

Creating cities that bustle with activity

Urban Development Segment

Business fields: Office buildings and commercial facilities / Investment management / Management of rental housing / Renewable energy / Logistics facility

We are involved in improving the value of Tokyo, a global city, through urban development projects that bring out the potential of the area amongst the intensifying competition between cities. In addition to development and operations of office buildings and commercial facilities, we are also working with infrastructure and industry related businesses, such as renewable energy and logistics facilities, management of rental housing, etc., contributing to a comfortable and bountiful urban lifestyle.



Value Provided Through Businesses **A Comfortable Urban Life** **Safe and Secure Housing** **Clean Energy**

Current Situation		Business Strategy	
Strengths	<ul style="list-style-type: none"> Superior office building portfolio in the city center Production of unique facilities and business driving force Renewable energy business with power generation capabilities in excess of 1,000MW 	<p>A solid and unique Urban Development business at the core of the Group</p> <p>Create urban and area value through urban development in the Greater Shibuya Area, Takeshiba and elsewhere</p> <p>Expand the scope of cyclical reinvestment business to include infrastructure and industry</p>	
Weaknesses	<ul style="list-style-type: none"> Lack of large-scale flagship buildings 		
Opportunities	<ul style="list-style-type: none"> Increased opportunity for redevelopment of the Greater Shibuya Area The offering of working places following changes in working styles Growing needs for logistics facilities due to the expansion of e-commerce (EC) 		
Risks	<ul style="list-style-type: none"> Intensifying competition between the different areas in city center Changes in office building demand due to the widespread adoption of telework 		

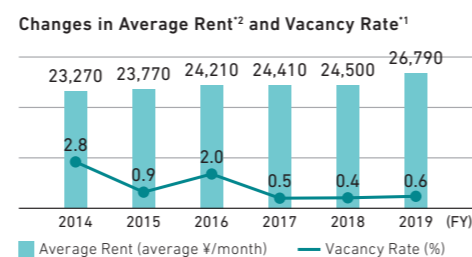
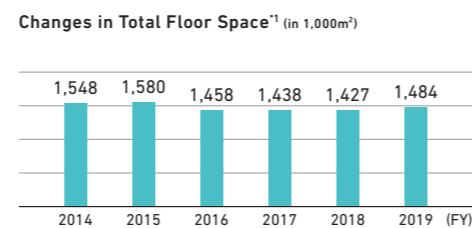
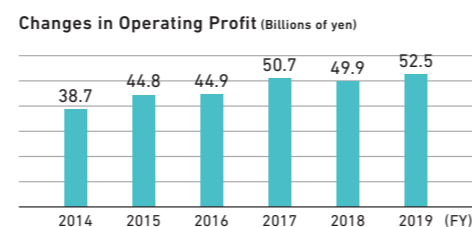
Advancing and Prospecting Our Medium-Term Management Plan

In the Urban Development segment, the expansion and enhancement of our revenue base is progressing, with the completion of projects such as SHIBUYA SOLASTA and SHIBUYA FUKURAS in the Greater Shibuya Area, and TOKYO PORTCITY TAKESHIBA in the Takeshiba Area. In the infrastructure and industry field, too, our development and operation of renewable energy power generation facilities and logistics facilities has also progressed, and we had continued to steadily expand revenues towards the achievement of our operating profit target for the segment in the Medium-Term Management Plan. However, impact in the form of rent reductions/waivers and decreases in percentage rents as a result of temporary closures of our main commercial facilities accompanying the spread of COVID-19 infections has caused an impact on business performance.

In the office business, approaches such as Green Work Style incorporating IoT and the power of greenery until now have enabled us to propose new workstyles that increase productivity and creativity. In order to cater to a diverse range of workstyles, we have proactively advanced the opening of more Business-Airport membership-based satellite offices. We expect that needs for workstyles both inside and outside offices will continue to increase in the future, accompanying the advancement and firm establishment of remote work, beginning as a response to the COVID-19 pandemic. Moving forward, we will continue to provide offices to support new workstyles while identifying social issues more than ever before.

In infrastructure and industry related business, there is increasing demand for logistics facilities due to the rapid expansion of e-commerce, as represented by consumers staying at home and spending. Since its entry into the logistics facility development business in 2016, TOKYU LAND CORPORATION has been engaged in development efforts through the LOGI'Q brand, leveraging the Group's accumulated know-how and total capabilities as a comprehensive developer. Moving forward, together with ReENE, our renewable energy business, we will focus our energies into investment in the infrastructure and industry field.

In our rental housing management business, we are steadily increasing the number of units under management. The number has exceeded 100,000 at Tokyu Housing Lease Corporation. NATIONAL STUDENT INFORMATION CENTER CO., LTD. is gradually commencing its operation of CAMPUS VILLAGE, which was developed by TOKYU LAND CORPORATION and is operated and managed by NATIONAL STUDENT INFORMATION CENTER CO.,LTD.



*1. For office buildings and commercial facilities
*2. Only for office buildings



TOKYO PORTCITY TAKESHIBA (Completion: May 2020)



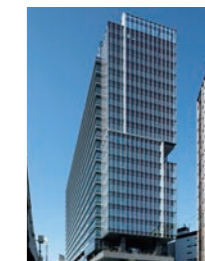
SHIBUYA FUKURAS (Completion: October 2019)



Tokyu Plaza Shibuya (Opening: December 2019)

Live Offices Proposing and Implementing New Workstyles

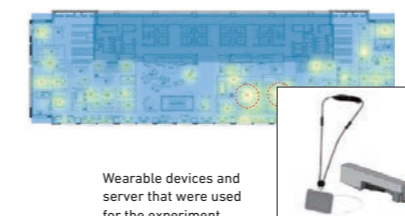
At the SHIBUYA SOLASTA building (where Tokyu Fudosan Holdings Corporation is a tenant) we have launched a Live Office system in which employees engage in new workstyles to enable customers to visualize them. We are seeking to energize communication and improve productivity by limiting office seating to only 50% of the size of our workforce, and creating diverse workspaces. By engaging in workstyle reform initiatives that we are possible only because we are a comprehensive developer, and conducting various demonstrative tests to prove the effectiveness of these initiatives, we are proposing workstyles that will lead to the resolution of customer issues, based on reliable insights and evidence.



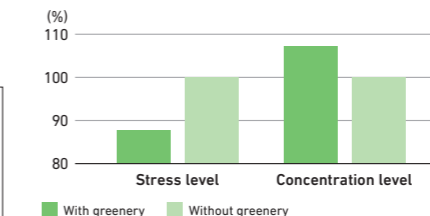
SHIBUYA SOLASTA (Completion: March 2019)

Main initiatives and benefits

- 1 Natural communication**
Wearable devices are used to acquire information regarding use of shared spaces and conversation levels. As a result, we have found that the areas in which employees work in the new office have diversified, and that free communication has become more active than before.
- 2 Improving work quality**
The effects of our Green Work Style, which incorporates greenery into office spaces, is being measured using KAN-SEI Analyzers*1. Since it has been found to have the beneficial effects of reducing stress and increasing concentration for workers, it is hoped that the Green Work Style approach will contribute to increasing productivity.
- 3 Mental and physical improvement of each employee as the base of work**
We are validating the effects of fitness training and meditation between work on the mind and body of workers, using wearable sensors and autonomic nerve activity measurement software. We have obtained both mental and physical benefits that suggest we can expect to see increases in concentration on work.



Wearable devices and server that were used for the experiment



*3. A simple brainwave measurement and emotional evaluation kit. Effects are assessed based on the results of comparative validation from brainwave measurements subjective evaluations. Given limited periods and dates, only some employees were measured.

Initiatives for Social Issues Through Our Business: Supporting Social Infrastructure through Renewable Energy Business Operations

We are currently seeing an increase in the importance of renewable energy globally. At TOKYU LAND CORPORATION, we have been engaged in the renewable energy business—which embodies a key aspect of our sustainability policy, that “we strive for environmental and economic harmony through our business activities”—since 2014. Business operations being conducted under the ReENE brand contribute to suppressing CO₂ emissions and increasing Japan’s energy self-sufficiency. At the same time, they are resistant to the impact of economic changes, and can be expected to contribute to increasing demand and investment, as a stable revenue-generating asset.

The ReENE Matsumae Wind Farm commenced operation in April 2019. The wind farm is equipped with 12 wind turbines, which at the time were the largest in Japan, enabling a level of power generation equivalent to the yearly power consumption of around 30,000 typical households. Based on our emphasis on consideration for the environment and regional cooperation, we are developing solar sharing business operations that allow power generation to coexist with farming, and building a sustainable business model while promoting regional vitalization.

We have also established the Renewable Energy Association for Sustainable Power supply (REASP) in association with Renewable Japan Co., Ltd. and other powerful business operators, and are working to create systems that will enable the stable supply of renewable energy in the long term, in collaboration with local communities.

TOKYU LAND CORPORATION joined RE100*4 in April 2019. The Company is working to realize the goal of 100% Renewable Energy (including renewable energy used by the Company itself) by 2050. In this way, we will contribute to the realization of a low-carbon society, from a sustainable perspective.



ReENE Matsumae Wind Farm (Commencement of operation: April 2019)

*4. An international initiative where participating companies set a goal of attaining 100% renewable energy procurement for power used in business activities.



Shining a new light on housing

Residential Segment

Business fields: Condominiums development / Rental housing units development (rental condominiums and student residences)

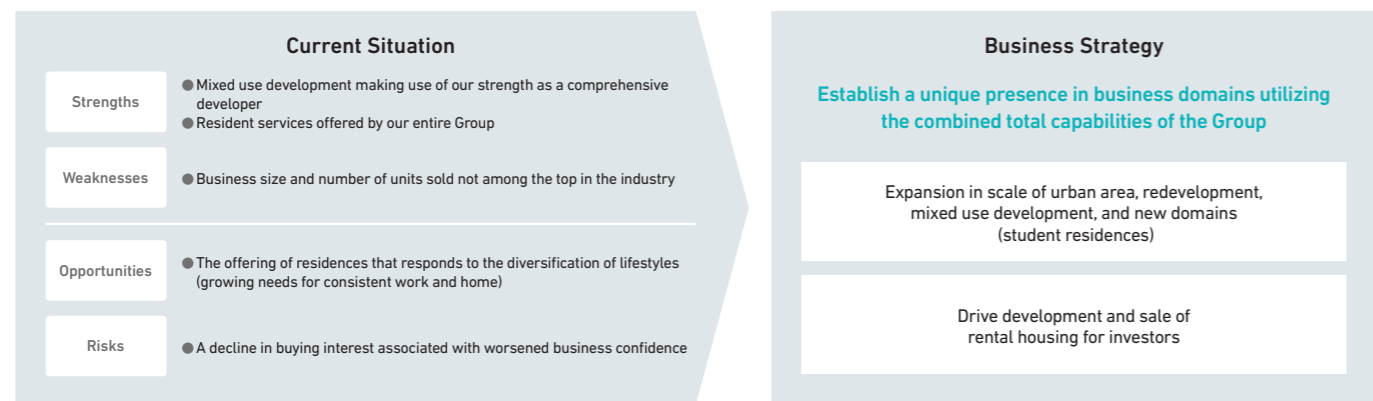
We are pursuing residential development that responds to the changes of the times, including the advancement of the decreasing birthrate and aging population and the diversification of lifestyles. We are contributing to local societies through disaster prevention and deterioration measures, revitalization of local communities, and initiatives that are energy-saving and environmentally-friendly.



BRANZ Maruyama Gaienmae (Completion: July 2019)



Value Provided Through Businesses A Comfortable Urban Life Safe and Secure Housing



Advancing and Prospecting Our Medium-Term Management Plan

In the Residential segment, we have strengthened our city center properties and redevelopment business, developing and selling condominiums such as BRANZ Rokubancho and BRANZ Tower Umeda North. With the temporary closure of our condominium galleries as a response to the spread of COVID-19 infections in fiscal 2020, the segment has suffered impact such as a decrease in agreements signed and condominium units posted as sold. As a result of these impacts, we expect to see a decrease in both revenue and profit in comparison with the previous fiscal year.

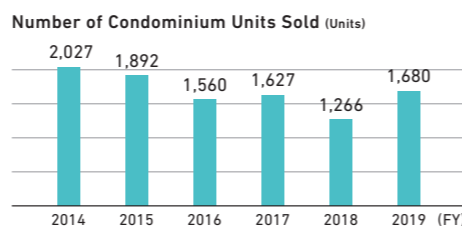
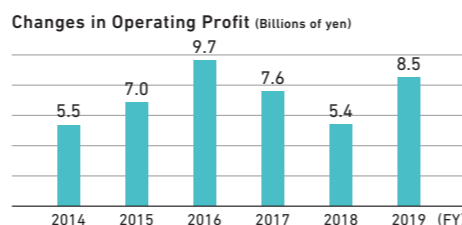
As a result of the widespread adoption of work-from-home and remote workstyles during the COVID-19 crisis, the roles and values that are demanded of housing are diversifying. In our residence business, since the completion of Tokyu Skyline—one of the industry's first condominiums—in 1958, we have offered customers housing and services that support safe, comfortable, high-quality lifestyles, and design that can be passed on from one era to the next. In recent years we have also developed Life Story Town, an urban development concept that proposes new lifestyles starting with housing, which has contributed to area management, local community revitalization and improvement of value. Moving forward, we will continue to cater to customer expectations through the provision of housing that caters to a diverse range of needs.

Initiatives for Social Issues Through Our Business: Provision of Professional Daycare Services Inside Condominium Buildings

At BRANZ CITY Chofu, as a collaborative service with an NPO, TOKYU LAND CORPORATION will introduce a Childcare Family Support Service: a membership-based service available only to residents, which seeks to alleviate childcare problems and enable residents to spend quality time with their families. Residents will be able to make use of shared kitchens, children's spaces and other communal facilities; a Daycare Service in which dedicated childminders care for children after preschool, kindergarten and elementary school; and an Evening Meal Service that provides weekday evening meals for children on a reservation basis. The service will also offer events and childcare consultations. Moving forward, TOKYU LAND CORPORATION will provide more new lifestyle solutions with awareness of diversifying work lifestyles and social issues such as the declining birthrate and aging population.



BRANZ CITY Chofu (Completion: January 2021(planned))



Providing lifelong support for buildings and customers

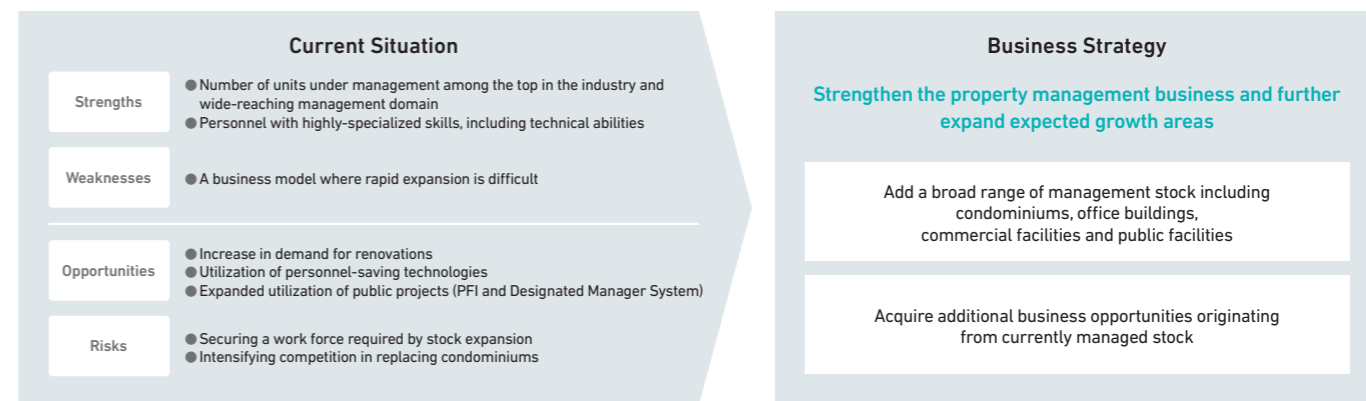
Property Management Segment

Business fields: Condominium management / Building and facility management / Renovation construction

We offer comprehensive support for management, operations, and renovations of a variety of buildings, including condominiums, buildings, commercial facilities, public facilities, and public housing. We are contributing to the sustained enhancement of our customers' living environment and value of our assets through the formation of high quality social stock.



Value Provided Through Businesses A Comfortable Urban Life Safe and Secure Housing



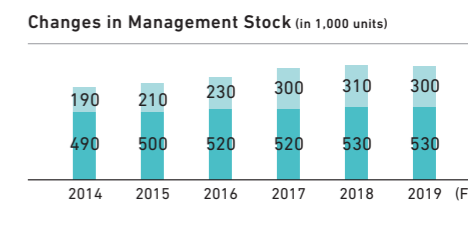
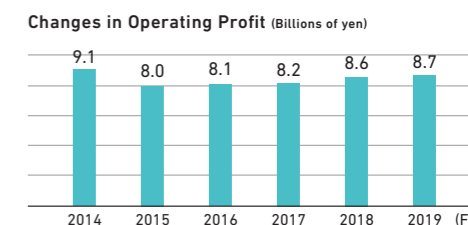
Advancing and Prospecting Our Medium-Term Management Plan

In the property management segment, which is the mainstay of the Property Management business, we have commenced management of properties such as RIKEN Wako Campus and SHIBUYA FUKURAS in the Greater Shibuya Area. In condominium management, as the replacement order environment grows increasingly challenging, we have worked to tackle increases in the amounts of management outsourcing fees as we seek to improve the quality and level of our services. We are also promoting IT-based management operations via the Life Time Portal website for customers. We have also invested our energies into public projects utilizing PFI and the Designated Manager System. Leveraging our extensive track record, we have expanded the scale of our business, and now manage over 200,000 units of publicly operated residential housing as a Designated Manager.

Overseas, following on from Indonesia in 2017, we established a local subsidiary in Vietnam in 2019, and commenced property management operations. Utilizing know-how developed through the management and operation of a diverse range of assets in Japan, we will provide Japanese-quality real estate management services in these countries in line with the Lifetime Management concept of increasing asset value by maintaining buildings in a sound state for a long period of time.

Initiatives for Social Issues Through Our Business: Promoting Personnel and Labor Saving through DX

Tokyu Community Technical Training Center NOTIA, which commenced operations in May 2019, has introduced cutting-edge Nearly ZEB environmental technologies. The center has been working to progress initiatives based on the concepts of having the building itself as a research material and providing a place for demonstrative testing of new technologies. At NOTIA, we are working in a joint effort with Cyberdyne Inc. to develop and demonstratively test a robot-oriented elevator control system designed to cater to major Japanese manufactures. It is an advanced system that will enable cleaning robots and other service robots to use elevators by themselves. By building next-generation management methods that will enable personnel saving through the utilization of robots and other new technologies, we will help to alleviate labor shortages and cater to new needs for contactless services created by the COVID-19 pandemic.



■ Condominium Management (Comprehensive Management)
■ Condominium Management (Facility Management)



Demonstrative testing of an elevator control system for robots



Connecting customers and real estate

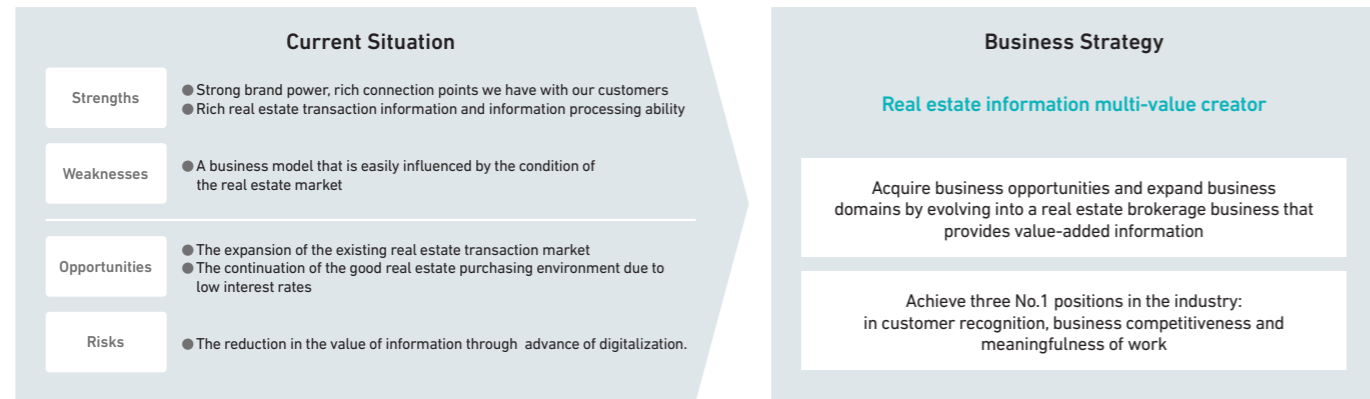
Real Estate Agents Segment

Business fields: Real estate agents (sales and leasing) / Consignment sales / Real estate sales / Real estate solutions

We are responding to each and every need related to real estate transactions, including real estate sales agents, consignment sales, and real estate sales, with advanced services and suitable solutions. We aim for further evolution as a real estate transaction multi-value creator.



Value Provided Through Businesses **A Comfortable Urban Life** **Safe and Secure Housing**



Advancing and Prospecting Our Medium-Term Management Plan

In the Real Estate Agents segment, we have continued to advance the opening of new real estate agent branches in the retail domain, and also steadily expanded our revenues in the wholesale domain. In the real estate sales business, sales for renovation (i.e. acquisition and resale upon renovation) and investment purposes have increased steadily, and contributed to growth of operating profit for the segment. However, profits for fiscal 2020 are expected to decrease in comparison with the previous year due in part to the impact of temporary closures of stores for face-to-face transactions, as a result of the COVID-19 pandemic.

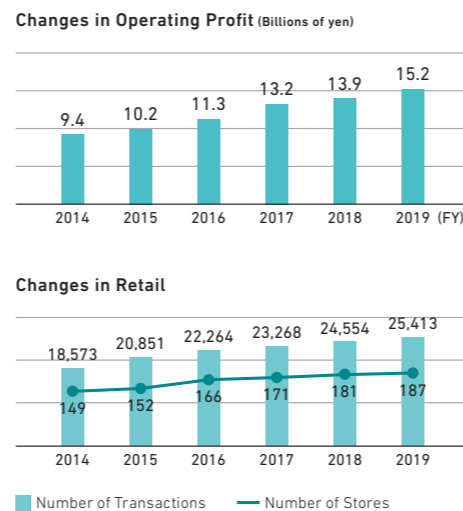
TOKYU LIVABLE, INC. has set itself the goal of securing three No.1 positions in the industry, and is making steady steps forward towards achieving that goal, such as by rolling out GRANTACT branches specializing in high-priced condominiums in city centers, implementing a retail brand strategy through continuous advertising, and creating workplaces that offer job satisfaction.

In addition to our introduction of AI chatbots so far, we are also seeking to improve convenience for customers and secure revenues through efforts such as introducing online customer services and remote property viewings. Moving forward, we will continue to provide diverse value to customers as a real estate information multi-value creator.

Initiatives for Social Issues Through Our Business:

Opening Senior Home Relocation Salons in Response to the Increasing Number of Senior Households

With the increase in the number of senior households, relocation needs among senior demographics are increasing. TOKYU LIVABLE, INC. established a dedicated contact desk for senior customers in 2017, and has dedicated staff who assist customers, not only with relocation but also with guidance to senior residences, and offer other assistance up to and including the point of actually moving into their new homes. As a provider of professional real estate services, TOKYU LIVABLE, INC. works together with nursing care specialists, financial planners and other experts to receive consultations regarding concerns that senior customers and their families may have about their future lifestyles; to objectively propose future life planning, and deliver support for enabling a relocation that customers and their families will be satisfied with. Following on from the Shibuya branch, a branch was also opened at Tama Plaza in January 2020.



Providing quality time and experiences

Wellness Segment

Business fields: Hotels and resorts / Senior life / Fitness / Consignment welfare

To realize a healthy society with longevity and to work on regional revitalization and other social issues, we are expanding our healthcare domain that offers cross-sectional services aimed at life extension and our hotel and resort domain that supports the quality and quantity of time spent by our customers enjoying life.



Hyatt Regency Seragaki Island Okinawa (opening: August 2018)



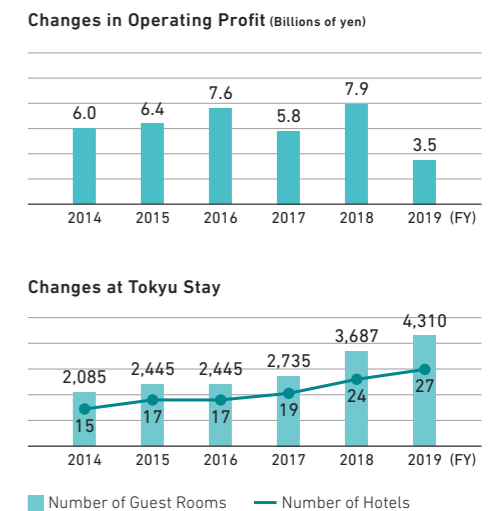
Value Provided Through Businesses **A Comfortable Urban Life** **Mental and Physical Health** **Fulfilling Leisure Time**



Advancing and Prospecting Our Medium-Term Management Plan

In the Wellness segment, we have advanced the opening of hotels and resorts such as Tokyu Harvest Club Karuizawa & VIALA and our Tokyu Stay urban-style hotels. On July 1, 2020, we consolidated two hotel operating companies and commenced operation of Tokyu Resorts & Stays Co., Ltd. In addition to the Group's own facilities, we are also pushing ahead with outsourcing to external parties, leading to the enhancement of the Group's Hotel and Resort business. In the healthcare domain, we have leveraged our operating capabilities and points of contact with customers to open the senior housing complex Creer Residence Yokohama Tokaichiba, and rolled out new services such as Lactive which contribute to extending healthy life expectancy, at TOKYU SPORTS OASIS.

At the facilities we operate in each business field, we promote personnel and labor saving and sophisticate our business models by digitalizing operations, aiming to deepen and expand points of contact with customers. Through these initiatives, we will continue working to propose new ways of spending time, such as by proposing the WEBGYM online fitness service and hotel workstation plans.



Initiatives for Social Issues Through Our Business:

Overcoming Lack of Exercise by Connecting the Gym to Users' Homes with the WEBGYM App

WEBGYM is an online fitness app which enables users to choose from an extensive range of over 1,500 exercise programs packed with TOKYU SPORTS OASIS know-how. It is built around the concept of enabling users to take gym lessons at home, anytime, anywhere. A further evolution of the app, WEBGYM LIVE, enables users to participate in programs being conducted at gyms in real time, via live streaming functionality. It is also possible to retake classes on demand, allowing users to take lessons freely whenever they wish, at their own preferred time. With the impact of the COVID-19 pandemic, there are great needs to overcome lack of exercise at home. As of April 2020, the number of WEBGYM users had grown to three times the number of users in February, and there is growing recognition of the app as a new exercise format.



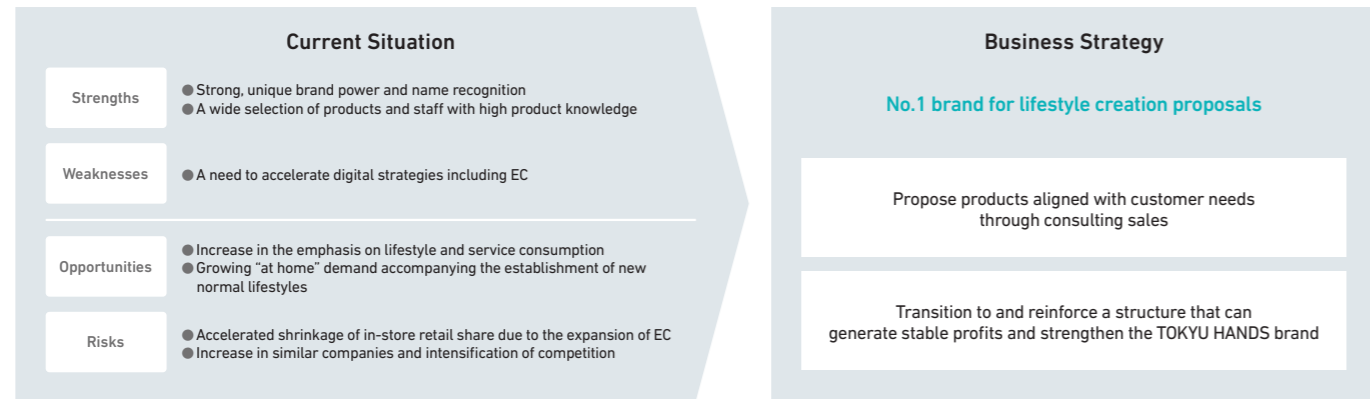
Making life fun Tokyu Hands Segment

Business fields: TOKYU HANDS / hands be

We are offering ideas for a fruitful life, employing a brand slogan of “Its Hint Market” and gathering together a diverse selection of products from a wide range of fields as an aid in realizing the unique lifestyles of each customer.



Value Provided Through Businesses **A Comfortable Urban Life** **Fulfilling Leisure Time**



Advancing and Prospecting Our Medium-Term Management Plan

Utilizing its three core strengths—Products (wide selection of trustworthy products), Services (a place to find exciting ideas), and People (reliable staff with ample product knowledge)—TOKYU HANDS has worked to create stores with a strong sense of individuality that cannot be found at competing stores, such as with the Hi! Tenshu Project at its Shinjuku store, which proposes products in line with customer needs as a form of consulting-based sales. We are also seeking to shift towards a more robust organization for generating stable profits, and have made progress by closing unprofitable stores and opening new stores both in Japan and overseas. We have also worked to create new markets at regional stores, opening Plugs Market stores in collaboration with department stores.

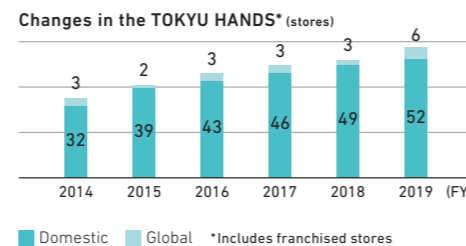
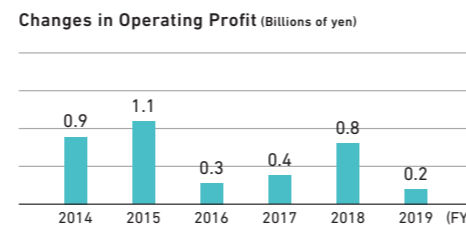
Store performance was affected greatly from the fourth quarter of fiscal 2019 onward, as a result of temporary store closures and shortening of business hours, primarily at city center stores, as a means of preventing the spread of COVID-19 infections. In addition to building an organizational structure to secure e-commerce demand, which is growing as a result of the COVID-19 crisis, we are also seeking to shift to a structure that will enable us to earn more efficiently, by focusing our energies into increasing in-store value and improving work efficiency through digitalization.

Initiatives for Social Issues Through Our Business: Plugs Market: A New Business Type for Uncovering Regional Needs from the Perspective of Regional Revitalization

TOKYU HANDS launched Plugs Market in February 2020 as a new business type for regional rediscovery and community co-creation, under the slogan of “making communities happier and healthier.” Plugs Market stores consist of three areas: the Tsutaeba (communication area) event zone, Uriba (sales area) TOKYU HANDS product zone, and Hanashiba (talking area) tenant zone. The stores seek to uncover area needs from the perspective of regional revitalization through activities such as sales events uncovering local community resources, TOKYU HANDS product lineups narrowed down to local needs, and lifestyle service-type communication with tenants; and to communicate their appeal not only locally but over a wider area. We opened our first store at Kintetsu Department Store Kusatsu, and our second store at Shimonoseki Daimaru.



KINTETSU Department Store Kusatsu (Open: February 2020)



Developing new fields Innovation Business Segment

Business fields: Overseas (North America and Asia) / Landscaping and greening

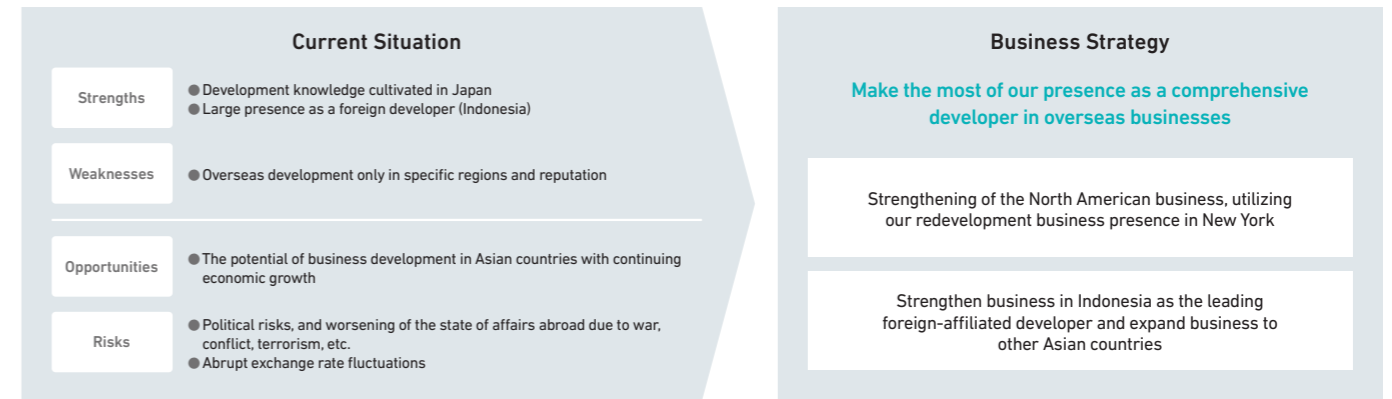
We are creating and expanding new business fields, including our overseas business and our landscaping and greening business. In our overseas business, centered around Indonesia and the United States, we are developing a business aimed at demonstrating our presence as a comprehensive developer.



BRANZ SIMATUPANG (Completion: December 2018)

Overseas Businesses

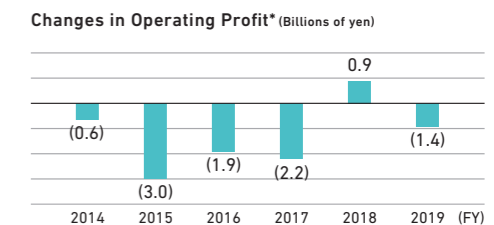
Value Provided Through Businesses **A Comfortable Urban Life** **Safe and Secure Housing**



Advancing and Prospecting Our Medium-Term Management Plan

In our overseas business, we have worked to make the most of our presence as a comprehensive developer, based primarily around the United States and Asian countries, which continue to display economic growth. In the United States, we are pushing ahead with investments and operation of assets with a primary focus on the development of high-grade office buildings with high-level environmental performance, and leased residences. In particular, we are progressing steadily towards the completion of 425 Park Avenue project, located in New York’s Manhattan district. In Indonesia, we are rolling out the same BRANZ brand condominiums as in Japan, working to create good quality housing and establish a strong brand image. With BRANZ SIMATUPANG and BRANZ MEGA KUNINGAN, we have established an all-Japanese project structure, in which all aspects, from development and design to construction, management and operation are all handled by Japanese companies.

Elsewhere in Asia, we established a local subsidiary in Singapore in 2019, and are seeking to expand our business in the area—with its potential for future growth—by leveraging our experience and knowledge from each Group company accumulated through our overseas business operations up until now.



*Total value Innovation Business



425 Park Avenue (Completion: FY2020 [planned])

Initiatives for Social Issues Through Our Business: Making Jakarta a Pedestrian Friendly City Using Japanese Experience

With the support of the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (JOIN), PT. Tokyu Land Indonesia is developing multi-purpose facilities consisting of condominiums, rental housing and commercial facilities on a 1ha plot of land in the Mega Kuningan area, in the center of the Special Capital Region of Jakarta, which is currently undergoing large-scale redevelopment. As part of the development, we have widened all frontal roads in the development area, contributed to the smoothing traffic flow in the district, and proactively added greenery to the front of the first floor of the commercial facilities. Combined with other features, the design—which pays consideration to frontal roads makes this development one of only a handful of areas in Jakarta where people can live and get around easily on foot. Utilizing its track record of over 40 years in business in Indonesia, PT. Tokyu Land Indonesia will continue working to develop urban areas that will help promote employment, contribute to the economic growth of the country and be loved by the local people.



BRANZ MEGA KUNINGAN (Open: FY2023 [planned])

