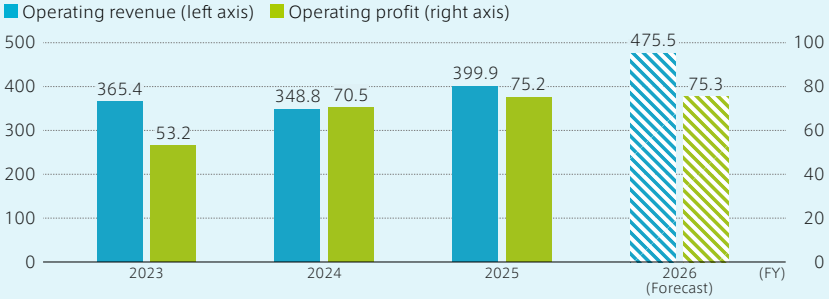
Urban Development | Creating attractive communities and enriching lifestyles



In the Urban Development segment, we develop and operate office buildings, commercial and other facilities, condominiums, and rental housing. In recent years, we have been leveraging our extensive track record as a comprehensive developer to focus on redevelopment projects and the development and operation of complexes, and we are working to enhance the value of the areas we serve. Furthermore, we will create attractive communities and enrich lifestyles through urban development while keeping abreast of changing trends, such as Japan's declining birth rate and aging population, the diversification of lifestyles, digitalization of society, and rising environmental awareness.

Operating revenue / Operating profit (Billions of yen)



Strengths / Management resources

Urban development expertise, honed particularly in the Greater Shibuya Area

Extensive track record of developing and operating mixed-use assets

Ability to create added value through our capabilities as an environmentally advanced company and Group collaborations

Opportunities

- Increasing interconnectivity in the ways people live, work, and spend their free time
- Heightening demand for solutions to regional issues
- Growing need for comfortable office environments due to competition over recruitment amid labor shortages

Risks

- Intensifying competition between the various areas in urban centers
- Rising construction costs

Business strategies under Medium-Term Management Plan 2030

Establishment of a competitive advantage

Leveraging both our track record in mixed-use development and operation across wide-ranging business domains and our urban development know-how in the Greater Shibuya Area to establish a unique position in the real estate industry

Bolstering of urban real estate business

Further bolster the urban real estate business through initiatives including building a highly efficient and stable profit base, using the comprehensive strengths of the Group to advance the residential business, and considering commercial applications in new domains

Targets and KPIs

Segment operating profit

FY2025 ¥75.2 billion ▶ FY2030 ¥70.5 billion

Segment operating profit (excluding sales to investors, etc., in offices and commercial facilities business)

FY2025 ¥52.2 billion ▶ FY2030 ¥60.5 billion

Total segment investment

FY2025–FY2030

Approx. ¥2,100 billion

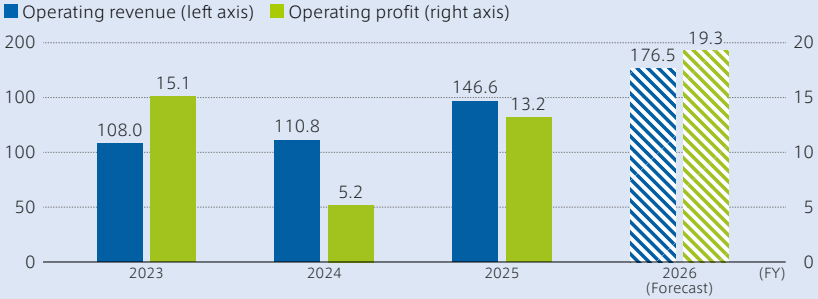
Strategic Investment | Building next-generation infrastructure



No. 1 Ishikari Renewable Energy Data Center

In the Strategic Investment segment, we are developing and improving lifestyle-supporting infrastructure, such as renewable energy power generation facilities and logistics facilities, and creating diverse investment opportunities by applying our real estate investment and asset management expertise in Japan and overseas. We are also leveraging the experience we have cultivated in our development activities to date to advance business development overseas. Specifically, we are contributing to the creation of next-generation social infrastructure that reflects recent changes in areas such as energy policy and industrial structure. Meanwhile, we are collaborating with regional partner companies and talented local personnel, mainly in Asia and the United States, to advance development and investment business that can flexibly accommodate changes in local market conditions.

Operating revenue / Operating profit (Billions of yen)



Strengths / Management resources

- Industry leader in terms of amount of renewable energy sources owned
- Strong scheme-building ability and investor relations function
- Robust relationships with local partners in growth countries

Opportunities

- Accelerated trend toward decarbonization
- Inflow of investor funding reflecting growing fund management needs
- Growing needs for logistics facilities due to the expansion of e-commerce

Risks

- Intensifying competition over projects in the renewable energy and logistics businesses
- Political risks and worsening of global affairs due to war, conflict, terrorism, etc.

Business strategies under Medium-Term Management Plan 2030

Further evolution toward creating a core business
Establish a renewable energy value chain and evolve the logistics facility development business into a social infrastructure business, while leveraging the breadth of our business portfolio to develop new business areas

Accelerating partner co-creation and expanding assets we participate in
Accelerate co-creation via partnerships with institutional investors and facilitate external growth and the establishment of funds in new domains by expanding diverse asset schemes

Diversify business models and capture stable profits
Build an overseas operations portfolio that can flexibly accommodate changes in local market conditions and generate stable profits through investment in growth businesses

Targets and KPIs

Segment operating profit

FY2025
¥13.2 billion

FY2030
¥59.5 billion

Total segment investment

FY2025–FY2030
Approx. ¥1,400 billion

Property Management & Operation | Providing impressive experiences to customers

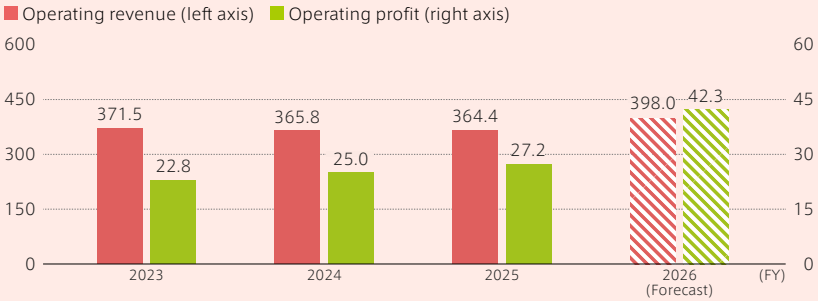


Business lines:

- Management of condominiums
- Management of buildings and facilities
- Renovation and construction work
- Rental conference rooms
- Hotels and resort facilities
- Healthcare
- Environmental and greening management

In the Property Management & Operation segment, we operate a wide range of businesses that utilize customer touchpoints, including the property management business, which helps maintain and improve the value of assets, and the wellness business, which helps promote good health and create enriched lifestyles through hotels and resort facilities. We are shifting to business models that create sustainable value by taking advantage of the real estate development, management, and operational expertise and customer data we have accumulated to maximize the value of customers' assets and facilities. Going forward, we will pursue even greater levels of customer satisfaction by securing the human capital essential for the Property Management & Operation segment to provide safe, secure living environments and high-quality hospitality.

Operating revenue / Operating profit (Billions of yen)



Strengths / Management resources

Property management and operational know-how that helps raise added value

Ability to address social issues through regional partnerships and co-creation

Diverse contact points with customers and regions

Opportunities

- Growing demand for remodeling reflecting the aging of social infrastructure
- Growing demand for tourism and leisure driven by inbound market

Risks

- Rising costs due to higher labor expenses and prices and securing manpower
- Maintenance of supply chains

Business strategies under Medium-Term Management Plan 2030

Taking on the challenge of maximizing added value that captures customer needs

Accommodate diverse needs, including those of inbound tourists, wealthy customer segments, communities, and government agencies, through initiatives such as managing large, mixed-use facilities and building efficient area management systems

Securement and training on human capital and establishment of partnerships for sustainable growth

Secure and develop human capital who can address labor shortages and meet diverse needs while accelerating collaboration with partners to build sustainable management and operational systems

Targets and KPIs

Segment operating profit

FY2025
¥27.2 billion

FY2030
¥37.0 billion

Labor productivity

Operating profit per person
(Operating profit ÷ personnel expenses, etc.)

FY2030
Approx. 1.2 times
(compared with fiscal 2024)

Real Estate Agents

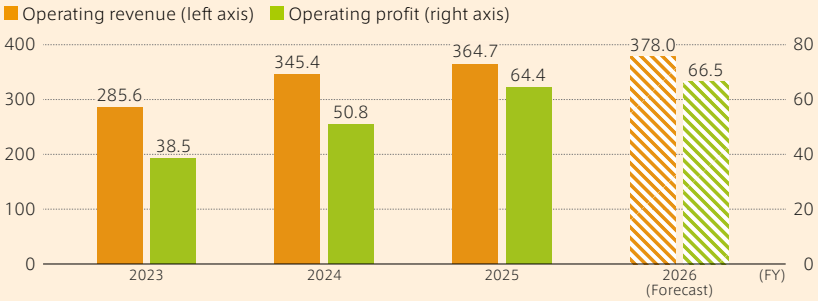
Leading to a society with a healthy stock of buildings

Business lines:
- Real estate agents (sales and leasing)
- Consignment sales
- Real estate sales
- Rental housing services



In the Real Estate Agents segment, we provide solutions related to the use of real estate stock, such as real estate sales agent services, and engage in operations related to rental housing management. Moreover, we create new revenue opportunities by leading the transformation of real estate agents through our extensive customer contact points, overwhelming information processing capabilities, and the use of digital technologies, among other means. We also play a role in realizing enriched lifestyles, a goal of the Group, and contribute to the development of a healthy society that uses building stock effectively.

Operating revenue / Operating profit (Billions of yen)



Strengths / Management resources

High rate of brand strength and a wealth of customer touchpoints

Possession of extensive information on the real estate market and the capacity to process said information

Ability to make plans and proposals that meet diverse needs

Opportunities

- Expansion of the existing real estate transaction market
- Continuing investment stance among Japanese and overseas investors

Risks

- Decline in buying motivation attributable to sharp interest rate hikes and rising house prices

Business strategies under Medium-Term Management Plan 2030

Strengthening of customer and market touchpoints

Based on information obtained through the operations of the Real Estate Agents segment, whose business performance is particularly susceptible to market trends, we will build a framework for strengthening customer touchpoints on a Groupwide basis while accommodating changes in the business environment.

Strengthening of business creation capabilities

We will convert customers' potential needs into new business opportunities through co-creation with partners without being constrained by existing business areas or internal resources.

Targets and KPIs

Segment operating profit

FY2025
¥64.4 billion

FY2030
¥68.0 billion

Information productivity

Operating profit per person
(Operating profit ÷ number of key personnel, etc.)

FY2030
Approx. 1.2 times
(compared with fiscal 2024)