CHAPTER 3









Strategy by Business Segment

We outline our policies for building a business portfolio that enhances both growth potential and resilience, in addition to describing our strategies by business segment.

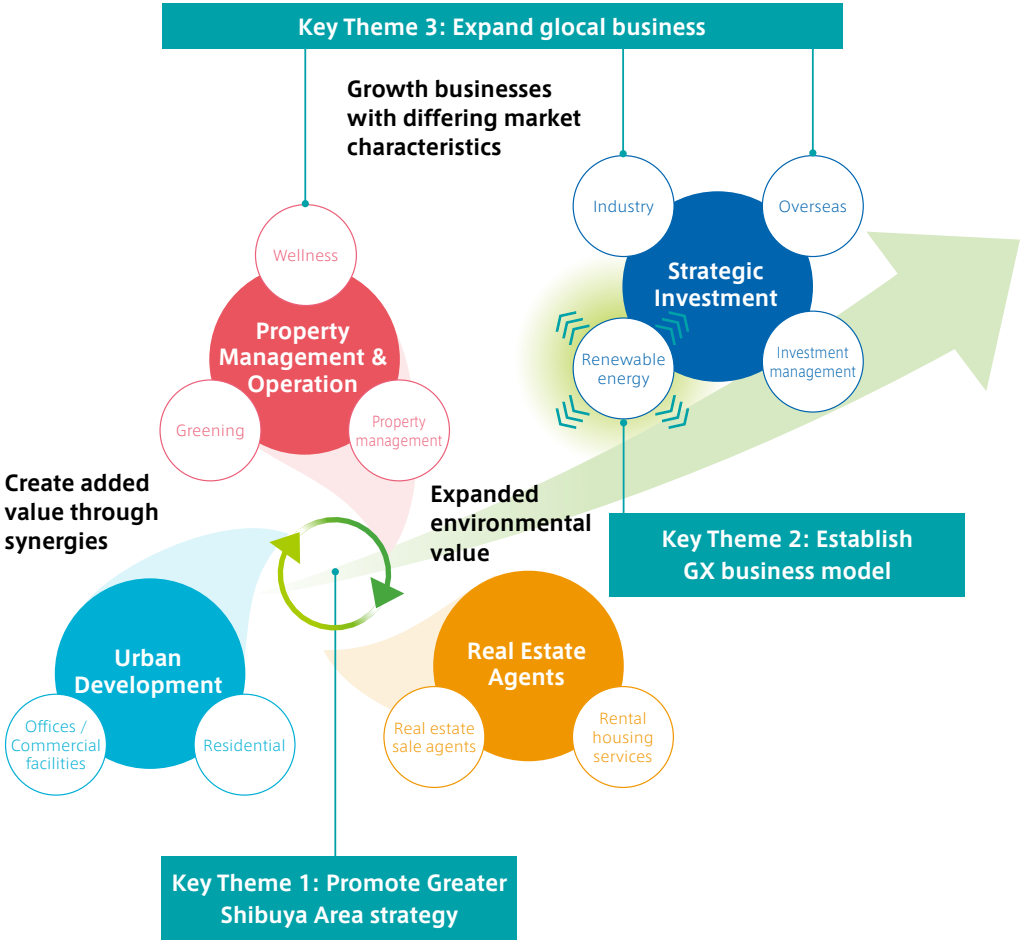
Building a Business Portfolio That Enhances Both High Growth Potential and Market Resilience

Achieving Both High Growth Potential and Market Resilience Through Synergies Between Businesses

One characteristic that distinguishes the Tokyu Fudosan Holdings Group from the majority of other companies is that it operates a wide variety of businesses. When addressing the three key themes introduced in the schematic on the right, rather than simply operating each business in isolation in a variety of domains, we seek to create high rates of growth by creating synergies between businesses, as shown on the right. At the same time, we will build resilience to market changes by capturing growth in markets based on differing characteristics while stably expanding profits. Our business portfolio boasts both solidity and distinctiveness and is unique to the Group, and we will continue developing our business portfolio until we have established a competitive advantage in each business.

We have organized profits into three categories: income, management and fees, and capital. Each is important, but, at present, capital accounts for a relatively large portion of the total. Therefore, while we aim to continue generating profits through capital gains, we will also strike a better balance by further growing profits from income and management and fees. By endeavoring to achieve ROE of 10% or more and an annual EPS average growth rate of 8% or more through these efforts, we will enhance our tolerance to market fluctuation risks.

Build a business portfolio that combines high growth potential with tolerance for market changes



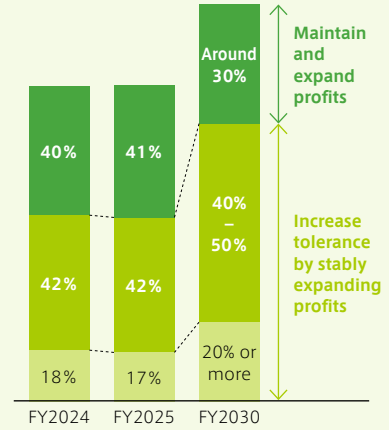
Pursue high growth and efficiency

EPS average growth rate*1
Target: 8%/year

ROE
10% or more (FY2030)

Tolerance for market fluctuation risks

Balance of revenue within operating profit*2



*1 Average annual growth rate from fiscal 2024 to fiscal 2030
*2 Income: Rental income, income from electricity sales, etc.; management and fees: brokerage, management and operations, property management fees, etc.; capital: profit from unit sales, gains on real estate sales, etc.