

Financial Results for Term  
Ended December 2021

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#### \*Key to this document

EJR: ES-CON JAPAN REIT Investment Corporation

ELS: ES-CON LIVING SERVICE Ltd.

Picasso Group: PICASSO CO., LTD. and seven other companies

FUEL: FUEL Inc.

Chubu Electric Power: Chubu Electric Power Co., Inc.

Chuden Real Estate: Chuden Real Estate Co., Inc.

SPREAD: SPREAD Co., Ltd.

# P/L for Term Ended December 2021

- Sales grew 2.2% YoY to 79 billion yen. Operating profit fell 14.9% YoY to 10.3 billion yen.
  - ① Sales grew for the 10th consecutive period, thanks to strong performance in the condominium sales business and growth in leasing revenues attributable to the decision to make Picasso Group a subsidiary.
  - ② Operating profit was largely as planned. This was despite lower profit due to the rebound from REIT bridging in the preceding period (sale to Chuden Real Estate).
- Results were largely in line with initial plans. Sales declined 1.2%; operating profit fell 3.9%.
- Basic earnings per share in current term were down from the previous period due to a capital increase through the third-party allocation of shares (26,619,000 shares issued) to Chubu Electric Power in April 2021.

(Unit: Million yen)

	Term ended December 2021	Term ended December 2020	Compared to previous term		Full year ended December 2021 (initial plan)		
			Change	Percentage	Plan	Difference from plan	Percentage vs. initial plan
<b>Sales</b>	79,017	77,308	1,709	2.2%	80,000	-983	-1.2%
<b>Gross profit</b>	20,588	19,679	909	4.6%			
<b>Selling, general and administrative expenses</b>	10,206	7,477	2,729	36.5%			
Selling expenses	4,454	2,787	1,667	59.8%			
General administrative expenses	5,752	4,689	1,063	22.7%			
<b>Operating profit</b>	10,381	12,202	-1,821	-14.9%	10,800	-419	-3.9%
Interest expenses	1,463	1,047	416	39.7%			
<b>Ordinary income</b>	9,099	11,164	-2,065	-18.5%	9,400	-301	-3.2%
<b>Profit attributable to owners of parent</b>	5,961	7,663	-1,702	-22.2%	6,200	-239	-3.9%
<b>Basic earnings per share in current term (yen)</b>	67.48	111.94	-44.46	-39.7%	70.22	-2.74	-3.9%

# Segment Results for Term Ended December 2021

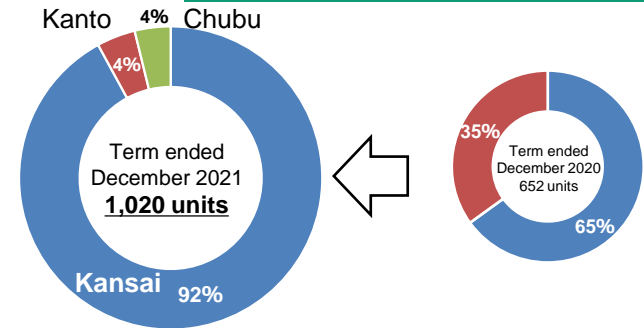
- Strong performance in condominium and real estate leasing businesses drove YOY sales growth.
- Segment losses of 500 million yen were recorded in the real estate planning agency and consulting business, due mainly to a delay in sales of usage rights to the Ryomon Columbarium.

(Unit: Million yen)

	Term ended December 2021 (A)			Term ended December 2020 (B)			Compared to previous term (A-B)		
	Sales	Segment income	Segment profit margin	Sales	Segment income	Segment profit margin	Sales	Segment income	Segment profit margin
① Real estate sales business	70,334	13,039	18.5%	71,485	14,257	19.9%	-1,151	-1,218	-1.4%
Condominium sales	(1,020 units) 45,050	5,978	13.3%	(652 units) 30,677	3,591	11.7%	(368 units) 14,373	2,387	1.6%
Other sales	25,283	7,060	27.9%	40,807	10,666	26.1%	-15,524	-3,606	1.8%
② Real estate leasing business	8,090	3,372	41.7%	5,527	2,381	43.0%	2,563	991	-1.3%
③ Real estate planning agency and consulting business	592	-516	-	295	152	51.5%	297	-	-
<b>Total</b>	<b>79,017</b>	<b>15,895</b>	<b>20.1%</b>	<b>77,308</b>	<b>16,791</b>	<b>21.7%</b>	<b>1,709</b>	<b>-896</b>	<b>-1.6%</b>

# Segment Results for Term Ended December 2021: Real estate sales business

Area shares of properties delivered



## ① Real estate sales business

### «Condominium sales»

- Condominium sold rose 368 units from the previous period to 1,020 units.
- Sales were up 14.3 billion yen from the previous period to 45 billion yen. The segment profit margin improved 1.6 points from the previous period. Contributing factors included lower selling expenses with progress in establishing an in-house sales structure.
- Sales were lower than initially projected due to various factors, including delays in delivery. (As of the end of FY2021, contracts had been concluded on 33 completed properties not yet delivered, accounting for sales of 1.4 billion yen.)

(Unit: Million yen)

Segment results for real estate sales business	Term ended December 2021 (A)	Term ended December 2020 (B)	Compared to previous term		Year ended December 2021: compared to initial plan		
			Change (A-B)	Percent change	Plan (C)	Difference from plan (A-C)	Percentage vs. initial plan
Sales (million yen)	45,050	30,677	14,373	46.9%	47,240	-2,190	-4.6%
Properties delivered (units)	1,020	652	368	56.4%	1,062	-42	-4.0%
Segment income (million yen)	5,978	3,591	2,387	66.5%	-	-	-
Segment profit margin	13.3%	11.7%	1.6%	-	-	-	-

### «Other businesses»

- Sales and profits were down YoY. Sales to EJR totaled 11.9 billion yen during this term. An additional factor was the negative rebound from sales of 19.8 billion yen to EJR and Chuden Real Estate in the previous term.
- Profits were higher than planned due to sales including those related to the Koga Gemboen project (40.3 billion yen in sales).

(Unit: Million yen)

Segment results for other sales business	Term ended December 2021 (A)	Term ended December 2020 (B)	Compared to previous term		Year ended December 2021: compared to initial plan		
			Change (A-B)	Percent change	Plan (C)	Difference from plan (A-C)	Percentage vs. initial plan
Sales	25,283	40,807	-15,524	-38.0%	22,660	2,623	11.6%
Sales to EJR	11,947	10,373	1,574	15.2%	-	-	-
Sales to Chuden Real Estate	-	9,515	-	-	-	-	-
Segment income (million yen)	7,060	10,666	-3,606	-33.8%	-	-	-
Segment profit margin	27.9%	26.1%	1.8%	-	-	-	-

# Segment Results for Term Ended December 2021: Real estate leasing business

## ② Real estate leasing business

- Sales and profit were up YoY as the result of making the Picasso Group a subsidiary.
- At the same time, the segment profit margin fell 1.4% YoY due to delays in tenant leasing attributable to COVID-19 and advance investments in preparation for opening new commercial facilities.

(Unit: Million yen)

Segment results for real estate leasing business	Term ended December 2021 (A)	Term ended December 2020 (B)	Compared to previous term		Year ended December 2021: compared to initial plan		
			Change (A-B)	Percent change	Plan (C)	Difference from plan (A-C)	Percentage vs. initial plan
Sales	8,090	5,527	2,563	46.4%	7,900	190	2.4%
Segment income (million yen)	3,372	2,381	991	41.6%	-	-	-
Segment profit margin	41.7%	43.0%	-1.3%	-	-	-	-

## Major initiatives to strengthen the real estate leasing business

- Acquiring outstanding revenue-generating properties and development sites
  - 81 properties acquired, centered on Picasso Group rental residences (Picasso Group made subsidiary: ▶ p. 13)
  - Three rental condominium properties (Sol Plaza Sakai, Tomei Mansion Esaka, Amity Tsukaguchi)
  - Four rental condominium sites (one each in Saitama and Tokyo and two in Kanagawa)
  - Four logistics facility development sites (one each in Tochigi and Gifu and two in Chiba)
- Increasing the value of commercial facilities held
  - **November: tonarie Minami-Senri Annex opened**  
Aeon Minami-Senri closed in May 2021 (Only the tenant on the upper floors continued business).  
→ 12 new stores opened
  - **Three commercial facilities opened.**  
tonarie CREO at tonarie Tsukuba Square (▶ p. 17)  
tonarie Yokkaichi  
tonarie Fujimino



Sol Plaza Sakai



tonarie Minami-Senri Annex opening ceremony



LOGITRES Chiba (tentative Name) logistics facility

# Segment Results for Term Ended December 2021: Real estate planning agency and consulting business

## ③ Real estate planning agency and consulting business

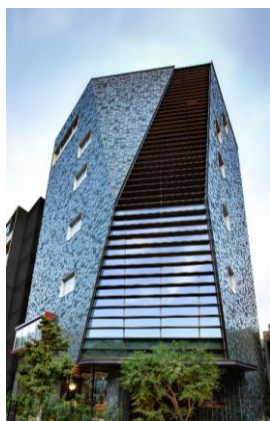
- In March 2021, we began selling permanent usage rights to the Ryomon Columbarium. Sales delays stemming from delays in promotion plans, due mainly to COVID-19, resulted in segment losses.

(Unit: Million yen)

Segment results for real estate planning agency and consulting business	Term ended December 2021 (A)	Term ended December 2020 (B)	Compared to previous term		Year ended December 2021: compared to initial plan		
			Change (A-B)	Percent change	Plan (C)	Difference from plan (A-C)	Percentage vs. initial plan
<b>Sales</b>	<b>592</b>	<b>295</b>	<b>297</b>	<b>100.7%</b>	<b>2,200</b>	<b>-1,608</b>	<b>-73.1%</b>
Ryomon	134	91	43	47.3%	-	-	-
Other (ELS option sales, etc.)	458	204	254	124.5%	-	-	-
<b>Segment income (million yen)</b>	<b>-516</b>	<b>152</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Segment profit margin	-	51.5%	-	-	-	-	-

## Overview of commencement of sales of permanent usage rights to the Ryomon Columbarium

These efforts were prompted by the goal of providing a solution to the contemporary issue of difficulties in securing grave sites, particularly in urban areas, and the goal of securing profits by expanding the real estate business domain. We plan to continue focusing on this business, for which demand is expected to grow over the long term.



Exterior of the Ryomon Columbarium



Tenmangetsu altar

Location	1-4 Minami-Azabu 5-chome, Minato-ku, Tokyo
Access	3-minute walk from Hiroo Station on the Tokyo Metro Hibiya Line
Number of shrines	9,999
Date sales began	March 17, 2021

# B/S for Term Ended December 2021

- Total assets grew by 103.3 billion yen after the Picasso Group became a subsidiary.
- The equity ratio fell by 1.0 points YoY to 24.8%.

(Unit: Million yen)

	Term ended December 2021 (term under review)	Term ended December 2020 (previous term)	Increase/decrease
<b>Current assets</b>	<b>176,859</b>	<b>122,117</b>	<b>54,742</b>
Cash and deposits	33,667	23,870	9,797
Real estate for sale	7,541	6,262	1,279
Real estate for sale in process	123,419	82,316	41,103
<b>Non-current assets</b>	<b>75,830</b>	<b>27,306</b>	<b>48,524</b>
Property, plant and equipment	52,778	14,876	37,902
Intangible assets	8,275	403	7,872
Investments and other assets	14,776	12,026	2,750
<b>Total assets</b>	<b>252,771</b>	<b>149,423</b>	<b>103,348</b>

- Proactive acquisition of new project sites and properties

- Increase in revenue-generating properties after making the Picasso Group a consolidated subsidiary

	Term ended December 2021 (term under review)	Term ended December 2020 (previous term)	Increase/decrease
<b>Current liabilities</b>	<b>102,523</b>	<b>39,813</b>	<b>62,710</b>
Short-term loans	3,589	2,907	682
Current portion of long-term loans	82,912	26,093	56,819
Current portion of bonds	-	230	-230
<b>Non-current liabilities</b>	<b>87,619</b>	<b>70,982</b>	<b>16,637</b>
Long-term loans	76,533	69,274	7,259
<b>Total liabilities</b>	<b>190,143</b>	<b>110,795</b>	<b>79,348</b>
<b>Total net assets</b>	<b>62,628</b>	<b>38,627</b>	<b>24,001</b>
<b>Total liabilities and net assets</b>	<b>252,771</b>	<b>149,423</b>	<b>103,348</b>

- 50 billion yen borrowed to acquire shares of stock in the Picasso Group

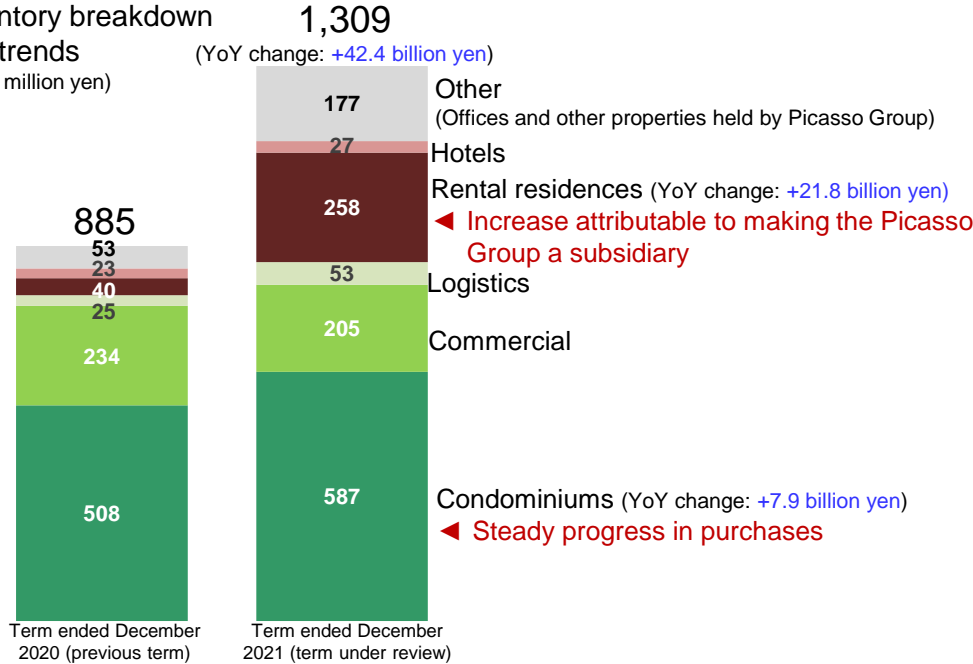
- 20.4 billion yen in funding raised through a capital increase through third-party allocation of shares to Chubu Electric Power

<b>Equity ratio</b>	<b>24.8%</b>	<b>25.8%</b>	<b>-1.0 points</b>
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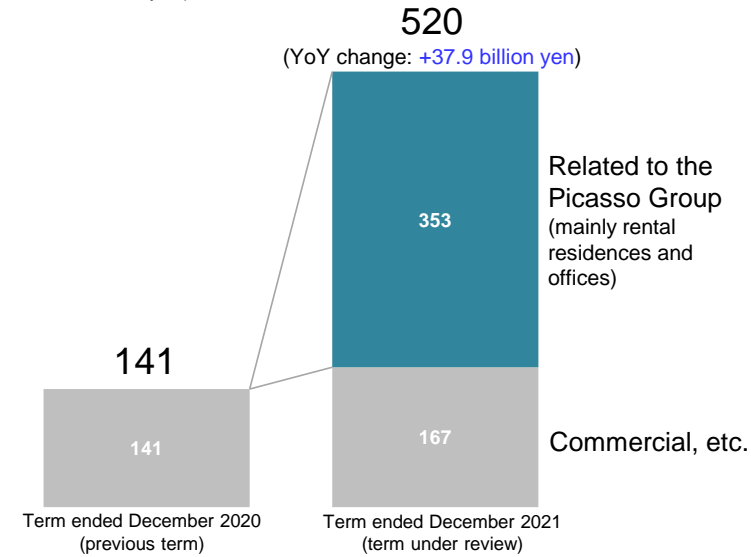


# B/S for Term Ended December 2021

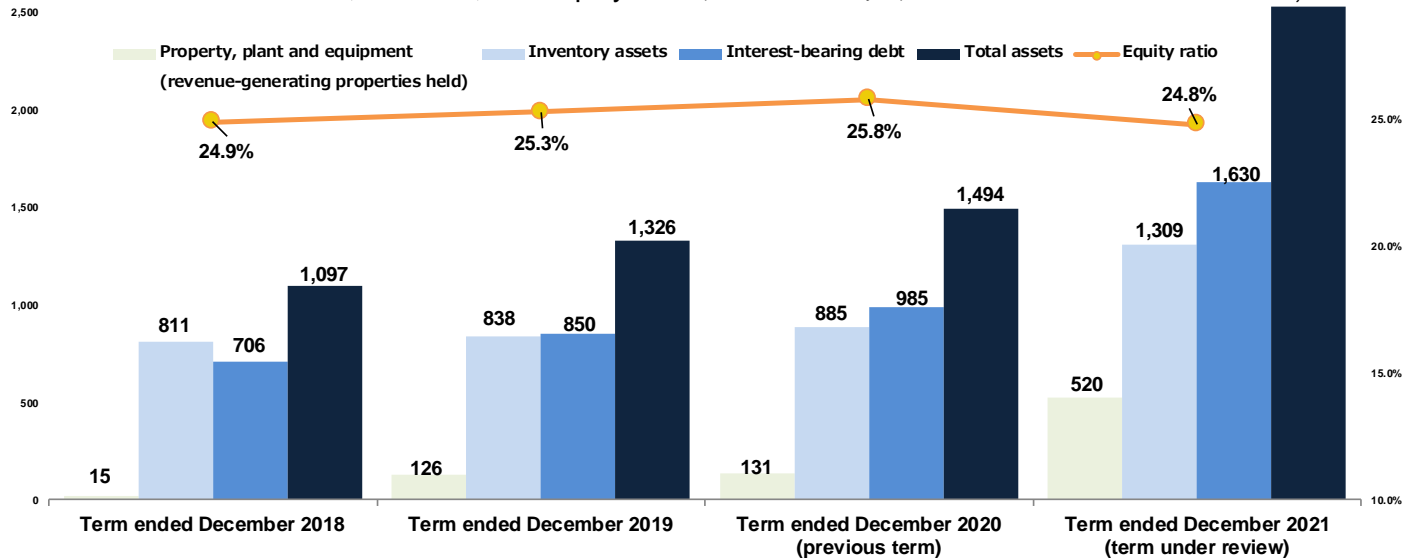
## Inventory breakdown and trends (Unit: 100 million yen)



## Property, plant and equipment (revenue-generating properties held) breakdown and trends (Unit: 100 million yen)



## Trends in assets, liabilities, and equity ratio (Unit: 100 million yen)



# Fundraising Environment

- Improvements in external assessments since becoming a consolidated subsidiary of Chubu Electric Power have provided access to the dynamic and stable fundraising required for future growth.
  - We have secured ratings of A from JCR and A- from R&I.
- We were selected to the JPX Nikkei Index 400 in FY2021 and will list our shares on the Prime Market on April 4, 2022.

Rating agency	Rating subject	Rating	Rating assessment
R&I	Issuer rating	A-	Stable
JCR	Long-term issuer rating	A	Stable



- Initiatives toward dynamic and stable fundraising

## September 2021

**Commitment line of credit agreement concluded with the Nishi-Nippon City Bank, Ltd.**

Credit line: 10 billion yen; contractual period: 3 years

## November 2021

**Commitment line of credit formed with the Shiga Bank, Ltd. as the arranger**

Credit line: 5.5 billion yen

## December 2021

**Registered as an issuer of corporate bonds**

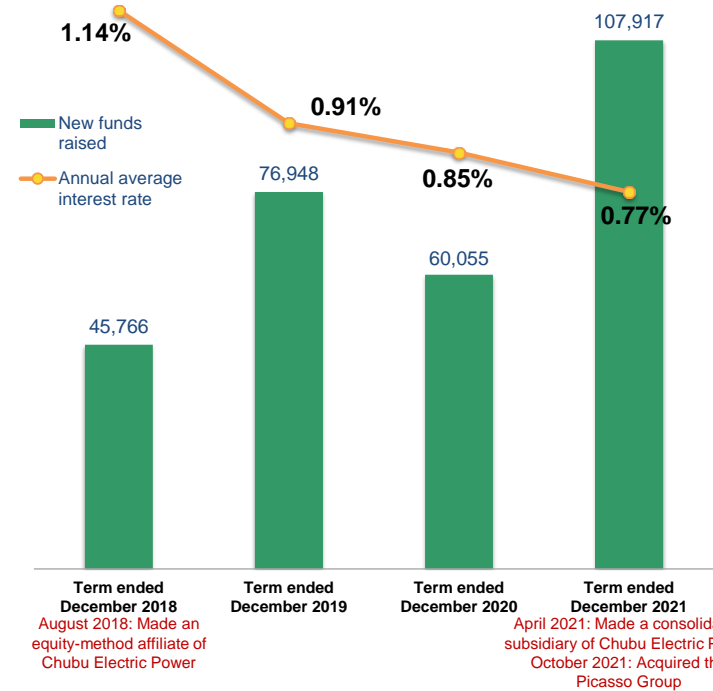
Planned period of issue:

Two years from the planned effective date of registration  
(December 29, 2021 – December 28, 2023)

Planned issue amount: 50 billion yen

Use of funds: Capital investment, investment and finance funding, working funds, loan repayments

- Trends in new funds raised and annual average interest rate  
(Unit: million yen)



**Becoming a consolidated subsidiary of Chubu Electric Power has provided access to a wider range of funding options and lower funding costs.**



## Major Initiatives in Term Ended December 2021

- Demonstrating Synergies with the Chubu Electric Power Group
- Strategic M&A
- <Large-scale Urban Development>
  - ①-③ Initiatives in Hokkaido
  - ④ Tsukuba Station (retail, office, and residential) Project: integrated large-scale urban development
- Private REIT and Rental Residential Development Initiatives
- Initiatives in New Business Domains
- ESG Initiatives

# Demonstrating Synergies with the Chubu Electric Power Group (becoming a consolidated subsidiary)

➤ In addition to 20.4 billion yen in funding raised through a capital increase through third-party allocation of shares in April 2021, we are ramping up efforts to demonstrate additional synergies.

**August 2018: Agreement concluded on capital alliance**  
**Made an equity-method affiliate**  
**Percentage of voting rights held: 33.3%**



**April 2021: Capital increase through third-party allocation of shares**  
**Made a consolidated subsidiary**  
**Percentage of voting rights held: 51.5%**

## Major initiatives (demonstrating synergies)

### ■ July 2021: Established TSUNAGU Community Farm G.K.

Construction began in October 2021 on Techno Farm Fukuroi. With daily production of 10 tons, this will be one of the world's largest plant factories.



Artist's conception of the completed Techno Farm Fukuroi

\*The artist's conception is for illustrative purposes only and is subject to change.



Ceremonial prayer for safety before start of construction (October 2021)

### ■ Participation in operating the site of 20th Asian Games Aichi-Nagoya 2026 Athletes' Village after the Games

A consortium led by Chubu Electric Power was chosen as the candidate contractor. We plan to be involved in developing a multipurpose complex on the site.

### ■ Five joint projects with Chuden Real Estate underway

Contracts were concluded on sales of all units in Le JADE Kakegawa (Kakegawa, Shizuoka Prefecture) within four months after sales began.

**Chubu Electric Power × SPREAD  
 × ES-CON JAPAN  
 Production to begin in January 2024**



Overview illustration of the 20th Asian Games Aichi-Nagoya 2026 Athletes' Village project

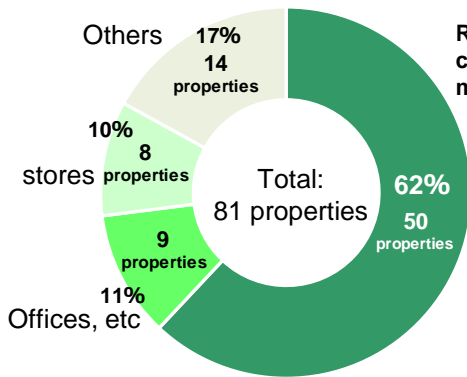
**Moving to demonstrate additional synergies, including creating new communities**

# Strategic M&A

## Making the Picasso Group a subsidiary (real estate leasing business) - Rapid progress on transforming profit structure to secure stable leasing revenues

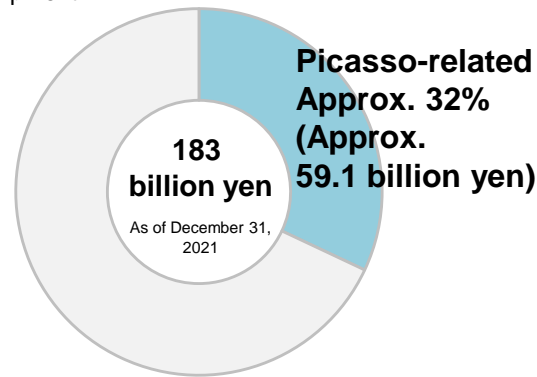
- Total value of stock acquired: 30.5 billion yen
- Employees: 18 vs. ES-CON JAPAN Group total 344 (as of December 31, 2021)
- **Total of 50 billion yen raised through syndicated loan to fund the acquisition of stock and refinance existing loans (October 29, 2021)**

■ Picasso Group real estate portfolio  
(Based on total number of properties)



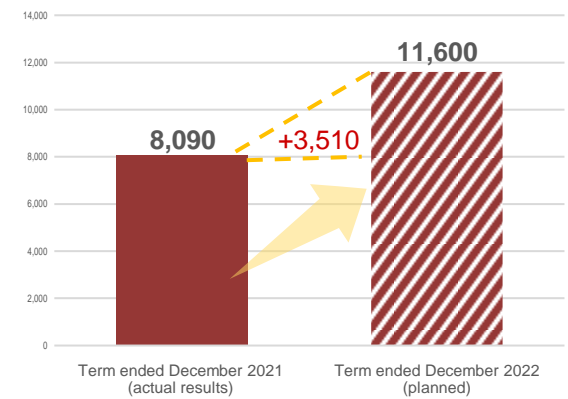
■ Value of real estate held by ES-CON JAPAN Group\*

\* Total of inventory assets and property, plant and equipment



■ Sales by the real estate leasing business

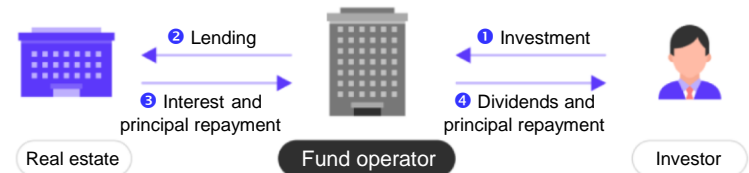
(Unit: million yen)



## Making FUEL a subsidiary (real estate crowd funding business) - Enhancing the asset management business and laying the groundwork for future ventures into real estate finance

- Involved in various businesses, including the operation of online investment funds that provide opportunities for individual investors to invest in real estate or real estate businesses in small investment units
- **Alongside efforts to expand our business domains, rapidly realizing the structures needed to allow us to tackle the challenge of new businesses related to the digital transformation (DX) of real estate (e.g., use of security tokens and crowdfunding\*) five to ten years in the future**

\* Security tokens: Used to manage investments through issue of digital securities using blockchain technology  
Crowdfunding: Crowdfunding businesses



# <Large-scale Urban Development ①>

## Hokkaido Ballpark F. Village urban development project

- We are participating in a large-scale development called **Hokkaido Ballpark F. Village (a total of 36.7 ha under development)**, centered on **ES CON FIELD HOKKAIDO**, the new stadium for the Hokkaido Nippon-Ham Fighters. We plan to develop a site measuring approx. 9,400 square meters adjacent to the stadium.



F. Village construction in progress (December 2021)

### <Stadium overview>

- Name: ES CON FIELD HOKKAIDO
- Seating capacity: Approx. 35,000
- Floors: Two underground (field) floors and six aboveground floors (70 m height)
- Specifications: Retractable roof, natural turf field
- Opening: March 2023 (completion of construction planned for December 2022)

## Hokkaido Ballpark F. Village

- More than just a venue to watch baseball games: Realizing a space for cocreation to stimulate the local community and contribute to society



### ◀ [ Kids' Area ]

Building a community in which children can grow through play and residents can interact and engage with each other (F. Village project partner: BørneLund Corporation)

### [ Farm area ]

Building a hands-on farming experience facility where people can learn about and enjoy agriculture (partners: Kubota Corporation, Hokkaido University)

### <Location>

Midway between JR Sapporo Station and New Chitose Airport Station  
From Sapporo: Approx. 16 min by train  
Approx. 30 min by car  
From New Chitose Airport:  
Approx. 20 min by train  
Approx. 30 min by car

### <Access>

Approx. 22-minute walk from JR Kitahiroshima Station, the nearest train station  
Approx. 2-minute walk from a new station planned to be located near the ballpark

# <Large-scale Urban Development ②> Le JADE Hokkaido Ballpark

➤ Developing our first condominium project in Hokkaido as part of the Hokkaido Ballpark F. Village project



Artist's conception of completed open air rooftop



Artist's conception of completed warm living space

January 8, 2022: Model rooms opened

Residents receive 10-year free passes to the stadium.

**More than 5,000 requests have been received for information (as of January 21, 2022). This project has been widely covered in the media, not just in Hokkaido but across Japan.**



Overview of F. Village

<b>Name</b>	Le JADE Hokkaido Ballpark
<b>Building area</b>	1,868.06 m <sup>2</sup>
<b>Structure, size</b>	Reinforced concrete, partial steel-frame construction, 14 aboveground floors
<b>Total units</b>	118
<b>Floorplans</b>	One to three bedrooms, living room, dining room, kitchen
<b>Unit size</b>	43.43 – 137.55 m <sup>2</sup>
<b>Slated completion date</b>	Early March 2023 (planned)
<b>Price ranges</b>	From 30 million yen for one bedroom, 50 million yen for two bedrooms, and 70 million yen for three bedrooms (all with living room, dining room, and kitchen)

# <Large-scale Urban Development ③> JR Kitahiroshima Station “West Exit Area Revitalization Project”

- March 2021: Partnership agreement concluded with the city of Kitahiroshima on the Kitahiroshima Station “West Exit Area Revitalization Project.”  
→ Alongside development of the Hokkaido Ballpark F. Village , development work will proceed in the area around Kitahiroshima Station, a key stadium access point.

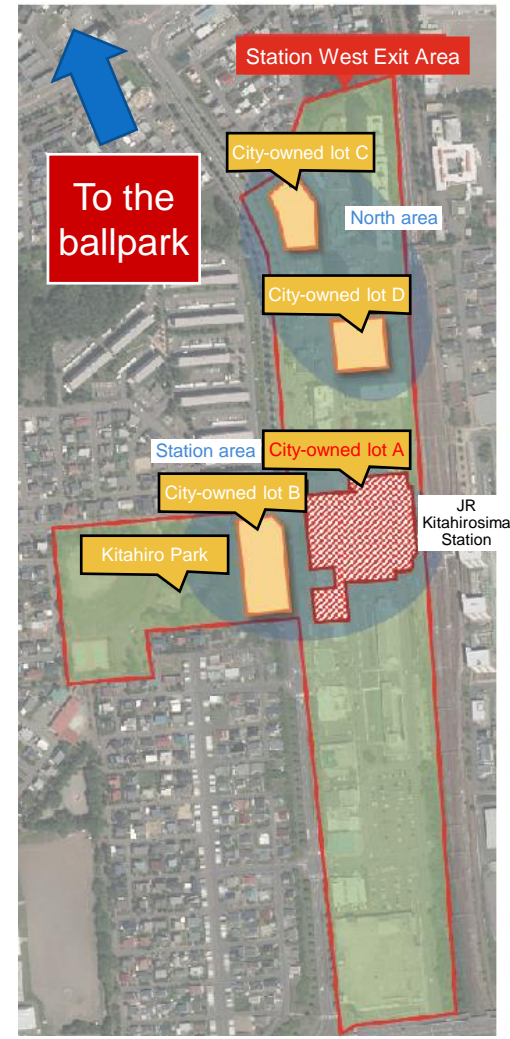
**Concept**  
**Kitahiroshima Hometown Base: Development of a hometown base community where people who love Kitahiroshima, including local residents, businesses, tourists, and baseball fans, will come together**



Artist's conception of the completed station area



Artist's conception of the completed station retail facilities

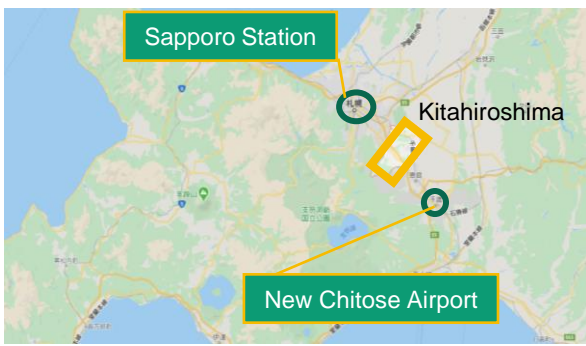


## “West Exit Area Revitalization Project” (city-owned lots A-D)

A: Station plaza  
 Multipurpose facility (retail, hotel)  
 Elevated plaza, park

Completion of retail facilities, etc. planned for 2024

Planning for city-owned lots B-D is underway



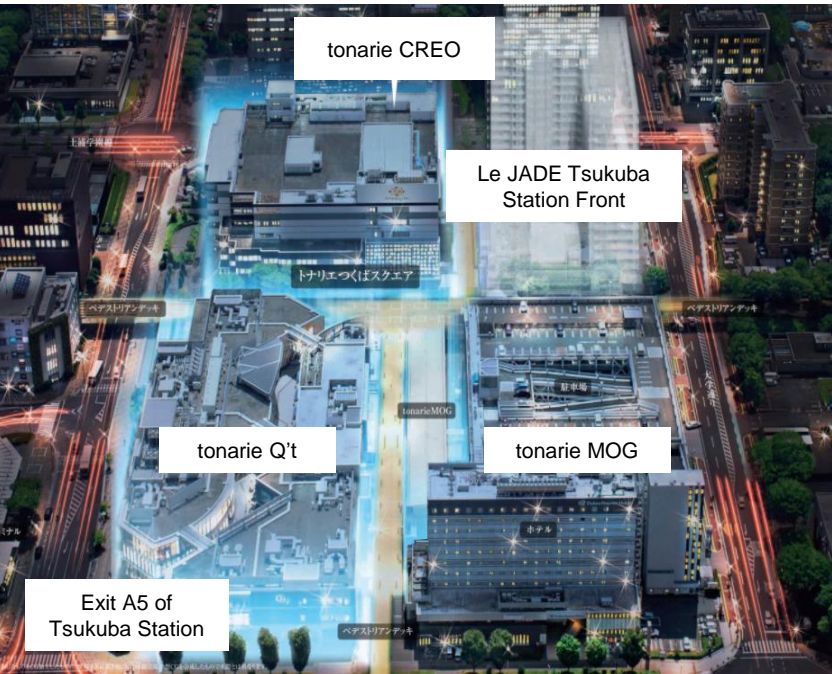


# Tsukuba Station (retail, office, and residential) Project: integrated large-scale urban development

## Tsukuba (Tsukuba-shi, Ibaraki) Project (integrated development in the Tsukuba station area)

Redevelopment on the former sites of Seibu Tsukuba, a large-scale commercial facility inside CREO in front of the station, and Aeon Tsukuba Ekimae. We acquired three facilities—CREO, Q't, and MOG—and are currently pursuing the integrated development of these facilities in the area around Tsukuba Station.

Alongside the commercial facility, we are developing the Le JADE Tsukuba Station Front condominium project.



### Commercial

<p><b>Phase 1: Opened May 19, 2021</b></p>	<p><b>Phase 2: Opened July 22</b></p>	<p><b>Autumn 2022 Grand opening planned</b></p>
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Grocery stores, restaurants, and other retail tenants opened on the first floor of tonarie CREO.

A total of eight stores opened, including those located inside Q't and MOG.

### Office

tonarie CREO includes the conversion of the fourth through sixth floors of the former Seibu Tsukuba into office space.

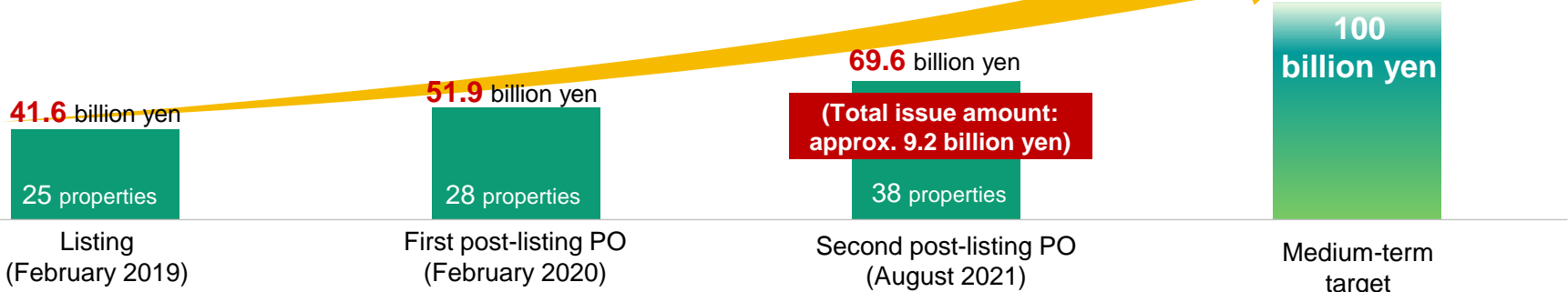
### Residential

Le JADE Tsukuba Station Front  
Contracts concluded early on all 218 units within four months after sales began.  
Plans call for delivery of all units in November 2022.

# ES-CON JAPAN REIT Investment Corporation (EJR): Second PO carried out

- EJR has completed two POs (February 2020, August 2021) since its listing in February 2019, growing its total assets to approx. 69.6 billion yen.

## Trends in assets



## Three distinguishing features



Target investment areas: four major metropolitan areas  
Greater Tokyo, Kinki, Chukyo, and Fukuoka areas

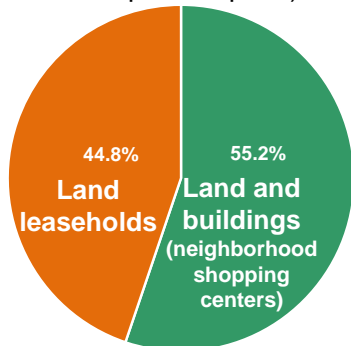


Investment targets: approx. 50% land leasehold, approx. 50% land and buildings

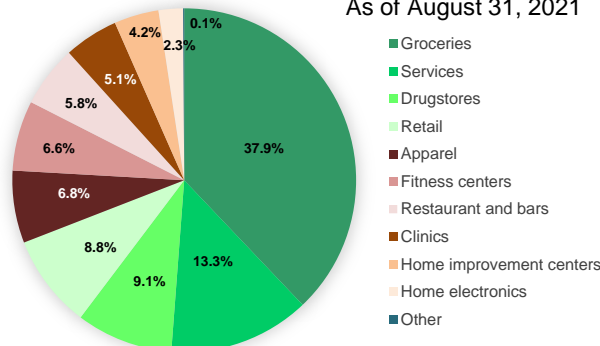


External and internal growth drawing on ES-CON Japan's advantages in real estate development and operations and support from Chubu Electric Power

## Asset distribution (based on acquisition price)



## Tenant composition (based on contracted leases and CAM charges)



## Rating & Investment Information, Inc. (R&I) rating

Rating agency	Subject of rating	Rating	Rating assessment
R&I	Issuer rating	A-	Stable

## DBJ Green Building certification earned

The following commercial facilities owned by EJR: tonarie Yamato-Takada, tonarie Toga-Mikita, tonarie Minamisenri, tonarie Seiwadai, and Asumigaoka Brand-New Mall

# Rental residential development initiatives

- Since September 2020, we have established a total of 10 private investment funds and invested in these funds (SPCs) as a silent partner.
- We have also acquired four rental residential development sites (one each in Saitama and Tokyo and two in Kanagawa) this term.
- We plan to form a private REIT investing mainly in rental residential assets.

## ■ Private funds completed

	Location	Site area	Total floor space	Structure	Asset value (million yen)
① Kamikitadai Station Project	Higashi-Yamato, Tokyo	894.34 m <sup>2</sup>	2,743.26 m <sup>2</sup>	9 floors, reinforced concrete	1,500
② Fujisawa Development Project	Fujisawa, Kanagawa Prefecture	1,119.13 m <sup>2</sup>	1,922.33 m <sup>2</sup>	5 floors, reinforced concrete	1,210
③ Keio Inagi Station Development Project	Inagi, Tokyo	320.46 m <sup>2</sup>	1,470.79 m <sup>2</sup>	1 underground/8 aboveground floors, reinforced concrete	800
④ Odakyu Isehara Station Sakuradai Development Project	Isehara, Kanagawa Prefecture	659.88 m <sup>2</sup>	4,001.36 m <sup>2</sup> (planned)	14 floors, reinforced concrete (planned)	1,930
⑤ Kawasaki-minami Resi-Bridge Project	Kawasaki, Kanagawa Prefecture	264.85 m <sup>2</sup>	1,137.82 m <sup>2</sup>	11 floors, reinforced concrete	820
⑥ Seibu Ikebukuro Higashi-Nagasaki Project	Toshima-ku, Tokyo	676.15 m <sup>2</sup>	3,780.59 m <sup>2</sup>	1 underground/10 aboveground floors, steel frame/reinforced concrete	1,620
⑦ Chuo Line Toyota Project	Hino, Tokyo	246.92 m <sup>2</sup>	1,844.77 m <sup>2</sup>	11 floors, reinforced concrete	1,200
⑧ Sotetsu Kashiwadai Project	Ebina, Kanagawa Prefecture	1,214.07 m <sup>2</sup>	2,788.66 m <sup>2</sup>	8 floors, reinforced concrete	1,460
⑨ Yokohama Bandobashi Development Project	Yokohama, Kanagawa Prefecture	362.45 m <sup>2</sup>	2,077.37 m <sup>2</sup> (planned)	10 floors, reinforced concrete (planned)	1,200
⑩ Fujisawa Zengyo Station Resi-Bridge Project	Fujisawai, Kanagawa Prefecture	594.77 m <sup>2</sup>	1,264.09 m <sup>2</sup>	1 underground/10 aboveground floors, reinforced concrete	700



# Initiatives in New Business Domains

## International business: Investment and planning for the Waikiki Galleria Tower multipurpose complex value improvement project in Hawaii

- Located on Kalakaua Avenue, Honolulu's main thoroughfare, and surrounded by luxury brand boutiques
- In addition to investing in this project, we have concluded a strategic advisory agreement. We will provide advice and support on development, design, operations management, and other aspects of the overall property.

### [Project overview]

- Replacing tenants of commercial facility (first and second floors)
- Converting office space (floors 6-16) to timeshare use (hotel)

### [Project lead]

Black Sand Capital, LLC



Exterior view of the Waikiki Galleria Tower commercial and office complex

### To date, we have also participated in the following four international projects:

- ① Hawaii:  
Investment in real estate investment fund (March 2019)  
(Sponsor: Black Sand Capital, LLC)
- ② Greater Bangkok, Thailand:  
Participation in condominium development project (August 2019)  
(Participation in project promoted by Origin Property)
- ③ Los Angeles, California:  
Participation in condominium joint development project (March 2020)  
(Participation in project promoted by Adept Development)
- ④ United States:  
Investment in real estate investment fund (September 2021)  
(Sponsor: Crow Holdings Capital)

## Business alliance with Serendix Inc. (supporting residential development using 3D printers)

- Development partner for state-of-the-art **Sphere** homes developed in Japan using 3D printers based on the concept of achieving total space and price of no more than roughly 99 square meters and 3 million yen, the world's most earthquake- and wind-resistant residential structures, and a construction period of 24 hours
- More eco-friendly than traditional construction methods, 3D printing completely eliminates material waste. This project seeks to create sustainable homes.



Illustration of a Sphere prototype design

# ESG Initiatives

- The management strategies of the fourth medium-term management plan include Promotion ESG.
- An ESG Promotion Group has been established directly under the President to formulate and implement specific activities.
- In July 2021, the Health & Culture Fostering Team was established to promote health management.

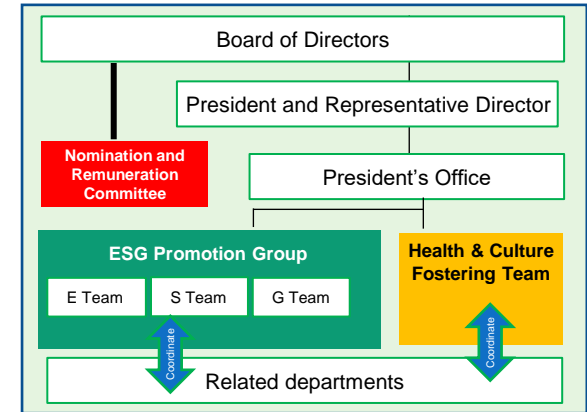
## ESG Management Philosophy

Based on IDEAL to REAL (bringing ideals into reality to create a new future), our corporate message, we seek to realize sustainable societies and sustained growth as we address social challenges by promoting ESG management as a lifeways developer creating ideal modes of living in response to changing needs.

## Basic Policy on ESG

We strive to grow as a company needed by society by promoting ESG initiatives in strict compliance with laws, regulations, and our pledges related to the environment, society, and self-governance.

## ESG management promotion structure



1. Creating new environmental value through next generation urban development and other initiatives aimed at realizing a carbon-neutral society by 2050
2. Promoting real estate development and business activities that account for the environment above all else
3. Creating environmental value and business value through taking on the challenges of new business domains based on environmental themes



1. Contributing to regional revitalization and promoting the creation of local communities through urban development to create a new and brighter future
2. Creating working environments in which employees can demonstrate the best of their abilities while engaging in rewarding work and promoting diversity so that all human resources can thrive
3. Contributing to solutions to social issues in areas such as medical care and welfare in response to declining birthrates and an aging population; and supporting safe and comfortable living in local areas
4. Promoting business development to realize the SDGs globally through the development of overseas business



1. Enhancing timely, appropriate, and fair disclosure of management information
2. Promoting a governance system to secure stability, soundness, and transparency of management
3. Aiming to strengthen risk management in order to respond to increasing risks due to the expansion and diversity of businesses
4. Engaging in business activities based on a respect for the human rights of all in accordance with the Corporate Ethics Charter

# Details of ESG Initiatives

## <Main topics>

### Promoting ZEH condominiums

Le JADE Okurayama  
Le JADE Yao Sakuragaoka



Le JADE Okurayama  
(Won Good Design  
Award in 2021)



GOOD DESIGN  
AWARD 2021

### Formulating initiatives toward disclosure based on the TCFD framework

- December 2021  
Implemented capacity building intended to increase knowledge concerning TCFD
- March 2022  
Assessing the importance of business risks and opportunities, selecting external scenarios, and establishing internal scenarios
- June 2022  
Studying disclosure of assessment of financial impacts on our businesses of major climate-change risks and opportunities

**Formulation of a general business operator action plan under the Act on the Promotion of Female Participation and Career Advancement in the Workplace (2022–2024)**

**Earned GRESB 2 Starts and Green Star certification in 2021**  
(Subject period: January 1–December 31, 2020)

**Won Environmental Human Resource Development 2020 commendation**

## <Specific initiatives through now>

### **E** Environment

- Joint research with the Kozo Takase's lab team of the Tokyo University of Science
- Earned DBJ Green Building certification (tonarie Yamato-Takada/Toga-Mikita/Seiwadai/Minamisenri/Asumigaoka Brand-New Mall)
- CASBEE real estate assessment earned (tonarie Fujimino)
- Development of detached houses with abundant natural blessings and condominiums open to the community
- Eco Action 21 certification earned
- Le JADE Senri Aoyamadai wins Osaka eco-friendly construction award in the residential section

### **S** Society

- Promoting use of diverse human resources, including employment of people with disabilities, at Cordiale Farms
- Training of people to support those with cognitive disabilities
- Support for placement of workers from overseas (ES-CON Global Works)
- Support for WT1 cancer vaccine research, a cancer immunotherapy (2019, 2021), iPS cell research (2020, 2021), etc.
- Investment in Ryukyu Football Club, which operates the FC Ryukyu J2 professional soccer team

### **G** Governance

- Timely disclosure of business activities and conditions
- Establishment of nomination and remuneration advisory committee
- Establishment of CS Committee
- Establishment of Health & Culture Fostering Team
- Establishment of new disclosure items in accordance with the amended Corporate Governance Code



## Part 2

Progress on Fourth Medium-Term Management  
Plan (announced February 2021)

- IDEAL to REAL 2023 (FY2021-2023)

**Basic policy of medium/long-term management strategy****① Establishing business foundations able to withstand unexpected changes in economic conditions**

Establishing business and financial standings that would be sound and enable us to maintain our fund-raising abilities under any economic conditions.

**② Simultaneously changing the revenue structure and expanding business domains**

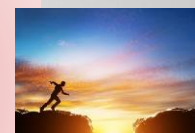
Transforming the revenue structure from one based on flows to one based on stock by strengthening the real estate leasing business while at the same time realizing business diversification and expanding business territories.



# Trans- formation

and

# Rapid Progress



2023

Stage of further rapid progress through realizing transformation

2022

Stage of setting new record profits

2021

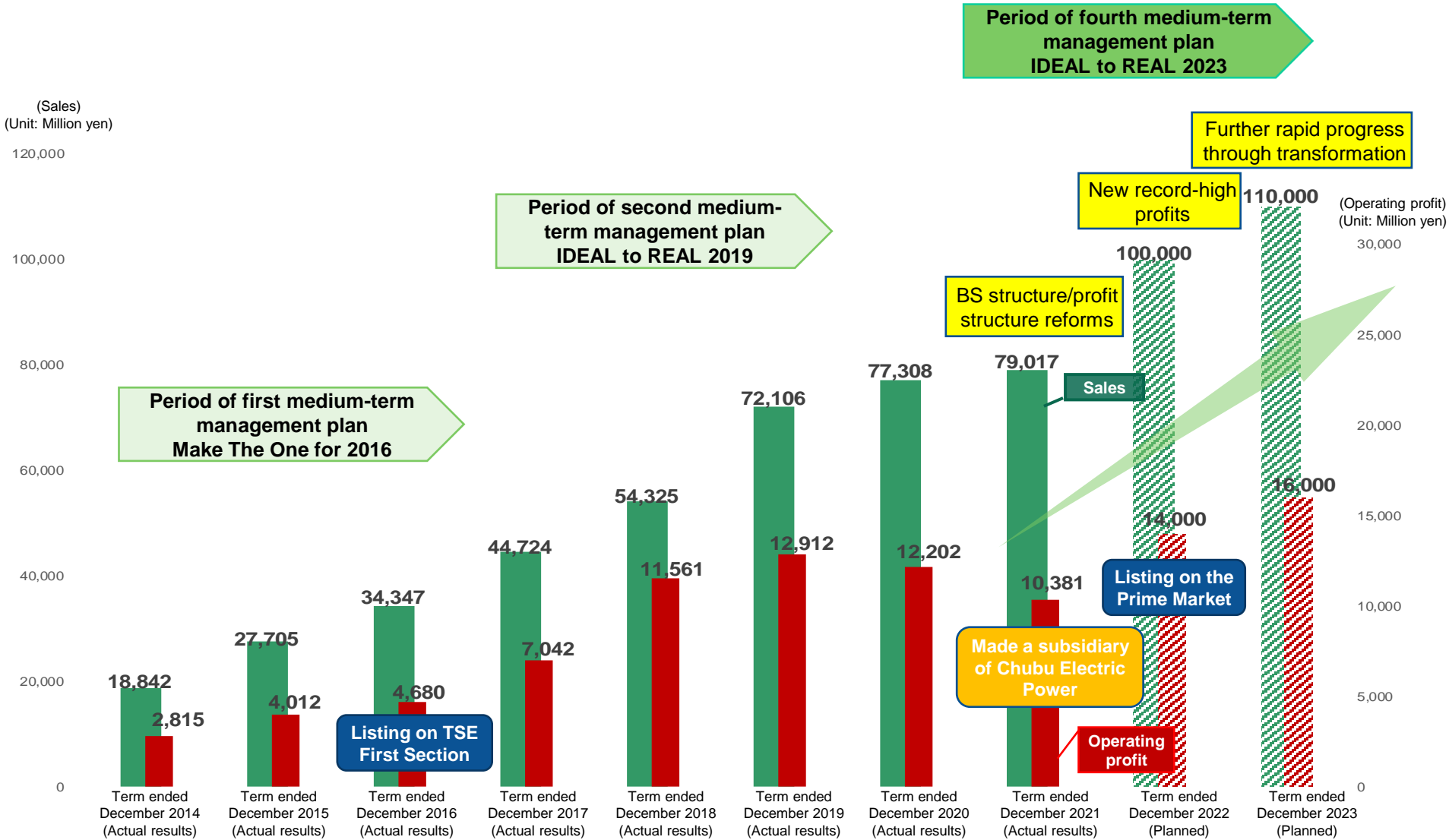
Stage of structural reforms to balance sheet and revenues

- Proactive investment in long-term revenue-generating real estate and improving the structure of the balance sheet
- Transforming the focus of management from flows to stock
- Demonstrating synergies in the Chubu Electric Power Group
- Achieving net sales of 110 billion yen and operating income of 16 billion yen (in the final fiscal year of the medium-term management plan)



# Ten-year Trends in Financial Results

- We are targeting sustainable growth through maximizing corporate value and further increasing returns to shareholders, in addition to establishing robust business foundations capable of withstanding any economic conditions.



# Planned Financial Results

- In the first fiscal year of the fourth medium-term management plan (term ended December 2021), despite recording lower sales and profits than planned, we implemented a transformation of our revenue structure. This included efforts to secure stable earnings through enhancing the real estate leasing business, including making the Picasso Group a subsidiary. This period is identified as a stage for BS and profit structural reforms.
- We plan to set new record highs in the term ending December 2022 and to realize rapid progress by expanding results from the initial plans announced February 2021 in the term ending December 2023.

(Unit: Million yen)

## Fourth medium-term management plan: IDEAL to REAL 2023

Planned financial results	Term ended December 2021 (27th term)				Term ended December 2022 (28th term)					Term ended December 2023 (29th term)
	Actual results	Initial plan (announced February 2021)	vs. initial plan	Percentage	Initial plan (Q2)	Initial plan (full year)	Initial plan (announced February 2021)	vs. initial plan (full year)	Percentage	Plan (announced February 2021)
<b>Sales</b>	<b>79,017</b>	80,000	-983	-1.2%	36,300	<b>100,000</b>	98,000	2,000	2.0%	<b>110,000</b>
Real estate sales business	<b>70,334</b>	69,900	434	0.6%	-	<b>87,300</b>	-	-	-	-
Condominium sales	<b>45,050</b>	47,240	-2,190	-4.6%	-	<b>59,300</b>	-	-	-	-
Condominium units sold	<b>1,020</b>	1,062	-42	-4.0%	-	<b>1,200</b>	1,200	-	-	<b>1,200</b>
Other sales	<b>25,283</b>	22,660	2,623	11.6%	-	<b>28,000</b>	-	-	-	-
Real estate leasing business	<b>8,090</b>	7,900	190	2.4%	-	<b>11,600</b>	9,500	2,100	22.1%	<b>11,200</b>
Real estate planning agency and consulting business	<b>592</b>	2,200	-1,608	-73.1%	-	<b>1,100</b>	-	-	-	-
<b>Operating profit</b>	<b>10,381</b>	10,800	-419	-3.9%	4,700	<b>14,000</b>	14,000	-	-	<b>16,000</b>
<b>Ordinary income</b>	<b>9,099</b>	9,400	-301	-3.2%	3,800	<b>12,200</b>	-	-	-	-

**Stage for BS and profit structural reforms**

**Stage for new record-high profits**

**Stage for rapid progress**

**Further expansion from plans announced February 2021**

<b>Dividends per share</b>	<b>38 yen</b>	38 yen	-	-	-	<b>38 yen</b>	38 yen or more	-	-	<b>38 yen or more</b>
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**Policy of gradually increasing dividends to continue during the period of the medium-term management plan**

# Management Targets

- Most management indicators are progressing according to plan.
- Accelerated progress on investment plans after making the Picasso Group a subsidiary, as described above (▶p. 28), has led to upward revisions to plans for share of profits from leasing, share of long-term earnings from real estate, and net assets for the term ending December 2022. The equity ratio is projected to decrease.

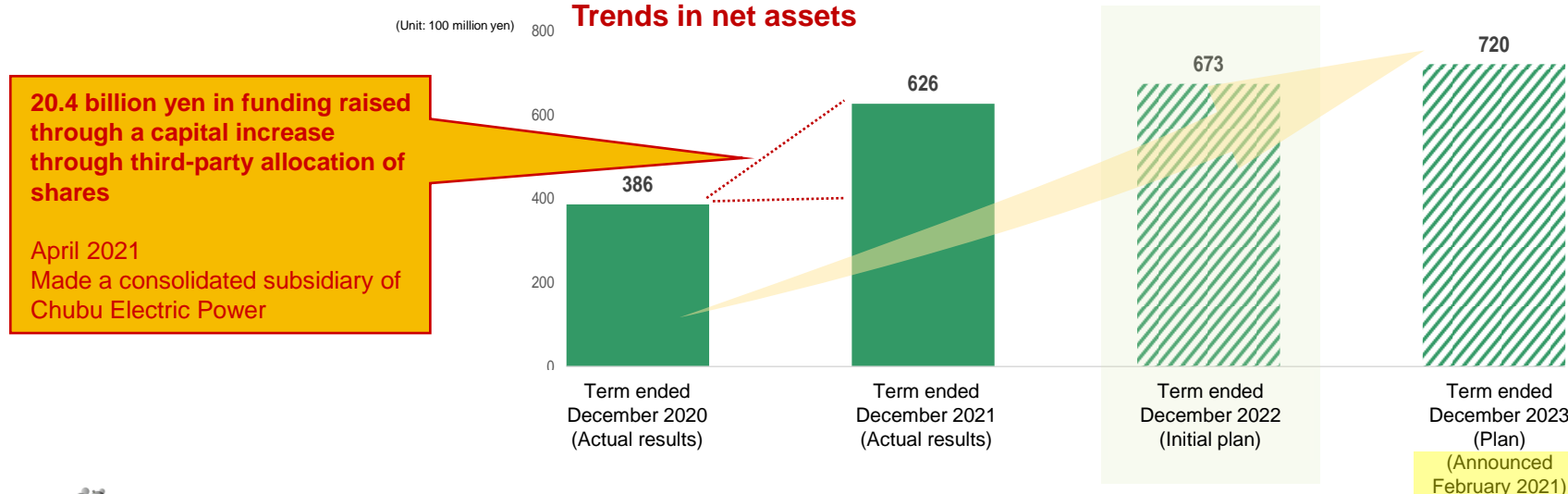
Fourth medium-term management plan: IDEAL to REAL 2023						
	Term ended December 2020 (26th term)	Term ended December 2021 (27th term)		Term ended December 2022 (28th term)		Term ended December 2023 (29th term)
	Actual results	Actual results	Initial plan (announced February 2021)	Initial plan	Initial plan (announced February 2021)	Plan (announced February 2021)
Share of profits from leasing *1	14.2%	21.2%	23.0%	↑ 26.0%	24.0%	26.0%
Return on equity (ROE)	21.2%	11.8%	12.0%	13.0%	13.0%	13.0%
Return on invested capital (ROIC)	6.6%	3.2%	4.0%	4.0%	4.0%	4.0%
Equity ratio	25.8%	24.8%	29.0%	23.0%	26.0%	23.0%
Share of long-term earnings from real estate *2	9.5%	↑ 20.6%	12.0%	↑ 21.0%	14.0%	★ 18.0%
Net assets	38.6 billion yen	↑ 62.6 billion yen	61.0 billion yen	↑ 67.3 billion yen	66.0 billion yen	72.0 billion yen

\*1 Share of profits from leasing: Leasing segment profits/segment total profits (excluding adjustments)

\*2 Share of long-term earnings from real estate: Real estate generating leasing revenues recorded as noncurrent assets/net assets

★ Further expansion from plan announced February 2021

(Unit: 100 million yen) Trends in net assets



# Investment plans

- Gross investment during three-year period of the medium-term management plan: 220 billion yen
- Gross investment increased by 74.4% ahead of schedule, after making the Picasso Group a subsidiary
- Investment of 70 billion yen planned in FY2022

(Unit: 100 million yen)

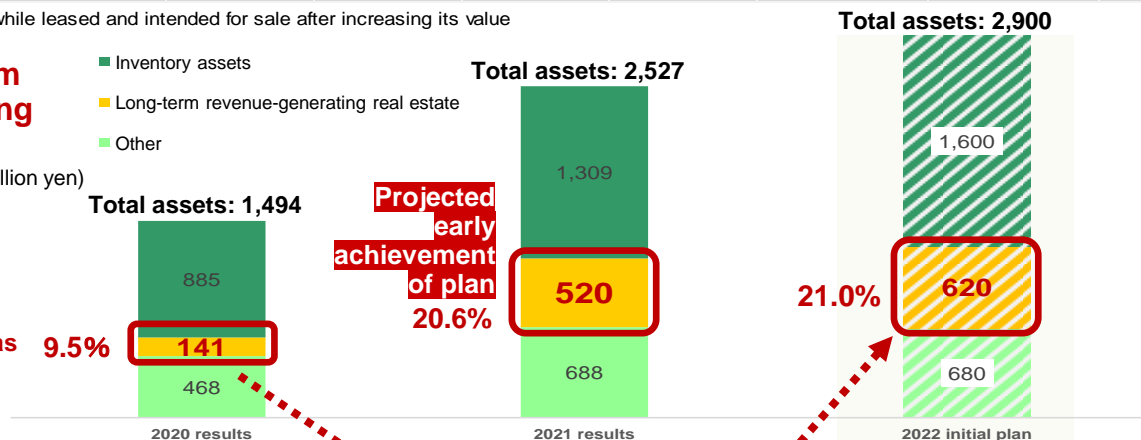
Three-year cumulative investment (2021-2023)							
	2021				2022	2023	Three-year cumulative
	Actual	Planned	vs. plan	Percentage	Initial plan (Announced February 2021)	Plan (Announced February 2021)	Plan (Announced February 2021)
<b>Gross investment</b>	↑ 959	550	409	74.4%	700	950	2,200
<b>Investment in revenue-generating real estate</b>	↑ 767	300	467	155.7%	400	600	1,300
Investment in development of revenue-generating real estate	↑ 56	50	6	12.0%	100	150	300
Investment in medium-term revenue-generating real estate*	↑ 337	150	187	124.7%	200	250	600
Investment in long-term revenue-generating real estate	↑ 373	100	273	273.0%	100	200	400
<b>Investment in other development</b>	191	250	-59	-23.6%	300	350	900
<b>Amount recovered</b>	48	0	48	-	0	300	300
<b>Net investment amount</b>	↑ 911	550	361	65.6%	700	650	1,900

\*Rental revenue-generating real estate acquired while leased and intended for sale after increasing its value

## Share of long-term revenue-generating real estate

(Unit: 100 million yen)

Long-term revenue-generating real estate as a share of total assets

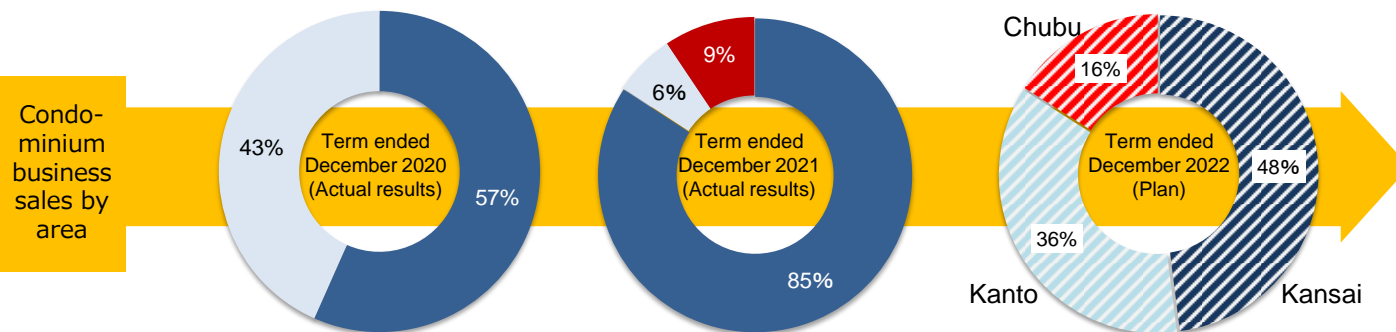
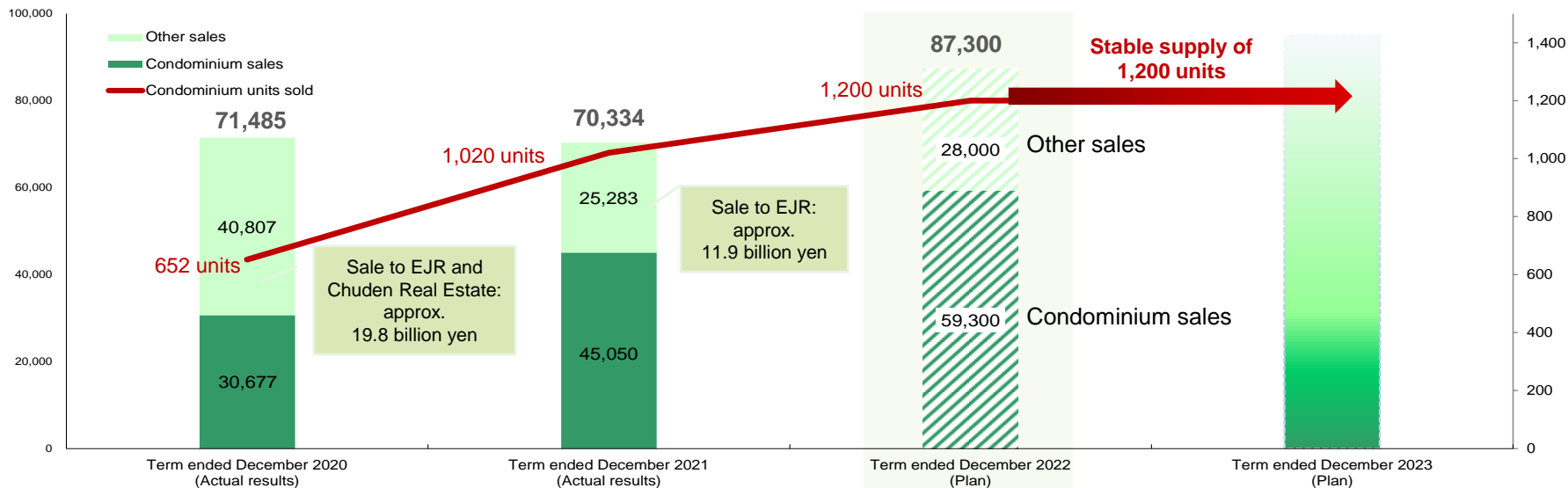


Long-term revenue-generating real estate: Approx. 4.4-fold growth from 2020 to 2022

# Trends in the real estate sales business

- **Condominium sales:** Completing acquisition of commercial properties to be used by 2023 and proceeding with purchasing for 2024 and beyond. Contracts have been concluded for 70% (839 units) of the planned 1,200 residential units to be delivered in 2022 (as of January 31, 2022).
- **Other sales:** Sales contracts have already been concluded for two logistics facility projects in the term ending December 2022. In 2022 and 2023, we will continue to enhance our earnings capabilities by drawing on diverse development capabilities in commercial, logistics, and rental residential and office properties, among others.

(Unit: million yen) (Unit: units)



In 2023: Proactively expanding to five major urban areas across Japan by adding the following areas to Kansai, Kanto, and Chubu:

- Hokkaido  
Le JADE Hokkaido Ballpark  
Le JADE Sapporo Motomachi  
Sapporo Higashi-ku Project
- Kyushu  
Le JIAS Ohashi

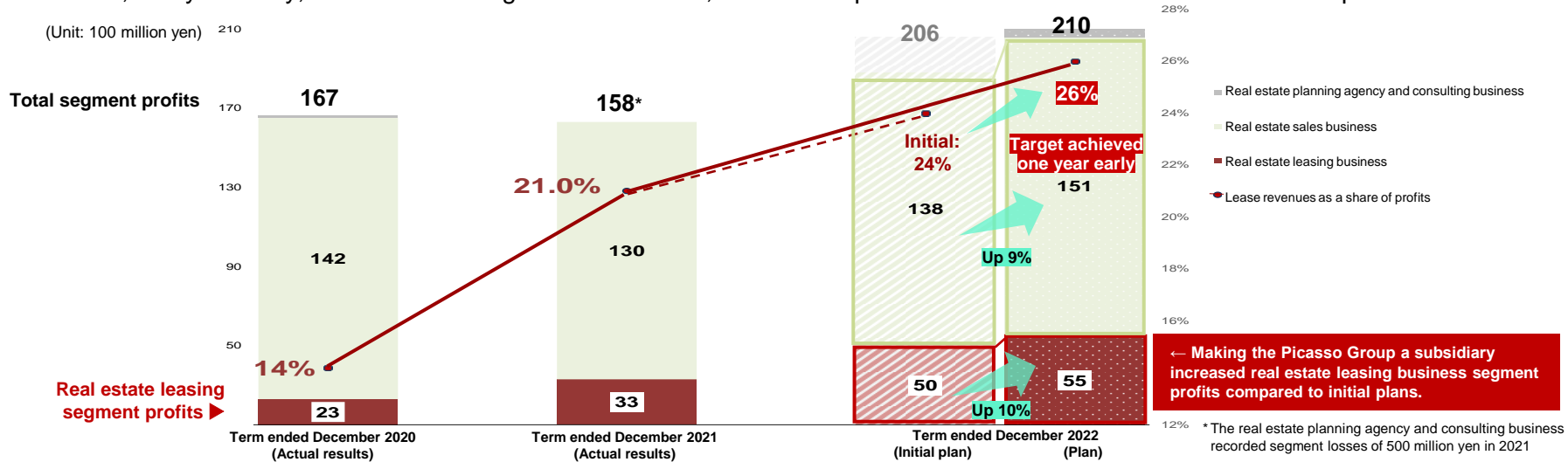
# Trends in the Real Estate Leasing Business (toward a transition in the profit structure)

## Trends in leasing segment profits and lease revenues as a share of profits

(Lease revenues as a share of profits: leasing segment profits/total segment profits [excluding adjustments])

- We plan to achieve the target for the final year of the medium-term management plan, which is to increase lease revenues as a share of profits to **26%**, one year early, in the term ending December 2022, and then to proceed with further transformations of the profits structure.

(Unit: 100 million yen) <sup>210</sup>

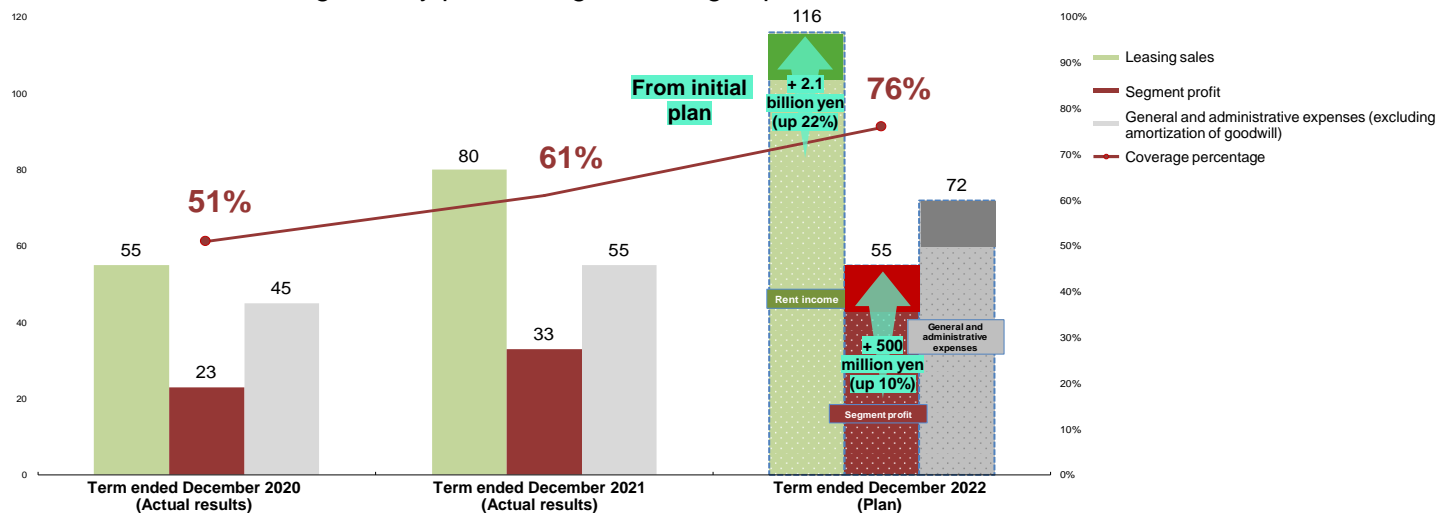


## General and administrative expense coverage percentage of leasing segment profits

(Coverage percentage: leasing segment profits/general and administrative expenses [excluding amortization of goodwill])

- A coverage percentage of leasing segment profits for total general and administrative expenses of **90%** is targeted for FY2023. This percentage will be **76%** in 2022. Work is generally proceeding according to plan.

(Unit: 100 million yen)



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# Appendix

## Supplementary Materials for Financial Results

Term ended December 2021





# Segment Results for Term Ended December 2021

## <Real estate sales business - Condominium sales ->

▼Number of condominiums delivered: 1,020 units (Unit: units)

Property	Location	Units	Closing inventory for term ended December 2020	Number of units delivered in term ended December 2021	Closing inventory for term ended December 2021	Number under contract and for which delivery is in process as of January 31 ②	Remaining units as of January 31 (contract and delivery basis) ①-②
Mirakita City Himeji	Himeji-shi, Hyogo	143 (67 units)*1	21	16	5	1	4
Le JADE Hama-Otsu	Otsu-shi, Shiga	51	4	4		Sold out	
Le JADE Tsujido Higashi Kaigan	Fujisawa-shi, Kanagawa	51	1	1		Sold out	
Grand Le JADE Shukugawa Residence	Nishinomiya-shi, Hyogo	13	5	5		Sold out	
Le JADE Nishinomiya Kitaguchi Hinokuchicho	Nishinomiya-shi, Hyogo	94	31	26	5	3	2
Le JADE Utsukushigaoka	Yokohama-shi, Kanagawa	90	41	41		Sold out	
Le JADE Nishiakashi	Akashi-shi, Hyogo	77	-	77		Sold out	
Le JADE Yamato Takada Ekimae	Yamato-Takada-shi, Nara	205	-	205		Sold out	
Le JADE Mukonosu honmachii	Amagasaki-shi, Hyogo	33	-	33		Sold out	
Le JADE Suma Myohoji Ekimae	Kobe-shi, Hyogo	40	-	35	5	3	2
Le JADE Senri Aoyamada	Suita-shi, Osaka	152	-	104	48	21	27
Le JADE Senri Furuetai	Suita-shi, Osaka	71	-	66	5	4	1
Le JADE Nagai Koen Dori	Sumiyoshi-ku, Osaka-shi	108	-	108		Sold out	
Le JADE Neyagawa Koen	Neyagawa-shi, Osaka	60	-	60		Sold out	
Le JADE City Hyotanyama	Higashi-Osaka-shi, Osaka	232	-	144	88	16	72
Le JADE Ibaraki Higashinakajo	Ibaraki-shi, Osaka	40	-	20	20	5	15
Le JADE Tennoji Katsuyama	Tennoji-ku, Osaka-shi	39	-	36	3	1	2
Grand Le JADE Shirakabe Getsuronotei	Nagoya-shi, Aichi	24 (18 units)*2	-	13	5	0	5
OST Residence Karuizawa	Kitasaku-gun, Nagano	33 (26 units)*3	-	26		Sold out	
<b>Total</b>			<b>103</b>	<b>1,020</b>	<b>184</b>	<b>54</b>	<b>130</b>

\*1 143 residential units, including 9 not for sale. Since our share is 50%, the resulting figure is 67 units.

\*2 Since our share is 75%, the resulting figure is 18 units.

\*3 Since our share is 80%, the resulting figure is 26 units.

## <Real estate sales business - Other sales ->

Scheme	Property	Type	Sales (million yen)
	Suroy Mall Nagamine	Commercial facility	4,600
	Fuji Grand Natalie	Commercial facility	3,950
	Sapporo commercial land leasehold (Yamada Denki)	Land	1,300
Sale to EJR	Neyagawa commercial land leasehold (Cocokarafine)	Land	702
	Amagasaki commercial land leasehold (Welcia)	Land	565
	Kobe commercial land leasehold (ENEOS)	Land	530
	Hikone commercial land leasehold (Geo)	Land	300
<b>Subtotal</b>			<b>11,947</b>
	Kortena I	Commercial facility	3,500
	ESH, ESC*	Spec homes	2,791
	Gemboen, Koga-shi, Fukuoka (Zone 5)	Land planning	2,164
	Gemboen, Koga-shi, Fukuoka (Zone 1)	Land planning	1,874
Sale to other than EJR	Fukuroi-shi, Shizuoka	Land planning	1,442
	Kandacho, Higashi-Osaka-shi (Super Mandai)	Revenue-generating real estate	1,090
	Neyagawa commercial land leasehold (Cocokarafine)	Land	702
	Aoyamada 3-chome, Suita-shi (convenience store)	Revenue-generating real estate	226
	Uchiagetakatsukacho, Neyagawa-shi (convenience store)	Revenue-generating real estate	52
	Other	-	197
<b>Subtotal</b>			<b>13,336</b>
<b>Total</b>			<b>25,283</b>







## <Real estate leasing>

Main properties owned	Location	Ownership status
Kansai Medical University Kuzuha Hospital	Hirakata-shi, Osaka	Noncurrent asset
tonarie Minami-senri Annex	Suita-shi, Osaka	Noncurrent asset
Oh! Me Otsu Terrace	Otsu-shi, Shiga	Noncurrent asset
tonarie Utsunomiya	Utsunomiya-shi, Tochigi	Noncurrent asset
tonarie Yokkaichi	Yokkaichi-shi, Mie	Noncurrent asset
Lions Square Kawaguchi	Kawaguchi-shi, Saitama	Current asset (for sale)
tonarie CREO	Tsukuba-shi, Ibaraki	Current asset (for sale)
tonarie Q't/tonarie MOG	Tsukuba-shi, Ibaraki	Current asset (for sale)
tonarie Fujimino	Fujimino-shi, Saitama	Current asset (for sale)
Nakasu, Hakata-ku (hotel)	Hakata-ku, Fukuoka-shi	Current asset (for sale)
Nishi-Shinsaibashi, Chuo-ku (hotel)	Chuo-ku, Osaka-shi	Current asset (for sale)
Repro Shinbashi (office)	Minato-ku, Tokyo	Current asset (for sale)
Picasso Group properties	-	Noncurrent assets and current assets





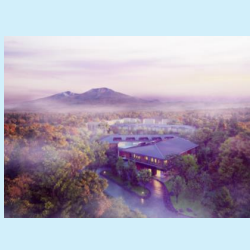


# Condominium Sales Business FY2021 property lineup

## Q1 (January-March)

## Q2 (April-June)





	Q1 (January-March)			Q2 (April-June)		
Name	<b>Le JADE Nishiakashi</b> Akashi-shi, Hyogo <b>Sold out</b>	<b>Le JADE Suma Myohoji Ekimae</b> Kobe-shi, Hyogo	<b>Le JADE Senri Aoyamada</b> Suita-shi, Osaka	<b>Le JADE Senri Furuetai</b> Suita-shi, Osaka	<b>Le JADE Mukonosononmachi</b> Amagasaki-shi, Hyogo <b>Sold out</b>	<b>Le JADE Yamato Takada Ekimae</b> Yamato-Takada-shi, Nara <b>Sold out</b>
Access	3-minute walk from Nishiakashi Station on the JR Sanyo Main Line	1-minute walk from Myohoji Station on the Kobe Subway Seishin/Yamate Line	17-minute walk from Kitasenri Station on the Hankyu Senri Line	12-minute walk from Yamada Station on the Hankyu Senri Line and other lines	12-minute walk from Mukonosononmachi Station on the Hankyu Kobe Line	3-minute walk from Yamato Takada Station on the Hanshin Osaka Line and other lines
Units	77	40	152	71	33	205
Occupancy	February	March	March	March	April	May
Exterior view						

## Q4 (October-December)







Name	<b>Le JADE Tennoji Katsuyama</b> Tennoji-ku, Osaka <b>Sold out</b>	<b>Le JADE Ibaraki Higashichujo</b> Ibaraki-shi, Osaka	<b>Le JADE Nagai Koen Dori</b> Sumiyoshi-ku, Osaka-shi <b>Sold out</b>	<b>Grand Le JADE Shirakabe Getsuronotei</b> Higashi-ku, Nagoya-shi	<b>OST Residence Karuizawa</b> Kitasaku-gun, Nagano <b>Sold out</b>	<b>Le JADE City Hyotanyama</b> Higashi-Osaka-shi, Osaka	<b>Le JADE Neyagawa Koen</b> Neyagawa-shi, Osaka <b>Sold out</b>
Access	5-minute walk from Momodani Station on the JR Osaka Loop Line	9-minute walk from Ibaraki Station on the JR Kyoto Line and other lines	9-minute walk from Nagai Station on the Midosuji Line and other lines	13-minute walk from Takaoka Station on the subway Sakuradori Line and other lines	8-minute drive from Karuizawa Station on the JR Hokuriku Shinkansen and other lines	5-minute walk from Hyotanyama Station on the Kintetsu Nara Line	2-minute walk from Neyagawa Koen Station on the JR Gakkentoshi Line
Units	39	40	108	24	33	232	60 units and one retail zone
Occupancy	November	November	December	December	December	December	December
Exterior view							

# Condominium Sales Business FY2022 H1 property lineup

## Q1 (January-March)






Name	<b>Le JADE Times Core Kawagoe</b> Kawagoe-shi, Saitama <span style="background-color: #f4a460; padding: 2px;">Sold out</span>	<b>Grand Clare Ichinomiya</b> Ichinomiya-shi, Aichi	<b>Le JADE Bio Makuhari Hongo</b> Hanamigawa-ku, Chiba-shi <span style="background-color: #f4a460; padding: 2px;">Sold out</span>	<b>Le JADE Uehonmachi</b> Tennoji-ku, Osaka-shi <span style="background-color: #f4a460; padding: 2px;">Sold out</span>
Access	5-minute walk from Kawagoe Station on the JR Kawagoe Line/Tobu Tojo Line and other lines	13-minute walk from Owari Ichinomiya Station on the JR Tokaido Main Line and other lines	5-minute walk from Makuhari Hongo Station on the JR Chuo-Sobu Line and other lines	3-minute walk from Osaka Kamimotomachi Station on the Kintetsu Namba Line/Nara Line/Osaka Line and other lines
Units	56	41	70	56
Occupancy	January	January	Slated to start late February	Slated to start late March
Exterior view				

## Q2 (April-June)

Name	<b>Le JADE Kyoto Horikawa</b> Shimogyo-ku, Kyoto-shi <span style="background-color: #f4a460; padding: 2px;">Sold out</span>	<b>Le JADE Gifu Kogane Koen</b> Kaburagicho, Gifu-shi	<b>Le JADE Urawa</b> Urawa-ku, Saitama-shi <span style="background-color: #f4a460; padding: 2px;">Sold out</span>	<b>Le JADE Hirano</b> Hirano-ku, Osaka-shi	<b>Le JADE Takatsuki Nishimakami</b> Takatsuki-shi, Osaka <span style="background-color: #f4a460; padding: 2px;">Sold out</span>	<b>Grand Le JADE Shirakabe Rinzennotei</b> Higashi-ku, Nagoya-shi <span style="background-color: #f4a460; padding: 2px;">Sold out</span>
Access	9-minute walk from Omiya Station on the Hankyu Kyoto Line and other lines	8-minute walk from Meitetsu Gifu Station on the Meitetsu Nagoya Main Line and other lines	4-minute walk from Urawa Station on the JR Shonan-Shinjuku Line	7-minute walk from Hirano Station on the Osaka Metro Tanimachi Line	17-minute walk from Takatsuki Station on the JR Tokaido Main Line	13-minute walk from Takaoka Station on the Nagoya Subway Sakuradori Line and other lines
Units	60	38	44	58	43	34
Occupancy	Slated to start late April	Slated to start late May	Slated to start late May	Slated to start late May	Slated to start late June	Slated to start late June
Exterior view						

# Condominium Sales Business FY2022 H2 property lineup

	Q3 (July-September)		Q4 (October-December)	
Name	<b>Le JADE Takatsuki Bessho</b> Takatsuki-shi, Osaka <span style="background-color: orange; color: white; padding: 2px;">Sold out</span>	<b>Le JADE Kakegawa Ekimae</b> Kakegawa-shi, Shizuoka <span style="background-color: orange; color: white; padding: 2px;">Sold out</span>	<b>Le JADE Tsukuba Station Front</b> Tsukuba-shi, Ibaraki <span style="background-color: orange; color: white; padding: 2px;">Sold out</span>	<b>Le JADE Gifu</b> Koganemachi, Gifu-shi
Access	13-minute walk from Takatsuki Station on the Hankyu Kyoto Line and other lines	2-minute walk from Kakegawa Station on the JR Tokaido Shinkansen and other lines	3-minute walk from Tsukuba Station on the Tsukuba Express	5-minute walk from Gifu Station on the JR Tokaido Main Line
Units	49	83	218	54
Occupancy	Slated to start late August	Slated to start late October	Slated to start late November	Slated to start late December
Exterior view				

	Q4 (October-December)				
Name	<b>Le JADE Takatsuki Minamimatsubara The Front</b> Takatsuki-shi, Osaka	<b>Le JADE Kawagoe The Residence</b> Kawagoe-shi, Saitama	<b>Le JADE Yao Sakuragaoka</b> Yao-shi, Osaka	<b>Le JADE Kyoto Shijo Omiya</b> Shimogyo-ku, Kyoto-shi	<b>Le JADE Kyoto Higashinotoin</b> Shimogyo-ku, Kyoto-shi
Access	6-minute walk from Takatsuki-shi Station on the Hankyu Kyoto Line and other lines	10-minute walk from Kawagoe Station on the JR Kawagoe Line/Tobu Tojo Line	7-minute walk from Kintetsu Yao Station on the Kintetsu Osaka Line	1-minute walk from Omiya Station on the Hankyu Kyoto Line and other lines	2-minute walk from Gojo Station on the Kyoto Subway Karasuma Line and other lines
Units	74	23	72	43	42
Occupancy	Slated to start late November	Slated to start late December	Slated to start late December	Slated to start late December	Slated to start late December
Exterior view					

# Condominium Sales Business FY2023 property lineup

## Kansai (Kinki) area

- **Le JADE Takatsuki Minamimatsubara Bright [Takatsuki-shi, Osaka]**

Access: 6-minute walk from Takatsuki-shi Station on the Hankyu Kyoto Line  
16-minute walk from Takatsuki Station on the JR Tokaido Main Line

Total units: 81  
Occupancy: Slated to start late May

- **Le JADE Kamishinjo [Higashiyodogawa-ku, Osaka-shi]**

Access: 8-minute walk from Kamishinjo Station on the Hankyu Kyoto Line

Total units: 60  
Occupancy: Slated to start mid-April



- **Midoribashi Ekimae Project [Higashinari-ku, Osaka-shi]**

- **Fushimi-ku Higocho Project [Fushimi-ku, Kyoto-shi]**

- **Minosebahigashi Project [Higashinari-ku, Osaka-shi]**

- **Le JADE Shitennoji Yuhigaoka [Tennoji-ku, Osaka-shi]**

Access: 1-minute walk from Shitennoji-mae Yuhigaoka Station on the Osaka Metro Tanimachi Line

Total units: 52  
Occupancy: Slated to start late May



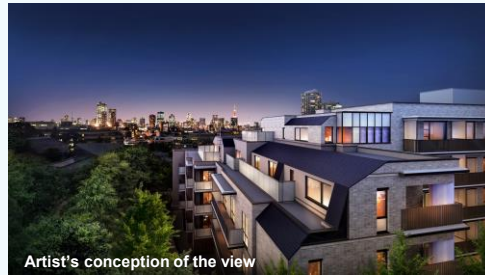
## Kanto (Tokyo Metro) area

- ▼ **Park Le JADE Shirokane Residence [Minato-ku, Tokyo]**

Access: 6-minute walk from Shirokanedai Station on the Tokyo Metro Nanboku Line/Toei Mita Line  
11-minute walk from Shirokanedai-Takanawa Station on the Tokyo Metro Nanboku Line/Toei Mita Line

Total units: 55  
Occupancy: Slated to start late March

**Sold out**



- **Le JADE Matsudo Station Front [Matsudo-shi, Chiba]**

Access: 2-minute walk from Matsudo Station on the JR Joban Line

Total units: 44  
Occupancy: Slated to start late November

- **Nishi-Kanda Project [Chiyoda-ku, Tokyo]**

- **Kamakura-shi Zaimokuza Project [Kamakura-shi, Kanagawa]**

- **Chigasaki-shi Higashi-kaigan Minami Project [Chigasaki-shi, Kanagawa]**

- **Kawagoe Nakamachi Project [Kawagoe-shi, Saitama]**

- **Karuizawa Project [Kitasaku-gun, Nagano]**

- **Sagamihara-shi Midori-ku Hashimoto (I, II, III) Project [Sagamihara-shi, Kanagawa]**

- **Hayamamachi Project [Miura-gun, Kanagawa]**

## Hokkaido area

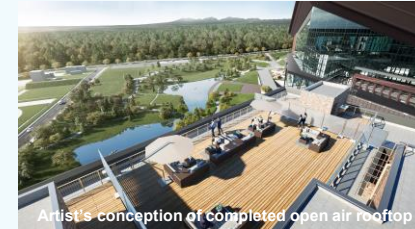
- **Le JADE Hokkaido Ballpark [Hokkaido]**

Location: Kitahiroshima-shi, Hokkaido  
Access: 5-minute drive/22-minute walk from Kitahiroshima Station on the JR Chitose Line

Units: 118  
Occupancy: Slated to start late March



Project inside  
Hokkaido Ballpark  
F. Village



- ▼ **Le JADE Sapporo Motomachi [Hokkaido]**

Access: 4-minute walk from Motomachi Station on Sapporo Subway Toho Line

Total units: 39  
Occupancy: Slated to start late June 2023

- **Sapporo-shi Higashi-ku Kita-5-Higashi-9 Project**

## Kyushu area

- ▼ **Le JIAS Ohashi [Fukuoka]**

Access: 10-minute walk from Nishitetsu Ohashi Station

Total units: 140  
Occupancy: Slated to start October



## Chubu area

- **Nagoya-shi Naka-ku Masaki Project [Aichi]**

# Commercial Development Projects: Developing the tonarie brand



- Development and operation of neighborhood shopping centers  
tonarie commercial facility brand (operated by Group company ES-CON Properties)

**Brand Concept: Close to the community in order to develop together with the community. Always a good neighbor.**

- tonarie Yamato-Takada Project (combination commercial-residential project in station area)



Oak Town Yamato Takada  
We acquired a general merchandise store (GMS) from the high growth period that was over 40 years old from a major textile manufacturer in 2015.



Yamato-Takada Station, tonarie Yamato-Takada, Le JADE Yamato-Takada Ekimae  
We transformed this into a facility sized to meet community needs and rooted in experience-based lifestyles, with 68 tenants opening on November 23, 2018. The center won a 2019 Good Design Award.

**Shifting toward large-scale development projects, including the development of the Le JADE Yamato-Takada Ekimae condominium and attracting large specialty retailers, etc.**

- tonarie series (nine facilities in total)

Opened in November 2021 after remodeling



tonarie Minami-senri Annex (Suita-shi, Osaka)



tonarie Fujimino (Fujimino-shi, Saitama)



tonarie Toga Mikita (Sakai-shi, Osaka)



tonarie Tsukuba Square (Tsukuba-shi, Ibaraki)  
\*tonarie CREO/Q/T/MOG



tonarie Yamato-Takada (Yamato-Takada-shi, Nara)



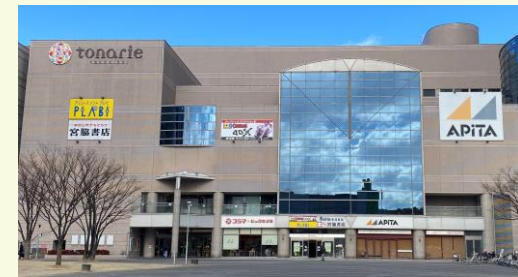
tonarie Utsunomiya (Utsunomiya-shi, Tochigi)



tonarie Seiwadai (Kawanishi-shi, Hyogo)



tonarie Minami-senri (Suita-shi, Osaka)



tonarie Yokkaichi (Yokkaichi-shi, Mie)

- We are developing the LOGITRES brand of logistics facilities.
- We acquired four sites for logistics facilities in 2021 and are working to grow this business.



## ① LOGITRES Tojo

**Location:** 9-1, 9-2 Minamiyama 6-chome, Kato-shi, Hyogo

**Access:** Adjacent to Hyogo Tojo Interchange on Chugoku Expressway

**Completed:** 2018

## ⑤ LOGITRES Sano (tentative name)

**Aquired in 2021**

**Location:** 238-1 Tajimacho, Sano-shi, Tochigi

**Access:** Approx. 5.0 km from Sano-Fujioka Interchange on Tohoku Expressway

**Slated completion date:** Mid-March 2023



## ③ LOGITRES Chiba (tentative name)

**Aquired in 2021**

**Location:** Unit 21, Nishimikado, Sakura-shi, Chiba

**Access:** Approx. 6 km from Sakura Interchange on Higashi-Kanto Expressway

**Slated completion date:** Late April 2022

## ② Koga-shi Gemboen Project

**Location:** 1989-7 Mushirouchi, Koga-shi, Fukuoka

**Access:** Approx. 3.0 km from Koga Interchange on Kyushu Expressway

## ④ Gifu Hashima-shi Logistics Facility Development Project (tentative name)

**Aquired in 2021**

**Location:** Hirakata, Fukujucho, Hashima-shi, Gifu (inside Hashima-shi Hirakata Land Readjustment Project II)

**Access:** 17-minute walk from Gifu Hashima Station on the JR Tokaido Shinkansen

**Slated completion date:** March 2023

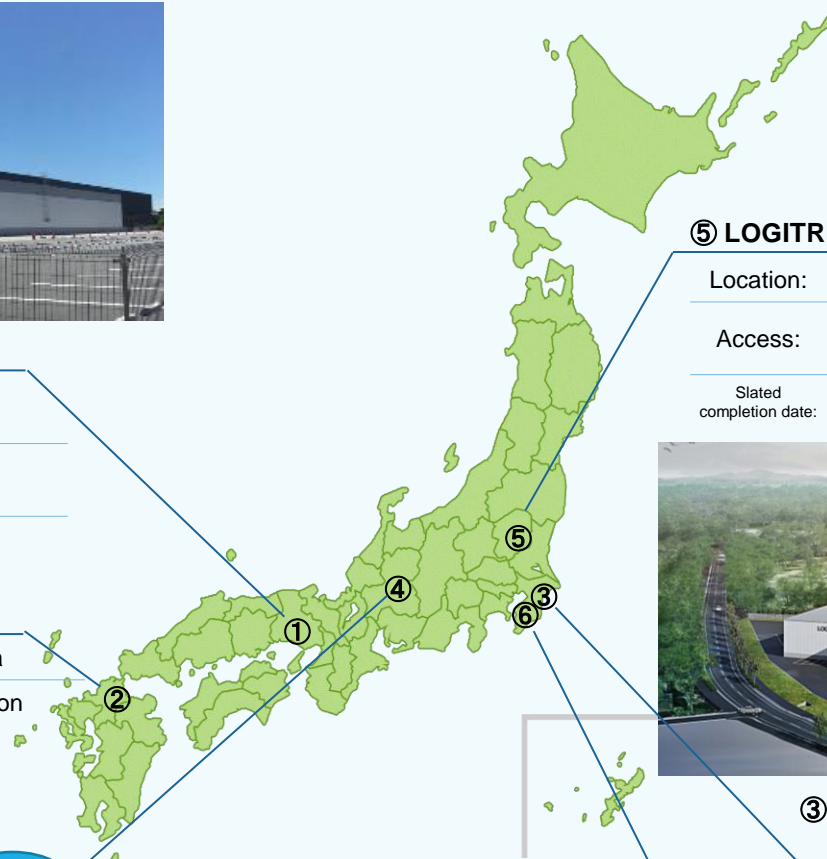
## ⑥ LOGITRES Narashino Shibazono (tentative name)

**Aquired in 2021**

**Location:** 1-20, 1-67, 1-70 Shibazono, Narashino-shi, Chiba

**Access:** Approx. 3.5 km from Makuhari Interchange on Keiyo Expressway  
Approx. 4.4 km from Wangan Narashino Interchange on Higashi-Kanto Expressway

**Slated completion date:** July 2024



# Large-scale Urban Development Business

▶ We are focusing on large-scale urban development utilizing our diverse development capabilities.

## Fukuoka Kasuga Project



(Kasuga-shi, Fukuoka)

## 20th Asian Games Aichi-Nagoya 2026 Athletes' Village site post-Games project



(Nagoya-shi, Aichi)

## Suita-shi Fujishirodai 5-chome Project



(Suita-shi, Osaka)

## Hokkaido Kitahiroshima Station "West Exit Revitalization Project"



(Kitahiroshima-shi, Hokkaido)



# Land Readjustment Business

➤ We are developing logistics facilities through our land readjustment business in Koga, Fukuoka Prefecture.



Koga Genboen Land Readjustment Project  
(Koga-shi, Fukuoka)



We are also currently at work on other 5-10-year land readjustment projects to develop logistics, commercial, and other sites.

# Progress of Capital and Business Partnership with Chubu Electric Power Co., Ltd.

➤ The capital and business partnership we concluded with Chubu Electric Group in August 2018 has steadily generated numerous synergies. Having become a consolidated subsidiary of Chubu Electric Power in April 2021, we will strive to demonstrate additional synergies moving forward.

<p>Promoting joint projects</p>		<p><u>Five joint projects are already underway with ChudenReal Estate.</u>                  Four projects in the Chubu area: Shirakabe, Shirakabell, Nishi-Ichinomiya, Kakegawa                  One project in the Kinki area: Fujishirodai, Suita-shi</p>
<p>Mutually complementary business areas</p>		<p>Nagoya Office opened in March 2019.                  Business developed in both regions (Chubu and Kansai)</p>
<p>Making effective use of real estate owned by the Chubu Electric Power Group</p>		<p>Joint project begun with Chuden Real Estate on real estate owned by Chuden Real Estate in Ichinomiya-shi, Aichi</p>
<p>Joint research and implementation of next-generation smart houses connected homes, etc.</p>		<p>Development of a next generation multipurpose facility began in Fujishirodai, Suita-shi, Osaka (the former site of the National Cerebral and Cardiovascular Center). This is a joint project with Chuden Real Estate.</p>
<p>Prospective buyers for our real estate development projects</p>		<p>Sale of properties owned by the Company to Chuden Real Estate through warehousing method (In September 2019, support agreements were concluded with three companies: Chuden Real Estate, EAM, and EJR.)</p>
<p>Exchange of human resources</p>		<p>Some Company employees were seconded to Chuden Real Estate from April 2019. Other human resource exchanges include the secondment of Chuden Real Estate employees to the Company and the appointment of one person from Chubu Electric as director in March 2019.</p>
<p>Respect for autonomy</p>		<p>Continued business development utilizing the Company's characteristic speed</p>

## New capital and business partnership agreement (concluded February 24, 2021)

- ① Enhancing joint efforts related to energy supply and facility construction
- ② Joint research and joint implementation in businesses related to next-generation smart houses, connected homes, and so forth
- ③ Further enhancing the partnership with Chuden Real Estate, a member of the Chubu Electric Power Group
- ④ Enhancing partnerships related to the effective utilization and development of unused or underused land belonging to the Chubu Electric Power Group
- ⑤ Joint initiatives in businesses that constitute to society, including urban development

**Start of partnerships with Chubu Electric**

- ① Establishment of TSUNAGU Community Farm G.K.
- ② Chosen as candidate contractor to operate the site of the 20th Asian Games Aichi-Nagoya 2026 Athletes' Village after the Games

# Business Development in the Chubu Area (within the jurisdiction of Chubu Electric Power)

- Four joint projects are underway in the Chubu area with Chuden Real Estate.
- Since becoming a consolidated subsidiary of Chubu Electric, we have launched projects in various new domains, including the construction and operation of a plant factory (Fukuoroi-shi, Shizuoka) and large-scale urban developments (Minato-ku, Nagoya).

- 6 Le JADE Gifu Kogane Koen
- 7 Le JADE Gifu

3 Grand Clare Ichinomiya

Joint project with Chuden Real Estate


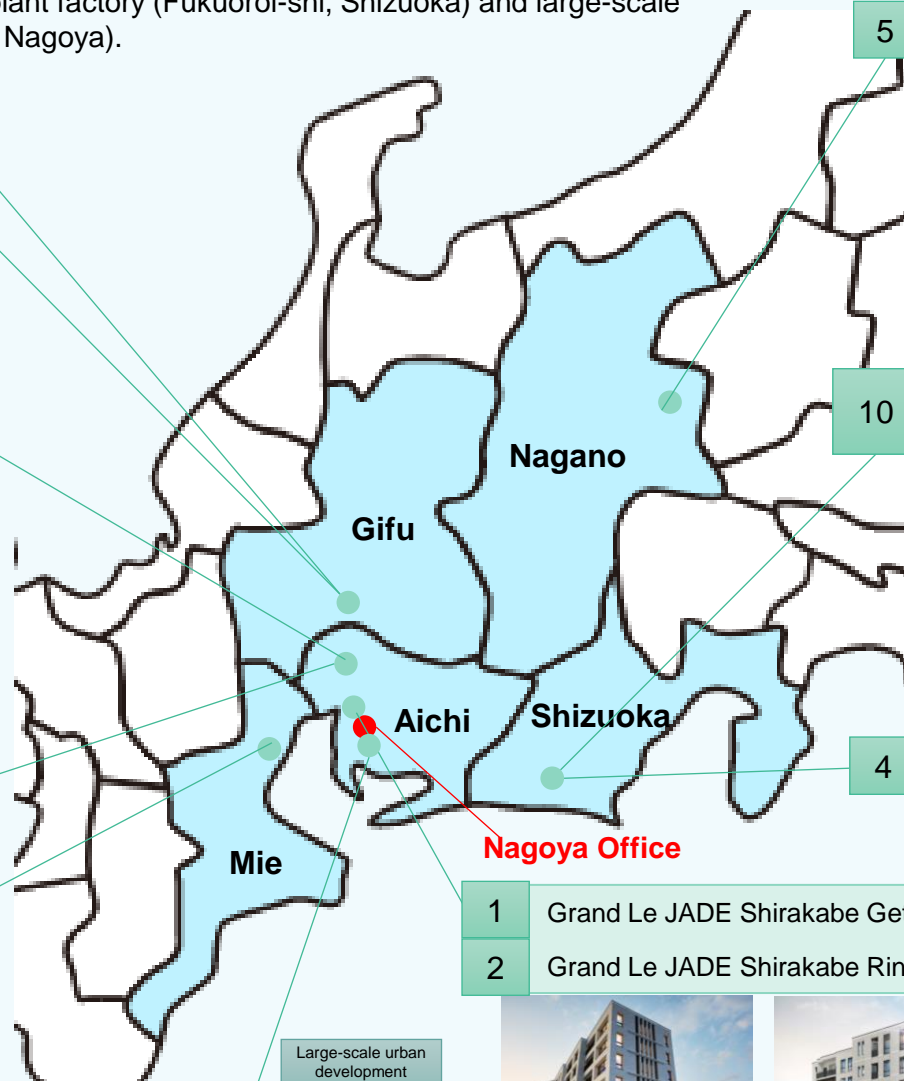


9 Naka-ku, Nagoya-shi

Condominium project

8 tonarie Yokkaichi

Commercial facility

5 OST Residence Karuizawa



オストレジデンス軽井沢

10 Establishment of TSUNAGU Community Farm G.K., a new company

Construction and operation of plant factory



\*Artist's conception of the completed plant factory

\*The artist's conception is for illustrative purposes only and is subject to change.

4 Le JADE Kakegawa Ekimae

Joint project with Chuden Real Estate



1 Grand Le JADE Shirakabe Getsuronotei

2 Grand Le JADE Shirakabe Rinzennotei

Joint projects with Chuden Real Estate



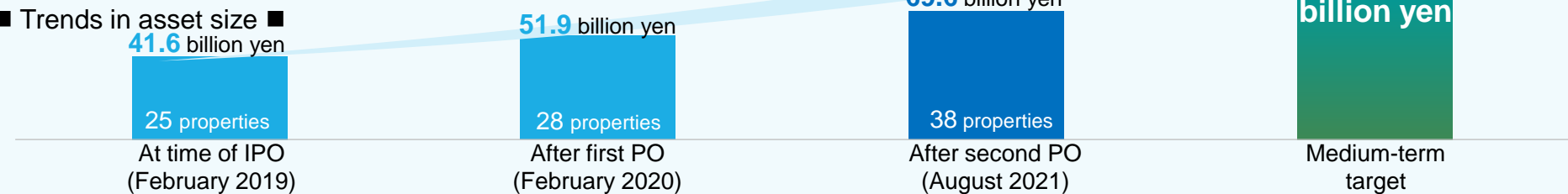
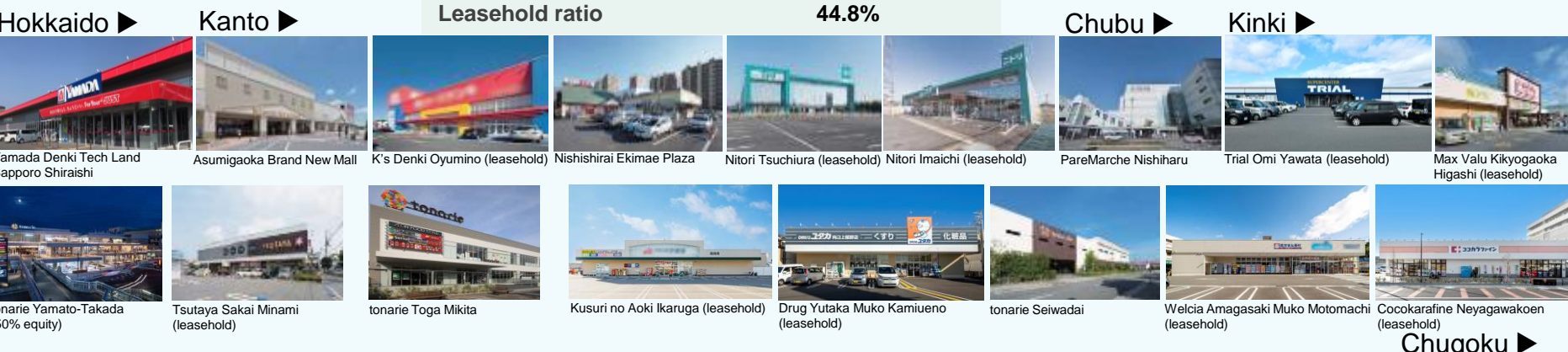
11 20th Asian Games Aichi-Nagoya 2026 Athletes' Village site post-Games project

Large-scale urban development

\*1) Amounts are truncated and fractions rounded off.  
 \*2) Utilization rates and years remaining on lease as of January 26, 2022  
 \*3) Appraisals are the most recently acquired.

Number of properties	Total acquisition price	Total appraised value	Utilization rate	Appraised NOI yield	Amortized appraised NOI yield	Years remaining on lease
38 properties	69.6 billion yen	74.9 billion yen	99.7%	5.1%	4.6%	10.5 years

Commercial leasehold included 31.1 billion yen  
 Leasehold ratio 44.8%



Targeting further growth