



01 Overview of Financial Results for FY2022

02 Financial Forecast for FY2023

03 Sustainability and ESG Initiatives

04 Ongoing Projects

05 Referential Materials

Overview of Financial Results for FY2022 (Consolidated)



(Billions of yen)

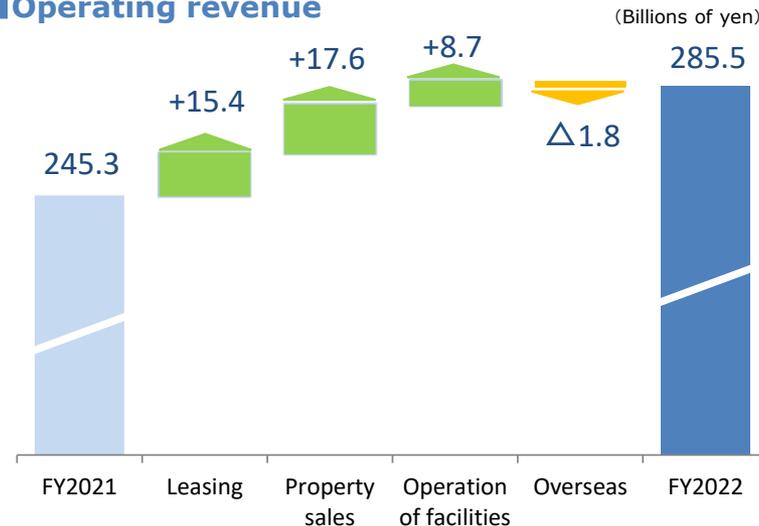
	FY2021	FY2022	change YoY	
			JPY	%
Operating revenue	245.3	285.5	+40.2	+16%
Operating income	52.7	62.8	+10.0	+19%
Ordinary income	53.7	59.9	+6.1	+12%
Profit attributable to owners of parent	42.2	43.7	+1.5	+4%

	FY2021	FY2022	change YoY	
Total assets	2,367.0	2,607.4	+240.3	+10%
Interest-bearing debt	1,430.9	1,602.0	+171.0	+12%
Equity	616.6	673.9	+57.2	+9%
Equity ratio	26.1%	25.8%	△0.2%	-
<small>(After considering equity capital attributes of hybrid securities)</small>	<small>(28.2%)</small>	<small>(28.7%)</small>		
Net D/E ratio <small>(After considering equity capital attributes of hybrid securities)</small>	1.67	1.66	△0.00	-

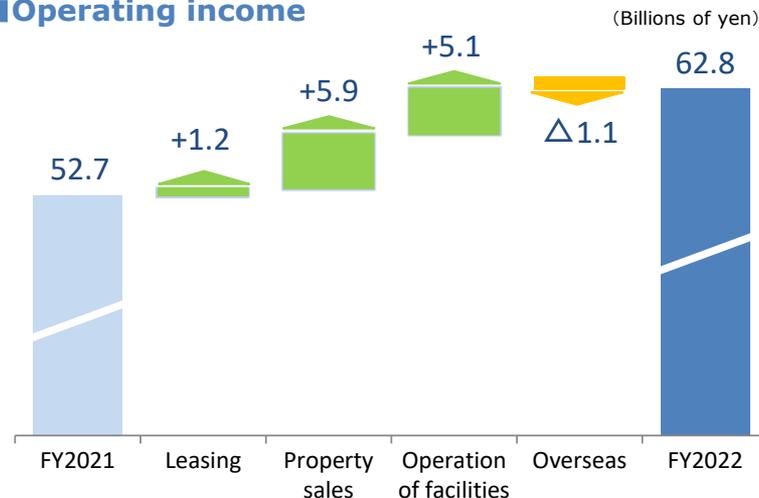
Consolidated Income Statement for FY2022

	FY2021	FY2022	(Billions of yen)	
			change YoY	
			JPY	%
Leasing	155.4	170.8	+15.4	
Property sales	50.2	67.8	+17.6	
Operation of facilities	17.1	25.9	+8.7	
Overseas	28.3	26.4	△1.8	
Operating revenue	245.3	285.5	+40.2	+16%
Leasing	32.2	33.4	+1.2	
Property sales	27.8	33.7	+5.9	
Operation of facilities	△ 4.0	1.0	+5.1	
Overseas	9.8	8.6	△1.1	
Operating income	52.7	62.8	+10.0	+19%
Non-operating income	10.2	7.0	△3.1	
Non-operating expenses	9.2	9.9	+0.6	
Ordinary income	53.7	59.9	+6.1	+12%
Extraordinary income	11.0	4.0	△6.9	
Extraordinary losses	2.3	1.4	△0.8	
Income before income taxes	62.4	62.5	+0.0	
Profit attributable to owners of parent	42.2	43.7	+1.5	+4%
※depreciation	27.1	29.1	+2.0	

Operating revenue



Operating income

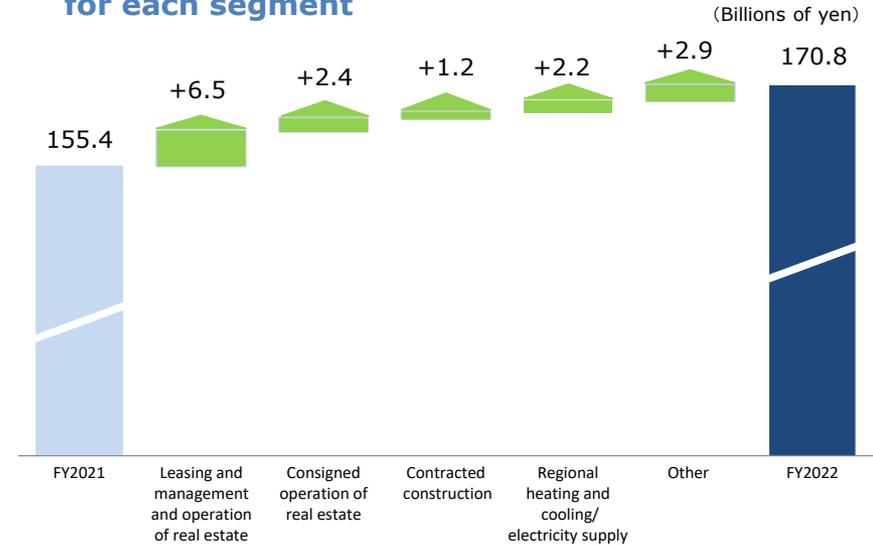


Leasing	Includes revenue gained from leasing and management and operation of real estate, consigned operation of real estate, contracted construction, regional heating and cooling/electricity supply, etc.
Property sales	Includes revenue gained from real estate property sales to investors and individual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

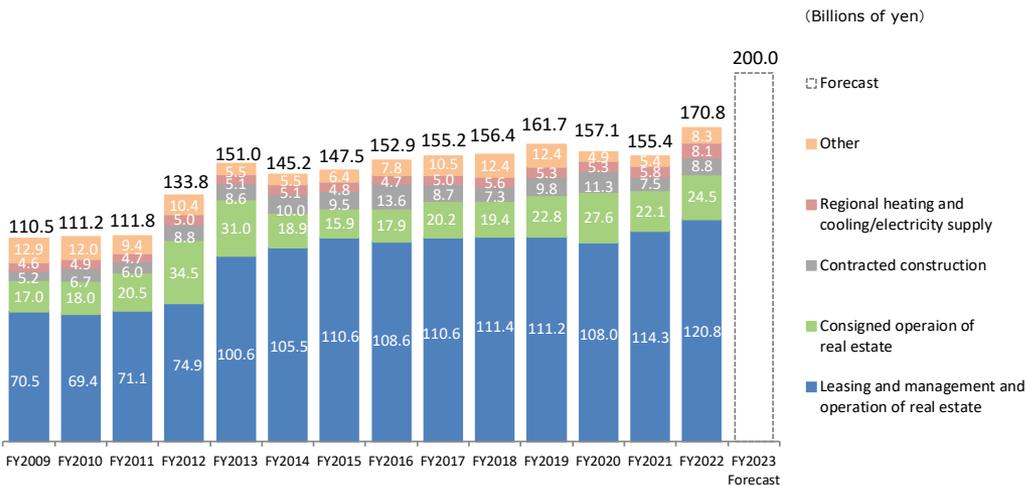
FY2022 ~Segment Overview (Leasing)~

	FY2021	FY2022	change YoY	FY2023 Forecast
Operating revenue	155.4	170.8	+15.4	200.0
Leasing and management and operation of real estate	114.3	120.8	+6.5	-
Consigned operation of real estate	22.1	24.5	+2.4	-
Contracted construction	7.5	8.8	+1.2	-
Regional heating and cooling/electricity supply	5.8	8.1	+2.2	-
Other	5.4	8.3	+2.9	-
Operating income	32.2	33.4	+1.2	30.0

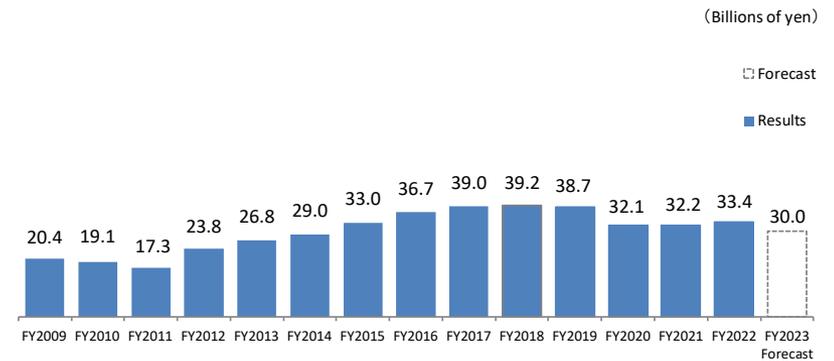
Changes in operating revenue for each segment



Changes in operating revenue

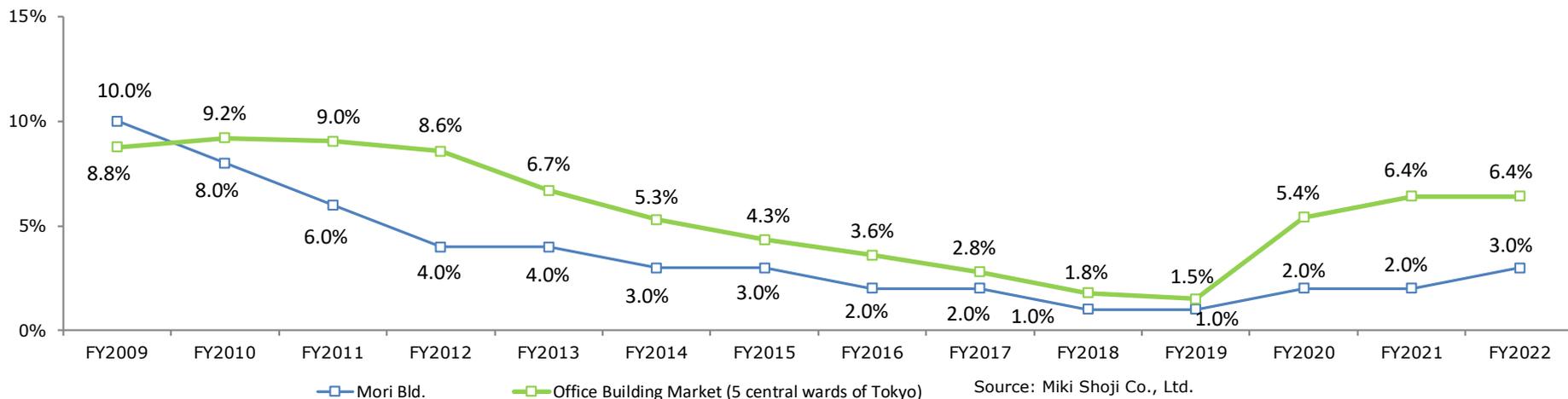


Changes in operating income

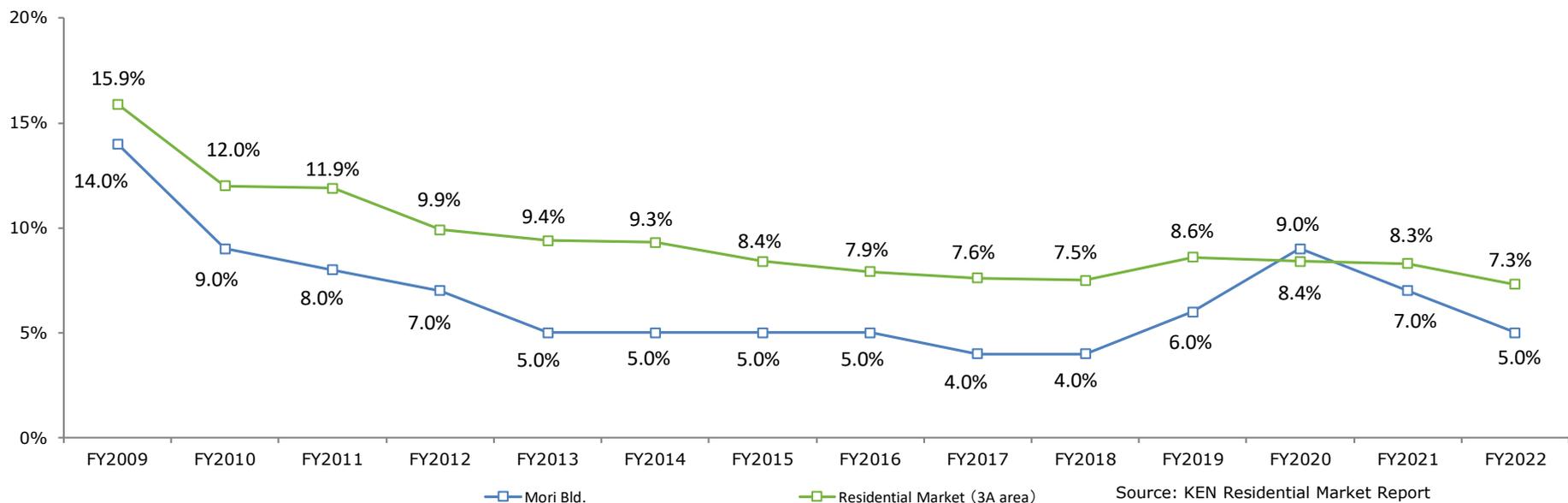


Segment Overview (Leasing) ~Vacancy rate~

Vacancy rate of offices for lease



Vacancy rate of residential units for lease



FY2022 ~Segment Overview (Property sales)~

(Billions of yen)

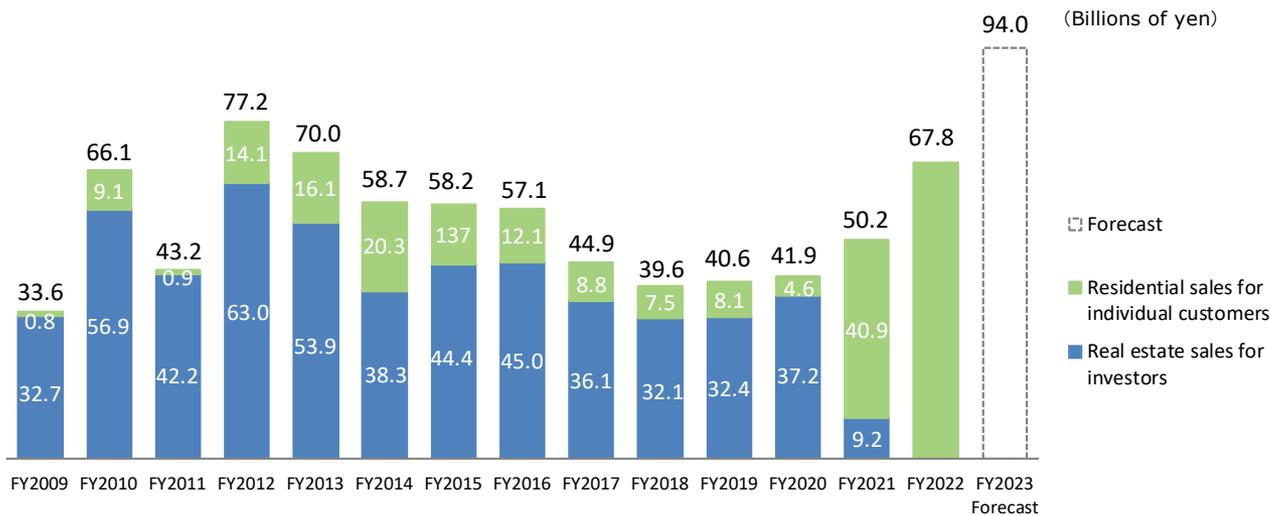
	FY2021	FY2022	change YoY	FY2023 Forecast
Operating revenue	50.2	67.8	+17.6	94.0
Real estate sales business for investors	9.2	-	△9.2	-
Residential sales business for individual customers	40.9	67.8	+26.9	-
Operating income	27.8	33.7	+5.9	51.0

Residential sales business



Toranomon Hills Residential Tower

Changes in operating revenue



(Billions of yen)

	FY2021	FY2022	change YoY	FY2023 Forecast
Operating revenue	17.1	25.9	+8.7	36.0
Hotels	11.1	18.4	+7.2	-
Membership clubs	3.9	5.2	+1.3	-
Golf courses	2.0	2.2	+0.1	-
Operating income	△ 4.0	1.0	+5.1	3.0

Major facilities operated by Mori Building

Hotels

- Grand Hyatt Tokyo



Presidential Suite

- Andaz Tokyo



Andaz Sky Suite

Golf courses

- SHISHIDO HILLS Country Club
「BMW Japan Golf Tour Championship Mori Building Cup 2022」
2-5 Jun 2022



- 「SHISHIDO HILLS LADIES MORI BUILDING CUP」
26-28 Oct 2022

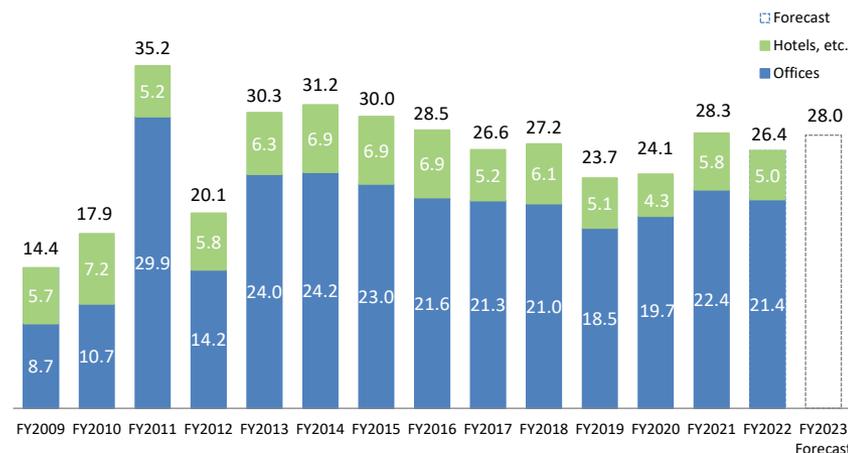


FY2022 ~Segment Overview (Overseas)~



Changes in operating revenue

(Billions of yen)

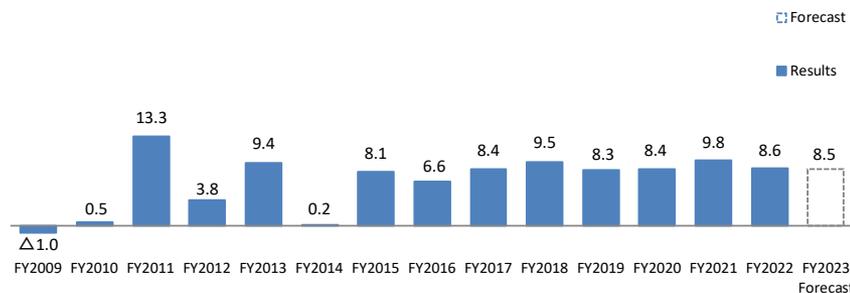


(Billions of yen)

	FY2021	FY2022	change YoY	FY2023 Forecast
Operating revenue	28.3	26.4	△1.8	28.0
Offices	22.4	21.4	△1.0	-
Hotels, etc.	5.8	5.0	△0.7	-
Operating income	9.8	8.6	△1.1	8.5

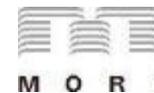
Changes in operating income

(Billions of yen)

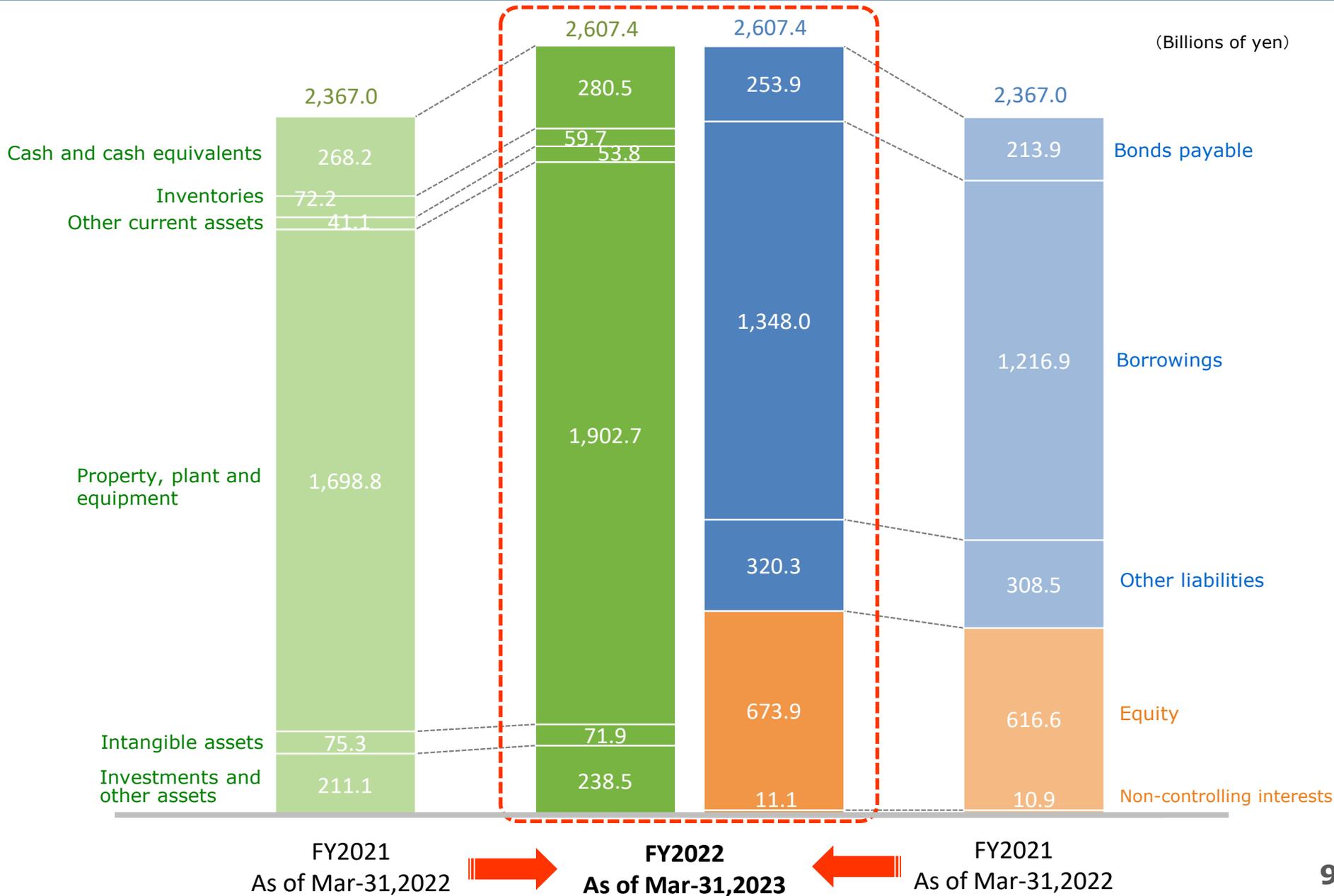


Offices	Leasing and management of offices and stores such as "Shanghai World Financial Center", "Hang Seng Bank Tower", etc.
Hotels, etc.	Operation of facilities such as "Park Hyatt Shanghai", observatory facilities, etc.

Summary of Consolidated Balance Sheet for FY2022



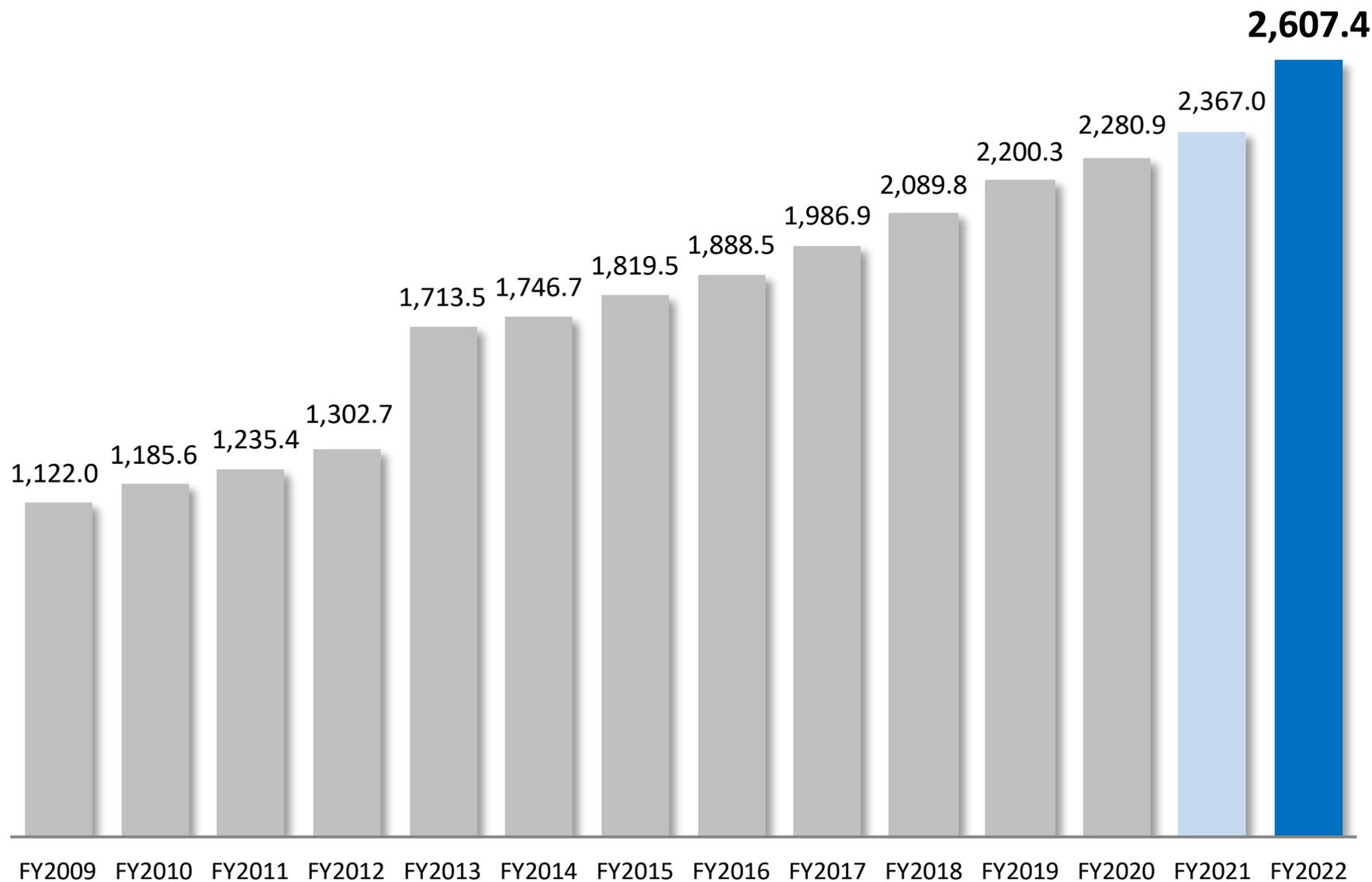
(Billions of yen)



FY2022 Total assets



(Billions of yen)

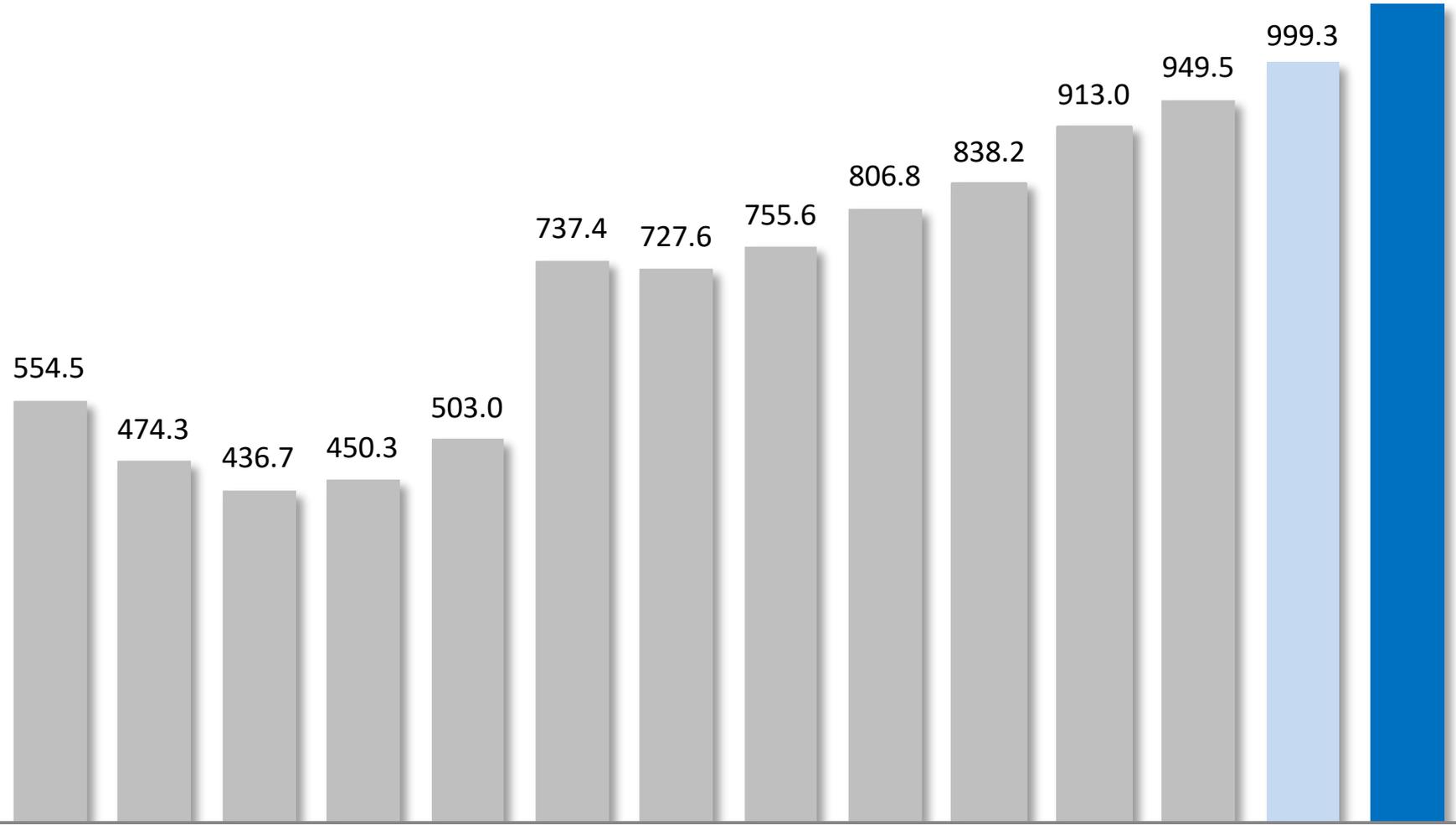


FY2022 Income Generating Assets Unrealized Gains



(Billions of yen)

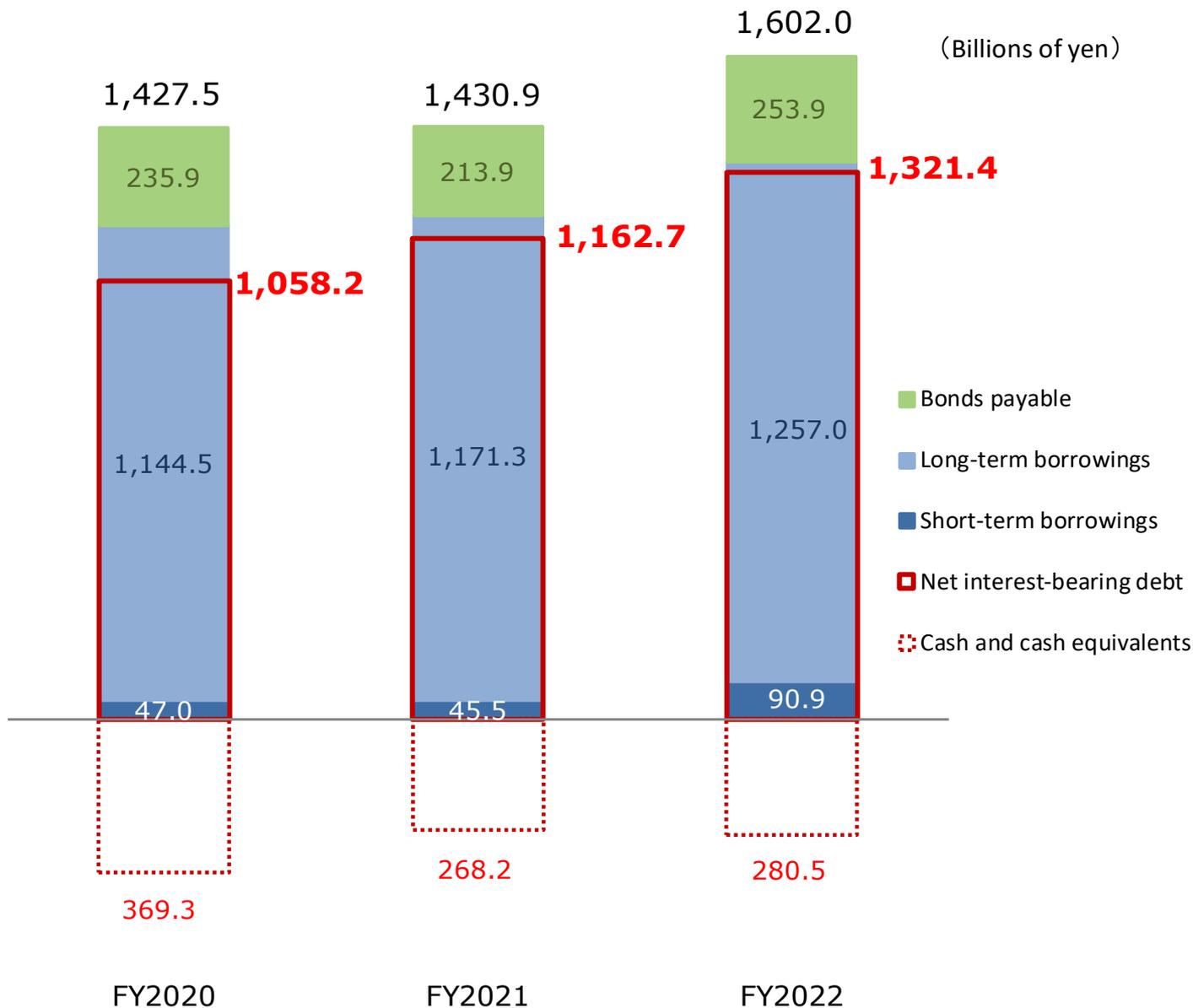
1,076.0



FY2009 FY2010 FY2011 FY2012 FY2013 FY2014 FY2015 FY2016 FY2017 FY2018 FY2019 FY2020 FY2021 FY2022

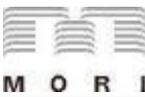
※From the annual securities report

Status of Interest-bearing debt for FY2022

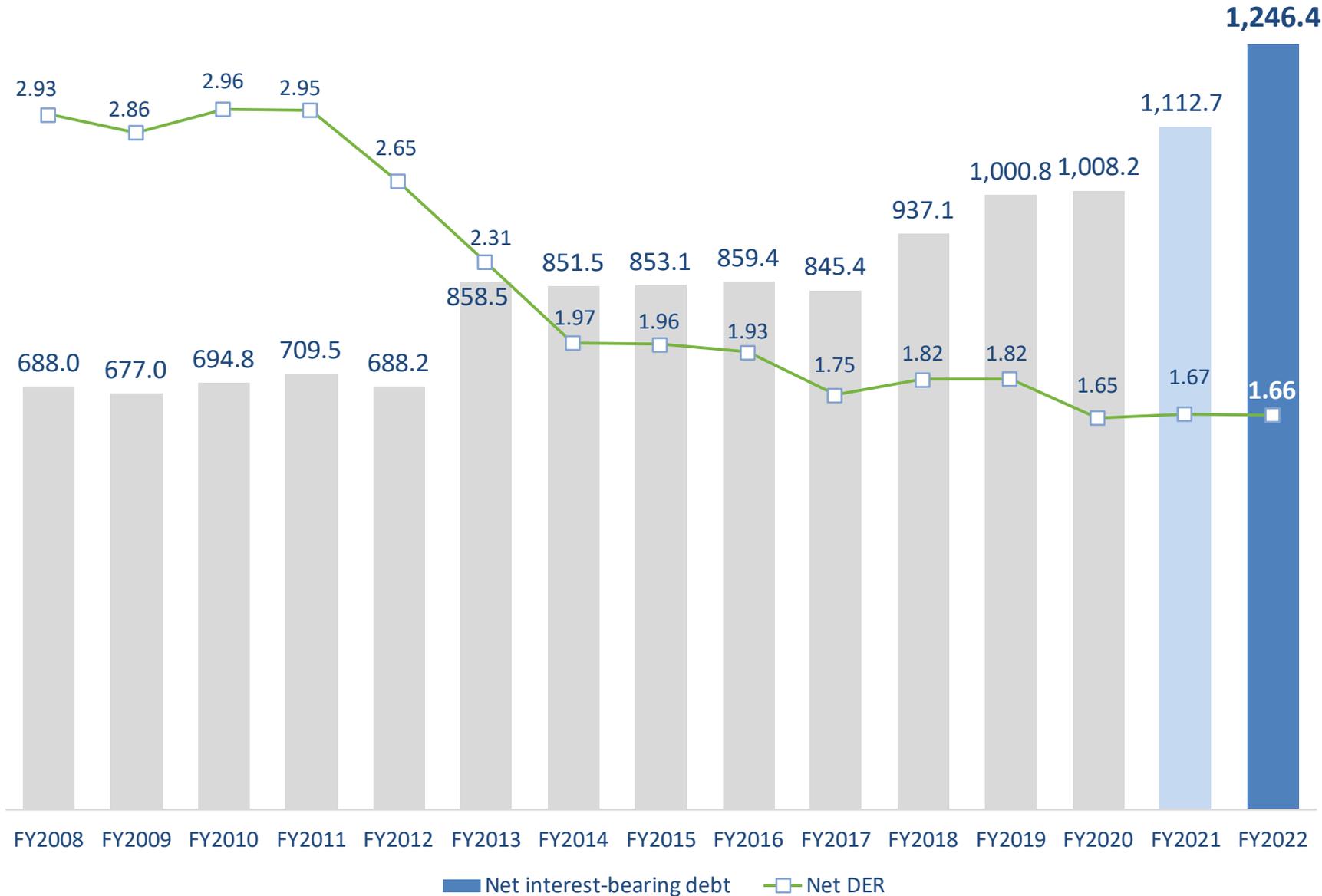


Changes in Net Interest-bearing debt and Net DER

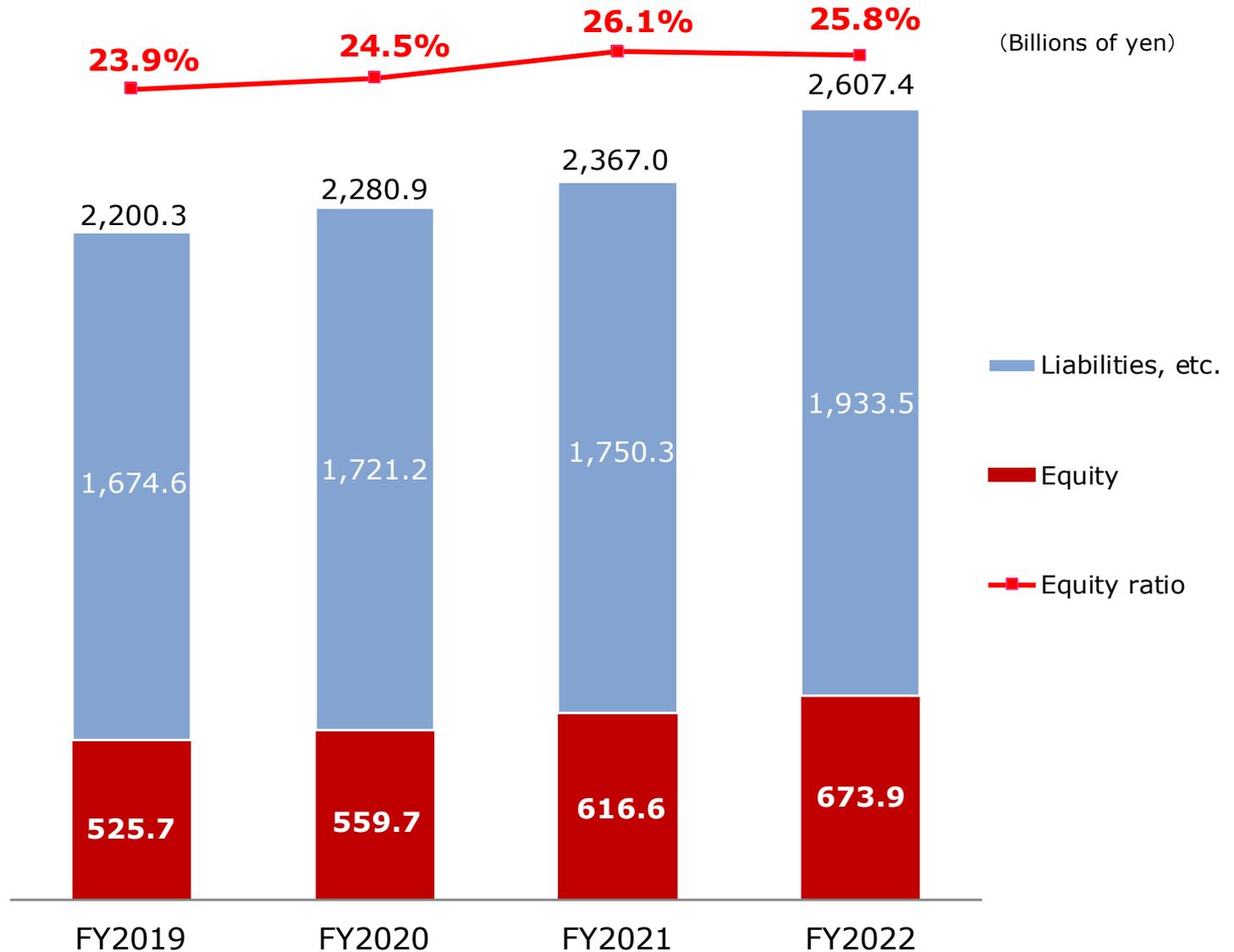
※ After considering equity capital attributes of hybrid securities



(Billions of yen)



Status of Equity (Ratio) for FY2022

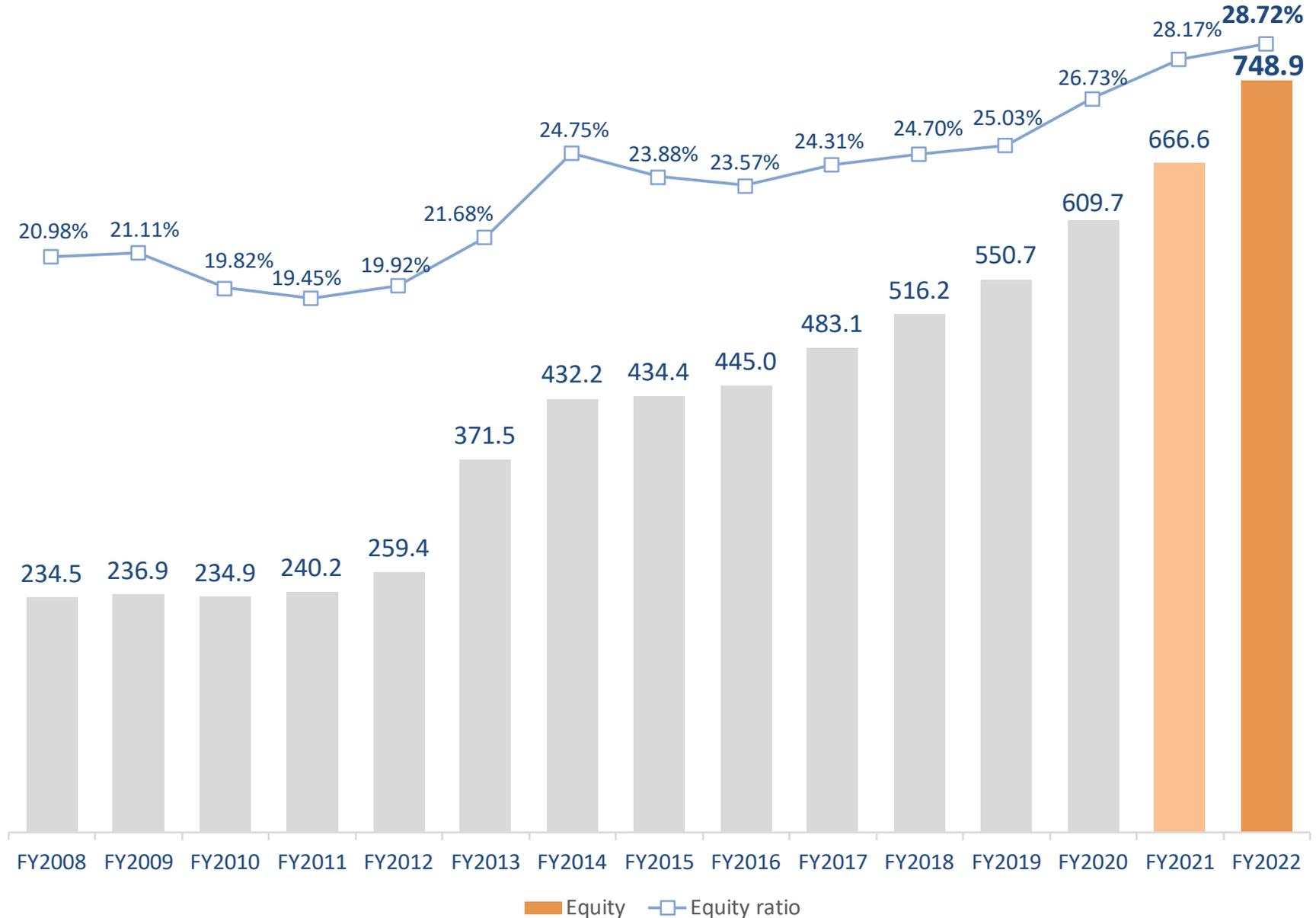


Changes in Equity (Ratio)

※ After considering equity capital attributes of hybrid securities



(Billions of yen)



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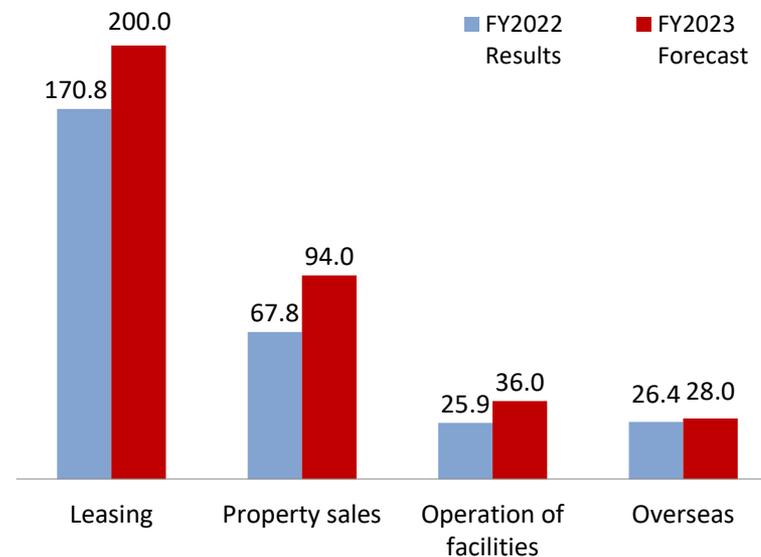
05 Referential Materials

Financial Forecasts for FY2023

	FY2022	FY2023 Forecast	change YoY
(Billions of yen)			
Operating revenue	285.5	353.0	+67.4
Leasing	170.8	200.0	+29.1
Property sales	67.8	94.0	+26.1
Operation of facilities	25.9	36.0	+10.0
Overseas	26.4	28.0	+1.5
Operating income	62.8	75.5	+12.6
Leasing	33.4	30.0	△3.4
Property sales	33.7	51.0	+17.2
Operation of facilities	1.0	3.0	+1.9
Overseas	8.6	8.5	△0.1
Ordinary income	59.9	65.0	+5.0
Profit attributable to owners of parent	43.7	47.0	+3.2

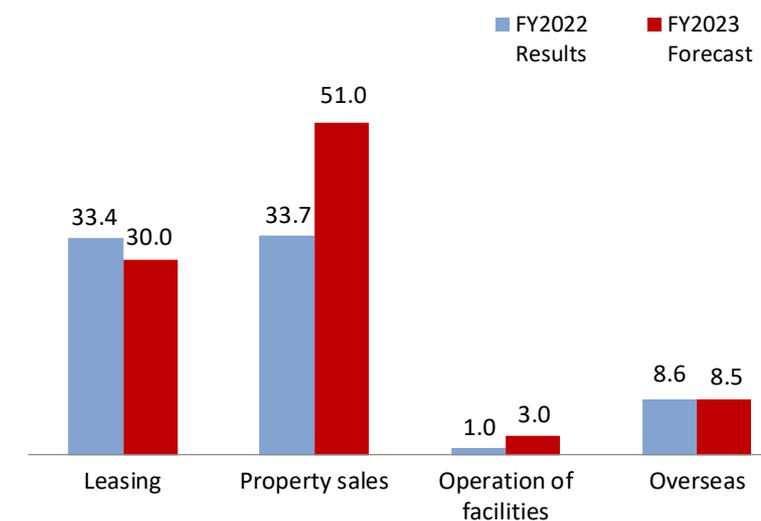
Operating revenue

(Billions of yen)



Operating income

(Billions of yen)



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1. Mori Building's View of Urban Development

Message from the President & CEO (excerpt)

The Mori Building group is dedicated to realizing sustainable society, developing local communities, and contributing to the safety, health, and happiness of people through the business under our philosophy of "Create Cities, Nurture Cities", and continues to be indispensable companies in the world.

Cities are the stage for all human activity.

Those who are responsible for urban development must take responsibility for the future of the people who live there. We are also responsible for the future of society and the Earth.

Well before the words like ESG and SDGs came into the spotlight, we had been working with local residents to create sustainable cities through urban redevelopment projects. ARK Hills (completed in 1986), Roppongi Hills (completed in 2003), Toranomon Hills (completed in 2014), and many other "Hills" are testaments to our belief in and commitment to sustainability.

Forty years ago, when we were working on the ARK Hills redevelopment project, it was said that urban development was destructive to the environment and communities. However, we have turned that notion on its head. With the concept of "the Vertical Garden City - a skyscraper city covered in greenery," we have created a city that is much greener, more community-oriented, and more disaster-resistant than it was before development.

Cities last for hundreds of years. Mori Building views the completion of a town or building as a beginning, not an end. We take responsibility for nurturing the towns we create with local residents so that they will continue to shine for decades to come. For example, we have created a unique town management structure and organization at Roppongi Hills that is responsive to changing era, evolving technology, ever-changing community issues, and the needs of users. Through various events and community activities centered on this organization, we have connected people, businesses, the town, and the local community.

Azabudai Hills, which will be completed in 2023, is based on the "Modern Urban Village" concept and its two main pillars, "Green & Wellness." Due to the Covid-19 pandemic, people worldwide have become acutely aware of the importance of health and wellness, with the environment serving as the core foundation. Our project will incorporate a comprehensive system for supporting health and wellness throughout the entire complex. Furthermore, power will be supplied 100% with renewable electricity. In sum, this will be an innovative model for addressing pressing urban issues.

Mori Building's urban development initiatives support the harmonious coexistence of cities and nature as well as decarbonization and resource recycling across a wide area of Tokyo, including Azabudai Hills and other Hills properties. The responsibility for the cities and the future rests not only with our companies, but also with each and every one of our employees. In addition to ensuring the soundness and permanence of our company, we will focus on creating an environment and structure that allows each and every one of our employees to devote themselves to urban development in a healthy manner, both physically and mentally, as we further evolve urban development in the Mori Building style.



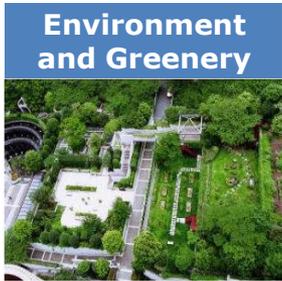
Tsuji, Shingo (President and CEO)

1. Mori Building's View of Urban Development

Sustainable urban development model

Vertical Garden City

Three missions of urban design



Create Cities, Nurture Cities



Cities coexisting harmoniously with nature



Countering urban heat-island phenomenon



Low-carbon cities



Creation of enjoyable urban environments



Developments in collaboration with communities



Comprehensive disaster countermeasures



Creation of innovation ecosystem



Promotion of art and culture

Environment

Social

Sustainability and ESG Initiatives

2. Major ESG Initiatives



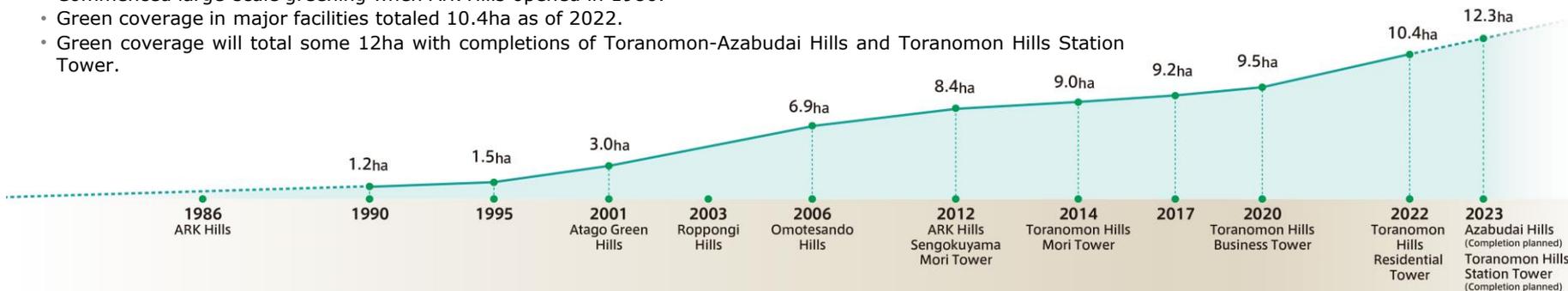
Note: Underlined items have made major progress since the last earnings announcement

Category	Initiatives
<p>E Environment</p> <ul style="list-style-type: none"> • Large-scale greening, coexistence with nature, and protection of biodiversity • Contributions to decarbonized societies • Sustainability-related certifications 	<ul style="list-style-type: none"> • <u>Grow greenery and improve green coverage ratio</u> • Mitigate heat-island phenomenon • Create bases for ecological networks • Establish medium- and long-term targets for greenhouse gas reduction (net zero by 2050) • Join RE100 initiative (targeting 100% renewable electricity by 2030) • <u>Obtain SBTi certification for FY2030 target (1.5° C of pre-industrial levels) and CDP Climate Change A-" rating in 2022</u> • Obtain green-building certifications • Improve property valuation based on sustainability
<p>S Society</p> <ul style="list-style-type: none"> • Contributions to society through urban development • Business contingency planning (disaster prevention and building resilience) • Safety for tenants and visitors • Contributions to society through area management • Respect for human rights • Promotion of diversity • Human resources development • Healthy, comfortable work environments and work-life balance • Supply-chain management 	<ul style="list-style-type: none"> • Create enjoyable urban environments • Promote urban development together with communities • BPC-enhancement hardware and software • Strengthen emergency-management systems and conduct comprehensive earthquake drills • Education for office workers and tenants • Largest private-sector stockpile for disaster preparedness • Early, large-scale COVID-19 vaccinations for employees • Culture and art promotion • Support for innovation creation • Education support (Hills Machi-iku project, Kids workshops, etc.) • Enrich communities, including via neighborhood associations • Support women's empowerment, childcare, and nursing care • Certifications for health management and diversity • Information dissemination and training to prevent harassment • Training in company values and by job rank, and maintaining system for qualification acquisition • Encourage employees to take paid leave and reduce overtime • Maintain employee health and safety management systems • Conduct events, wellness programs, etc., for employee health • Implement sustainable-procurement guidelines • Conduct periodic evaluations of suppliers • Participation in Declaration of Partnership Building
<p>G Governance</p> <ul style="list-style-type: none"> • ESG information disclosure • Compliance and corporate ethics • Risk identification and management 	<ul style="list-style-type: none"> • Sustainability Committee, Environmental Promotion Committee, and Committee on Human Rights and Societal Issues • Enhanced disclosure of ESG information via website • Maintain appropriate environment for whistleblower system

3. Environment (1)

Large-scale urban greening

- Commenced large-scale greening when Ark Hills opened in 1986.
- Green coverage in major facilities totaled 10.4ha as of 2022.
- Green coverage will total some 12ha with completions of Toranomon-Azabudai Hills and Toranomon Hills Station Tower.



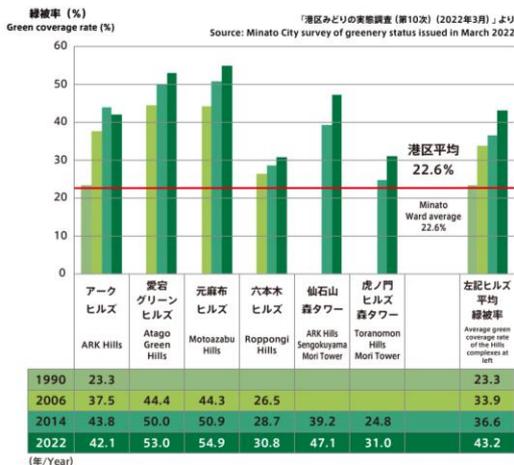
~1970s	~1980s	~1990s	~2000s	~2010s	~2020s
Development of stand-alone buildings	Toward broad mixed-use developments	Transition from 'volume' to 'volume & quality' in greening	Preservation of history and land of properties	Toward preservation and restoration of ecosystems	Greenery for promoting human wellness

Increasing the green coverage rate

Since 2006, the company has repeatedly surveyed its properties to measure their percentage of greened land. The green coverage rates and total greened areas of ARK Hills, Roppongi Hills and other facilities managed and operated by Mori Building have been increasing annually, with a goal of 38% coverage by 2030. Mori Building urban developments continue to contribute to the overall greening of Tokyo.

各ヒルズの緑被率

Increase in green coverage rate



アークヒルズの緑被率の変化

2022 green coverage rate survey, ARK Hills



1990 (年 / Year)

23.3% (1.15ha)

2022 (年 / Year)

42.1%
(2.09ha)

Green coverage rate = greened area/site area x 100 %. Calculated using aerial photographs based on the Tokyo Metropolitan Government's Green Cover Manual.

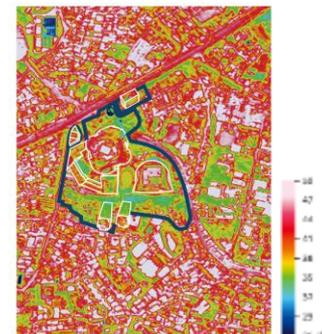
Countering urban heat-island effect

Thermal images of Roppongi Hills show that the daytime surface temperatures of greened spaces are 5°C to 15°C lower than those of asphalt pavements in surrounding streets. Increased green spaces where cities coexist harmoniously with nature not only provide places to relax but also mitigate the heat island effect.

(実写真)
Actual photo



(熱写真)
Thermal image

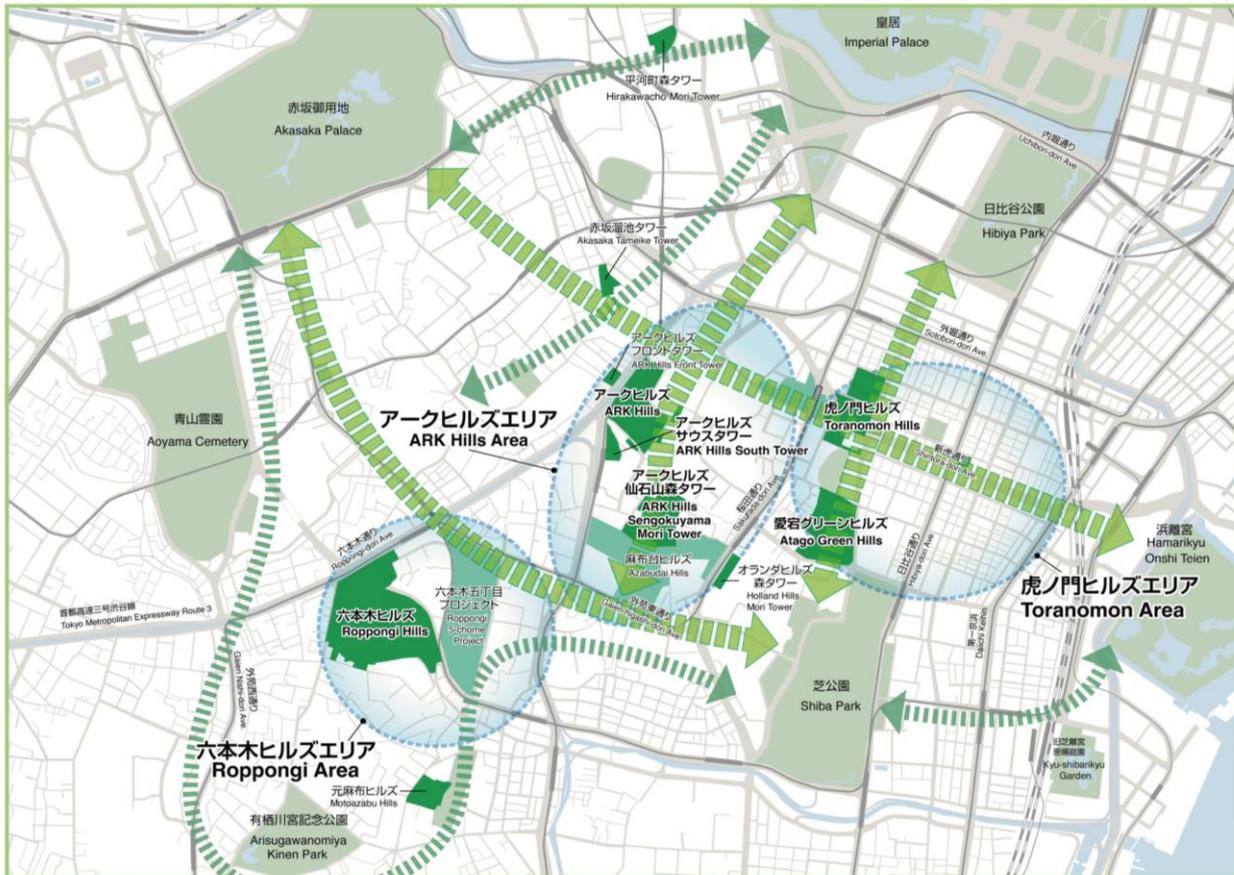


Surface temperatures of greened spaces are 5°C to 15°C lower than those of surrounding streets.

3. Environment (2)

Expanding ecological network adjacent to large-scale urban redevelopments

- To foster a rich ecosystem in Tokyo, Mori Building is creating green areas, in addition to existing green spaces such as the Imperial Palace grounds and Shiba Park, to serve as bases where creatures can rest as they move about the city. This undertaking accords with the Tokyo Metropolitan Basic Environment Plan and the Minato City Greenery and Water Comprehensive Plan.
- The green spaces and watershed areas of Hills properties, which are located between the Imperial Palace, Aoyama Cemetery, and other existing large green spaces in the heart of Tokyo, serve as relay points as well as habitats for creatures as they come and go, playing an important role as an ecological network.



森ビル関連プロジェクトにより補われるネットワーク
Network supported by Mori Building-related projects

斜面緑地や街路樹などを生かしたネットワーク
Network comprised of green slopes and tree-lined streets, etc.

森ビル関連プロジェクト
Mori Building-related project

■ 事業完了
Completed work

■ 進行中のプロジェクト
Ongoing project

公共の緑地
Public greenery area



Semi-endangered Tokyo Dharma Frog in Roppongi Hills



White-eye nesting in Toranomon Hills



Japanese Pygmy Woodpecker in ARK Hills Sengokuyama Mori Tower

Endorsement of and participation in global initiatives



SBTi

- GHG emissions reduction target (interim target in fiscal year 2030) was certified as 1.5° C by the SBTi

SBTi: Initiative to use science-based greenhouse gas emissions-reduction targets to meet Paris Agreement goals



CDP

Carbon Disclosure Project

- "Climate Change A-" rating in the Climate Change category for 2022
- Selected as a Supplier Engagement Leader 2022

CDP: Global-standard climate-related information disclosure platform



RE100

- Joined RE100 (100% by FY2030)
- Switch to fully renewable electricity for approximately 70% of our electricity consumption in Japan, including tenant-exclusive areas

RE100: International initiative to use 100% renewable-energy electricity in business activities



TCFD

Task Force on Climate-related Financial Disclosures

- Became supporter
- Disclosure from November 2022

TCFD: Initiative for recognizing climate risks and implementing countermeasures in business strategies and disclosure

Reporting based on TCFD recommendations

- In April 2022, Mori Building endorsed TCFD recommendations established by the Financial Stability Board
- In November 2022, the company disclosed relevant information

Indicators and targets

Mori Building has set interim and long-term targets for greenhouse gas emissions in its consolidated business activities to help realize a more decarbonized world:

- ✓ Scopes 1 & 2 : 50% reduction by FY2030 vs. FY2019
- ✓ Scope 3 : 30% reduction by FY2030 vs. FY2019
- ✓ Scopes 1, 2 & 3 : Net zero by FY2050

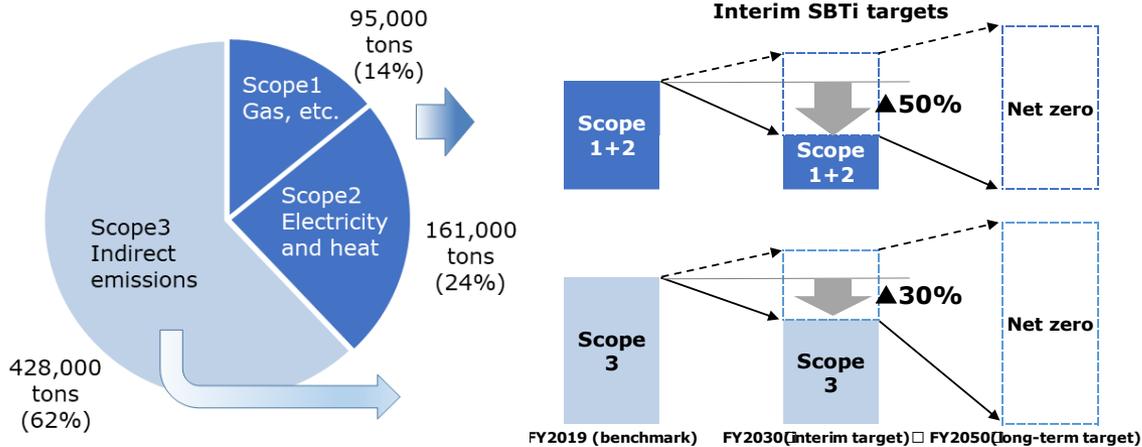
Greenhouse gas emissions (Unit: t-CO2)

	FY2019	FY2020	FY2021
Scope1	95,167	84,405 ▲11.3%	94,248 ▲0.97%
Scope2	160,816	150,538 ▲6.4%	121,437 ▲24.5%
Scope3	427,598	-	484,620 +13.3%

Scope 3 greenhouse gas emissions

Scope 3 category	FY2019	FY2021
1. Purchased goods & services	141,826	81,613
2. Capital goods	212,183	231,801
3. Fuel- and energy-related activities (not included in Scope 1 and 2)	41,344	42,070
4. Upstream transportation & distribution	12,150	464
5. Waste generated in operations	8,835	6,351
6. Business travel	471	506
7. Employee commuting	1,025	904
8. Upstream leased assets	-	-
9. Downstream transportation & distribution	-	-
10. Processing of sold products	-	-
11. Use of sold products	4,505	120,911
12. End of life treatment of sold products	180	-
13. Downstream leased assets	5,080	-
14. Franchises	-	-
15. Investments	-	-
Total	427,598	484,620

Consolidated CO2 emissions in FY2019 Total 684,000 tons



*We will disclose Fiscal 2022 results on the website in the summer of 2023.

Reporting based on TCFD recommendations

Strategies

- Determine future risks, such as extreme weather and social demands for countermeasures, and related opportunities, then verify the effectiveness of current countermeasures to formulate future strategies.
- Identified major risks and opportunities especially relevant to the company's business, conducted impact analysis under scenarios based on proactive transitional policies (<2°C warmer) and current passive policies (4°C warmer), and evaluated financial impacts.

Possible risks & opportunities and financial impacts

Risks and opportunities		Financial impact	Impact level ¹		Term of max. impact ²	Counter-measures ³
			<2°C	4°C		
Transitional risks						
Policies and regulations	Enhanced regulations for energy-efficient building standards (e.g., ZEB)	Increased construction & repair costs to comply with ZEB & environmental-building regulations, etc.	Very little	-	Medium to long	1
	Adoption of carbon pricing (carbon taxes & emissions trading scheme)	Carbon taxes will increase prices of raw materials with high emission intensity (steel, cement, etc.) and also increase construction costs	Some	-	Medium to long	6
Technologies	Development and diffusion of low-carbon technologies	Increased capital expenditures to switch to new technologies	Very little	-	Medium to long	1
Market	Soaring prices of renewable electricity	Increased procurement costs for renewable electricity	Very little	-	Medium to long	4
Reputation	Increased expectations of ESG investors regarding climate measures	Loss of trust and withdrawal of investments (fund-raising difficulties) due to lacking/delayed climate measures	Very little to moderate	-	Medium to long	1, 2, 3 & 4
Physical risks						
Acute	Intensifying natural disasters & extreme weather (heavy rainfall, floods, typhoons, water shortages, etc.)	Loss of business opportunities due to disasters, etc.	-	Very little	Long	5
Opportunities						
Products and services	Demand for high eco-performance (eco-certified buildings, high-efficiency energy, etc.)	Increased sales due to higher rents paid by eco-minded tenants and increased asset values due to investor support	Some to moderate	-	Medium to long	1, 2, 3 & 4

¹ Based on financial impact.

² Short: now to 2025, Medium: now to 2030, Long: now to 2050

³ See next page

Countermeasures Against Identified Risks and Opportunities

Countermeasure		Details
1	ZEB introduction	<ul style="list-style-type: none"> Target ZEB/ZEH-level performance for all future buildings Consider ZEB retrofitting for all existing buildings
2	Statement of Corporate Stance	<ul style="list-style-type: none"> Continue to endorse and commit to initiatives (TCFD, SBT, RE100, etc.)
3	Low-carbonization of operating facilities	<ul style="list-style-type: none"> Lower carbon footprints by introducing energy-saving technologies, high-efficiency equipment, and renewable energy in existing buildings
4	Renewable-energy introduction targets	<ul style="list-style-type: none"> Procure stable, inexpensive renewable energy to achieve introduction targets
5	Enhancement of disaster-prevention capabilities of properties	<ul style="list-style-type: none"> Design properties based on the latest hazard maps and property/location characteristics Consider retrofitting according to the latest standards for possible disasters Conduct disaster drills
6	Improved eco-performance of buildings	<ul style="list-style-type: none"> Promote low-carbon construction Consider the use of steel and cement with low CO2 emissions Require construction partners to submit CO2 emission estimates and proposals for reduction measures when bidding for work

Focus

Area: Central Tokyo (home to Mori Building's major properties)

Scope: Entire supply chain

Period: Now to 2050

Major scenarios

<2°C proactive scenario: IEA SDS and NZE (IEA WEO2020 and 2021)

4°C passive scenario: RCP8.5 (IPCC AR6 WG1 SPM) and IEA STEPS (IEA WEO2020 and 2021)

IEA: International Energy Agency

SDS: Sustainable Development Scenario

NZE: Net-Zero Emissions by 2050

WEO: World Energy Outlook

IPCC AR6 WG1 SPM: Intergovernmental Panel on Climate Change, Sixth Assessment Report, Working Group 1, Summary for Policymakers

STEPS: Stated Policies Scenario

Analysis

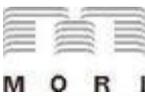
Step 1. Discuss climate-change-reports and other sources to identify risks and opportunities that could significantly impact Mori Building's business.

Step 2. Predict likely outcomes for identified risks and opportunities under proactive <2°C and passive 4°C scenarios.

Step 3. Estimate financial impacts on Mori Building (including qualitative analysis of risks/opportunities that are difficult to estimate quantitatively).

Step 4. Plan appropriate measures based on findings.

3. Environment (7)



Environmental certification policy

- For flagship buildings, Mori Building aims for top-rank certification of eco-performance and greening upon construction completion, and CASBEE, LEED, etc. certifications thereafter.

Major certifications obtained, or expected

Certifications of new projects

	Facility	Completed	CASBEE-Buildings (new construction)	CASBEE-Real Estate	CASBEE-Wellness Office	LEED ND (neighborhood development)	LEED O+M (Existing buildings)	LEED BD+C/CS (New Construction)	WELL
Existing	ARK Mori Building	1986		S					
	Atago Green Hills Mori Tower	2001		S		Certified			
	Roppongi Hills Mori Tower	2003		S		Precertified			
	ARK Hills Sengokuyama Mori Tower	2012		S		Certification expected			
	Toranomon Hills Mori Tower	2014		S		Platinum Toranomon Hills Area Project			
	Toranomon Hills Business Tower	2020	S				Gold		
	Toranomon Hills Residential Tower	2022							
Ongoing	Toranomon Hills Station Tower	2023	S				Platinum (A-1 district)	Platinum* (A-1 district)	
	Azabudai Hills	2023	S (A district)		S (A district)	Platinum		Platinum (A district)	Platinum* (A district)
Overseas	Shanghai World Financial Center	2008					Platinum (Office)		
	Hang Seng Bank Tower	1998					Platinum		
	JAKARTA MORI TOWER	2022							Gold



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Azabudai Hills

CASBEE-Building (new construction): S expected
 CASBEE-Wellness Office: S expected
 LEED ND: Platinum-level precertified
 LEED BD+C/CS: Platinum-level precertified for redevelopment area A (office/retail portion)
 WELL: precertified for redevelopment area A (office/retail portion) *Platinum certification is expected after completion of construction.



©Dbox for Mori Building Co.

Toranomon Hills Area Project

LEED ND: Platinum-level precertified

Toranomon Hills Station Tower

CASBEE-Building (new construction): S expected
 LEED BD+C/CS: Platinum-level precertified for redevelopment area A-1 (office/retail portion)
 WELL: precertified for redevelopment area A-1 (office/retail portion) *Platinum certification is expected after completion of construction.

LEED BD+C/CS and WELL acquired for office/commercial areas. Above information subject to change.

*Platinum certification expected following completion

- The A District of the Azabudai Hills and the A-1 District of Toranomom Hills Station Tower have received WELL precertifications for their office spaces and retail facilities. Once completed, both projects are expected to obtain top Platinum-level WELL certifications.
- Azabudai Hills and Toranomom Hills both received top Platinum-level LEED ND precertifications from the U.S. Green Building Council (USGBC).
- The Azabudai Hills (A District) and Toranomom Hills Station Tower (A-1 District) also received top Platinum-level BD+C/CS precertification for their efficient, environmentally friendly office spaces and retail facilities. Worldwide, there are few other cases of LEED ND and LEED BD+C/CS (CS) certifications both being obtained.

WELL=WELL Building Standard

LEED=Leadership in Energy & Environmental Design, ND=Neighborhood Development, and BD+C/CS (CS)=Building Design and Construction/Core and Shell Development



Low-rise buildings with rooftop greenery in Azabudai Hills (image)

©DBOX for Mori Building Co., Ltd.



Oval Square at Toranomom Hills Mori Tower

WELL™

WELL Platinum Precertifications

WELL is the world's first performance-based system for measuring, certifying and monitoring features of the built environment that impact human health and wellbeing through air, water, nourishment, light, fitness, comfort and mind. WELL is managed by the U.S. Green Building Council (USGBC).

Currently the A District of Azabudai Hills is the **world's largest precertified property** and the A-1 District of Toranomom Hills Station Tower is Japan's second largest precertified property.



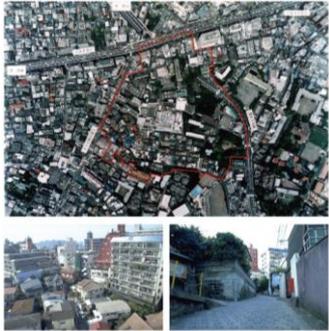
LEED ND Platinum Precertifications

LEED is the most widely used green-building rating system that evaluates and certifies buildings and cities worldwide for environmental performance in terms of water and energy efficiency, indoor environments and sustainable materials. LEED is also managed by the USGBC.

The Azabudai Hills became **Tokyo's first project to attain Platinum-level precertification in the ND category** and the Toranomom Hills Area Project quickly followed as the second such project. It is rare for complexes in urban business areas to receive Platinum-level precertification worldwide.

4. Society (1)

Create enjoyable urban environments and develop them together with communities



Crowded Roppongi Hills area before redevelopment



"Cultural Heart of Tokyo" appealing to corporations and people

The Vertical Garden City concept underpins Mori Building's development of new cities. The idea is to combine fragmented city elements in high-rise buildings that help to increase wide-open green spaces in surrounding areas. Compact, mixed-use urban centers for work and residence concentrate complex urban functions within walking distance, which attracts diverse people for purposes including residence, work, recreation, education, relaxation, and more. The result is myriad opportunities for human interaction and collaboration. The idea is completely opposite to the conventional concept of urban development that differentiates and separates urban uses.

Mori Building, viewing a building's completion not as the end but as the beginning, steadily nurtures its surrounding community. Under the philosophy "Create cities, nurture cities," the company has assembled the necessary organization, experience and know-how to develop and manage communities in an integrated manner. While the freshness of buildings diminishes with the passage of time, the bonds between its occupants deepen, which is why community development and management are equally indispensable to enhancing the magnetism of Tokyo.

Thinking and talking with communities

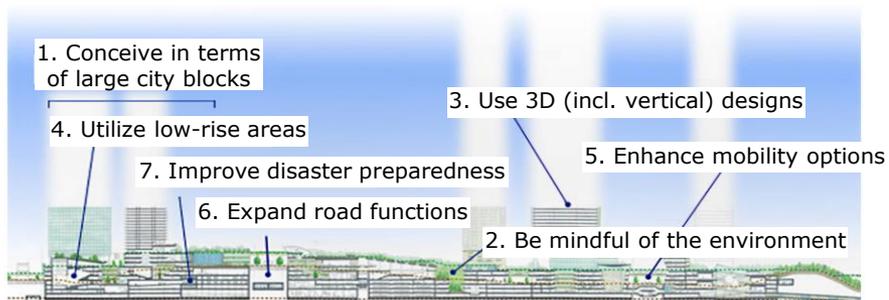


Briefing session for residents during ARK Hills development



Supporting clean-up activity by Roppongi Hills Residents' Association

7 steps of development



Hills facilities helping to nurture cities



Comprehensive disaster countermeasures for safety and security

Under the concept of "Cities to escape to, rather than flee from," Mori Building takes advantage of the characteristics of large-scale redevelopments to create safe and secure disaster-resistant, disaster-preventative urban centers that contribute not only to the redeveloped area itself but also the surrounding community, combining various hard and soft measures including the development of open spaces, transportation and other urban infrastructure.

Hard Measures

Advanced vibration-damping devices



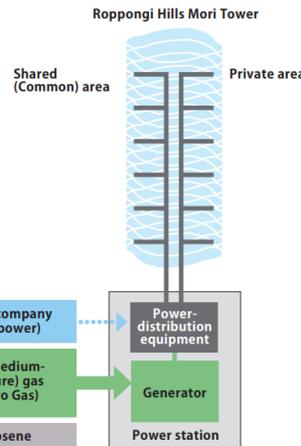
Oil dampers



Unbonded braces

Stable power supply from independent power stations

Roppongi Hills has its own energy plant for electrical power supply. The triple-redundant system uses "city" (medium-pressure) gas, grid power and even kerosene to ensure power supply with a level of reliability exceeding that of ordinary S-class buildings.



Provides power in the case of emergencies when the supply from city (medium-pressure) gas and power companies is interrupted

Soft Measures

Disaster-prevention organizational framework



Some 1,600 Mori Building employees are promptly deployed to an earthquake-response organization if a strong earthquake occurs.

Earthquake response organization

Disaster preparedness drills

In addition to general disaster-readiness training conducted companywide twice annually, disaster-response personnel also participate in training throughout the year. Also, all employees are required to be certified in first-aid skills.



Disaster-info system

Mori Building operates its proprietary "Disaster Portal Site" information gathering system

Emergency stockpiles

The company maintains an emergency food stockpile equivalent to about 280,000 meals (incl. about 100,000 at Roppongi Hills), one of the largest in Japan's private sector. Blankets, medical supplies, mechanical equipment, and portable toilets are also stockpiled at each facility.

4. Society (3)

Culture and art promotion



Installation view: WORLD CLASSROOM: Contemporary Art through School Subjects, Mori Art Museum, Tokyo, 2023 (Photo: Furukawa Yuya)

Mori Art Museum, a key symbol of Roppongi Hills as the "Cultural heart of Tokyo," enriches society by enabling people to experience and enjoy more art.



Roppongi Art Night at Roppongi Hills

Since 2009, this art festival has been held annually throughout the entire Roppongi area to present a diverse range of artistic expressions in order to communicate the further possibilities of art in society.

Collaboration with stakeholders



Bon Odori Dance at Roppongi Hills

Roppongi Hills residents' association holds a Bon Odori Dance as a local community event for to "create, participate, and enjoy." It is working to promote community collaboration by holding the festival at the same time as the nearby Azabu Juban Noryo Matsuri Festival.

Innovation-creation support



ARCH Incubation Center

This large, member-based incubation center in Toranomon Hills Business Tower supports business innovation and creation originating in Tokyo and shared with the world.

Educational support



Kids workshops

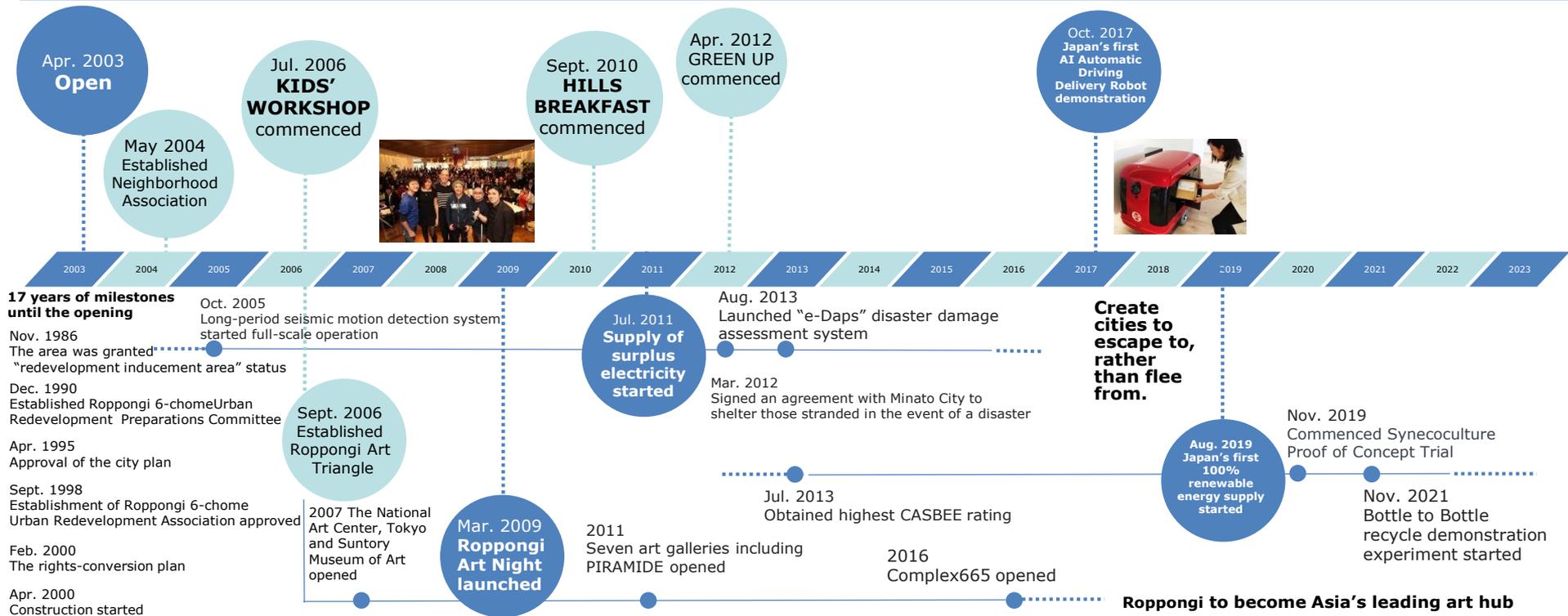
Programs in cooperation with tenants and stores in Roppongi Hills, ARK Hills and Toranomon Hills invite experts from various fields to lead various types of extra-curricular classes for children.



Hills Machi-Iku Project

The Hills "Machi-Iku," city nurturing project, aims to share its expertise in urban development and the city's charms with children, the city's future leaders, so that they can enjoy learning and thinking about how the next generation of cities should be. Since the first project in 2007, a total of approximately 16,000 participants.

20 years setting the standard: A brief history of Roppongi Hills



Create cities to escape to, rather than flee from.

Roppongi to become Asia's leading art hub



Redevelopment makes the area safe and secure
Before its redevelopment, the area featured a difference in elevation of more than 15 meters, with a high concentration of low-rise wooden houses. In addition, the narrow one-way streets made it difficult for fire trucks to enter the area, impeding disaster prevention.



A community that nurtures the town
The Roppongi Hills Neighborhood Association was formed by some 400 landowners who promoted the redevelopment of the area. The association has since been involved in a variety of community activities, from Bon festival dances to earthquake drills, that are rooted in the local community despite its location in the heart of the city.



Expanding community activities
Over the past 20 years, a variety of activities have been undertaken. The monthly "Roppongi Cleanup" has been held 170 times with more than 20,000 participants, and the "HILLS BREAKFAST" morning talk event, which started in 2010, has attracted more than 650 speakers.



Providing learning opportunities
Roppongi Hills has provided numerous learning opportunities for children. Since 2011, tenant companies have participated in the summer KIDS' WORKSHOP, offering programs that can only be experienced at Roppongi Hills. To date, more than 40,000 children have participated.



The center of Tokyo's art scene
As a cultural center, Roppongi operates the Mori Art Museum, and since 2009 has co-sponsored Roppongi Art Night with the Tokyo Metropolitan Government and other organizations. With a concentration of museums and galleries in the surrounding area, Roppongi has become one of Asia's leading art centers.



More than just a rooftop garden
The rooftop garden of the Keyakizaka Complex, 45 meters above ground level, is itself a damper facility that minimizes earthquake shaking, and it also features rice paddies, where rice is grown by local residents as a communal activity.



Events that have become Tokyo traditions
Events are held throughout the year to create a lively atmosphere in the city. The illumination of Keyakizaka, with its white and blue LED lights, has become an established winter tradition in Tokyo. Around 7 million people visit here each Christmas.

Initiatives for employees

- Female advancement:
 - ✓ Female employees: 32.6%
 - ✓ Female managers: 7.2% (target: 10% by the end of March 2026)
 - ✓ Female new joiners (including new grads & mid-career hires): 48.0%
- Childcare leave: taken by 90.3% of eligible male employees and 100% of eligible female employees
- Health-related goals in FY2023

Priority areas	Indicator	FY2023 targets
Prevention of lifestyle-related diseases	Decrease of people with risk of lifestyle-related diseases *Rate of people eligible for specific insurance guidance	13%
Improvement of mental health	Employee vitality *Results of stress checks	Deviation of 53
Review of work styles (Improvement of Employee productivity)	1. Loss due to absenteeism *Total number of absenteeism days/total number of employees	0.50day
	2. Loss due to presenteeism *Research of WHO-HPQ	30.00%
	3. Work engagement *Results of stress checks	Deviation of 54

Certificates for health management and diversity

- Mori Building has been certified over two consecutive years as a "Health & Productivity Management Outstanding Organization 2023 (White 500)" for its excellent health management practices, based on its efforts to address local health issues and the health promotion initiatives promoted by the Nippon Kenko Kaigi (Japan health council).
- Acquisition of "Eruboshi Certification" - Promoting female participation and advancement
- Acquisition of "Kurumin Certification" - Childcare support



Supply chain management

Under the philosophy of "Create Cities, Nurture Cities," the Mori Building group believes that in order to further contribute to the realization of a sustainable society, it is important to work throughout our entire supply chain, including the many suppliers with whom we collaborate, from development to operation, in the creation of cities. In June 2022, we established the Mori Building Group Sustainable Procurement Guidelines.

- We have sent these guidelines to approximately 1,400 suppliers who received multiple orders from us over the past five years, to promote awareness of them.
- We are currently conducting a survey to confirm the status of efforts to comply with the guidelines among suppliers that are considered to have a particularly large impact on our supply chain. In fiscal 2022, we conducted a survey of five general contractors that play a particularly important role and who are working extensively on new construction projects and found no significant problems. The results of the survey have been shared with each company, and we are asking them to continue to progress their sustainability initiatives.

Participation in Declaration of Partnership Building

Mori Building is participating in the Declaration of Partnership Building formulated by the Council on Promoting Partnership Building for Cultivating the Future, which is being managed by the Cabinet Office of Japan and other bodies. The declaration is a statement of commitment to co-existence and co-prosperity throughout supply chains, to partnerships that transcend company sizes and affiliations, and to compliance with appropriate business practices between companies and their business partners.



Basic concept

Mori Building is committed to management transparency and the strengthening of management processes in order to realize and maintain a sound and efficient business. Since corporate governance is one of the most important processes, every effort is made to ensure that the company's governance structure is ideally suited to Mori Building's business.

Corporate governance structure

Board of Directors

Eight directors (none external) well-versed in the company's business were selected, regardless of gender, for their overall knowledge, experience and abilities.

Board of Corporate Auditors

Two of the three members of the Board of Corporate Auditors are outside auditors, and the Board works to ensure transparency and objectivity in management.

Internal Audit Office

Reports directly to the President and CEO, audits the internal control system and works to further enhance the system.

Sustainability Committee

Establishes the company's policies, targets, and plans and supervises and monitors the implementation and progress of them across the entire company.

Compliance Committee

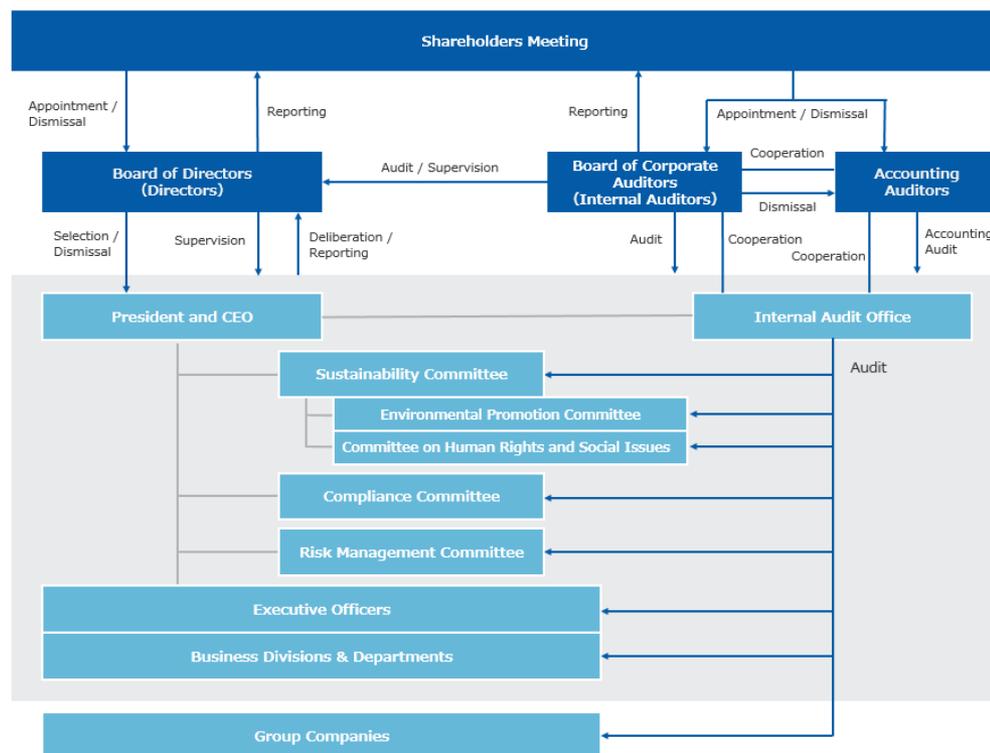
Promotes and strengthens adherence to the internal Compliance Manual, articulating basic policies, regulations, and codes of conduct

Risk Management Committee

Identifies and reviews potential risks and approves remedial measures for addressing needs companywide.

Board member compensation

Compensation for each director is determined based on a comprehensive evaluation of the director's position, business performance, ability, and experience.



Issued a total of 110 billion yen in Green Bonds

- Mori Building issued a cumulative 110 billion yen in Green Bonds as of the end of March 2023.
- The third series of domestic subordinated unsecured bond with interest-deferral and early-redemption options, as the company's third green bond issued in October 2022, has received 78 preliminary bids from investors.
- Through the Toranomon-Azabudai Project and other urban-renewal initiatives, Mori Building has demonstrated its consistent commitment to responsible urban development and global environmental protection. Mori Building engages in green financing to diversify its funding methods as well as contribute to a more decarbonized world.

Green bond issuance record

Name	Mori Building Co., Ltd. third series domestic subordinated unsecured bond with interest-deferral and early-redemption options (green bond)	Mori Building Co., Ltd. second series domestic subordinated unsecured bond with interest-deferral and early-redemption options (green bond)	Mori Building Co., Ltd. 26th unsecured corporate pari-passu bond (green bond), also known as "Mori Building Green Bond"
Total issue	JPY 50 billion	JPY 45 billion	JPY 15 billion
Closing date	October 11, 2022	October 19, 2020	November 14, 2019
Use of proceeds	All funds for acquisition of a reserved floor in the A District Tower of the Azabudai Hills	All funds for capital expenditures related to "A district" facilities of the Azabudai Hills	All funds for capital expenditures related to "A district" facilities of the Azabudai Hills
Bond rating	A- (Japan Credit Rating Agency, Ltd.)	A- (Japan Credit Rating Agency, Ltd.)	A+ (Japan Credit Rating Agency, Ltd.)
Second-party evaluator	Sustainalytics	Sustainalytics	Sustainalytics

Azabudai Hills outline

- Official name: Toranomon-Azabudai District Category 1 Urban Redevelopment Project
- Site area: Approx. 8.1 hectares
- Landscaped area: Approx. 63,900 m²
- Total floor area: Approx. 861,700 m²
- Buildings: Residences, offices, retail facilities, hotel, international school, central square, cultural facilities, etc.
- Planned completion: 2023 (planned)
- Certificates:
 - CASBEE-Building (new construction): S expected, CASBEE-Wellness Office: S expected,
 - LEED ND: Platinum-level precertified, LEED BD+C/CS: Platinum-level precertified for redevelopment area A (office/retail portion),
 - WELL: precertified for redevelopment area A (office/retail portion) *Platinum certification is expected after completion of construction

E (Environmental): Major KPI & data

Greening-related Data (Green coverage Coverage ratioRatio)

Indicator	Numerical target	Target year	2020	2021
Overall green coverage ratio (%)	Approx. 38%	2030	36.2	36
Total green coverage area (ha)	—	—	9.6	9.5
Surveyed areas* (quantity)	—	—	10	10

*ARK Hills, ARK Hills Sengokuyama Mori Tower, ARK Hills South Tower, Atago Green Hills, Motoazabu Hills, Holland Hills, Omotesando Hills, Roppongi Hills, Toranomon Hills Mori Tower and Toranomon Hills Business Tower (Completed by 2021 as to all aforementioned); Toranomon Hills Residential Tower (Completed in 2022); Toranomon Hills Station Tower (Completion scheduled for 2023); and Azabudai Hills(Completion scheduled for 2023)

Greening Certification Data (Acquired)

Certification	Property	Acquisition	Validity Period	Rank, etc.
JHEP	ARK Hills Sengokuyama Mori Tower	2012	Sep-27	AAA
	Toranomon Hills Mori Tower	2015	Jan-25	AAA
SEGES (Urban oasis)	ARK Hills	2013	Mar-25	—
	Roppongi Hills	2013	Mar-25	—
	Toranomon Hills Mori Tower	2017	Mar-23	—
EDO-MIDORI Registration Green Space	ARK Hills Sengokuyama Mori Tower	2017	Not stipulated (Submission of Annual reporting)	Excellent green space

JHEP (Japan Habitat Evaluation and Certification Program) certification: This program quantitatively evaluates and certifies initiatives contributing to the preservation and restoration of biodiversity.

RE100 Progress

Scope	Target	FY2019	FY2020	FY2021
Electricity consumption (MWh)	100% by FY2030	391,259	371,537	378,781
Amount of renewable electricity (MWh)		5,049	7,497	9,114
Renewable energy consumption rate		1.30%	2.00%	2.40%

Primary Energy Consumption (Act on the Rational Use of Energy, Reported by Mori Building): KPIs & Actuals

Scope	Target	FY2019	FY2020	FY2021
Energy consumption (kL)	—	11,651	10,271	10,229
Energy consumption rate (kL/m ²)	1% reduction/year	0.0307	0.32813	0.03247
Year-on-year reduction rate (%)	—	—	▲6.87	1.04

Greenhouse Gas Emissions (Tokyo Metropolitan Ordinance on Environmental Preservation, Reported by Mori Building): KPIs and Results

Scope	Target	FY2019	FY2020	FY2021
CO2 intensity (kg CO2/m ²)	—	79.09	67.3	69.57
Year-on-year reduction (%)	—	3.2	16.4	▲2.72

Water Resource Related Data

Indicators	Target (KPI)	FY2019	FY2020	FY2021
Clean water consumed (m ³)	—	1,627,806	1,151,144	1,109,296
Sewage consumed (m ³)	—	1,728,905	1,200,619	1,188,647
Water usage per unit (m ³ /m ²)	Equal to that of previous FY or less	0.73	0.52	0.49

Volume of Waste and Volume of Waste Recycled

Indicators	Target (KPI)	FY2019	FY2020	FY2021
Volume of waste per m ² (Kg/m ²)	Reduced from previous FY	5.28	3.05	3.16
Total waste (Tons)	—	7,419	4,765	4,840
Waste recycle rate (%)	75%	50.20%	53.90%	52.50%
Volume of waste recycled (Tons)	—	3,724	2,570	2,545
Volume of non-recycled waste (Tons)	—	3,695	2,195	2,295

S (Social): Major data

Human Resources Related Data (%)

	Target	Target year	FY2019	FY2020	FY2021
Ratio of female managers	10	FY2025	5.8	6.6	7.3
Ratio of female employees to all employees	—	—	32.7	33.1	34.2
Ratio of female employees among new graduate	—	—	28.9	36.8	36.4
Employees with disabilities	—	—	1.99	2.19	2.05
Acquired annual paid leave taken	—	—	74.1	62.1	69.5
Employees taking childcare leave (Male)	—	—	78	76	80
Employees taking childcare leave (Female)	—	—	100	100	100
Employees returning to work after childcare leave	—	—	100	100	100

Health-related Data

	Target	Target year	FY2019	FY2020	FY2021
Health checkup rate (%)	—	—	100	100	100
Stress check screening rate (%)	—	—	95	95	98
Smoking rate (%)	—	—	17	15	13
Employees on leave (person)	less than 5	FY2023	9	6	5

Safety-related Data

	Target	Target year	FY2019	FY2020	FY2021
Occupational accidents (excl. commuting accidents)	0	FY2023	8	2	1
Lost time incident rate (%)	—	—	0.31	0	0.29
Average overtime hours worked per month (h)	—	—	26.5	22.7	26.9
Employees receiving training on occupational health and safety	—	—	57	49	44

01 Overview of Financial Results for FY2022

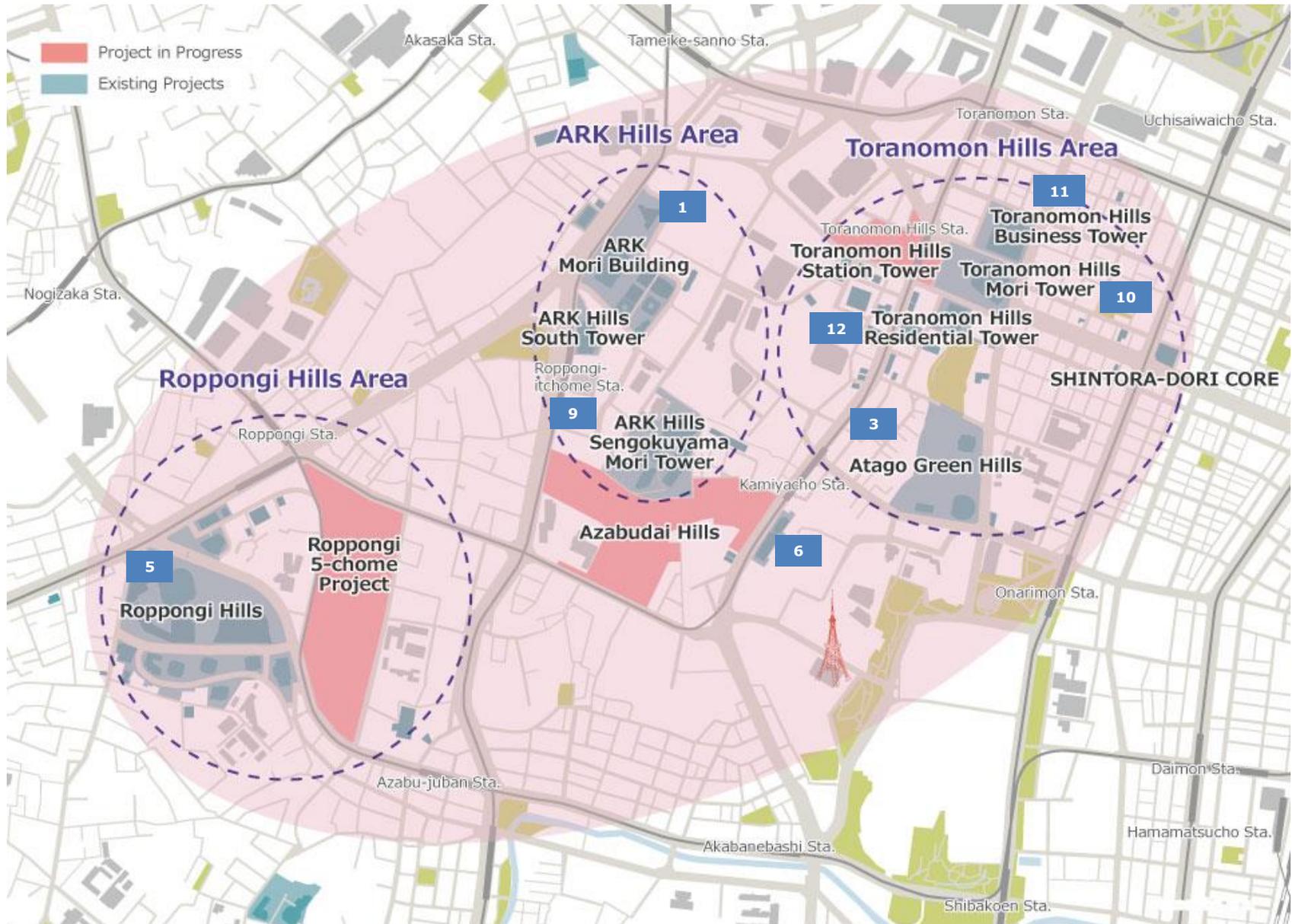
02 Financial Forecast for FY2023

03 Sustainability and ESG Initiatives

04 Ongoing Projects

05 Referential Materials

Ongoing Projects

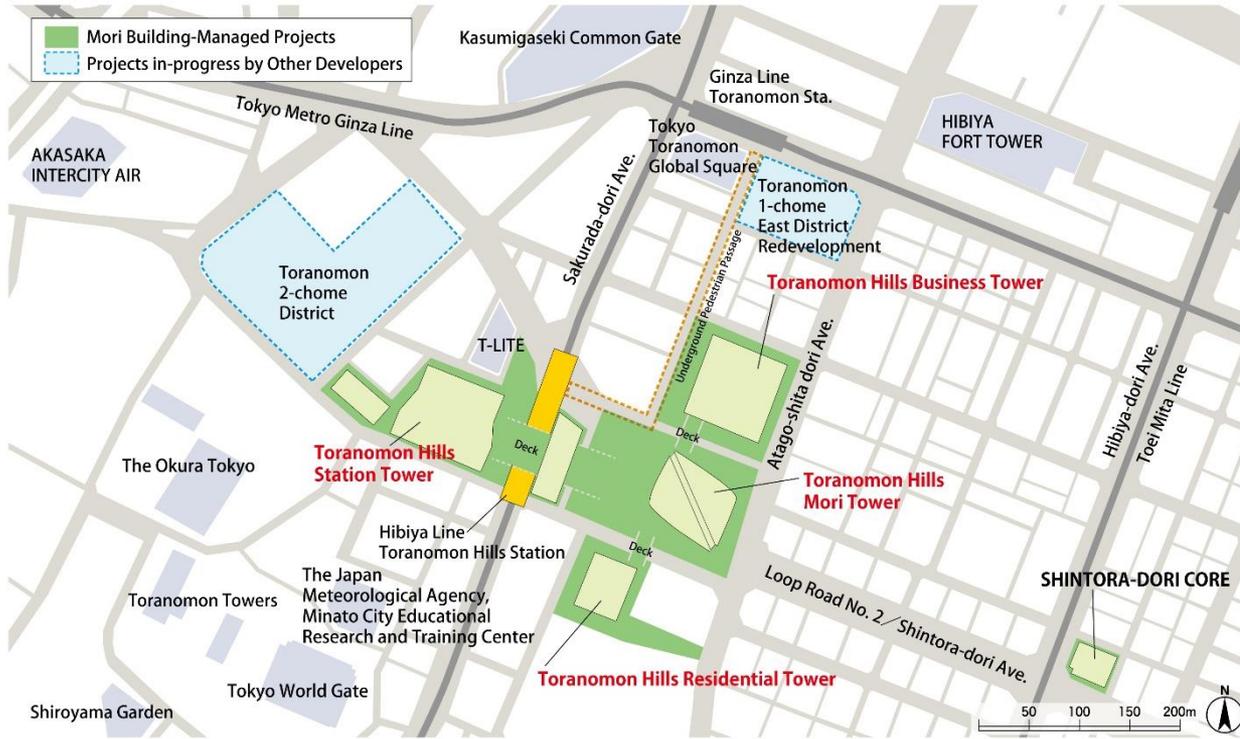


Portfolio (Major Properties)

	1 	2 	3 		4 	5 	6 
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㎡

	7 	8 	9 	10 	11 	12 
Name of the property	Omotesando Hills	Shanghai World Financial Center	ARK Hills Sengokuyama Mori Tower	Toranomon Hills Mori Tower	Toranomon Hills Business Tower	Toranomon Hills Residential Tower
Location	Jingumae, Shibuya-ku	Pudong District , Shanghai	Roppongi, Minato-ku	Toranomon, Minato-ku	Toranomon, Minato-ku	Atago, Minato-ku
Completion date	January 2006	August 2008	August 2012	May 2014	January 2020	January 2022
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	54 above ground 4 underground
Total floor area	34,062㎡	381,600㎡	143,426㎡	244,360㎡	172,925㎡	121,000㎡

New International Hub and Global Business Center



Site area	Approx. 7.5ha
Total floor area	Approx. 792,000m ²
Offices	Approx. 305,000m ²
Residences	Approx. 730 units
Retail facilities	Approx. 26,000m ²
Green area	Approx. 21,000m ²

Toranomon Hills Mori Tower

Opened in June 2014
 Ground area : 17,069m²
 Total floor space : 244,360m²
 Height : 247m/52 floors
 Configuration : Offices, retail facilities, residences, hotel, conference facilities, etc.

Toranomon Hills Business Tower

Opened in June 2020
 Ground area : 10,065m²
 Total floor space : 172,925m²
 Height : 185m/36 floors
 Configuration : Offices, retail facilities, business incubation center, bus terminal, etc.

Toranomon Hills Residential Tower

Completed in January 2022
 Ground area : Approx. 6,535m²
 Total floor space : Approx. 121,000m²
 Height : Approx. 220m/54 floors
 Configuration : Residences, retail facilities, parenting support facilities, spa, etc.

Toranomon Hills Station Tower

Planned to open in Autumn 2023
 Ground area : Approx. 13,960m²
 Total floor space : Approx. 236,640m²
 Height : Approx. 266m/49 floors
 Configuration : Offices, retail facilities, hotel, interactive communication facilities, etc.

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Toranomon Hills Mori Tower	● Jun. Opened									
Toranomon Hills Business Tower		● Jul. City planning approval ● Jan. Redevelopment association established		● Feb. Construction started			● Jan. Completion			
Toranomon Hills Residential Tower		● Sep. City planning approval		● Mar. Construction started					● Jan. Completion	
Toranomon Hills Station Tower				● Mar. City planning approval	● Nov. Redevelopment association established	● Nov. Construction started				● Jul. Completion ● Autumn Planned to open
Toranomon Hills Station							● Jun. Opened			

Open and Lively Station Atrium Created through Integrated Development of Station and Surrounding Area

- The Station Atrium plaza (2,000m²) will be created through the integrated development of Toranomon Hills Station on the Tokyo Metro Hibiya Line and the Toranomon Hills Complex.
- The Station Atrium is a three-story vaulted space combining coordinated and complementary urban and transportation functions. It is richly illuminated with natural light, creating a bright and open all-weather area that makes people forget they are actually below ground level. It's the first time such an expansive open space has been created in a Japanese subway station.
- Providing direct connections between the station plaza and nearby facilities for events and shopping, the Station Atrium will be a bustling space with a steady flow of people from morning till night.



Station Atrium (image) ©DBOX for Mori Building Co., Ltd.

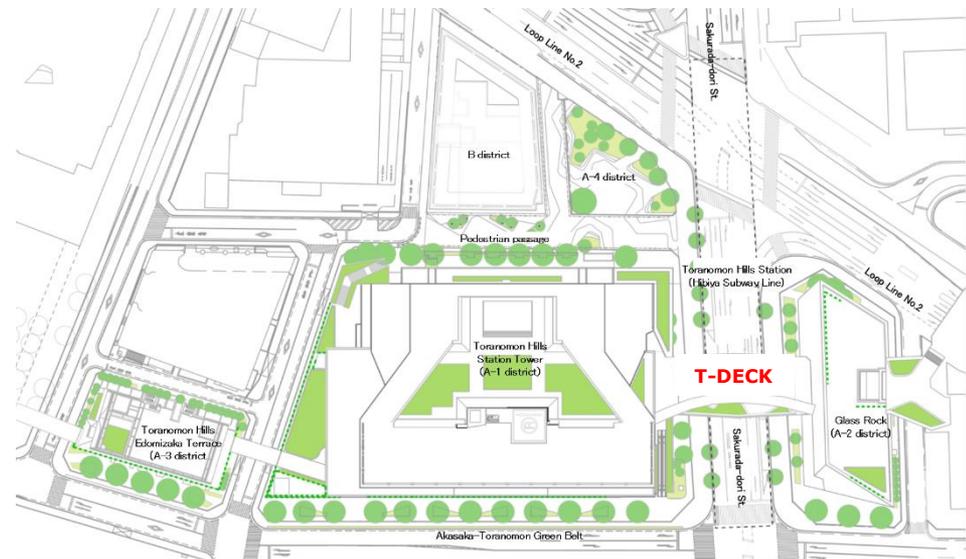


Cross-section plan (image)

- The large-scale pedestrian deck is nicknamed T-Deck and boasts a generous width of 20 meters. This elevated walkway, which passes through the Station Tower's T-Deck, will arch over Sakurada-dori Avenue (National Route 1) to merge with Mori Tower's Oval Square. It will be the main east-west route used by pedestrians to cross the area and its busy arterial road, helping to safely separate people and vehicles.
- T-Deck will facilitate barrier-free accessibility to Toranomon Hills' various facilities. It will also provide barrier-free access to Toranomon Station on the Tokyo Metro Ginza Line, Toranomon Hills Station on the Tokyo Metro Hibiya Line as well as a bus terminal served by airport limousine buses and rapid transit buses (BRT) connecting Tokyo's downtown and waterfront areas.
- In conjunction with Mori Tower's Oval Square, T-Deck will also boost the liveliness of the area by functioning as an additional square connecting people in Toranomon Hills.



T-Deck across Sakurada-dori Avenue (image) ©DBOX for Mori Building Co., Ltd.

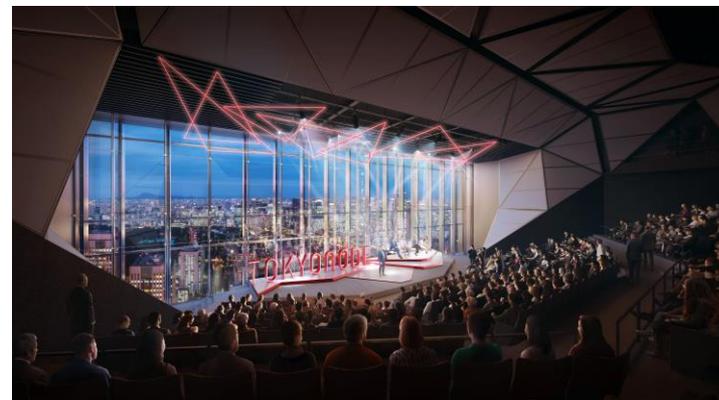


Station Tower site plan

- The top floors of Toranomon Hills Station Tower (45th to 49th floors and a section of the 8th floor) will be home to TOKYO NODE, a 10,000m² interactive communication facility designed to connect Tokyo with the world by disseminating new experiences, values, content and information created through collaborations that transcend domains such as business, art, entertainment, technology and fashion.
- To enhance the facility's capacity as a highly functional and distinctive space for communication and knowledge sharing, wholly unlike traditional conference and banquet facilities, TOKYO NODE will also feature a laboratory on the 8th floor where outstanding talent will come together and conduct joint research on future urban experiences.
- In addition, the tower's rooftop will offer a sky garden, a pool, and two restaurants curated by world-class chefs, including a concept restaurant supervised by Kei Kobayashi, the first Asian chef to earn three Michelin stars in France.



Exterior view (image) ©DBOX for Mori Building Co., Ltd.



TOKYO NODE HALL (image) ©DBOX for Mori Building Co., Ltd.

TOKYO NODE GALLERY B (image)
©DBOX for Mori Building Co., Ltd.TOKYO NODE LAB (image)
©DBOX for Mori Building Co., Ltd.TOKYO NODE SKY GARDEN & POOL
(image) ©DBOX for Mori Building Co., Ltd.

- Toranomon Hills Station Tower (1st and 11th to 14th floors) will be home to Hotel Toranomon Hills, which will feature 205 guest rooms, including standard rooms ranging from 27m² to 34m².
- The hotel brand is “The Unbound Collection by Hyatt,” which will be making its debut in Tokyo as a part of the company’s “Independent Collection.” The brand comprises a curated compilation of one-of-a-kind hotels offering premium facilities, amenities and unique experiences of the highest originality and quality.
- The concept of Hotel Toranomon Hills is that of a hotel connected to diverse facilities and functions. It will serve as an “urban living room of Toranomon” welcoming a variety of guests with its restaurant, cafe and lounges open to the city.
- The hotel’s interior design is by Space Copenhagen of Denmark, which is making its first appearance in Japan. The design is based on Scandinavian architectural style incorporating simplicity and natural materials, blended with Japanese traditional architecture, to express a new type of luxury hotel inspired by the aesthetics and practicality of Japanese architecture.



Room (image)



The Lounge (image)

HOTEL
TORANOMON
HILLS



- Toranomon Hills Station Tower's retail space, measuring about 14,400m², will occupy nine floors (B2–7th), offering some 80 stores that support the work and lives of global players including office workers and residents.
- In addition to T-Market, which will be connected directly to the Station Atrium plaza, other highlights will include the area's first large-scale select store by BAYCREW'S, a major Japanese select store, and Tokyo's largest (about 2,000m²) comprehensive wellness facility, which will be operated by Tokyu Sports Oasis.
- T-Market restaurants will feature high-quality, reasonably priced menus, many curated by acclaimed chefs and pâtissiers, including some with Michelin credentials.
- There will also be a variety of unique stores that meet lifestyle and beauty needs. As a result, the overall floor space of retail facilities in the Toranomon Hills area will expand to about 2.5 times the scale prior to redevelopment



T-Market (image)

Green & Wellness - Modern Urban Village-

- This “Hills of the Future” project will boast an overwhelming scale and impact. Construction is underway and scheduled for completion in 2023.
- The skyscraper, emerging from the lush green environment surrounding its base, will realize the concept of a “Vertical Garden City,” integrating diverse urban functions including offices, residences, a hotel, an international school, and retail and cultural facilities.
- Under the “Modern Urban Village” concept, Azabudai Hills will create a vast open space filled with rich greenery in the heart of Tokyo. Supported by its “Green” and “Wellness” pillars, it will provide an exceptionally verdant environment where diverse people will gather in harmony with nature to form a new community where people can genuinely enjoy life.



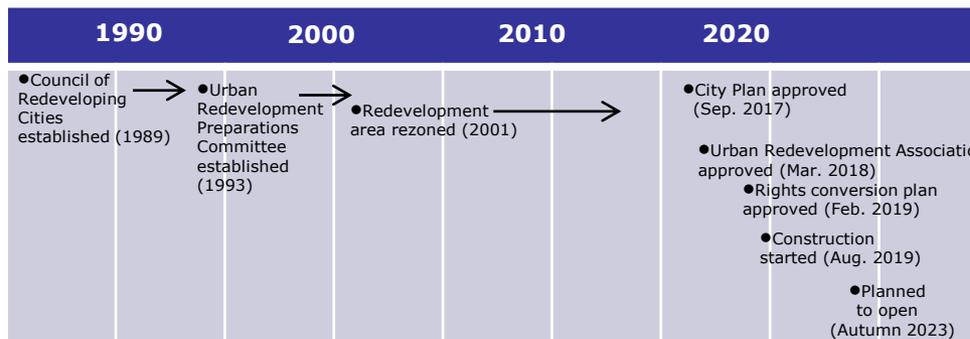
Image of Sakurada-dori Ave. (viewed from Kamiyacho Station area) ©DBOX for Mori Building Co., Ltd.



Image of Central square ©DBOX for Mori Building Co., Ltd.

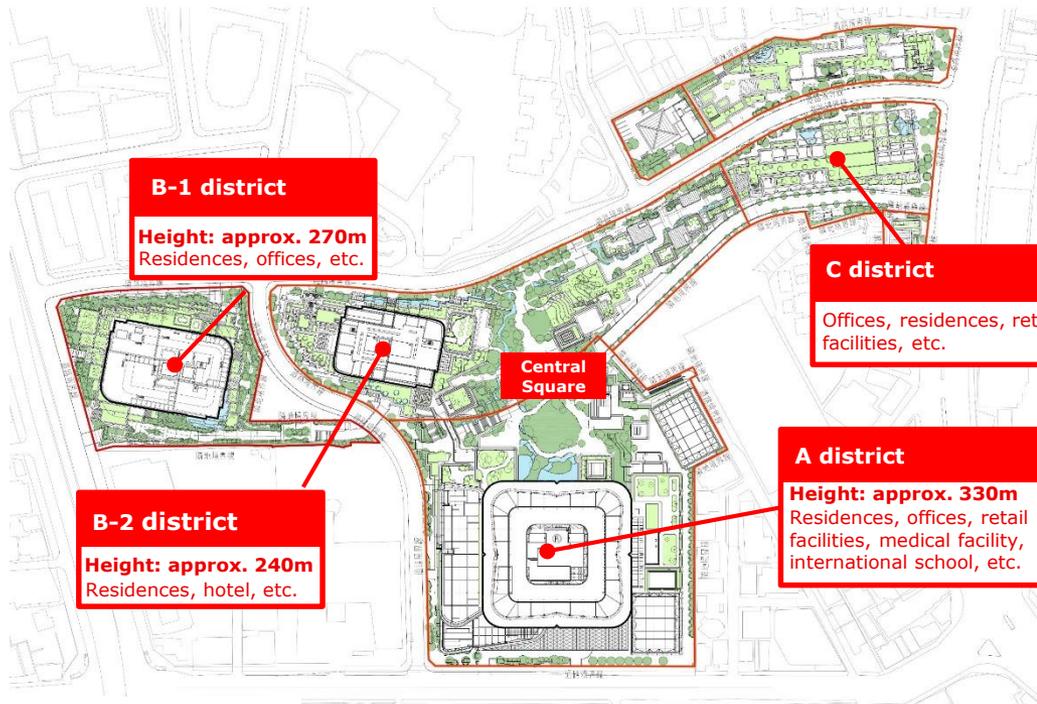


Construction site (April 18, 2023)



Site area	Approx. 8.1ha
Ground area	Approx. 37,100m ²
Total floor area	Approx. 861,700m ²
Construction start	August 2019
Planned to open	Autumn 2023

Site Plan



Retail facilities (image)

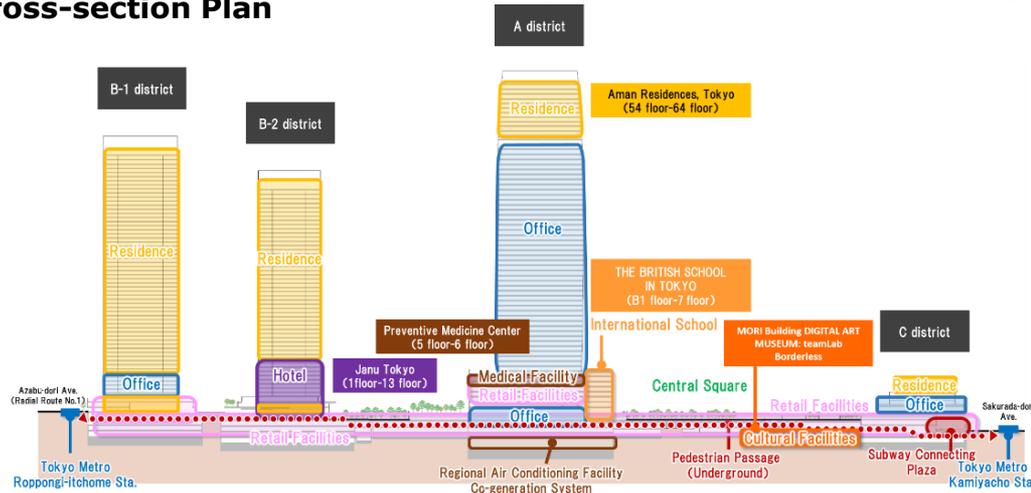
©DBOX for Mori Building Co., Ltd



Food market (image)

©DBOX for Mori Building Co., Ltd

Cross-section Plan



Logo design expresses city concept

- Keio University and Mori Building concluded a basic agreement to relocate and expand the Keio University Center for Preventive Medicine, and thereby launch the Hills Joint Research Laboratory for Future Preventive Medicine and Wellness.
- The center will provide preventive care for personalized needs, membership programs connecting various facilities, and new preventive medicine & wellness services based on the joint research. The project aims to help people living and working in the community achieve true wellness and thereby contribute to a more active society in which people of all generations lead healthier lives.



Image of membership program



Message from Shingo Tsuji, President and CEO of Mori Building

"Wellness, a core concept of the Azabudai Hills, 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, the operator of diverse, world-class luxury hotels and resorts, and Mori Building are collaborating to launch Aman Residences, Tokyo and Janu Tokyo, the latter a sister hotel brand from Aman. 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 offer spa facilities, six restaurants, cafes and bars that greet local and overseas guests alike with warm hospitality.



Lounge in Aman Residences, Tokyo (image)



Aman Spa in Aman Residences, Tokyo for residents only (image)

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."

Introducing Central Tokyo's Largest International School

- Azabudai Hills will be home to The British School in Tokyo where students will study in a rich learning environment in the heart of the city.
- The school, which will draw on a 30-year history and British-style educational curriculum, will create a learning environment steeped in international culture for students from more than 50 countries. Surrounded by nature, the school will nurture internationally minded students prepared to face the challenges of future society.



Location: Next to the A District Tower
Floors: 1 basement and 7 floors above ground
School area: Approx. 14,000m²
Facilities:

- School Building: Approx. 14,000m²
- Grounds: Two areas of approx. 900m²

Students: Approx. 700 (planned)
Student nationalities: More than 50

Relocation from Odaiba Area to Azabudai Hills

- MORI Building DIGITAL ART MUSEUM: teamLab Borderless, which Mori Building established and operated in collaboration with teamLab, will be relocated to central Tokyo's Azabudai Hills.
- The digital art museum, which originally opened in June 2018 in the Odaiba area's Palette Town mall and entertainment complex, attracted 2.3 million visitors from more than 160 countries in its first year. About half of the visitors came from overseas, according to a questionnaire conducted by the museum. In the years that followed, the museum earned numerous prestigious national and international awards, including being named as one of the World's Greatest Places 2019 by TIME magazine in the United States. In just a few quick years, the museum became known globally as one of Tokyo's most popular destinations.
- The newly reestablished digital art museum, which will continue to deliver unique guest experiences based on its concept of "Wander, explore, discover in one borderless world," plans to steadily renew exhibits that blur the boundaries between guests and the artworks. Once reopened, the museum is expected to strengthen its reputation as one of Tokyo's leading destinations attracting visitors from around the world.



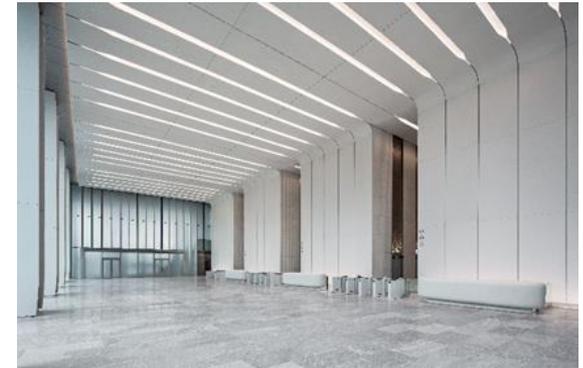
Rendition of MORI Building DIGITAL ART MUSEUM: teamLab Borderless opening at Azabudai Hills, Tokyo in 2023 © teamLab, courtesy PaceGallery



- Mori Building's first development in Southeast Asia will offer premium-grade facilities in Jakarta, encompassing 58 stories and 190,000m² floor space in a 266m tower.
- It will be in an ideal location next to Semanggi Flyover on Sudirman Street, the main thoroughfare in the 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.



Office main entrance



Office entrance lobby



Location in Jakarta



Outdoor terrace (image)

Location	Jakarta, Indonesia
Ground area	Approx. 8,088m ²
Total floor space	Approx. 190,000m ²
Construction start	July 2017
Completion	October 2022

01 Overview of Financial Results for FY2022

02 Financial Forecast for FY2023

03 Sustainability and ESG Initiatives

04 Ongoing Projects

05 Referential Materials



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 Operation of facilities

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

■ Hotel & Membership club

- Mori Hospitality Corporation

■ Golf

- Mori building Golf Resort 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.

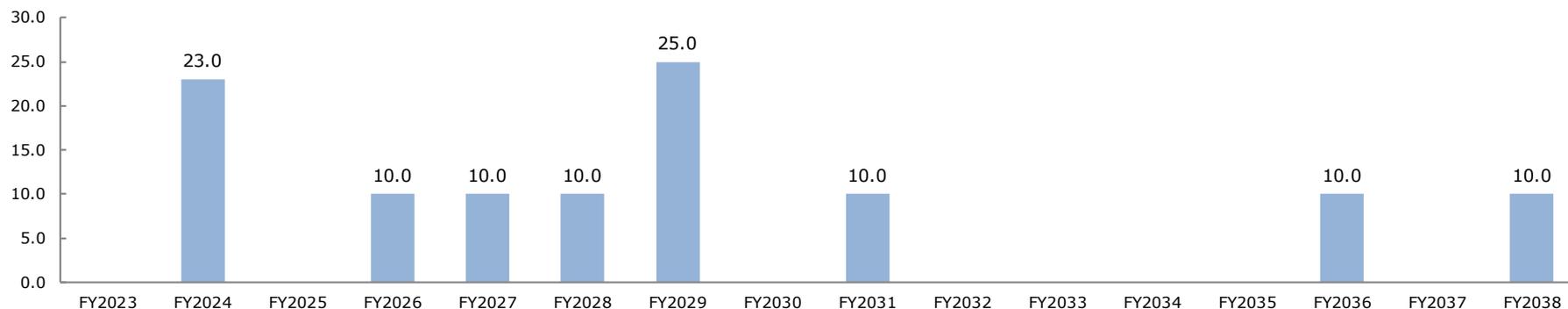
Bond Issuance Policy

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 2023)

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
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
21st Bond	2/10/2017	2/16/2027	10	10.0	0.440%	34.5bp	10.0bp
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
3rd Subordinated bond	10/4/2022	10/11/2057	35	50.0	1.360%	130.0bp	-
Total Bond Balance	-	-	-	253.0	-	-	-

■ Bond redemption schedule (Billions of yen)



*Excluding subordinated bonds

Consolidated Balance Sheet for FY2022



(millions of yen)

Assets				Liabilities			
Account name	FY2021 As of Mar-31,2022	FY2022 As of Mar-31,2023	change	Account name	FY2021 As of Mar-31,2022	FY2022 As of Mar-31,2023	change
Current assets				Current liabilities			
Cash and deposits	266,207	278,524	12,316	Notes and accounts payable - trade	11,749	15,400	3,651
Accounts receivable - trade	9,672	16,018	6,346	Short-term borrowings	45,596	90,973	45,377
Contract assets	692	980	288	Current portion of bonds payable	10,000	950	△ 9,050
Short-term investment securities	2,000	2,000	-	Income taxes payable	11,969	7,766	△ 4,202
Inventories	72,289	59,755	△ 12,533	Contract liabilities	16,248	19,308	3,060
Other	30,847	36,835	5,987	Provision for bonuses	1,302	1,666	364
Allowance for doubtful accounts	△ 16	△ 18	△ 2	Other	39,896	38,351	△ 1,545
Total current assets	381,693	394,095	12,402	Total current liabilities	136,763	174,418	37,654
Fixed assets				Long-term liabilities			
Property, plant and equipment				Bonds payable	203,950	253,000	49,050
Buildings and structures	282,517	272,812	△ 9,705	Long-term borrowings	1,171,385	1,257,097	85,712
Machinery, equipment and vehicles	11,098	10,511	△ 587	Leasehold and guarantee deposits received	87,362	95,181	7,819
Tools, furniture and fixtures	8,591	8,387	△ 203	Long-term deposits received	1,279	1,268	△ 11
Land	489,943	490,744	801	Retirement benefit liability	1,827	2,016	189
Construction in progress	85,238	161,387	76,149	Provision for retirement benefits for directors	1,055	1,181	126
Real estate in progress	242,130	381,712	139,582	Provision for dismantling cost of fixed assets	3,490	2,689	△ 800
Beneficial interests in real estate trust	577,624	575,476	△ 2,147	Deferred tax liabilities	126,637	130,564	3,926
Other	1,726	1,746	19	Other	5,687	4,928	△ 759
Total Property, plant and equipment	1,698,871	1,902,778	203,907	Total long-term liabilities	1,602,675	1,747,927	145,252
Intangible assets				Total liabilities	1,739,439	1,922,345	182,906
Leasehold right	57,176	55,388	△ 1,787				
Goodwill	11,970	11,065	△ 904	Net assets			
Other	6,166	5,532	△ 633	Shareholders' equity			
Total intangible assets	75,312	71,987	△ 3,325	Capital stock	79,500	89,500	10,000
Investments and other assets				Capital surplus	22,563	32,585	10,021
Investment securities	50,350	59,801	9,451	Retained earnings	474,267	499,456	25,188
Equity investments	25,062	22,987	△ 2,074	Treasury stock	△ 11,507	△ 11,507	-
Long-term loans receivable	86,856	103,785	16,928	Total shareholders' equity	564,824	610,034	45,210
Retirement benefit asset	987	557	△ 429	Accumulated other comprehensive income			
Deferred tax assets	89	770	681	Valuation difference on available-for-sale securities	15,050	20,622	5,571
Other	49,138	51,707	2,568	Deferred gains or losses hedges	69	952	883
Allowance for doubtful accounts	△ 1,298	△ 1,017	281	Foreign currency translation adjustment	36,650	42,649	5,998
Total investments and other assets	211,184	238,592	27,407	Remeasurements of defined benefit plans	96	△ 317	△ 413
Total fixed assets	1,985,368	2,213,358	227,989	Total accumulated other comprehensive income	51,866	63,906	12,039
				Non-controlling interests	10,931	11,166	235
Total assets	2,367,062	2,607,453	240,391	Total net assets	627,623	685,107	57,484
				Total liabilities and net assets	2,367,062	2,607,453	240,391

Consolidated Income Statement for FY2022

(millions of yen)

Account name	FY2021	FY2022	change
Operating revenue	245,306	285,582	40,276
Cost of revenue from operations	167,873	195,602	27,728
Operating gross profit	77,433	89,980	12,547
Selling, general and administrative expenses	24,674	27,152	2,478
Operating income	52,759	62,827	10,068
Interest income	955	1,054	98
Dividend income	203	177	△ 26
Compensation income	1,927	1,923	△ 3
Equity in earnings of affiliates	1,945	1,628	△ 316
Other	5,240	2,302	△ 2,937
Non-operating income	10,271	7,085	△ 3,186
Interest expenses	7,800	7,993	193
Finance charges and fees	1,229	1,266	37
Other	246	701	454
Non-operating expenses	9,275	9,961	686
Ordinary income	53,755	59,951	6,196
Gain on sales of fixed assets	307	3,511	3,204
Compensation received	9,149	-	△ 9,149
Subsidy income	651	441	△ 209
Other	924	86	△ 838
Extraordinary income	11,033	4,039	△ 6,993
Loss on sales of fixed assets	64	5	△ 59
Loss on reduction of fixed assets	310	1,093	783
Impairment loss	-	7	7
Loss on business restructuring	844	181	△ 663
Loss on COVID-19	861	-	△ 861
Other	248	196	△ 51
Extraordinary losses	2,329	1,484	△ 844
Income before income taxes	62,458	62,505	47
Income taxes - current	17,600	17,393	△ 206
Income taxes - deferred	1,869	766	△ 1,103
Profit	42,988	44,345	1,356
Profit attributable to non-controlling interests	747	568	△ 179
Profit attributable to owners of parent	42,241	43,777	1,535

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.

