



The Daibiru Group Briefing Session Material for Fiscal 2015

May 17, 2016
DAIBIRU CORPORATION

President Executive Officer Katsumi Tamai

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<Note>

Information in this document, including opinions, forecasts, and projections, were prepared based on the Company's own analyses at the time of compilation of this document.

We do not guarantee their accuracy. Please bear in mind that future business performance may differ from the information in this document due to a variety of factors including market conditions.

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I. Operating Results for Fiscal 2015

Operating Results for Fiscal 2015 - Highlight DAIBIRU CORPORATION

	Fiscal 2014	Fiscal 2015	Difference		Difference		Key points
Revenue	(Millions of yen) 35,773	(Millions of yen) 37,344	(Millions of yen)	4.4	Increases in full-year constributions from the Shin-Daibiru Building and the CornerStone Building, etc.		
Operating income	9,447	9,114	(333)	(3.5)	Increases in depreciation and administration expense of the Shin-Daibiru building, etc.		
Ordinary income	8,250	7,985	(264)	(3.2)			
Net income attributable to owners of the parent	5,165	5,276	110	2.1	< Fiscal2015 > Extraordinary income ¥ 125 million Gain on sales of investment securities Extraordinary loss ¥ 46 million Losson disposal of fixed assets ¥ 16million,etc. <fiscal2014> Extraordinary income ¥ 1,563 million Gain on sales of investment securities ¥ 63 million Penalty income ¥ 1,500 million Extraordinary loss ¥ 1,640 million Loss on building reconstruction ¥ 1,588 million Loss on disposal of fixed assets ¥ 32 million,etc. </fiscal2014>		

Record-high revenue for three consecutive years

Operating Results for Fiscal 2015 -By Segment-



	Fiscal 2014	Fiscal 2015	Difference		Key points
Revenue	(Millions of yen) 35,773	(Millions of yen) 37,344	(Millions of yen) 1,571	4.4	
Leasing	27,215	28,656	1,441	5.3	Full-year contributions from the Shin-Daibiru Building and the CornerStone Building, etc.
Facility Management	10,210	10,380	169	1.7	
Other Businesses	427	595	168	39.5	 Increases in administration expense of construction and construction subcontracting values ,etc.
Adjustment	(2,080)	(2,288)	(208)	_	
Operating income	9,447	9,114	(333)	(3.5)	
Leasing	9,893	9,554	(338)	(3.4)	Occurrence depreciation and administration expense of the Shin-Daibiru Building, etc.
Facility Management	644	663	19	3.0	
Other Businesses	166	245	79	47.9	
Adjustment	(1,256)	(1,349)	(93)	_	

Operating Results for Fiscal 2015 -Balance Sheets- DAIBIRU CORPORATION

	Fiscal 2014	Fiscal 2015	Difference	Key points
Noncurrent assets	(Millions of yen) 351,917	(Millions of yen) 343,728	(Millions of yen) (8,188)	
Current assets	10,785	8,082	(2,703)	 A decrease in depreciation A decrease in investment securities of the appraised value etc.
Total assets	362,702	351,810	(10,891)	
Long-term liabilities	189,846	176,483	(13,363)	Accrued construction cost of the Shin-Daibirun Building. (40,200 million)
Current liabilities	30,711	31,041	329	- ¥ 10,380 million • A decrease in interest-bearing debt (Balance at the end of Fisical 2014: ¥ 158,468 million)
Total liabilities	220,558	207,524	(13,034)	(Balance at the end of Fisical 2015: ¥ 157,442 million),etc.
Capital	12,227	12,227	_	 Retained earnings +¥3,643 million Net unrealized holding gains on securities
Total net assets	142,144	144,286	2,142	-¥1,818 million,etc.
Total liabilities and net assets	362,702	351,810	(10,891)	

Unrealized gain of ¥146,737million in owned properties at the time of disclosure of the market prices of leasing properties. Net assets per share based on market price taking into consideration of unrealized gain after tax were ¥2,095. (Net assets per share based on book value were ¥1,224.)

Operating Results for Fiscal 2015 - Cash Flows-



	Fiscal 2014	Fiscal 2015	Difference	Key points
Net cash provided by (used in) operating activities	(Millions of yen) 11,487	(Millions of yen) 14,516	(Millions of yen) 3,029	<fiscal 2015=""> Increases in depreciation and accrued consumption tax,etc. </fiscal>
Net cash provided by (used in) investing activities	(26,269)	(13,758)	12,510	<fiscal 2015=""> Construction of the Shin-Daibiru Building, etc. </fiscal>
Net cash provided by (used in) financing activities	14,286	(2,661)	(16,948)	<fiscal 2015=""> • Repayment of interest-bearing debt,etc.</fiscal>
Net increase (decrease) in cash and cash equivalents	(432)	(1,854)	(1,422)	
Cash and cash equivalents at beginning of year	7,832	7,399	(432)	
Cash and cash equivalents at end of year	7,399	5,545	(1,854)	



II. Forecasts for Fiscal 2016

Forecasts for Fiscal 2016 - Highlight



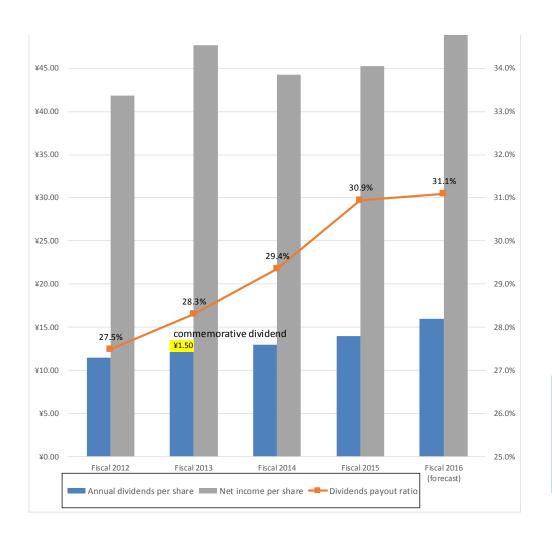
	Fiscal 2015	Fiscal 2016	Differe	ence	Key points	
Revenue	(Millions of yen) 37,344	(Millions of yen) 39,000	(Millions of yen) 1,655	4.4	 Revenue contributions from the Shin- Daibiru Building and the CornerStone Building, etc. Record-high for four consecutive years 	
Operating income	9,114	10,000	885	9.7	Fixed asset tax (Building) of the Shin- Daibiru Building,etc.	
Ordinary income	7,985	9,000	1,014	12.7		
Net income attributable to owners of the parent	5,276	6,000	723	13.7	· Record-high (Fisical 2013:¥5,563 million)	

Forecasts for Fiscal 2016 -By Segment-



	Fiscal 2015	Fiscal 2016	Difference		Key points
Revenue	(Millions of yen) 37,344	(Millions of yen)	(Millions of yen) 1,655	(%) 4.4	
Leasing	28,656	30,400	1,743	6.1	 Revenue contributions from the Shin-Daibiru Building, the CornerStone Building and the Kojimachi Daibiru Building, etc.
Facility Management	10,380	10,500	119	1.2	
Other Businesses	595	400	(195)	(32.9)	 Decreases in administration expense of construction and construction subcontracting values ,etc.
Adjustment	(2,288)	(2,300)	(11)	1	
Operating income	9,114	10,000	885	9.7	
Leasing	9,554	10,800	1,245	13.0	Fixed asset tax (Building)of the Shin-Daibiru Building,etc.
Facility Management	663	600	(63)	(9.6)	
Other Businesses	245	100	(145)	(59.3)	
Adjustment	(1,349)	(1,500)	(150)	_	





	Annual dividends per share	Net income per share	Dividends payout ratio
Fiscal 2012	¥11.50	¥41.84	27.5%
Fiscal 2013	¥13.50*	¥47.70	28.3%
Fiscal 2014	¥13.00	¥44.29	29.4%
Fiscal 2015	¥14.00	¥45.24	30.9%
Fiscal 2016 (forecast)	¥16.00	¥51.45	31.1%

^{*}Includes commemorative dividend of ¥1.50.

<Future dividend policy>
Stable dividends targeting a dividends payout ratio exceeding 30%



III. References

(1) Medium-term Management Plan ["Design 100" Project Phase-I]

(2013~2017)

"Daibiru Excellence" towards

Sustainable, Innovative & Global Next 100 (Century)

<Overview and Major Progress>



Profit level progressed in general as planned.

(Previous fiscal year) (Current fiscal year) (B

(Billions of yen)

	Fiscal 2013		Fiscal 2014 Fiscal 2015		2015	Fiscal 2016		Fiscal 2017		
	Plan	Result	Plan	Result	Plan	Result	Plan	Forecast	Plan	Prospect s
Revenue from operations	35.5	35.6	36.5	35.7	38.5	37.3	40.0	39.0	42.0	40.0
Operating income	9.9	10.0	9.2	9.4	9.7	9.1	11.0	10.0	13.0	11.0
Ordinary income	8.6	8.7	7.4	8.2	8.0	8.0	9.5	9.0	10.5	10.0
Net income	5.1	5.6	4.0	5.1	5.0	5.3	6.0	6.0	6.5	6.5
EBITDA	16.5	16.7	16.0	16.0	18.0	17.3	19.0	17.0	21.5	19.0
Operating cash flows	13.0	13.0	10.5	11.5	15.0	14.5	16.0	13.0	16.0	15.0
D/E Ratio	1.1	1.1	1.2	1.1	1.1	1.1	1.0	1.0	0.9	0.9

^{*}EBITDA: Ordinary income + Interest expense + Depreciation and amortization

^{*}Excludes the ¥40.0 billion investment for three Wards in the central district of Tokyo from the total planned investment of ¥100.0 billion.



Investment plan: Progressing mostly as planned

	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017			
Investment (Initial Plan)	 Expand assets in senior residences (Total of ¥8.0 billion) Develop high quality office buildings in Vietnam (Total of ¥16.0 billion) Complete reconstruction of the Shin-Daibiru Building (¥28.0 billion) Enhance competitiveness of existing buildings through renewal investment (5 buildings, ¥10.0 billion in scope) Total of ¥60.0 billion 							
Investment (Progress)		lding: About ¥10.0 b ding: About ¥28.0 bi Ilion		Amount of plant : About ¥1				

*Excludes the ¥40.0 billion investment for three Wards in the central district of Tokyo from the total planned investment of ¥100.0 billion.

Priority Investment Areas ... ¥ 100.0 billion DAIBIRU CORPORATION

"Design 100" Project Phase-I

Expansion of portfolio to strengthen business base

- [Domestic] ➤ Investment in high quality assets centered around three Wards in the central district of Tokyo (¥40.0 billion in scope)
 - >Expand assets in senior residences (Total of ¥8.0 billion)
- [Overseas] ➤ Develop high quality office buildings in Vietnam (Total of ¥16.0 billion)

Enhancement of competitiveness of existing assets / Improvement of environmental quality / BCP aspect

- ➤ Complete reconstruction of the Shin-Daibiru Building (¥28.0 billion)
- ➤ Enhance competitiveness of existing buildings through renewal investment (5 buildings, ¥10.0 billion in scope)

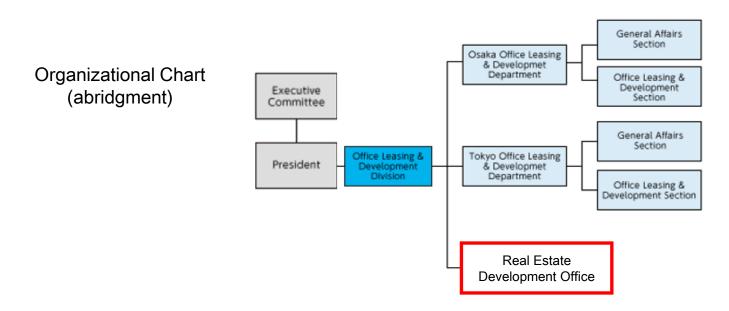


Expansion of portfolio to strengthen business base

>Investment in high quality assets centered around three Wards in the central district of Tokyo

April 2016 Set up New Organization"Real Estate Development Office"

- Driving for investment in high quality assets centered around three Wards in the central district of Tokyo.
- Quick decision-making by dedicated team members.





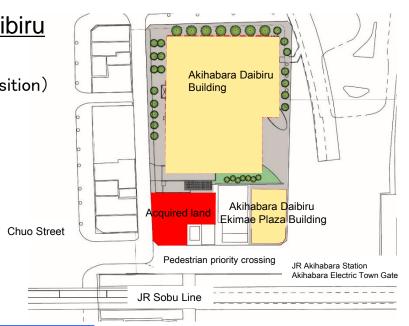
Expansion of portfolio to strengthen business base

>Investment in high quality assets centered around three Wards in the central district of Tokyo

Acquisition of land adjacent to the Akihabara Daibiru Building: Total 522m ¥8.0 billion

(March 2016: additional acquisition)

- Near the vibrant, high-profile Akihabara
 Station
- High-potential for various use of the land (not only retail use)
- Aiming to enhance the value of asset portfolio over the long-term



>Expand assets in senior residences

	Clara Saginuma		Aria Ebisu Minami
Acquisition date	December 2011	August 2012	February 2014
Completion	December 1991	June 2007	January 2001
Gross floor area	2,696m ²	2,319m ²	1,872m ²



Expansion of portfolio to strengthen business base

➤ Acquire and develop high quality office buildings in Vietnam

<CornerStone Building revenue>

During full occupancy: About ¥1.2 billion



Lot area: 4,942m2

Gross floor area: 48,494m²

Completion: June 2013

Size: 14 floors above ground,

3 floors below ground



<Saigon Tower revenue>

During full occupancy: About ¥0.7 billion



Lot area: 1,930m²

Gross floor area: 17,986m² Completion: December 1996 Size: 18 floors above ground,

2 floors below ground



Enhancement of competitiveness of existing assets / Improvement of environmental quality / BCP aspect

➤ Complete reconstruction of the Shin-Daibiru Building

"Shin-Daibiru Building" (completed in March 2015) tentative tenant occupancy rate of 100%



Tenants include Hitachi, Ltd., Marubeni Corporation

High <u>BCP performance</u> with emergency power generator, etc.



Lot area: 8,426m²

Gross floor area: 77,388m²

Size: 31 floors above ground, 2 floors

below ground, 3-floor penthouse

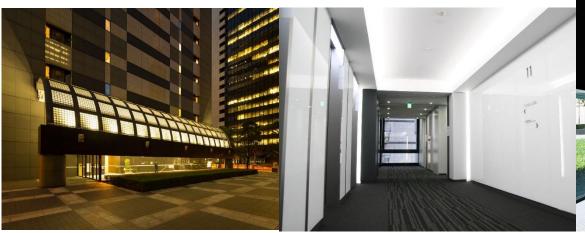


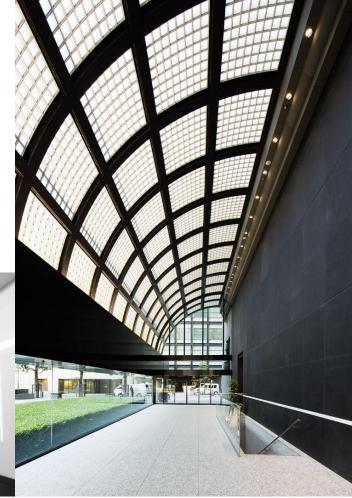
Enhancement of competitiveness of existing assets / Improvement of environmental quality / BCP aspect

Enhance competitiveness of existing buildings through renewal investment

Renovations in Fiscal 2015 (Hibiya Daibiru Building)

- ✓ Renovation and decoration of lavatory
- Renewal of power receiving and transforming equipment / emergency power generators
- ✓ Renewal of elevators
- ✓ Renewal of disaster prevention equipment
- ✓ Renewal of leased room equipment







"Design 100" Project Phase-I

Take office building service to the next level

Standardization and adherence to office building service quality control standards across the entire Group

Organizational measures concerning human resources development

- > Foster human resources to take charge of on-site building management
- Foster global human resources and core personnel for overseas operational hub

Increase brand recognition by implementing corporate branding strategy

Measures to Support Competitiveness of Assets



Take office building service to the next level

Standardization and adherence to office building service quality control standards across the entire Group

Provide a <u>high-grade office building in both hard and soft aspects</u> through building management by the <u>Group as a whole</u>



Measures to Support Competitiveness of Assets DAIBIRU CORPORATION



Increase brand recognition by implementing corporate branding strategy

Won the Division Excellence Award in the construction and real estate sector at the "63rd Nikkei Advertising Awards"





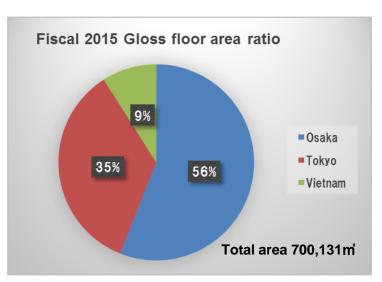
III. References(2) Commercial Property, Vacancy Rates, and Others

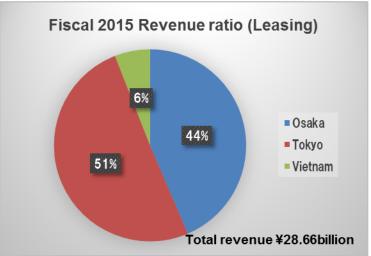
Commercial Property



		Number of properties	Gross floor area
	Osaka area	12	378,879 m²
Office buildings	Tokyo area	12	215,437 m ²
Commercial buildings	Vietnam	2	66,480 m²
3	Subtotal	26	660,796 m²
	Osaka area	2	13,184 _m ²
Residences	Tokyo area	13	26,151 _m ²
	Subtotal	15	39,335 m²
Total		41	700,131 ㎡

^{*}Properties in operation as of May 17, 2016. As to the co-owned properties, our share is stated.

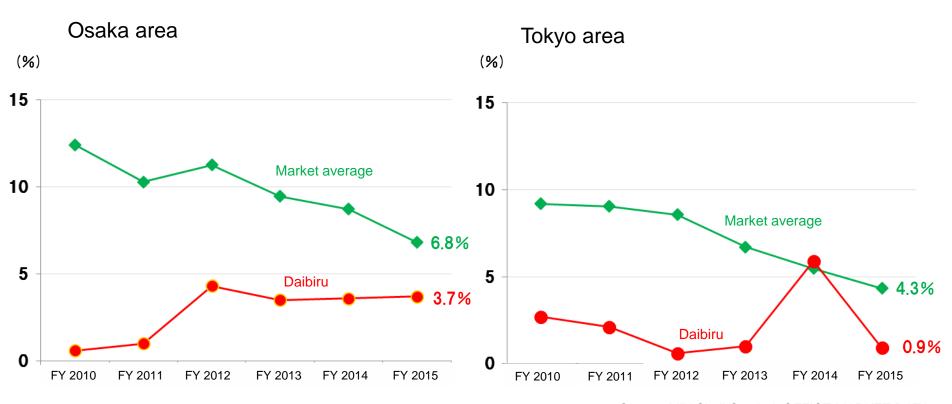




^{*} Before the elimination of intersegment amounts

Vacancy Rates





Source: Miki Shoji Co., Ltd. OFFICE MARKET DATA

Vacancy rates for the	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
whole Company	1.6%	1.5%	2.8%	2.4%	4.4%	2.6%

[Factors for low vacancy rate]

①Good location & High-quality specs ②Relations of trust with our clients ③High-quality property management service

Building Locations







List of Our Properties -Osaka-

DAIBIRU CORPORATION

Daibiru-Honkan Building



Gross floor area: 48,198m² Size: 22 floors above ground, 2 floors below ground Completion: Feb. 2013

Midosuji Daibiru Building



Gross floor area:13,399m² Size: 8 floors above ground, 3 floors below ground Completion: Sep.1964

Nakanoshima Daibiru Building



Gross floor area: 79,543m² Size: 35 floors above ground, 2 floors below ground Completion: Mar. 2009

Yodoyabashi Daibiru Building



Gross floor area: 11,273m² Size: 14 floors above ground, 2 floors below ground Completion: Feb.1997

Shin-Daibiru Building



Gross floor area: 77,388m²
Size: 31 floors above ground,
2 floors below ground
Completion: Mar. 2015

Awajimachi Daibiru Building



Gross floor area: 10,344m²
Size: 8 floors above ground,
1 floor below ground
Completion: May 1986

Dojima Daibiru Building (ANA Crowne Plaza Osaka)



Gross floor area: 44,770m² Size: 23 floors above ground, 3 floors below ground Completion: Sep.1984

Umeda Daibiru Building



Gross floor area: 42,363m² Size: 23 floors above ground, 3 floors below ground Completion: May 2000

Tosabori Daibiru building



Gross floor area: 37,497m² Size: 17 floors above ground, 1 floor below ground Completion: Jul. 2009

Dokita Daibiru Building



Gross floor area: 4,283m² Size: 7 floors above ground, 1 floor below ground Completion: Mar. 1986

Kita-Umeda Daibiru Building



Gross floor area: 4,185m² Size: 8 floors above ground, 1 floor below ground Completion: Jan. 1997

Estate Tosabori Building



Gross floor area: 5,635m² Size: 5 floors above ground, 1 floor below ground Completion: Oct. 1997

List of Our Properties -Tokyo-

DAIBIRU CORPORATION

Hibiya Daibiru **Building**



Gross floor area: 29.961m² Size: 21 floors above around. 3 floors below ground Completion: Oct. 1989

Shinjuku Daibiru **Building** (Shinjuku ALTA)



Gross floor area: 11.255m2 Size: 8 floors above ground. 3 floors below ground Completion: Apr. 1980

Akihabara



Gross floor area: 50,290m² Size: 31 floors above ground, 2 floors below around Completion: Mar. 2005

Shiba Daibiru **Building**



Gross floor area: 10,833m2 Size: 10 floors above ground, 1 floor below ground Completion: Jun. 1989

Shosen Mitsui Building Daibiru Building (Toranomon Daibiru **Building**)



Gross floor area: 34.655m² Size: 16 floors above ground, 3 floors below ground Completion: Nov. 1979

Uchisaiwaicho Daibiru **Building**



Gross floor area: 10,122m2 Size: 9 floors above ground, 2 floors below ground Completion: Jan. 1983

Yaesu Daibiru **Building**



Gross floor area: 26.723m2 Size: 9 floors above ground, 5 floors below ground Completion: Jun. 1968

Mita Nitto **Daibiru Building**



Gross floor area: 10,008m² Size: 8 floors above ground, 1 floor below ground Completion: Sep. 1986

Aoyama Rise **Square**



Gross floor area: 25.011m2 Size: 16 floors above ground, 2 floors below ground Completion: Apr. 2003

Akihabara Daibiru Ekimae Plaza **Building**



Gross floor area: 3,201m² Size: 9 floors above ground, 1 floor below around Completion: Mar. 2005

Kojimachi **Daibiru Building**



Gross floor area: 11.610m² Size: 7 floors above ground. 2 floors below ground Completion: Sep. 1976

Estate Shiba Building



Gross floor area: 499m² Size: 5 floors above ground Completion: Dec. 1987

Management Policy

Constructing buildings, creating towns — pioneering the new era

Mission Statement

- 1. Provide office spaces and environments that can win the trust and attachment of customers.
- 2. Increase enterprise value together with our tenants.
- 3. Create beautiful cityscapes and stylish spaces.

Environmental Policy of the Group



As part of our social obligation to contribute towards the sustainable development of society, the Daibiru Group is proactive in reducing the environmental impact of its activities and seeks to create cityscapes that harmonize with the natural landscape. Furthermore, the Daibiru Group works with all its stakeholders, including customers, local communities, and business partners, to ensure that its activities compliment and harmonize with the natural environment.

1. Coexisting With the Natural Environment

Strive to minimize the environmental impact at every business stage—from planning to design, construction, operation, and demolition—with the aim of creating natural and environmentally friendly urban environments.

2. Contribute to Global Warming Countermeasures and the Creation of a Recycling-based Society Work to prevent global warming by conserving resources and energy and utilizing renewable energy in order to curb the generation of greenhouse gases, and contribute to the development of a recycling based society by reducing waste and reusing/recycling resources.

3. Establish Frameworks for Environmental Conservation

Set goals and guidelines and establish frameworks for environmental conservation.

4. Improve Awareness of Environmental Conservation

Through environmental education and awareness activities, strive to enhance Group employees' awareness of environmental conservation.

5. Cooperate With Stakeholders

Work closely with our stakeholders, including customers, local communities and business partners, to promote coexistence with the natural environment.

6. Comply With Environmental Laws and Regulations

Comply with environmental laws and regulations to ensure our activities harmonize with the natural environment.