

# Examples of Our Value Creation Model

## Example [1] Urban Redevelopment

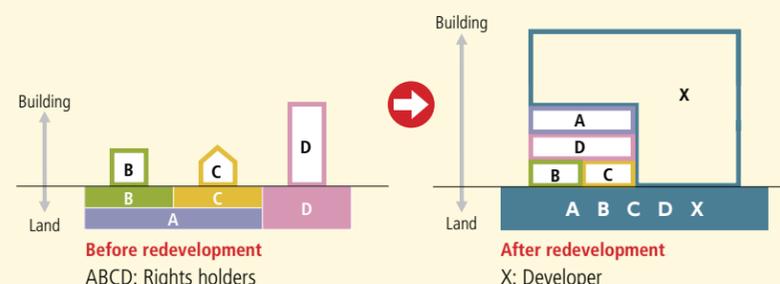
### Sustainable urban development to improve disaster preparedness and revitalize the community



Unlike other major developers in Japan, we started with a mere three buildings in 1949 following the breakup of the conglomerates and it was only from the 1970s that we made our full entry into the business of developing office buildings in central Tokyo. Therefore, instead of reconstructing buildings we owned or purchasing sites through competitive bidding, we focused on a redevelopment method by integrating multiple small parcels of land into a larger scale through persistent efforts, to maximize the site value. In this way, we continued developing superior assets, expanding our business platform and increasing our corporate value. In particular, through redevelopment pursuant to the Urban Renewal Act that requires the formation of a consensus among multiple landowners, and consultations with the authorities, we have contributed to improvement of the city infrastructure including disaster-prevention functions by eliminating densely built-up areas of wooden houses and widening narrow streets, as well as to the revitalization of the community.

#### Redevelopment under the Urban Renewal Act

The Urban Renewal Act of Japan was enacted in 1969 to ensure the effective utilization of land through the improvement of the densely populated urban areas in an integrated and comprehensive manner. Through the communal use of small parcels of land and the development of public facilities such as parks and roads, it enables buildings to be rebuilt into high-rise structures, significantly increasing the floor area. The landowners acquire floor space in the redeveloped building commensurate with the value of the land or building prior to redevelopment and the developer (the Company) covers the project funds including the construction costs and acquires the remaining floor space.



\* There are two types of urban-redevelopment projects: The Type 1 Urban-Redevelopment Project based on the right conversion method without land acquisition and the Type 2 Urban-Redevelopment Project that involves land acquisition. Type 2 Urban-Redevelopment Projects are permitted in urgent situations such as for areas where disasters are imminent and are executed by local governments, rather than individuals or associations, over a relatively short period of time.

### Major issues with dense congregations of wooden houses in urban areas

- Low earthquake resistance
- High disaster risk with narrow streets
- Low land utilization
- Diminished community vitality, etc.

Through redevelopment:

- Improve disaster preparedness of the community**  
Improve infrastructure (Installing wider roads, eliminating large differences in elevation etc.)  
Improve BCP compliance (seismic isolation and damping systems, emergency power generation equipment etc.)
- Make eco-friendly with high-performance, energy-saving equipment**  
Install highly eco-friendly equipment, greatly reducing CO<sub>2</sub> emissions and water usage per unit
- Create new liveliness and strengthen community ties**  
Multi-purpose uses, fostering diversity and interaction  
Provide open spaces for community building and as a disaster-prevention base

#### Example Osaki Garden City

##### Key points of the Osaki Garden City redevelopment project

- Formulation of a complex urban area and the development of urban functions around the station
- Development of a safe and secure community with enhanced disaster-prevention functions, through the elimination of a densely built-up area of wooden houses and widening of narrow streets
- Realizing universal design by eliminating the large difference in elevation of the site
- Spacious green open public spaces covering some 8,000m<sup>2</sup> to facilitate community building and serve as a disaster-prevention base
- Widening and improving a transportation route connecting Shinagawa City Hall, which will serve as the disaster control center (roads to be cleared in an emergency)
- Promoting energy-saving efforts through the adoption of state-of-the-art highly efficient facilities

	Block A	Block B
Principal purpose	Office, retail, etc.	Residence (423 units), office, etc.
Site area (30,080m <sup>2</sup> )	19,927m <sup>2</sup>	10,153m <sup>2</sup>
Gross floor area (219,565m <sup>2</sup> )	178,141m <sup>2</sup>	41,424m <sup>2</sup>
Floor area ratio	Approx. 780%	Approx. 250%
No. of floors	24 above ground, 2 below ground, 2 rooftop floors,	22 above ground, 2 below ground, 1 rooftop floor



#### City development to tackle the challenges facing the community

##### 1 Enhancement of disaster preparedness by eliminating the area overcrowded with wooden houses and narrow streets

The site used to be a densely built-up area with wooden houses exposed to high risk of fire and the streets were narrow, making it difficult for emergency vehicles to enter the area. The redevelopment realized a safe and secure community through improvement of roads around the site to ensure safety for the pedestrians and to allow the smooth flow of vehicles as well as fireproofing the buildings.

##### 2 Promotion of universal design of the area by eliminating a large difference in elevation

The site used to have a difference in elevation as large as eight meters and experienced land collapse. The project created a landscape design with gentle undulations and eliminated the large difference in elevation. It also built stairs and installed elevators connecting the area with the surrounding downtown area and the station to allow everyone to move easily.

##### 3 Creating open space for interaction among the community and as a disaster-prevention base

The site used to be an industrial area with little greenery and lacked places for people to gather due to a densely built-up area of housing. Through the redevelopment, spacious green open public spaces covering some 8,000m<sup>2</sup> were created, encouraging interaction among the people and bringing liveliness in the community, as well as serving as a disaster-prevention base in the event of an emergency.

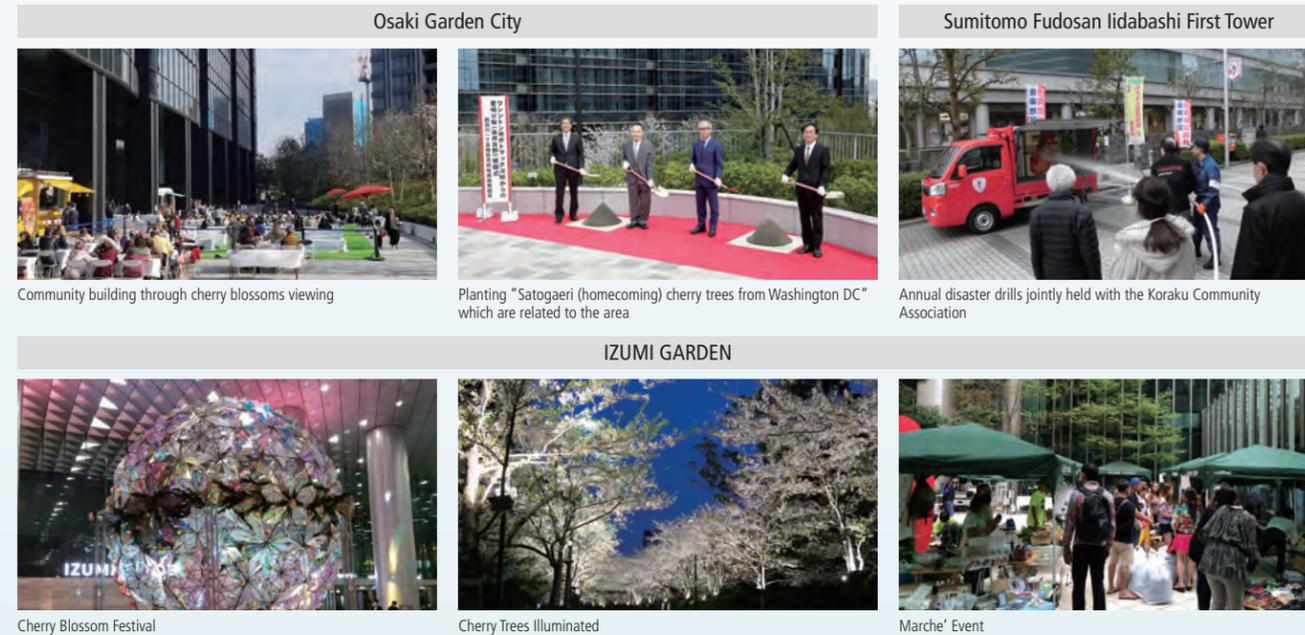
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### Redevelopment together with the community

Our redevelopment projects emphasize the connections with the community even after the completion. We also focus on area management to further improve the value of the area and give it a lively atmosphere through various initiatives such as holding events utilizing its public open spaces to revitalize the community.

#### Events held in the past



#### Redevelopment under the Urban Renewal Act - Major projects completed and planned (As of March 31, 2021)

Project area	Main building	Location	Gross floor area m <sup>2</sup> (approx.)	Main purposes	Completion
Shukugawa Station Front No.1	Shukugawa Green Town	Nishinomiya, Hyogo	33,400	Residence•Retail•Office	Nov 1977
Nishi-kanda 3-chome North-east	Chiyoda First Building East	Chiyoda Ward, Tokyo	38,800	Office•Residence•Retail	Oct 1998
Nakanosakaue Chuo 1-chome West	Sumitomo Nakanosakaue Building	Nakano Ward, Tokyo	36,600	Office•Residence•Retail	Apr 1999
Koraku 2-chome East	Sumitomo Fudosan Iidabashi First Building	Bunkyo Ward, Tokyo	62,900	Office•Residence•Retail	Mar 2000
Roppongi 1-chome West	Izumi Garden Tower	Minato Ward, Tokyo	208,400	Office•Residence•Retail	Oct 2002
Nishi-shinjuku 6-chome South	Sumitomo Fudosan Shinjuku Oak Tower	Shinjuku Ward, Tokyo	163,100	Office•Residence•Retail	Nov 2002
Nishi-kanda 3-chome North-west	Chiyoda First Building West	Chiyoda Ward, Tokyo	63,400	Office•Residence•Retail	Jan 2004
Mita Koyamacho East	City Tower Azabujuban	Minato Ward, Tokyo	64,600	Residence	May 2009
Osaki Station West Gate Central	Osaki West City Towers	Shinagawa Ward, Tokyo	129,100	Residence•Office•Retail	Aug 2009
Nishi-shinjuku 6-chome West No.6	Central Park Tower La Tour Shinjuku	Shinjuku Ward, Tokyo	153,500	Residence•Office•Retail•Multipurpose hall	Mar 2010
Kakyoin 1-chome No.1	City Tower Sendai Kakyoin	Sendai, Miyagi	25,400	Residence•Retail•Office	Mar 2010
Koraku 2-chome West	Sumitomo Fudosan Iidabashi First Tower	Bunkyo Ward, Tokyo	78,400	Office•Residence•Retail•Multipurpose hall	Apr 2010
Hachioji Station South Gate	Southern Sky Tower Hachioji	Hachioji, Tokyo	99,800	Residence•Office•Retail	Nov 2010
Nishi-shinjuku 8-chome Naruko	Sumitomo Fudosan Shinjuku Grand Tower	Shinjuku Ward, Tokyo	179,800	Office•Residence•Retail•Multipurpose hall	Dec 2011
Ageo Nakasendo East	City Tower Ageo Ekimae	Ageo, Saitama	39,900	Residence•Office•Retail	Dec 2012
Asahi-dori 4-chome	City Tower Kobe Sannomiya	Kobe, Hyogo	92,900	Residence•Hotel•Retail	Mar 2013
Roppongi 3-chome East	Sumitomo Fudosan Roppongi Grand Tower	Minato Ward, Tokyo	210,500	Office•Residence•Retail•Multipurpose hall	Oct 2016
Hiroshima Station South Gate B Block	City Tower Hiroshima	Hiroshima, Hiroshima	125,500	Residence•Retail•Office	Aug 2016
Kokubunji Station North Gate	City Tower Kokubunji The Twin	Kokubunji, Tokyo	93,200	Residence•Retail•Office	Mar 2018
Nishi-shinagawa 1-chome	Sumitomo Fudosan Osaki Garden Tower	Shinagawa Ward, Tokyo	222,000	Office•Residence•Retail	Aug 2018
Oi 1-chome South No.1	City Tower Oimachi	Shinagawa Ward, Tokyo	60,600	Residence•Retail	Jul 2019
Kanda-neribeicho	Sumitomo Fudosan Akihabara Ekimae Building	Chiyoda Ward, Tokyo	30,800	Office•Residence•Retail	Aug 2019
Tokorozawa Station West Gate North	City Tower Tokorozawa Classy	Tokorozawa, Saitama	38,500	Residence•Retail	May 2021
Musashi-koyama Ekimae-dori	City Tower Musashi-koyama	Shinagawa Ward, Tokyo	53,500	Residence•Retail	Jun 2021
Mita 3- and 4-chome	(Tentative name) Tokyo Mita Redevelopment Project	Minato Ward, Tokyo	228,800	Office•Residence•Retail	FY2022(expected)
Nishi-shinjuku 5-chome North	(Tentative name) Nishi-shinjuku 5-chome Kita Project	Shinjuku Ward, Tokyo	137,300	Residence•Office•Retail	FY2022(expected)
Nakano 2-chome	(Tentative name) Nakano 2-chome Project	Nakano Ward, Tokyo	99,000	Office•Residence•Retail	FY2023(expected)

### Example Iidabashi Area

We improved the disaster preparedness of the area by eliminating densely built-up areas of wooden houses and building fireproof and earthquake-resistant buildings. We also took advantage of the intensive land use afforded by the central location and built large-scale buildings with office spaces as the core of the redevelopment, while also allowing for mixed uses such as residences, retail and multipurpose halls all under one roof. In this way, we consecutively achieved two redevelopment projects to revitalize the community by attracting new workers, residents and visitors.

Main building	Sumitomo Fudosan Iidabashi First Building	Sumitomo Fudosan Iidabashi First Tower
Completion	March 2000	April 2010
Gross floor area (approx.)	62,900m <sup>2</sup>	78,400m <sup>2</sup>
Purposes	Office, residence, retail	Office, residence, retail, multipurpose hall



### Example Roppongi Area

We completed the IZUMI GARDEN large urban block consisting of two large-scale, mixed-use developments in the area lying east side and west side of the Roppongi-itchome Station, connecting the areas from Roppongi to Kamiyacho. It covers an area of approx. 6 hectares and comprises offices, residences, retail facilities, a hotel, multipurpose halls, a museum, etc. and will become a new base to encourage the development of the local community.

Main building	Sumitomo Fudosan Roppongi Grand Tower	Izumi Garden Tower
Completion	October 2016	October 2002
Gross floor area (approx.)	210,500m <sup>2</sup>	208,400m <sup>2</sup>
Purposes	Office, residence, retail, multipurpose hall	Office, residence, hotel, retail, museum, multipurpose hall

