

2023.12



Azabudai Hills (Opened on November 24)

01 Overview of Interim Financial Results for FY2023

02 Financial Forecasts for FY2023

03 Ongoing Projects

04 Referential Materials

Overview of Interim Financial Results for FY2023(Consolidated)

(Billions of yen)

	FY2022 1H	FY2023 1H	change YoY	
			JPY	%
Operating revenue	156.1	125.2	△30.8	△20%
Operating income	39.3	18.3	△21.0	△53%
Ordinary income	39.0	17.2	△21.8	△56%
Profit attributable to owners of parent	26.2	13.7	△12.5	△48%

	FY2022	FY2023 1H	change	
Total assets	2,608.4	2,643.4	+34.9	+1%
Interest-bearing debt	1,602.0	1,631.4	+29.4	+2%
Equity	674.6	690.3	+15.7	+2%
Equity ratio	25.9%	26.1%	+0.3%	-
(After considering equity capital attributes of hybrid securities)	(28.7%)	(29.0%)		
Net D/E ratio(After considering equity capital attributes of hybrid securities)	1.66	1.79	+0.13	-

Consolidated Income Statement for FY2023 First Half Period

	FY2022 1H	FY2023 1H	change YoY	
			JPY	%
Leasing	83.9	90.6	+6.7	
Property sales	50.2	7.9	△42.3	
Operation of facilities	11.1	15.1	+3.9	
Overseas	13.5	14.5	+1.0	
Operating revenue	156.1	125.2	△30.8	△20%
Leasing	17.5	16.5	△1.0	
Property sales	24.2	3.5	△20.6	
Operation of facilities	△ 0.6	1.3	+2.0	
Overseas	4.6	4.5	△0.1	
Operating income	39.3	18.3	△21.0	△53%
Non-operating income	4.3	3.9	△0.3	
Non-operating expenses	4.6	5.0	+0.4	
Ordinary income	39.0	17.2	△21.8	△56%
Extraordinary income	0.3	3.5	+3.1	
Extraordinary losses	0.4	0.1	△0.3	
Income before income taxes	38.9	20.6	△18.3	
Profit attributable to owners of parent	26.2	13.7	△12.5	△48%
※depreciation	14.2	16.1	+1.8	

Operating revenue

(Billions of yen)



Operating income

(Billions of yen)



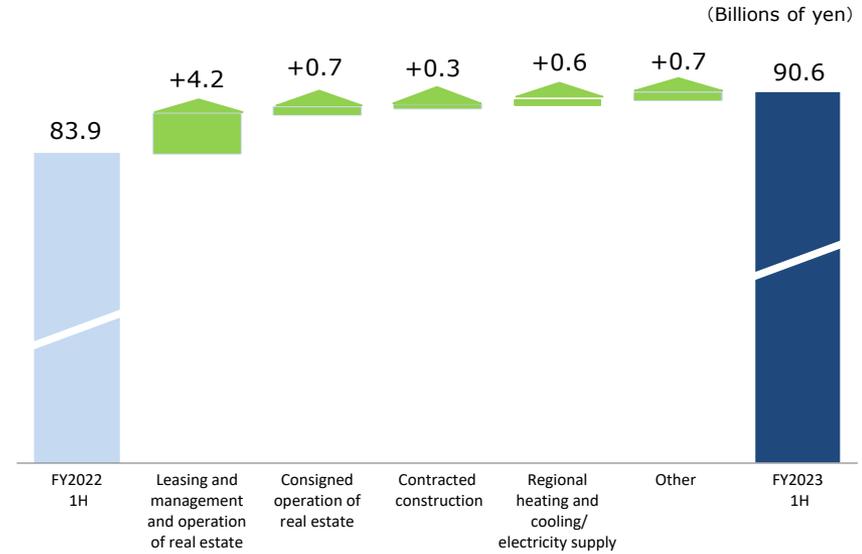
Leasing	Includes revenue gained from leasing and management and operation of real estate, consigned operation of real estate, contracted construction, regional heating and cooling/electricity supply, etc.
Property sales	Includes revenue gained from real estate property sales to investors and individual 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.

FY2023 First Half Period ~Segment Overview (Leasing)~

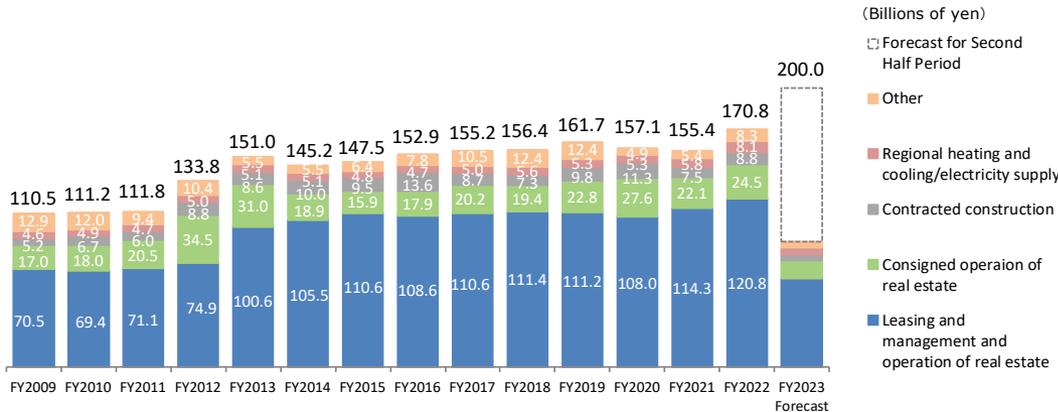
(Billions of yen)

	FY2022 1H	FY2023 1H	change	FY2023 Forecast
Operating revenue	83.9	90.6	+6.7	200.0
Leasing and management and operation of real estate	59.1	63.4	+4.2	-
Consigned operation of real estate	12.3	13.0	+0.7	-
Contracted construction	4.4	4.7	+0.3	-
Regional heating and cooling/electricity supply	4.1	4.8	△0.6	-
Other	3.7	4.4	+0.7	-
Operating income	17.5	16.5	△1.0	30.0

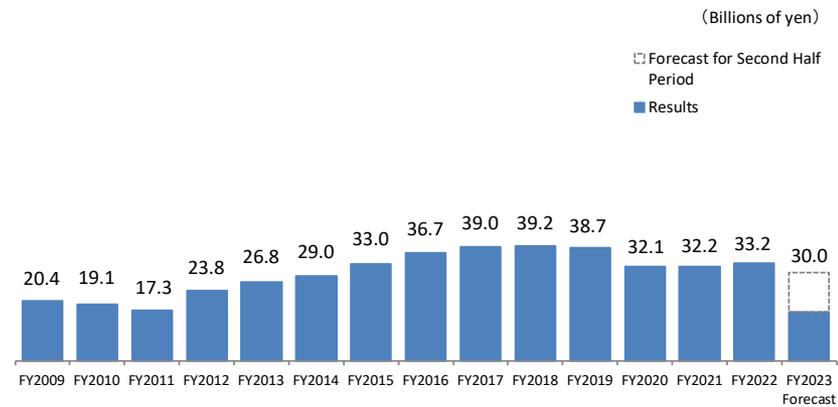
Changes in operating revenue for each segment



Changes in operating revenue

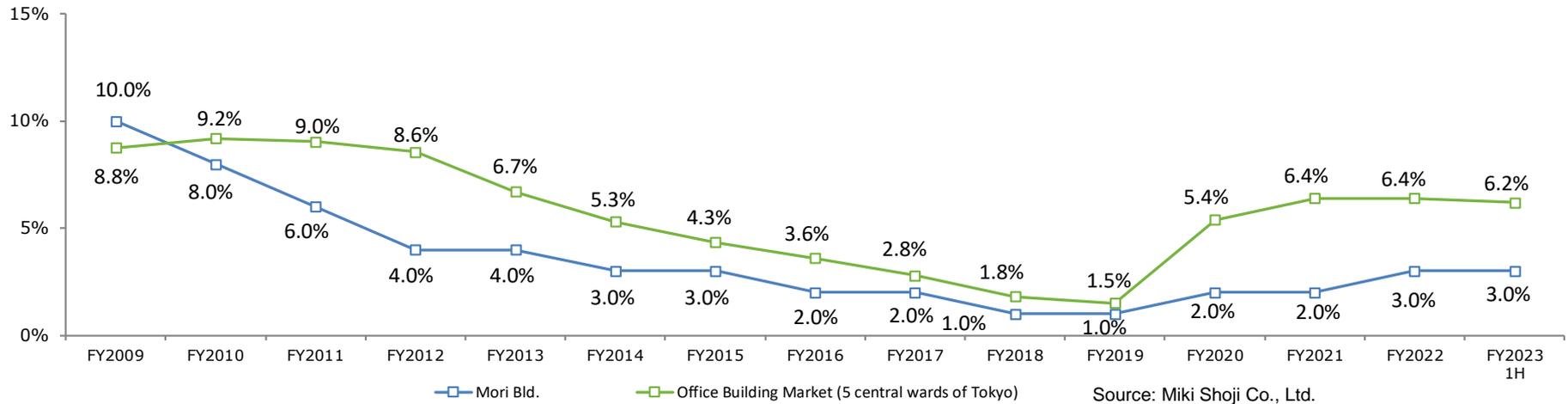


Changes in operating income

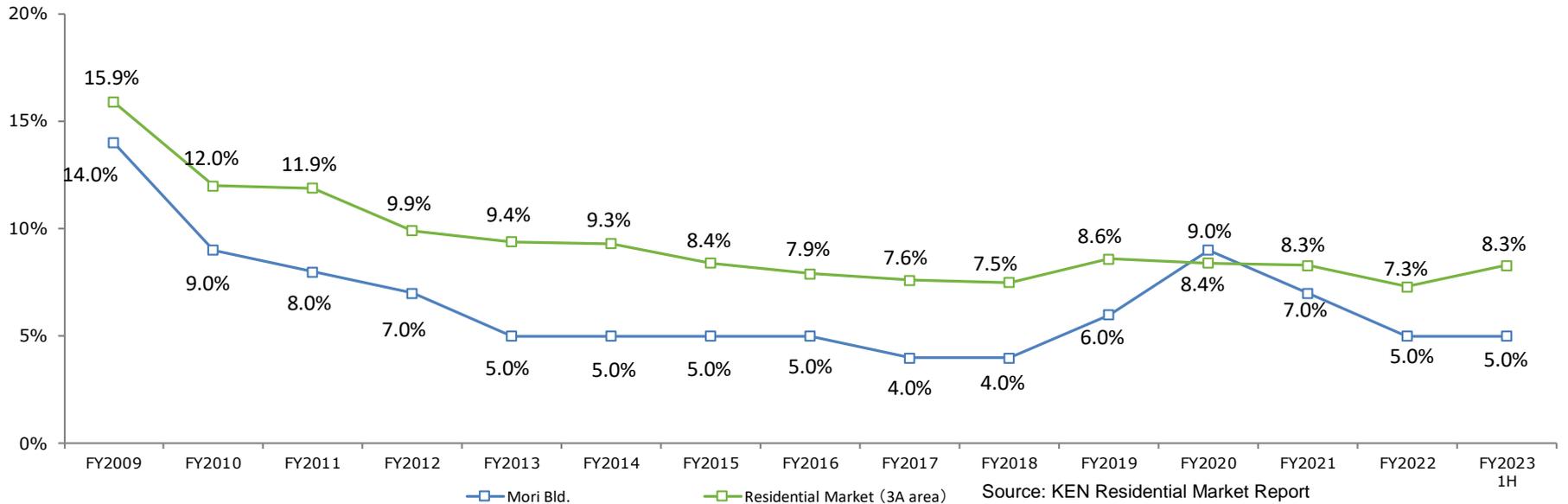


Segment Overview (Leasing) ~Vacancy rate~

Vacancy rate of offices for lease



Vacancy rate of residential units for lease



FY2023 First Half Period ~Segment Overview (Property sales)~

(Billions of yen)

	FY2022 1H	FY2023 1H	change	FY2023 Forecast
Operating revenue	50.2	7.9	△42.3	94.0
Real estate sales business for investors	-	7.9	+7.9	-
Residential sales business for individual customers	50.2	-	△50.2	-
Operating income	24.2	3.5	△20.6	51.0

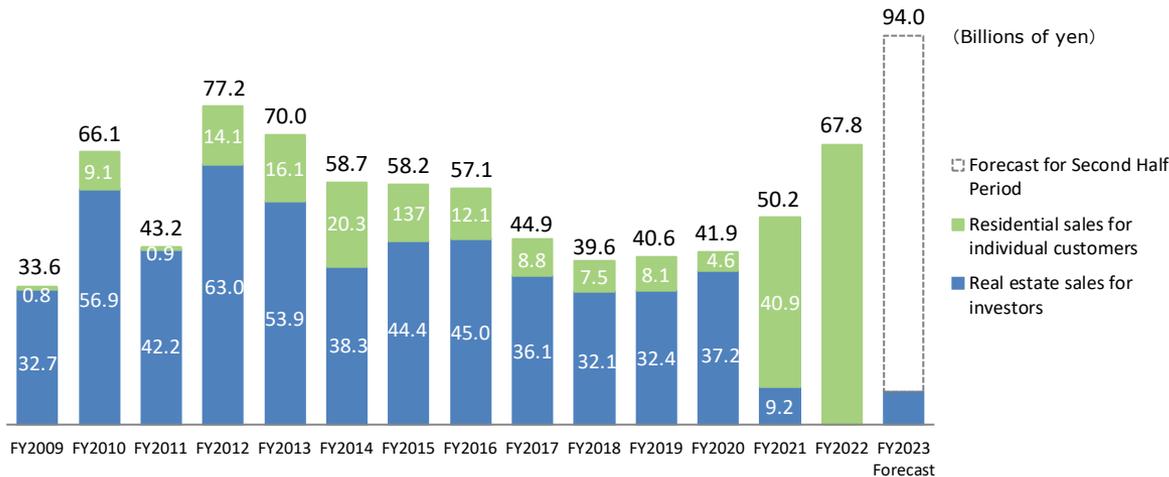
Residential sales business



Azabudai Hills Mori JP Tower
(Aman Residences, Tokyo)

※Scheduled for delivery
in the second half

Changes in operating revenue



(Billions of yen)

	FY2022 1H	FY2023 1H	change	FY2023 Forecast
Operating revenue	11.1	15.1	+3.9	36.0
Hotels	7.6	11.0	+3.4	-
Membership clubs	2.5	2.9	+0.4	-
Golf courses	1.0	1.0	+0.0	-
Operating income	△ 0.6	1.3	+2.0	3.0

Golf courses

- SHISHIDO HILLS Country Club
「BMW Japan Golf Tour Championship Mori Building Cup 2023」
1-4 Jun 2023



- SHIZU HILLS Country Club
「SHIZU HILLS LADIES MORI BUILDING CUP」
25-27 Oct 2023



Major facilities operated by Mori Building Group

Hotels

- Grand Hyatt Tokyo



Presidential Suite

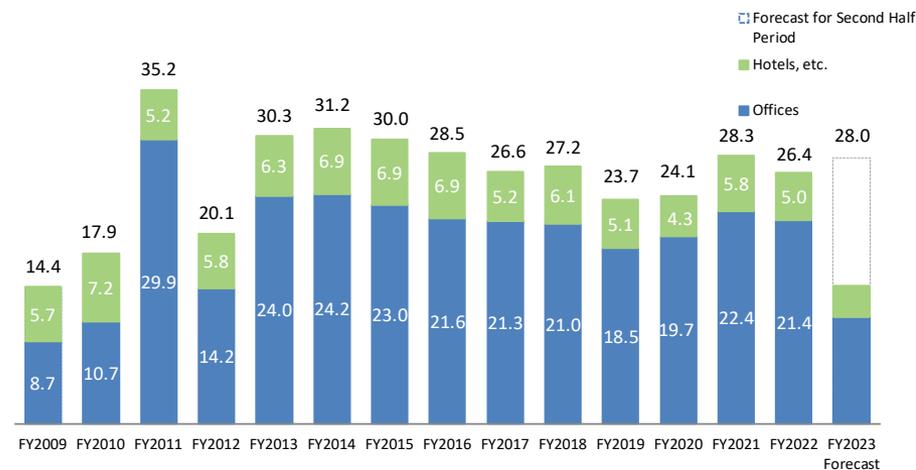
- Andaz Tokyo



Andaz Sky Suite

Changes in operating revenue

(Billions of yen)

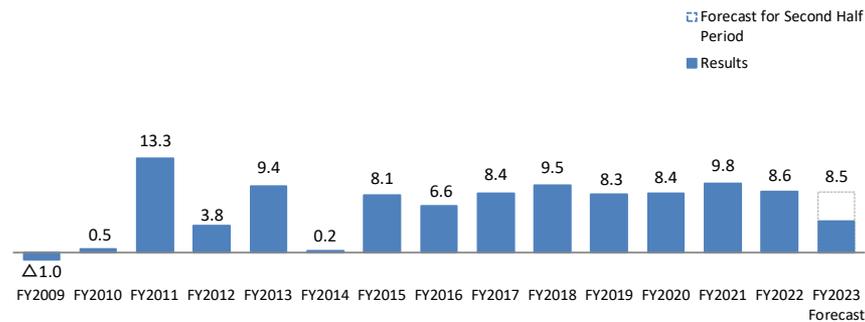


	FY2022 1H	FY2023 1H	change	FY2023 Forecast
Operating revenue	13.5	14.5	+1.0	28.0
Offices	11.2	11.3	+0.1	-
Hotels, etc.	2.3	3.2	+0.8	-
Operating income	4.6	4.5	△0.1	8.5

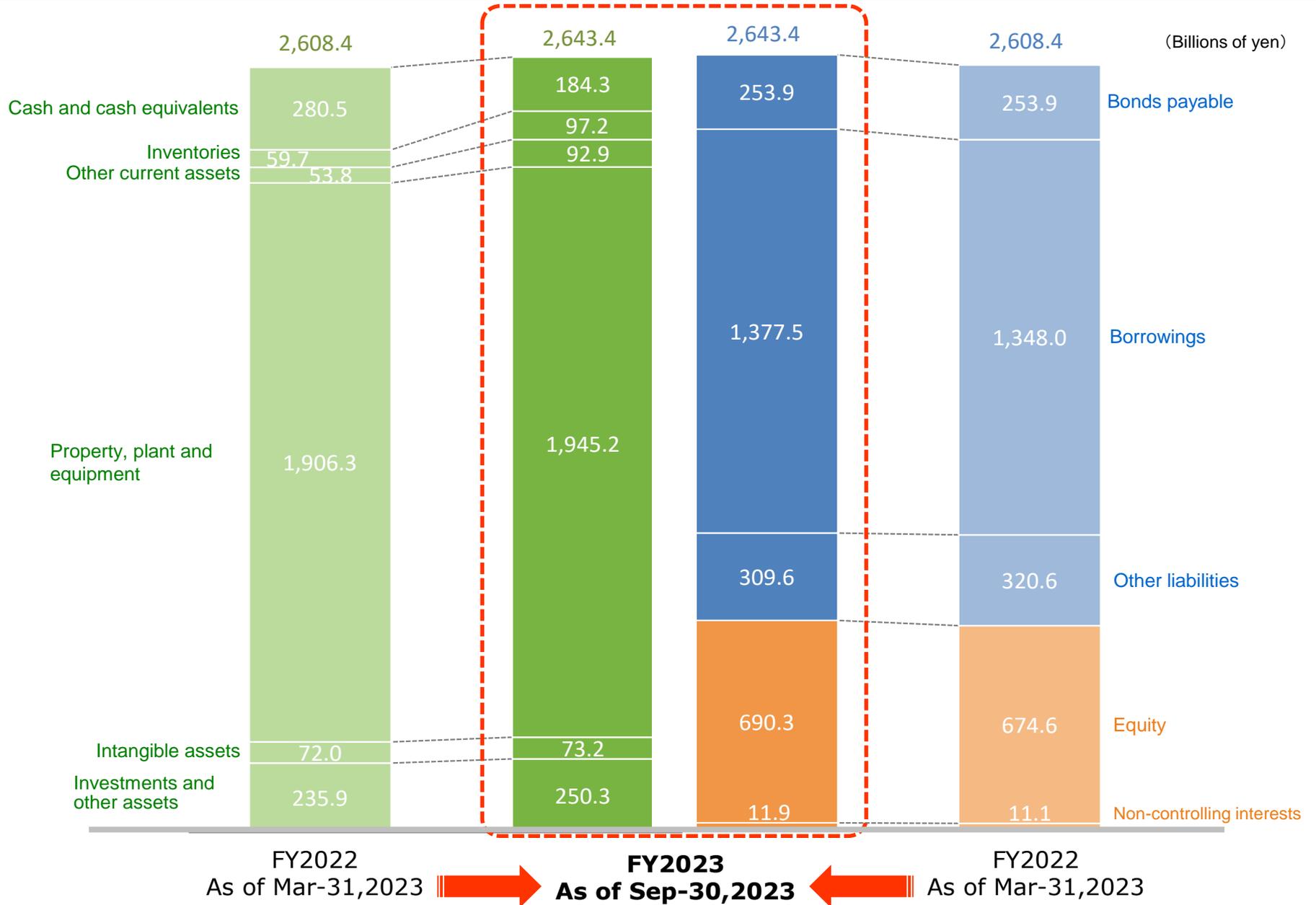
Offices	Leasing and management of offices and stores such as "Shanghai World Financial Center", "Hang Seng Bank Tower", etc.
Hotels, etc.	Operation of facilities such as "Park Hyatt Shanghai", etc.

Changes in operating income

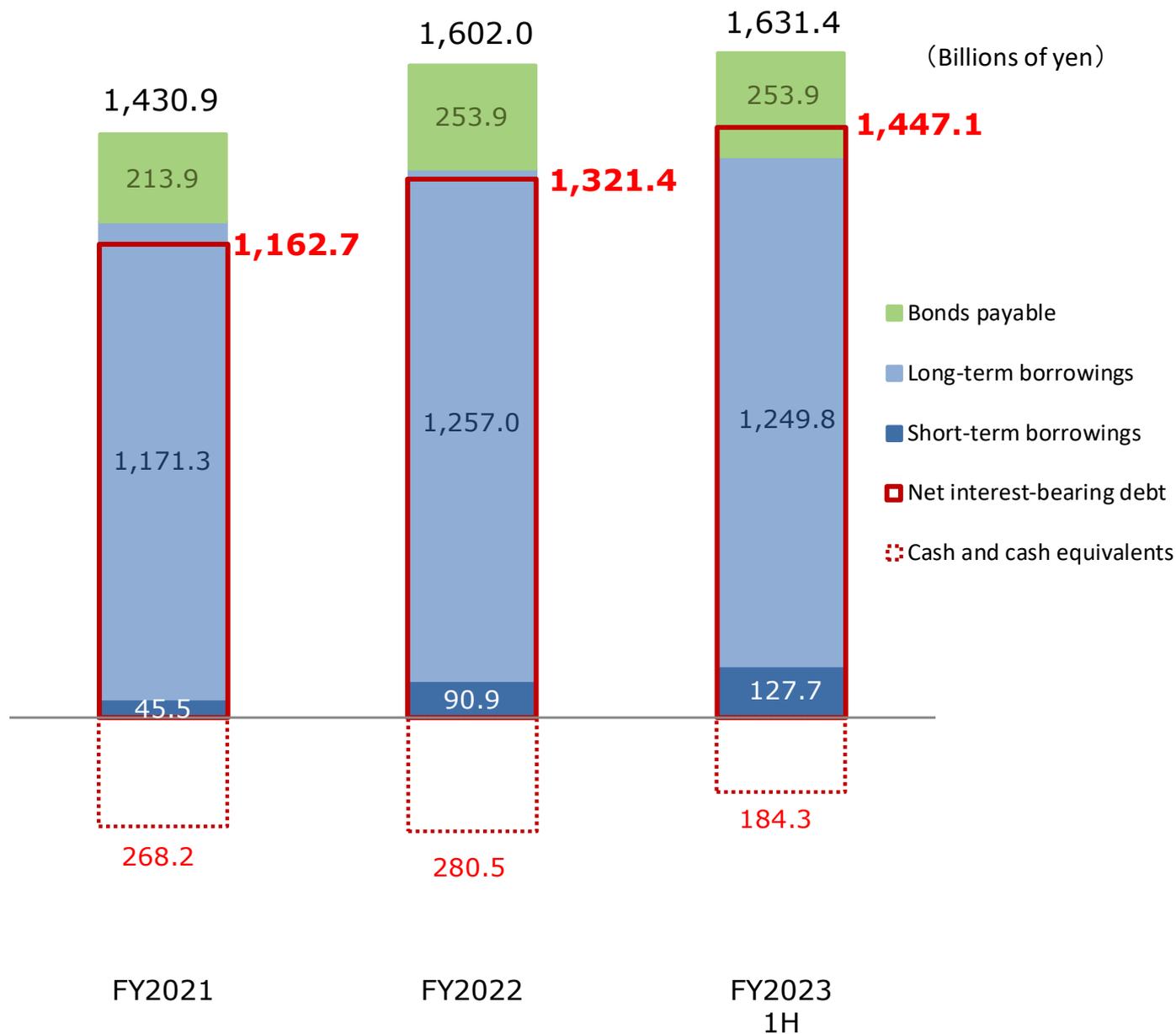
(Billions of yen)



Summary of Consolidated Balance Sheet for FY2023 First Half Period



Status of Interest-bearing Debt for FY2023 First Half Period

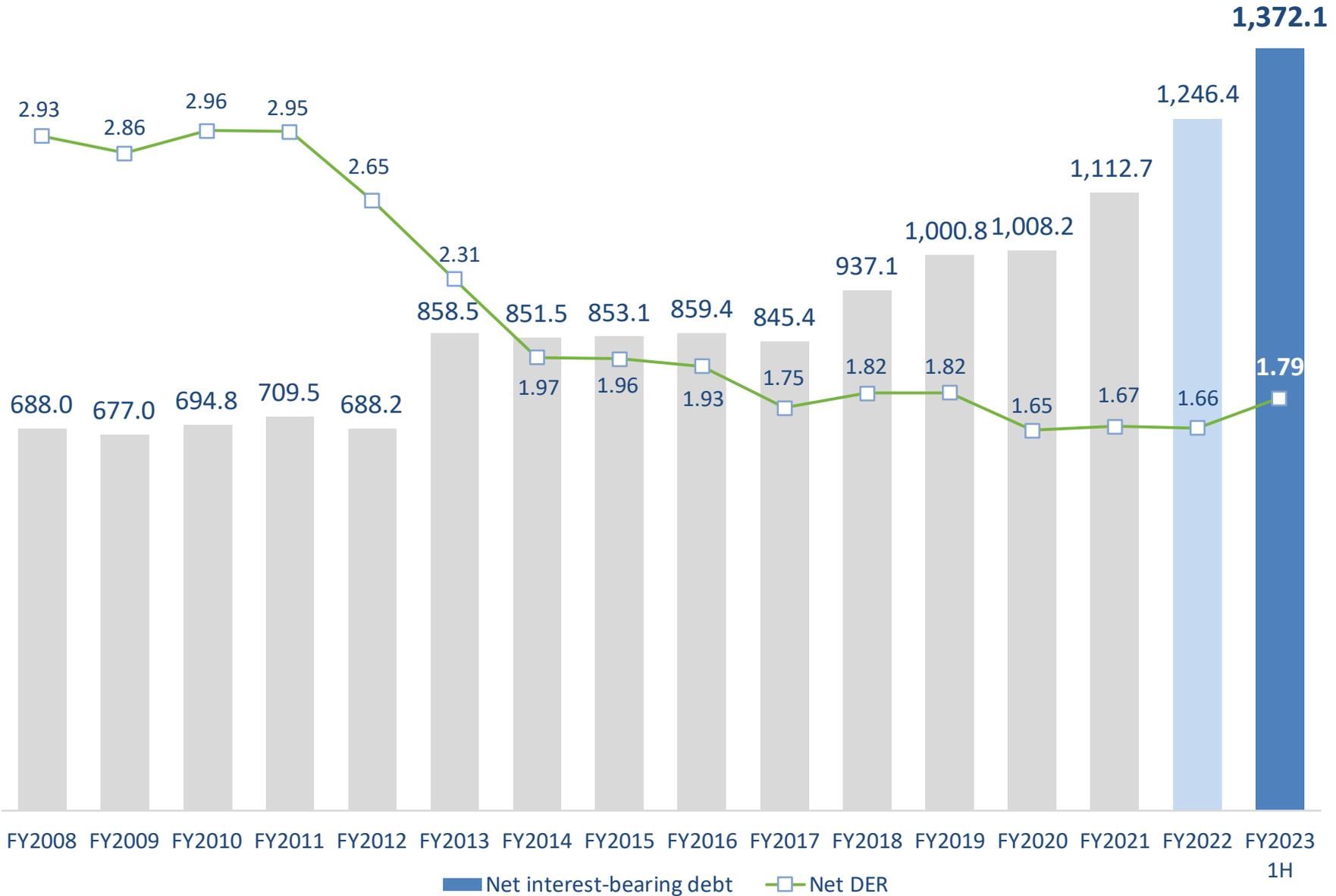


Changes in Net Interest-bearing Debt and Net DER

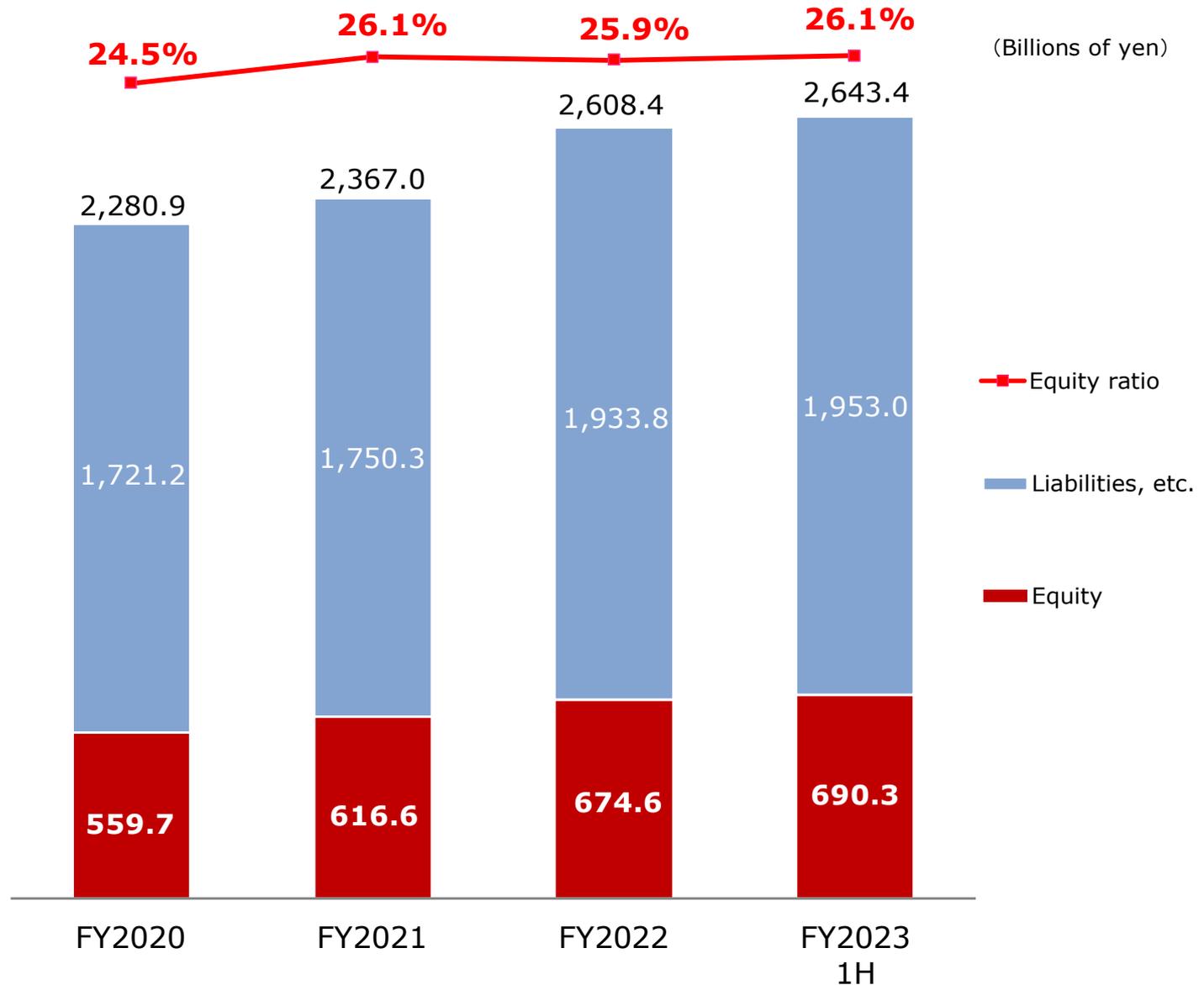
※ After considering equity capital attributes of hybrid securities



(Billions of yen)

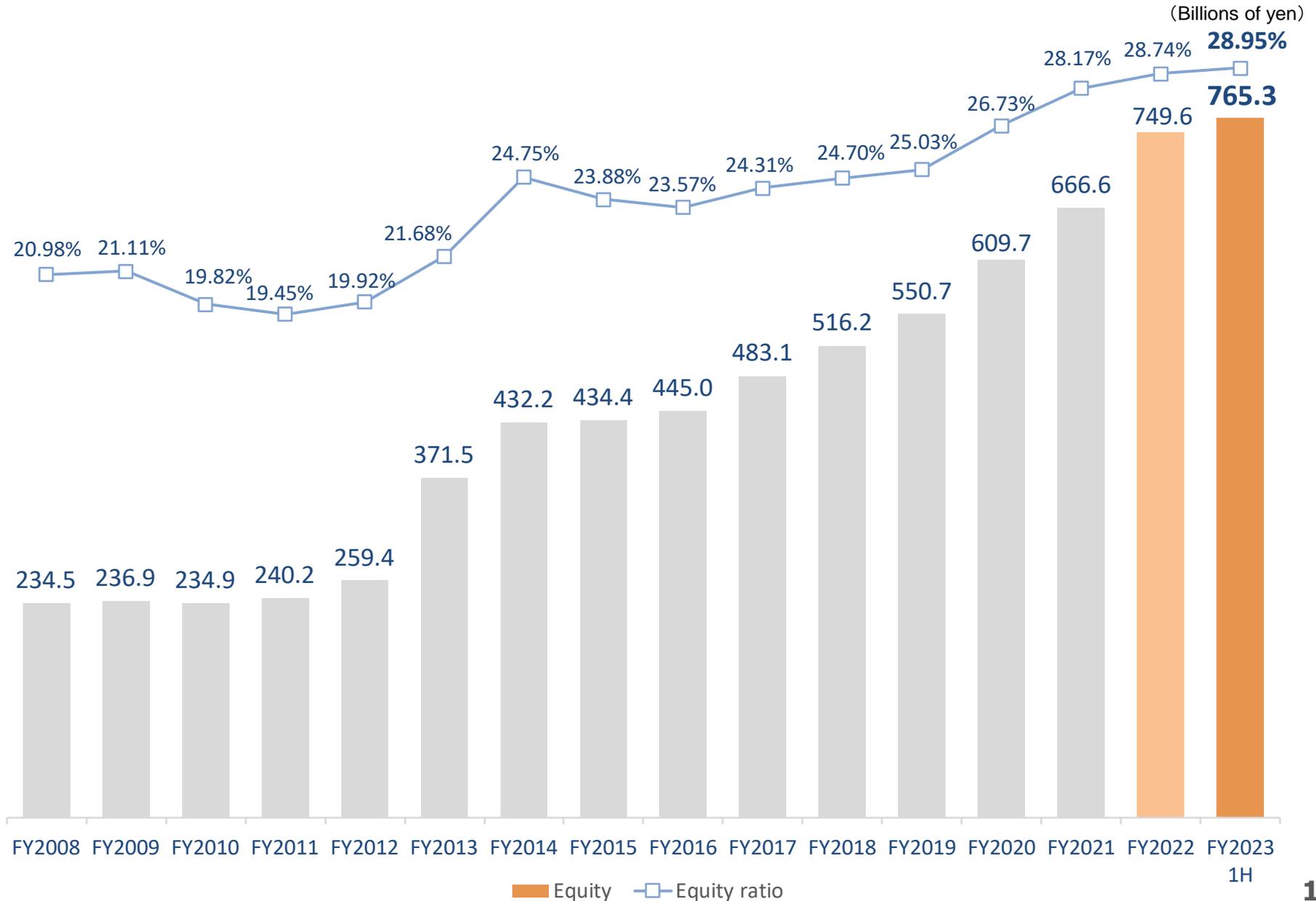


Status of Equity (Ratio) for FY2023 First Half Period



Changes in Equity (Ratio)

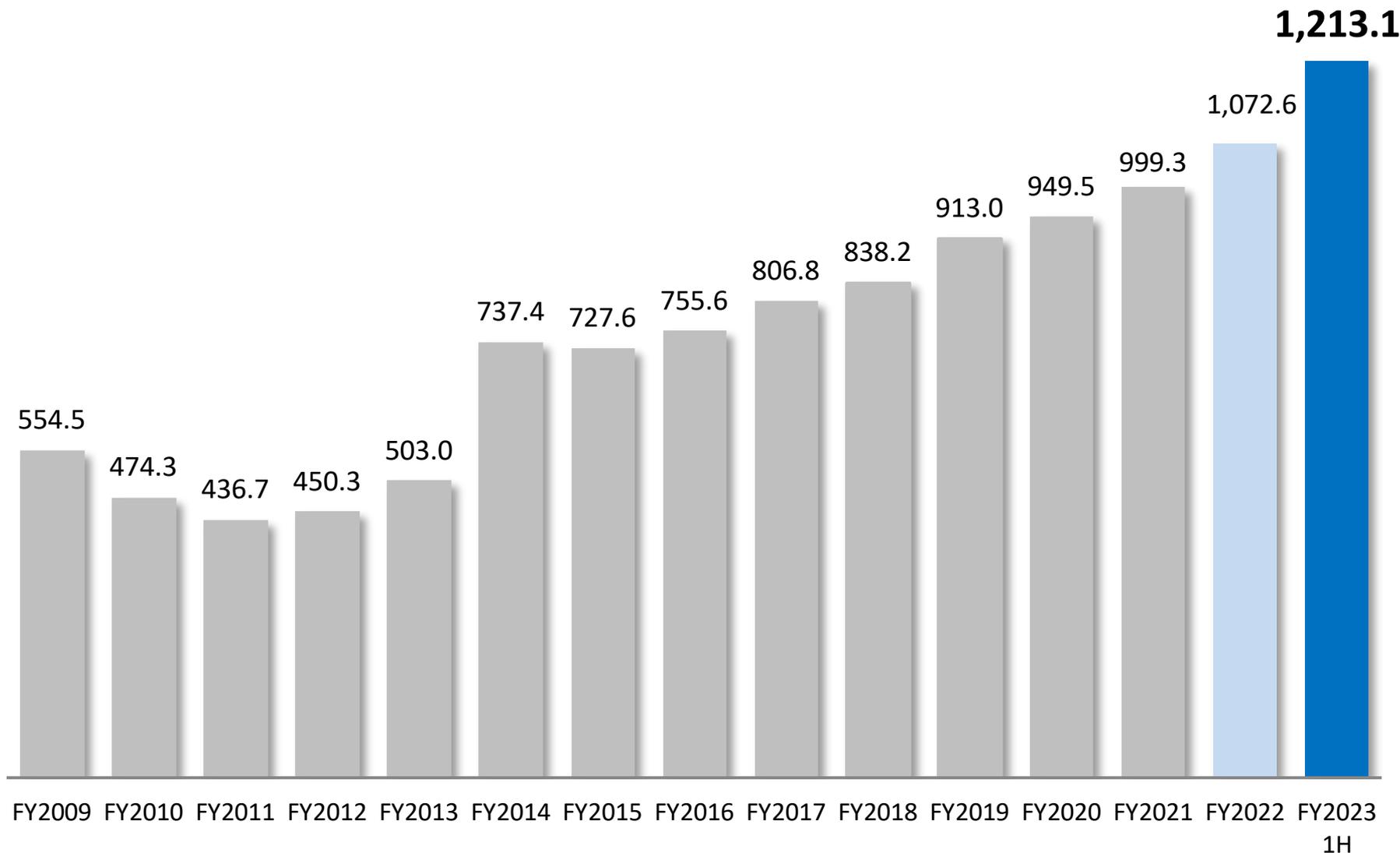
※ After considering equity capital attributes of hybrid securities



Income Generating Assets Unrealized Gains



(Billions of yen)



※From the annual securities report

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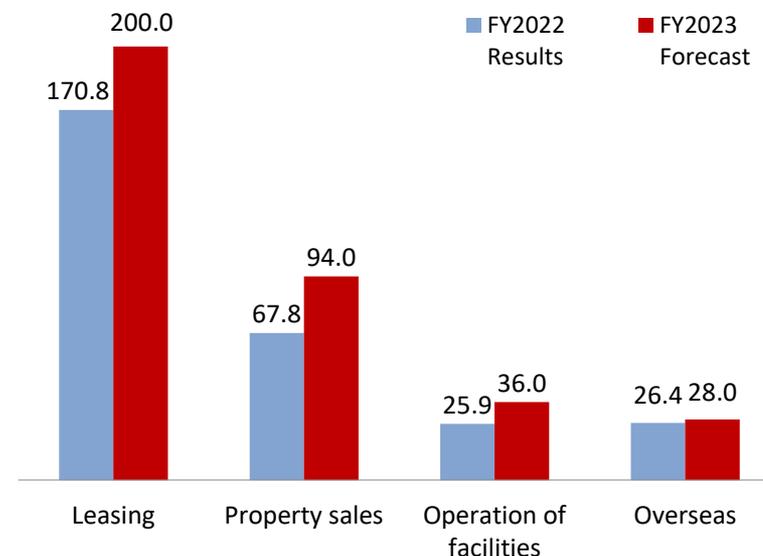
04 Referential Materials

Financial Forecasts for FY2023

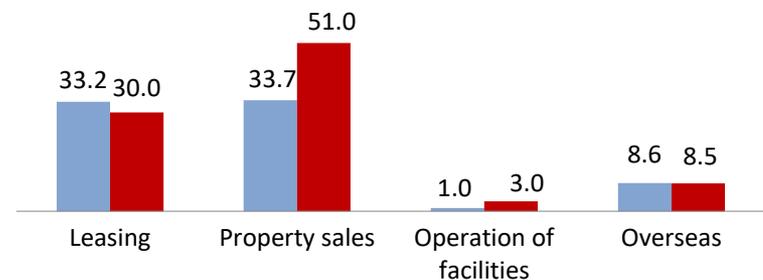
	(Billions of yen)		
	FY2022	FY2023 Forecast	change
Operating revenue	285.5	353.0	+67.4
Leasing	170.8	200.0	+29.1
Property sales	67.8	94.0	+26.1
Operation of facilities	25.9	36.0	+10.0
Overseas	26.4	28.0	+1.5
Operating income	63.4	75.5	+12.0
Leasing	33.2	30.0	△3.2
Property sales	33.7	51.0	+17.2
Operation of facilities	1.0	3.0	+1.9
Overseas	8.6	8.5	△0.1
Ordinary income	60.5	65.0	+4.4
Profit attributable to owners of parent	44.1	47.0	+2.8

Operating revenue

(Billions of yen)



Operating income



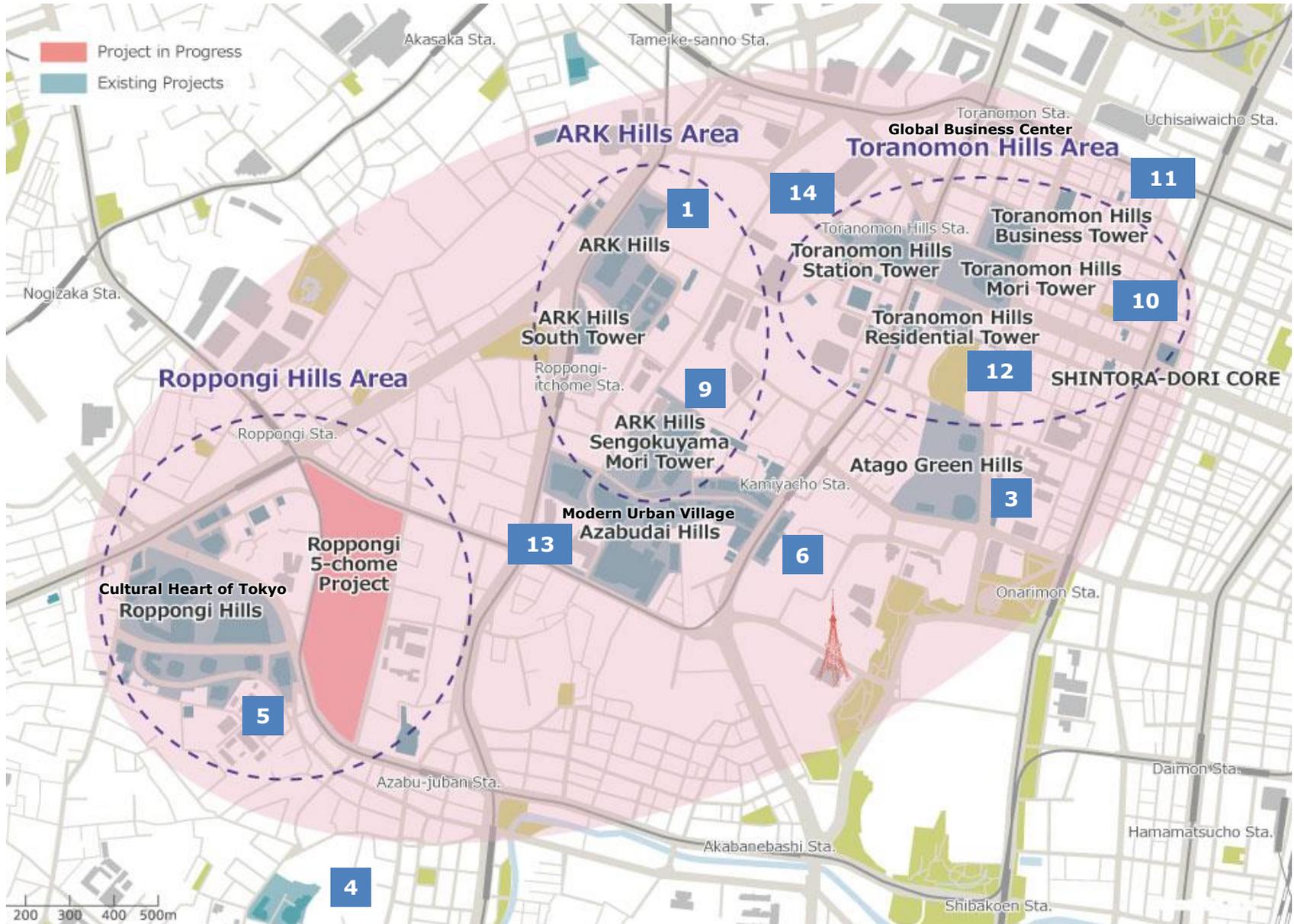
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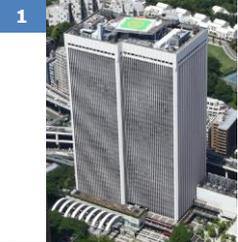
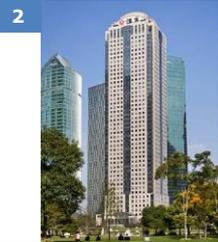
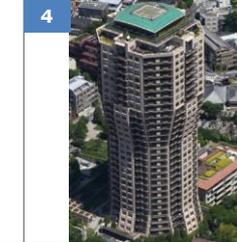
03 Ongoing Projects

04 Referential Materials

Ongoing Projects



Portfolio (Major Properties)

								
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	Omotesando Hills
Location	Akasaka, Minato-ku	Pudong , Shanghai	MORI Tower	Forest Tower	Motoazabu, Minato-ku	Roppongi, Minato-ku	Toranomon, Minato-ku	Jingumae, Shibuya-ku
Completion date	March 1986	April 1998	July 2001	October 2001	May 2002	April 2003	February 2005	January 2006
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	6 above ground 6 underground
Total floor area	181,833㎡	116,824㎡	86,570㎡	62,475㎡	45,023㎡	379,408㎡	35,656㎡	34,062㎡

							
Name of the property	Shanghai World Financial Center	ARK Hills Sengokuyama Mori Tower	Toranomon Hills Mori Tower	Toranomon Hills Business Tower	Toranomon Hills Residential Tower	Azabudai Hills Mori JP Tower	Toranomon Hills Station Tower
Location	Pudong District , Shanghai	Roppongi, Minato-ku	Toranomon, Minato-ku	Toranomon, Minato-ku	Atago, Minato-ku	Azabudai, Minato-ku	Toranomon, Minato-ku
Completion date	August 2008	August 2012	May 2014	January 2020	January 2022	June 2023	July 2023
Number of floors	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	64 above ground 5 underground	49 above ground 4 underground
Total floor area	381,600㎡	143,426㎡	244,360㎡	172,925㎡	121,000㎡	461,770㎡	236,640㎡

Azabudai Hills opening

Modern Urban Village Embracing Green & Wellness

- This "Hills of the Future" complex, boasting an overwhelming scale and impact, opened on Nov. 24, 2023.
- The skyscraper, which rises from a lush green environment at its base, embodies the Vertical Garden City concept by integrating diverse urban functions including offices, residences, a hotel, an international school, and retail and cultural facilities.
- Azabudai Hills has created a vast open space filled with greenery in the heart of Tokyo. Supported by its "Green" and "Wellness" pillars, it provides an exceptionally verdant environment where diverse people can come together in harmony with nature to form a community and genuinely enjoy life together.



©DBOX for Mori Building Co., Ltd.

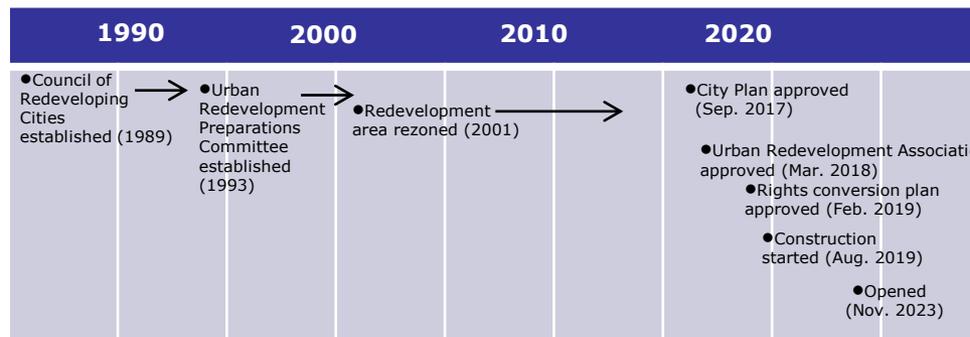
Azabudai Hills from Sakurada Street (from Kamiyacho vicinity)



Azabudai Hills (September 13, 2023)



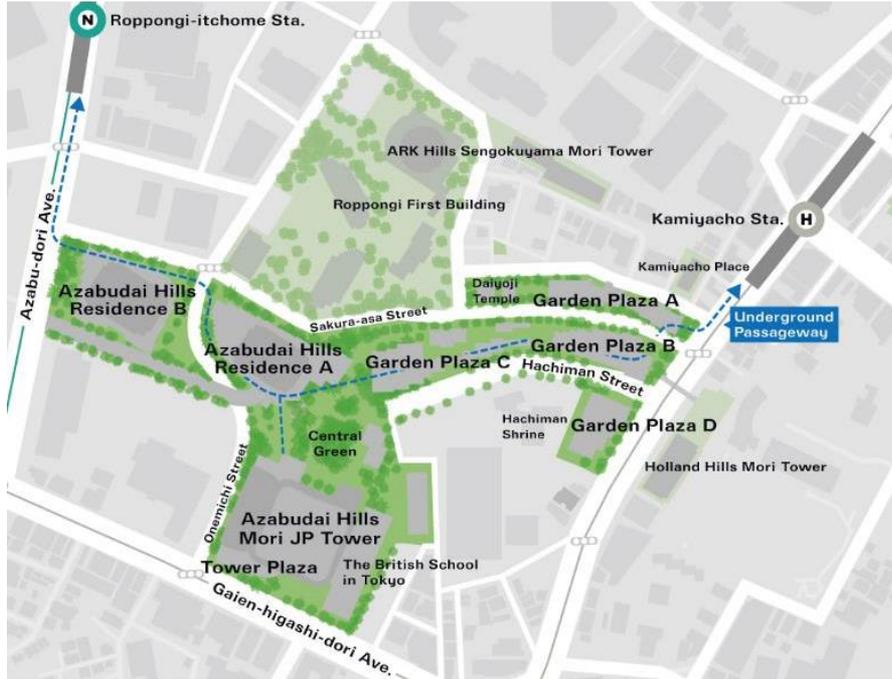
Central Green



Site area	8.1ha
Ground area	63,900m ²
Total floor area	861,700m ²
Construction start	August 2019
Opening	November 2023

Azabudai Hills Green & Wellness: Modern Urban Village

Site Plan

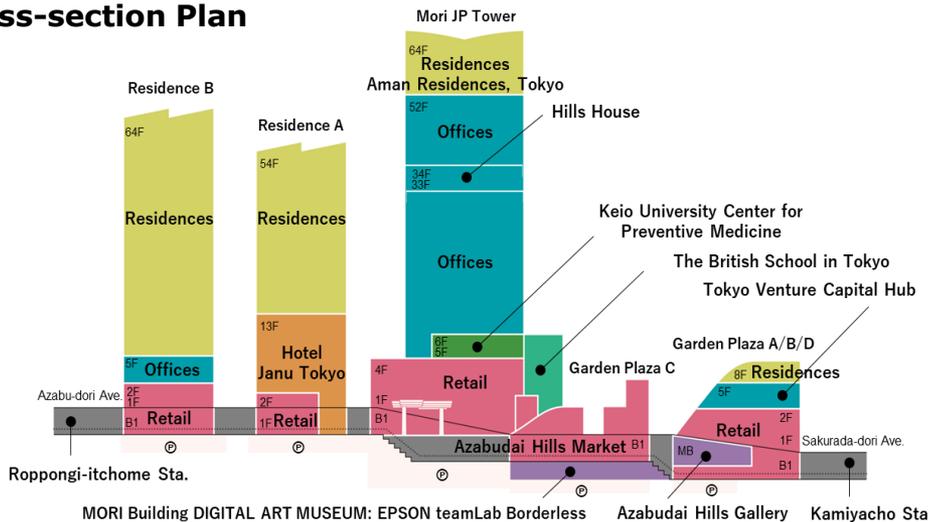


Garden Plaza



Sakura-asa Street

Cross-section Plan



Logo design expresses city concept

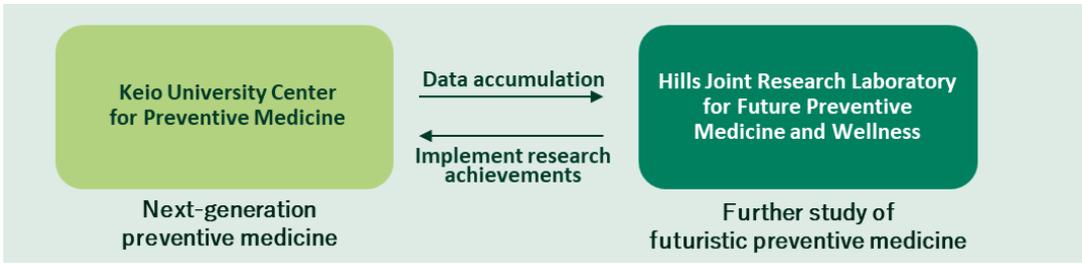
- Keio University Center for Preventive Medicine opened in Mori JP Tower (5-6 fl.), Azabudai Hills on Nov. 6, 2023.
- The center is equipped with the latest medical equipment and a highly specialized medical team that provides personalized medical examinations tailored to the individualized needs of each patient. The center also collaborates with other facilities in Tokyo to support wellness throughout the complex.
- The Joint Research Laboratory collaborates with the Center on conducting research in Azabudai Hills and applying the findings to create a community of truly abundant health where people of all generations can live and work vibrantly, both physically and mentally.



Structure of membership program



Opening ceremony on October 4

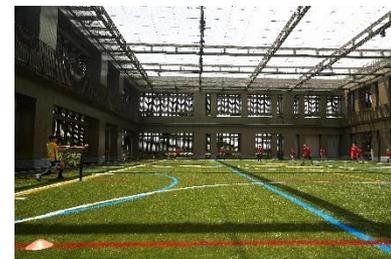


Cooperation between the Center for Preventive Medicine and the Joint Research Laboratory



5th floor entrance, Preventive Medical Center

- The British School in Tokyo, one of Tokyo's largest international schools opened on August 30 as an institution of learning situated in a rich environment in the heart of the city.
- The school, which draws on a 34-year history and British-style educational curriculum, offers a learning environment steeped in international culture for students from more than 60 countries. Surrounded by nature, the school nurtures internationally minded students and prepares them to face the challenges of future society.



Field



Classroom



Gymnasium



Indoor pool

Location:	International School, floors B1-7 (Mori JP Tower)
Site area:	About 15,000 m ²
Students:	About 700 (as of August 30)
Yards:	Two, each about 900 m ²
Opening:	August 30, 2023



MORI Building DIGITAL ART MUSEUM: EPSON teamLab Borderless Relocation from Odaiba Area to open at Azabudai Hills

- MORI Building DIGITAL ART MUSEUM: EPSON teamLab Borderless, which Mori Building established and operated in collaboration with teamLab, will be relocated to central Tokyo's Azabudai Hills in early February 2024.
- The digital art museum, which 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. The museum earned numerous prestigious national and international awards, including being named as one of the World's Greatest Places 2019 by the U.S. magazine Time. The museum quickly 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," will steadily renew exhibits that blur the boundaries between guests and artworks. Once reopened, the museum is expected to strengthen its reputation as one of Tokyo's leading destinations, attracting visitors from around the world.



©teamLab

teamLab. *Bubble Universe: Physical Light, Bubbles of Light, Wobbling Light, and Environmental Light*

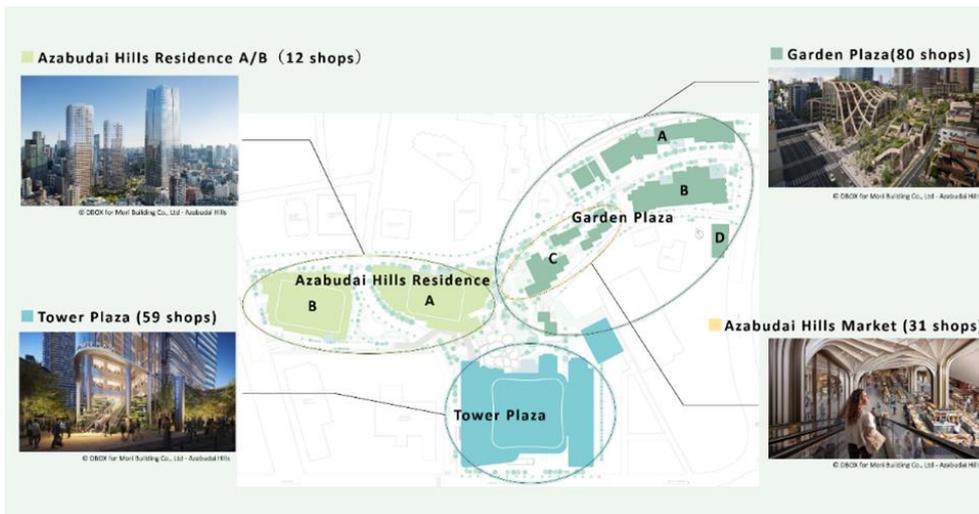


©teamLab

teamLab. *Black Waves - Megalith Crystal Formation (work in progress)*

Azabudai Hills Commercial Area Supporting Enriched Lifestyles

- Some 150 retail facilities offering fashion goods, food, cosmetics, culture, art, wellness and more are being gathered in a setting with surprisingly lush greenery for a central-Tokyo location. The stores support the affluent lifestyles of people living, working and visiting Azabudai Hills. Customers can enjoy not only shopping but also the value of new experiences.
- A large food market called Azabudai Hills Market will be opened in late January on a basement level underneath the Central Green. Measuring some 4,000m², the market offers a wide assortment of carefully selected ingredients, inspired by the essential richness and enjoyment of food as well as Tokyo's rich food culture and the delights of healthy gourmet dining.



Tower Plaza



© DBOX for Mori Building Co., Ltd - Azabudai Hills
Azabudai Hills Market (rendition)
opening in late January

Retail areas:	Approx. 23,000m ²
Stores:	About 150
Locations:	Mori JP Tower, floors B1-4, Residence A, floors 1-2, Residence B, floors B1-2 Garden Plaza A, floors B1-3 Garden Plaza B, floors B1-2 Garden Plaza C, floors B1-2 Garden Plaza D, floors B1-2

Azabudai Hills

Housing that Maximizes the Richness of Urban Living

- Residences at Azabudai Hills, which total some 1,400 units, enable residents to live amidst abundant greenery while fully enjoying advanced and convenient urban facilities. The residences offer layouts, facilities and designs of the highest quality, including carefully designed common areas and personalized services as well as magnificent views of the heart of the city.



Azabudai Hills Residence A (320 units)



Azabudai Hills Residence B (970 units)



Azabudai Hills Garden Plaza Residence (31 units)



Aman Residences, Tokyo (91 units)

- The lower levels (floors 1–13) of Residence A will be home to a new hotel, Janu Tokyo, with 122 guest rooms ranging from 60m² standard rooms to 284m² Janu Suites.
- As a new sister brand of Aman, this will be the global debut of the modern and invigorating Janu brand, the name in Sanskrit meaning "soul."
- Like Aman, Janu will offer an unparalleled guest experience, but it will also provide a vibrant social scene in contrast to Aman's serene retreats.
- Denniston Architects led by Jean-Michel Gathy designed the interior.
- Janu Tokyo will feature a 4,000m² wellness center, one of the largest for any hotel in Tokyo, as well as eight dining venues and bars to welcome both domestic and international guests.



Location:	Residence A (floors 1-13)	Guest rooms:	122
Total area:	24,600m ²	Standard rooms:	60m ²
Wellness center:	4,000m ²	Interior design:	Denniston Architects
Facilities:	Restaurants, café, bar, wellness facilities and more		

- The verdant Azabudai Hills complex functions as one unified workplace. Office space totaling 214,500m² is offered mainly on floors 7 to 52 of Mori JP Tower, Garden Plaza and Residence B to support diverse workstyles.
- Hills House on floors 33 and 34 is a base that allows tenant companies and their employees to use the entire complex as a workplace. It functions like a "clubhouse" where workers meet across company boundaries. Special mechanisms allow various functions and services in the complex to be customized to connect individual offices and the complex so that people can work together to create more ideal ways of working.
- Tokyo Venture Capital Hub, Japan's first large-scale venture capital hub, brings together Japan Venture Capital Association (JVCA), top independent venture capitalists (VCs) and some 70 corporate venture capitalists (CVCs) backed by major Japanese corporations. As a base for supplying risk-money indispensable for startup growth, the Hub is a catalyst for revitalizing the Japanese economy.

Hills House



© DBOX for Mori Building Co., Ltd - Azabudai Hills
Members Lounge offering diverse workstyles and wellness services



© DBOX for Mori Building Co., Ltd - Azabudai Hills
Dining 33, a grand bistro for business and private needs



© DBOX for Mori Building Co., Ltd - Azabudai Hills
Sky Room restaurant/space for seminars, corporate chartering, banquets, and more



© DBOX for Mori Building Co., Ltd - Azabudai Hills
Grand Staircase where people interact for discovery

Tokyo Venture Capital Hub



Selected venture-capital firms in residence



ANOBKA

B DASH VENTURES

DIMENSION



INCUBATEFUND



SAMURAI INCUBATE

Spiral Capital

UTEC

Toranomon Hills Station Tower Completes Toranomon

- Toranomon Hills Station Tower's opening completes the expansion and evolution of Toranomon Hills.
- The Station Tower features a station plaza called Station Atrium and a 20-meter-wide pedestrian deck called T-Deck on Sakurada-dori Avenue, both of which help to make the subway station a more lively and dynamic area.
- Now covering 7.5 hectares and 800,000 m² of floor area, Toranomon Hills integrates diverse urban functions and both road and rail infrastructure as a new international hub and global business center to attract global players with a scale and impact comparable to that of groundbreaking Roppongi Hills.



Toranomon Hills (September 12, 2023)



Toranomon Hills Area Project (total of 4 buildings)

Site area : 7.5ha
 Total floor area : 792,000m²
 Offices : 305,000m²
 Residences : 730 units
 Retail facilities : 26,000m²
 Green area : 21,000m²

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, incubation center, bus terminal, etc.

Toranomon Hills Residential Tower

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

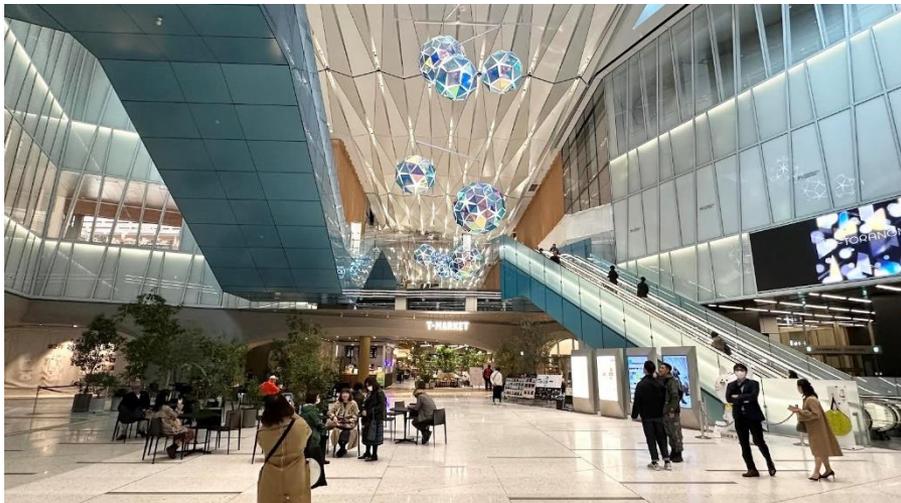
Toranomon Hills Station Tower

Opened in October 6, 2023
 Ground area : 13,960m²
 Total floor space : 236,640m²
 Height : 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
Toranomon Hills Station							●Jun. Opened			Oct. ●Opened

Toranomon Hills Station Tower 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



Cross-section plan (rendition)

Toranomon Hills Station Tower

Retail Facilities Centered on T-Market

- Toranomon Hills Station Tower's retail space, totaling some 14,400m², encompasses nine floors (B2–7) and some 80 stores that support the work and lives of global players, including office workers and residents.
- T-Market, which is directly connected to the Station Atrium, features the area's first large-scale select shop operated by BAYCREW's, and the CARAPPO comprehensive wellness center measuring some 2,000m², an unprecedented size for central Tokyo.
- T-Market restaurants offer high-quality, reasonably priced menus, many curated by acclaimed chefs and pâtissiers, including some with Michelin or Bib Gourmand credentials. On November 24, 13 more locations opened, bringing the total to 27.
- Another 26 distinctive restaurants and shops will open on January 16, 2024, expanding Toranomon Hills' commercial facilities to some 2.5 times the original number.



Queue in front of T-Market on opening day



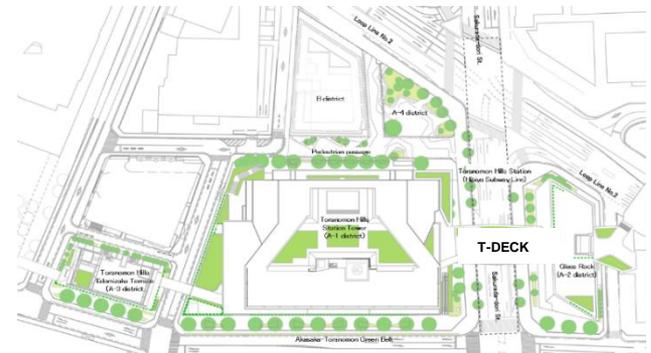
Scene inside T-Market

Toranomon Hills Station Tower 20m-wide Pedestrian Deck Functions as an Additional Square

- 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



Station Tower site plan



Toranomon Hills Station Tower

TOKYO NODE: Interactive Communication Facility Connecting Tokyo with the World

- 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 as a nexus for 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's 8th floor laboratory will bring together outstanding talent for joint research on future urban experiences.
- The tower's rooftop will feature a sky garden, pool, and two restaurants curated by world-class chefs.



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



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



©DBOX for Mori Building Co., Ltd.
TOKYO NODE GALLERY B (rendition)



©DBOX for Mori Building Co., Ltd.
TOKYO NODE LAB (rendition)



TOKYO NODE SKY GARDEN & POOL

Toranomon Hills Station Tower

TOKYO NODE's Commemorative Opening Project

- 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.
- To celebrate the opening of TOKYO NODE, "Syn: Unfolded Horizons of Bodily Senses" by Rhizomatiks & ELEVENPLAY was staged as an immersive performance in a 1,500m² exhibition space that visitors could step into.
- Rhizomatiks, a creative team led by Daito Manabe and Motoi Ishibashi, and ELEVENPLAY, a dance company led by MIKIKIKO, gave performances from October 6 to November 12 to reexamine human senses in the AI age, presenting 24 dancers in a space that transformed as audience members entered the venue.
- The second commemorative exhibition, "Mika Ninagawa: Eternity in a Moment" by photographer and director Mika Ninagawa, will be held from December 5, 2023 to February 25, 2024.



"Syn: Unfolded Horizons of Bodily Senses," by Rhizomatiks & ELEVENPLAY



Intersecting Future, an exhibit in "Mika Ninagawa Eternity in a Moment" (Rendition)

Toranomon Hills Station Tower

Hotel Toranomon Hills: Tokyo's First Unbound Collection by Hyatt to open on December 6



- 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 from 27m² to 34m² and maisonette suites offering 160m² of spacious comfort.
- 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.



HOTEL
TORANOMON
HILLS



Azabudai Hills and Toranomom Hills Area Project Precertified under LEED ND, LEED BD+C (CS), and WELL Standards



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

WELL = WELL Building Standard

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



©DBOX for Mori Building Co., Ltd. - Azabudai Hills

Azabudai Hills with greenery (rendition)



Oval Square at Toranomom Hills Mori Tower



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 Mori JP Tower in 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.



Twentieth Anniversary of Roppongi Hills (April 25, 2023)

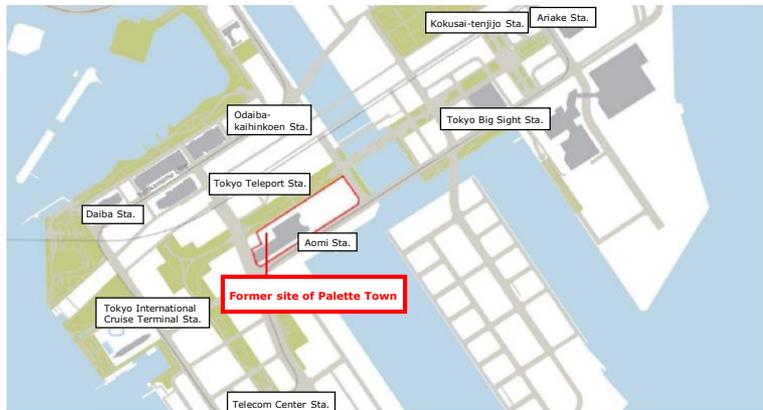
- On April 25, 2023, 400 landowners joined Mori Building in creating Roppongi Hills, measuring some 12 hectares over a period of 17 years. Since then, this unprecedented urban center has attracted people, goods, money and information worldwide.
- Concentrating urban functions in skyscrapers opened up vast open spaces on the ground level for purposes such as greenery, cultural facilities and transportation infrastructure. This pioneered the "compact city" concept of combining urban functions within walking distance.
- Mori Building, the unified administrator of the area, set up a town management system to operate the Roppongi Hills like a "city." The magnetic appeal of Roppongi Hills has been continuously strengthened by keeping the complex fresh through organization of cultural events and the introduction of new commercial stores, as well as by steadily deepening ties with local people.



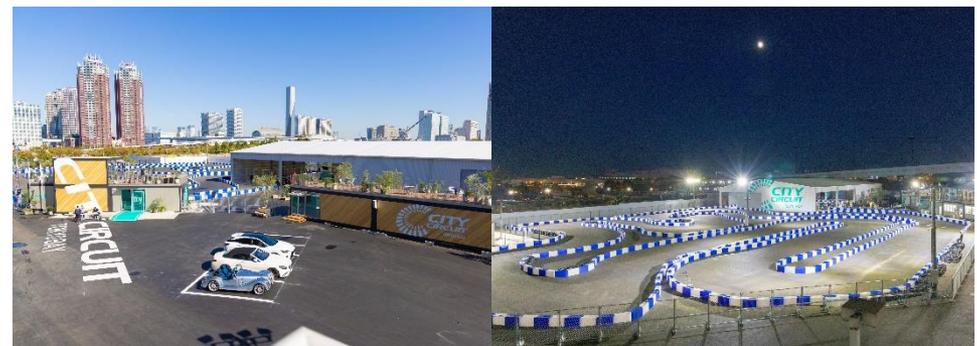
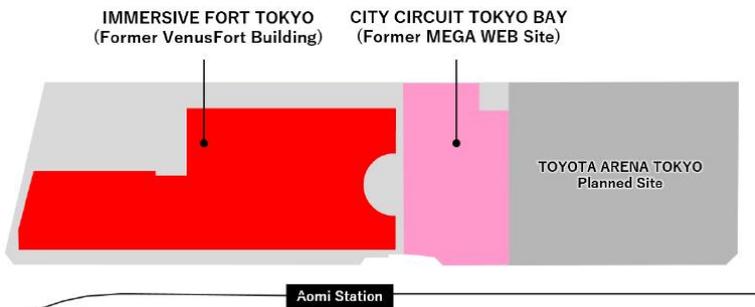
Repurposing former Palette Town site in Odaiba Immersive Fort Tokyo & City Circuit Tokyo Bay

- On Tokyo's Odaiba (Aomi) waterfront, Mori Building is temporarily leasing parts of the former Palette Town (ceased operating on August 31, 2022) site to Katana Immersive LLC and TOM'S Inc.
- These locations will be the temporary homes of two cutting-edge urban entertainment facilities: Immersive Fort Tokyo, the world's first immersive theme park, and City Circuit Tokyo Bay, one of Japan's largest electric vehicle (EV) go-kart circuits.
- City Circuit Tokyo Bay opened on December 17 and Immersive Fort Tokyo will open in spring 2024.

Location and layout



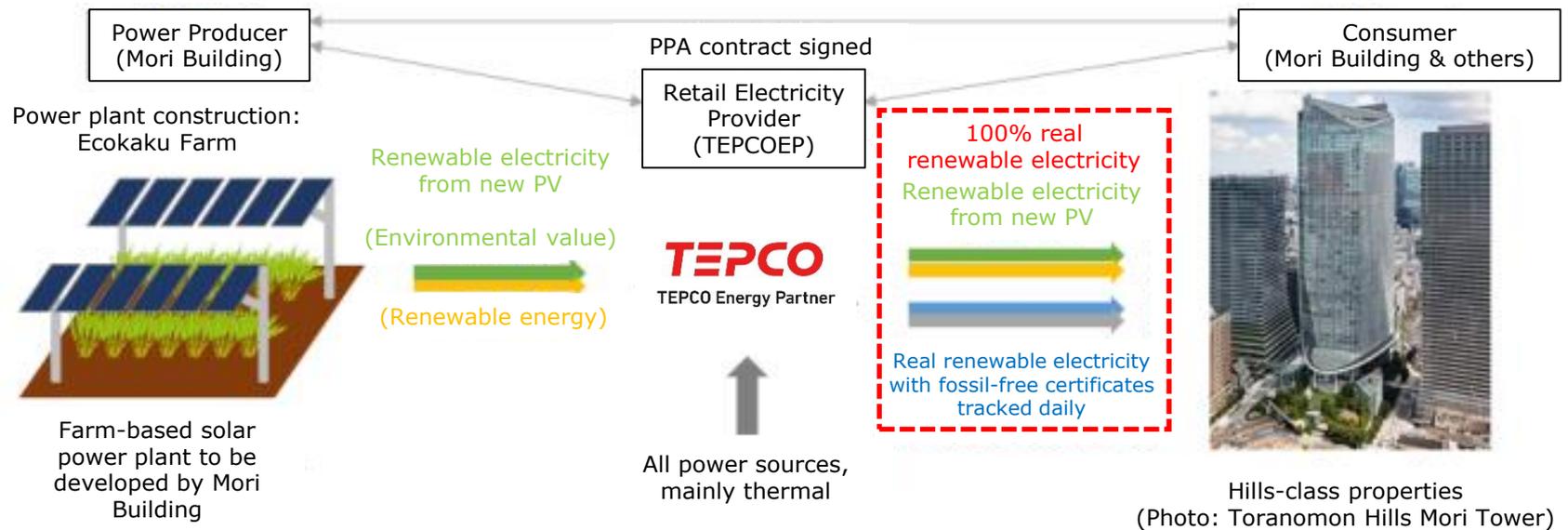
Immersive Fort Tokyo



City Circuit Tokyo Bay

Six Farm-scale Solar Power Plants Totaling Some 10 Hectares

- From FY2023 to FY2024, Mori Building will be engaged in developing and operating six farm-scale solar power plants totaling about 10 hectares, aiming to promote both agriculture and solar power generation. The plants will use renewable energy sources to supply electricity to Toranomon Hills Mori Tower and other Hills-brand properties, targeting about 10-15% of the electricity consumed by each property.
- Under the Basic Agreement on Promotion of Decarbonization with Tokyo Electric Power Company Energy Partners, Inc., flexible energy supply to each Hills property is envisioned.
- Mori Building joined RE100 in Sept. 2022 and obtained SBTi certification in Dec. 2022, which enabled the company to shift 70% of its internal power consumption to renewable energy as of March 2023.



01 Overview of Interim Financial Results for FY2023

02 Financial Forecasts for FY2023

03 Ongoing Projects

04 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

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

Operation of facilities

- **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.

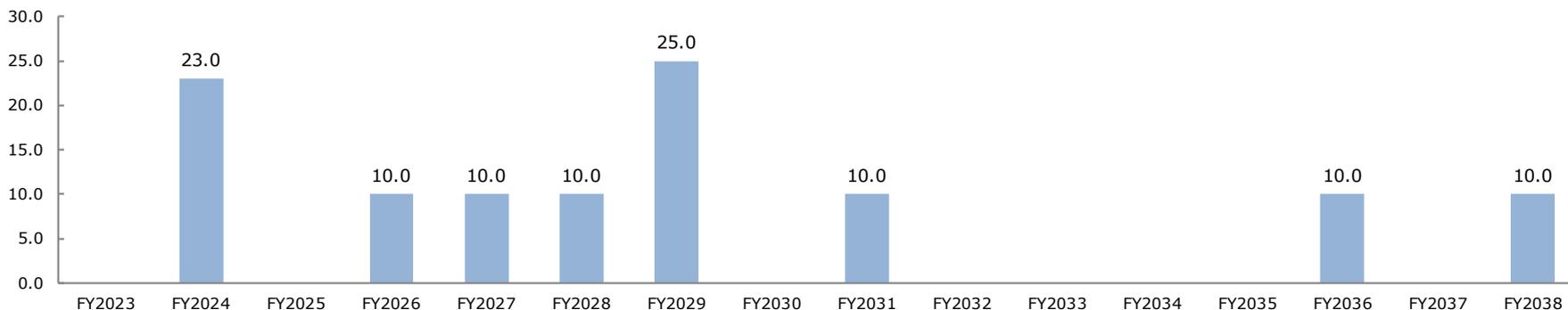
Bond Issuance Policy

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 October 31, 2023)

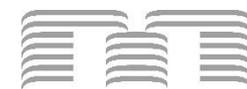
Issue No.	Launch date	Maturity date	Years of maturity (Year)	Amount of bonds issued (Billions of yen)	Coupon Interest	Bp against government bonds	Bp against SWAP
14th Bond	8/8/2014	8/14/2024	10	13.0	0.861%	34.0bp	15.1bp
15th Bond	2/6/2015	2/13/2025	10	10.0	0.784%	43.0bp	16.4bp
16th Bond	4/24/2015	4/30/2027	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 FY2023 First Half Period



MORI BUILDING

(millions of yen)

Assets				Liabilities			
Account name	FY2022 As of Mar-31,2023	FY2023 As of Sep-30,2023	change	Account name	FY2022 As of Mar-31,2023	FY2023 As of Sep-30,2023	change
Current assets				Current liabilities			
Cash and deposits	278,524	184,362	△ 94,162	Notes and accounts payable - trade	15,400	10,432	△ 4,967
Accounts receivable - trade	16,018	17,005	987	Short-term borrowings	90,973	127,705	36,731
Contract assets	980	1,930	950	Current portion of bonds payable	950	13,000	12,050
Short-term investment securities	2,000	-	△ 2,000	Income taxes payable	7,766	2,965	△ 4,801
Inventories	59,763	97,210	37,447	Contract liabilities	19,308	19,481	172
Other	36,835	74,026	37,191	Provision for bonuses	1,666	1,893	226
Allowance for doubtful accounts	△ 18	△ 17	0	Other	38,351	31,601	△ 6,749
Total current assets	394,103	374,518	△ 19,585	Total current liabilities	174,418	207,079	32,661
Fixed assets				Long-term liabilities			
Property, plant and equipment				Bonds payable	253,000	240,950	△ 12,050
Buildings and structures	276,118	603,180	327,062	Long-term borrowings	1,257,097	1,249,834	△ 7,263
Machinery, equipment and vehicles	10,527	23,600	13,072	Leasehold and guarantee deposits received	95,181	98,739	3,557
Tools, furniture and fixtures	8,541	11,173	2,632	Long-term deposits received	1,268	1,262	△ 5
Land	490,806	648,406	157,599	Retirement benefit liability	2,016	2,027	11
Construction in progress	161,387	25,126	△ 136,260	Provision for retirement benefits for directors	1,181	1,248	66
Real estate in progress	381,712	56,079	△ 325,633	Provision for dismantling cost of fixed assets	2,689	2,683	△ 6
Beneficial interests in real estate trust	575,480	575,976	495	Deferred tax liabilities	130,864	132,958	2,093
Other	1,746	1,751	5	Other	4,928	4,324	△ 603
Total Property, plant and equipment	1,906,321	1,945,295	38,974	Total long-term liabilities	1,748,228	1,734,030	△ 14,198
Intangible assets				Total liabilities	1,922,646	1,941,110	18,463
Leasehold right	55,388	55,745	356				
Goodwill	11,065	11,041	△ 24	Net assets			
Other	5,609	6,462	853	Shareholders' equity			
Total intangible assets	72,063	73,249	1,185	Capital stock	89,500	89,500	-
Investments and other assets				Capital surplus	32,585	32,585	-
Investment securities	59,801	109,054	49,252	Retained earnings	500,137	496,620	△ 3,516
Equity investments	22,987	22,594	△ 393	Treasury stock	△ 11,507	△ 11,507	-
Long-term loans receivable	103,785	68,132	△ 35,652	Total shareholders' equity	610,716	607,199	△ 3,516
Retirement benefit asset	557	544	△ 12	Accumulated other comprehensive income			
Deferred tax assets	770	793	23	Valuation difference on available-for-sale securities	20,622	22,586	1,963
Other	49,061	50,229	1,167	Deferred gains or losses hedges	952	1,170	218
Allowance for doubtful accounts	△ 1,017	△ 1,008	9	Foreign currency translation adjustment	42,649	59,684	17,035
Total investments and other assets	235,946	250,341	14,395	Remeasurements of defined benefit plans	△ 317	△ 275	42
Total fixed assets	2,214,331	2,268,887	54,555	Total accumulated other comprehensive income	63,906	83,165	19,259
				Non-controlling interests	11,166	11,930	763
Total assets	2,608,435	2,643,405	34,969	Total net assets	685,789	702,295	16,506
				Total liabilities and net assets	2,608,435	2,643,405	34,969

Consolidated Income Statement for FY2023 First Half Period

(millions of yen)

Account name	FY2022 1H (Apr-Sep)	FY2023 1H (Apr-Sep)	change
Operating revenue	156,160	125,269	△ 30,890
Cost of revenue from operations	103,975	91,731	△ 12,244
Operating gross profit	52,184	33,537	△ 18,646
Selling, general and administrative expenses	12,797	15,181	2,383
Operating income	39,387	18,356	△ 21,030
Interest income	592	448	△ 144
Dividend income	110	199	89
Compensation income	963	677	△ 285
Equity in earnings of affiliates	836	822	△ 13
Foreign exchange gains	616	592	△ 23
Other	1,253	1,236	△ 16
Non-operating income	4,372	3,978	△ 393
Interest expenses	3,877	4,287	409
Finance charges and fees	600	698	98
Other	201	104	△ 96
Non-operating expenses	4,679	5,090	411
Ordinary income	39,080	17,244	△ 21,835
Gain on sales of fixed assets	118	2,319	2,200
Gain on sale of investment securities	-	584	584
Other	245	627	382
Extraordinary income	363	3,531	3,167
Loss on sales of fixed assets	4	-	△ 4
Loss on retirement of non-current assets	15	53	37
Loss on reduction of fixed assets	241	48	△ 192
Loss on business restructuring	192	-	△ 192
Other	38	23	△ 14
Extraordinary losses	492	125	△ 367
Income before income taxes	38,951	20,650	△ 18,300
Income taxes - current	11,814	5,587	△ 6,227
Income taxes - deferred	590	1,013	422
Profit	26,546	14,050	△ 12,496
Profit attributable to non-controlling interests	264	312	47
Profit attributable to owners of parent	26,282	13,737	△ 12,544



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.