

2021.5.28



Image of Toranomon-Azabudai Project  
©DBox for Mori Building Co.

01 Overview of Financial Results for FY2020

02 Financial Forecasts for FY2021

03 Environmental Initiatives

04 Referential Materials

# Overview of Financial Results for FY2020 (Consolidated)

(Billions of yen)

	FY2019	FY2020	change	
Revenue from operations	250.2	230.0	△20.1	△8%
Operating income	65.7	50.9	△14.8	△23%
Ordinary income	60.7	48.5	△12.1	△20%
Profit attributable to owners of parent	31.3	31.4	+0.0	+0%

	FY2019	FY2020	change	
Total assets	2,200.3	2,280.9	+80.6	+4%
Interest-bearing debt	1,401.8	1,427.5	+25.6	+2%
Equity	525.7	559.7	+34.0	+6%
Equity ratio	23.9%	24.5%	+0.6%	-
(After considering equity capital attributes of hybrid securities)	(25.0%)	(26.7%)		
Net D/E ratio	1.95	1.89	△0.06	-
(After considering equity capital attributes of hybrid securities)	(1.82)	(1.65)		

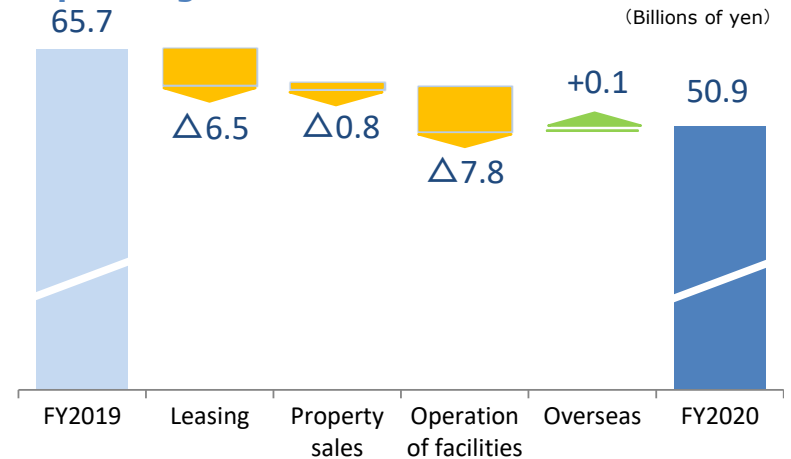
# Consolidated Income Statement for FY2020

	FY2019	FY2020	(Billions of yen) change	
Leasing	161.7	157.1	Δ4.6	
Property sales	40.6	41.9	+1.3	
Operation of facilities	29.3	12.9	Δ16.3	
Overseas	23.7	24.1	+0.4	
<b>Revenue from operations</b>	<b>250.2</b>	<b>230.0</b>	<b>Δ20.1</b>	<b>Δ8%</b>
Leasing	38.7	32.1	Δ6.5	
Property sales	28.9	28.1	Δ0.8	
Operation of facilities	2.1	Δ 5.7	Δ7.8	
Overseas	8.3	8.4	+0.1	
<b>Operating income</b>	<b>65.7</b>	<b>50.9</b>	<b>Δ14.8</b>	<b>Δ23%</b>
Non-operating income	6.2	7.8	+1.6	
Non-operating expenses	11.2	10.2	Δ1.0	
<b>Ordinary income</b>	<b>60.7</b>	<b>48.5</b>	<b>Δ12.1</b>	<b>Δ20%</b>
Extraordinary income	1.9	3.6	+1.6	
Extraordinary losses	14.1	5.6	Δ8.4	
Income before income taxes	48.5	46.5	Δ2.0	
<b>Profit attributable to owners of parent</b>	<b>31.3</b>	<b>31.4</b>	<b>+0.0</b>	<b>+0%</b>

## Revenue from operations



## Operating income

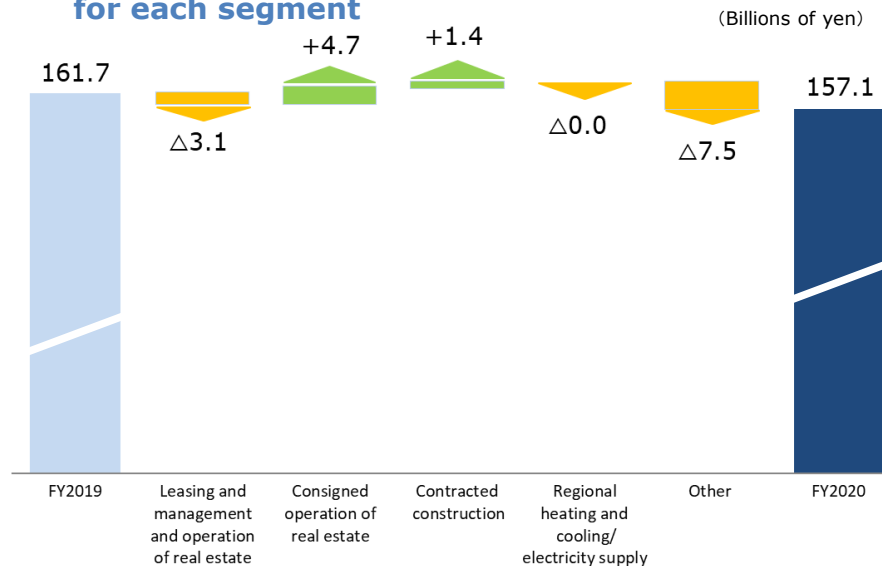


<b>Leasing</b>	Includes revenue gained from leasing and management and operation of real estate, consigned operation of real estate, contracted construction, regional heating and cooling/electricity supply, etc.
<b>Property sales</b>	Includes revenue gained from real estate property sales to investors and individual customers.
<b>Operation of facilities</b>	Includes operation and management of hotels, membership clubs and golf courses.
<b>Overseas</b>	Includes urban development and real estate leasing and management businesses, etc. outside Japan.

# FY2020 ~Segment Overview (Leasing)~

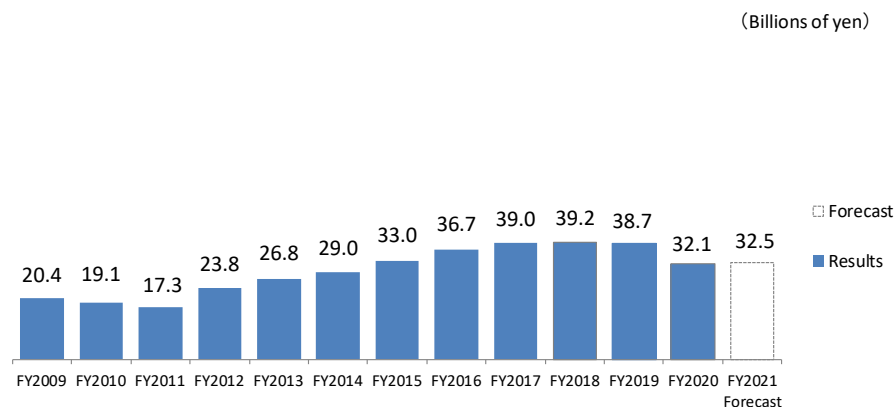
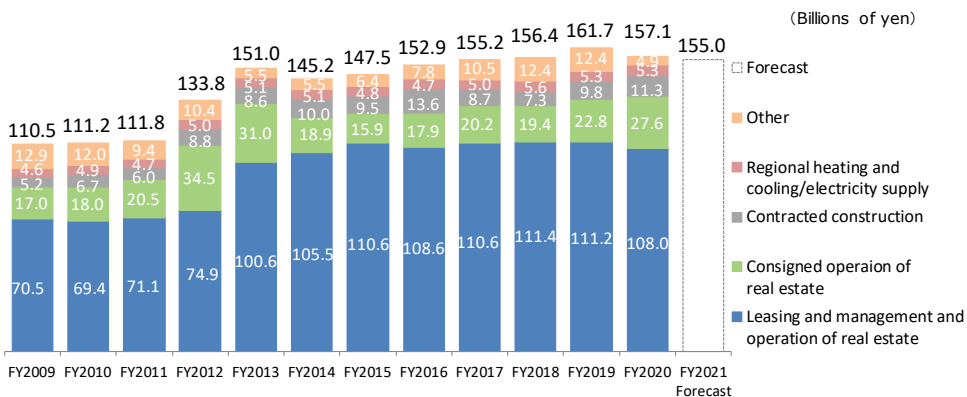
	FY2019	FY2020	change	FY2021 Forecast
Revenue from operations	161.7	157.1	△4.6	155.0
Leasing and management and operation of real estate	111.2	108.0	△3.1	-
Consigned operation of real estate	22.8	27.6	+4.7	-
Contracted construction	9.8	11.3	+1.4	-
Regional heating and cooling/electricity supply	5.3	5.3	△0.0	-
Other	12.4	4.9	△7.5	-
Operating income	38.7	32.1	△6.5	32.5

## Changes in revenue from operations for each segment



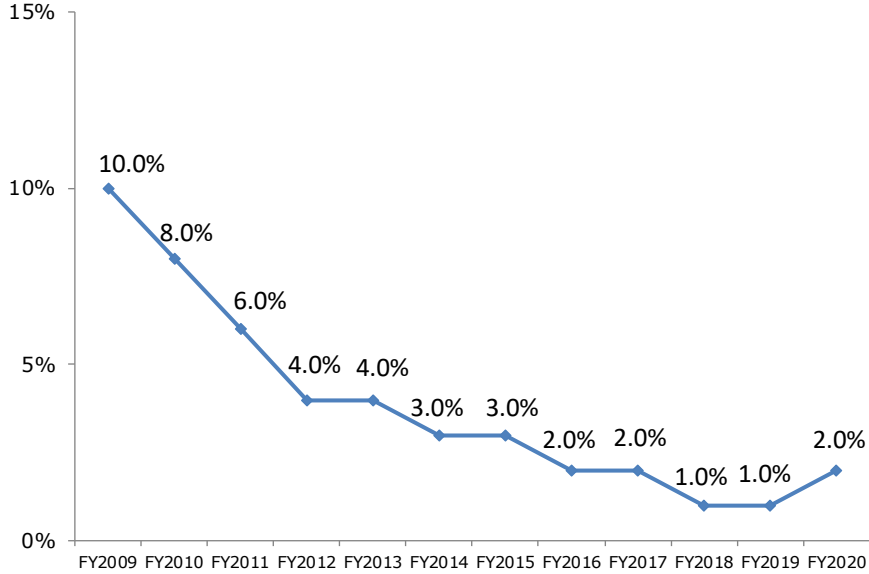
## Changes in revenue from operations

## Changes in operating income

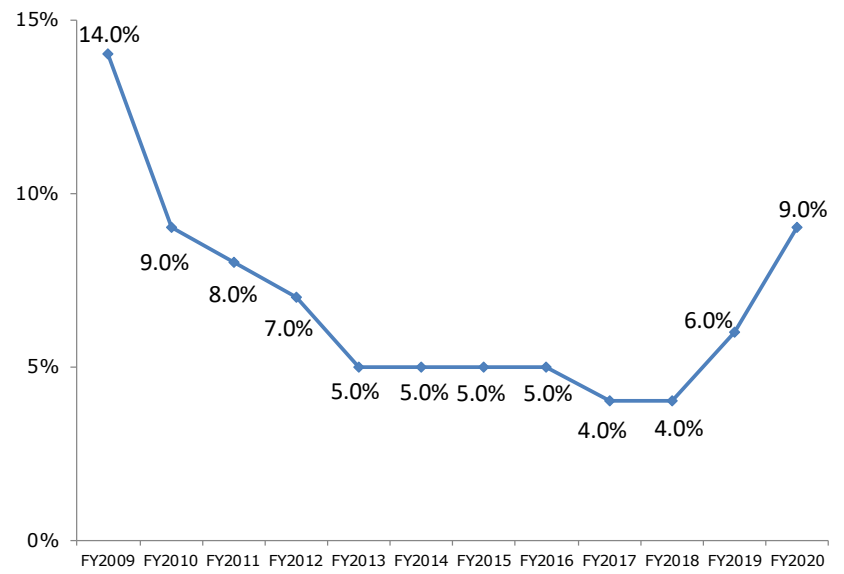


# Segment Overview (Leasing) ~Vacancy rate~

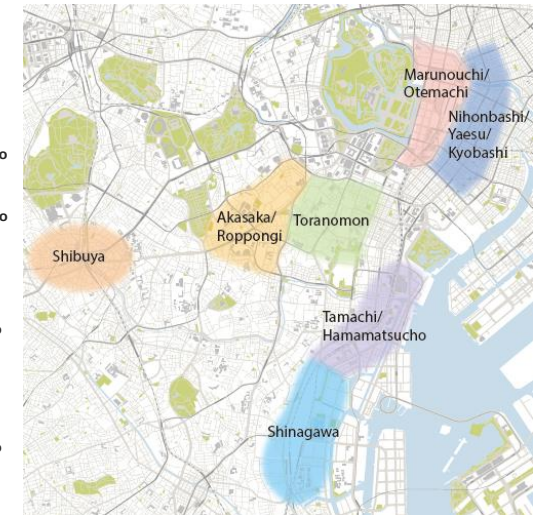
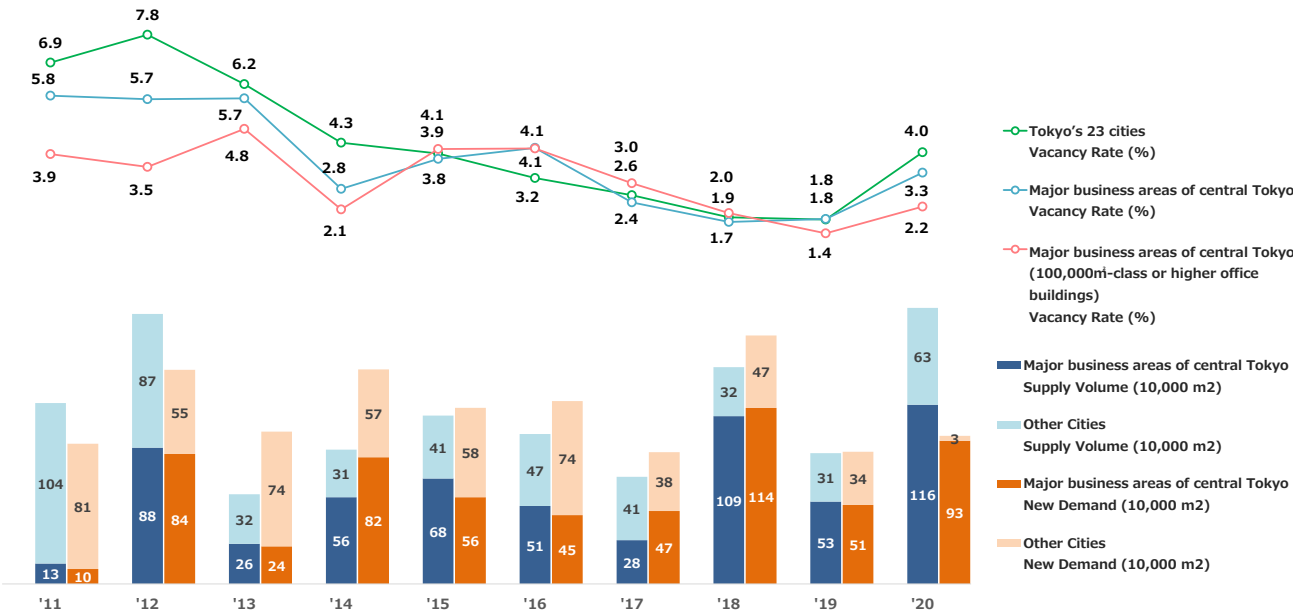
## Vacancy rate of offices for lease



## Vacancy rate of residential units for lease



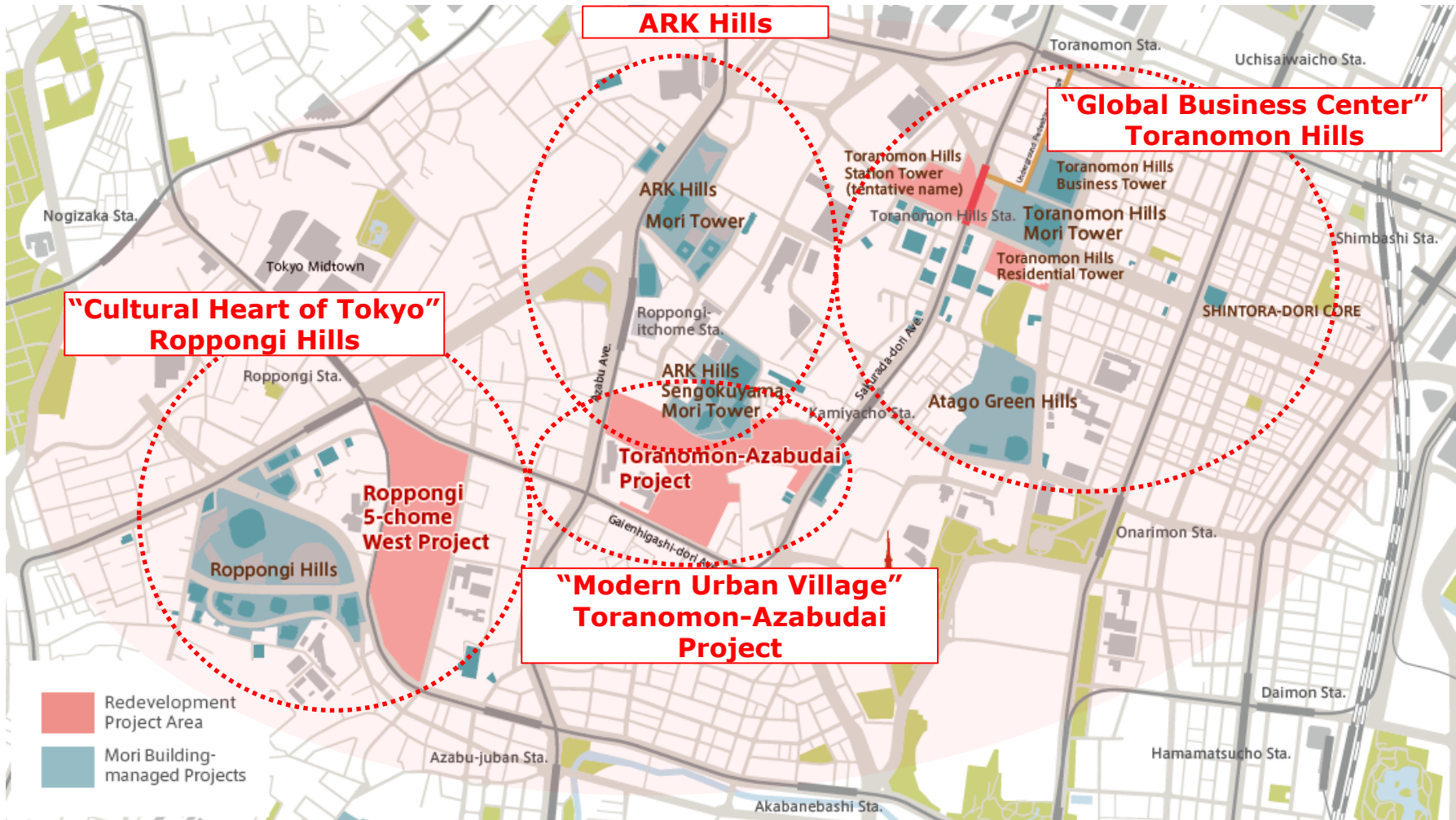
## Survey of Large-scale Office Building Market in Tokyo's 23 Cities



Main Business Areas of Focus



# Completed and Ongoing Projects



# Toranomon-Azabudai Project: "Hills of the future"

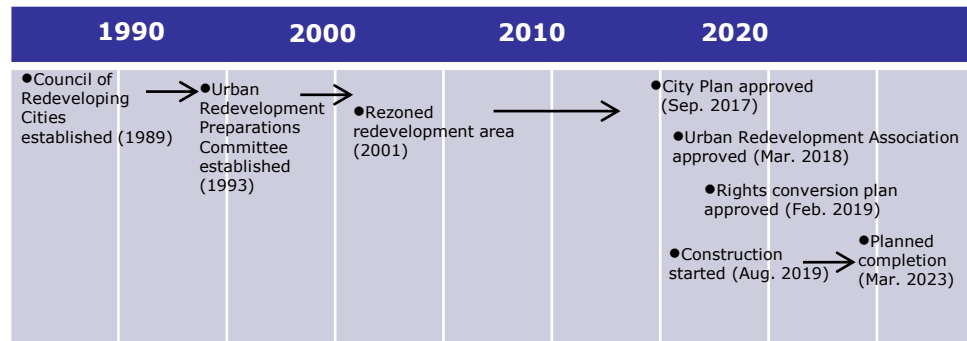
- This "Hills of the future" project will boast an overwhelming scale and impact. Principal construction started in August 2019 and is scheduled to finish in March 2023.
- As a comprehensive development covering a vast 8.1-hectare area, it will comprise diverse urban functions, including offices, residences, a hotel, an international school, and retail and cultural facilities.
- Under the "Modern Urban Village" concept, it will be a huge open space in the heart of Tokyo filled with lush greenery. Supported by its "Green" and "Wellness" pillars, the project will assemble diverse people in an overwhelmingly verdant environment in harmony with nature to form a new community where people can genuinely enjoy life.



Image of view above Sakurada-dori Ave. from Kamiyacho Station



Image of central square



Site area	Approx. 8.1ha
Ground area	Approx. 63,900m <sup>2</sup>
Total floor area	Approx. 861,500m <sup>2</sup>
Construction start	August 2019
Planned completion	March 2023



# Toranomon-Azabudai Project: "Hills of the future"

## Site Plan

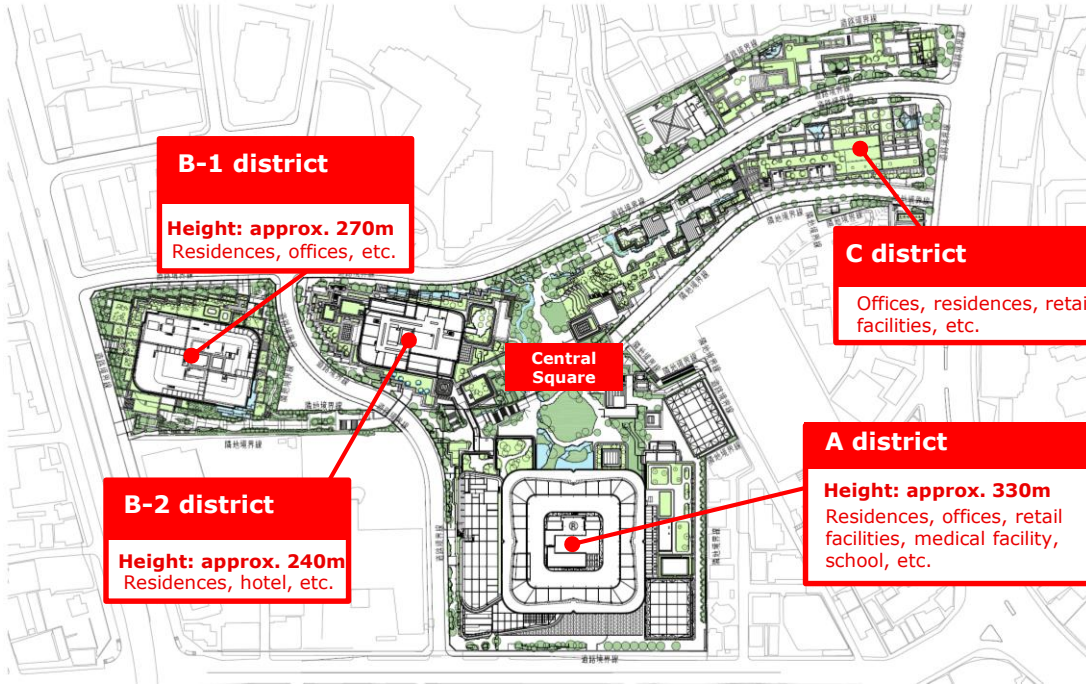


Image of retail facilities



Image of food market

## Cross-section Plan

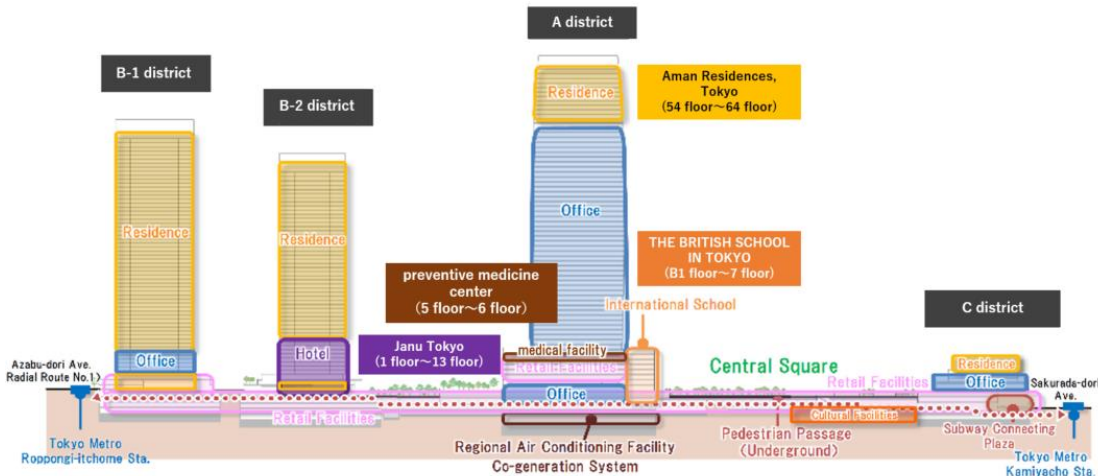


Image of international school



# Basic Agreement with Keio University Aimed at Realizing a Healthier and More Active Society

- Keio University and Mori Building concluded a basic agreement to relocate/expand the Keio University Center for Preventive Medicine to the Toranomon-Azabudai Project site and launch the “Hills Joint Research Laboratory for Future Preventive Medicine and Wellness.”
- By providing preventive care that meets personalized needs and membership programs that connect various facilities and new preventive-medicine and wellness services based on the results of the joint research, the project will contribute to the true wellness of everyone living and working in the community and help to realize a more active society where people of any generation can lead healthier lives.



Membership program (image)



## Message from Shingo Tsuji, President and CEO of Mori Building

"Wellness, a core concept of the Toranomon-Azabudai Project, is a global theme that has gained increased importance due in part to the COVID-19 pandemic. Collaborating with Keio University, which has been a leader in the advancement of preventive medicine through clinical and research activities, Mori Building is committed to enhancing urban wellness and contributing to the magnetic power of Tokyo, one of the world's greatest cities."



# “Aman Residences, Tokyo” and New “Janu Tokyo” Hotel Brand Highlight Toranomom-Azabudai Project



- Mori Building and Aman, the operator of diverse world-class luxury hotels and resorts, will collaborate in the Toranomom-Azabudai Project toward the launch of Aman Residences, Tokyo and Janu Tokyo, the latter a sister hotel brand from Aman. The opening of Janu Tokyo will mark as the debut of the luxurious Janu brand in Japan.
- Aman Residences, Tokyo will offer Aman's signature hospitality for extraordinarily peaceful lifestyles in vibrant central Tokyo.
- Janu Tokyo will welcome guests from around the world with its warm hospitality, spa, fitness center, and six restaurants, a cafe and bars for leisure and business gatherings.



Image of lounge in Aman Residences, Tokyo



Image of Aman Spa in Aman Residences, Tokyo for residents only

## Message from Shingo Tsuji, President and CEO of Mori Building

"Tokyo must add to its magnetic power if it is to succeed in its competition with other great cities. Mori Building is joining hands with Aman, which operates diverse world-class resorts, to provide a world-leading residential environment and hotel unlike anything ever seen in Tokyo, where people will achieve harmony with nature as well as connect with and inspire others through creativity. By realizing this new form of 'urban wellness,' Mori Building will enhance Tokyo's magnetic power."

# Toranomon Hills Area: New International Hub and Global Business Center



**Toranomon Hills Business Tower**  
Opened in June 2020

**Toranomon Hills Mori Tower**

**Toranomon Hills Residential Tower**  
Planned completion in January 2022

**Toranomon Hills Station on the Tokyo Metro Hibiya Subway Line**  
Opened in June 2020

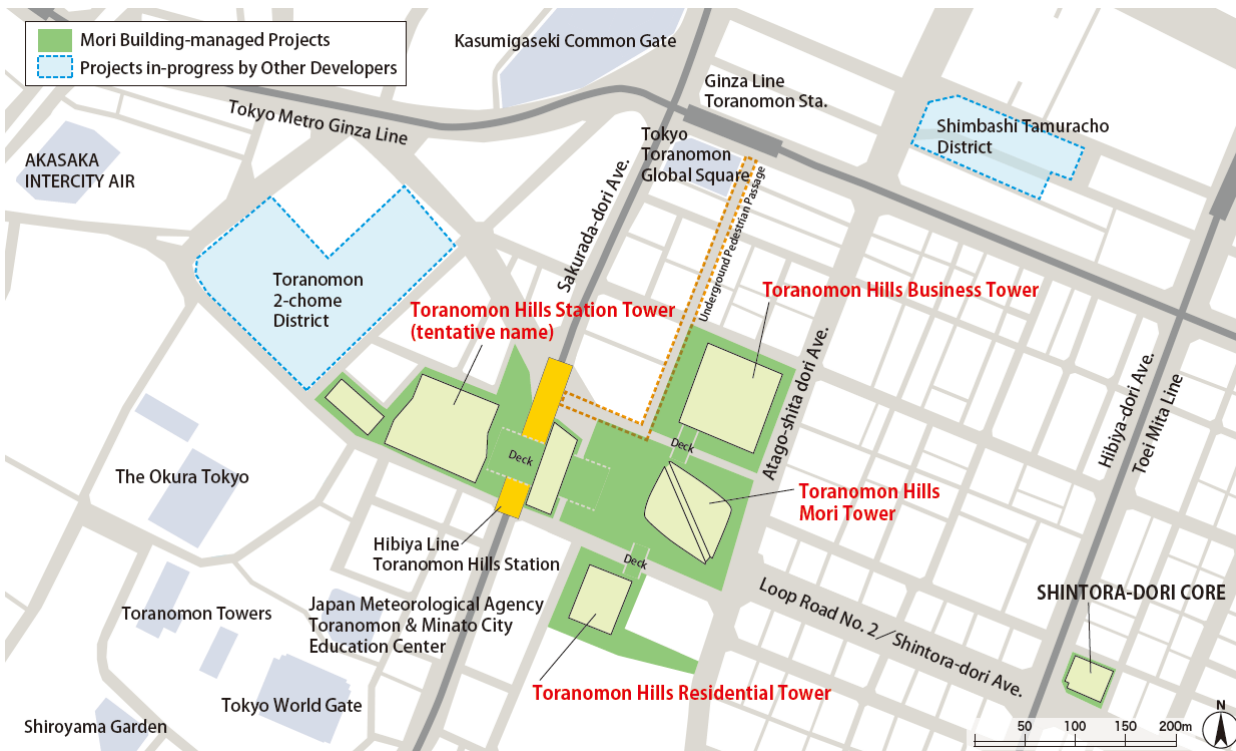
**Toranomon Hills Station Tower (tentative name)**  
Planned completion in July 2023

Site area	Approx. 7.5ha
Total floor space	Approx. 800,000m <sup>2</sup>
Office floor space	Approx. 300,000m <sup>2</sup>
Residential units	Approx. 720
Retail space	Approx. 26,000m <sup>2</sup>
Green space	Approx. 15,000m <sup>2</sup>

Toranomon Hills area, June 2020



# Toranomon Hills Area: New International Hub and Global Business Center



## Toranomon Hills Mori Tower

Completed in 2014

Ground area : 17,069m<sup>2</sup>  
 Total floor space : 244,360m<sup>2</sup>  
 Height : 247m/52 floors  
 Configuration : Offices, retail facilities, residences, hotel, conference facility, etc.

## Toranomon Hills Business Tower

Completed in January 2020

Ground area : Approx. 10,065m<sup>2</sup>  
 Total floor space : Approx. 172,925m<sup>2</sup>  
 Height : Approx. 185m/36 floors  
 Configuration : Offices, retail facilities, business incubation center, bus terminal, etc.

## Toranomon Hills Residential Tower

Planned completion in January 2022

Ground area : Approx. 6,530m<sup>2</sup>  
 Total floor space : Approx. 121,000m<sup>2</sup>  
 Height : Approx. 220m/54 floors  
 Configuration : Residences, retail facilities, parenting support facilities, spa, etc.

## Toranomon Hills Station Tower (tentative name)

Planned completion in July 2023

Ground area : Approx. 13,960m<sup>2</sup>  
 Total floor space : Approx. 253,210m<sup>2</sup>  
 Height : Approx. 265m/49 floors  
 Configuration : Offices, commercial facilities, hotel, business multifunctional complex, etc.

	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Toranomon Hills Business Tower</b>	Jul. City plan decided	Jan. Redevelopment association established	Feb. Construction started			Jan. Completion			
<b>Toranomon Hills Residential Tower</b>	Sept. City plan decided		Mar. Construction started					Jan. Planned Completion	
<b>Toranomon Hills Station Tower (tentative name)</b>				Mar. City plan decided	Nov. Redevelopment association established	Nov. Construction started			Jul. Planned Completion
<b>SHINTORA-DORI CORE</b>		Jul. Construction started		Sept. Completion					

# Toranomon Hills Residential Tower: Most Luxurious Housing Offered by Mori Building

- As the most luxurious housing offered by Mori Building, Toranomon Hills Residential Tower will be the largest residential building in its area, offering some 550 residential units with great attention to detail for sophisticated living in central Tokyo.
- Accessibility within the area will be enhanced with direct connections to nearby Mori Tower and Business Tower via pedestrian walkways.
- The 54-story, 220-meter building will become the tallest residential tower in Japan.



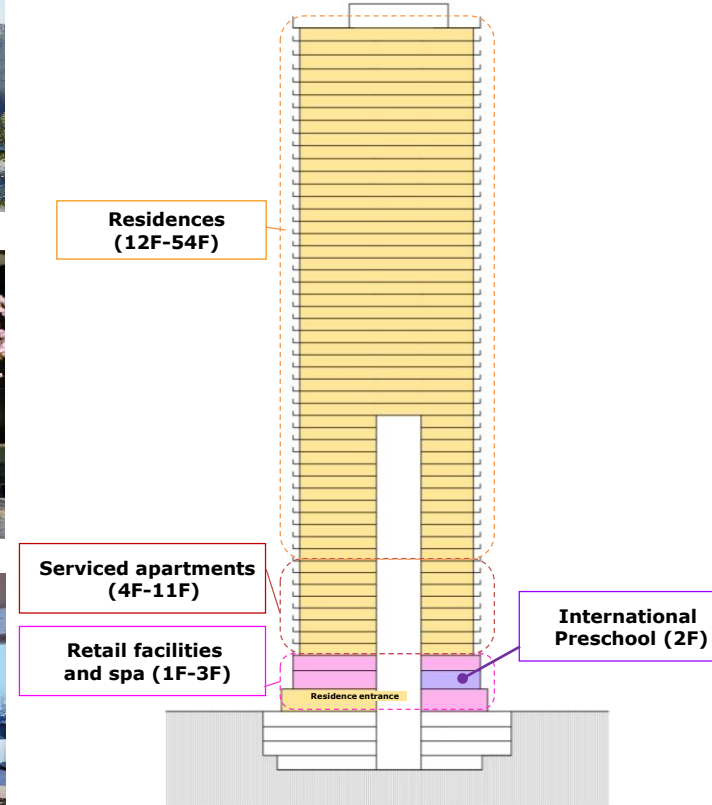
Image of lower levels



Image of lower level



Image of residential unit

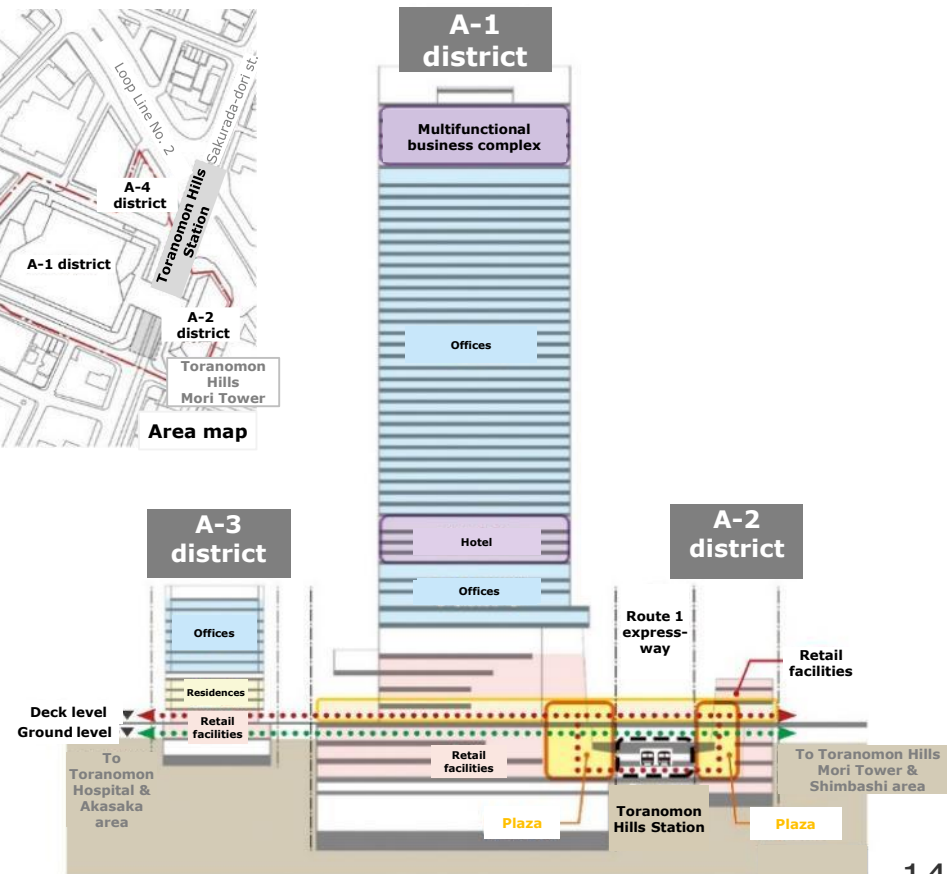
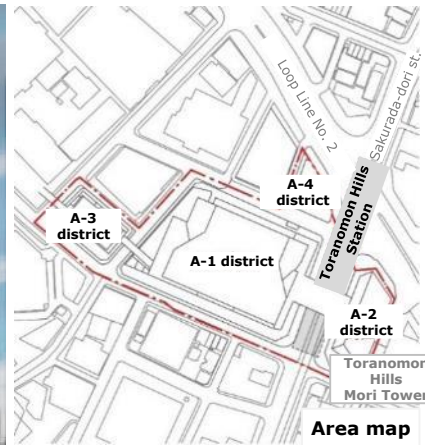


# Toranomon Hills Station Tower (tentative name) (completion by July 2023)

- Construction of Toranomon Hills Station Tower began in Nov. 2019 and completion is planned in July 2023.
- The tower will have a plaza that connects conveniently to Toranomon Hills Station on the Hibiya Subway Line. A multilayer (underground, ground level and elevated deck) pedestrian network will be developed in conjunction with surrounding projects.
- The building will be a 265m, 49-story skyscraper offering offices, retail facilities and a hotel.
- The top floor of the A-1 district's structure, a multifunctional complex equipped for diverse business events, exhibitions and dining, is expected to become Tokyo's focal point for business and innovation.



Ground area	Approx. 13,960m <sup>2</sup>
Total floor space	Approx. 253,210m <sup>2</sup>
Construction start	November 2019
Planned completion	July 2023





# FY2020 ~Segment Overview (Property sales)~

## Real estate sales business

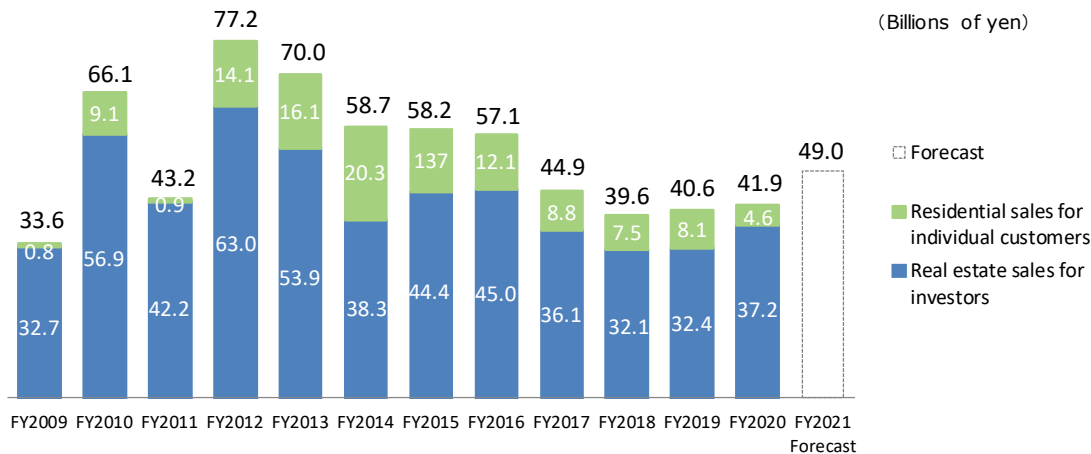
(Billions of yen)

	FY2019	FY2020	change	FY2021 Forecast
Revenue from operations	40.6	41.9	+1.3	49.0
Real estate sales business for investors	32.4	37.2	+4.8	-
Residential sales business for individual customers	8.1	4.6	△3.5	-
Operating income	28.9	28.1	△0.8	26.0



Toranomon Hills Mori Tower

## Changes in revenue from operations



## Residential sales business



Motoazabu Hills



# FY2020 ~Segment Overview (Operation of facilities)~

(Billions of yen)

	FY2019	FY2020	change	FY2021 Forecast
Revenue from operations	29.3	12.9	△16.3	22.5
Hotels	21.6	7.4	△14.2	-
Membership clubs	5.5	3.7	△1.7	-
Golf courses	2.1	1.7	△0.3	-
Operating income	2.1	△ 5.7	△7.8	△ 2.0

## Major facilities operated by Mori Building

- Grand Hyatt Tokyo



Presidential Suite

- Andaz Tokyo



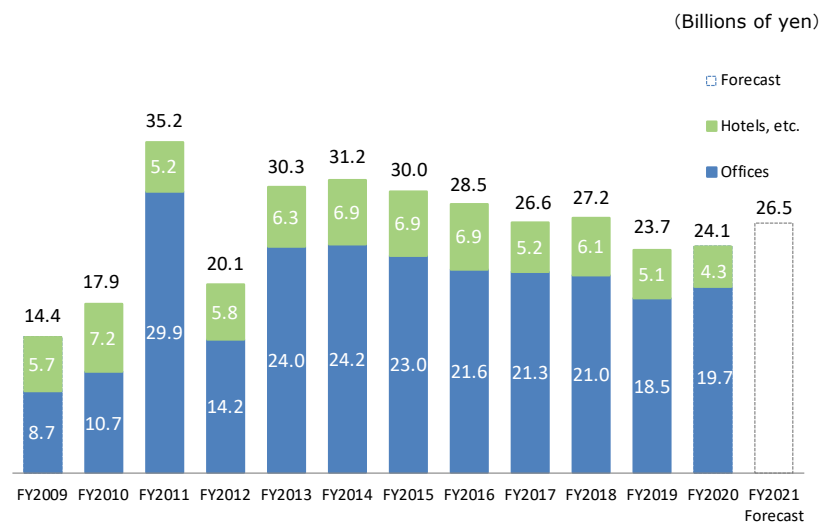
Andaz Sky Suite

# FY2020 ~Segment Overview (Overseas)~

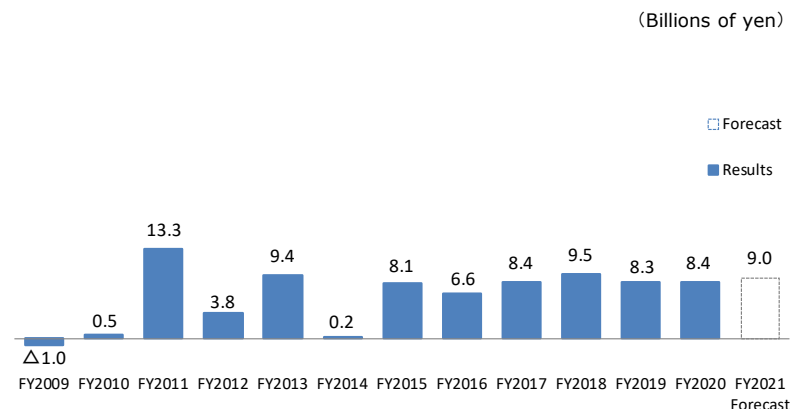
	FY2019	FY2020	change	FY2021 Forecast
Revenue from operations	23.7	24.1	+0.4	26.5
Offices	18.5	19.7	+1.1	-
Hotels, etc.	5.1	4.3	△0.7	-
Operating income	8.3	8.4	+0.1	9.0

<b>Offices</b>	Leasing and management of offices and stores such as "Shanghai World Financial Center", "Hang Seng Bank Tower", etc.
<b>Hotels, etc.</b>	Operation of facilities such as "Park Hyatt Shanghai", observatory facilities, etc.

## Changes in revenue from operations



## Changes in operating income



Shanghai World Financial Center  
Completed in August 2008



Park Hyatt Shanghai



Observatory (Sky walk 100)  
474m above ground

# Mori Building's first development in Southeast Asia: Jakarta Office Tower Project (tentative name)

- Mori Building's first development in Southeast Asia will offer premium-grade facilities in Jakarta, encompassing 58 stories and 190,000m<sup>2</sup> total floor space in an approximately 266m tower.
- The tower is located ideally in the center of Jakarta's Golden Triangle next to Semanggi Flyover on Sudirman Street, the main thoroughfare in the city's central business district.
- Leveraging Mori Building's urban-development expertise cultivated in numerous projects in Tokyo and Shanghai, the project will contribute greatly to Jakarta's ongoing evolution and development as a rapidly growing international city.



Image of building entrance



Image of office entrance



Image of commercial facilities



Location in Jakarta



On-site photo (April 2021)

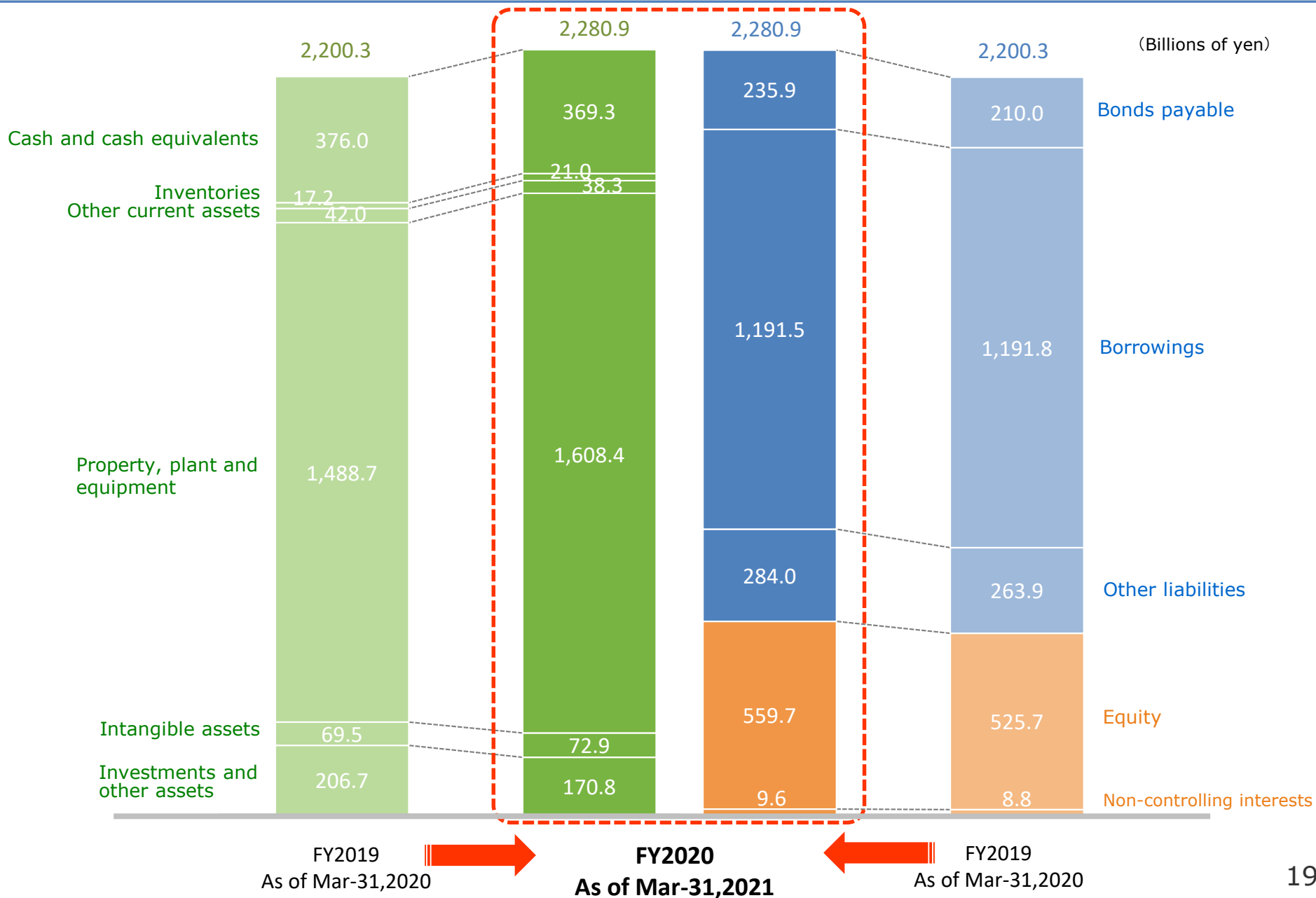


Location	Jakarta, Indonesia
Ground area	8,484m <sup>2</sup>
Total floor space	Approx. 190,000m <sup>2</sup>
Construction start	July 2017
Planned completion	2022

# Summary of Consolidated Balance Sheet for FY2020



(Billions of yen)

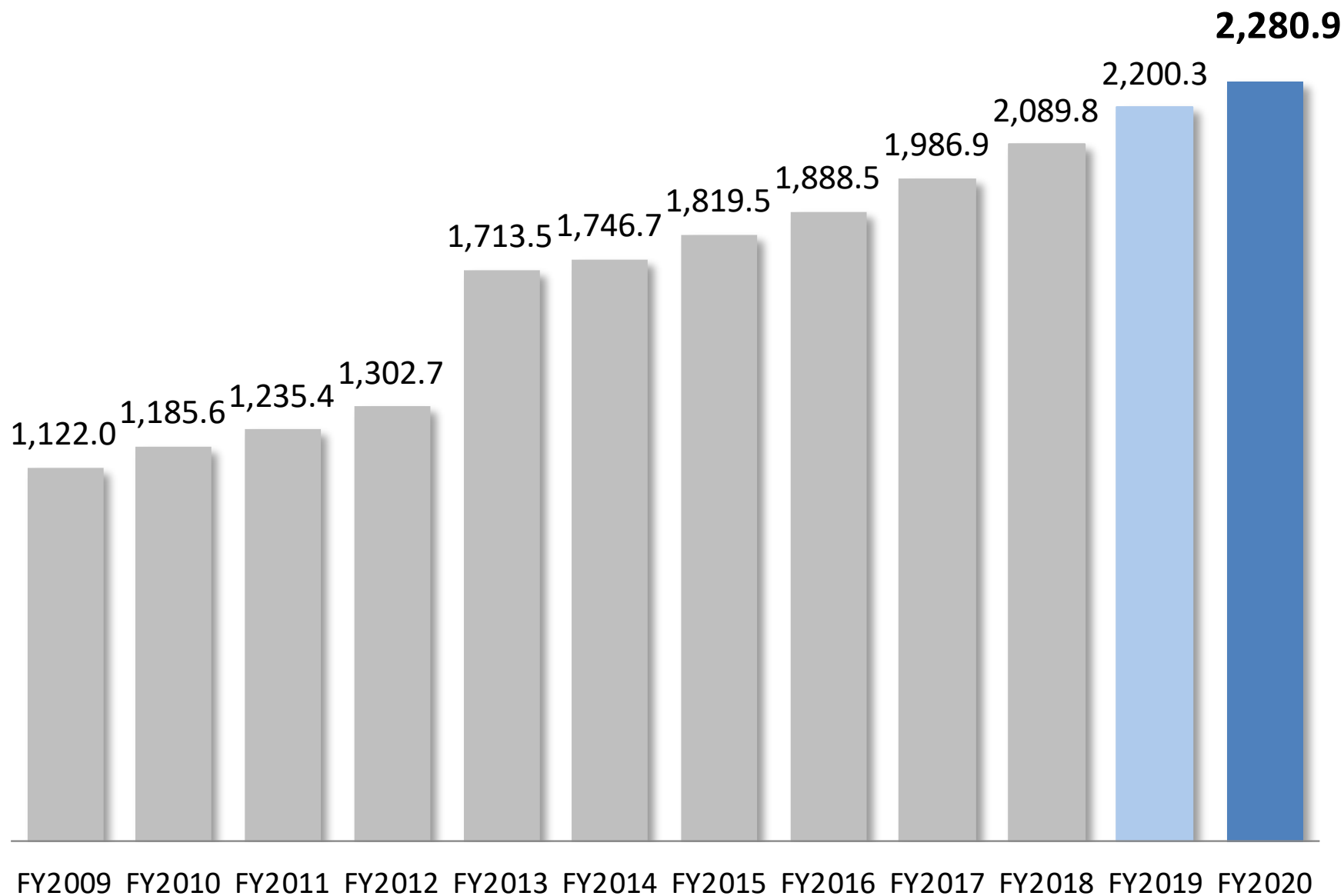




# FY2020 Total assets



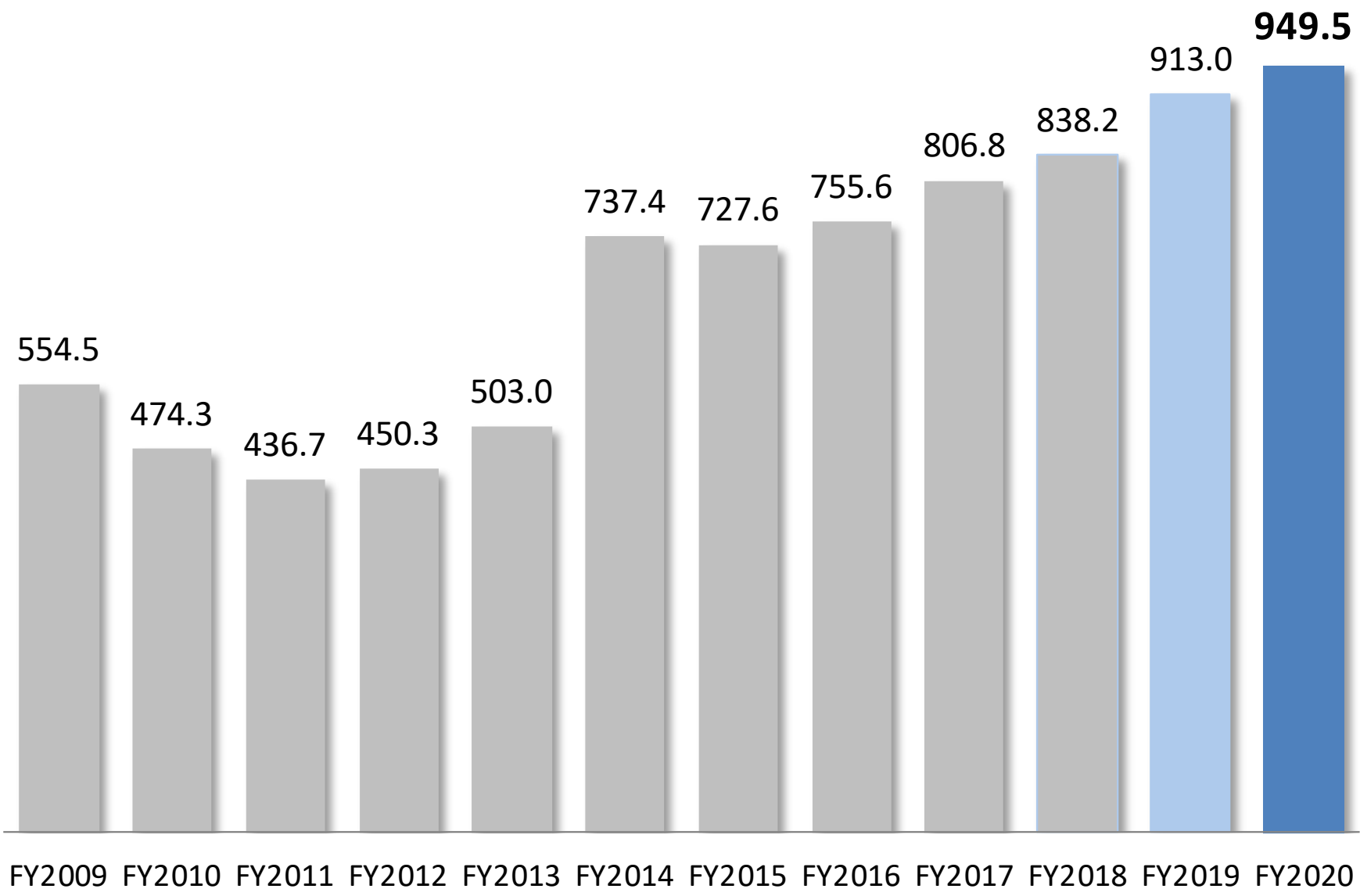
(Billions of yen)



# FY2020 Income Generating Assets Unrealized Gains

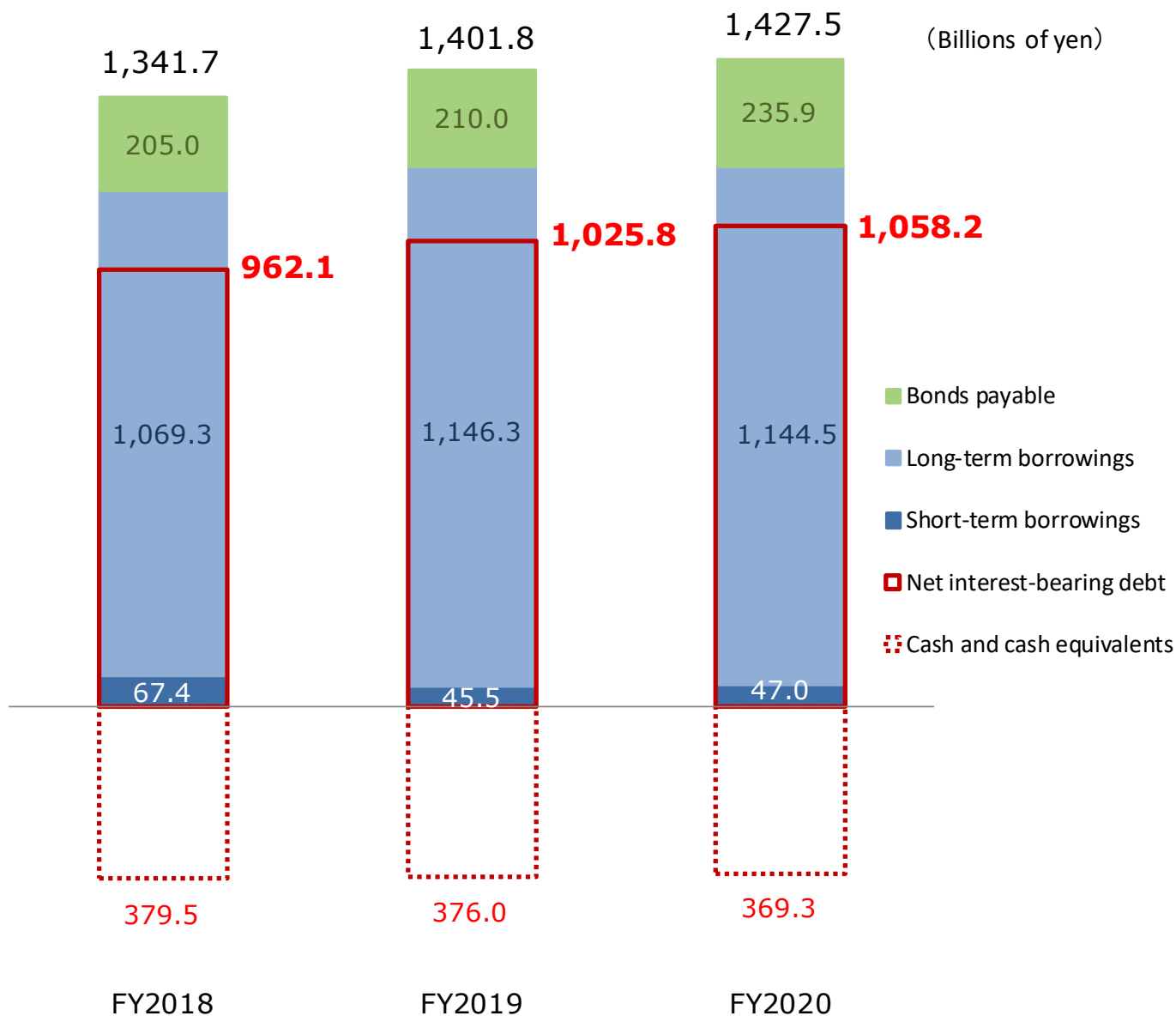


(Billions of yen)



※From the annual securities report

# Status of Interest-bearing debt for FY2020

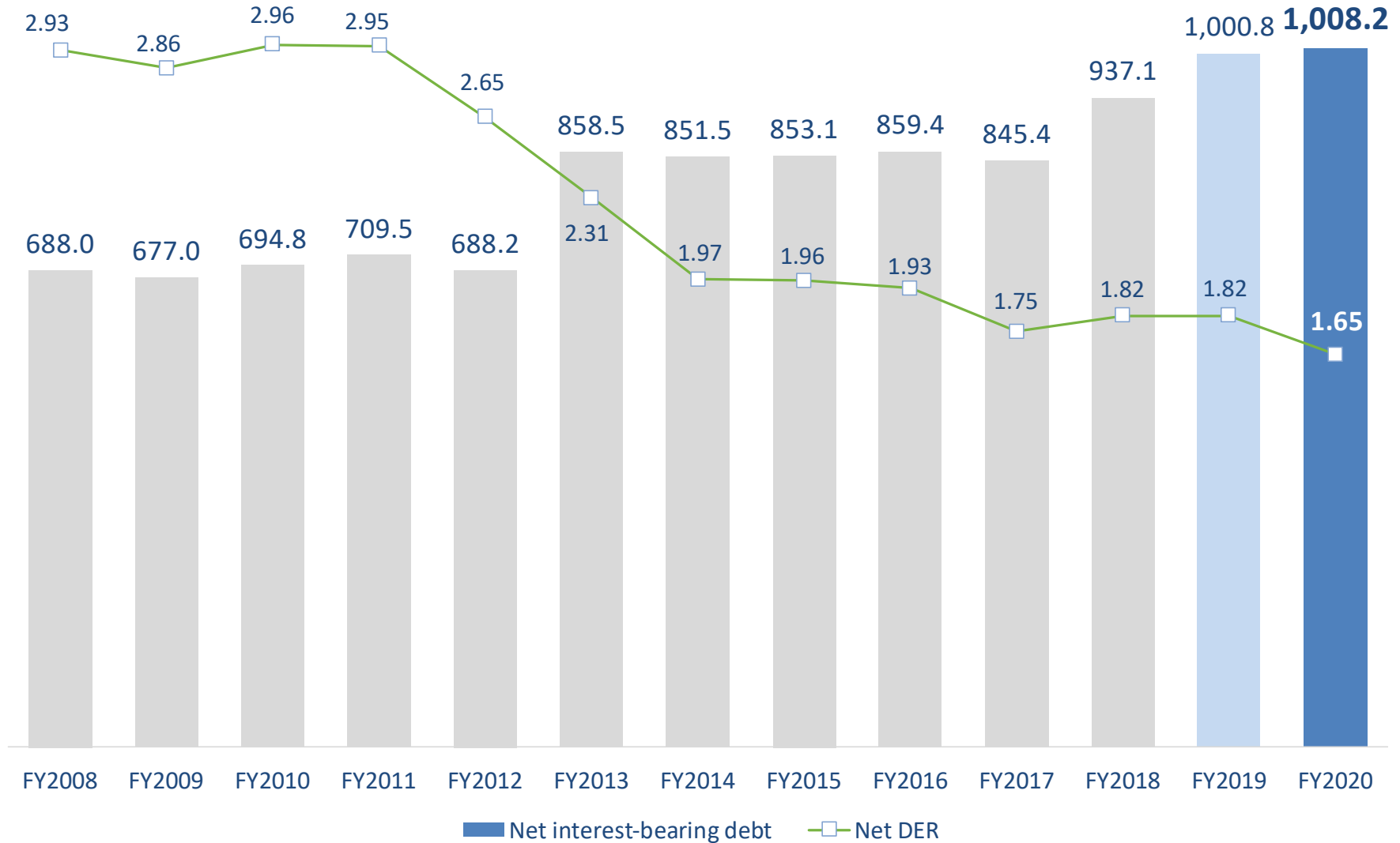




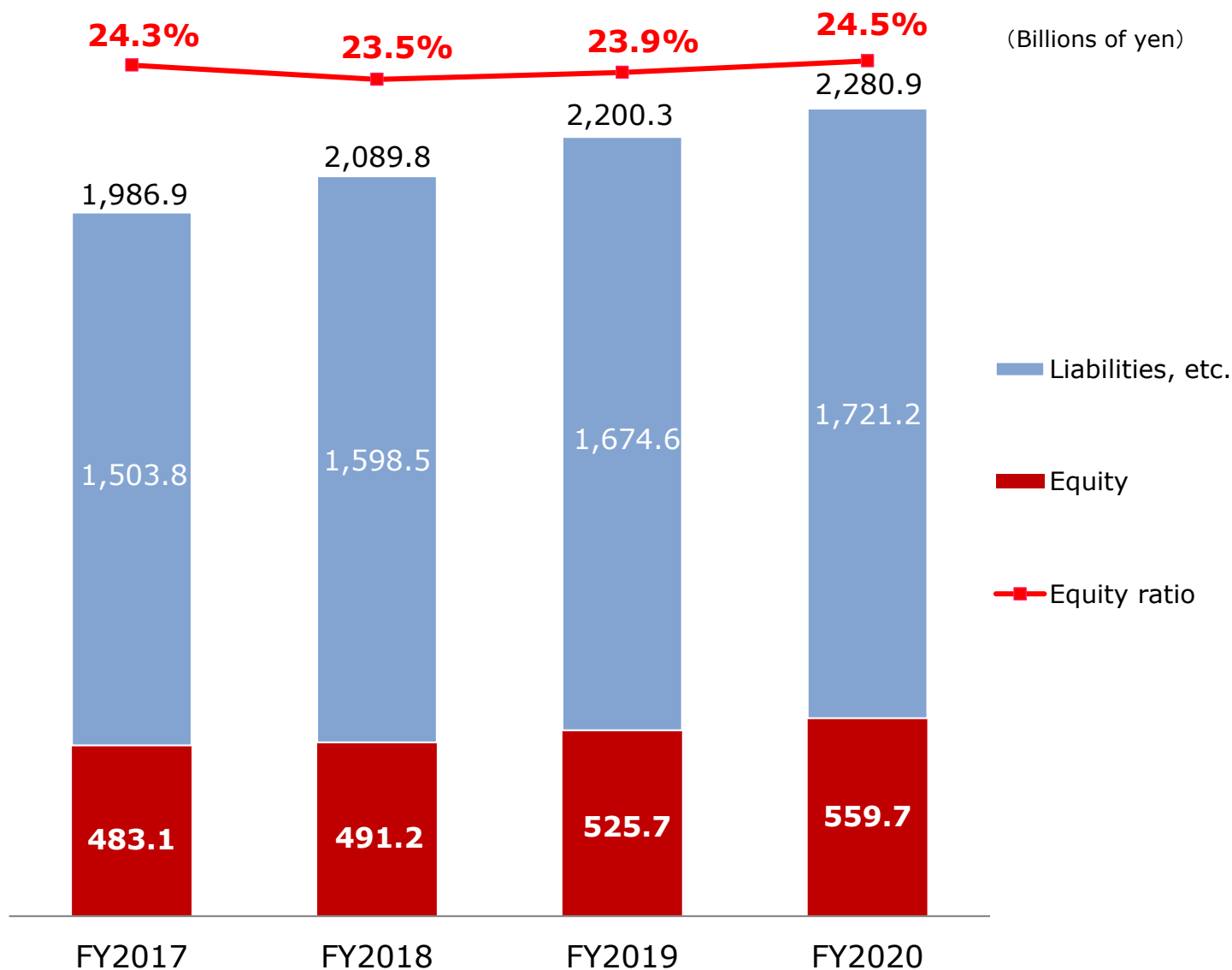
# Changes in Net Interest-bearing debt and Net DER

※ After considering equity capital attributes of hybrid securities

(Billions of yen)

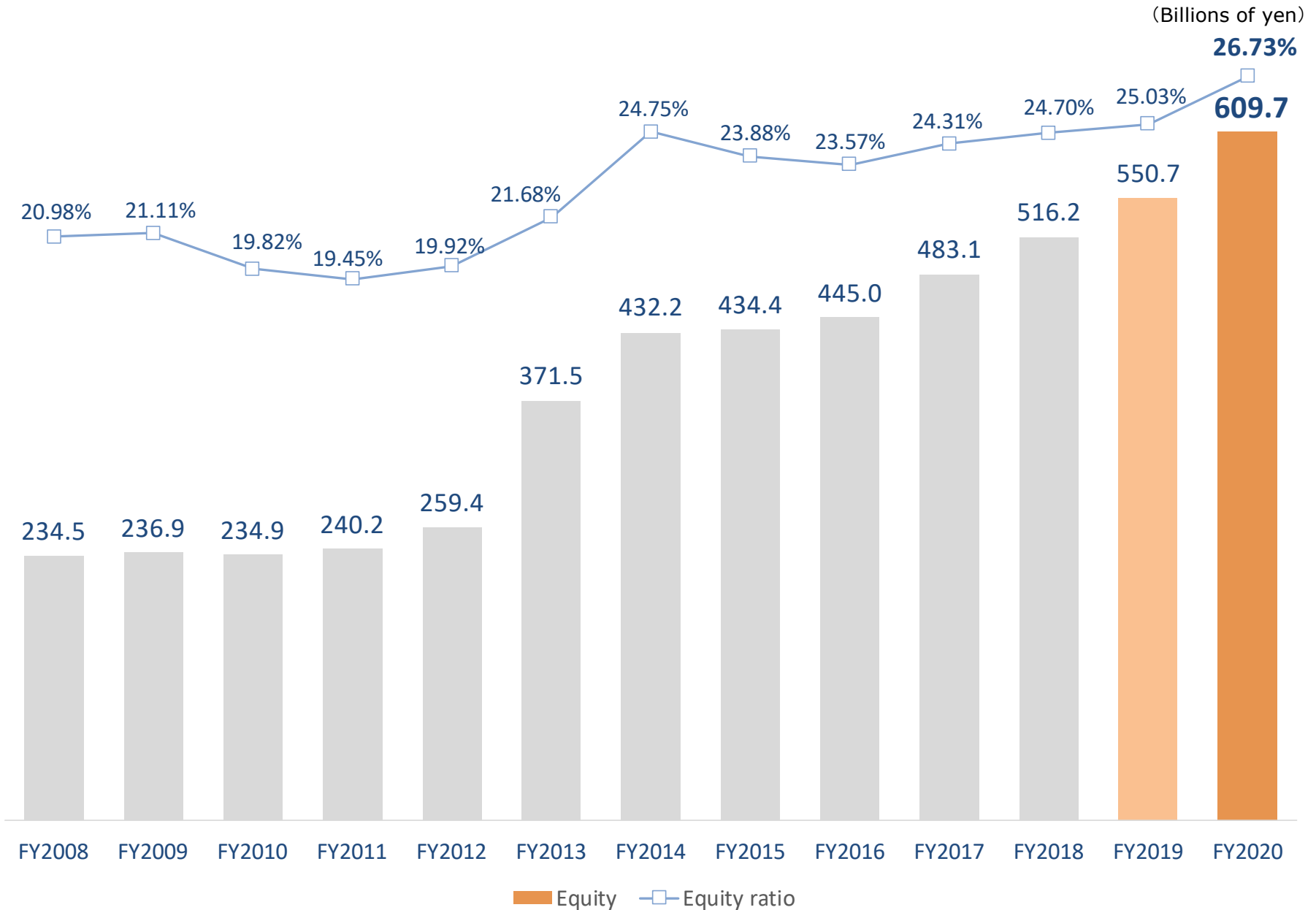


# Status of Equity (Ratio) for FY2020



# Changes in Equity (Ratio)

※ After considering equity capital attributes of hybrid securities





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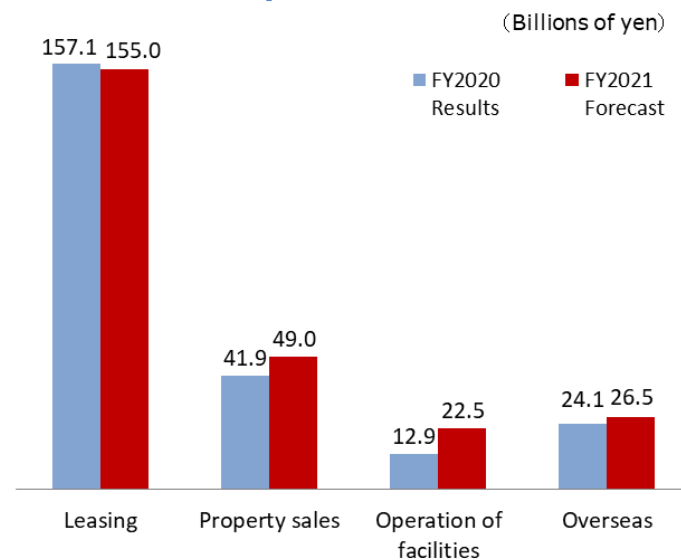
03 Environmental Initiatives

04 Referential Materials

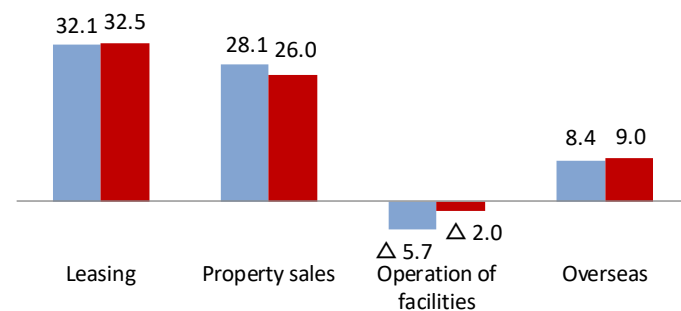
# Financial Forecasts for FY2021

	(Billions of yen)		
	FY2020 Results	FY2021 Forecast	change
Revenue from operations	230.0	247.0	+16.9
Leasing	157.1	155.0	△2.1
Property sales	41.9	49.0	+7.0
Operation of facilities	12.9	22.5	+9.5
Overseas	24.1	26.5	+2.3
Operating income	50.9	52.0	+1.0
Leasing	32.1	32.5	+0.3
Property sales	28.1	26.0	△2.1
Operation of facilities	△ 5.7	△ 2.0	+3.7
Overseas	8.4	9.0	+0.5
Ordinary income	48.5	49.0	+0.4
Profit attributable to owners of parent	31.4	34.0	+2.5

## Revenue from operations



## Operating income



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## Policy for acquiring environmental certifications

When constructing flagship-level buildings, Mori Building aims to secure top-level evaluation through certifications for environmental performance and urban greenery, and thereafter strives to acquire and maintain CASBEE, LEED, etc. certifications.

### Acquisition plan of certifications for new construction projects

Based on the above policy, Mori Building plans to obtain the following environmental certifications.

Project name	Construction Completion	Environment				Health and comfort	
		LEED ND (Neighborhood development)	LEED BD+C (Building Design and Construction)	BGA Green Mark	CASBEE-for Building (new construction)	WELL Building Standard	CASBEE-Wellness Office
Toranomon Hills area		● Received Platinum-level precertification					
Toranomon Hills Business Tower	2020				●		
Toranomon Hills Station Tower (tentative name)	2023		●		●	● Received precertification	
Toranomon-Azabudai project		● Received Platinum-level precertification					
A district	2023		●		●	● Received precertification	●
Abroad	The Jakarta Office Tower Project			●		● Received precertification	

Note: The information above is subject to change.

### Projects that have acquired CASBEE certification

[CASBEE- for Building (new construction)]

Toranomon Hills Mori Tower



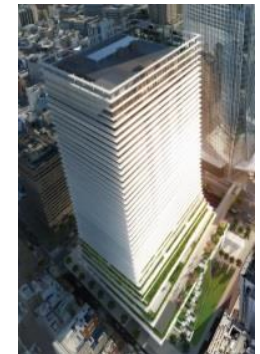
Rank S (certified in 2011)

ARK Hills Sengokuyama Mori Tower



Rank S (certified in 2010)

Toranomon Hills Business Tower



Rank S (certified in 2017)

### Projects and real estate certified for environmental performance

CASBEE- for Building (new construction)



- Toranomon Hills Mori Tower (rank S)
- ARK Hills Sengokuyama Mori Tower (rank S)
- Toranomon Hills Business Tower (rank S)

CASBEE Real Estate



- Toranomon Hills Mori Tower (rank S)
- ARK Hills Sengokuyama Mori Tower (rank S)
- Hirakawacho Mori Tower (rank S)
- Roppongi Hills Mori Tower (rank S)
- ARK Mori Building (rank S)
- Atago Green Hills Mori Tower (rank S)
- Holland Hills Mori Tower (rank S)
- Akasaka Tameike Tower (rank A)
- Koraku Mori Building (rank S)

## Confirming Mori Building's urban development achievements world-wide

Toranomon-Azabudai Project and Toranomon Hills Area Project have been precertified under LEED and WELL global-standard certifications. Mori Building's urban development initiatives are highly in tune with the ideals represented in these certifications.

### Precertified top rating levels in global certifications

#### Complexes where everyone can feel fulfillment and minimize their environmental impact



#### Environmental Achievements evaluated in LEED

- Mixed-use development with diverse urban functions
- Walkable city plan centering around plaza
- Electricity supply from renewable energy
- City's high energy conversion efficiency
- Joint efforts with land owners in city design



Mori Building became the first in Tokyo to receive precertification of LEED's top Platinum-level. The acquisition of Platinum-level LEED precertification is an exceptional case by large-scale project situated in urban centers.

#### LEED: Leadership in Energy & Environmental Design

LEED is a globally recognized green building rating system that focuses on the strategy to build high-level environment for architects and cities. It authenticates buildings and developments which promote sustainable clean energy, and is considerate of one's health, while reducing costs and capital as well (Reference: Green Building Japan).

LEED ND (Neighborhood Development) evaluates from the plan phase to the construction phase of complex area development.

#### Measures for the environment and employees as core corporate values



#### Health achievements evaluated in WELL

- Propagation of city planning under Mori Building's concept "Green and Wellness"
- Greenery plan centering around plaza
- Superior air environment achieved by the use of high quality air filtration
- Healthy meals offerings at café
- Exercise opportunities at plaza and pedestrian zone



Mori Building's projects have acquired WELL certifications on the world's largest scale to provide individuals with health support and comfort. Once completed, both projects are expected to obtain WELL Platinum certifications.

#### WELL Building Standard™

An evaluation system that aims to create a better environment by incorporating consideration for the concept of "human health" in the design, construction and operation of living spaces. Complementing the evaluation of environmental performance by bodies such as LEED and CASBEE, this is the world's first building and indoor environmental evaluation system that focuses on the health and comfort of those living and working in specific environments. In particular, various aspects of design with a potential impact on residents' health are evaluated and verified from a medical standpoint as well as from an environmental engineering perspective. (Reference: Green Building Japan).

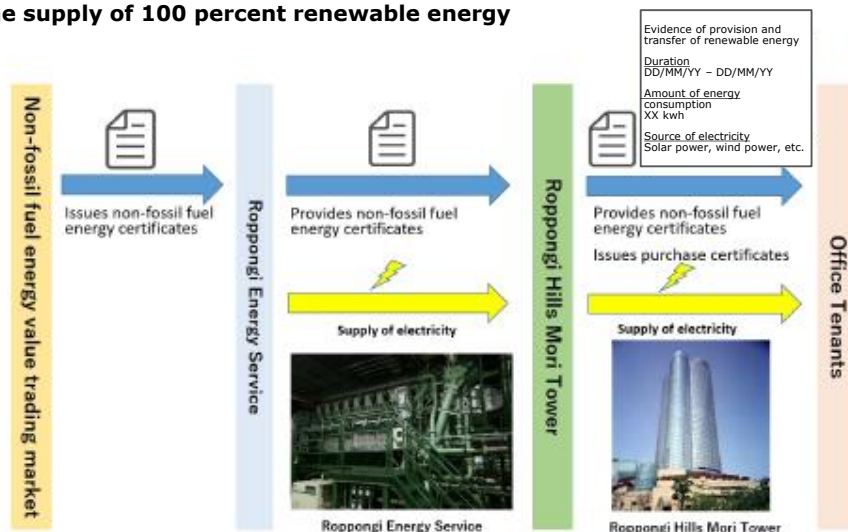
Excerpt from press release  
issued by Mori Building on September 2, 2019:

## Mori Building Commences Supply of Electricity from Renewable Sources to Roppongi Hills

Aiming to promote the realization of low-carbon urban environments  
Compliant with global corporate initiatives such as RE100

Mori Building has begun to supply electricity from renewable sources to tenants in the Roppongi Hills Mori Tower in Tokyo through the utilization of Japan's non-fossil fuel energy value trading market, the first initiative in Japan by an office leasing company to supply electricity from renewable sources to its tenants. This was made possible by the fact that Roppongi Hills has its own energy plant and a registered electricity retailer, Roppongi Energy Service Co., Ltd., that operates the plant.

### The supply of 100 percent renewable energy



Customers supplied non-fossil energy by Mori Building (as of November 11, 2020):

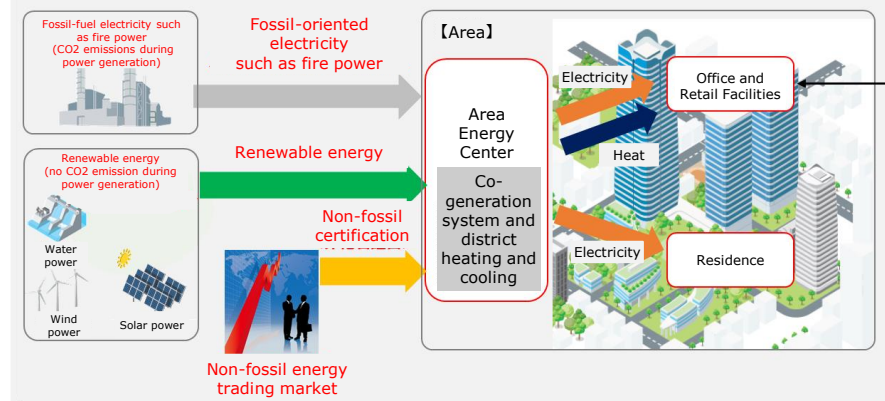
■ Roppongi Hills Mori Tower  
**8 cases**

■ Toranomon Hills Business Tower  
**4 cases**

Note: Includes planned cases



In addition to the above, all electricity to be supplied in the Toranomon-Azabudai project will be renewable energy, compliant with "RE100" (100% renewable energy).



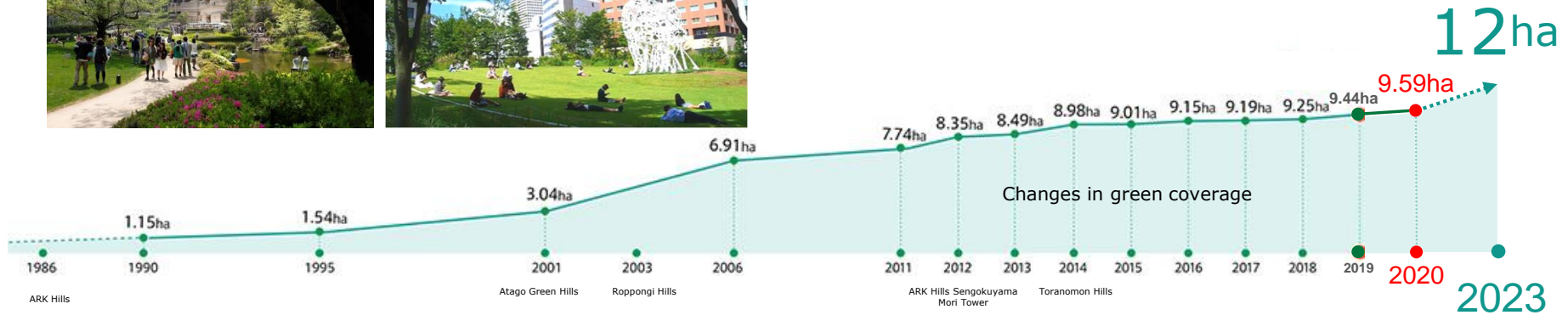
After the completion of the Toranomon-Azabudai project, the renewable energy ratio\* of the Mori Building Group is expected to be approximately **30%**.

\*Proportion of renewable energy to all electricity used by Mori Building Group in Japan, including projected energy provision at Roppongi Hills and Toranomon Hills Business Tower



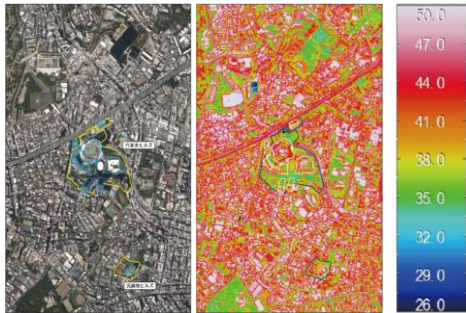
## Large-scale urban greenery

- Beginning with ARK Hills in 1986, Mori Building has been implementing large-scale greenery initiatives.
- As of 2019, green areas at major Hills properties totaled 9.59ha.
- Including future developments, these green areas are expected to expand to approximately 12ha by 2023.



### Addressing Heat Island phenomenon

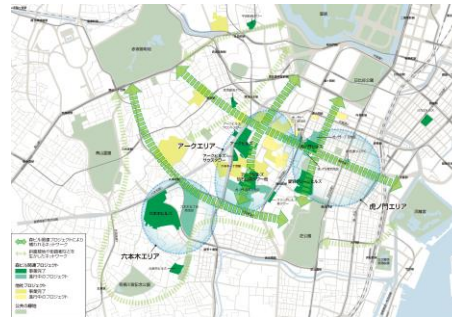
Major Hills properties average 42.2% green coverage rate (Minato Ward overall average is: 21.8%). Greenery helps to suppress the urban heat-island phenomenon and lowers ground surface temperatures compared to surrounding areas.



Surface temperatures at Roppongi Hills is 5°C to 15°C lower than those in surrounding areas.

### Creating Ecological Networks

Linking green area of each Hills Projects to foster a local ecosystem.



### Greenery certifications

#### Certification cases

JHEP certification AAA (Ecosystem Conservation Society-Japan )



ARK Hills  
Sengokuyama Mori  
ToTower,  
Toranomon Hills Mori  
Tower

ABINC certification (Association for Business Innovation in harmony with Nature and Community)



Roppongi Hills Cross Point

EDO-MIDORI Registered green area (Bureau of Environment, Tokyo Metropolitan Government)



ARK Hills  
Sengokuyama Mori  
Tower

“Urban Oasis” in Social and Environmental Green Evaluation System (Organization for Landscape and Urban Green Infrastructure)



ARK Mori Building,  
Roppongi Hills Mori  
Tower, Toranomon  
Hills Mori Tower





01 Overview of Financial Results for FY2020

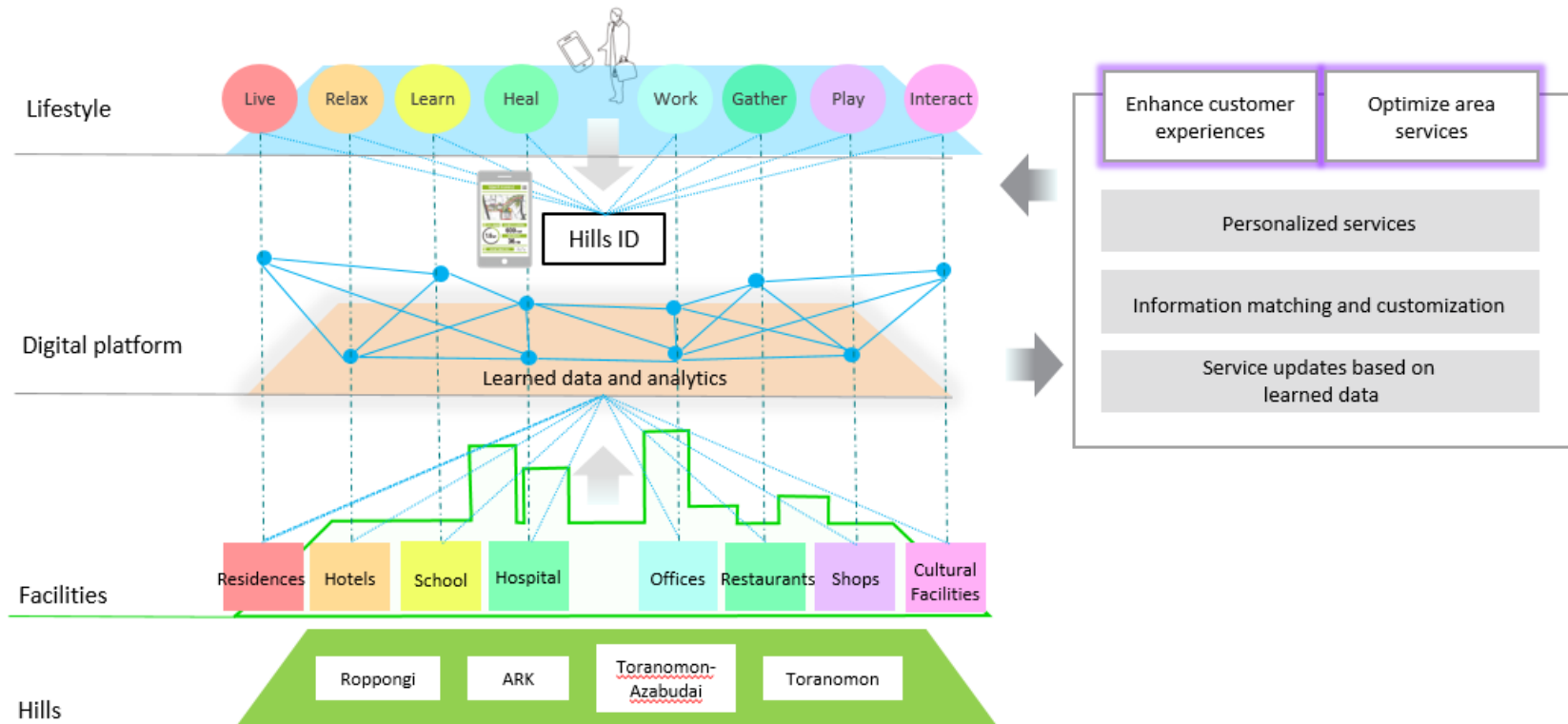
02 Financial Forecasts for FY2021

03 Environmental Initiatives

04 Referential Materials

- The newly developed Hills Network is a digital platform that integrates comprehensive urban operations through advanced digital-transformation (DX) technologies. It will steadily enhance the convenience, quality and joy of living in, working in and visiting Hills complexes and other properties managed by Mori Building in central Tokyo.
- Hills Network utilizes cutting-edge technologies to manage data on user attributes, usage of specific properties and facilities, and location for unprecedentedly seamless “Hills life,” transforming each complex into a thoroughly integrated space for living and working.

## ■ Hills Network



**Health and Productivity Management**

**Mori Building has been certified as a Health & Productivity Management Outstanding Organization FY 2021 (large enterprise category)**

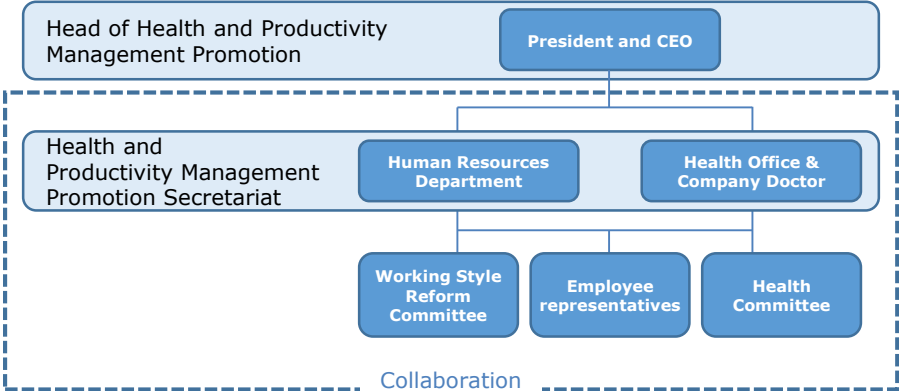


**Health and Productivity Management Declaration**







Mori Building carries out health and productivity management activities from the perspective of employee health management as a business strategy aimed at ensuring that each employee remains physically and mentally healthy to allow them to work enthusiastically. By maintaining and enhancing health, the company reinforces the vitality and performance of both individual employees and the company overall for further growth and development. Also, Mori Building fulfills its social mission to revitalize people and businesses through the work of creating and developing cities. Mori Building continues to advance the development of cities where residents, workers and visitors can spend their lives in good physical and mental health.

**Management Structure**

Mori Building’s president and CEO oversees groupwide health and productivity management as a business matter. In addition, the Human Resources Department, Health Office & Company Doctor, which also serve as the Health and Productivity Management Promotion Secretariat, cooperate with the Working Style Reform Committee, employee representatives and the Health Committee to develop measures for maintaining and enhancing employee health.



# Portfolio (Major Properties)

	<b>1</b> 	<b>2</b> 	<b>3</b> 		<b>4</b> 	<b>5</b> 	<b>6</b> 
Name of the property	ARK Mori Building	Hang Seng Bank Tower	Atago Green Hills		Motoazabu Hills Forest Tower	Roppongi Hills Mori Tower	Holland Hills Mori Tower
Location	Akasaka, Minato-ku	Pudong , Shanghai	MORI Tower	Forest Tower	Motoazabu, Minato-ku	Roppongi, Minato-ku	Toranomon, Minato-ku
Completion date	March 1986	April 1998	July 2001	October 2001	May 2002	April 2003	February 2005
Number of floors	37 above ground 4 underground	46 above ground 4 underground	42 above ground 2 underground	42 above ground 5 underground	29 above ground 3 underground	54 above ground 6 underground	24 above ground 2 underground
Total floor area	181,833㎡	116,824㎡	86,570㎡	62,475㎡	45,023㎡	379,408㎡	35,656㎡

	<b>7</b> 	<b>8</b> 	<b>9</b> 	<b>10</b> 	<b>11</b> 
Name of the property	Omotesando Hills	Shanghai World Financial Center	ARK Hills Sengokuyama Mori Tower	Toranomon Hills Mori Tower	Toranomon Hills Business Tower
Location	Jingumae, Shibuya-ku	Pudong District , Shanghai	Roppongi, Minato-ku	Toranomon, Minato-ku	Toranomon, Minato-ku
Completion date	January 2006	August 2008	August 2012	May 2014	January 2020
Number of floors	6 above ground 6 underground	101 above ground 3 underground	47 above ground 4 underground	52 above ground 5 underground	36 above ground 3 underground
Total floor area	34,062㎡	381,600㎡	143,426㎡	244,360㎡	172,925㎡





## Leasing

- **Leasing and management and operation of real estate**
  - Silent Partnership Roppongi Hills Financial Corp
  - Silent Partnership AR·ONE
  - Aomi T Special Purpose Company
  - Aomi S1 Special Purpose Company
  - ※ Mori Hills REIT Investment Corporation
- **Consigned operation of real estate**
  - Mori Building Investment Management Co., Ltd.
  - Mori Urban Planning Corporation
- **Contracted construction**
- **Regional heating and cooling/electricity supply**
  - Roppongi Energy Service Co., Ltd.
  - ARK Hills Heating & Cooling Supply Co., Ltd.
  - Toranomom Energy Network Co., Ltd.
- **Other**
  - Investment, observation deck , forum , etc.

## Property sales

- **Real estate sales business for investors**
- **Residential sales business for individual customers**

## Operation of facilities

- **Hotel & Membership club**
  - Mori Hospitality Corporation
- **Golf**
  - Shishido Golf Club Co., Ltd.
- **Nursing home**
  - ※ Prime Stage Co., Ltd.

## Overseas

- **Offices**
  - Shanghai World Financial Center Co., Ltd.
  - Shanghai Senmao International Real Estate Co., Ltd.
- **Hotels, etc.**
  - Shanghai Hills Hotel Management Co., Ltd.
  - Shanghai Hills Forum & City View Co., Ltd.
  - Mori Building China (Shanghai) Co., Ltd.
  - Shanghai World Financial Center Investment Co., Ltd.
  - Shanghai World Financial Center Investment No.1 (Cayman) Limited
  - Shanghai World Financial Center Investment No.2 (Cayman) Limited
  - Shanghai World Financial Center Investment No.3 (Cayman) Limited
  - Mori Building Asia Pte. Ltd.

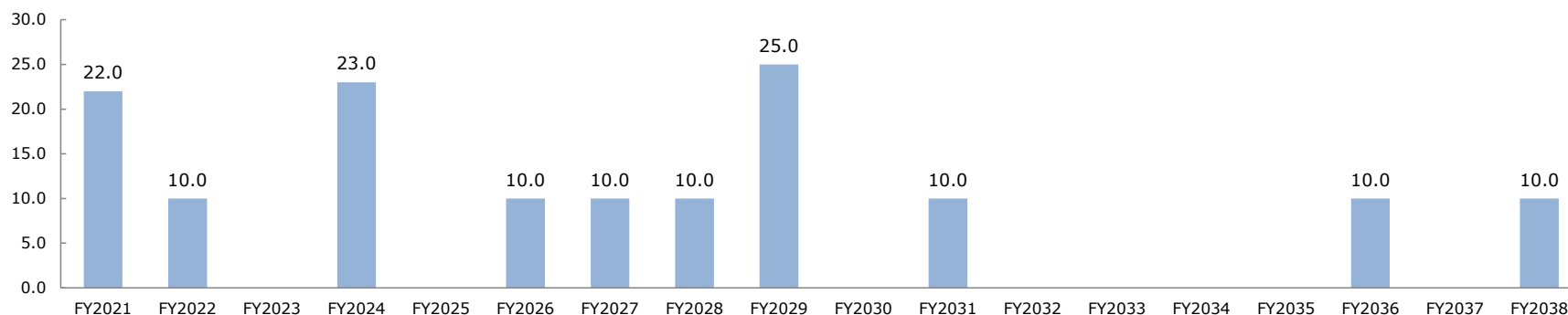
## Bond Issuance Policy

Corporate bonds will be issued in a flexible manner, taking into account the level of other companies in the same industry and other factors, with a limit of 20% to 25% of non-consolidated interest-bearing debt for the time being, depending on market trends.

## ■ Details of bonds in issue (as of May 28, 2021)

Issue No.	Launch date	Maturity date	Years of maturity (Year)	Amount of bonds issued (Billions of yen)	Coupon Interest	Bp against government bonds	Bp against SWAP
14th Bond	8/8/2014	8/14/2024	10	13.0	0.861%	34.0bp	15.1bp
15th Bond	2/6/2015	2/13/2025	10	10.0	0.784%	43.0bp	16.4bp
16th Bond	4/24/2015	4/30/2027	12	10.0	1.002%	56.0bp	30.2bp
17th Bond	8/7/2015	8/13/2021	6	10.0	0.523%	39.0bp	16.3bp
18th Bond	4/20/2016	4/25/2031	15	10.0	0.800%	75.0bp	48.4bp
19th Bond	7/5/2016	7/11/2036	20	10.0	0.830%	78.0bp	66.4bp
20th Bond	10/19/2016	10/25/2021	5	12.0	0.120%	32.5bp	12.8bp
21st Bond	2/10/2017	2/16/2027	10	10.0	0.440%	34.5bp	10.0bp
22nd Bond	3/2/2018	3/8/2023	5	10.0	0.180%	30.1bp	2.9bp
23rd Bond	5/11/2018	5/17/2038	20	10.0	0.970%	44.7bp	28.0bp
24th Bond	8/10/2018	8/16/2028	10	10.0	0.460%	35.0bp	7.5bp
25th Bond	7/25/2019	7/31/2029	10	10.0	0.340%	48.6bp	26.7bp
26th Bond	11/8/2019	11/14/2029	10	15.0	0.320%	37.0bp	15.9bp
1st Subordinated bond	1/17/2019	1/31/2056	37	50.0	1.430%	158.0bp	137.0bp
2nd Subordinated bond	10/13/2020	10/19/2056	36	45.0	1.170%	127.1bp	120.0bp
Total Bond Balance	-	-	-	235.0	-	-	-

## ■ Bond redemption schedule (Billions of yen)



\*Excluding subordinated bonds

# Consolidated Balance Sheet for FY2020



(millions of yen)

Assets				Liabilities			
Account name	FY2019 As of Mar-31,2020	FY2020 As of Mar-31,2021	change	Account name	FY2019 As of Mar-31,2020	FY2020 As of Mar-31,2021	change
<b>Current assets</b>				<b>Current liabilities</b>			
Cash and deposits	340,998	317,345	△ 23,653	Notes and accounts payable - trade	10,748	10,195	△ 553
Notes and accounts receivable - trade	10,200	9,633	△ 566	Short-term borrowings	45,517	47,069	1,552
Short-term investment securities	35,084	52,000	16,915	Current portion of bonds payable	20,000	22,950	2,950
Inventories	17,232	21,055	3,823	Income taxes payable	9,462	2,563	△ 6,899
Other	31,884	28,771	△ 3,113	Provision for bonuses	1,596	1,315	△ 281
Allowance for doubtful accounts	△ 36	△ 33	2	Other	31,600	50,278	18,678
Total current assets	435,364	428,772	△ 6,592	Total current liabilities	118,926	134,373	15,446
<b>Fixed assets</b>				<b>Long-term liabilities</b>			
<b>Property, plant and equipment</b>				Bonds payable	190,000	213,000	23,000
Buildings and structures	241,378	237,872	△ 3,506	Long-term borrowings	1,146,376	1,144,528	△ 1,847
Machinery, equipment and vehicles	12,274	11,541	△ 733	Leasehold and guarantee deposits received	83,962	81,266	△ 2,695
Tools, furniture and fixtures	7,259	6,876	△ 382	Long-term deposits received	2,029	1,575	△ 453
Land	440,674	485,593	44,919	Retirement benefit liability	1,727	1,745	18
Construction in progress	126,674	124,058	△ 2,616	Provision for retirement benefits for directors	903	938	35
Real estate in progress	109,038	153,520	44,482	Provision for dismantling cost of fixed assets	3,500	3,500	-
Beneficial interests in real estate trust	549,717	587,222	37,505	Deferred tax liabilities	114,822	123,355	8,533
Other	1,740	1,722	△ 17	Other	3,547	7,267	3,720
Total Property, plant and equipment	1,488,758	1,608,408	119,650	Total long-term liabilities	1,546,867	1,577,178	30,310
<b>Intangible assets</b>				<b>Total liabilities</b>	<b>1,665,794</b>	<b>1,711,551</b>	<b>45,757</b>
Leasehold right	54,572	55,486	914				
Goodwill	12,084	11,896	△ 188	<b>Net assets</b>			
Other	2,892	5,601	2,708	<b>Shareholders' equity</b>			
Total intangible assets	69,550	72,985	3,434	Capital stock	79,500	79,500	-
<b>Investments and other assets</b>				Capital surplus	22,516	22,539	23
Investment securities	34,398	39,799	5,400	Retained earnings	428,398	443,610	15,211
Equity investments	82,946	24,751	△ 58,195	Treasury stock	△ 11,507	△ 11,507	-
Long-term loans receivable	43,565	58,716	15,150	Total shareholders' equity	518,907	534,142	15,235
Retirement benefit assets	317	1,065	748	<b>Accumulated other comprehensive income</b>			
Deferred tax assets	676	140	△ 536	Valuation difference on available-for-sale securities	4,187	10,688	6,500
Other	45,365	47,558	2,192	Deferred gains or losses hedges	△ 730	△ 489	240
Allowance for doubtful accounts	△ 564	△ 1,201	△ 637	Foreign currency translation adjustment	3,541	15,134	11,593
Total investments and other assets	206,705	170,828	△ 35,876	Remeasurements of defined benefit plans	△ 183	275	458
Total fixed assets	1,765,013	1,852,222	87,208	Total accumulated other comprehensive income	6,815	25,609	18,793
<b>Total assets</b>	<b>2,200,378</b>	<b>2,280,994</b>	<b>80,616</b>	<b>Non-controlling interests</b>	8,860	9,691	830
				<b>Total net assets</b>	<b>534,583</b>	<b>569,443</b>	<b>34,859</b>
				<b>Total liabilities and net assets</b>	<b>2,200,378</b>	<b>2,280,994</b>	<b>80,616</b>

# Consolidated Income Statement for FY2020

Account name	FY2019	FY2020	change
<b>Revenue from operations</b>	<b>250,222</b>	<b>230,082</b>	<b>△ 20,139</b>
Cost of revenue from operations	158,209	156,957	△ 1,252
Operating gross profit	92,012	73,125	△ 18,886
Selling, general and administrative expenses	26,263	22,204	△ 4,058
<b>Operating income</b>	<b>65,749</b>	<b>50,920</b>	<b>△ 14,828</b>
Interest income	677	738	60
Dividend income	570	780	210
Compensation income	2,031	1,927	△ 104
Equity in earnings of affiliates	1,673	1,659	△ 13
Subsidy income	-	819	819
Other	1,285	1,962	677
Non-operating income	6,237	7,888	1,650
Interest expenses	7,809	7,769	△ 39
Finance charges and fees	747	-	△ 747
Foreign exchange losses	2,362	1,263	△ 1,098
Other	342	1,216	873
Non-operating expenses	11,261	10,250	△ 1,011
<b>Ordinary income</b>	<b>60,724</b>	<b>48,558</b>	<b>△ 12,166</b>
Gain on sales of fixed assets	1,840	2,078	237
Burden charge receivable	-	1,375	1,375
Other	131	184	53
Extraordinary income	1,971	3,637	1,665
Loss on sales of fixed assets	274	147	△ 126
Loss on reduction of fixed assets	0	1,800	1,800
Impairment loss	8,797	413	△ 8,384
Provision for dismantling cost of fixed assets	3,500	-	△ 3,500
Loss on COVID-19	-	3,045	3,045
Other	1,534	260	△ 1,273
Extraordinary losses	14,106	5,667	△ 8,438
Income before income taxes	48,590	46,528	△ 2,062
Income taxes - current	15,645	8,514	△ 7,131
Income taxes - deferred	954	5,947	4,993
Profit	31,990	32,067	76
Profit attributable to non-controlling interests	622	649	27
<b>Profit attributable to owners of parent</b>	<b>31,368</b>	<b>31,417</b>	<b>49</b>

**Description regarding future forecast in this report are based on information available on the day of the announcement, as analyzed and judged by Mori Building. Therefore, these forecasts are subject to inherent risks and uncertainty, and actual results may differ due to changes in various factors.**

