

*MEDIUM-TERM
MANAGEMENT PLAN 2025*

FOR

A VIBRANTLY

SHINING FUTURE

WE ARE GREEN

TOKYU FUDOSAN HOLDINGS

2022.05.11

The spread of the new normal and the diversity of work styles. The rise of the social and ecologically minded future generation. What do we want to be in an uncertain and unpredictable world where values are changing, which is being called the era of VUCA? Where are we headed? We will create new lifestyles that combine home, work and play styles, along with impressive new experiences enabled by DX, while contributing to a decarbonized society with the diverse green power we possess. To create a future where everyone can be themselves and shine brightly. We will aim to become a corporate group that creates value for the future.

WE ARE GREEN

Our ideal vision for 2030

Create value for the future

We resolve social issues through our business activities and aim for sustainable society and growth together with our stakeholders.

We realize a future where everyone can be themselves and shine vigorously through the creation of a variety of appealing lifestyles.

Themes to work on for value creation (Materialities)



Lifestyle

Create a variety of lifestyles.



Liveable City

Create well-being communities and lifestyles.



Environment

Create a sustainable environment.



DX

Create value in the digital era.



Human Capital

Create an organizational climate under which diverse human capital is enlivened.



Governance

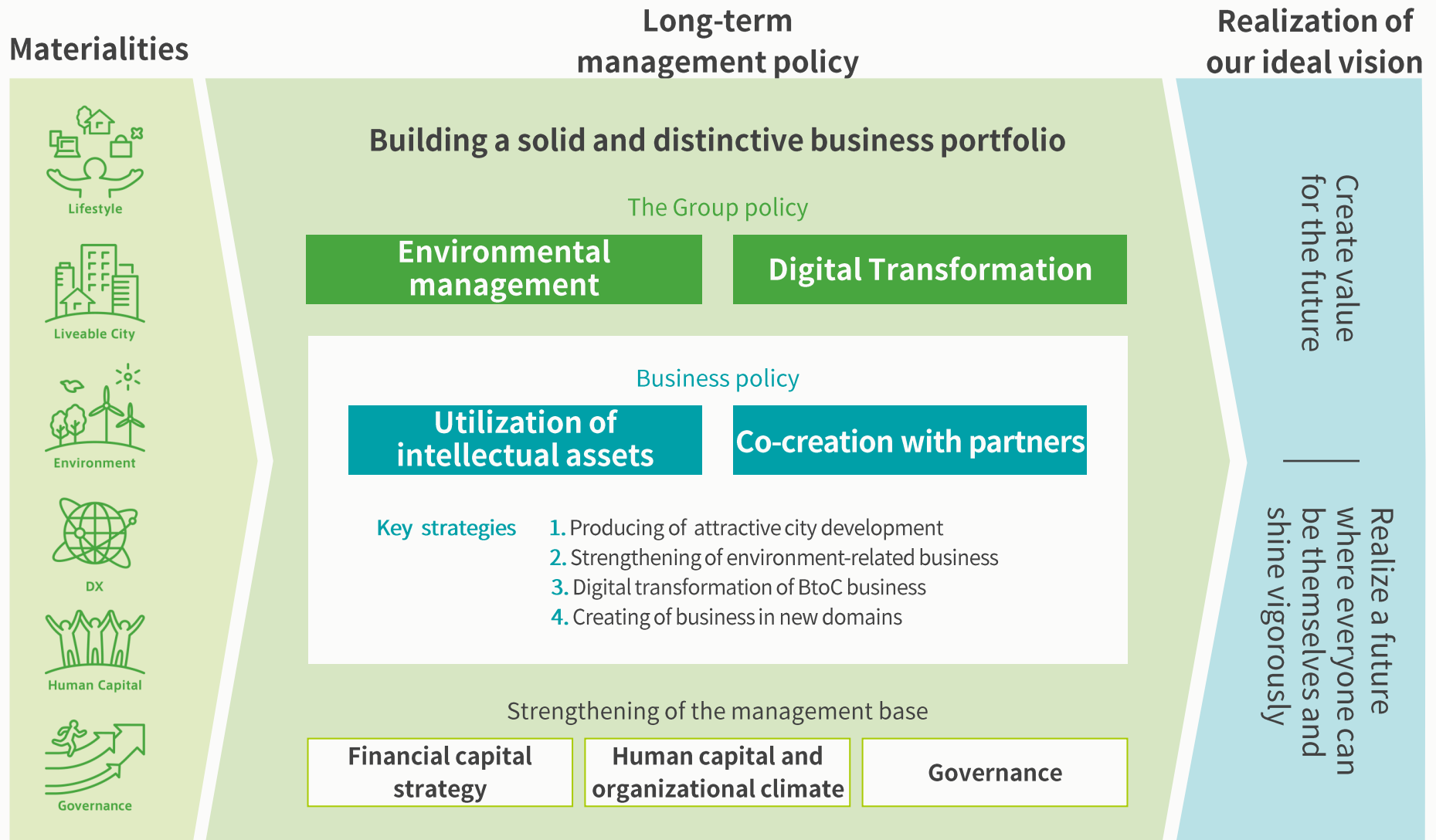
Create governance to accelerates growth.

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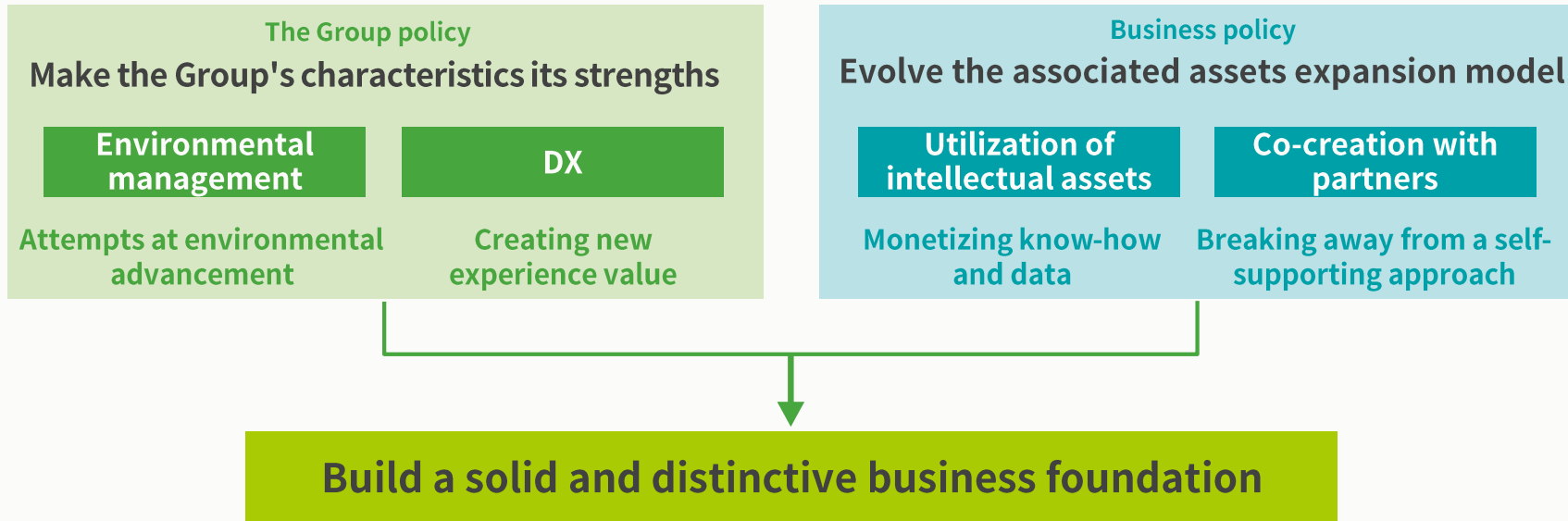
Long-term vision [GROUP VISION 2030]

Realize our ideal vision by promoting the long-term management policy formulated based on the materialities.

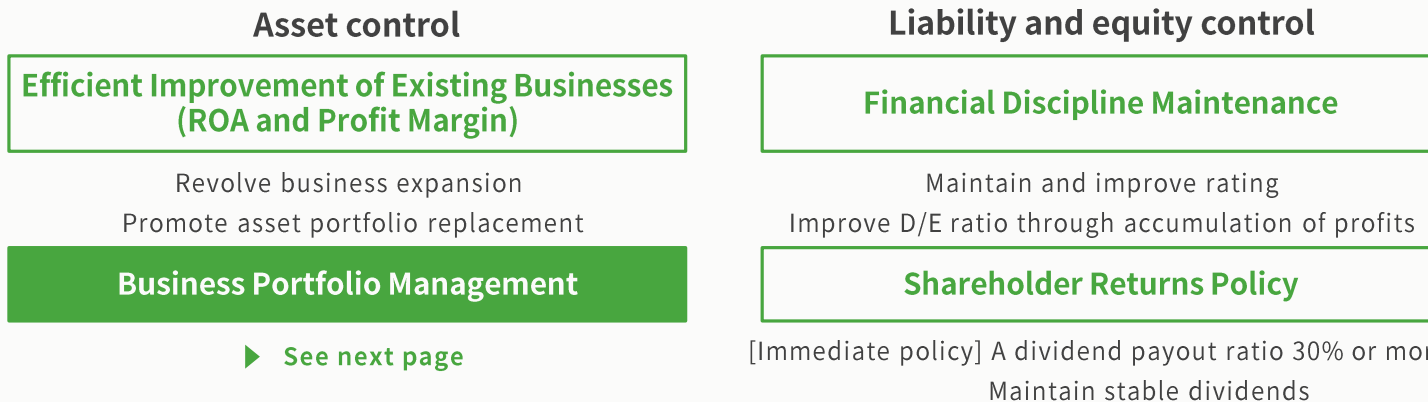


Outline of the Long-term business plan

Aim to realize growth while embracing an awareness of efficiency, striving to develop a strong and unique business portfolio.

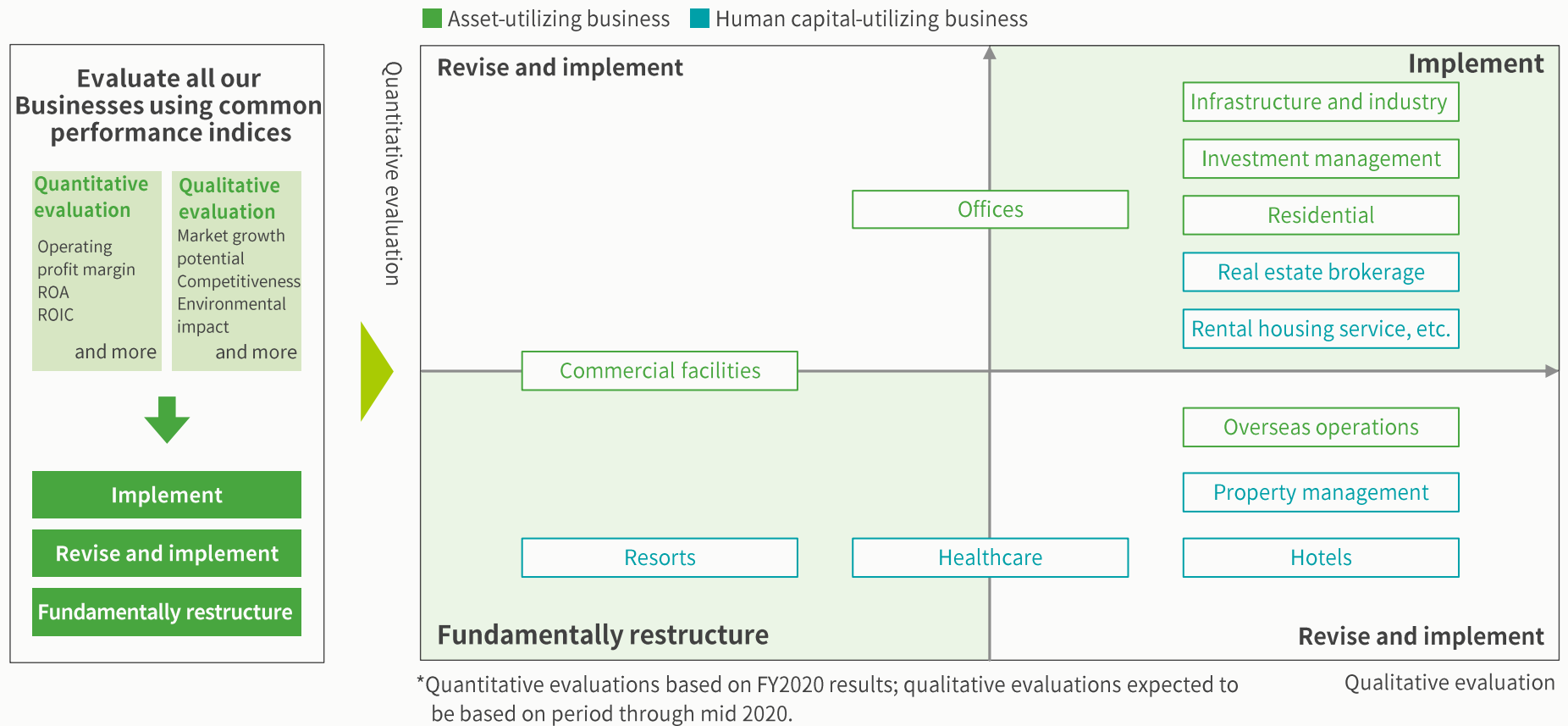


Financial and capital strategy for the Long-term business principles



Business Portfolio Management

Manage our business portfolio based on the two axis, quantitative and qualitative evaluation, as we aim to transform our respective businesses and grow.



Directions for businesses set for fundamentally restructuring

Tokyu Hands business → Transferred all shares to a new business partner (March 2022)

Resort business → Promote steps to go asset light based on TCFD scenario, etc.

Healthcare business → Fundamentally restructure in the fitness business with a focus on store operations due to expectations of a limited recovery in the number of members in the post Covid-19.

Commercial facilities business → Shift for urban facilities to those that meet customer needs for experience-based/emphatic consumption amid developments in e-commerce; to promote changes in our portfolio.

OVERVIEW

| Positioning of the Medium-term business plan |

To enhance our capacity to earn and improve efficiency in aiming for renewed growth in the post-Covid-19 as the redevelopment phase of the long-term vision.

GROUP VISION 2030 Create value for the future

Realizing a future where everyone can be themselves and shine vigorously

2021-2025

Long-term business policy: Restructuring phase

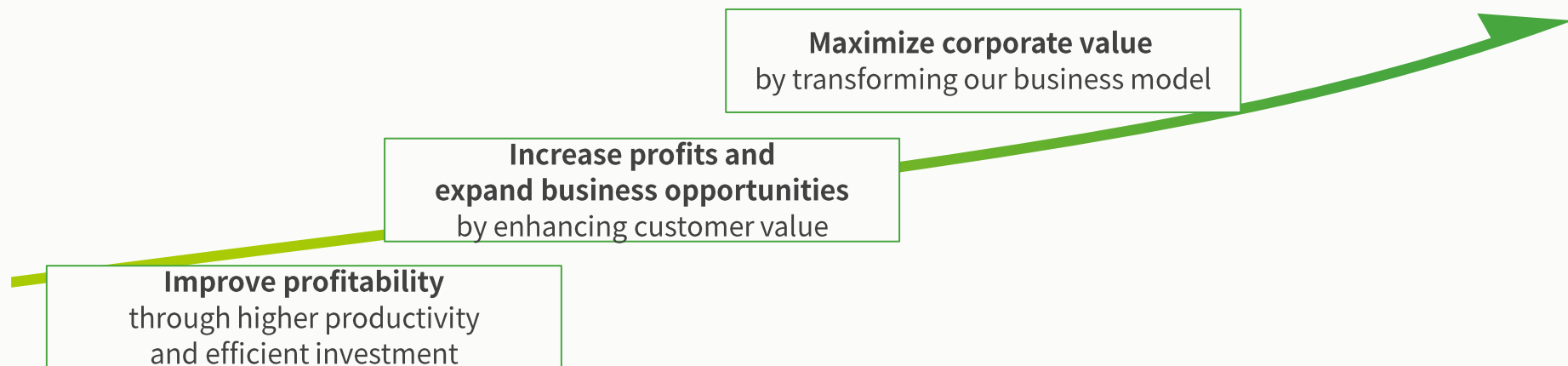
2026-2030

Long-term business policy: Resilience phase

Improve the earning power and efficiency for the post Covid-19 in order to achieve renewed growth

Build a solid and distinctive business foundation

Medium-Term Management Plan 2025



Perception of the business environment

Design a growth strategy by capturing medium- to long-term changes while closely observing the impact of Covid-19 and geopolitical risks.

Our Vision of the World in 2030

Toward an era in which the meaning of going to real places will be questioned

Toward an era in which contribution to the environment becomes a corporate value

Toward an era of personalized customer service

Toward an era of co-creation through borderless society



Major changes in the business environment

Accelerations in decarbonization/ diversification of environmental challenges

- Expansion of sustainability investment, etc.
- Measures against nature-related risks, more initiatives aimed toward realizing a recycling-oriented society

Accelerations in digitalization

- Lanch of “Vision for a Digital Garden City Nation” plan by the Digital Agency
- Advancement of a digital shift under the Covid-19 situation

Trends in finance and the economy

- Rise in long-term interest rates and inflation as uncertainty increases
- Expansion in markets related to wealthy people, increased demand from dual high income couples

Diversity of lifestyles

New living styles

- Living choices will change from location selection based on the workplace to a focus on how people spend their time

- Boosted area value
- Increased need to resolve community issues

New work styles

- More flexible workstyles that aren't bound by time or place

- Compounding of challenges such as insufficient communication and health-related issues

New play styles

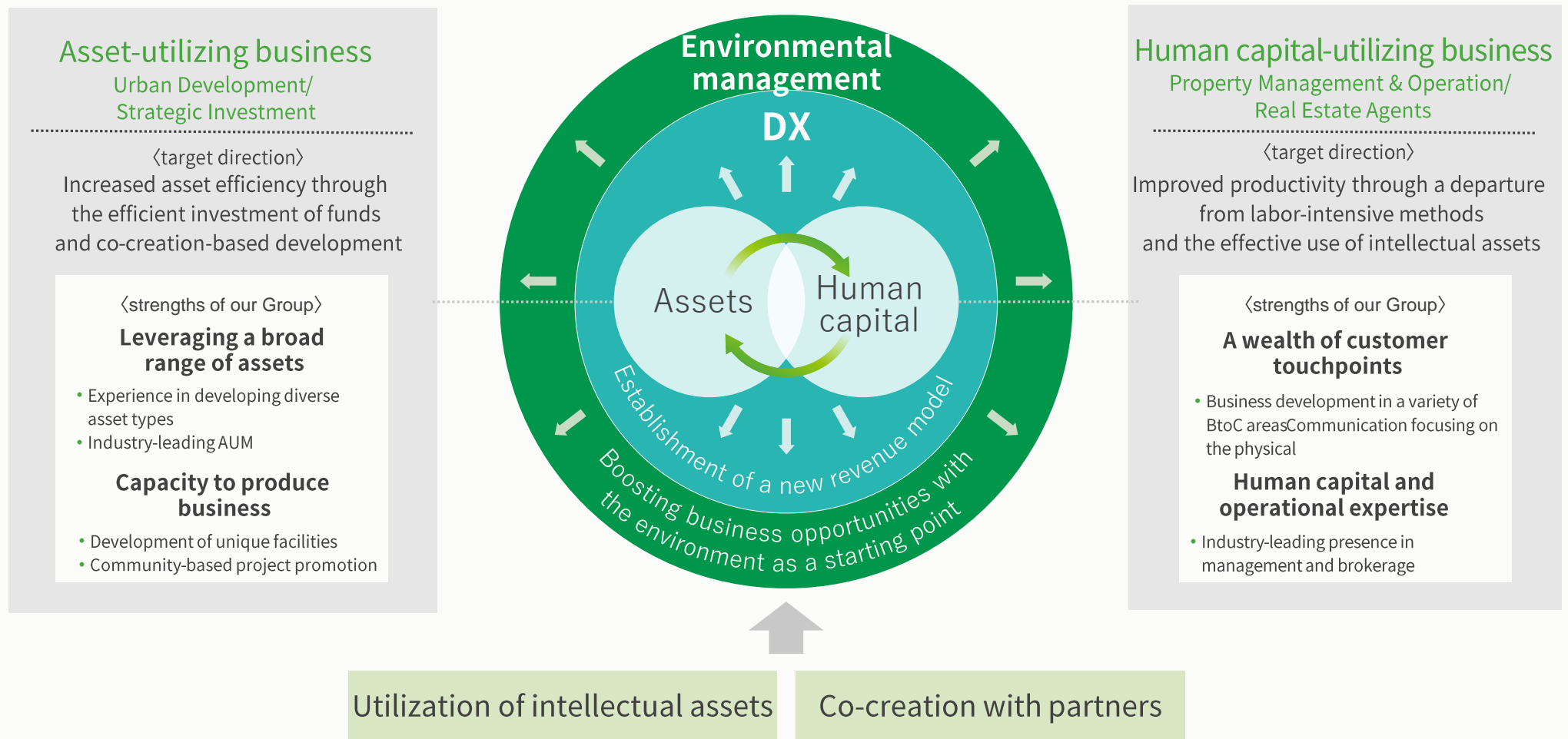
- New consumer behavior among the “Z generation” and other groups
- Changes in the value of physical stores amid a transition to e-commerce

- Increase in need for experience-based consumption
- Continued increase in demand for logistics facilities

| Outline of the business plan |

Combine Environmental management and DX to our Group's strengths to create unique value.

The creation of unique value through Environmental management and DX



Value creation based on the Environmental Management

Aim to expand our business opportunities, embracing the environment as a starting point, through initiatives aimed for decarbonization, a recycling-oriented society, and efforts for biodiversity.

Long-term management policy

Reducing the environmental burden through all businesses

Creation of comfortable communities and lifestyles that contribute to the environment



The strengths of the Group


Established development and business operations that stand by landowners and the community

The ability to propose environmental values that appeal to user sensitivities

Medium-Term Management Plan

Expand business opportunities embracing the environment as a starting point

Three environment-focused challenges




Decarbonized society

- Achievement of RE100, introduction of internal corporate pricing (ICP)
- Introduction of ZEB/ZEH, environmental certification
- Recycling, energy saving, energy creation



Recycling-oriented society

- Reducing waste and water usage
- Leveraging stock
- Co-creation business initiatives with the community and the environment



Biodiversity

- Urban greenification, long-term maintenance and management
- Forest conservation and utilization
- Sustainable procurement

Key examples of third-party recognition (as of FY 2021)



CDP Climate Change 2021

Recognized on CDP's highest rating A list, commended for its medium- to long-term targets and other initiatives



2021 New Energy Award

Recipient of the prestigious METI Minister's Award, commended for expanding, promoting, and spreading its renewable energy business initiatives

Target indicators for Environmental management

Accelerate decarbonization in initiatives to achieve the SBT 1.5 degree target for 2030

CO₂ reduction targets

 <p>SCIENCE BASED TARGETS <small>DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</small></p>	<p>46.2% CO₂ reduction (against FY2019) for a -1.5°C SBT reduction target in 2030</p>	
<p>Scopes 1 and 2 (the Group)</p>	<p>CO₂ reduction more than 50% in FY2023 (against FY2019 figure)</p>	
<p>Scope 3*1 (Supply chain)</p>	<p>Collaborative initiatives with partners (construction companies, etc.)</p> <ul style="list-style-type: none"> ● Accurate understanding of CO₂ emissions during construction and requests for reduction, etc. 	<p>Offer customers the value of decarbonization</p> <ul style="list-style-type: none"> ● ZEB/ZEH, obtaining environmental certifications, offering renewable energy, etc.



Specific initiatives for target realization

<p>RE100</p>	<p>Achievement in FY2022 (Tokyu Land Corporation) Utilize the nation's top-level power generation capacity. Industry's fastest*2 achievement</p>		<p>ReENE Namegata Solar Power Plant</p>	<p>ZEB/ZEH standards*3</p>	<p>FY2025 approx. 50% ▼ FY2030 100%</p>		<p>Tokyo Community Technology Training Center NOTIA/ZEB almost obtained</p>
<p>Environmental certifications*4</p>	<p>FY2025 approx. 70% ▼ FY2030 100%</p>			<p>Introduction of ICP</p>	<p>FY2023 Leveraging ICP for management decisions Expanded use in steps being considered</p> <ul style="list-style-type: none"> ● Expanding applications ● Sophistication of judgment criteria 		

*1. Breadth of the company's SBT certification relating to Scope 3 : Categories 1, 2, and 11

*2. Based on list included at the back of the RE100 2021 Annual Disclosure report*3. Number of condominiums for sale, office space, etc. equipped with ZEB/ZEH oriented functions or equal or greater functions (based on construction starts)

*4. Applicable to large-scale non-residential properties owned by Tokyu Land Corporation (total floor area exceeding 10,000m²), with some exceptions such as joint ventures

Initiatives for environmental protection

Promote initiatives for our three environment-focused challenges while standing alongside customers and communities.

CO₂ Decarbonized society

Offering renewable energy solutions and accelerating energy-saving for buildings

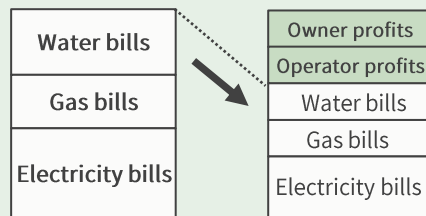
Condominiums using 100% renewable energy Branz Tower Tanimachi 4-chome



100% renewable energy used for all residences and common areas. An environmentally advanced apartment building for advancing decarbonation together with residents.

Eco-tuning

Business certification obtained from the Ministry of the Environment



Appropriate management and operation of the building facilities and equipment to contribute in reducing CO₂ emissions.

Recycling-oriented society

Leveraging our broad range of businesses and diverse community touchpoints to develop a circular economy

“Antenna shops” specializing in regional goods tying together regional and urban areas Manaberu Marché



Using commercial facilities in city centers to deliver information on the appeals of various sites in Japan in new ways, through *learning and enjoyment*.

Food circulation model for local production for local consumption

An initiative for resort facilities



Contracted farmers use compost made from kitchen waste, etc. from resort facilities; their produce will in turn be offered at our facilities.

Biodiversity

From development to operations and management, an integrated approach to protect the environment

Urban greenification A relay point for the local green belt



Promoting the development of facilities that can co-exist with various forms of life by setting up and maintaining trees and plants with an awareness of conserving surrounding ecosystems.

Forest conservation at Tokyu Resort Town Tatেশina

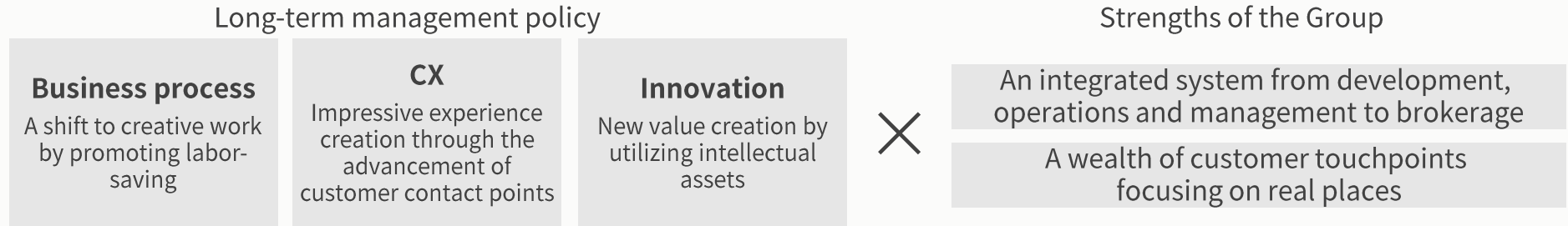
Utilizing forests together with the community



Engaging in forest conservation activities with local governments and forestry cooperatives and utilizing thinned wood, etc. as resources.

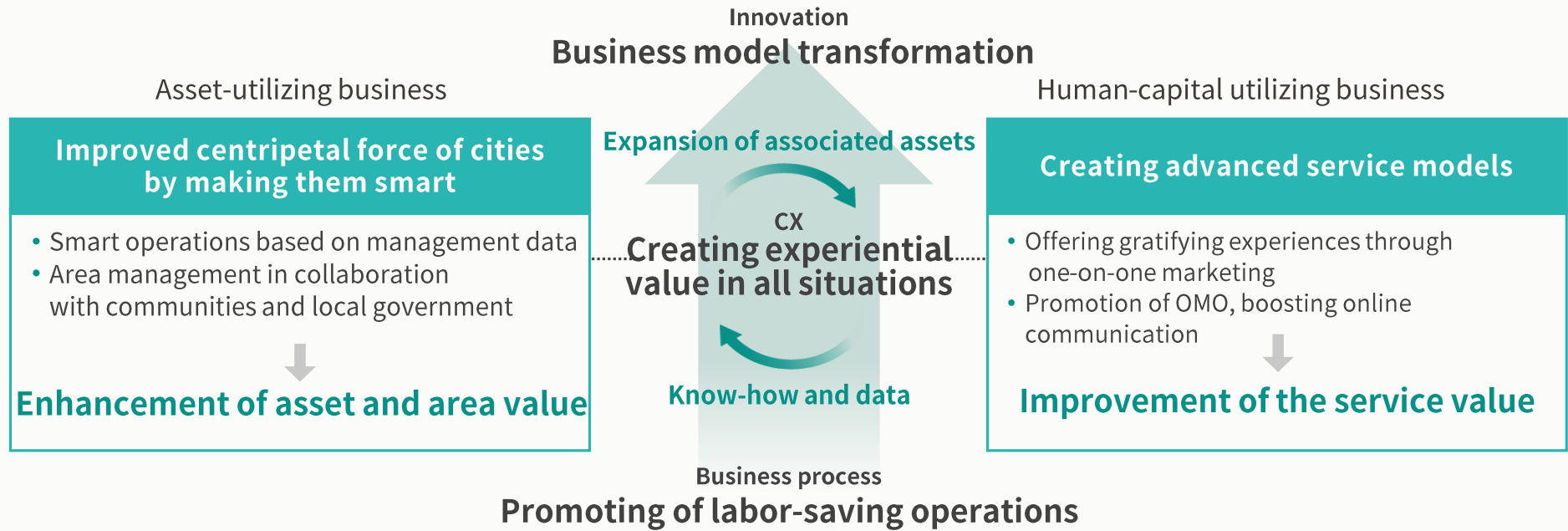
Value creation based on the DX

Maximize the values of assets and human capital that belong to the Group integrating DX and aim to establish a new revenue model.



Medium-Term Management Plan

Establish a new revenue model by maximizing the values of assets and human capital



DX initiatives

Promote the creation of experience value in all types of situations by leveraging a wealth of touchpoints with customers and our know-how and data.

Making cities smart to improve their centripetal force

Digital area management

Realize smart cities led by CX through comfortable urban experiences and further deploy the expertise we achieve in other areas and facilities.

Communication between communities and visitors

- ▶ The presentation of incidental encounters, the provision of facility experiences and services

Service platform

- ▶ Energy management, solutions for social challenges such as food loss

Data-driven urban development

- ▶ Leveraging data obtained from various
- ▶ Initiatives to improve urban planning and services

Tokyo PortCity Takeshiba, the development of a smart city in the Takeshiba district



Creation of an advanced service model

Merging onlines and offlines by leveraging technology

Develop high value-added services based on the data and create new business models and expand revenue sources.

Assessment of condominium prices using AI, precision at the industry's leading level

Optimizing the task of assessing prices for 20,000 properties annually and focus on improving our consulting services and CS with:

- Improvements in speedy responses for queries regarding assessment requests
- Standardized assessment that does not rely on knowledge and experience (only 1.98% error margin)

- ① Evaluate degrees of similarity AI for case selection
 - ② Weighting AI for calculating assessment values
 - ③ Evaluate preceding processes AI for calculating degree of confidence
- Leave the decisions up to the assessor

WEBGYM, the first online exercise gym in the industry

An OMO service that allows people to exercise anytime, anywhere with a smartphone or PC

- Rapid rise in people's need to exercise amid Covid-19
- Grew into a service platform used by about 700,000 people.



Mechanisms for accelerating DX

Accelerate DX by fostering an innovative organizational culture through six initiatives.

Infrastructure development aimed to merge real estate with digital

Developing and securing human capital

Establishment of a company with DX functions/
training to develop human resources in DX/IT

TFHD Digital K.K., a company with DX functions

Obtain and train human resources in digital and
promote the merging of real estate with digital to
create new value for the Group.



Strategic IT infrastructure

Developing a digital workplace for value creation

- A Zero Trust network ▶ A safe, secure security environment
- Cloud native ▶ A flexible, speedy system
- Data governance ▶ Infrastructure and rules for data utilization

Innovation development through collaborations both within and outside the Group

Internal venture scheme

STEP, a system for proposing new business initiative since 2019

TQ Connect, our first commercial initiative

Resolving the issue of a digital
divide among seniors
with a portal site for older
adults for safe, enriched living.



Collaboration with tech companies

Work efficiency and improved CX leveraging advanced technology

- Plug and Play Shibuya powered by Tokyu Land Corporation, incubation facility
- GUILD, a co-creation facility for startups
- Neutral Innovation Base (NIB), a co-creation platform



Organizational culture and work-style reforms

Implementation of events to foster a culture
(e.g., lectures by venture owners and pitches)

Co-creation through CVC

Creation of synergies with CVC, universities, foreign ventures, etc.

Strengthening of the Management Base

Steadily move forward in strengthening our business foundation as we aim to achieve the long-term vision, Group Vision 2030.

Financial Capital Strategy

Profit growth with efficiency based on optimal financial capital structure

Maintaining financial discipline and improving efficiency

- An awareness of shareholder equity costs, ROE exceeding 8%
- Improving debt to equity (D/E) ratio by building up periodic profits

Business Portfolio Management

- Improved efficiency with a PDCA cycle

Diversification of suppliers and procurement methods

- Expansion of ESG finance (bonds and loans)
[Ratio of ESG bonds: 50% in FY2025]

Shareholder policy

- Review and expansions in special benefits system for long-term shareholders

Human Capital and Organizational Climate

Fostering an innovative organizational climate with a sense of unity

Building an organization where diverse human capital can thrive

- Promoting the advancement of women [increasing the ratio of women in management]
- Increasing acquisition rates in male childcare leave
- Deepening understanding of the LGBT community

Improving workplace satisfaction/comfortable work environments

- Promoting health management
- Expanding the employee stockholder association aiming to foster a sense of unity

Consideration of human rights within supply chains

- Implementation of due diligence and employee training

Governance

Building a fair and highly transparent governance system

Review of board member compensation system

- Improving linkage with the key indicators stipulated in our business plan

Bolstering the independence of our nomination and compensation committee

- Independent external directors to become the majority

Risk management

- Improving the effectiveness of our risk control structure through its rebuilding
- Promoting initiatives to mitigate financial risks through our KRI

IT security governance

- Formulation of an IT security policy to be shared by the entire Group

| Target Indicators for Fiscal 2025 |

Aim to achieve target indicators that integrate financial and non-financial data based on materialities.

Primary Targets for Each Materiality*1



Lifestyle

Customer satisfaction level*2

90% or more



Liveable City

Community Revitalization measures

50 cases or more



Environment

CO2 emissions or GHG (CO2) emissions*3

-50% or more
(versus fiscal 2019)



DX

Number of initiatives for digital utilization

50 cases or more



Human Capital

Ratio of childcare leave taken by male employees

100%



Governance

Improvement of effectiveness of the Board of Directors (Third-party evaluation)

100%

Efficiency

ROE
9%

ROA
4%

EPS
¥ 90 or more

Profit targets

Operating profit
¥ 120 billion

Net profit
¥ 65 billion*4

Financial soundness

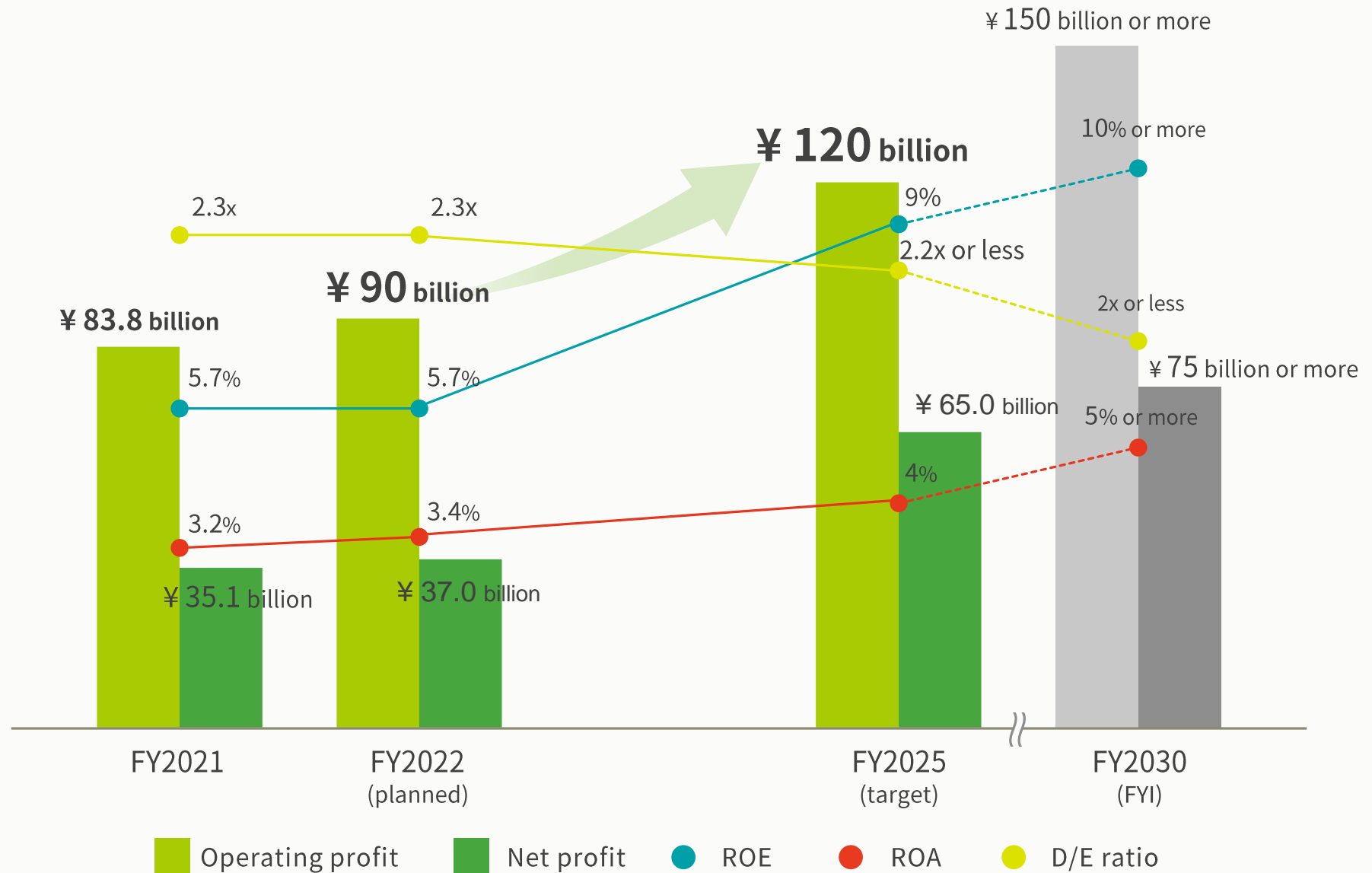
D/E ratio
2.2x or less

EBITDA multiple
10x or less

*1: Detailed targets are stated on p. 41. *2: Tokyu Cosmos Members Club questionnaire *3: Scope 1 & 2 under SBT certification *4: Profit attributable to owners of parent

Transitions in Target Indicators (financial indicators)

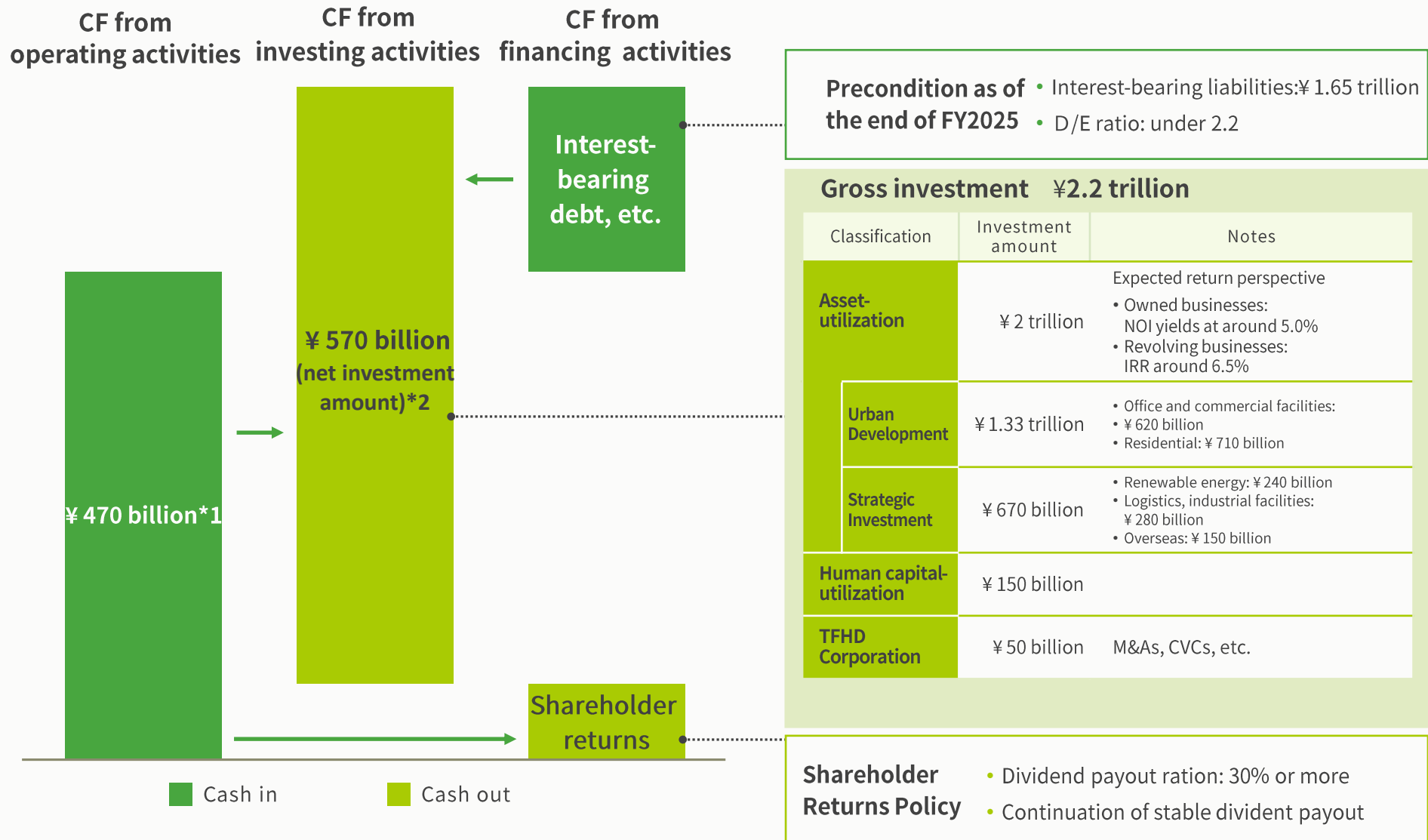
Aim for profit growth and efficiency improvement toward FY2025 through our business restructuring during the first half of the plan and the start of operations with our large-scale development properties.



* Profit attributable to owners of parent.

Capital Allocation

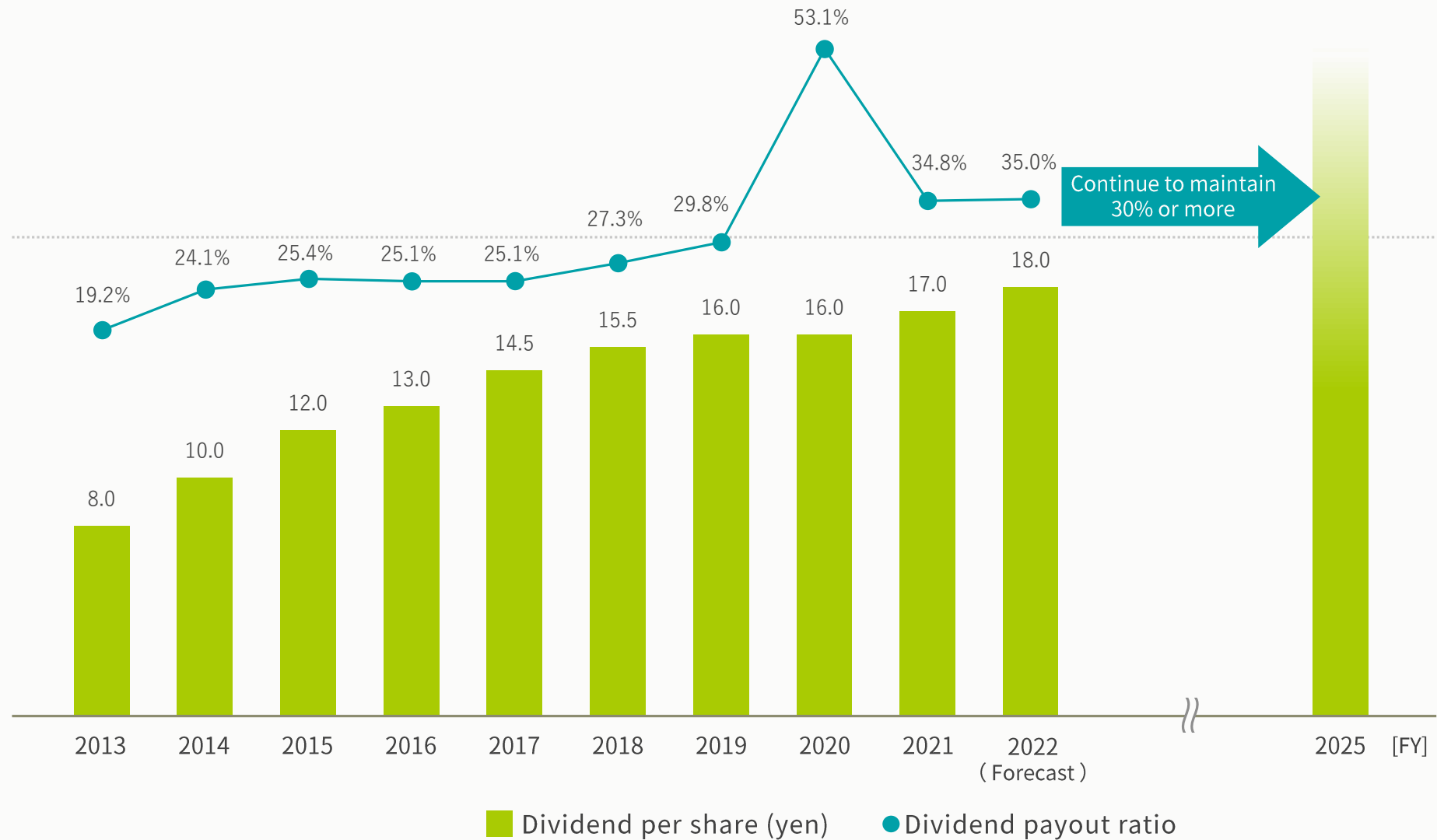
With a D/E ratio under 2.2x at the end of FY2025 as a precondition, we plan net investments at 570 billion yen (FY2021-FY2025.)



*1: Net income for the period + amortization expenses *2: Includes inventory investment

Shareholder Returns Strategy

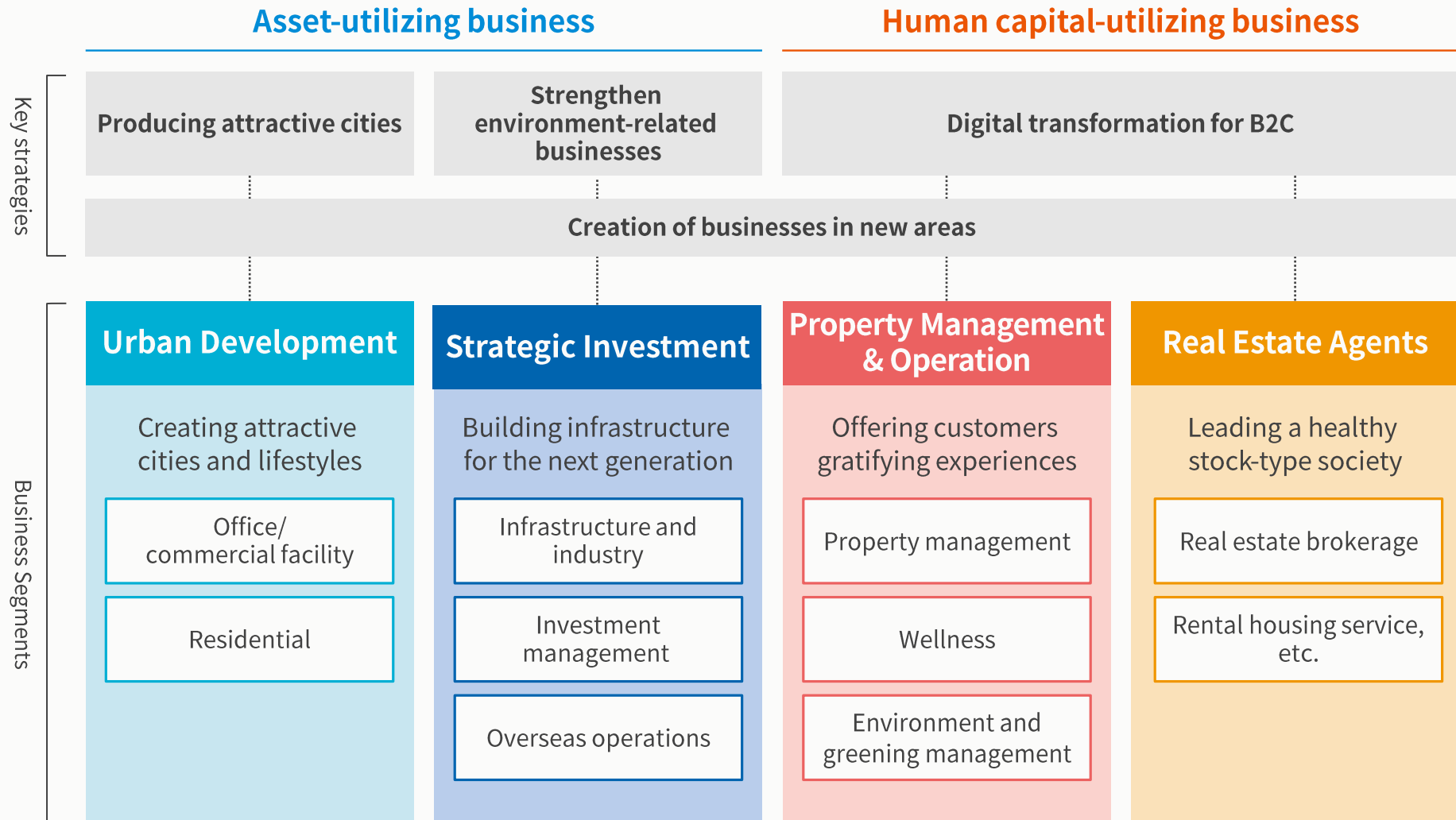
Increase EPS through reinvestment in growth and maintain a stable dividend payout ratio of 30% or more for the time being.



BUSINESS STRATEGY

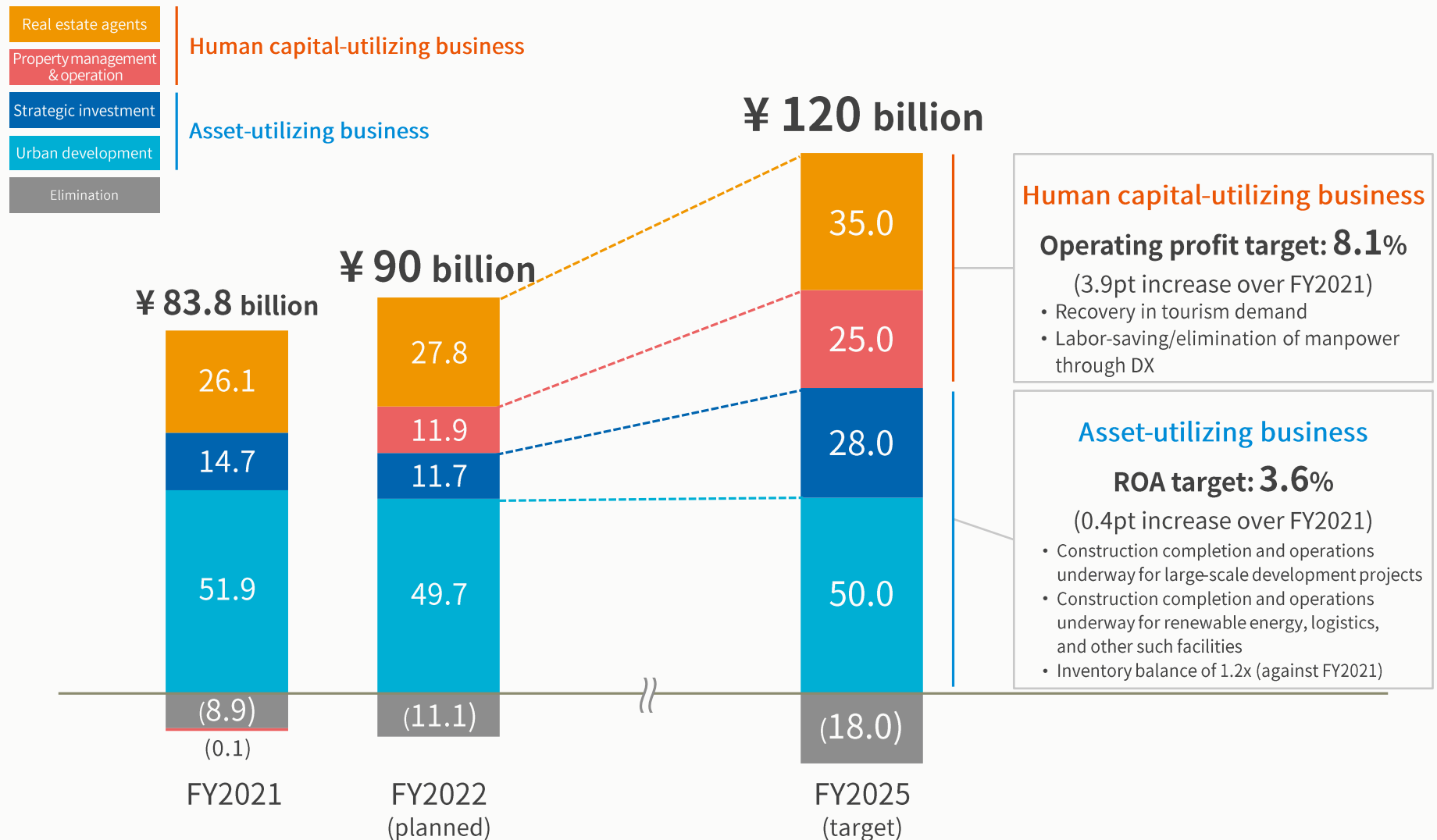
Positioning of business segments

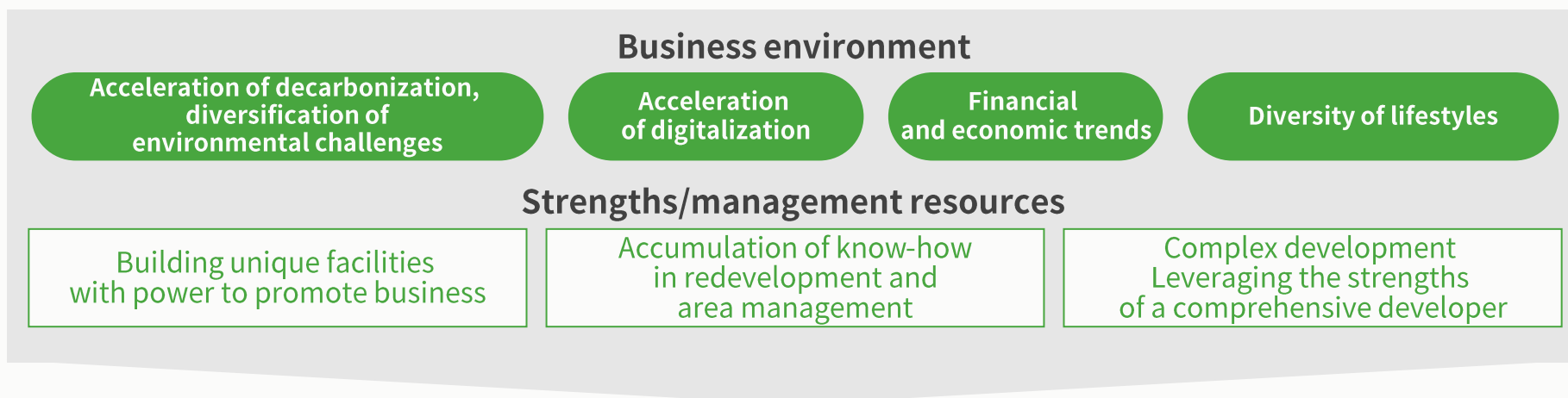
Manage the segments by classifying them into business areas with high affinity for social roles from the perspective of human capital and asset utilization.



Transitions in Operating Profit by Business Segment

Management and operations needs from a recovery in tourism demand and strategic investments to boost infrastructure and industry-related businesses will lead profit growth.





Business strategy

Strengthen redevelopment and complex development

Proposal for urban lifestyle to enhance CX

Office building and commercial facilities business				Residential business		
	FY2021		FY2025		FY2021	FY2025
Total relevant floor area ^{*1}	1,623,140.5 sq. m.	→	1,752,066.12 sq. m.	Sales obtained for related projects ^{*3}	FY2021 - FY2025 (five-year period)	Approx. ¥250 billion
Environmental certifications obtained ^{*2}	55.5%	→	100%	Profitable real estate asset scale	¥71.9 billion	→ Approx. ¥160 billion

*1. Total amount of floor space from offices and industrial facilities with which the Group is involved (before owned facilities)
 *2. Office space and industrial facilities owned by Tokyu Land Corp. (floor space excluding some joint businesses)
 *3. Positions established as area redevelopment unions or business participants in redevelopment projects

Strengthen redevelopment and complex development



Social / community challenges

Resilience

- A disaster prevention base
- Strengthen disaster preparedness
- Elimination of densely wooded areas



Scene from disaster prevention drill (Shibuya Solasta)

Accessibility

- Accumulation of facilities for convenient daily living
- Development of transportation hubs



Development of a bus terminal (Shibuya Fukuras)

Sustainability

- Developing attachment to the city
- Merging new and old communities together



Scene from a collaborative community event

Advanced environmental initiatives Solutions for environmental challenges

Introduction of ZEB and ZEH

Use of renewable energy

Urban greenification

Sustainable procurement



Daikanyama-cho project (tentative)

Redevelopment and joint/complex development leveraging the breadth of our business

Area management x smart cities: A structure for continuous updations to cities

Constructing city OS

Demonstrative testing of the latest technologies



Concept for Smart City Takeshiba

Enhancement of asset and area value
Strategic priority areas such as Greater Shibuya

Lifestyle Creation 3.0
Developing cities where *living, working, and spending time* merge together

● Urban Development

Promoting urban development with Shibuya as a starting point to realize Greater SHIBUYA 2.0

Sakuragaoka smart city

Utilizing our city OS for combined facilities for *work, living, and play* to create new experience value offered together with content in a single package

Digital platform

- A common ID used for entry and to accumulate data
- Promoting real-time data use

Sustainable foundation

- Initiatives for improving urban vitality and adaptability to the environment

Customer experience

- Boosting the competitiveness of office space and bringing in visitors
- Implementing urban functions to bolster international competitiveness



Greater SHIBUYA 2.0

Four basic policies that propose a Shibuya-type of lifestyle

Initiatives for work, play, living, digital, and sustainability

- (1) Boosting general appeal for Greater SHIBUYA
- (2) For Shibuya to become a world-class city that boasts an overwhelming presence
- (3) Developing infrastructure, developing and enhancing space with an abundance of greenery
- (4) For Shibuya to further deepen and advance as an entertainment city







● Urban Development

Promoting numerous redevelopment and mixed-use development projects in the priority Greater Shibuya area



● Urban Development

Promoting large-scale projects, mainly in the Tokyo metropolitan area

		2022	2025	2030
Metropolitan area	Kudan-Kaikan Terrace	①	Scheduled for completion in FY2022	
	The Tower Jujo*	②	Scheduled for completion in FY2024	
	Higashi Gotanda 2-chome District Redevelopment*			
	Toyomi District Redevelopment*			
	Yokohama Kitanaka-dori North B-1 District Development Project*			
	Sengakuji Station Redevelopment*			
	Shirokane 1-chome west district redevelopment*	③		
	Shinjuku Station West Exit District Development Plan	④		
	Nakano Station New North Area Redevelopment*			
	Tokyo institute of technology Tamachi campus redevelopment			
Redevelopment project A				
Other major cities	Osaka Branz Tower Osaka Honmachi*	⑤	Scheduled for completion in FY2023	
	Sapporo Susukino Station Ekimae Complex Development	⑥	Scheduled for completion in FY2023	
	Sapporo ONE Sapporo Station Tower*		Scheduled for completion in FY2023	
	Osaka Kita-ku High Rise Condominium Project*			
	Chayamachi Redevelopment Project			

* Projects in which the group is participating, with a primary focus on condominiums sale projects

Information listed is based on current plans and assumptions and is therefore subject to change.

● Urban Development

Proposing urban lifestyles that enhance CX



A sense of well-being: A “GREEN WORK STYLE”

Offering new workstyles and solutions to tenant businesses

Diversity in the workplace

building smiles
東京不動産のオフィス



QUICK
by 東京不動産

TOKYU STAY

Hotel Harvest

Central offices

Shared offices

Flexible offices

Extended-stay hotels

Workcation

One-stop services

- Hotel searches, bookings, and billing integrated
- Unlocking doors with smartphones, use of common keys

solutions

- Coping with the environment (e.g., use of renewable energy)
- Healthcare solutions
- Lifestyle proposals

Homes that offer high-quality living

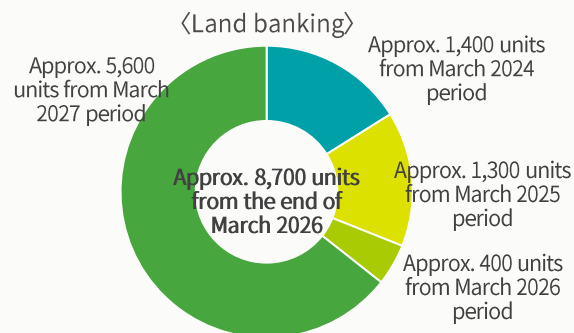
Establishing a brand for *environmentally advanced apartments*

- Development of luxury goods, strengthened sales structure to serve the wealthy
- Development of a flagship environmentally friendly property

Business deployment mainly in the luxury areas of central Tokyo



Tokyu Land Corporation [BRANZ]



Commercial facilities through co-creation for empathy

Expanding facilities that prompt empathy through co-creation with partners

facilities

Conventional + Venues for touchpoints to obtain experiences and empathy

business

Conventional + a co-creating-type of management business (includes funding)



ZUKAN MUSEUM GINZA powered by illustrated reference book NEO from Shogakukan

Solutions as a united group

Strengthened collaboration within the Group to aim to boost brand value (housing business)

Strengthening alliances with industry-leading management and brokerage firms, etc.

TOKYU COMMUNITY CORP.

Property management

Real estate agents



construction

Post-sales services

sales

rentals

Asset management

planning



Tokyu Housing Lease

TOKYU LAND CORPORATION

nasic

Business environment

Acceleration of decarbonization, diversification of environmental challenges

Acceleration of digitalization

Financial and economic trends

Diversity of lifestyles

Strengths/ business resources

Renewable energy business with capacity to generate more than 1 GW of power

REIT and assets managed by private finds at the top of the line in the industry

Achievements and expertise from in-house development (overseas)

Business strategy

Expansions of business in renewable energy

Sophistication of logistics and industrial facilities

Expansions in areas and scale of investment

Infrastructure and industry business

	FY2021		FY2025
Rated capacity ^{*1}	1.3GW	→	2.1GW
Amount of investment in logistics and industrial facilities	FY2021 - FY2025 (five-year period)		Approx. ¥280 billion

Investment management/overseas business

	FY2021		FY2025
AUM ^{*2}	¥1.6 trillion	→	¥2.2 trillion
Investments in the U.S. and Asia	FY2021-FY2025 (five-year period)		Approx. ¥150billion

*1. Before equity conversions

*2. Total value from REIT and privately placed funds (unconsolidated)

● Strategic Investment

Expansion of the renewable energy business



Development of further scale

Increase power generation sources through aggressive investments

- Boosting wind power generation (on land, offshore)
- Building a new model that leverages our expertise (e.g., a solar sharing business, rooftop business)

Total investments in the renewable energy business: **Approx. ¥240 billion**
FY2021 - FY2025 (five-year-period)

FY2025 rated capacity **2.1 GW** Equivalent to energy generated by two nuclear power plants*1

Reference
Power generation plant for new energy (solar, wind, biomass, geothermal)
Expected installed capacity in 2025: 90.4GW*2

*1. Calculated based on power generation of 1GW per unit (before owned facilities)
*2. Source: *Aggregation of Electricity Supply Plans for FY 2021*, Organization for Cross-regional Coordination of Transmission Operators



ReENE Zenibako wind power plant



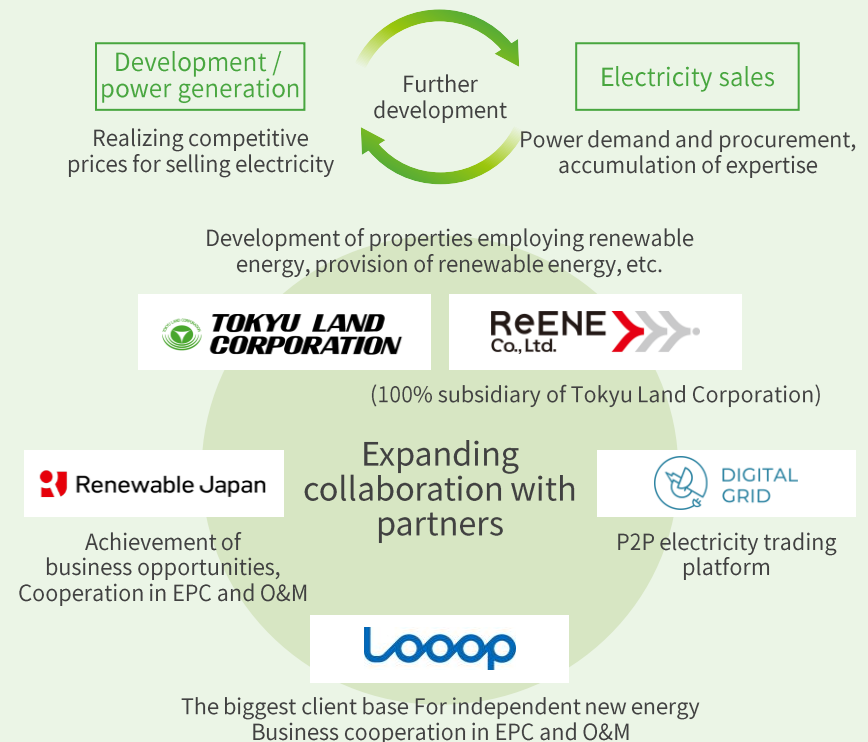
Suzugasawa, Ichinoseki solar power plant (solar sharing)

Partner co-creation to expand business domain

Build a business promotion structure outside FIT

- Further expansions areas of business and scale through collaborations with partners
- Obtaining demand for RE100 such as in dealing with P2P power transactions

Accumulating a broad range of expertise related to electric power to accelerate further development and our power generation business



● Strategic Investment

Sophistication of logistics and industrial facilities



Development of logistics and industrial facilities leveraging our capacity to build businesses

Achieving business opportunities leveraging the Group's wide range of businesses and project promotion capabilities

Build a next-generation logistics base directly connected to a highway

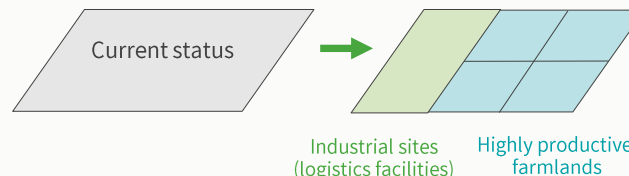
- Contributing to challenges such as shortages of truck drivers by using IoT for convoys of trucks and autonomous vehicles



Kyoto Joyo PJ

Develop agricultural areas to cooperate with the logistics facilities

- Initiating land improvement enterprises and other such efforts to develop high-efficiency agricultural bases
- Supplying renewable energy, etc. to resolve challenges faced by farm areas and local communities



Before and after deploying land improvement enterprises and initiating development efforts

Deploy into the data center business

- Leveraging renewable energy; development of a base datacenter in collaboration with partners

Initiatives:

- Complex development with logistics facilities
- Consideration to the environment by using renewable energy
- Development of DCs in city centers and suburban areas



Expanding investment areas and scale of investment



Expanding related assets and obtaining new business opportunities

Achieve 2 trillion yen in AUM

Realizing steady growth for AUM

Meeting diverse investment needs and promoting our composition of new products

Leverage property circulation models to obtain business opportunities

Obtaining business opportunities through asset replacements with our sponsor, REIT, and other parties

Expanding overseas businesses

Develop a medium- to long-term structure for 10 billion yen in operating profit

Further growth for our U.S. investment business

Considering expansions in business through steps such as investments in new assets in addition to promoting our mainstay initiatives to add value to housing.

Expand our business area in Asia

Obtaining business opportunities by deepening collaborative relationships with pleading local partners



Prato at Midtown (Atlanta, GA, USA)



Property management		Wellness	
	FY2025	FY2021	FY2025
Usage rate*1 for lifetime portal union function	80%	Number of hotel rooms	8,860 rooms → 10,000 rooms
Average annual growth rate for revenue from building construction	FY2021 - FY2025 8.4%	Number of individuals offering healthcare services*2	2.05 million → 2.24 million

*1. Ratio for properties with secondary registration rates of directors at 100%

*2. Total cumulative number of members registered at fitness facilities, specific health guidance instructors, WELBOX members, and cases of agent arrangements for medical examinations

● Property Management & Operation

Evolution of the management business into a solution-oriented model

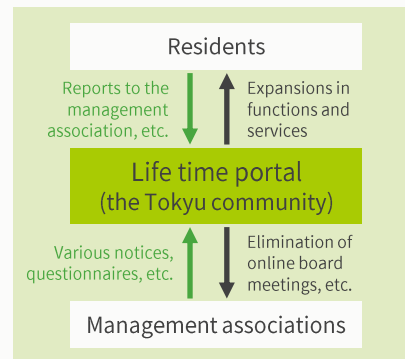
TOKYU COMMUNITY CORP.

Developing digital infrastructure for the condominium business

Resolve challenges concerning the management of unions and also meeting resident needs for satisfaction

Digitalization of union management through a lifetime portal

- Generating two-way communication, expanding functions, improving registration rates, obtaining customer data that is rare
- Using data to improve operations and services, eliminate the operation of management associations, and to expand services offered to residents



Shift from full-spec products to products that are chosen by customers

- Leveraging technology to meet diverse customer needs and boost satisfaction levels

Obtaining related revenue from the generation of stock

Realize favorable cycles that boost stock by bringing on added value

Proposing added value based on data

- Construction work to boost value aimed at optimizing life cycle costs [the apartment and building business]

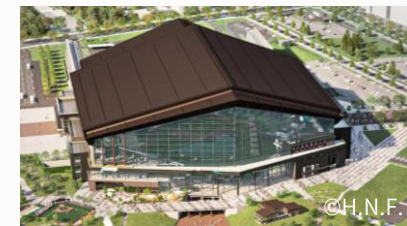
TOKYU COMMUNITY CORP.

Revive+

A brand for condominium renovation work

Sustainable growth through boosted stock

- Expansions in sales areas (e.g., facility management)
- Acquisition of new customers through the development of CRM [the building business]



Hokkaido Ballpark F Village

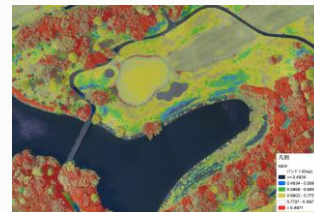
Utilizing digital in the environmental and greening management business

石勝エコステリア

Environmental greenification leveraging state-of-the-art and industry-leading technology

Compiling data on trees

Using drones and other means to compile data on information on trees to improve work efficiency and enhance quality control.



Creating visual renderings of the status of plant growth at a golf course

Developing green facilities that are self-sustaining

Using the multi-faceted effects of greenery, which include heat mitigation and relaxation, to contribute to creating a comfortable environment for communities.



Bioshelter Garyoan (Asaka, Saitama)

● Property Management & Operation

A new wellness business model



The brand to expand our hotel business

Use various methods to build a 10,000-room structure

Deployments of directly managed shops and collaborations (inclusive with other hotels [Harvest business])

- Directly managed shops: e.g., Kinugawa VIALA
- Inclusive types* : e.g., Kyoto Higashiyama

*A structure where some of the rooms at other hotels are booked.

Promoting the condominium hotel business

- Deployments to start on Senagajima island in Okinawa



Tokyu Harvest Club VIALA Kinugawa Keisui

Strengthen our healthcare services business

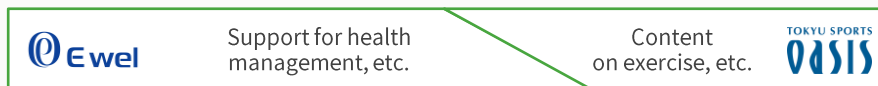
Strengthen our digital services with support for people's health as the main axis.

Increase in revenue obtained outside facilities

Strengthening of online services and home fitness

Support services for health management to invigorate organizations

To offer comprehensive solutions to match the needs of companies and local governments



Value improvement for the Niseko area in Hokkaido

Establish the number one international resort in Asia

Community building in partnerships between communities and government

- Initiatives aimed at creating a year-round resort
- Area management, invigoration initiatives such as promotion of MaaS and introductions of commercial functions

Strengthening profitability through development and renewed investments

- Hotel sales, bringing in luxury hotels
- Improving the ability to bring in customers by updating lifts



Niseko Tokyo Grand Hirafu Skiing facilities

Value improvement for customer experience

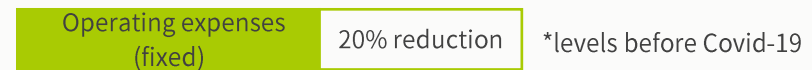
Expand revenue through the efficient use of human capital and by improving customer experiences

Building a platform for leveraging human capital (jointly with Tokyu Community)

Standardizing tasks and establishing a training system

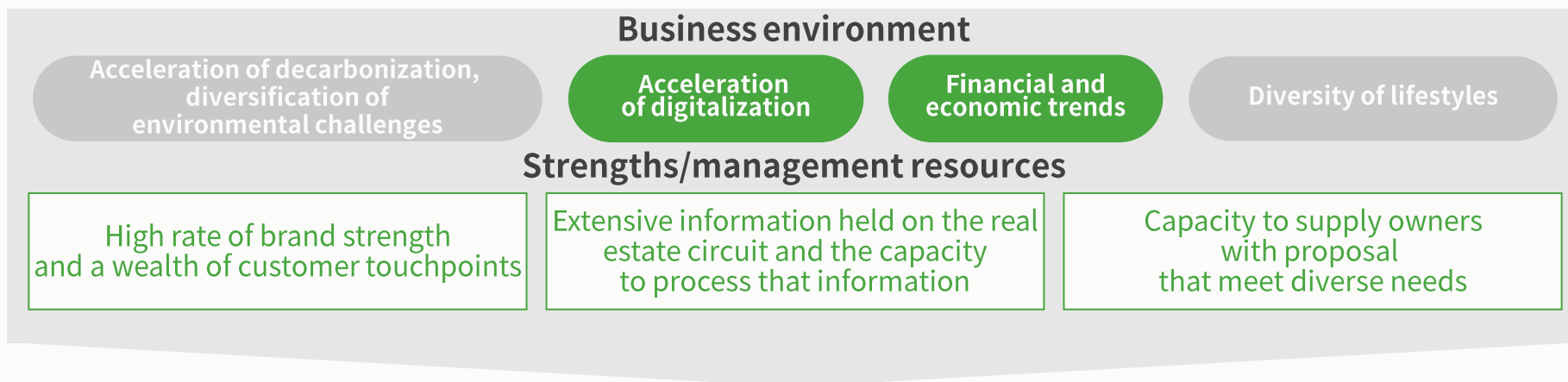
Bolstering earning capacity in our hotel stay business

Introducing smart check-ins and check-outs; slimming down our management structure through the standardization of tasks



Better UX through personalized services for individual customers

Cross-functional management of customer data, improved repeat rate



Evolutions in creating a model real estate brokerage business model that foresees changes in the value of information

Scale expansion in our rental housing services and boosted efficiency

Real estate brokerage				Rental housing service, etc.			
	FY2021		FY2025		FY2021		FY2025
Number of retail cases handled	28,000	→	38,000	Units managed*1	165,000 units	→	208,000 units
Wholesale revenue	¥13.0 billion	→	¥17.0 billion	Productivity*2	1.5x or more (against FY2021)		

*1. Cumulative total from Tokyu Housing Lease and National Students Information Center
 *2. Operating profit per individual divided by labor costs per person [cumulative total from Tokyu Housing Lease and National Students Information Center (before goodwill amortization)]

- Real Estate Agents

Evolution of the real-estate agents business model in anticipation of changes in the value of information



Our three No. 1 strategies and three strategies to change the industry

Balancing Growth and Change



Our three strategies for changing the industry

Enhancing added value from information

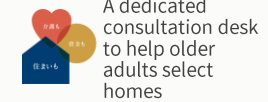
- Maximum efficiency use of information (e.g., strengthening real estate sales business)
- Strengthening our capacity to supply proposals (moving toward multi-functional for retail shops)

Boosted efficiency in operations

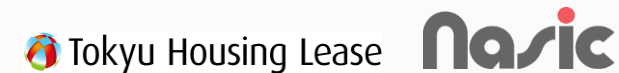
- Automation of business process, promotion of BPR
- Core system renewal to facilitate the work environment

Strengthening our ability to meet the business environment

- Establishment of a business for the wealthy (CRM strategy)
- Creation of a business that brings in new revenue (e.g., outside sales within the sales system)



Expanding scale and efficiency of leased housing service business



Improved productivity from DX and proposals of added value

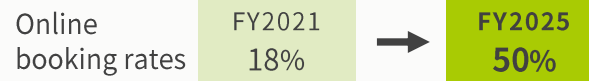
Realizing diverse lifestyles and improved CX

Creation of system/data infrastructure

- Electronic contract system, renewal of core system
- Creation of an integrated database

Improved CX

- Responses provided 24 hours a day/ every day of the year
- Online mediation and online shops
- (Nasic Co. Ltd.)



Strengthening of added value/creativity

Strengthened asset consulting capacity







- Bolstered linkage of information on owner properties, dealing with aging properties (consideration of environmentally friendly renovations)

Boosted support for schools and careers

- Expansion in school BPO initiative
- Creation of business opportunities leveraging student database

APPENDIX

Targets related to the Materialities

Themes to work on (Materialities)	Target indicators	FY2025 target	(FY1) FY2030 targets
 <p>Lifestyle</p> <p>Create a variety of lifestyles.</p>	<ul style="list-style-type: none"> Customer satisfaction levels*1 	90% or more	90% or more
	<ul style="list-style-type: none"> Products and services that contribute to the Lifestyle Creation 3.0 	50 cases or more (10/ a year)	100 cases or more (10/ a year)
 <p>Liveable City</p> <p>Create well being communities and lifestyles.</p>	<ul style="list-style-type: none"> Measures to revitalize communities 	50 cases or more (10/ a year)	100 cases or more (10/ a year)
	<ul style="list-style-type: none"> Strengthening to safety and security*2 	100%	100%
 <p>Environment</p> <p>Create a sustainable environment.</p>	<ul style="list-style-type: none"> CO₂ emissions (against FY2019) 	Scopes 1/2: Δ 50% or more Scope 3: Reductions through cooperation with construction companies, etc.	(46.2)% SBTcertification
	<ul style="list-style-type: none"> Environmental efforts through business 	50 cases or more (10/ a year)	100 cases or more (10/ a year)
 <p>DX</p> <p>Create value in digital era.</p>	<ul style="list-style-type: none"> Number of initiatives for digital utilization 	50 cases or more (10/ a year)	100 cases or more (10/ a year)
	<ul style="list-style-type: none"> Acquisition of IT passport *3 	80% or more	100%
 <p>Human Capital</p> <p>Create an organizational climate under which diverse human capital is enlivened.</p>	<ul style="list-style-type: none"> Ensuring of diversity in the core human capital ratio of female managers 	9% or more	20% or more
	<ul style="list-style-type: none"> Ratio of childcare leave taken by male employees 	100%	100%
 <p>Governance</p> <p>Create governance to accelerate the growth.</p>	<ul style="list-style-type: none"> Engagement with shareholders and investors 	290 cases or more	300 cases or more
	<ul style="list-style-type: none"> Improvement of effectiveness of the Board of Directors (Third party evaluation) 	100%	100%

*1. Tokyu Cosmos Members Club questionnaire

*2. Support provided by large-scale/non-residential properties for people who have difficulty returning home in the event of a disaster

*3. Tokyu Land Corporation employees

Operating Profit by Business Segment (by business division)

	FY2021	FY2022 (planned)	FY2025 (target)
	¥83.8 billion	¥90.0 billion	¥120.0 billion
Urban Development	51.9	49.7	50.0
Office and commercial facility* (profit on sales from above)	43.1 [22.8]	44.7 [approx. 27.0]	40.0 [approx. 18.0]
Residential*	8.9	5.0	10.0
Strategic Investment	14.7	11.7	28.0
Infrastructure and industry*	9.0	10.5	20.0
Investment management business*	5.5	5.3	7.0
Overseas operations*	0.2	(4.0)	1.0
Property Management & Operation	(0.1)	11.9	25.0
Property management*	7.9	11.0	14.5
Wellness*	(5.3)	0.3	10.0
Environmental and greening management*	0.8	0.5	0.5
Tokyu Hands business*	(4.0)	-	-
Real Estate Agents	26.1	27.8	35.0
Real estate brokerage*	21.1	22.7	27.0
Rental housing service, etc.	4.7	5.1	8.0
Elimination	(8.9)	(11.1)	(18.0)

*Operating profits indicated above are referential values before consolidation processing.

Terminology and Commentary

P.2	VUCA	A term that combines the first letters of Volatility, Uncertainty, Complexity, and Ambiguity referring to an unpredictable socio-economic environment.
P.3	Wellbeing	Wellbeing means being in good physical, mental, and social condition. The term is often used by individuals and organizations to mean "happiness," but the Group aims to achieve its realization in the field of Liveable city.
P.12	RE100	Renewable Energy 100%: An international collaborative initiative, in which companies from around the world participate with the goal of procuring 100% of the electric power consumed by their business activities from renewable energy sources.
P.12	ICP	Internal Carbon Pricing: A way for companies to individually set carbon prices, make visual renderings of its impact on business, and use ICP for organizational strategies and decision-making. A monetary value may be put on a company's CO ₂ emissions and change the behavior of those who are generating the emissions.
P.12	ZEB/ZEH	(Net) Zero Energy Building / (Net) Zero Energy House: Buildings with net zero or negative annual primary energy consumption. The amount of reduction is found by summing the amount of energy saving and the amount of energy creation, in comparison with conventional buildings.
P.13	SBT	Science Based Targets: Corporate targets set five to fifteen years ahead to reduce greenhouse gas. Set in 2015 in the 2015 Paris Agreement, it aims to maintain the global temperature rise below 2°C above pre-industrial levels and to limit warming to 1.5°C.
P.15	OMO	Online Merges with Offline: A state where onlines and offlines that had previously been separate areas are merged. Offers customer experiences with high rates of consistency while eliminating barriers between the two.
P.17	Zero Trust Network	A concept in information security infrastructure that no one is trusted from inside or outside the network and verification is always required.
P.17	Cloud native	A method for building systems encompassing combinations of various services by function, which is a characteristic of cloud platforms.
P.17	CVC	Corporate Venture Capital: Aiming for open innovation with venture companies as its objective, our company established the "TFHD Open Innovation Program" in 2017. Based on functions such as funding through the program, business alliances, and hands-on support, we will create new value through co-creation with external parties.

Terminology and Commentary

P.27	City OS	City operation system. A platform for local governments, companies and research institutes, etc., to collaborate with cities and their users for the purpose of accumulating and utilizing data. The purpose is to improve operational and management efficiency by utilizing data, and to drive city / urban development innovation.
P.27	Lifestyle Creation 3.0	A concept unique to our company that merges lifestyles, workstyles, and ways of spending time to create ideal lifestyles for our customers. Lifestyle creation 1.0 consisted of simply developing assets for specific applications, while lifestyle creation 2.0 referred to proposing solutions utilizing those assets.
P.28	BEMS	Building and Energy Management System: A building management system to optimize the indoor environment and energy performance.
P.33	FIT	Feed in tariff. A fixed price purchase scheme for renewable energy. The scheme was launched in 2012 and obligates electric power companies to purchase electric power generated using renewable energy at a fixed, nationally specified price, for a certain period of time.
P.33	P2P electricity trading	Electronic transactions conducted by directly linking parties who generate power and those who demand that energy through blockchain and other such technology.
P.33	EPC	A term made up of the first letters of the words Engineering, Procurement, and Construction that refers to the undertaking of the series of processes, chiefly for the construction of power plants and factories.
P.33	O&M	Operation & Maintenance: Refers to the management of operations and maintenance inspection, chiefly for power generation systems.
P.38	MaaS	Mobility as a Service: Refers to a next-generation mobility service that combines various technologies such as autonomous driving and AI to conventional methods of transport and services.
P.39	BPR	Business Process Re-engineering: Refers to drastically rebuilding work processes by analyzing and optimizing work details, flow, and organizational structure to achieve objectives set for corporate activities in aiming to boost corporate competitiveness.
P.40	BPO initiatives at educational institutions	Refers to initiatives to undertake the series of duties (through Business Process Outsourcing) at incorporated educational institutions.

Items to note concerning our future outlook

The information contained in this document regarding our performance outlook and other such items to do with the future is based on information currently held by our company and preconditions determined to be rational and is not a guarantee that all will proceed as indicated. Our actual performance, results, and other such items may significantly vary due to various factors.

WE ARE GREEN



WE ARE GREEN — We strive to merge the power of various forms of green deployed by our Group to create a future where everyone can be themselves and shine brilliantly.

Group Corporate Planning Department, Tokyu Fudosan Holdings Corporation