

Progress of Long-Term Business Plan

(Numerical data)

	2023/3	2024/3	Phase I 2024/3-2028/3	Phase II 2029/3-2033/3
Business profit Operating profit + Loss (gain) on investments in investment partnerships, etc.	5.3B yen	5.1B yen	8.0B yen	14.0B yen
Business profit before depreciation and amortization Business profit + Depreciation and Amortization	9.1B yen	9.1B yen	12.0B yen	18.0B yen
Equity ratio	46.5%	44.9%	30% or more (financial discipline)	
Net interest-bearing debt / EBITDA ratio	6.7times	7.4times	Approximately 10times (financial discipline)	
ROA Business profit / Total assets	3.6%	3.2%	4.0% or more	5.0% or more
ROE Profit / Equity	5.9%	5.2%	7.0% or more	8.0% or more

	2024/3	Long-Term Business Plan
Dividend payout ratio	47.8%	approximately 45%

Progress of Long-Term Business Plan

(Numerical data)

(billions of yen)

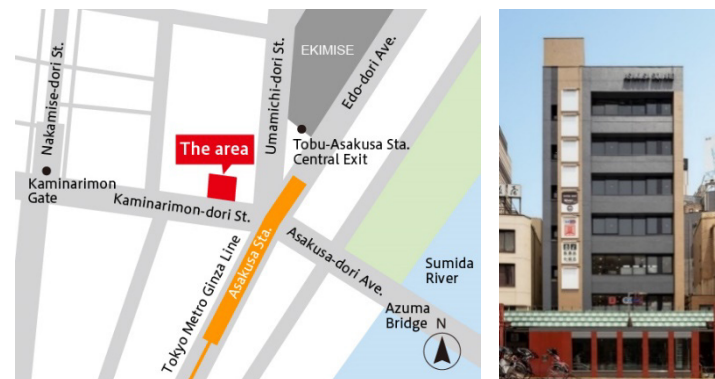
Investment Plans		2024/3	Phase I 2024/3-2028/3	Phase II 2029/3-2033/3	Total
Investments in real estate	Acquisition of profitable properties	5.5	50.0	130.0	180.0
	Equity investments	4.7	8.0	8.0	16.0
	Overseas investments	0.1	5.0	20.0	25.0
	Rebuilding existing properties	-	4.0	5.0	9.0
Investments in renovations and repairs	Large-scale repairs to existing properties	2.5	10.0	10.0	20.0
Subtotal		13.0	77.0	173.0	250.0
Investment recovery	Sale of profitable properties	-	0	80.0	80.0
Net investments		13.0	77.0	93.0	170.0
Environmental investments		0.7	3.0	4.0	7.0
Investment in human resources		0.2	1.0	2.0	3.0
Subtotal		0.9	4.0	6.0	10.0

Progress of Long-Term Business Plan (New investments)

Acquisition of profitable properties

【Acquired the commercial building in Asakusa】

Address	1-1-2 Asakusa, Taito-ku, Tokyo
Access	1 minute walk from Asakusa Station on the Tokyo Metro Ginza Line
Structure	made from reinforced concrete B1F/7F, store
Total floor space	1,788m ²
Date of acquisition	June 2023



- A property that can be used in both **Revolving-type invest business** that enhances asset value through renovation work, etc, and sell it, and **Real estate leasing business** with stable rent income.
- Since it is a commercial building in the Tokyo Metropolitan Area, it contributes to the diversification of the asset portfolio and the reduction of regional concentration risk.

Progress of Long-Term Business Plan (New investments)

Equity Investments

【Investment in office building in central Tokyo】

- Located in convenient central office districts of the Tokyo metropolitan area.

【Investment in Healthcare Facility in Hyogo Prefecture】

- Demand is expected to increase in step with the aging of the population in Japan.

Overseas Investments

【Investment in U.S. real estate funds】

- The Company selected the United States as its first investment destination, where economic growth is expected to continue and legal transparency in the real estate market is ensured.
- Absorption of local information and know-how through investment in funds.

【Investment in a multifamily residential development project in Miami】

- The multifamily type residence located in an area where population inflow is expected, the housing market is favorable, and corporate activities are active.
- We aim to expand our overseas business in the U.S. through building relationships with local developers.



☑ Priority measures

- ▶ Strengthen business resilience by taking countermeasures for windstorm and flooding.
- ▶ Promote the acquisition of green building certifications to connect growing demand for real estate offering high environmental performance to revenue opportunities.

Sustainability Investment plan (Phase I + II) : 7.0 billion yen

GHG Emission (greenhouse gas) Reduction



KPI

- Reduce Scope 1 and 2 GHG emissions by **46%** by FYE March 2031
(compared to the FYE March 2020)
- Achieve **net-zero** GHG emissions (Scope1,2, and 3) by FYE March 2051

※Scope1 : Direct greenhouse gas emissions from in-house fuel use

※Scope2 : Indirect greenhouse gas emissions from the use of electricity, heat, and steam supplied by other companies

※net-zero : Net zero GHG emissions

Sustainability Strategy

—Environmental investments—



Use of Renewable Energy

KPI Achieve a ratio of electricity derived from renewable energy sources of **100%** in Scope 2 by FYE March 2051

Progress

- Began using electricity generated from renewable energy sources in seven office buildings and some datacenter buildings
- Introduction of solar power generation to reduce Scope3



Promote the acquisition of green building certifications



KPI Promote the acquisition of green building certifications by FYE March 2031
(Acquire certifications for **50% or more** of the total floor space of all properties)
Acquire green building certifications for **100%** of all newly constructed properties in the future

Progress

- Number of properties certified as Green Buildings 9 buildings
- Green Building Certification acquisition rate 43.1% (2024/3)

Sustainability Strategy

—Investment in human resources—

☑ Priority measures

- ▶ By striking a balance between appointing personnel from external sources and developing human resources in-house, we will maintain business efficiency through the management of a small number of employees while supplementing insufficient resources, and focus on the cultivation of personnel that will form the foundation underpinning our corporate atmosphere to realize sustainable growth.

Sustainability Investment Plan (Phase I + II) : 3.0 billion yen

Promote human resources development

- Training system by duty and grade aimed at developing executive candidates
- Support for voluntary career development through training system by duty and grade and career interviews
- Recruit, train and allocate specialist human resources in line with the business strategy





Address initiatives for diversification of human resources

- Active utilization of hiring of experienced employees and senior age employees, and promotion of women's participation

KPI

Male-to-female ratio of new graduate hires

50% (five-year average)

target

Percentage of females in managerial positions

10% or more by FYE March 2031

30% or more by FYE March 2041



Create a pleasant work environment

- Enhancement of support system for child care and nursing care leave
- Recruit professional and experienced personnel from outside such as senior age employees
⇒ Share and inherit the wealth of knowledge and experience
- Expansion of the Osaka Head Office has been completed to improve productivity and prepare for an increase in the number of employees



Create systems to improve business efficiency and productivity

- Use digital technology to improve service and competitive advantage while improving operational efficiency and productivity