full of towns rich with character, including the area around Shibuya Station, Aoyama, Omotesando, Harajuku, Ebisu, and Daikanyama. Our main properties are gathered in this area, and the area has great transportation access.

- Redevelopment project
- Commercial facility
- Office building
- Properties held by Activia Properties Inc.
- Joint-investment properties with Norges Bank
- Redevelopment project (led by TOKYU CORPORATION)

\* TOKYU LAND CORPORATION is involved in this project as a Next Shibuya Sakuragaoka Block Redevelopment Preparatory Association and as a project cooperator

## Initiatives to Support Startups

TOKYU LAND CORPORATION established SHIBUYA Startup 100 to further increase the attraction of Shibuya, an area which fascinates many entrepreneurs. We laid out our goal of creating 100 support businesses by 2020, and as of July 2019, we have already accomplished 45 challenges.



### Establishing Incubation Facilities to Connect Shibuya with the World

We established Plug and Play Shibuya powered by TOKYU LAND CORPORATION through cooperation with Silicon Valley accelerators, supporting global creation among corporations.



100 challenges!! 1/100 18/100

### Startup Creation Through Cooperation with Venture Capital

We are developing the GUILD series of co-creation facilities, together with venture capital. We are supporting the growth of startups by offering services that respond to their needs.



100 challenges!! 5/100 13/100 36/100

### IoT Farm Demonstration Utilizing Unused Building Space

Through cooperation with PLANTIO, a company aiming to create urban gardens using IoT, we opened a rooftop garden at Ebisu Prime Square, introducing a proof of concept for greening and community building.



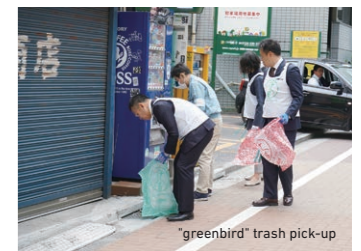
100 challenges!! 34/100 39/100

## Initiatives in Area Management

We are participating and cooperating in a wide range of local activities, including trash pick-up volunteering with increasing number of participants each year. We are expanding our initiatives, contributing to the revitalization of the area and continuous development. We participate in the Shibuya Station Area Management Conference, working towards creating appeal in Shibuya through public-private partnerships.

### Examples of Initiatives

- Trash pick-up volunteer activities / Creation of the "greenbird" Shibuya Dogenzaka Team
- Participation in the Shibuya wo Tsunageru 30 persons, made up of people from Shibuya corporations, government organizations, and non-profit organizations
- Offering shows and appearing on Shibuya no Radio, a community radio channel
- Participation in the Konnoh Hachimangu Shrine Festival, and other events



**Yasuhiro Samejima**  
Operating Officer  
Division Manager of Shibuya Project Division,  
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TOKYU LAND CORPORATION

## The Challenges of the Greater Shibuya Area Concept

### Three Redevelopment Projects Progressing Around Shibuya Station

#### SHIBUYA SOLASTA

Completion: March 2019

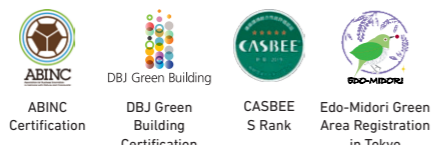
Business entity: Dogenzaka 121 General Incorporated association (Operating Company created by TOKYU LAND CORPORATION and a land owner) / Use: Offices, etc. / Total floorspace: Approx. 46,954 m<sup>2</sup> / Building scale: 21 floors above ground and 1 basement level

We developed a hard-to-find, large-scale office building in Shibuya, built on the site of 4 buildings, including our former headquarters building. We support a highly-productive work style through offering a space filled with the power of plants and a smart office utilizing IoT. We also installed a unisex bathroom and prayer room, supporting the advancement of diversity.

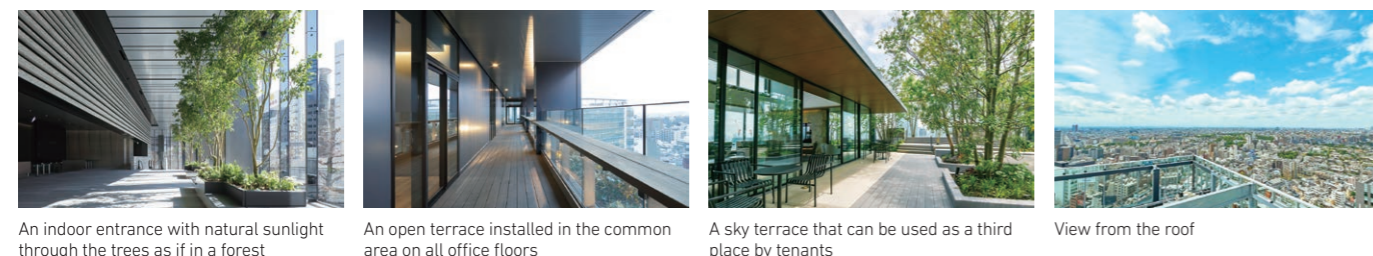


#### High Environmental Value

The construction for SHIBUYA SOLASTA, taking biodiversity and global warming into consideration, was rated highly, receiving multiple environmental certifications.



\* The name, SHIBUYA SOLASTA, is made from the words SOLA (meaning "sky" in Japanese), SOLAR, and STAGE, suggesting a desire for this building to become a stage where diverse workers can flourish under a radiant sky.



An indoor entrance with natural sunlight through the trees as if in a forest

An open terrace installed in the common area on all office floors

A sky terrace that can be used as a third place by tenants

View from the roof

#### SHIBUYA FUKURAS

Completion: October 2019 (planned)

Business entity: Dogenzaka 1-chome Shibuya-station Front District Redevelopment Associate / Use: Retail stores, offices, etc. / Total floorspace: Approx. 58,970 m<sup>2</sup> / Building scale: 18 floors above ground (19 floors according to the Building Standards Act of Japan) and 4 basement levels

A multi-purpose facility will be created out of the combined development of the area and the land of the former Tokyu Plaza Shibuya building in front of Shibuya Station. A new Tokyu Plaza Shibuya will occupy the commercial floor, and we are proposing MELLOW LIFE, an urban lifestyle meant to enjoy the passing of time. We will also build a bus terminal as the western gate to Shibuya.



\* The name, SHIBUYA FUKURAS, comes from the Japanese word, fukurasu, meaning "to inflate or expand". This expresses our desire to greatly "expand" the happiness of all who visit Shibuya.



#### Shibuya Sakuragaoka Block Redevelopment Project

Completion: FY2023 (planned)

Business entity: Shibuya Sakuragaoka Block Redevelopment Associate / Use: Offices, retail stores, residences, etc. / Total floorspace: Approx. 254,830 m<sup>2</sup> / Building scale: Block A: 39 floors above ground and 4 basement levels, Block B: 29 floors above ground and 2 basement levels, Block C: 4 floors above ground

We will create an area complete with places to live, work, and play, establishing a unified facility southwest of Shibuya Station. We will implement barrier-free access from the station and operate office buildings and commercial facilities, as well as serviced apartments. We are also planning on establishing an international medical facility and other livelihood support facilities, as well as temporary shelters for people stranded after a natural disaster.



#### Headquarters Relocation and Work-Style Reform

We returned to our hometown of Shibuya in August 2019. Our headquarters was relocated to the completed SHIBUYA SOLASTA, creating a new communication base for the Group.

It is a time when one can work anywhere, anytime, without going to the office. We wanted to create a place where people would want to go to work. A place where you can meet everyone, where ideas are born, and where you can work productively. We gave our new home base the name "Call", referring to the idea of the headquarters calling the employees.

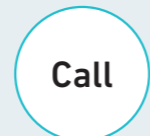
If each employee takes on challenges and we all connect, we will become an enormously large energy. We are progressing with work-style reform for our approximately 30,000 Group employees (including temporary employees) from "Call". Facing social issues regardless of the times and demonstrating our Challenge-oriented DNA by creating and proposing new lifestyles, we are connecting to value co-creation that goes beyond work-style reform.

Slogan for Work-Style Reform Advanced by the Group

**Challenge for all  
Communication for all**

Each employee takes on challenges,  
and the whole Group connects

New Home Base for Group Communication



#### Initiatives at Our New Headquarters

At our new headquarters, where most of our employees work, we've created a work space that revitalizes communication, encouraging each person's challenges. In addition to Green Work Style incorporating the power of plants, we are also involved in improving productivity and health maintenance through use of IoT, putting into practice new Work Styles that only we can create as we develop our office and wellness businesses.

#### Examples of Initiatives

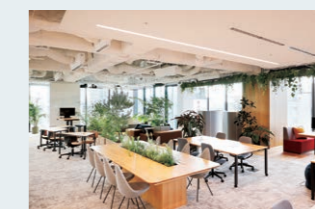
- Creating communication at SCRAMBLE!, a space for customer interaction
- Hosting events at COLABO!, a base for Group employee interaction
- Visualizing work-style reform through EEG measurements, etc.
- Implementing face recognition for entry and exit of the building and a web-based meeting system
- Establishing a concierge to handle reception, concentration booths, and nap rooms
- Utilizing an exercise and fitness app through TOKYU SPORTS OASIS



5th floor SCRAMBLE! interaction space



10th floor COLABO! Group base



Work space filled with plants



EEG measurements determining level of concentration, etc.

## Special Article: Inheriting and Evolving Our Challenge-oriented DNA (2)

# The Challenges of Lifestyle Creation

We value the concept of Lifestyle Creation in order to continue unique value creation. Through proposals for Home Styles, Work Styles and Play Styles, we are facing issues that modern society is dealing with and working on solutions to those issues.



### Social Issues We Are Facing

- Realizing a variety of lifestyles
- Responding to work-style reform and health management
- Responding to the healthy lifestyle needs of the aging society
- Connecting with the region and revitalizing the community

### Value Provided to Our Customers

A comfortable urban life  
Safe and secure housing  
Mental and physical health  
Fulfilling leisure time

### Value Provided to Society

- Improving quality of life / Creating communities
- Contributing to local economies / Disaster-resistant city planning
- Contributing to smart cities
- Increasing life expectancy
- Preserving the natural environment / Reducing environmental burden
- Social inclusion

## Proposing New Work Styles

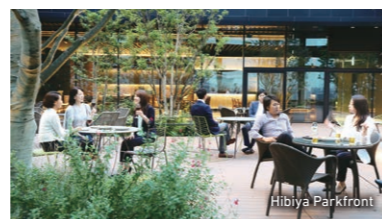


We are seeking a place where business people can work comfortably against the backdrop of work-style reform and health management. As we are involved in the office business, we are getting closer to the workers themselves and proposing new, creative, and productive Work Styles based on a concept of building smiles: giving workers smiles.

### CASE 1 Office Full of the Power of Plants

We are developing our Green Work Style project based on a concept of designing Japanese working styles with plants. Focusing on the power of plants with positive effects, such as stress reduction and creative stimulation, we are moving forward with creating offices full of plants. We are also holding scientific tests on the effects of plants, including EEG measurements.

- ▶ Hibiya Parkfront
- ▶ SHIBUYA SOLASTA



### CASE 2 Smart Office Utilizing IoT

We added a service allowing real-time confirmation of toilet use and worker location and other services, supporting diverse work styles and productivity improvement based on the concept of Human Centered IoT. At Takeshiba District Development Plan (tentative name), we are utilizing cutting edge technology over the entire area through cooperation with SoftBank Corp., working towards the co-creation of a smart city.

- ▶ SHIBUYA SOLASTA
- ▶ Takeshiba District Development Plan (tentative name)



### CASE 3 Creating a Place for a Variety of Working Styles

We offer work spaces responding to the needs of the times, including Business-Airport, a membership-based shared office developed in main business areas of Tokyo, and GUILD, a start-up co-creation facility opened in the Greater Shibuya Area. We support the realization of a variety of work styles, even responding to the need for corporate satellite offices.

- ▶ Business-Airport
- ▶ ASIA BUILDING
- ▶ GUILD



#### Response from a Tenant at Hibiya Parkfront

### Happy Employees in an Office Overflowing with Green

I think that there is a direct connection between employees' lives and the level of comfort of the office space where employees spends more than half of each day. This is where an environment overflowing with green comes in, where employees relax while developing active communication. I am very happy because it feels as if my dream from when I was younger of having an office overlooking Central Park in New York has come true. I am realizing the effects of moving to this office, as there has been a great increase in applicants.

Hiroshi Fujiwara, Ph.D. Chairman, President & Chief Executive Officer, Broadband Tower, Inc.

## Proposing New Home Styles



We are proposing new Home Styles in response to the needs of the times, including the advancement of the decreasing birthrate and aging population and the diversification of lifestyles. From student residences to senior housing, we're offering a rich life that matches the many stages in the lives of our customers.

### CASE 1 LIFE STORY TOWN

We developed LIFE STORY TOWN, urban development that proposes new lifestyles starting with housing. With the development of large complexes that combine condominiums with senior housing, we are responding to social needs by placing value on day care and nursing care support.

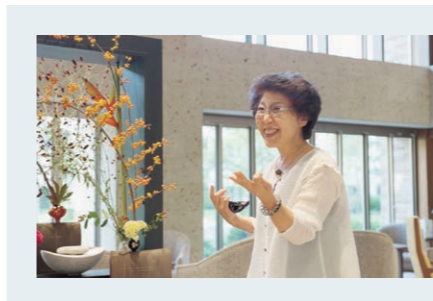
- ▶ Setagaya Nakamachi Project
- ▶ Tokaichiba Project
- ▶ Kyutaromachi Project
- ▶ Ofuna Project



### CASE 2 Student Connection Support

TOKYU LAND CORPORATION has developed student residences in cooperation with NATIONAL STUDENTS INFORMATION CENTER CO., LTD. (NASIC). We are supporting students living away from their parents through creating safe and secure environments, and hosting welcome parties and other events that encourage interaction between students.

- ▶ CAMPUS VILLAGE



#### Response from a Tenant at Grancreer Setagaya Nakamachi

### Feeling Youthful From Active Youth

With great access to the Ikebana studio I supervise and charmed by the environment with abundant nature despite being in the city, I decided to live here. It is different from a so-called retirement home, and I can feel youthful here because of the children who visit the on-site nursery school and the young people who live in the condominiums. If urban development like this where all generations live together become more established, the world will be better off.

## Proposing New Play Styles



We are proposing new Play Styles, getting close to various aspects of life, including shopping, hotels and resorts, fitness, and more. We are offering rich times and rich experiences to a variety of customers while understanding the change from product consumption to service consumption and the increase in inbound tourism needs.

### CASE 1 Shopping Styles Adapted to Personality

We are creating commercial facilities from the viewpoint of the customer in response to the character of the area. At Tokyu Plazas in the heart of the capital region, a sense of elegance is added to everyday life, and at Q'sMALLs in the Kansai region, we aim to offer community-based friendly shopping malls.

- ▶ Tokyu Plaza
- ▶ Q PLAZA
- ▶ Q's MALL
- ▶ Market Square



### CASE 2 Resort Life to Enjoy the Stay

At our hotel and resort facilities developed across the country, we are offering a resort life where the stay itself can be enjoyed through proposing tangible and intangible services adapted to the local characteristics, including programs to fully enjoy nature.

- ▶ Hyatt Regency Seragaki Island Okinawa
- ▶ KYUKARUIZAWA KIKYO, Curio Collection by Hilton
- ▶ Tokyu Harvest Club Nasu Retreat
- ▶ Tokyu Resort Town Tateshina: MORIGURASHI



#### Response from a Guest at Hyatt Regency Seragaki Island Okinawa

### Luxury of Leisurely Spending Time at the Hotel

The whole island is a resort, and we were able to leisurely spend time as a family here. It is troublesome carrying our small child when we go out, but the resort has a variety of restaurants and activities, so we were able to enjoy ourselves within the facility. I'd like to bring my parents, who have never been to Okinawa, and stay here again next year.

## Special Article: Inheriting and Evolving Our Challenge-oriented DNA (3)

# The Challenges of Renewable Energy Business

Renewable energy is one project to realize harmony with the environment and the economy through business, laid out in our sustainability policy. We are developing solar, wind, and more types of energy projects across the country under the ReENE brand name.



### Social Issues We Are Facing

- Response to climate change, control on output of CO<sub>2</sub>
- Improving energy self-sufficiency rate

### Value Provided to Our Customers

- Clean energy

### Value Provided to Society

- Increasing the value of real estate / Stable social infrastructure
- Contributing to local economies / Disaster-resistant city planning
- Preserving the natural environment / Reducing environmental burden

## Realizing the Compatibility of Environmental Consideration and Regional Development

Expanding to a wide range of businesses while dealing with societal problems, we began working in the renewable energy business in 2014. Expectations are rising for renewable energy that uses the power of nature as a way of contributing to the control of CO<sub>2</sub> emissions and the rate of energy self-sufficiency in Japan. An infrastructure fund was established at the Tokyo Stock Exchange, and this is a field where demand and investments are expected to grow globally as renewable energy isn't easily influenced by economic climate and is a unique asset with stable profits. We are steadily expanding the business, and at the ReENE Matsumae Wind Farm which started operating in April 2019, we built 12 of the largest (when operations began) wind turbines in Japan, enabling a level of power generation equal to the yearly power consumption of 30,000 households.\*1

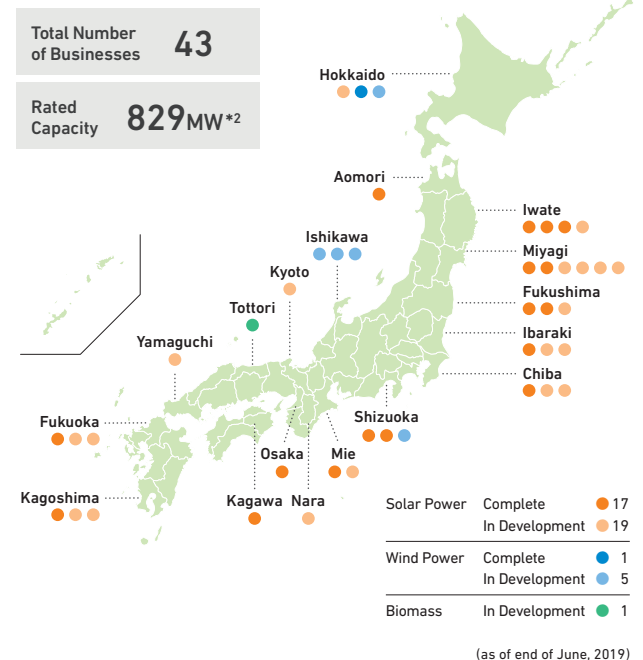


**Takashi Ikeuchi**  
 Managing Officer  
 Unit Manager of Urban Business Unit,  
 Division Manager of Infrastructure &  
 Industry Business Department  
 TOKYU LAND CORPORATION

We hold consideration for the environment and regional cooperation as important points when developing and operating power plants. At the Ichinoseki City Yoshitaka Solar Power Plant, which began operating in June 2018, wheat and barley are grown under the solar panels, expanding the solar sharing business by allowing power generation and farming to coexist. We were able to realize a renewable business model structure while promoting regional vitalization through using income from the power generation to support agriculture.

We will continue promoting the business from a sustainable perspective, together with all of our business partners, in order to deliver new value and clean energy for the future.

## ReENE



\*1. Calculated as 3,530 kWh/year per household

\*2. 100% converted / value of total involved businesses, including joint ventures

### Participating in RE100, Aiming for Use of Renewable Energy Exclusively

TOKYU LAND CORPORATION joined RE100\*3 in April 2019. The Company is working to realize the goal of 100% Renewable Energy including renewable energy used by the Company by 2050, based on our established goal.

**Goal** To use 100% renewable energy for power used in business activities by 2050



\*3. RE100: an international incentive where participating corporations set a goal of attaining 100% renewable energy use for business operations (189 participating corporations as of July 2019)