

FY2020 Second Quarter (First Six Months) Financial Flash Report

(¥ billion)

1. Statements of Income (Consolidated base)	Mar-2017		Mar-2018		Mar-2019		Mar-2020		Mar-2021	
	1H		1H		1H		1H		1H	Forecasts
Operating revenue	319.3	808.5	408.0	866.1	402.6	901.9	412.5	963.2	383.9	895.0
Operating gross profit	72.2	173.0	85.3	182.5	85.2	193.4	90.9	201.7	64.9	—
Gross margin ratio	22.6%	21.4%	20.9%	21.1%	21.2%	21.4%	22.0%	20.9%	16.9%	—
SG&A expenses	46.8	99.8	50.3	105.0	53.0	113.2	59.3	122.4	48.0	—
SG&A expenses to sales	14.7%	12.3%	12.3%	12.1%	13.2%	12.6%	14.4%	12.7%	12.5%	—
Operating profit	25.3	73.2	35.0	77.5	32.2	80.2	31.7	79.3	17.0	44.0
Non-operating income	0.5	1.3	0.6	1.4	0.9	2.4	0.6	1.4	1.3	—
Interest and dividends	0.3	0.7	0.2	0.6	0.4	0.9	0.3	0.7	0.2	—
Other	0.2	0.6	0.4	0.8	0.4	1.5	0.4	0.8	1.1	—
Non-operating expenses	5.6	10.9	4.9	10.3	5.3	11.9	6.2	13.3	6.2	—
Interest	4.2	8.4	3.9	7.9	4.5	9.3	5.0	10.3	5.3	—
Other	1.4	2.5	1.0	2.3	0.8	2.6	1.2	3.0	0.8	—
(Net interest receive)	(3.9)	(7.7)	(3.7)	(7.3)	(4.1)	(8.4)	(4.8)	(9.6)	(5.1)	—
Ordinary profit	20.3	63.6	30.7	68.7	27.8	70.7	26.1	67.5	12.1	34.0
Extraordinary income	0.2	0.2	0.0	0.0	—	0.1	—	0.1	2.1	—
Extraordinary losses	1.2	18.0	1.1	9.3	0.5	9.6	0.7	4.6	6.8	—
Profit before income taxes and minority interests	19.3	45.9	29.6	59.4	27.3	61.2	25.3	63.0	7.4	—
Profit	10.4	32.0	17.6	35.4	16.1	37.4	14.4	38.6	0.0	—
Profit attributable to owners of parent	10.3	31.5	17.6	35.2	16.7	37.5	14.4	38.6	0.6	17.0

2. Management Indexes

(Consolidated base)

Total assets	2,088.6	2,067.2	2,124.4	2,173.2	2,277.3	2,405.2	2,485.7	2,487.4	2,612.1	—
ROA	—	3.6%	—	3.7%	—	3.5%	—	3.3%	—	1.7%
Equity	421.0	442.3	452.3	468.1	479.9	561.4	575.1	583.3	579.3	—
Equity ratio	20.2%	21.4%	21.3%	21.5%	21.1%	23.3%	23.1%	23.5%	22.2%	—
ROE	—	7.3%	—	7.7%	—	7.3%	—	6.7%	—	2.9%
Earnings per share (Yen)	16.97	51.77	28.92	57.80	27.37	56.84	20.02	53.70	0.84	23.64
Net assets per share (Yen)	691.49	726.59	742.91	768.85	788.21	780.78	799.82	811.04	805.50	—
Dividends (Yen)	6.5	13.0	7.0	14.5	7.5	15.5	8.0	16.0	8.0	16.0
Dividend payout ratio	—	25.1%	—	25.1%	—	27.3%	—	29.8%	—	67.7%
EBITDA *	39.2	101.7	48.9	106.1	46.8	110.2	47.6	117.1	38.0	87.8
Depreciation	11.6	23.5	11.1	23.1	11.9	24.6	13.2	32.3	18.4	38.4
Amortization of goodwill	2.3	4.9	2.7	5.4	2.7	5.4	2.7	5.4	2.6	5.4

3. Interest-bearing Debt

(Consolidated base)

Interest-bearing Debt	1,230.8	1,137.9	1,223.0	1,210.4	1,313.9	1,289.8	1,399.4	1,361.0	1,495.0	1,480.0
Interest-bearing Debt/EBITDA	—	11.2	—	11.4	—	11.7	—	11.6	—	16.9
D/E ratio	—	2.6	—	2.6	—	2.3	—	2.3	—	2.5
Interest	4.2	8.4	3.9	7.9	4.5	9.3	5.0	10.3	5.3	—
Average interest rate	—	0.7%	—	0.7%	—	0.7%	—	0.8%	—	—

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

(¥ billion)

4. Investment etc. (Consolidated base)	Mar-2017		Mar-2018		Mar-2019		Mar-2020		Mar-2021	
	1H		1H		1H		1H		1H	Forecasts
Capital Investment	40.0	60.3	24.1	44.6	36.7	89.8	83.9	136.1	80.4	120.0
Real estate for sale (buildings・commercial facilities)	36.0	47.7	37.6	88.4	43.4	96.8	30.0	70.4	36.4	90.0
Land for sale (Condominiums・Detached housing)	18.9	41.0	4.7	36.7	6.7	40.5	17.6	24.9	0.1	20.0
Investment overseas	—	1.9	6.2	9.6	—	11.9	10.4	25.3	12.1	20.0

5. Cash Flows (Consolidated base)

CF from operating activities	(60.5)	68.9	(34.3)	12.3	(45.7)	44.5	(113.0)	(6.7)	(16.4)	—
CF from investing activities	(46.6)	(71.0)	(47.7)	(96.4)	(32.5)	(60.4)	(97.2)	(147.2)	(107.3)	—
CF from financing activities	126.5	23.0	94.6	82.4	102.8	139.1	108.4	65.1	130.3	—
Cash and cash equivalents at the end of the year	62.2	61.9	74.8	61.7	86.3	184.8	83.1	97.0	103.8	—

(¥ billion)

6. Segment Performance	Mar-2017		Mar-2018		Mar-2019		Mar-2020		Mar-2021	
	1H		1H		1H		1H		1H	Forecasts
Operating revenue	319.3	808.5	408.0	866.1	402.6	901.9	412.5	963.2	383.9	895.0
Urban Development	80.0	249.0	145.8	269.8	121.8	256.4	100.5	292.6	156.8	300.0
Residential	28.2	108.5	41.7	123.5	32.0	121.4	50.5	136.3	29.7	140.0
Property Management	70.3	148.6	72.8	160.9	80.7	173.9	96.2	190.8	81.7	185.0
Real Estate Agents	36.8	82.1	44.4	99.3	51.4	118.9	59.4	131.4	55.7	120.0
Wellness	43.8	94.4	45.6	97.0	62.3	123.9	54.4	114.5	35.2	90.0
Tokyu Hands	48.4	97.2	49.1	97.1	49.3	97.4	50.5	96.6	29.1	70.0
Innovation business	22.0	49.6	19.8	41.7	17.6	41.6	17.1	35.2	6.4	15.0
Elimination	(10.1)	(20.9)	(11.2)	(23.3)	(12.5)	(31.6)	(16.1)	(34.3)	(10.8)	(25.0)
Operating profit	25.3	73.2	35.0	77.5	32.2	80.2	31.7	79.3	17.0	44.0
Urban Development	20.0	44.9	27.3	50.7	23.0	49.9	20.7	52.5	29.1	50.0
Residential	(0.9)	9.7	1.4	7.6	0.1	5.4	2.6	8.5	(0.2)	5.5
Property Management	2.8	8.1	3.3	8.2	3.3	8.6	4.5	8.7	0.9	6.0
Real Estate Agents	5.6	11.3	6.6	13.2	6.4	13.9	8.4	15.2	3.4	9.5
Wellness	2.3	7.6	1.6	5.8	2.6	7.9	0.7	3.5	(9.4)	(12.5)
Tokyu Hands	(0.2)	0.3	(0.1)	0.4	0.1	0.8	0.4	0.2	(2.2)	(3.5)
Innovation business	(1.4)	(1.9)	(1.9)	(2.2)	(0.1)	0.9	(0.9)	(1.4)	(1.0)	(3.5)
Elimination	(3.0)	(6.6)	(3.0)	(6.3)	(3.2)	(7.1)	(4.7)	(8.1)	(3.7)	(7.5)
Operating Profit Ratio	7.9%	9.1%	8.6%	9.0%	8.0%	8.9%	7.7%	8.2%	4.4%	4.9%
Urban Development	25.0%	18.0%	18.7%	18.8%	18.9%	19.5%	20.6%	17.9%	18.5%	16.7%
Residential	—	8.9%	3.3%	6.1%	0.4%	4.4%	5.1%	6.3%	—	3.9%
Property Management	4.0%	5.4%	4.5%	5.1%	4.1%	4.9%	4.7%	4.6%	1.2%	3.2%
Real Estate Agents	15.3%	13.8%	14.8%	13.3%	12.4%	11.7%	14.1%	11.6%	6.1%	7.9%
Wellness	5.3%	8.0%	3.5%	6.0%	4.2%	6.3%	1.2%	3.0%	—	—
Tokyu Hands	—	0.3%	—	0.4%	0.2%	0.8%	0.9%	0.3%	—	—
Innovation business	—	—	—	—	—	2.2%	—	—	—	—

(¥ billion)

6. Segment Performance	Mar-2017		Mar-2018		Mar-2019		Mar-2020		Mar-2021	
	1H		1H		1H		1H		1H	Forecasts
Assets	—	2,067.2	—	2,173.2	—	2,405.2	—	2,487.4	—	—
Urban Development	—	1,395.6	—	1,427.1	—	1,534.1	—	1,612.2	—	—
Residential	—	168.5	—	211.9	—	236.4	—	282.5	—	—
Property Management	—	91.0	—	92.6	—	102.5	—	127.1	—	—
Real Estate Agents	—	66.4	—	75.4	—	104.9	—	98.3	—	—
Wellness	—	251.2	—	258.9	—	273.7	—	273.3	—	—
Tokyu Hands	—	39.3	—	38.7	—	37.8	—	37.1	—	—
Innovation business	—	94.6	—	117.6	—	130.0	—	138.1	—	—
Elimination	—	(39.5)	—	(48.9)	—	(14.1)	—	(81.2)	—	—
Depreciation	—	23.5	—	23.1	—	24.6	—	32.3	—	—
Urban Development	—	11.9	—	10.9	—	11.0	—	16.5	—	—
Residential	—	0.4	—	0.5	—	0.6	—	0.9	—	—
Property Management	—	1.1	—	1.1	—	1.3	—	1.6	—	—
Real Estate Agents	—	1.2	—	1.2	—	1.3	—	1.6	—	—
Wellness	—	7.1	—	7.4	—	8.3	—	9.4	—	—
Tokyu Hands	—	1.5	—	1.5	—	1.3	—	1.6	—	—
Innovation business	—	0.1	—	0.1	—	0.1	—	0.1	—	—
Elimination	—	0.3	—	0.4	—	0.6	—	0.8	—	—
Additions to property, plant and equipment and intangible assets	—	61.5	—	47.3	—	86.6	—	136.4	—	—
Urban Development	—	36.3	—	21.8	—	48.4	—	114.6	—	—
Residential	—	1.2	—	1.1	—	1.2	—	1.7	—	—
Property Management	—	1.9	—	2.1	—	2.9	—	2.4	—	—
Real Estate Agents	—	1.2	—	1.8	—	1.9	—	2.8	—	—
Wellness	—	17.8	—	17.0	—	30.2	—	11.7	—	—
Tokyu Hands	—	1.4	—	1.3	—	1.2	—	2.2	—	—
Innovation business	—	0.8	—	1.0	—	0.2	—	0.1	—	—
Elimination	—	0.8	—	1.2	—	0.6	—	1.0	—	—

7. Segment Indicators

① Urban Development

Operating revenue (¥ billion)	80.0	249.0	145.8	269.8	121.8	256.4	100.5	292.6	156.8	300.0
Leasing (Office buildings)	19.0	37.7	19.4	37.9	18.5	36.8	20.1	40.5	20.1	46.7
Leasing (Commercial facilities)	21.8	43.8	21.7	42.9	20.8	41.5	21.4	42.9	17.5	37.5
Asset management etc.	10.8	102.2	65.4	107.3	40.9	89.9	15.8	112.3	75.2	119.9
Leasing (Residence) etc.	28.4	65.3	39.3	81.6	41.7	88.2	43.2	96.9	44.0	96.0
Vacancy rate (%)	0.9%	2.0%	0.3%	0.5%	0.5%	0.4%	0.4%	0.6%	0.8%	—
Total floor area (thousand m ²)	1,590	1,458	1,451	1,438	1,426	1,427	1,496	1,484	1,624	—
Office	651	586	576	592	582	582	646	640	775	—
Commercial facilities	939	872	875	846	844	845	850	844	849	—
Owned (Including SPC)	1,474	1,342	1,335	1,322	1,310	1,311	1,389	1,382	1,521	—
Subleased	116	116	116	116	116	116	107	102	102	—
Office for each area										
Chiyoda, Chuo, Minato, Shinjuku, Shibuya	543	479	480	497	486	486	544	543	688	—
Other Tokyo districts (total 23 districts)	67	66	66	66	66	66	72	72	62	—
Other Metropolitan area	14	14	14	14	14	14	14	14	14	—
Kansai area and Others	26	26	16	16	16	16	16	11	11	—

7. Segment Indicators

(thousand units)

	Mar-2017		Mar-2018		Mar-2019		Mar-2020		Mar-2021	
	1H		1H		1H		1H		1H	Forecasts
①Urban Development										
No. of rental housing under management	—	124	—	128	133	137	140	145	148	—
No. of corporate housing under management	—	92	—	90	92	86	87	85	86	—
②Residential										
Operating revenue (¥ billion)	28.2	108.5	41.7	123.5	32.0	121.4	50.5	136.3	29.7	140.0
Condominiums	23.6	96.7	33.3	95.5	18.7	86.1	43.2	96.1	15.6	98.5
Detached housing	4.2	7.6	1.9	3.1	1.4	2.2	0.4	0.7	—	—
Other	0.4	4.2	6.5	25.0	12.0	33.1	7.0	39.6	14.1	41.5
No. of units sold *1	702	1,798	604	1,698	434	1,377	800	1,697	273	1,625
Condominiums	572	1,560	561	1,627	352	1,266	789	1,680	273	1,625
Detached housing	130	238	43	71	82	111	11	17	—	—
Inventory of completed units *1	244	472	344	635	430	504	388	453	299	—
Condominiums	229	457	332	629	422	497	382	453	299	—
Detached housing	15	15	12	6	8	7	6	—	—	—
No. of units supplied *1	776	1,401	684	1,565	594	1,654	1,180	2,269	593	1,420
Condominiums	713	1,285	650	1,491	553	1,598	1,171	2,260	593	1,420
Metropolitan area	365	701	221	627	197	924	827	1,674	375	850
Kansai area	297	501	355	729	214	387	312	546	188	530
Other area	51	83	74	135	142	287	32	40	30	40
Detached housing	63	116	34	74	41	56	9	9	—	—

*1 No. of units is after conversion for ownership share.

③Property Management

Condominium units	755,434	741,624	819,414	822,231	835,410	831,684	841,817	829,533	842,927	847,798
Number of office buildings	1,482	1,483	1,517	1,500	1,529	1,540	1,562	1,561	1,552	1,546

④Real Estate Agents

Number of transactions	11,487	23,278	12,189	24,410	12,460	25,570	13,300	26,437	11,638	25,117
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⑤Wellness

(¥ billion)

Operating revenue *1	43.8	94.4	45.6	97.0	62.3	123.9	54.4	114.5	35.2	90.0
Resort operations [55]	14.9	35.4	15.4	36.3	15.7	37.3	19.0	41.8	11.8	31.8
Oasis [37]	8.4	16.7	8.5	17.1	8.8	17.9	9.8	18.7	6.5	13.8
Senior housing [15]	3.1	6.5	3.8	7.5	3.9	7.9	4.5	9.7	4.6	9.6
TOKYU STAY [28]	5.0	10.0	5.2	10.6	6.7	13.3	7.6	14.3	2.2	5.9
Consignment welfare	4.4	8.9	4.6	9.2	5.0	9.7	5.2	10.1	4.6	9.7
Sales *2	2.1	4.8	0.9	2.5	14.9	21.9	3.9	11.0	2.0	11.2
Other	5.9	12.0	7.2	13.8	7.4	15.9	4.4	9.0	3.6	8.0

[] No. of facilities as of September 30, 2020

*1 Starting from the fiscal year ending March 31, 2020, resort hotels that have been included in Other are transferred to the Resort operations and a resort-oriented real estate distribution business is transferred to Sales.

*2 Starting from the fiscal year ending March 31, 2020, the type is renamed "Sales."