



Innovation for a New Lifestyle.



Profile

Since the foundation of the Takara Leben Group in 1972, our objective has always been to offer homes to customers under the principle of providing ideal, affordable housing that anyone can buy with confidence and peace of mind. We began with the detached house business, transitioned to our core new built-for-sale condominium business to meet the needs of the age, and then, in 2001, became a listed company. We have achieved continuous growth as a general real estate business developer by bringing to reality our corporate vision: "THINK HAPPINESS AND MAKE THE HAPPINESS."

In an ever-changing environment, we thoroughly considered what is the value that Takara Leben can provide for the realization of a safe, secure and sustainable society as well as how to mark the 50th anniversary of the Group's founding in 2022, and how to grow in the future. In May 2021, we formulated a long-term vision and new Medium-Term Management Plan. The Group will work together as one so that the HAPPINESS that we envisage will lead to the HAPPINESS of all our stakeholders.



VISION
THINK HAPPINESS AND MAKE THE HAPPINESS

MISSION
Creating Together

Origin of the Company Name

The "Takara" that we have used in our company name since the days of "Takara Komuten" refers to "treasure," as in a home is the treasure of a lifetime. The word "leben" added following the change in our company name is German for "life, lifestyle and living," which are keywords essential when discussing a home. This represents the concept of hoping to offer homes that are the treasure of a lifetime to as many people as possible.

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Other Disclosure Information

- <https://www.leben.co.jp/en/>
- Materials related to the Company's Settlement of Accounts
 - Quarterly Financial Results Reports
 - Business Report
 - Ordinary General Meeting of Shareholders Information
 - Others

Editorial Policy and Cautionary Statements Regarding Forward-Looking Statements

This report, which for the most part provides details of the Takara Leben Group's operations in fiscal 2020, the fiscal year ended March 31, 2021, has been designed to provide stakeholders with a deeper understanding of our business activities, management strategies, performance, and other non-financial information, including interaction with society and the environment. This document was prepared to provide information regarding the Company's consolidated results in fiscal 2020 and should not be construed as a solicitation for investment in securities issued by Takara Leben Co., Ltd. The information provided in this report is fundamentally based on data available as of March 31, 2021. Any forward-looking statements including opinions and forecasts are based on the best judgments of management as of the time this report was prepared. Accordingly, Takara Leben does not guarantee or promise that any forward-looking statements will be realized or achieved or provide any assurance as to the accuracy or integrity of information. Moreover, the content of this report is subject to change without prior notice.

Main Businesses

Stock and Fee-Based Businesses



In the stock business, the Takara Leben Group is building stable revenue from rent, and revenue generated from over 60,000 properties managed on consignment. In addition, in the fee-based business we listed two investment corporations expanding into areas such as investment management compensation and thereby established a system that does not rely on flow businesses.

Flow Businesses



The core of flow businesses is the new built-for-sale condominium business, and targets families, dual-income and single-person households in metropolitan areas such as the Tokyo metropolitan area, and active seniors in regional city centers. In addition, the Takara Leben Group is engaged in renovating and redeveloping buildings in partnership with government.

Real Estate Rental Business 3.9%



In this business segment, the Group leases the condominiums, office buildings, hotels and other properties it holds. Leveraging the Group's real estate information network to the maximum extent, we have been actively acquiring rental properties throughout Japan.

Real Estate Management Business 3.7%



In this business segment, the Group manages and operates properties. In addition to managing our own properties through our unique and detailed services, the Group also manages properties handled by other companies on a contract basis and is steadily growing the number of properties it manages.

Electric Power Generation Business 9.1%



The Takara Leben Group generates a stable flow of earnings by selling electricity to electric power companies. The Group also works diligently to contribute to society by producing renewable energy. In addition to revenue gained from the sale of electric power, we are also conducting sales of power generation facilities to Takara Leben Infrastructure Fund.

Other Businesses 4.4%

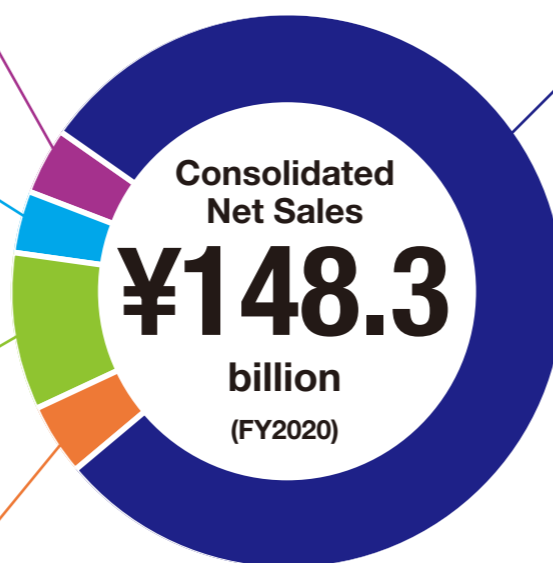


The Takara Leben Group receives commissions derived from other segments, and is active across a wide range of fields, including construction contracting. Management compensation has expanded along with the increase in assets such as infrastructure funds and REITs, and future large-scale repair work projects are growing due to the increase in the number of managed units.

Real Estate Sales Business 79.0%

The real estate sales business accounts for nearly 80% of the Takara Leben Group's total net sales. The core of this business segment is new built-for-sale condominiums that represent roughly half of all net sales. In a seamless system from the purchase of land for condominiums to planning, development and sale, the Takara Leben Group addresses the changing needs of customers and makes proposals suited to customer lifestyles.

Among a host of other endeavors, the Group is engaged in the sale of detached houses which has firmly established needs, as well as the renewal and resale of condominiums where the market has been expanding in scale over recent years, and liquidation business of profit-generating real estate for both residences and offices.



Company Profile

Company name: Takara Leben Co., Ltd.
Representative: Kazuichi Shimada,
Representative Director

Established: September 1972

Capital stock: 4,819 million yen
(As of March 31, 2021)

Net sales: 148,397 million yen
(Fiscal year ended March 31, 2021)

No. of employees: 365
(Male, 292; Female, 73)
(As of March 31, 2021)

Head office: TEKKO BUILDING 16F,
1-8-2 Marunouchi, Chiyoda-ku,
Tokyo, Japan 100-0005
TEL.: +81-3-6551-2100

Related Companies

- Leben Community Co., Ltd.
- Takara Leben Tohoku Co., Ltd.
- Takara Leben West Japan Co., Ltd.
- Nikko Takara Corporation Co., Ltd.
- Takara Leben Realnet Co., Ltd.
- Leben Zestock Co., Ltd.
- Leben Trust Co., Ltd.
- Takara Asset Management Co., Ltd.
- Takara PAG Real Estate Advisory Ltd.
- Leben Clean Energy Co., Ltd.
(Formerly ACA Clean Energy Co., Ltd.)
- Sunwood Corporation
(As of June 30, 2021)

History of the Takara Leben Group

Established as Takara Komuten Co., Ltd. in Itabashi-ku, Tokyo in 1972, Takara Leben began the sale of proprietary branded condominiums in the 1990s. Having subsequently been quick to respond to changes in lifestyle and the demands of the times, the number of units supplied as well as net sales have steadily increased. We are a general real estate business developer that comprises 11 Group subsidiaries, and our business area now extends broadly throughout Japan.

Harmonic Circle



The Takara Leben Group's symbol is the Harmonic Circle, which is comprised of three rings, representing customers, partners, and employees and expressing how they are linked to one another and expanding organically to create harmony while supporting each other. The three rings convey our hope of carrying out our corporate vision to "THINK HAPPINESS AND MAKE THE HAPPINESS" while resonating with one another. The gradation of striking blue to deep navy expresses the intelligence and sincerity pursued by everyone in the Group.

(Billions of yen)
100

Net sales and cumulative number of new built-for-sale condominium units supplied

50

0



(10,000 units)
4



50th Anniversary logo
As we approach the 50th anniversary of our founding in September 2022, we have created a commemorative logo that incorporates a Harmonic Circle and the impression of a city skyline into the design. The circle symbolizes Takara Leben's gentle, sun-like embrace of the city, while the five lines underneath express its achievements, accumulated over the past 50 years, which have led to the further prosperity of cities and the Group.

History

<p>1972 Established as Takara Komuten Co., Ltd. in Yamato-cho, Itabashi-ku</p> 	<p>1994 Commenced sales of the "Leben Heim" series of condominiums</p> 	<p>2000 Changed the name of Takara Komuten Co., Ltd. to Takara Leben Co., Ltd.</p> 	<p>2003 Listed on the Second Section of the Tokyo Stock Exchange</p>	<p>2008 Launched the new Takara Leben brand</p> 	<p>2013 Entered the electric power generation business</p> 	<p>2015 Made Live Net Home Co., Ltd. (current Takara Leben Tohoku Co., Ltd.) into a subsidiary company; relocated to Sendai City, Miyagi Prefecture</p>	<p>2018 Changed the name of TAFUKO Co., Ltd. to Leben Zestock Co., Ltd.</p>	<p>2019 Changed the name of Nikko Property Co., Ltd. to Leben Trust Co., Ltd.</p>
<p>1975 Purchased the Company's head office to the Nakaitabashi Head Office Buildings (Dai-ichi Takara Building)</p>	<p>1996 Changed the name of Takara Management Co., Ltd. to Leben Community Co., Ltd.</p>	<p>2001 Relocated the Company's head office to Ikebukuro following completion of the Takara Leben Head Office Building</p> 	<p>2004 Listed on the First Section of the Tokyo Stock Exchange</p> 	<p>2010 Launched the detached house business with detached house built by the Company in its own right</p>	<p>2014 Set up the Hokuriku Office</p>	<p>2016 Made Nikko Property Co., Ltd. into a subsidiary company</p>	<p>2018 Launched the new NEBEL condominium brand</p> 	<p>2019 Leben Trust Co., Ltd. merged (absorption-type) with Takara Property Co., Ltd.</p>
<p>1982 Launched the real estate rental business</p>	<p>1999 Undertook the absorption-type merger of Takara Jyuhan Co., Ltd.</p>	<p>Listed on the JASDAQ market</p> 	<p>2006 Relocated the Company's head office to the Shinjuku-Sumitomo Building</p>	<p>2011 Commenced sales of custom-built houses; exhibited products at the Tachikawa Housing Exhibition Center</p>	<p>2014 Made Oasis Co., Ltd. (current Takara Leben Realnet Co., Ltd.) into a subsidiary company</p>	<p>2016 Completed steps for Takara Leben Infrastructure Fund to be the first to list on the Tokyo Stock Exchange Infrastructure Fund Market</p>	<p>2018 Established representative office of TAKARA LEBEN CO., LTD. in Hanoi City</p>	<p>2021 Established Leben Funding LLC.</p>
<p>1986 Established Takara Jyuhan Co., Ltd. in an effort to expand sales and intermediary operations</p>		<p>Established TAFUKO Co., Ltd. as a financial brokering business</p>		<p>2012 Launched the new LEBEN condominium brand</p> 	<p>2014 Made Nikko Kensetsu Co., Ltd. into a subsidiary company</p>	<p>2017 Set up the Osaka Branch</p>	<p>2018 Takara Leben Real Estate Investment Corporation was listed on the Tokyo Stock Exchange Real Estate Investment Trust Securities Market</p>	<p>Made ACA Clean Energy Co., Ltd. (currently Leben Clean Energy Co., Ltd.) a subsidiary</p>
<p>1988 Established Takara Management Co., Ltd. as a real estate management company</p>				<p>2012 Made the real estate rental and management business Takara Housing Co., Ltd. (current Leben Trust Co., Ltd.) into a subsidiary company</p>	<p>2014 Set up the Sapporo Office</p>	<p>2017 Changed the name of Jyutaku-jyuhoukan Co., Ltd. to Takara Leben West Japan Co., Ltd.</p>	<p>Relocated the Company's head office to the TEKKO BUILDING in Marunouchi, Chiyoda-ku</p>	<p>Set up the Nagoya Office</p>

Real Estate-Related Milestones

<p>1970s New availability of home loans</p>	<p>1980s Land prices soar in the bubble economy</p>	<p>1990s After the bubble bursts, corporate factories and housing are sold off and the development of condominium buildings on vacant land moves forward</p>	<p>2001 The J-REIT market is established enabling real estate investment trusts to list on the Tokyo Stock Exchange for the first time.</p>	<p>2006 With formulation and enactment of the Basic Act for Housing, Japan's policy shifts to encourage use of existing housing stock with refurbishment and renovation</p>	<p>2008 The financial crisis sparked by the Lehman Shock leads to ongoing consolidation among real estate companies</p>	<p>2011 The Great East Japan Earthquake and other disasters spur strengthened efforts to adopt seismic isolation and vibration control structures for condominiums, as well as securing emergency sources of power and other features</p>	<p>2016 Compliance with energy conservation standards becomes mandatory, in line with the enactment of the Building Energy Conservation Act, a law concerned with building energy consumption performance</p>	<p>2020 Coinciding with the development of SDGs in Japan, ZEH (Net Zero Energy House)-standard housing needs accelerate</p>
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Housing Trends

<ul style="list-style-type: none"> Wide-spread availability of combined living room, dining room, kitchen type urban condominiums 	<ul style="list-style-type: none"> Intensifying condominium product planning competition Desire for detached houses with gardens 	<ul style="list-style-type: none"> "Expensive, Far, Small" during the bubble economy Mass supply oriented towards "Inexpensive, Near, Large" 	<ul style="list-style-type: none"> Rising popularity of energy-saving, Good Design, and other added-value properties 	<ul style="list-style-type: none"> Growing number of rental properties allowing for DIY, pets, and greater lifestyle freedom 	<ul style="list-style-type: none"> Shift from assumption of relocation to a preference to permanent residency Focus on community formation 	<ul style="list-style-type: none"> Wide-spread availability of environmentally responsible housing 	<ul style="list-style-type: none"> Growth of dual-residence lifestyles (lifestyles based in two locations) and IoT housing 	<ul style="list-style-type: none"> Wide-spread use of telework and home office demand
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Value Creation Process

With its vision of “THINK HAPPINESS AND MAKE THE HAPPINESS,” the Takara Leben Group has been achieving sustainable growth in response to the diversifying housing needs of its various stakeholders. While leveraging the strengths of the Group, which possesses many business styles, and seeking synergies between each business, we will continue to provide new value to society through the creation of concepts that go beyond traditional norms.

VISION
THINK HAPPINESS AND MAKE THE HAPPINESS

Long-term Vision
National Brand Establishment
Become a “company trusted by all stakeholders” as the professional of space/city/renewable energy development

Materiality [Details P. 8](#)

Input

Financial Capital
Ability to generate stable cash flow

- Shareholders' equity ¥53.6 billion
- Interest-bearing debt ¥118.5 billion (As of March 31, 2021)

Manufacturing Capital
Buildings, equipment, social infrastructure

- Power-generation facilities nationwide 62
- * Calculated based on the number of licenses including wholesale portion (As of March 31, 2021)

Intellectual Capital
Technologies and expertise that respond to customer requests

- No. of trademark registrations 25 (As of March 31, 2021)

Human Capital
Diverse human resources that possess expertise

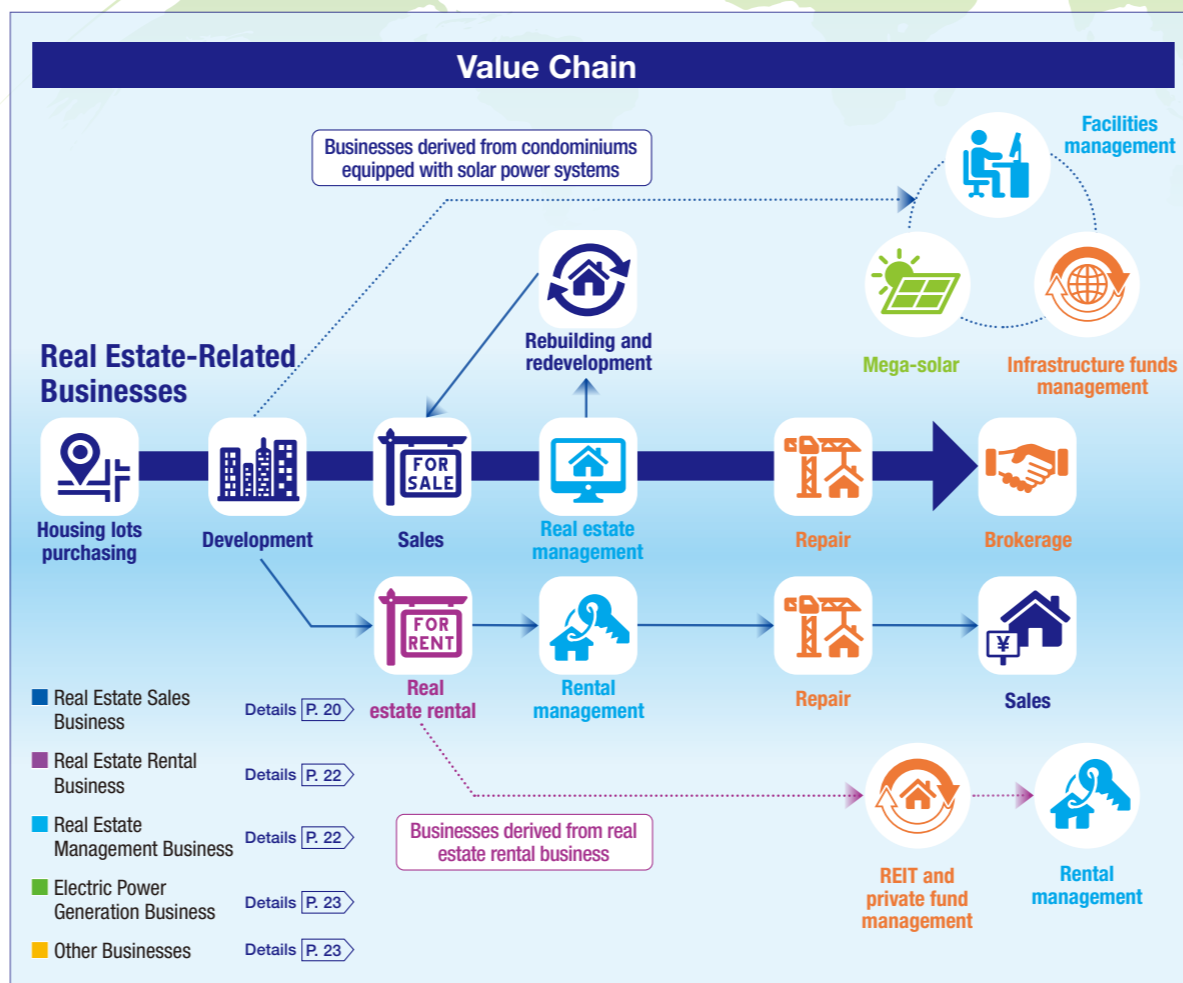
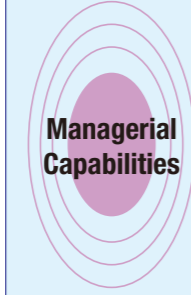
- No. of employees 365
- Real estate notaries 207
- * Scope of calculation: Takara Leben
- No. of employees (consolidated) 1,061 (As of March 31, 2021)

Social and Relationship Capital
Trust and reliability, brand strength and a collaborative framework

- Group companies 12 (As of April 30, 2021)
- Business locations 9 (Including head office and overseas locations) (As of June 30, 2021)

Natural Capital
Land, the global environment

Strengths



New Medium-Term Management Plan

7 Elements of the New Medium-Term Management Plan

- Further growth of core businesses
- Maximized group synergies
- Optimized business portfolio
- Establishment of a stable financial ground
- Improvement of productivity and creation of new services through promotion of DX
- Proactive ESG considerations
- Personnel development and establishment of the rewarding workplace environment

Output

Consolidated Net Sales
¥148.3 billion
(FY2020)

- Real Estate Sales Business ¥117.2 billion
- Real Estate Rental Business ¥5.7 billion
- Real Estate Management Business ¥5.4 billion
- Electric Power Generation Business ¥13.4 billion
- Other Businesses ¥6.5 billion

- Number of units sold**
New built-for-sale condominiums **2,129 units** (FY2020)
New built-for-sale detached houses **110 units** (FY2020)
- Cumulative number of units supplied**
34,871 units
*New built-for-sale condominiums (As of March 31, 2021)
- Number of managed housing units**
66,037 units
(As of March 31, 2021)
- Rental revenues**
¥5.7 billion
(FY2020)
- Current power generation**
About 206 MW
*Including wholesale portion (As of March 31, 2021)

Outcome

Financial Capital
A sound financial foundation that enables further investments for growth

- TSR over the past 5 years 68.0%
- Dividend per share ¥14 annually (FY2020)

Intellectual Capital
Advanced technologies and services that respond to diversifying lifestyles

Human Capital
Encouraging the strong roles of diverse employees

- Paid leave utilization rate 55.4%
- Percentage of women in management 7.34%
- Percentage of persons with disabilities employed 1.98%
- * Scope of calculation: Takara Leben (As of March 31, 2021)

Social and Relationship Capital
Building regional vitality and relationships of trust for the long term with all stakeholders

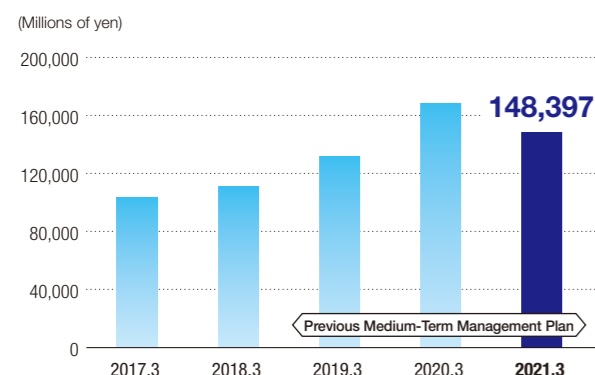
- No. of new built-for-sale condominium contracts 1,958 (FY2020)

Natural Capital
Effective use of resources and initiatives for renewable energy to reduce environmental impact

- Amount of CO₂ used
- Amount of energy used

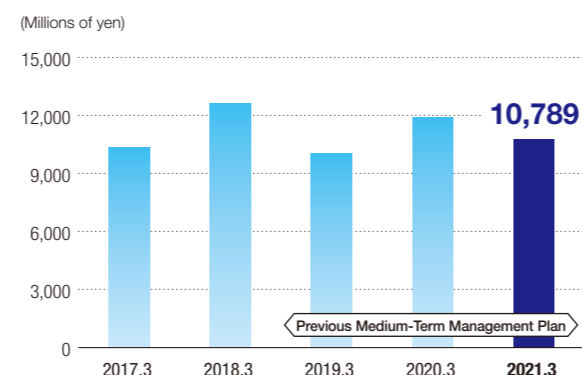
Financial/Non-Financial Highlights

Net Sales



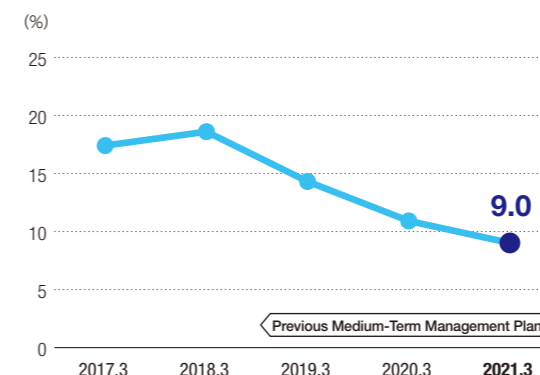
In the fiscal year ended March 31, 2021, net sales totaled 148,397 million yen, down 11.9% year on year. Despite posting a record high in the number of units sold in our core built-for-sale condominium business, this decrease in net sales was mainly due to the impacts associated with determining the timing of sales of profit-generating real estate and postponing the sale of power generation facilities. Notwithstanding the aforementioned, net sales exceeded our initial forecast of 136,800 million yen announced in September 2020.

Operating Income



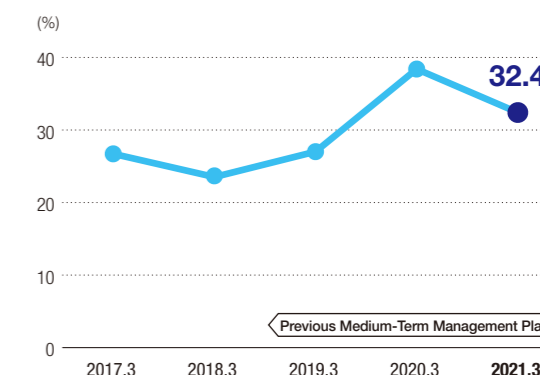
In the fiscal year ended March 31, 2021, operating income came to 10,789 million yen, down 9.3% year on year in line with the downturn in consolidated net sales. On a positive note, this was well in excess of the 6,000 million yen initially forecast in September 2020.

ROE



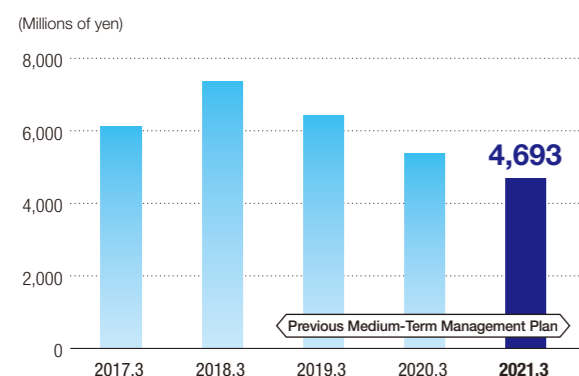
ROE has been in a downward trend, and came in well below the target of 15%. Despite this, when excluding such special factors as extraordinary losses (impairment losses), ROE came to 17.2% and 13.9% in the fiscal years ended March 31, 2020, and March 31, 2021, respectively. We will take a variety of steps to improve profits including reducing selling, general, and administrative expenses, while building up equity.

Dividend Payout Ratio



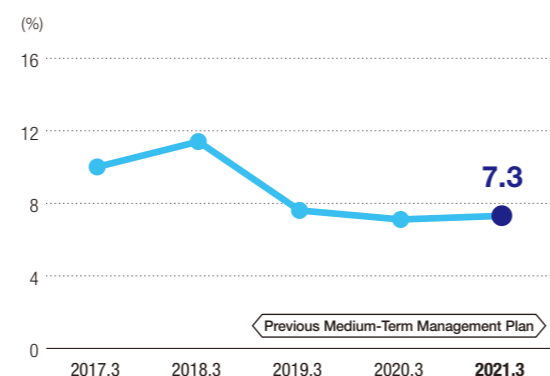
While the dividend payout ratio in the fiscal year ended March 31, 2021 declined 6 percentage points year on year in line with booking impairment losses for fixed assets, we achieved the target of 25–30% raised in the previous Medium-Term Management Plan during all three fiscal years covered by the Plan. Takara Leben remains committed to continuously securing proper returns and positioning shareholder returns as one of its most important management issues under the new Medium-Term Management Plan.

Net Income Attributable to Owners of Parent



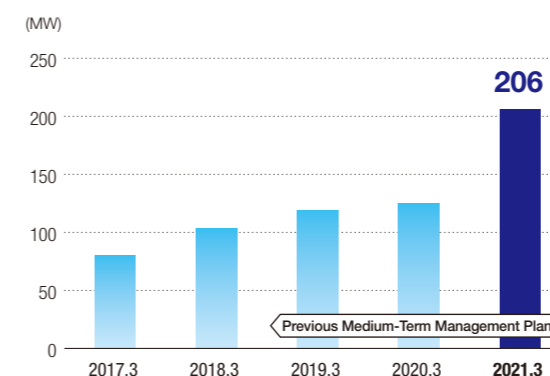
In the fiscal year ended March 31, 2021, net income attributable to owners of parent was 4,693 million yen, down 12.5% year on year. This largely reflects the change in use of certain hotels to residences following a review of assets which led to the posting of an impairment loss on fixed assets of 2,589 million yen in light of the uncertainties surrounding the impact of COVID-19.

Operating Income Margin



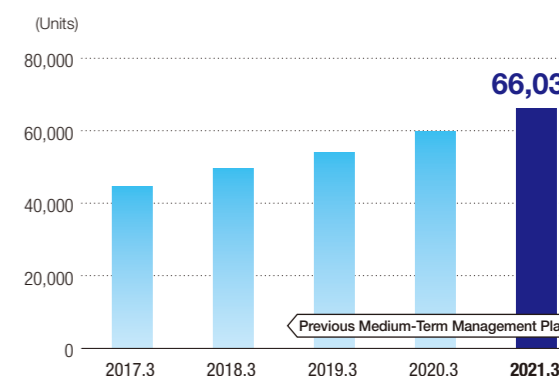
In the fiscal year ended March 31, 2021, the operating income margin came to 7.3%, up 0.2 of a percentage point year on year thanks largely to contributions from the high rate of return on self-developed residential properties in the liquidation business and improvement in profit margins.

Current Power Generation



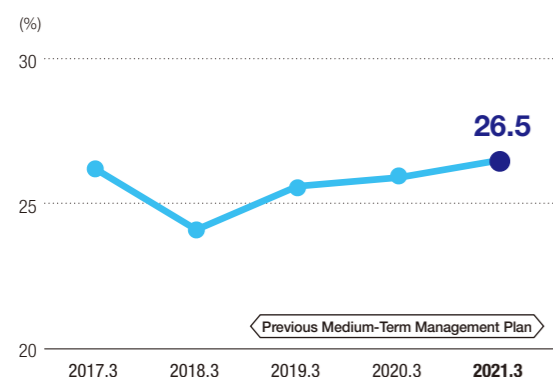
The Takara Leben Group is promoting the electric power generation business using renewable energy. As of the end of March 2021, 62 facilities were in operation, an increase of 14 facilities from the previous year (calculated based on the number of licenses, including wholesale portion). In March 2021, our largest solar power generation facility was completed in Chiba Prefecture.

Number of Managed Housing Units



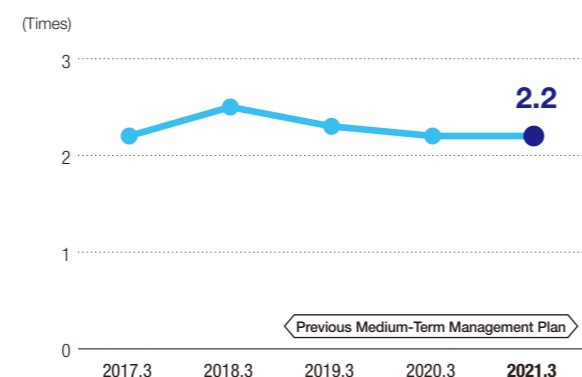
In the real estate management business, the number of units under management is steadily increasing with the number of managed housing units amounting to 66,037 as of March 31, 2021, an increase of 6,290 units compared with the previous fiscal year. Takara Leben will continue to actively acquire properties for management, including those managed by other companies, in order to realize stable revenue as a stock business.

Equity Ratio



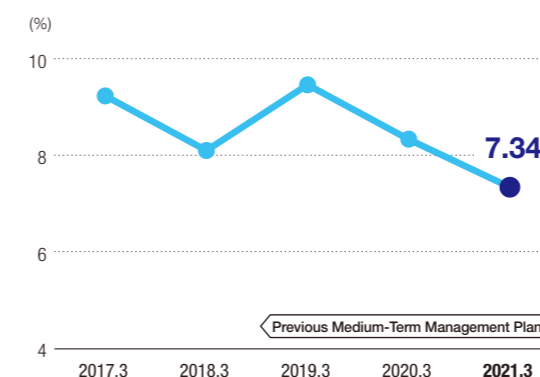
Takara Leben has witnessed a gradual improvement in its equity ratio since the fiscal year ended March 31, 2018. While falling short of its 30% target, the Company's equity ratio came in at 26.5% in the fiscal year ended March 31, 2021. This was the highest level of the past five fiscal periods. Going forward, every effort will be made to secure a more stable equity ratio while diversifying fund procurement methods.

D/E Ratio



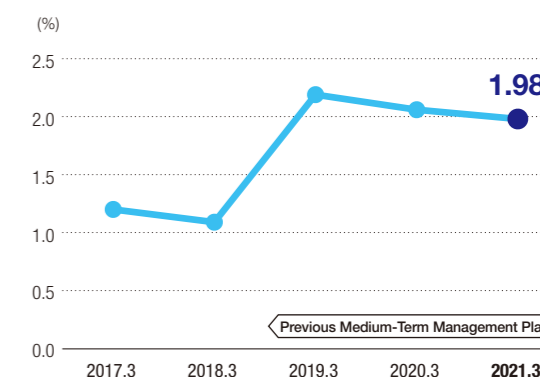
In the fiscal year ended March 31, 2021, the D/E ratio was 2.2 times. Over the three years from the fiscal year ended March 31, 2019 to the fiscal year ended March 31, 2021, the D/E ratio trended between 2.2 and 2.3 times. As a result, the Company achieved its target of less than 3 times set under the previous Medium-Term Management Plan for the entire period.

Percentage of Women in Management



The percentage of women in management was 7.34% in the fiscal year ended March 31, 2021. The Takara Leben Group has also identified personnel development as a key strategy and positioned efforts to promote the empowerment of women as one of its most important measures under its new Medium-Term Management Plan. We aim to lift the percentage of women in management to 9.5% in the fiscal year ending March 31, 2025, through such measures as the development of a career system.

Percentage of Persons with Disabilities Employed



Takara Leben is promoting diversity and inclusion initiatives with the aim of becoming a corporate group where diverse human resources can excel. In the fiscal year ended March 31, 2021, the percentage of persons with disabilities employed was 1.98%. With the goal of raising this percentage to 2.30% by the fiscal year ending March 31, 2025, we will work to build a comfortable work environment.

Materiality

Basic Policy

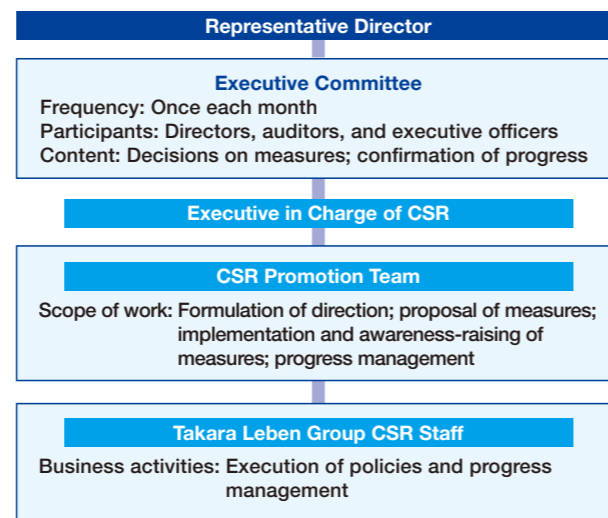
To continuously improve its corporate value, the Takara Leben Group is working to resolve social issues through its business activities and formulating issues that have a particularly significant impact on management as critical issues (materiality). By working on responses to ESG, such as strengthening efforts to address environmental issues that include the provision of high-quality housing and innovative services, we will fulfill our responsibilities as a public entity of society responsible for creating towns while creating new value.



Promotion Framework

To link our efforts with regard to materiality to the improvement of corporate value for all Group companies, we are building a promotion framework which spans across all companies. We are also building a vertical promotion framework unifying management with business activities by making decisions and reporting at our Executive Committee meetings as appropriate.

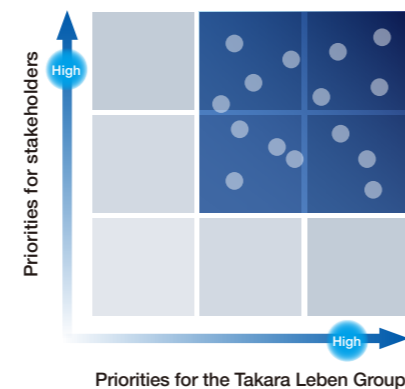
In addition, we are organizing training for executives of all Group companies and staff in charge of CSR. We are also providing opportunities for information sharing and discussion with ground staff. Moving forward, we will further strengthen our activities and create new value by creating environments where employees can work with a sense of ownership, and by reaffirming awareness of critical issues.



Process of Selecting Key Themes and Identifying Key Issues

At the Takara Leben Group, we have identified key themes and key issues through the following steps.

- STEP 1 Grasp and organize social issues**
We identified 31 issues relating to the business environment based on GRI, SDGs, SASB and other international guidelines, as well as our Group philosophy and Medium-Term Management Plan and demands from our customers, shareholders and investors, local communities, employees and other stakeholders.
- STEP 2 Evaluate significance from the Takara Leben Group's perspective**
We utilized questionnaires completed by all employees including management and officers to identify relations between social issues and our business and Group philosophy, and rank them in accordance with priority.
- STEP 3 Evaluate importance from our stakeholders' perspectives**
We utilized questionnaires completed by customers, shareholders and investors, and business partners and drew on international guidelines such as the GRI and the SDGs to rank issues.
- STEP 4 Identify key issues**
Priorities were revised from the perspectives of the Takara Leben Group and our stakeholders, a review was conducted by management, and then the key issues were identified.
- STEP 5 Set policies for key themes**
Policies were set for the four key themes.



Key Themes	Policies	Key Issues	KPI
Creating Lifestyles with Value We contribute to improving the richness of people's lifestyles by creating new value. Details [P.24] 	<ul style="list-style-type: none"> Provide products and services that respond to changing social issues and needs. Provide lifestyles that harmonize residents and surrounding environments, such as the LEBEN or NEBEL brands. 	<ul style="list-style-type: none"> Support for diversifying lifestyles and globalization Responses to changes to business models brought by an ageing society and depopulation 	<ul style="list-style-type: none"> Propose new services for lifestyles: 5 proposals Provide new built-for-sale condominiums overseas: 3 properties (FY2024) Provide NEBEL properties: 3 properties
Forming Communities We form communities with stakeholders—such as local communities, trading partners, and employees—and aim for growth together. Details [P.25] 	<ul style="list-style-type: none"> Contributing to the revitalization of regional areas through our regional city revitalization business, which connects urban and regional areas. Improve our ability to respond to risk through thorough risk assessment and management. Provide opportunities and environments where a diverse range of people can work energetically. Corporate activities that can respond to social needs with an emphasis on dialogues with our stakeholders. 	<ul style="list-style-type: none"> Urban development and creating towns Construction and maintenance of a corporate governance system Promoting compliance Employee health management Encouraging employment of diverse human resources 	<ul style="list-style-type: none"> Number of redevelopment projects: 2 Support for local communities: 10 projects Evaluate the effectiveness of the Board of Directors Enhance and reinforce corporate governance systems Investigate introducing clawback provisions Conduct anti-corruption education and training Promote understanding by officers and employees of human rights issues Number of incidents of disadvantageous treatment: 0 Use questionnaire surveys to determine rates of awareness of internal whistle-blowing systems Medical examination rate: 100% Stress check rate: 100% Paid leave utilization rate: 70% Percentage of persons with disabilities employed: 2.30% Percentage of women in management: 9.5% (FY2024) Rate of return to work after taking maternity or childcare leave: 100% Training time per employee: 24 hours Sales staff questionnaire satisfaction rate: 90%
Providing Comfortable Spaces of High Quality We support the comfortable and safe living of our customers by providing products bringing great satisfaction to our customers. Details [P.24] 	<ul style="list-style-type: none"> Improve customer satisfaction levels through the use of our proprietary Service Quality Management System (SQMS®). Create housing that combines both design and habitability, pursuing the performance of housing. Improve building value through regular repairs and renovations to improve building comfort, functionality, and safety. 	<ul style="list-style-type: none"> Providing safe, secure products and services Improving customer satisfaction Improving value of buildings 	<ul style="list-style-type: none"> Number of nonconformities relating to business processes and quality standards: No more than 10 Hold briefings concerning preventive measures: At least 5 SQMS® Master certifications (other than operations management departments): At least 2 employees Housing performance evaluation report acquisition rate: 100% Accident frequency rate; lost time injury frequency rate (scope: employees): 0% Number of lost time injuries (scope: employees): 0 Implement customer satisfaction surveys Safety Conferences: Once annually Special patrols (safety confirmation): 4 times annually Number of safety and health training sessions (scope: employees): Twice annually Supplier survey results: A-rank acquisition rate: 90% Accident frequency rate; lost time injury frequency rate (scope: suppliers): No more than 1.83%
Developing Environments and Cultures We contribute to a sustainable society by actively working on environmental issues, and at the same time, contribute to improving quality of life by providing opportunities for mental activities such as learning and practicing the arts. Details [P.26] 	<ul style="list-style-type: none"> Reduce greenhouse gas emissions through supplying housing with high environmental performance and our renewable energy power generation business. Provide seismic-resistant and fire-resistant housing that can withstand natural disasters. Provide opportunities for cultural activities to our stakeholders. 	<ul style="list-style-type: none"> Providing buildings and spaces that consider the environment and culture Responses to global warming Initiatives for renewable energy Effective use of resources Responses to disasters 	<ul style="list-style-type: none"> Formulate an environmental policy Capture and disclosure of CO₂ emissions Set CO₂ emissions reduction targets Energy-saving rank (Flat 35) acquisition rate: 100% of detached houses Support for cultural development: 5 projects Acquisition of ZEH condominium certification: 1 property Acquisition of CASBEE certification: 1 property with A-rank or higher certification New mega-solar power generation facility capacity brought online: 20 MW Total power generation: 360 MW (FY2024) Maximize effective use of resources and water Create BCP countermeasures manual

Medium-Term Management Plan

Previous Medium-Term Management Plan (FY2018–FY2020) Review

Theme Evolution through Sustainable Change
— Innovation for a New Lifestyle. —

Basic Policy Establishing stable and sustainable foundations for growth / Diversifying the business portfolio / Responding to ESG

Strategies by Segment	Performance Results
Real Estate Sales Business New Built-for-Sale Condominiums • Targets include families, dual-income families, single-person households, seniors • Supply of compact condominiums that meet changes in the times New Detached Houses • Outskirts of Tokyo metro area, within 10 minutes walk of station • Thorough implementation of short-term return cycle Renewal Resale • Uptake of expanding used condominium needs • Increase number of owned units, develop a business cycle Liquidation • Diversification of exit points • Optimization of the balance sheet	While strong willingness to purchase condominiums for actual demand is observed, we have built a system with capacity of supplying 2,000 units annually Restructured the system by handpicking the supply areas due to the tough competitive environment packed with contenders Successful uptake of used condominium needs led to growth with increased year-end owned units The amount of both investment and sales increased, secured a high gross profit margin from self-developed properties
Real Estate Rental Business • Securing of stable revenue	Declined due to expansion of liquidation sales
Real Estate Management Business • Replace other companies in management with competitive services • Spin-off into Other businesses, such as large-scale repair works	Achieved the plan through replacements from other company properties
Electric Power Generation Business • Development of environment-friendly renewable energy • Incorporation of post facility-sale commission income	Facility sale timing was delayed due to the postponed construction schedule Electricity sale, profits declined due to early depreciation following completion of large-scale projects
Other Businesses • Expansion of revenue derived from each segment	Increase in management compensation due to expansion of scale of infrastructure fund and REIT

Performance Goals / Management Index	Performance Results
Performance Goals (FY2020) Net Sales: 170,000 million yen Operating Income: 14,500 million yen Ordinary Income: 13,000 million yen Net Income Attributable to Owners of Parent: 9,000 million yen	Performance (FY2020) Net Sales: 148,397 million yen Operating Income: 10,789 million yen Ordinary Income: 9,933 million yen Net Income Attributable to Owners of Parent: 4,693 million yen
Management Index Equity Ratio: 30% LTV: Less than 60% D/E Ratio: Less than 3 times ROE: 15%	Management Index Equity Ratio: 26.5% LTV: 58.0% D/E Ratio: 2.2 times ROE: 9.0% (13.9%*)

* Excluding factors related to impairment loss

Review by Fiscal Year

FY2018	FY2019	FY2020
Progressed mostly as planned • Achieved planned net sales and net income • Operating income and ordinary income fell short of goals due to increased sales and personnel expenses following nationwide expansion	Booked valuation write-downs of some hotel project inventories as impact of COVID-19 began to emerge • Achieved planned net sales with a record high number • Income fell short of the goal with accrued lower-of-cost-or-market loss of 1,008 million yen and impairment losses of 2,071 million yen for hotel assets	Growing impact of COVID-19 • New built-for-sale condominium business actual demand prospered, resulting in record-high net sales and delivered units • Facility sales schedule postponed in electric power generation business due to careful selection of projects and delayed construction

New Medium-Term Management Plan (FY2021–FY2024) General Concept

Grand Design

7 Elements of the New Medium-Term Management Plan

Details [P.12-13]

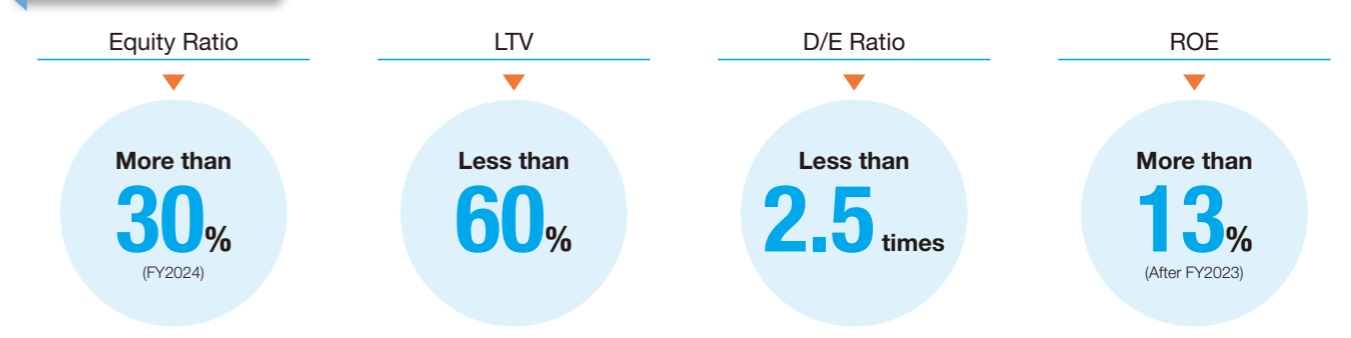
01. Further growth of core businesses
02. Maximized group synergies
03. Optimized business portfolio
04. Establishment of a stable financial ground
05. Improvement of productivity and creation of new services through promotion of DX
06. Proactive ESG considerations
07. Personnel development and establishment of the rewarding workplace environment

Performance Goals

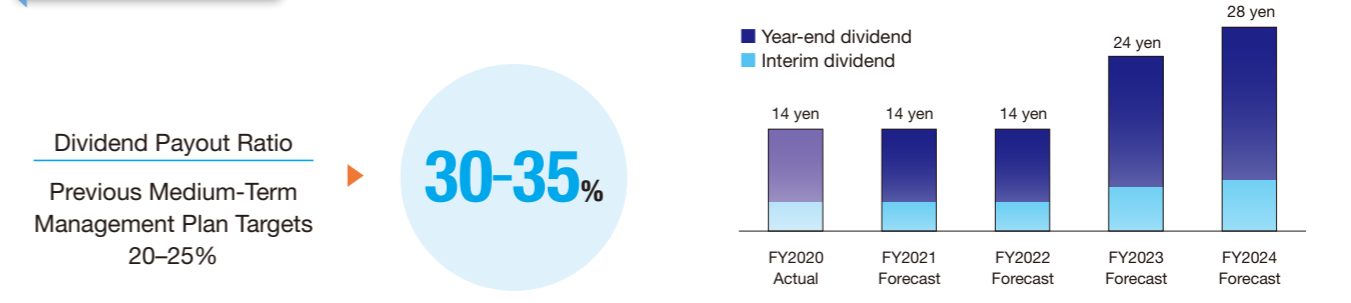
	FY2021	FY2022	FY2023	FY2024
Net Sales	158,600	155,200	187,100	203,700
Gross Profit	29,100	28,400	35,200	38,700
Operating Income	7,900	8,000	13,200	15,700
Ordinary Income	7,100	7,400	12,500	15,000
Net Income Attributable to Owners of Parent	4,800	5,000	8,500	10,000

(Millions of yen)

Management Index



Shareholder Returns



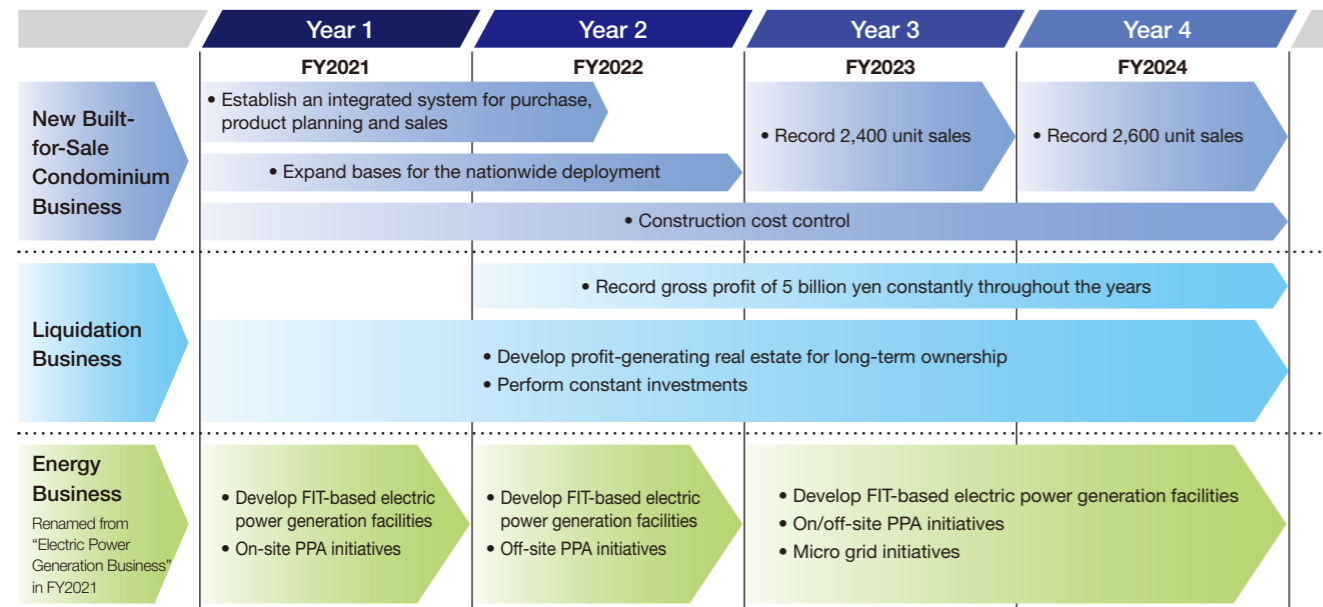
7 Elements of the New Medium-Term Management Plan (FY2021–FY2024)

The Takara Leben Group has formulated seven elements designed to connect with sustainable growth in corporate value. In working towards achieving the targets for the fiscal year ending March 31, 2025, we will selectively engage in these strategies throughout the Group.

01. Further growth of core businesses

As the Group's core business, the new built-for-sale condominium business will establish a stable, nationwide supply system in aims of recording sales of 2,600 units by the Plan's final year. As the next mainstay of the Group, the liquidation business will maintain an investment level

of 30 to 50 billion yen per year and actively promote rental residence development. The energy business will develop a business model for de-FIT, and will penetrate into direct and bilateral energy trading.



02. Maximized group synergies

Centered on the eleven main Takara Leben Group subsidiaries the Group is currently engaged in businesses that leverage each company's strengths in sectors beyond just the real estate sales business, including the management

business and energy business. Through the expansion of existing businesses and entry into new businesses, the Group is strengthening efforts to enhance group wide synergy.

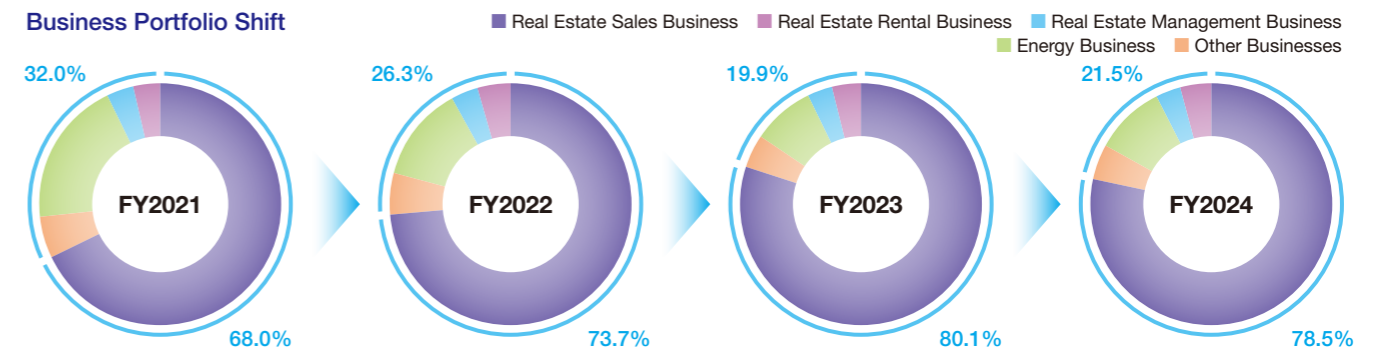


03. Optimized business portfolio

Along with maintaining expansion of the real estate sales business as the linchpin strategy, including maximizing the potential of the new built-for-sale condominium business that stands at its core, the Group aims to grow the stock fee busi-

ness, which includes penetration into direct and bilateral energy trading and increasing managed units. The Group will build a business portfolio that is optimized to the specific needs of customers as they evolve and changes in the times.

Business Portfolio Shift



04. Establishment of a stable financial ground

Build a robust balance sheet

- Build area-specific financial institution networks
- Diversify financing schemes
- Actively use off-balance schemes
- Secure funds for growth investments

Examples of initiatives for establishing a stable financial ground

- Develop new relationships with financial institutions
- Leverage new financing schemes, including crowdfunding
- Effectively leverage bridge funds and SPC

05. Improvement of productivity and creation of new services through promotion of DX

DX promotion

- Challenge for AI-enabled marketing capabilities and create new services through DX promotion

Group ICT promotion

- Organizing a seamless work environment through the inter-group ICT promotion addressing workstyle reforms, including the "With COVID-19" lifestyle

Group security reinforcement

- Group ICT promotion and reinforcement of the security structure

Productivity improvement

- Improved productivity by promoting digitalization of operations

Examples of DX promotion initiatives

- Introduction of a smartphone-enabled condominium management system
- IT-enabled condominium business promotion work

06. Proactive ESG considerations

Environment-friendliness

- Promote energy business and disclosure of non-financial information such as environmental data

Carbon neutrality

- Implement various schemes to achieve carbon neutrality within the Group

Governance controls

- Control corporate governance through such effort as raising percentage of outside and/or female directors

Risk management measures

- Establish and reinforce the risk management structure

Examples of key ESG related indexes

- Implement customer satisfaction surveys
- Rate of women in management
- Capture and disclosure of CO₂ emissions
- Set CO₂ emission reduction target, etc.

07. Personnel development and establishment of the rewarding workplace environment

Personnel development

- Promote career development programs

Workstyle reforms

- Proactive support for workstyle reforms

Enhanced engagement

- Enhanced engagement through promotion of inner branding including the 50th Anniversary Project

Examples of personnel related initiatives

- Expansion of educational and training programs
- Promotion of taking paid leave and utilization of telework
- Implementation of activities for the 50th Anniversary



Even amid drastic changes in lifestyles, we will resolutely put into effect the new Medium-Term Management Plan by means of a business style that leverages our strengths.

In addition to more actively addressing ESG, we aim to increase corporate value by increasing the synergy between our core business, the new built-for-sale condominium business, and each of our other businesses.

Kazuichi Shimada
Representative Director,
CEO and President Executive Officer

Q1
Looking back on the fiscal year ended March 31, 2021, please provide details about your initiatives and tell us about your achievements and any issues. Also, please tell us how you see the current environment in which Takara Leben operates, including COVID-19.

The fiscal year ended March 31, 2021 was the final year of the previous Medium-Term Management Plan, and due to the impact of COVID-19 we were forced to revise the figures and announced a revision of our earnings forecast in September 2020.

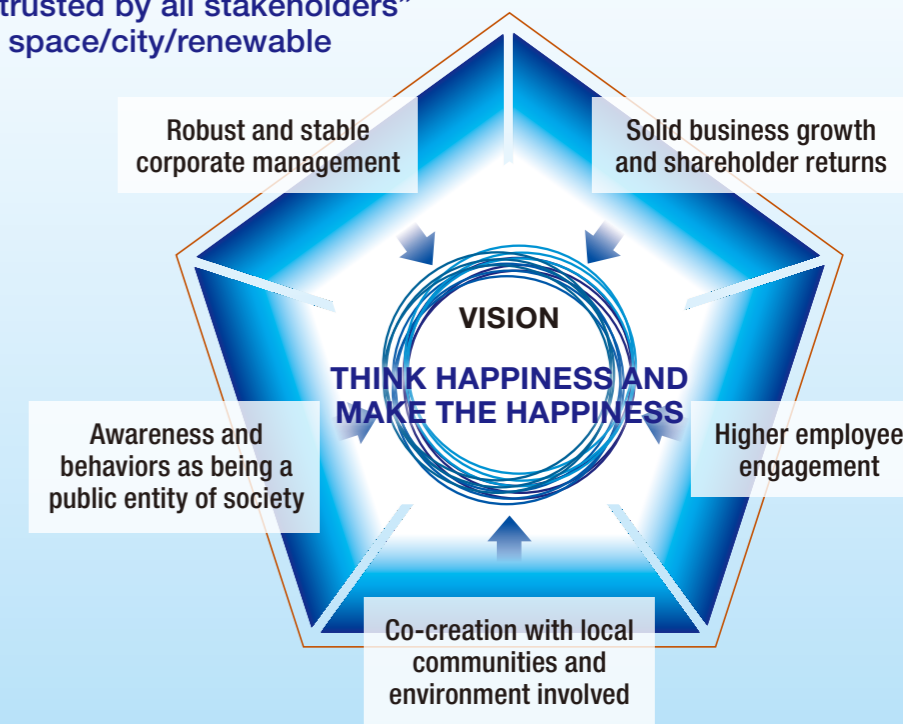
From April to May 2020, when the state of emergency declaration was in force, in principle all showrooms were closed in the new built-for-sale condominium business, our core business, which had a major impact on our sales activities. However, from June 2020 onward, following the lifting of the state of emergency declaration, the number of visitors increased and maintained the same momentum even in the months when the numbers of visitors normally decrease every year. In addition, the numbers accessing property sites via the Internet increased significantly over the full year exceeding the same month last year. Due to strong demand for condominiums from these, as of

Takara Leben Group's Long-Term Vision

Formulated the Group's long-term vision for the next decade to fulfill our responsibilities as a public entity of society and achieve both the creation of corporate value and the realization of a sustainable society.

National Brand Establishment

Become a "company trusted by all stakeholders" as the professional of space/city/renewable energy development



December, the number of units for which contracts had been signed against the number of condominium units scheduled for delivery had exceeded the initial forecast of 1,980 units.

In the fiscal year under review, the number of units delivered reached a record high of 2,129, gain on sale of self-developed residence properties (rental properties) in the liquidation business also contributed and, although net sales were down on the previous period, gross profit was above the previous year's level. In addition to the ongoing low interest rate policy, there were factors such as the increasing interest in and concerns about customers' housing due to government requests to stay at home, and the changes in work styles, including working from home, and I think these signs are more significant than the Company's expectations in the COVID-19 pandemic. Customers' awareness of housing is changing and lifestyle diversification progressing, and I think that this change will continue in the years to come.

Meanwhile, since it was unclear when or if the COVID-19 epidemic would end and the situation return to normal in the fiscal year under review, we conducted a review of our hotel asset owned policy. As a result of some changes in usage from hotels to residences, impairment losses of

2,589 million yen were recorded under fixed assets.

While people are becoming more aware of and interested in their homes, it is also true that, in contrast, some people are worried about the future due to the changes in the social environment. While observing in what ways such changes will affect medium- to long-term trends, we will address these changes in a flexible manner.

Q2
Looking back on the previous Medium-Term Management Plan, which ran from the fiscal year ended March 31, 2019 to the fiscal year under review, ended March 31, 2021, please tell us about your strategic targets and achievements as well as about any issues.

Under the previous Medium-Term Management Plan, we formulated three basic policies: establishing stable and sustainable foundations for growth; diversifying the business portfolio; and responding to ESG. Net sales in the first and second years of the plan achieved steady targets, particularly those in the second year, when a record high was recorded. However, the effects of COVID-19 began to appear from the end of the second year, and the target was not achieved in the third year, the fiscal year ended

Interview with the CEO

March 31, 2021.

On the other hand, I do think that our efforts achieved some results. In terms of “establishing foundations for growth,” we were able to build a supply system for more than 2,000 units in the new built-for-sale condominium business, which is our core business. In addition, the liquidation business has grown to become a second mainstay, and the fund business is also growing, and thus our business domains are steadily expanding. With regard to our response to ESG, we continued to develop the electric power generation business, discussed ESG material issues internally, and set KPIs. In the years to come, we will strengthen our efforts toward the achievement of our goals.

Q3

Please provide us with an outline and tell us about the strategy and business goals of your new Medium-Term Management Plan (FY2021-FY2024).

In formulating our new Medium-Term Management Plan, we adopted “national brand establishment” as our new long-term vision. Due to the recent rise in social awareness with regard to ESG and sustainability and the demand for higher functionality in housing, this represents a re-examination and formulation of our role, which is the basis of our daily lives called housing. The Plan is a sign of our determination to become a company trusted by all stakeholders by realizing a sustainable society as a public entity of society, rather than a company that pursues only profit.

In addition, in light of COVID-19’s effects, instead of three years the new Medium-Term Management Plan has been formulated as a four-year plan. We have adopted seven elements as important strategies and will steadily

implement them one by one.

The first element is to expand the real estate sales business, including the core business of new built-for-sale condominiums. The second and third elements involve maximizing group synergies and optimizing our business portfolio. By growing each Group company in the business areas that we have been expanding so far, we will generate profits while taking advantage of synergies throughout the Group, including Takara Leben itself. From the fiscal year ending March 31, 2025 onward, we will continue this initiative as a strategy geared toward the next growth stage.

As the fourth element, we will establish stable financial ground by diversifying fundraising methods to realize these strategies. The fifth element is the promotion of DX. In condominium purchasing, more than 80% of the contracts have already been visit reservations made via the Internet, so it can be said that DX promotion is indispensable for our sales strategy. We will examine whether DX is capable of doing things such as increasing Companywide productivity, purchasing land used for business as well as improving customer service. Regarding proactive ESG considerations, which is the sixth element, we will connect this to specific measures, such as the supply of our first net zero energy house (ZEH) condominiums, while remaining aware of KPIs.

With regard to personnel, who form the final element, we will actively promote system reforms and workstyle reforms, while further improving the working environment. In addition, we will engage in the development of personnel, who are indispensable to corporate growth, through career development programs.

As performance goals, over the first two years, we will firstly return net sales to their pre-COVID levels. In the final fiscal

year, ending March 31, 2025, we are targeting net sales of more than 200 billion yen and net income of 10 billion yen.

Q4

Please tell us about the areas and initiatives that you are particularly focusing on in the important strategies of your new Medium-Term Management Plan.

One of the elements of the new Medium-Term Management Plan is the sales plan adopted for new built-for-sale condominiums, which form our core business. Since the number of units delivered increased more than expected in the fiscal year under review, the number of properties sold decreased, and we refrained from purchasing land due to the COVID-19 pandemic, we have set at 1,800 the number of units to be delivered in the first year, the fiscal year ending March 31, 2022, and at 1,500 in the second year. In the third year, we are targeting the delivery of 2,400 units, and in the final year 2,600 units, which is much higher than the record high.

In this way, we will strategically promote the liquidation business and the electric power generation business while focusing on the new built-for-sale condominium business. In the liquidation business, we will expand the asset scale of Takara Leben Real Estate Investment Corporation and strengthen a flow business for property sales and a fee-based business system for management compensation.

Similarly, in the electric power generation business, in April 2021 ACA Clean Energy (currently Leben Clean Energy), which develops electric power generation facilities, became a consolidated subsidiary and changed the business segment name to the Energy Business, and over the next four years will build a new electric power generation supply system. Specifically, not only by participating in the feed-in tariff (FIT) system, through which the nation guarantees that electric utilities will purchase the generated electricity at a fixed price, but also going forward we will aggressively enter into a bilateral energy trading power purchase agreements (PPAs) model, by which contracts are directly concluded between electric power generation companies and private companies and local governments that have demand for electricity.

The need for renewable energy will continue to grow in the years to come toward the realization of a carbon-free society. In these times of major environmental change, we will strategically promote the energy business as part of the great value that Takara Leben can provide.

Q5

As you will be marking the 50th anniversary of the Group’s founding in 2022, please tell us about the Company’s future direction and long-term vision.

Since our founding in 1972, we have adopted the concept of “ideal, affordable housing that anyone can buy with confidence and peace of mind” and been working to improve



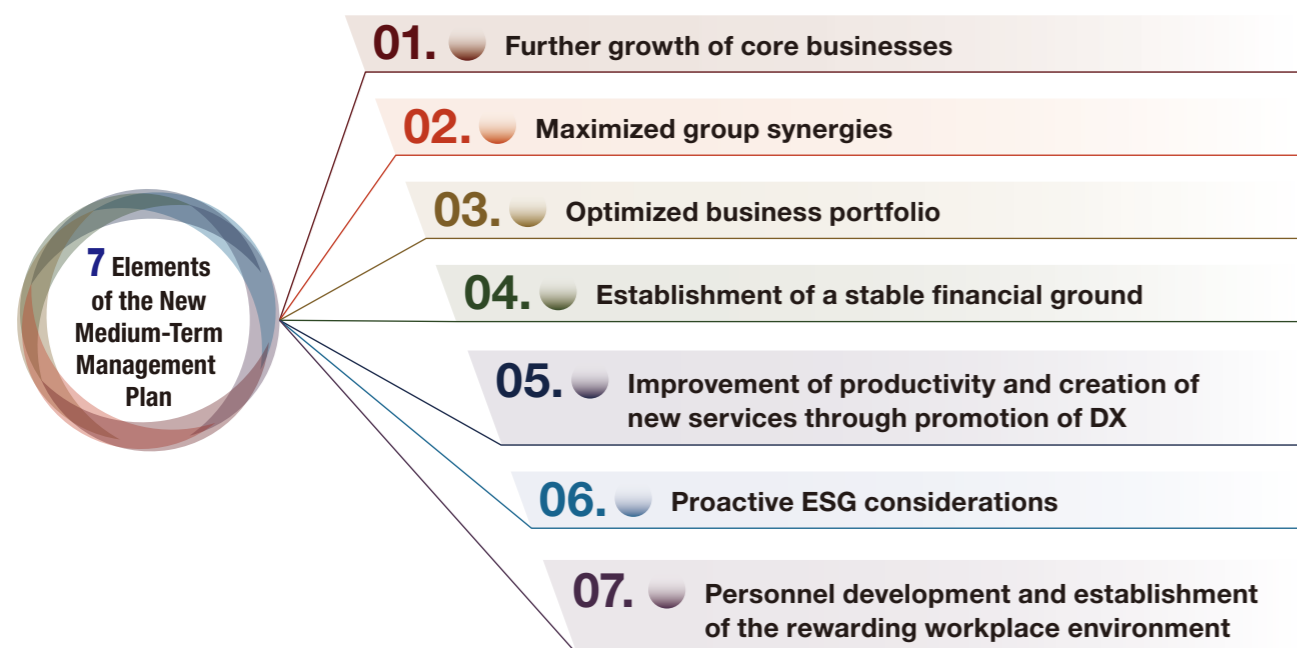
the value of “housing” that has such a major impact on our customers’ lives.

As we approach the major milestone that is the 50th anniversary of our founding, through activities that have included the formulation of the slogan “Innovation for a New Lifestyle.” and the design of the 50th anniversary logo, I had once again been considering together with our employees what kinds of “innovations” could be provided to customers as value. In the fiscal year under review, the Innovation Development Project was launched by employees, and a presentation was held to propose ideas that embody the “innovation” that the Company has adopted. At the presentation, we commended excellent ideas from the 40 proposals and are currently working toward the realization of the project.

I tell new employees, “Do work for yourselves.” First of all, if they do a job to their own satisfaction, Takara Leben will become the company of choice for their customers, and that will be of benefit to the Company. Employees, business partners, and shareholders will all be happy, and this will lead to the creation of unique value that can be shared with all stakeholders. I think that the result of that will be the long-term vision of “national brand establishment.”

To create value on a permanent basis for 50 to 100 years as a company trusted by society—based on our corporate vision of “THINK HAPPINESS AND MAKE THE HAPPINESS” and through the challenges faced voluntarily by each and every employee—we will continue our efforts to improve housing and society and realize a sustainable society from now on.

Grand Design



Interview with the CFO

In addition to continuing to grow in multiple business fields and steadily accumulating shareholders' equity, Takara Leben is diversifying fund procurement methods as it works diligently to establish a stable financial foundation.

Masashi Yamamoto

Director, CFO and
Managing Executive Officer



Q1

Please provide us with details of performance results and related factors for FY2020.

The consolidated financial results for the fiscal year ended March 31, 2021, saw net sales decrease 11.9% year on year, to 148,397 million yen, operating income decline 9.3% year on year, to 10,789 million yen, and ordinary income fall 11.3% year on year, to 9,933 million yen. Meanwhile, net income attributable to owners of parent dropped 12.5% year on year, to 4,693 million yen.

Although net sales and earnings decreased compared with the previous fiscal year, results exceeded

our initial forecast, which took into account the impact of COVID-19. As far as new built-for-sale condominiums are concerned, one of the main reasons for exceeding forecasts was that actual demand for the condominiums that we handle was not significantly affected by the pandemic with strong trends in sales activities compared with condominiums for investment, which are more susceptible to the effects of economic trends. From a liquidation perspective, a second factor is that the sale of real estate rental residential properties developed by the Company generated a high profit margin.

Management Index

		Previous Medium-Term Management Plan	FY2018	FY2019	FY2020
Equity ratio	(%)	30% (Fiscal year ending March 2021)	25.6	25.9	26.5
LTV (Loan to value)	(%)	Less than 60% (Every fiscal year ending March)	60.5	58.3	58.0
D/E ratio	(Times)	Less than 3 times (Every fiscal year ending March)	2.3	2.2	2.2
ROE	(%)	15% (Every fiscal year)	14.3	10.9	9.0

Q2

The Company has positioned the establishment of a stable financial ground as a key strategy under its new Medium-Term Management Plan (FY2021-FY2024). Can you elaborate and provide us with details of specific strategies and measures going forward?

In the previous Medium-Term Management Plan (FY2018-FY2020), the Company identified four target management indexes: an equity ratio of 30% or more, an LTV ratio of less than 60%, a D/E ratio of less than 3 times, and an ROE of 15% or more. Due to the increase in asset size associated with the expansion of business fields and the posting of an impairment loss, we fell slightly short of our equity ratio and ROE targets. On a positive note, we were able to control both our LTV and D/E ratios throughout each of the three fiscal years of the Plan.

Under the new Medium-Term Management Plan, we have once again identified four target management indexes: an equity ratio of more than 30%, an LTV ratio of less than 60%, a D/E ratio of less than 2.5 times, and an ROE of more than 13%. Our real estate business model is underpinned by borrowings from financial institutions. As business expands, interest-bearing debt tends to increase. With this in mind, we have set a higher D/E ratio target than previously identified to ensure that we generate solid profits and build a sound financial structure by accumulating internal reserves. While our ROE target is slightly lower under the new Medium-Term Management Plan, we are proud to say that it is high for the industry. Moving forward, Takara Leben will continue to pursue its business in a bid to achieve these established goals.

Among a host of specific initiatives, we have continued to actively expand our nationwide network. As a part of these endeavors, we opened the Nagoya Office in June 2021. We are also strengthening our financial institution network in each area to ensure stable funding. In order to further diversify fund-raising methods, we established Leben Funding LLC. in January 2021, and have undertaken crowdfunding in cooperation with Funds, Inc. The

funds raised will be used to finance renewable energy-related projects and other CSR activities. In this manner, we will continue to promote a variety of measures in a bid to establish a stable financial ground, one of the seven elements of the new Medium-Term Management Plan.

Q3

What are your thoughts and assumptions regarding shareholder returns, especially regarding the dividend payout ratio and share buybacks?

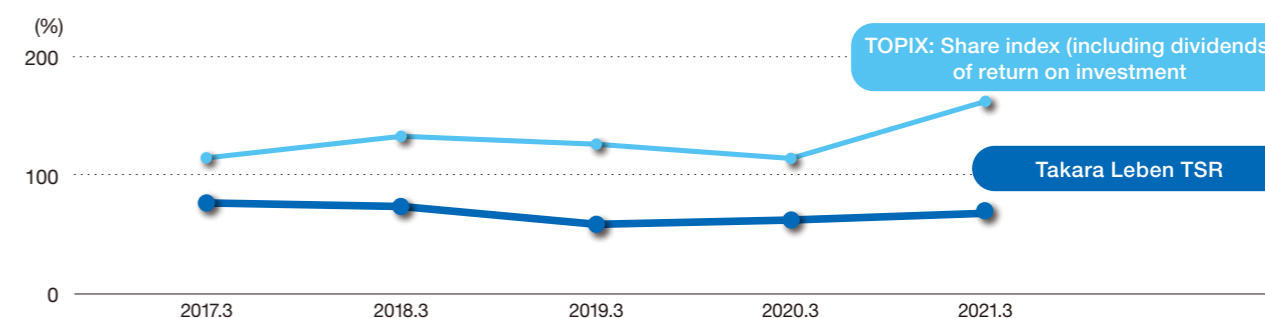
Takara Leben has positioned the return of profits to shareholders as one of its highest priorities. Guided by this principle, our policy is to pay stable dividends commensurate with our business performance on a continuous basis while appropriately securing the internal reserves necessary for continued growth.

Although total shareholder returns (TSR) has fallen below 100% due in part to the drop in our share price, we achieved the dividend payout ratio target in each of the three fiscal years of the previous Medium-Term Management Plan, which was set at 25-30%. Under the new Medium-Term Management Plan, we have raised the dividend payout ratio target to 30-35%. We are considering raising this ratio even further once we have achieved our target equity ratio. In this manner, we are committed to actively providing returns to our shareholders.

Takara Leben has set a treasury stock holding standard of about 10%, which we employ when undertaking an M&A transaction and to retire treasury stock when the holding standard is exceeded. We are also considering the buyback of shares as and when appropriate. However, our first priority is to build up our capital base and improve our equity ratio.

Looking ahead, we will continue to increase net sales and income while expanding our business as a general real estate business developer in an effort to return more profits to our shareholders.

Total Shareholder Returns (TSR)



Measures Adopted in Each Business



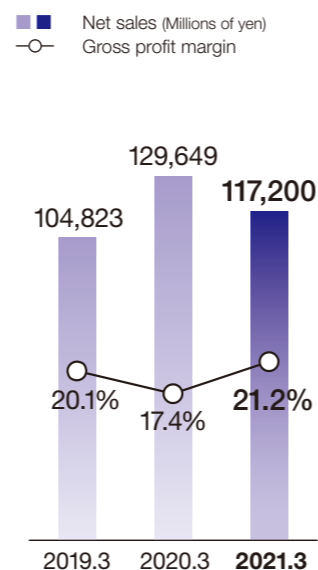
Real Estate Sales Business

Planning and development of new built-for-sale condominiums and detached houses, and nationwide expansion of the sales business and the liquidation business engaged in sales of profit-generating real estate

FY2020 Performance Results

Although the COVID-19 pandemic led to a period during which showrooms were closed and other sales activities were restricted, sales progressed more favorably than initially planned. As a result, segment performance was generally robust, except for the detached house business, which was faced with a tough competitive environment. Net sales fell 12,448 million yen, or 9.6%, year on year to 117,200 million yen, whereas the gross profit margin rose 3.8 points year on year to 21.2%.

In particular, the core new built-for-sale condominium business delivered its highest number of units to date at 2,129, far exceeding the 1,980 units targeted for delivery under the initial plan. Both net sales and gross profit reached their highest levels to date, with net sales increasing 2.9% year on year to 79,435 million yen, and gross profit increasing 10.8% year on year to 17,339 million yen. Although the number of purchased units declined in the renewal resale business, high demand for used condominiums drove sales above those of the previous fiscal year. In the liquidation business, sales of properties including highly profitable self-development residence properties helped to greatly improve the profit margin.



Previous Medium-Term Management Plan Review

Purchasing activities by Group companies during the fiscal year ended March 31, 2019 produced results, with sales expanding nationwide and net sales trending favorably. Upon entering 2020, however, the significant impact of the COVID-19 pandemic forced each segment to take action.

In addition to seeing greater demand for compact condominiums due to growth in single-person households and dual-income households, the real estate market experienced a diversification in customer lifestyles, including expanded use of telework and changes in values, due to the impact of the COVID-19 pandemic. Against this backdrop, supplying condominiums that matched these new needs helped to maintain stable revenue from sales of new built-for-sale condominiums, despite the COVID-19 pandemic.

The liquidation business saw the market contract during the fiscal year ended March 31, 2021, due to the COVID-19 pandemic, and experienced a coinciding decline in investment amount. Despite this situation, the Group achieved our targets for gross profit as part of the liquidation business, which has grown into a second mainstay for the Group, during all three years of the Plan.



LEBEN MORIOKA CHUO-DORI THE BIRTH



LUXENA KADOMA

New Medium-Term Management Plan Strategy

As our primary operation, the real estate sales business accounts for roughly 80% of total net sales throughout the Group, where several other Group companies besides Takara Leben also engage in these business activities. Within the new Medium-Term Management Plan, the Group has presented "Further Growth of Core Businesses" as one of our core strategies, through which we will promote the expansion of peripheral businesses and business synergy, while maintaining new built-for-sale condominiums as our core.

Given uncertainty surrounding exactly when the COVID-19 pandemic will come to an end, the new Medium-Term Management Plan maintains a conservative outlook for the future, with the fiscal year ending March 31, 2022, expected to see net sales fall 7.9% year on year to 107,900 million yen and gross profit fall 23.3% year on year to 19,100 million yen. In the final year of the Plan, the Group will grow net sales to 160 billion yen and gross profit to 30 billion yen.

	FY2021		FY2022		FY2023		FY2024	
	Net sales	Gross profit	Net sales	Gross profit	Net sales	Gross profit	Net sales	Gross profit
New built-for-sale condominium business	70,000	14,000	58,000	12,000	93,500	19,500	101,500	21,500
New detached house business	8,900	900	11,000	1,500	12,200	1,600	13,500	1,800
Renewal resale business	5,900	900	6,400	1,000	7,100	1,100	8,500	1,300
Liquidation business	22,000	3,100	38,000	5,400	36,000	5,100	36,000	5,100
Other business of real estate sales	1,100	200	1,000	300	1,000	300	1,000	300

New Built-for-Sale Condominium Business

The Group will expand its main brand "LEBEN" and its compact condominium brand "NEBEL" nationwide. Moreover, we will expand target groups by developing new brands that address different needs, and will actively penetrate the redevelopment business, including high-visibility, station-front redevelopments and renewal projects for aging condominiums. These efforts are aimed at increasing annual sales for the fiscal year ending March 31, 2025, to 2,600 units, exceeding the highest sales levels to date.

The Group also opened the Nagoya Office in June 2021 in an effort to ensure a stable nationwide supply system. With bases already in operation in the seven cities of Sapporo, Sendai, Toyama, Tokyo, Osaka, Matsuyama, and Fukuoka, metropolitan areas (the Tokyo metropolitan area, Chubu area, and Kinki area) accounted for 49.6% of sales in the fiscal year ended March 31, 2021. As a future strategy, the Group will engage in stable purchase and supply through a domestic operation consisting of eight bases in order to achieve a 50-50 breakdown in the ratio of sales between the metropolitan areas and other regional cities in which we operate. This effort is intended to further expand market share and improve customer satisfaction.

Renewal Resale Business

In order to address the recent growth trend in used properties, the Group will leverage the Group's internal real estate network to its fullest as a means of actively securing inventories. Specifically, we aim to establish a stable renewal business cycle targeting 1,050 owned units by the end of the fiscal year ending March 31, 2025.

The Group will also engage in other measures to further improve profitability, including enhancing efficiency of customer proposals through IT adoption and DX.

Liquidation Business

Having set an investment pace of 30 to 50 billion yen per fiscal year as the basic policy, the Group will implement an investment-recovery cycle and further grow this operation into a second mainstay. Moreover, in order to increase the total ratio of the asset portfolio accounted for by residences and offices to 70%, the Group will actively promote residence development. The Group will also focus efforts on development of environmentally friendly properties and aims to acquire CASBEE (Comprehensive Assessment System for Built Environment Efficiency) certification for new development projects.

Measures Adopted in Each Business



Real Estate Rental Business

Apartment, condominium, and office rental business

FY2020 Performance Results and Previous Medium-Term Management Plan Review

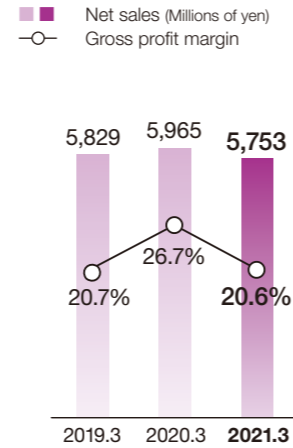
As a lender, the Group engages in the real estate rental business for apartments, condominiums, and offices in the core area of the Tokyo metropolitan area and throughout Japan.

The fiscal year ended March 31, 2021, saw sales in the liquidation business progress, while net sales declined 3.5% year on year to 5,753 million yen and the gross profit margin declined 6.1 points year on year to 20.6%. Despite these declines, the Group achieved both the net sales and gross profit margin targets as initially planned. Moreover, although improving the gross profit margin during the previous Medium-Term Management Plan presented challenges, overall the gross profit margin progressed as planned.

New Medium-Term Management Plan Strategy

Despite an uncertain future outlook, the Group will work to build a portfolio centered on residences, which are highly resilient to movements in the economy and for which a certain level of demand is anticipated.

The Group will expand business in order to ensure net sales continue to grow at a pace of 1,000 million yen per fiscal year starting in the fiscal year ending March 31, 2022, and thereby achieve a level of 8,100 million yen by the fiscal year ending March 31, 2025. Moreover, the Group will distribute risk by region and improve profitability by continuing to make carefully selected purchases and advancing nationwide expansion.



L.Biz TSUKUBA



Real Estate Management Business

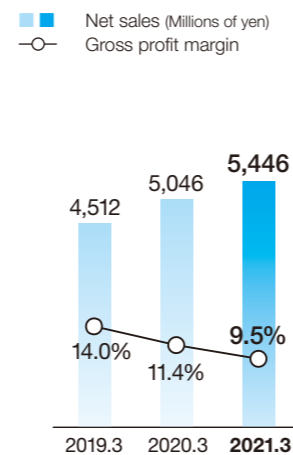
General management business for condominiums and offices

FY2020 Performance Results and Previous Medium-Term Management Plan Review

In this business, Leben Community engages in general management and operation services for condominiums and rental properties owned by the Group and other companies. Net sales for the fiscal year ended March 31, 2021, increased 7.9% year on year to 5,446 million yen, while the number of units under management increased by 6,290 year on year to 66,037. Moreover, the transition in properties managed by companies outside the Group to those inside the Group has progressed to the point where the ratio of non-group units managed now accounts for more than half of all units at 51.3%. By enhancing replacement of these properties owned by other companies, the Company achieved the net sales targets of the previous Medium-Term Management Plan.

New Medium-Term Management Plan Strategy

In order to secure stable revenue as the basic policy for the stock business, the Group will continue to increase the number of units under management while aiming to expand profit-earning opportunities by taking up businesses deriving from management operations. Moreover, the Group will work to acquire replacement projects in anticipation of bringing in large-scale repair work and other peripheral businesses. With a target of 83,000 units under management for the fiscal year ending March 31, 2025, the Group will continue to broadly acquire managed properties and steadily accumulate a greater number of managed units as a mainstay of the stock business.



THE LEBEN SENDAI OTEMACHI



Electric Power Generation Business

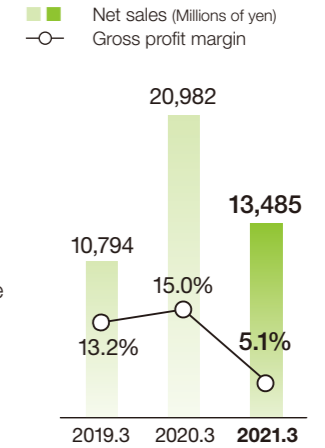
Electric power generation businesses leveraging renewable energies

FY2020 Performance Results and Previous Medium-Term Management Plan Review

This business is engaged in the sale of solar power generation facilities and the sale of electricity. Net sales for the fiscal year ended March 31, 2021, declined 35.7% year on year to 13,485 million yen as a result of revenue from the sale of operational power generation facilities, including a 5,953 million yen sale of a facility to Takara Leben Infrastructure Fund, Inc. As a result, the total scale of operational power generation now stands at 206 MW. Under the previous Medium-Term Management Plan construction schedules were pushed back due to the impact of the COVID-19 pandemic. The corresponding decline in the scale of sales year on year thus led to a decrease in sales during the final year of the Plan. In terms of revenue from electricity sales, the Company incurred a gross loss of 290 million yen for the fiscal year ended March 31, 2021, due to depreciation coinciding with the completion of the large-scale power generation facility. Despite this, net sales have now exceeded those of the previous fiscal year for three consecutive periods.

New Medium-Term Management Plan Strategy

In April 2021, the Group acquired ACA Clean Energy Co., Ltd. (currently Leben Clean Energy Co., Ltd.), a company with strengths lying in the development of small and medium scale power generation facilities, as a consolidated subsidiary. Along with the development of mega-solar power generation facilities promoted by the Group thus far, this move aims to further strengthen the electric power generation business. Going forward, the Group will continue to develop power generation facilities and acquire operational power generation facilities in targeting a total generation capacity of 360 MW by the fiscal year ending March 31, 2025. Moreover, the Group will include PPA, a model for direct and bilateral energy trading, and local microgrid concepts into its vision, and build a business model that does not rely on the FIT scheme in anticipation of further expansion of the market into the future.



LS Miyagi Matsushima Power Generation Facility



Other Businesses

Sales and brokerage fees, management compensation, revenue from construction work, revenue from repair work, and other businesses

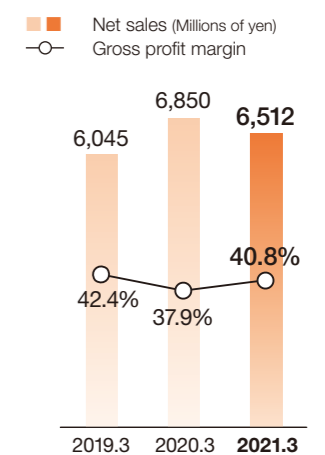
FY2020 Performance Results and Previous Medium-Term Management Plan Review

As part of other businesses, Takara Asset Management Co., Ltd., and Takara PAG Real Estate Advisory Ltd., are engaged in the investment management business, while Nikko Takara Corporation Co., Ltd., is engaged in the construction business. In terms of performance under the previous Medium-Term Management Plan, led by the strength of building construction, results proceeded generally as planned, whereas revenue from repair work during the fiscal year ended March 31, 2021, came in at 1,113 million yen, falling below the target of 2,000 million yen, due to the impact of several plans being pushed back into the fiscal year ending March 31, 2022, and beyond. Accordingly, net sales for this segment during the fiscal year ended March 31, 2021, declined 4.9% year on year to 6,512 million yen.

New Medium-Term Management Plan Strategy

Under the basic policy of expanding peripheral businesses deriving from these other businesses, the Group will pursue advantages of scale, steadily take up profit-earning opportunities deriving from other segments, and establish our own hotel brand in an effort to expand business.

In terms of overseas businesses, which are positioned as being supplemental to domestic businesses, the Group will primarily expand the real estate sales business with Southeast Asian countries as the target for the immediate future. Centered on the two major bases of Haiphong and Hanoi in Vietnam, the Group aims to diversify our businesses, including the new built-for-sale condominium business and the real estate management business.



THE MINATO RESIDENCE

Social Systems Supporting Corporate Value

The Takara Leben Group engages in various initiatives based on the materiality we have formulated in aims of improving long-term corporate value. This effort is intended to help resolve social problems and realize a sustainable society.

Creating Lifestyles with Value

Adapting to New Lifestyles 1 Facial Recognition Security System

Amidst ever increasing demands for residential safety and peace of mind, Takara Leben strives to provide condominiums that offer comfort, good design, and reliable security. We introduced Japan's first* facial recognition security system at LEBEN FUJIEDA PRIOR in Shizuoka Prefecture, sales for which began in June 2020. Advanced access control systems that automatically open and close doors using facial recognition were installed at seven locations, achieving a high level of security.



LEBEN FUJIEDA PRIOR

* The security service, which incorporates facial recognition technology with auto locks at the entrance, elevator, guest room, party room, bicycle parking lot, two secondary entrances, and parcel delivery boxes, is the first for a condominium developer in Japan (according to research by Fulltime System Co., Ltd.).

Adapting to New Lifestyles 2 Communication Robot

In order to enable community building that allows the increasing number of dual-income households to continue to live in greater comfort, Nikko Takara Corporation has proposed living spaces equipped with BOCCO emo, a communication robot envisioned to reduce the burden of housework and support childcare. With BOCCO emo present, effects including improvements in the rhythm of daily life through the provision of notification, reduction of parental anxiety by watching over children and providing support when parents are away from home, and development of good study habits by children can be expected. As a result of these proposals, Nikko Takara Corporation became the first business selected for the Sustainable Building Design Pioneering Project (Next-Generation Housing)* of the Ministry of Land, Infrastructure, Transport and Tourism in fiscal 2020.



BOCCO emo

* A project to support leading residential and building projects that contribute to improvements in the quality of housing and residential lifestyles and the creation and expansion of new business markets relating to residential lifestyles using the Internet of Things (IoT) and other technologies.

Providing Comfortable Spaces of High Quality

Condominium Management Quality Improvement Measures 1 Service Quality Management System

Leben Community ensures quality using our unique Service Quality Management System (SQMS®) to continue managing our customers' important assets over the long term. SQMS® applies ISO 9001, an international standard for quality management systems, to condominium management. It sees condominium management as consisting of four support services (site management, financial management, asset management, and operations management) and applies the PDCA cycle to each to continuously improve quality.



Condominium Management Quality Improvement Measures 2 Quality-Related Education and Training

Leben Community works to develop human resources who understand SQMS® and can put it into practice. It conducts training on the core concepts of SQMS® to ensure that young employees understand its fundamental approaches and characteristics. The Company also provides regular training for the superintendents and condominium management staff that serve as key personnel in maintaining and improving the quality of condominium management.



Condominium Management Staff Training

Moreover, to expand SQMS® both internally and externally, Leben Community also certifies as SQMS® Masters employees who have extensive practical experience and are well versed in SQMS® concepts, quality standards, process management, and more and grants them SQMS® badges. The SQMS® Master program was launched in fiscal 2018, and 10 employees have been certified to date.

Forming Communities

Participation in Local Communities Through Business

In September 2020, Takara Leben and SaitamaKenko Construction Inc. entered into a basic agreement with the local government to participate in a project for use of public land in front of the south exit of Higashi-Kawaguchi Station. The project plan provides for integrated development of an administrative center, police box, and apartment building under a basic policy of establishing an administrative base with low financial burdens, enhancing the safety and convenience of local residents, and developing permanent urban residences. This will be the first PPP project* in which the Takara Leben Group participates.



LEBEN HIGASHIKAWAGUCHI EKIMAE project

* A PPP project is a public-private partnership project. It is a new form of public-private collaboration whereby private sector parties provide public services.

Creating Workplace Environments that Facilitate Work

In order to enable all employees, regardless of gender, age, nationality, or disability, to realize their full potential, one of the key issues for the Group as faced by management is raising the ratio of women in management and increasing the ratio of persons with disabilities employed. The Group will therefore engage in efforts to resolve this issue along with clear numerical targets starting in the fiscal year ending March 31, 2022. Moreover, the Group acts with respect for the fundamental human rights of employees and all other stakeholders, while observing laws and regulations, as well as social codes of ethics. The Group has also established and complies with ethical rules.

Moreover, the Group formed the "Health Committee," which regularly meets as a body intended to implement measures for creating workplace environments in which diverse human resources can work to demonstrate their full capabilities. Having defined occupational accidents, overtime work, and other similar issues as major risks that threaten the health and safety of employees, the Committee engages in active deliberations with the objective of resolving these issues. The Committee members point out specific problems regarding workplace environments and customs, deliberate upon measures for addressing these problems together with members of management, and implement these in succession.

Enhancing the Personnel and Training Systems

The Group recognizes that each employee is an essential part of creating sustainable value, and that employees will grow together with the Group as we work towards a future in which the management plan is achieved. The Group is therefore advancing an appropriate, fair personnel system. Based on the concrete promises that employees are expected to fulfill in their day-to-day work, the Group has set evaluation targets for each grade and occupation, where employee actions are evaluated at evaluation meetings. These efforts are intended to enable feedback that is more acceptable for employees, as well as to improve the evaluation skills of those in management positions by faci-

tating their understanding of these systems.

In addition, Takara Leben works to reinforce its educational and training programs with the aims of promoting growth of employees and enhancing overall organizational strength. In fiscal 2020, we systematically implemented programs over the course of the year to enable employees to acquire the knowledge and skills that they need including rank-based training for all employees, and training for selected personnel. We also conducted ESG training to teach employees important approaches and knowledge for undertaking sustainability measures during the COVID-19 pandemic.

Basic Policy for Personnel System

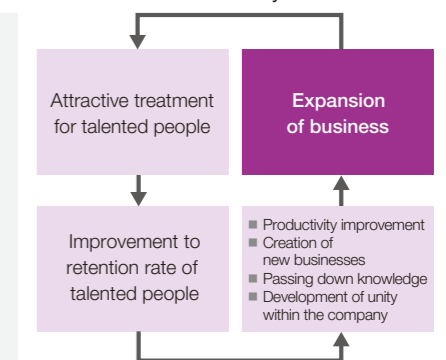
Personnel system which stably nurtures talent required to achieve management plan

- Clearly state the type of people required by the company to build a framework where employees can set out their career visions
- Review distribution of labor costs to secure and keep talented people as well as improve motivation
- Conduct training and selection to generate talented people for management positions
- Carry out evaluation and treatment that are highly fair and transparent to nurture employees' sense of acceptance and increase their desire to grow

12 Actions for Our Promise

- 1 Fully engage in work
- 2 Enjoy work from the heart
- 3 Speak truthfully from the heart
- 4 Be serious in each and every task
- 5 Respect each other
- 6 Pursue the right things
- 7 Pay attention to feelings
- 8 Act swiftly
- 9 Take initiative to propose, and carry through actions
- 10 Treat teamwork with importance
- 11 Remove existing barriers
- 12 Never give up

Effects of Personnel System



Developing Environments and Cultures

Initiatives for Renewable Energy

The Takara Leben Group operates an electric power generation business that leverages renewable energies. The Group develops mega-solar power facilities on idle land and engages in large-scale solar power generation in an effort to contribute to reductions in the emissions of CO₂, a greenhouse gas.

In March 2021, the Group held a ceremony marking the completion of construction on the LS Chiba Katsuura Power Generation Facility in Katsuura City, Chiba, as the largest mega-solar power generation facility built by the Group. The new facility boasts a total site area of approximately 520,000 m², a generating capacity of roughly 30 MW, and a projected annual power generation of 34 million kWh. Much of the facility site is leased from Katsuura City, and the project is being conducted in a manner that also contributes to the community.

In addition, Takara Leben Infrastructure Fund seeks to

create eco-friendly, sustainable environments by investing in renewable energy power generation facilities and other projects. Its efforts contribute to reducing CO₂ emissions by approximately 70,410 tons* annually.

* Annual amount of reduction of CO₂ emissions compared to fossil fuel-fired thermal power plants based on the output of power generation facility panels.



LS Chiba Katsuura Power Generation Facility

Promotion of ZEH Condominiums as Energy-Saving Housing

With the LEBEN NAGANO NAKAGOSHO THE PEER-LESS, currently under construction in Nagano City, Nagano Prefecture, Takara Leben is proposing a ZEH condominium* with unprecedented environmental value by taking measures to curtail peak energy use through the Internet of Things (IoT), conserving energy through total electrification and collective power reception in private areas, and supplying CO₂-free electric power. The property has obtained certification under ZEH-M Oriented, a project to encourage CO₂ reductions in new housing complexes and existing residences, presented by the Ministry of the Environment, a first among Takara Leben properties in Nagano Prefecture.

* Condominiums that seek to conserve energy while maintaining a comfortable interior environment and to achieve net zero primary energy consumption over the course of a year by improving thermal insulation efficiency and installing high-efficiency equipment and systems.



The highest 5-star rank under the Building-Housing Energy-efficiency Labeling System (BELS), which evaluates energy conservation performance.



Takara Leben Sustainability Fund

Takara Leben began operation of new means of financing with the aim of encouraging measures that contribute to the global environment. Leben Funding LLC. was established in January 2021, and in collaboration with Funds, Inc., it launched the Takara Leben Sustainability Fund and conducted crowdfunding to solicit loan investments from a wide range of investors. The collected funds will be used as working capital for renewable energy projects and CSR measures.



Corporate Governance

Basic Approach

Rather than simply pursuing profit as part of its business activities, Takara Leben strongly thinks that it must comply with laws and corporate ethics and carry out its duties as a responsible member of society.

While maintaining close relationships with customers, shareholders, and employees, we think that reflecting the feedback received from various stakeholders in our business, while continuously responding in ways that keep in mind what our company should achieve and for whom,

will lead to sound and efficient business management as a going concern, as well as serve the purpose of creating long-term profits.

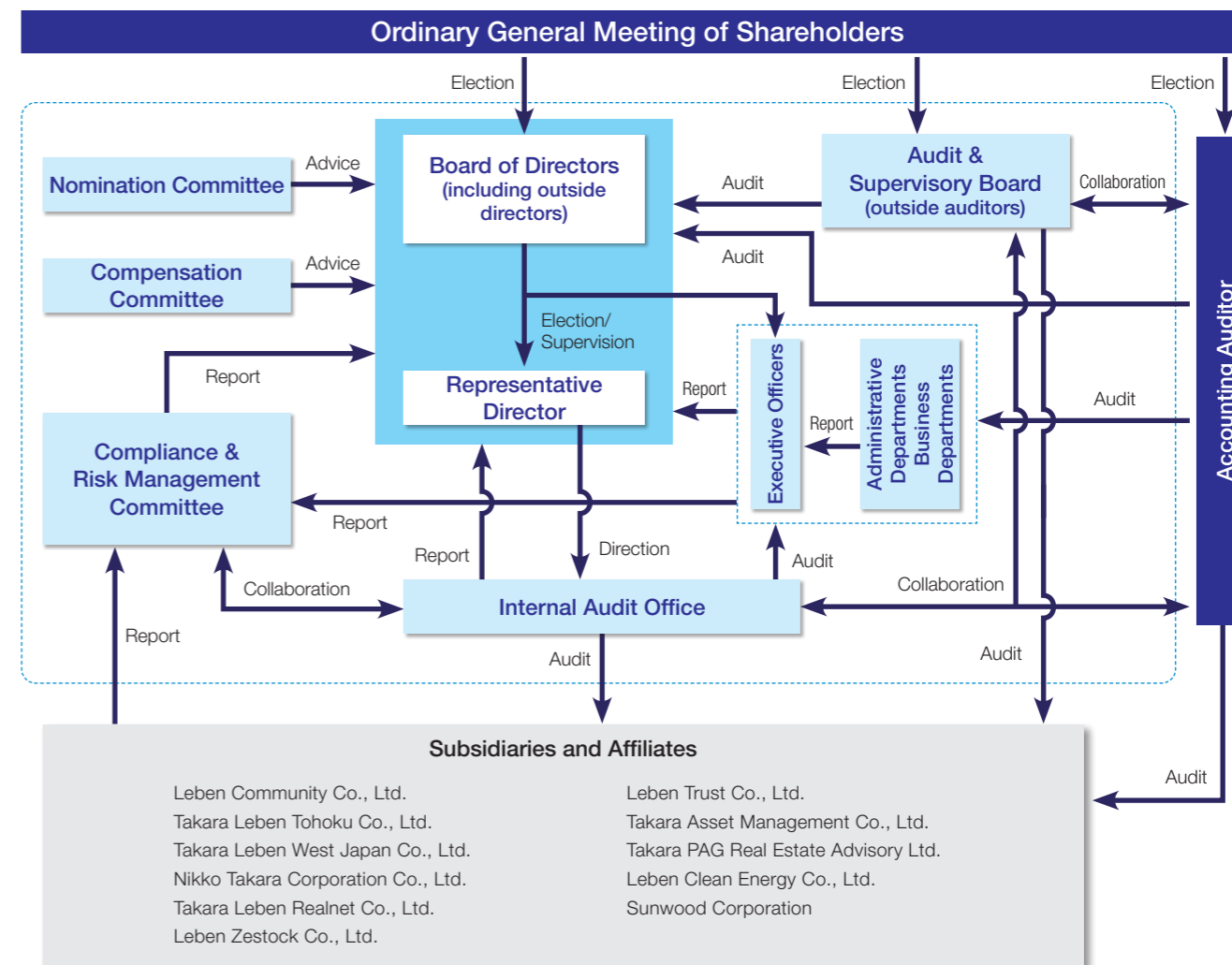
Furthermore, by not limiting ourselves to a systematic check and balance function but rather by spreading the roots as indexes or systems, we will work so that the check and balance across the entire company will function in sync with each person's awareness.

Corporate Governance System

In addition to prudent and swift decision making by the Board of Directors, Takara Leben has built a system to ensure management proprieties, such as appropriate mutual supervision by directors over the state of business execution, and audit and supervision by auditors over

directors' state of business execution. We also introduced an executive officer system to clarify the management supervisory roles of directors and the business execution responsibilities of executive officers.

Corporate Governance System Chart



Corporate Governance

Board of Directors

Takara Leben has appointed 12 directors, four of whom are outside directors. All four outside directors have been designated as independent officers. In principle, the Board of Directors' meetings are held once a month, and also on an extraordinary basis as required to ensure that decisions are made prudently and promptly, and that directors mutually supervise the status of business execution.

Auditors are always in attendance at the Board of Directors' meetings and state their opinions as necessary. At the same time, auditors work closely with outside directors and, as necessary, audit and oversee the running of the Board of Directors' meetings and the status of business execution. Also in attendance at the Board of Directors' meetings are executive officers, the head of the Internal Audit Office, and the heads of other departments, who have received requests from the Board of Directors based on internal regulations, and express their opinions on each issue or reporting matter.

The Takara Leben Executive Committee discusses management issues and a Sales Conference discusses sales progress, where each meets once every month. In addition to sharing progress on management targets, these meetings glean information on problem areas and issues from regular performance reports presented by each department and deliberate important matters relating to overall management. The content of those reports is raised at the Board of Directors' meetings on an as-required basis.

Evaluating the Effectiveness of the Board of Directors

With the support of an outside consulting organization, Takara Leben analyzes and evaluates the effectiveness of the Board of Directors by having all directors, including outside directors, and corporate auditors anonymously fill out a questionnaire.

In the fiscal year ended March 31, 2021, the Board of Directors was generally assessed to operate appropriately as a whole and to be effective overall. In addition, we will verify and fully investigate any issues, and will continue to

advance initiatives intended to improve the function of the Board of Directors on an ongoing basis.

Executive Officer System

Having introduced an executive officer system, Takara Leben has clarified its directors' management oversight responsibilities and the business execution responsibilities of its executive officers and is working to further speed up its decision making and strengthen its business execution.

Audit & Supervisory Board

As a system for the check and balance of decision making, all three auditors of Takara Leben are outside corporate auditors. Each auditor is equipped with adequate background, experience, and mettle to objectively carry out assessments and verifications. Besides audits for Takara Leben, the auditors are also involved in audits for subsidiary companies, such as attending their board meetings and interviewing their directors, maintaining firm relationships with these companies. Furthermore, the auditors and the accounting auditor work to further improve the effectiveness and efficiency of audits by understanding and adjusting each other's annual schedules; going together to events such as onsite inspections and checks on showrooms, and exchanging information as appropriate.

Internal Audit Office

Takara Leben also established guidelines on internal audits and established an Internal Audit Office as an independent organization reporting directly to the representative director to enhance and strengthen internal audits. In the proposal and execution of the internal audit plan, the office coordinates the schedules of auditors and the Accounting Auditor and adjusts the scopes of audits to seek efficient operation of various functions. Auditors accompany and witness operation audits conducted by the Internal Audit Office, and work on building an effective and efficient audit system by means such as verifying the

scope of the audit and collecting opinions as appropriate.

Executive Compensation

Directors' compensation is determined based on advice from the Compensation Committee, a voluntary advisory body, following a comprehensive review of performance, underlying risks, degree of responsibility for Group management, and degree of progress under the Medium-Term Management Plan. By linking a fixed ratio of compensation to performance and the degree of contribution made by each director, compensation functions as an incentive to achieve sustainable

growth, and serves the purpose of linking to sound, effective, and stable management as an ongoing concern.

The limit of the annual amount of compensation is deemed to be 600 million yen (not including, however, the employee portion of the salary), and the limitation of the special stock option compensation to 600 million yen annually which is decided by a resolution at an Ordinary General Meeting of Shareholders. The compensation of auditors is determined at the Ordinary General Meeting of Shareholders limited to an annual amount of 60 million yen or less.

Amounts of Director and Auditor Compensation (As of March 31, 2021)

Position	Total compensation (Millions of yen)	Total amount by compensation type (Millions of yen)				Number of recipients
		Basic compensation	Stock options	Bonuses	Retirement benefits	
Directors (of which, outside directors)	380 (35)	353 (35)	26 (—)	—	—	15 (4)
Auditors (of which, outside auditors)	28 (28)	28 (28)	—	—	—	4 (4)
Total (of which, outside directors and outside auditors)	408 (63)	381 (63)	26 (—)	—	—	19 (8)

(Notes) 1. The amount paid to directors does not include the employee salaries of directors concurrently serving as employees.
2. Stock options are the amount recorded as an expense in the fiscal year related to the allocated stock acquisition rights, and are received by seven directors.

Nomination and Compensation Committees

In order to increase the objectivity and transparency in decision-making processes relating to personnel appointments and compensation of directors and others and to further enhance and reinforce corporate governance structures, Takara Leben established Nomination and Compensation Committees as voluntary advisory bodies.

Each committee comprises three or more directors selected by resolution of the Board of Directors, of which a majority are independent outside directors, thereby providing appropriate opportunities for outside directors to participate and give advice. The committees deliberate and submit reports primarily on the matters listed on the right based on advice from directors.

Nomination Committee

- (1) Matters relating to nomination of candidate directors, executive officers, and others;
- (2) Matters relating to nomination and succession of the representative director;
- (3) Matters relating to basic policies and criteria on nomination of directors and others; and
- (4) Other matters referred to the Nomination Committee by the Board of Directors.

Compensation Committee

- (1) Matters relating to compensation of directors and executive officers;
- (2) Matters relating to basic policies and criteria on compensation of directors and others; and
- (3) Other matters referred to the Compensation Committee by the Board of Directors.

Reasons for Nominations of Outside Directors and Frequency of Attendance at Board of Directors' Meetings

Position	Name	Reason for Nomination	Attendance at Board of Directors' Meetings
Outside Director	Kenji Kawada	Mr. Kawada was nominated for his involvement in the management of financial institutions and business firms, his wealth of experience and achievements regarding management, and his possession of extensive knowledge and insight.	21/21
Outside Director	Kentaro Taniguchi	Mr. Taniguchi was nominated for his having served many years as Representative Director and President of business firms, his wealth of experience and achievements as a manager, and his possession of extensive knowledge and insight.	18/18
Outside Director (newly appointed)	Chiaki Tsuji	Ms. Tsuji was nominated for her international work as a lawyer in Japan and Germany, her high level of insight, extensive expertise, and wealth of experience and achievements.	—
Outside Director (newly appointed)	Keiko Yamahira	Ms. Yamahira was nominated for her many years of involvement in management in the real estate industry, as well as for her wealth of experience and her extensive insight in management.	—

Committee Composition

	Committee Name	Total No. of Members	No. of Standing Committee Members	No. of Internal Directors	No. of Outside Directors	No. of Outside Experts	Others	Committee Head (Chairman)
Voluntary committee equivalent to the Nomination Committee	Nomination Committee	6	0	2	4	0	0	Outside Director
Voluntary committee equivalent to the Compensation Committee	Compensation Committee	6	0	2	4	0	0	Outside Director

Introduction of Directors (As of June 25, 2021)



Yoshio Murayama
Director and Chairman

Sep. 1972 Established the Company, Senior Managing Director
Mar. 1973 Representative Director and President
Apr. 2012 Representative Director and President and CEO
Apr. 2014 Representative Director and Chairman
Jun. 2016 Director and Chairman (Incumbent)



Kazuichi Shimada
Representative Director, CEO and President
Executive Officer

May 1987 Joined the Company
Jun. 2006 Representative Director, Vice President and Executive General Manager of Development Division
Apr. 2014 Representative Director, President, CEO, COO and CFO
Jun. 2019 Representative Director, CEO and President Executive Officer (Incumbent)



Kazuyuki Shimizu
Director, COO and Vice President
Executive Officer

Oct. 2004 Joined Leben Community Co., Ltd.
May 2014 Senior Managing Director, Leben Community Co., Ltd.
May 2016 Representative Director and Vice President, Leben Community Co., Ltd.
Jun. 2018 Representative Director, Takara Leben West Japan Co., Ltd. Director and Vice President
May 2020 Director, Leben Community Co., Ltd. (Incumbent)
Apr. 2021 Director, COO and Vice President Executive Officer (Director in charge of Corporate Planning Division and CSR) (Incumbent)



Masashi Yamamoto
Director, CFO, and Managing Executive Officer

May 2016 Joined the Company
May 2017 Director, Leben Community Co., Ltd.
Jun. 2017 Director, Executive Officer, Executive General Manager of General Planning Division, General Manager of Control Group of Corporate Planning Division, General Manager of Personnel and General Manager of Corporate Planning Division
Apr. 2021 Director, CFO, Managing Executive Officer and Executive General Manager of Administration Headquarters (Incumbent)



Masahiro Yoshida
Director and Managing Executive Officer

Mar. 2001 Joined the Company
Oct. 2011 General Manager of 2nd Sales Division, Sales Division
Apr. 2014 Executive Officer and General Manager of 2nd Group of Sales Division
Jan. 2015 Representative Director, Takara Leben Tohoku Co., Ltd.
May 2020 Director, Takara Leben West Japan Co., Ltd.
Apr. 2021 Director, Managing Executive Officer and Executive General Manager of Condominium Businesses Headquarters (Incumbent)



Shoichi Akisawa
Director and Managing Executive Officer

May 2019 Representative Director, Leben Zestock Co., Ltd. (Incumbent)
Jun. 2019 Director, Executive Officer, and Executive General Manager of Investment Development Division
Apr. 2021 Director, Managing Executive Officer and Executive General Manager of Investment Development Business Headquarters (Incumbent)



Hiroshi Iwamoto
Director and Executive Officer

Oct. 2001 Joined the Company
Apr. 2015 General Manager of 1st Sales Division, 1st Sales Group, Sales Division
Apr. 2017 Executive Officer and General Manager of Overall Development Group, Development Division
Apr. 2021 Director, Executive Officer, Vice Executive General Manager of Condominium Businesses Headquarters and General Manager of Urban Development Business Division (Incumbent)



Mika Takaara
Director and Executive Officer

Jan. 2000 Joined the Company
Jun. 2016 Director, Executive Officer, General Manager of Overall Sales Group, Sales Division, General Manager of Sales Promotion Division, and General Manager of Business Division
Apr. 2021 Director, Executive Officer, Manager of Business Development Promotion Office and Manager of Business Development Promotion Division (Incumbent)



Kenji Kawada
Director (Outside)

May 2003 Representative Director and President, Resona Holdings, Inc.
Jan. 2016 Representative of TMA KAWADA OFFICE (Incumbent)
Jun. 2017 Outside Director, PE&HR Co., Ltd. (Incumbent)
Jun. 2018 Outside Director, Takara Leben Co., Ltd. (Incumbent)
Jun. 2018 Outside Auditor, Konishi Co., Ltd. (Incumbent)



Kentaro Taniguchi
Director (Outside)

Feb. 2000 Joined SOFTBANK E-COMMERCE CORP. (Now Softbank Corp.)
General Manager of New Business Department
Mar. 2001 Representative Director and Vice President, CMnet Corporation
Jan. 2006 Director and COO, DeeCorp Limited
Apr. 2006 Director and President, DeeCorp Finance Limited
Jun. 2020 Outside Director, Takara Leben Co., Ltd. (Incumbent)
Apr. 2021 Director and Chairman, DeeCorp Limited (Incumbent)



Chiaki Tsuji
Director (Outside)

Oct. 1976 Passed the National Bar Examination
Apr. 1979 Registered with Tokyo Bar Association
Oct. 1990 Qualified as a lawyer in Germany (Japanese law)
Apr. 1993 Lecturer at Bunka Women's University (Now Bunka Gakuen University)
Jul. 2001 Established Yoshioka Tsuji Total Law Offices
Apr. 2004 Professor at Department of Law, Graduate School, Yamaguchi Gakuin University
Jun. 2017 Outside Director, Yorozu Corporation (Audit and Supervisory Committee member) (Incumbent)
Jun. 2019 Outside Director, Keihin Corporation (Now Hitachi Astemo, Ltd.)
Jul. 2019 Joined law office Kinoru Tokyo (Incumbent)
Jun. 2021 Outside Director, Takara Leben Co., Ltd. (Incumbent)



Keiko Yamahira
Director (Outside)

Apr. 1983 Joined Kubota House Co., Ltd. (Now Sanyo Homes Corporation)
Jun. 2011 Director and Executive Officer, Sanyo Homes Corporation
Jun. 2012 Director, Sanyo Reform Co., Ltd. (Concurrent position)
Jun. 2013 Director and Senior Executive Officer, Sanyo Homes Corporation
Jun. 2015 President and Representative Director, Sanyo Homes Corporation
Apr. 2017 Chairperson, Sanyo Homes Community Corporation
Jun. 2019 Outside Director, Joshin Denki Co., Ltd. (Incumbent)
Jun. 2021 Outside Director, Fujitec Co., Ltd. (Incumbent)
Jun. 2021 Outside Director, Takara Leben Co., Ltd. (Incumbent)

Compliance & Risk Management

Compliance

In order to fulfill its corporate social responsibilities, all organizations, officers, and employees comply with laws, regulations, and social norms, as well as separately established ethics rules, and strive to serve as an example for society in the conduct of the Group's business.

Employee Awareness-Raising

We administer compliance education with a variety of themes and strive to create a corporate culture of legal and regulatory compliance and respect for human rights. In specific terms, we offer lectures and conduct training led by experts on preventing unfair business dealings, personal information protection, harassment prevention, and other such topics.

Risk Management

The increasing complexity of the economy in recent years has led to an expansion of business opportunities, as well as to a demand for multifaceted risk management. The Group therefore identifies and manages individual risks in order to raise corporate value and to ensure that business activities endure indefinitely while fulfilling its social responsibilities. We established the Compliance & Risk Management Committee as a body to carry out these measures, and to implement comprehensive risk management throughout the Group.

The Takara Leben Group has established crisis management structures and adopted Crisis Management Rules and a Crisis Management Manual based on the assumption that such emergencies as corporate scandals, accidents, natural disasters, and administrative

Risk Management Structures

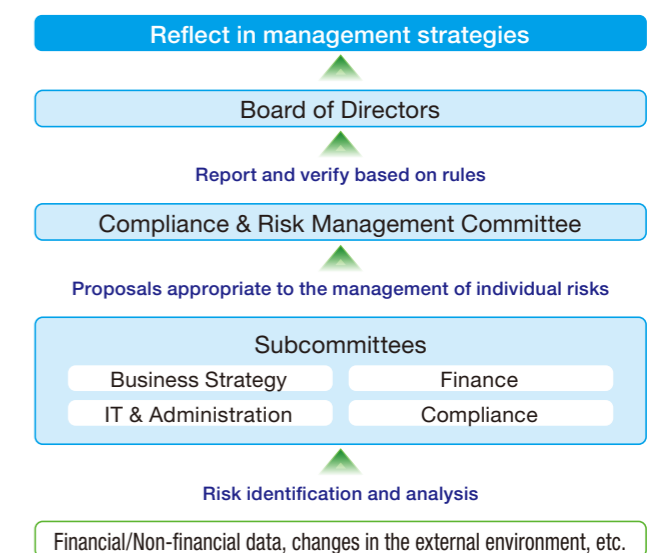
The Takara Leben Group established a Compliance & Risk Management Committee chaired by the president. The Committee verifies and reports on all business-related risks, and deliberates and makes decisions on measures and management to avoid or mitigate risks. In addition, subcommittees—such as for business strategy, finance, IT & administration, and compliance—are established as necessary to establish systems that make proactive proposals appropriate to management of individual risks. Furthermore, the scope of deliberations within each subcommittee is reported to and verified by the Compliance & Risk Management Committee as appropriate in accordance with the Compliance & Risk Management Committee Rules. These matters are also reported to the Board of Directors as necessary, forming a structure for timely decision-making in preparation for the occurrence of risks.

Internal Whistle-Blowing System (Help Line)

The Takara Leben Group established an internal whistle-blowing system (help line) as a means of reporting or consulting on issues such as harassment and compliance violations. We outsource responses to an outside law firm that has no direct interest in the Group as an external consultation desk, and have put in place independent lines of contact with auditors as an internal consultation desk. These and other efforts serve to reinforce the protection of reporting individuals, the subjects of reports, persons who cooperate with investigations, and others. We are also working to strengthen compliance management through the early detection and rectification of improper conduct and other issues.

action will occur as risks. The Crisis Management Rules define crises and specify procedures from initial responses to formation and disbanding of response organizations. There are also two sets of detailed crisis control rules regarding crisis responses and disaster countermeasures.

In addition, each division works with the division responsible for crisis management to formulate risk recovery and prevention plans and makes reports to the Compliance & Risk Management Committee at its monthly meetings. As a part of our business continuity planning (BCP), we adopt a preventive approach to risk management including the preparation of manuals for the continuation and recovery of business operations in the event that an emergency situation occurs.



Risk & Opportunity Recognition

Throughout the world, risks that have a significant impact on corporate activities have been diversifying and becoming increasingly complex on a daily basis.

Takara Leben predicts those events with the potential to occur in the future, and defines risks and opportunities in an effort to help resolve social issues and create value.

	Risk Factors	Risks & Opportunities	Measures
Market environment	Risks related to changes in market environment	Risks <ul style="list-style-type: none"> Deterioration in market conditions such as political instability, economic recession, and spread of infectious diseases Decline in electricity sales revenue due to electric power companies cur-tailing output Decreasing demand for housing due to aging society and depopulation Opportunities <ul style="list-style-type: none"> Increased demand for condominiums among seniors Capture opportunities for proposing solutions to vacant house issues 	<ul style="list-style-type: none"> Supply condominiums in the center of regional cities
	Risks related to changes in financing conditions	Risks <ul style="list-style-type: none"> Increased funding costs due to changes in financial institution lending attitudes and financing market conditions Decreased number of commercialization projects due to subsidy system revisions Opportunities <ul style="list-style-type: none"> Investment corporation obtains credit rating, establishes environment for issuing investment corporation bonds 	<ul style="list-style-type: none"> Redouble efforts to diversify financing methods
Business activities	Risks related to products and services	Risks <ul style="list-style-type: none"> Obsolescence of products/services due to changes in lifestyles, intensified competition including new entrants, and rapid environmental changes Slower sales due to higher selling prices Opportunities <ul style="list-style-type: none"> Capture demand generation/growth opportunities via new products The compact condominium market expands to regional cities Solid purchasing of actual users 	<ul style="list-style-type: none"> Supply compact condominiums
	Product/service quality and liability	Risks <ul style="list-style-type: none"> Compensation costs and brand image deterioration in the event that product safety issues occur Lower service quality due to labor shortages Opportunities <ul style="list-style-type: none"> Foster loyalty by achieving customer satisfaction Increased large-scale renovation of age-appropriate properties 	<ul style="list-style-type: none"> Acquire housing performance evaluations Build a safe implementation management system
	Risks related to procurement	Risks <ul style="list-style-type: none"> Deteriorating supplier operating conditions Raw materials/component supply shortages due to natural disasters and accidents Surging procurement prices due to rising land prices and high construction costs 	<ul style="list-style-type: none"> Stabilize procurement prices mainly by diversifying suppliers, decentralizing on a regional basis, and using long-term contracts
	Legal regulations	Risks <ul style="list-style-type: none"> Restricted business activities due to stricter regional legal regulations, changes in legal interpretation and management policy Lost business opportunities due to changes in FIT Opportunities <ul style="list-style-type: none"> Ongoing low-interest housing loans, eased tax reduction requirements Introduction of new systems to replace FIT 	<ul style="list-style-type: none"> Identify issues and promote solutions via the Compliance & Risk Management Committee
	Information security	Risks <ul style="list-style-type: none"> Leakage of confidential information and stoppages of production lines and logistics systems due to unauthorized access and cyber attacks Payment of damages and fines, incurring countermeasures expenses 	<ul style="list-style-type: none"> Insurance contracts, strengthen information security systems, ensure confidentiality, restrict external access, establish internal regulations, and conduct training
	The environment, including climate change	Risks related to the environment, including climate change	Risks <ul style="list-style-type: none"> Stricter regulations for greenhouse gas usage/emissions and energy conservation due to worsening global environmental problems Opportunities <ul style="list-style-type: none"> Invigoration of reusable energy markets due to greater interest in ESG and SDGs
Others	Fixed asset impairments	Risks <ul style="list-style-type: none"> Booking of impairment losses due to changes in market conditions Tenant requests for lower rents due to economic downturn 	<ul style="list-style-type: none"> Implement ongoing performance monitoring, countermeasures
	Natural disasters, etc.	Risks <ul style="list-style-type: none"> Natural disasters, including earthquakes, tsunamis, typhoons, torrential rain Group business facilities, supply chains, and customers being disrupted by terror, riots, war Spread of infectious diseases Opportunities <ul style="list-style-type: none"> Increased interest in disaster-resistant buildings 	<ul style="list-style-type: none"> Promote the earthquake-proofing of buildings and facilities, implement countermeasures for tsunamis, torrential rain, floods Stockpile emergency supplies necessary for disasters Conduct disaster preparation drills Promote teleworking and enhance workplace health management

The Takara Leben Group's Responses to COVID-19

Measures to Prevent Spread of COVID-19 Infections

To protect the health and safety of employees, their families and customers, Takara Leben's Crisis Management Committee played a central role in putting in place and promoting a response policy for COVID-19. The flow of action to be taken in the event of someone feeling they had a cold or were unwell, or after having received a positive result from a PCR test, is made known to all employees. For employees who are confirmed as having been infected, we thoroughly enforce rules, such as reporting the infection to the head of each department and the health center and for employees not to go to work until they are asymptomatic. We are also encouraging teleworking and flexible working hours for

employees to reduce the risk of infection during commuting. In March 2020, when COVID-19 infections were spreading, we made flexible working hours available to all employees (non-managerial positions). From April 7 to May 25, 2020, when the state of emergency declaration was in effect, in principle, employees who were able to work from home undertook their duties by teleworking.

We also have strict rules governing, for example, the receiving of PCR tests for cases such as outbreaks of infections on business partner premises. These rules also clarify the basic policy for the measures to be taken in the offices where an infected person is found.

Customer Service System in Showrooms

In addition to working to prevent infections in showrooms by limiting the number of people and frequent disinfection procedures to make our customers feel at ease, Takara Leben encourages online business negotiations by using IT tools and strives to provide sufficient information for those looking to purchase a condominium.



Efforts to Support Condominium Management and Raise Awareness

Leben Community Co., Ltd. is working to reduce the chances of interpersonal contact in the course of condominium management operations. For management union meetings and general meetings, in addition to minimizing the number of participants, we saved time by distributing materials and gathering opinions and questions in advance. In addition, we actively held online meetings in response to customer requests. Also, in daily management work, we took measures with customer consent that included changing from spoken greetings to nods, the recommendation for conversations to be conducted

through the window of the management room, and the implementation of inspection work in a way that does not involve entering the room.

By means of issue No. 50 (published in October 2020) of *Smilax*, our information magazine, we sent out infection prevention measures that are useful in people's everyday lives from the perspective of a condominium management expert. The measures included bactericidal methods that can be carried out with household detergent, ideas to prevent virus spread and actions to be taken in communal areas.

Countermeasures Taken at "My Reha"

At the My Reha day care service specializing in rehabilitation, thorough infection control measures are taken based on information from the Ministry of Health, Labour and Welfare and local governments. The facility provides services using disinfected instruments in a constantly ventilated space. We have a system in place that allows people to use the facility with peace of mind by collaborating with local governments, regional comprehensive support centers (care managers), and disinfection specialists. We also implemented the provision of a training

menu that can be carried out at home for those who are taking time off from the facility to help prevent the spread of infection.



Interview with an Outside Director



Kenji Kawada
Outside Director

Personal History	May 2003 Representative Director and President, Resona Holdings, Inc.	January 2016 Representative of TMA KAWADA OFFICE (Incumbent)	June 2017 Outside Director, PE&HR Co., Ltd. (Incumbent) Outside Director, Takara Leben Co., Ltd. (Incumbent)	June 2018 Outside Auditor, Konishi Co., Ltd. (Incumbent)
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We interviewed Kenji Kawada, who has served as an outside director of Takara Leben since 2017, about how he regards the new Medium-Term Management Plan, initiatives to enhance the governance system, and the roles of directors.

With his many years of involvement in the management of financial and business firms, Mr. Kawada has a wealth of experience in business management and governance system building, including his appointment as Representative Director and President of Resona Holdings in 2003, where he led the effort to become the first financial institution in the banking industry to make the shift to a Company with three Committees system.

Q1

Takara Leben announced its new Medium-Term Management Plan in May 2021, but what did the Board of Directors discuss during the formulation stage? Please tell us about how you regard the Medium-Term Management Plan.

When the Board of Directors formulated the new Medium-Term Management Plan, it summarized each business portfolio over the three-year period of the Medium-Term Management Plan (FY2018–FY2020) up through the previous fiscal year, and made revisions starting from the very basis for the business plan in part due to the impact of the COVID-19 pandemic during FY2019 and FY2020.

Covering a four-year period, the new Medium-Term Management Plan is formulated with a view to the world after COVID-19. Although it is difficult to predict tomorrow amid the turbulent social and economic conditions of today, I recognize that the new Plan emphasizes boldly expanding business fields and lifting existing business to new

heights as a means of achieving sustainable growth.

In response to instructions from top management and in light of the intentions of top management and directors responsible for each business, during each of its meetings the Board of Directors held repeated discussions with an emphasis on the seven elements of the new Medium-Term Management Plan.

The seven elements are 1) Further growth of core businesses, 2) Maximized group synergies, 3) Optimized business portfolio, 4) Establishment of a stable financial ground, 5) Improvement of productivity and creation of new services through promotion of DX, 6) Proactive ESG considerations, and 7) Personnel development and establishment of the rewarding workplace environment. The two-year period through FY2022 is defined as one of cautiousness in consideration of the impacts of the COVID-19 pandemic, while FY2023 and FY2024 are defined as periods of rapid progress. Although this makes for a conservative approach, I still regard this as an innovative Medium-Term Management Plan.

Q2

Please tell us about any changes in the Board of Directors resulting from efforts to strengthen Takara Leben's corporate governance system.

I think that the most important issues regarding corporate governance for Takara Leben are to work to achieve sustainable corporate growth and to foster trust and expectations for management from each stakeholder.

Takara Leben's corporate governance system is characterized by ongoing management reforms every fiscal year and corporate governance that is substantially and constantly evolving. In particular, the Company attaches great importance to the transparency of matters approved by the Board of Directors, which is required as a listed company.

During the past year, under this thinking we held repeated discussions with the Representative Director and the rest of the directors regarding how the Board of Directors is run.

The first of the changes from last year's Board of Directors is that each director now more closely inspects each issue from the perspectives of both business execution and management oversight. The second change is related to the quarterly reports on business execution presented by each director, where the directors now go beyond the obvious of discussing their own business execution, and actively debate that of the other directors.

I hope to see the Board extend these trends further into the future.

Q3

Please provide any comments you may have on future issues toward further enhancing governance.

There are several major issues regarding efforts to enhance governance.

The first is clearly separating business execution and management oversight, which continue to be intertwined. Doing so requires further expanding the scale of Takara Leben, as well as enhancing capabilities through the continuous self-development of each director.

The second is transforming into a business group in which the future and past actions of the directors are evaluated.

In his work titled "Nihon no Shiso (Japanese Thought)," the late Masao Maruyama, a Japanese political scientist and thought historian whom I respect, talks about the meaning of the "performance-oriented nature of modern society." Here he describes a shift from "being" logic to "doing" logic. "Being" a director is no longer a rigid status relationship. In other words, from the perspective of the performance-oriented nature of modern society, "being" a director is not about how "distinguished"



you are, but about how the function (role) of what you are "doing" as a director is evaluated. I think it is important to build a governance system in which business execution and management oversight are separated following this understanding.

Q4

Please tell us your thoughts on the roles you are expected to play and the responsibilities you must fulfill as an outside director.

The role of internal directors has two aspects: business execution and management oversight by means of the Board of Directors. In contrast, the main role of outside directors is to offer their opinions on the sustainable growth of corporate value through the management oversight function entrusted to them by each stakeholder.

Companies are professional groups, and since it is important for outside directors to point things out with regard to the efforts of those companies' businesses from the perspective of broader society, it is imperative that they possess the ability to feel the trending movements of society.

I therefore feel that I am expected to apply the past experience and knowledge I have acquired through my involvement in the management of financial institutions and business firms to the management policies and business strategies of Takara Leben, as well as to offer advice intended to facilitate the sustainable growth of the Company and to enhance medium- to long-term corporate value.

Moreover, one of the responsibilities I must fulfill as an outside director is to apply my past experience in cultivating human resources as a means of urging on the growth of the internal directors and each individual employee.

These roles and responsibilities of outside directors are intended to grow the Company in a sustainable manner, and have the purpose of sharing the results of this growth with the Company's stakeholders. I therefore think it is important for me to make every effort on a regular basis as a means of fulfilling these.

Six-Year Financial/Non-Financial Summary

	Millions of yen					
	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3
Net sales	¥76,268	¥103,599	¥110,851	¥132,005	¥168,493	¥148,397
Gross profit	17,835	21,869	25,779	26,886	30,516	29,928
Operating income	7,563	10,349	12,597	10,046	11,901	10,789
Ordinary income	6,708	9,496	11,792	9,027	11,201	9,933
Net income attributable to owners of parent	4,308	6,107	7,367	6,426	5,361	4,693
Cash flows from operating activities	2,428	22,644	9,869	22,428	47,708	26,330
Cash flows from investing activities	(19,816)	(27,540)	(34,463)	(34,347)	(32,136)	(25,090)
Cash flows from financing activities	19,663	6,129	24,012	3,427	(1,608)	2,654
Capital expenditure	22,756	20,814	30,302	29,902	28,841	25,666
Depreciation and amortization	1,192	2,397	1,943	2,447	2,031	1,803
Total assets	129,744	139,874	177,588	184,893	195,448	204,315
Current assets	75,753	86,585	102,931	98,512	115,314	125,686
Fixed assets	53,945	53,237	74,618	86,286	79,874	78,531
Net assets	33,677	36,792	42,907	47,734	51,139	54,632
Interest-bearing debt	70,396	79,864	106,663	111,821	114,036	118,570
Per Share Information:						
Net income per share (Yen)	38.99	56.14	68.12	59.33	49.45	43.22
Net assets per share (Yen)	304.71	339.29	394.90	436.68	467.05	498.78
Dividends per share (Yen)	13.0	15.0	16.0	16.0	19.0	14.0
Operating Indices:						
ROE (%)	13.3	17.4	18.6	14.3	10.9	9.0
ROA (%)	3.7	4.5	4.6	3.5	2.8	2.3
Operating income margin (%)	9.9	10.0	11.4	7.6	7.1	7.3
Debt ratio (Times)	2.9	2.8	3.1	2.9	2.8	2.7
Current ratio (%)	176.7	171.5	182.0	168.3	175.7	225.9
Inventory turnover (Times/Year)	2.0	2.3	1.9	1.9	2.4	2.1
Equity ratio (%)	25.8	26.2	24.1	25.6	25.9	26.5
Dividend payout ratio (%)	33.3	26.7	23.5	27.0	38.4	32.4

Net Sales by Segment (Changes)

	Millions of yen					
	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3
Real estate sales business	63,383	79,638	79,341	104,823	129,649	117,200
Real estate rental business	4,307	5,056	5,472	5,829	5,965	5,753
Real estate management business	3,362	3,665	4,000	4,512	5,046	5,446
Electric power generation business	909	11,108	18,239	10,794	20,982	13,485
Other businesses	4,305	4,130	3,797	6,045	6,850	6,512
Total sales	76,268	103,599	110,851	132,005	168,493	148,397

Non-Financial Data

	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3
Percentage of women in management (%)	8.20	9.23	8.10	9.46	8.33	7.34
Percentage of persons with disabilities employed (%)	0.94	1.20	1.09	2.19	2.06	1.98

* Scope of calculation: Takara Leben

Stock Information

Securities Code	8897	Total Number of Shares Outstanding (As of March 31, 2021)	121,000,000 shares
Stock Exchange Listing	First Section, Tokyo Stock Exchange	Trading Unit of Shares	100 shares
Shareholder Registry Administrator	Sumitomo Mitsui Trust Bank, Ltd. 1-4-1, Marunouchi, Chiyoda-ku, Tokyo	Number of Shareholders (As of March 31, 2021)	71,969

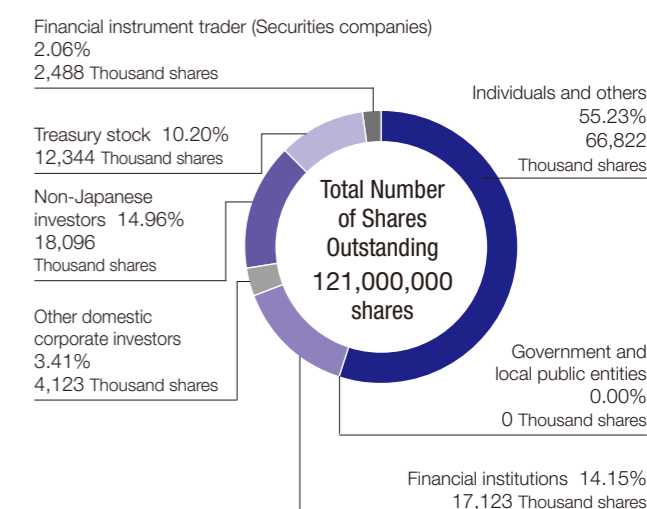
TOPIC

As a result of its initial assessment from the Tokyo Stock Exchange regarding the Company's compliance with the listing standards of the new market segments, Takara Leben has confirmed that it is in compliance with the listing standards of the Prime Market. Based on the aforementioned and following a resolution of the Board of Directors, the Company has applied for transition to the Prime Market.

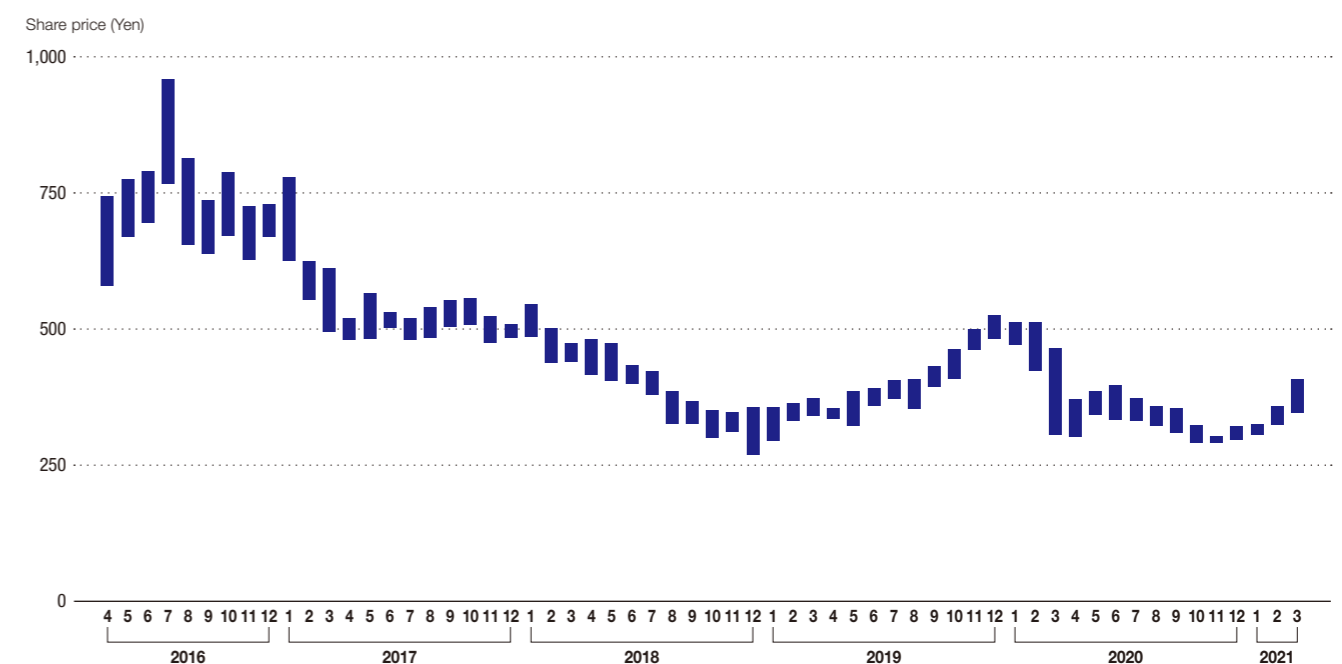
Major Shareholders (Top 10) (As of March 31, 2021)

Name of shareholder	Shares (Thousands)	Percentage share (%)
Yoshio Murayama	25,633	21.18
Takara Leben Co., Ltd.	12,344	10.20
The Master Trust Bank of Japan, Ltd. (Trust Account)	5,784	4.78
Murayama Kikaku Co., Ltd.	2,000	1.65
Custody Bank of Japan, Ltd. (Trust Account)	1,592	1.32
Custody Bank of Japan, Ltd. (Trust Account 5)	1,267	1.05
STATE STREET BANK WEST CLIENT - TREATY 505234	1,211	1.00
Sumitomo Mitsui Banking Corporation	1,184	0.98
Takara Leben Business Partner Shareholding Association	1,164	0.96
Custody Bank of Japan, Ltd. (Trust Account 6)	1,123	0.93

Number of Shares Held By Investor Segment (As of March 31, 2021)



Share Price Trends





Takara Leben Co., Ltd.

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