Other Businesses

	Opportunities	Threats	Strengths	Strategic Direction
Overseas Business	• Extensive business opportunities arising from population and economic growth in developed countries including the U.S. and Australia • More local companies seeking collaboration with Japanese companies due to growing real estate investment opportunities in various countries	• Changes in investment yields and recovery due to fluctuations in interest rates and real estate market conditions • Changes in economic and political conditions and tightening of real estate regulations • Increased geopolitical and country risks	• Wealth of real estate development know-how and high-quality product provision capabilities cultivated in Japan • Relationships with Japanese companies (financial institutions, peer companies, tenants, etc.) cultivated through business in Japan • Good local networks and relationships with partners in countries where we have an existing footprint	• Conduct business centering on collaboration with partner companies that are familiar with the local market and have strong development and sourcing capabilities and high creditworthiness • Dispatch resident managers to the area and enhance relationships with partner companies while thoroughly managing risks • Position investment in advanced countries, particularly the U.S. and Australia, as a driver of profit growth in the medium to long term; and in countries where we already have a presence, such as Thailand, invest in a diverse range of asset types, including logistics properties, as well as for-sale condominiums
Fund Business	• Expansion of profit opportunities due to rising rents and real estate prices caused by inflation • Expansion and diversification of investment needs for high-quality real estate among domestic and international investors	• Narrowing yield spreads as a result of rising interest rates and changes in the financing environment • Rising construction, management, and labor costs fueled by labor shortages and escalating raw material costs	• Able to draw on the real estate know-how of the Tokyo Tatemono Group to gain opportunities to acquire and sell real estate and maximize asset value • Investment and management track record in diverse asset types, including offices, retail facilities, residential leasing, logistics properties, and hotels	• Expand the Group's AUM and stable growth of fee income through sponsor support as well as stronger and broadened relationships with investors • Utilize J-REITs, private REITs, and private-placement funds as buyers for our developed and owned properties, thereby strengthening the collaboration between our asset-turnover business and fund business
Leisure Business	• Solid inbound tourism demand and an expanding customer base seeking high-quality experiences and high-value-added services • Acquisition of new customers for bathhouses and golf facilities due to lifestyle changes	• Higher operating costs due to rising energy, labor, and other costs • Risk of fluctuations in demand following higher dependency on inbound tourism • Difficulty in securing personnel in the service industry	• Regina Resort (10 facilities in total): All rooms and areas are dog-friendly, and the resort's facilities and services are comparable to those of luxury accommodations. Relationships with over 100,000 member households. • Ofuro no Ousama (10 facilities in total): High level of expertise in operating bathhouses, accumulated over more than 25 years of operations and the handling of approximately 4.2 million visitors annually. • Golf courses (13 facilities in total): Access-oriented and capable of meeting a wide range of user needs, located in national parks, equipped with hot springs and lodging facilities, accessible via membership or open to the public.	• Deliver emotionally enriching experiences—excitement, pleasure, and healing—to meet the growing shift among customers toward consumption of services • Explore opportunities to expand business scale through new facility development and M&A