TOKYU CONSTRUCTION COMPANY OUTLINE 2019





Message
MITSUHIRO TERADA
President and Representative Director
Tokyu Construction Co., Ltd.

In recent years, the domestic construction market has been expanding due to vigorous demand ahead of the Tokyo 2020 Olympic and Paralympic Games, steady increases in construction investment and capital investment.

Against this backdrop, the Tokyu Construction Group has outlined four basic policies under its Mid-Term Management Plan (2018–2020): Shinka 2020. These are to transform human resources and our organization to motivate employees and improve their capabilities, reinforce our competitiveness in domestic construction through our customer-first policy and problem-solving skills, diversify revenue sources by strategically expanding the business, and enhance our management and financial bases to improve profitability. In line with these policies, we have worked to further enhance our domestic construction business by strengthening relationships with clients as business partners and leveraging information and communication technologies to enhance efficiency. In the real estate business, we have acquired income property, while in the international business we have endeavored to win official development assistance (ODA) projects.

As a result, in FY03/19 net sales, operating income, and ordinary income reached the highest levels since our corporate split in 2003.

We expect the domestic construction market to remain favorable, buoyed by public-sector investment. At the same time, construction costs are likely to skyrocket due to demand pressures stemming from multiple large-scale redevelopment products centered on major metropolitan areas. Meanwhile, over the medium to long term we anticipate a qualitative shift in demand, with the conventional spot-revenue model based mainly on new constructions giving way to a recurring-revenue model based on maintenance and repair. Also, labor shortages are likely to grow increasingly severe as large numbers of aging construction workers retire, and our industry will be called upon to reduce long working hours and implement workstyle reforms.

We are revising our management structure to facilitate responses to these issues from the short- and medium/long-term perspectives. As part of these revisions, I was appointed president on June 1, 2019. Under the new management structure, we will steadily implement measures stemming from the basic policies of the Mid-Term Management Plan (2018–2020): Shinka 2020. Consequently, we aim to grow as a corporate group that embraces change in the operating environment. By harnessing the collective power of the Tokyu Group, proactively recruiting personnel, and engaging in mergers and acquisitions, we intend to develop into a corporate group characterized by its ability to provide customers with comprehensive construction solutions. Furthermore, we will concentrate on building stronger ties with customers to win orders, transforming construction production systems, and streamlining back-office departments.

November 2019 marks the 60th anniversary of our founding. I would like to take this opportunity to express my sincere gratitude to our customers and many other stakeholders for your support over this period. We will continue contributing to society in accordance with our mission statement: "We will help each person realize his or her dream through creating comfortable living environments that allow peace of mind."

Summary

COMPANY NAME	Tokyu Construction Co., Ltd.		
HEAD OFFICE ADDRESS	1-16-14 , Shibuya, Shibuya-ku, Tokyo 150-8340, Japan		
BUSINESS LINE	General Construction Contractor		
PRESIDENT	Mitsuhiro Terada		
CAPITAL	¥16,354 million (a	s of Mar. 31 2019	
ANNUAL SALES (non-consolidated)	¥309,900 million (fiscal 2018 [Apr.	. 2018-Mar. 2019]	
EMPLOYEES	2,523 (a:	s of Mar. 31 2019	
	Ph.D. 32		
	Registered Engineer 176		
	Architect(1st Class) 447		
	Building Works Execution Manager(1st Class) 748		
	Civil Works Execution Manager(1st Class) 576		
STOCK MARKETS	First Section of the Tokyo Stock Excl	First Section of the Tokyo Stock Exchange	
BANK ACCOUNTS	MUFG Bank, Ltd.		
	Sumitomo Mitsui Trust Bank, Ltd.		
	Mizuho Bank, Ltd.		
	Mitsubishi UFJ Trust and Banking Corp.		
	Sumitomo Mitsui Banking Corp.		
	The Bank of Yokohama, Ltd.		

Town Value-up Management

Buildings should not be seen in isolation, but from the point of view of customers, consumers, and the town as a whole.

Origin of Tokyu Construction Urban Development of Shibuya and along the Tokyu line, including Tama Garden City.

We stand at the beginning, From the planning and proposal of new construction, to their renewal and reconstruction,

Continually involved in the life cycle of the city, Instead of looking at buildings in isolation,

Always considering the view of customers, consumers and the town as a whole, We will always strive to create new objects of value.



Corporate Philosophy

Mission Statement

We will help each person realize his or her dream through creating comfortable living environments that allow peace of mind.

Management Policy

Management that rises to the challenge Management that makes the best use of employees Management that values customers Management that is fair and open

Guidelines for Action

Independence Speed Teamwork Reliability

Corporate vision

Deepening and Evolving in the Pursuit of Genuine Value — Tokyu Construction

Vision 2020 Declaration

- Striving to respond to the diversifying needs of customers and provide the best solutions, we will deepen the quality of our business.
- Developing better technology and services, we will pursue new business opportunities in order to keep our capabilities evolving.
- Continuing our tradition of contributing to society in its role as a general contractor, Tokyu Construction is dedicated to the pursuit of genuine value.

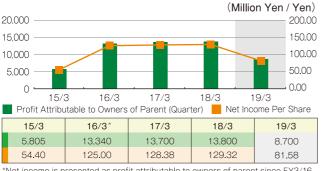


Contract Awards (Million Yen) 400,000 300.000 200,000 100,000 15/3 16/3 17/3 18/3 19/3 Building Construction Civil Engineering Contract Awards 15/3 16/3 17/3 18/3 19/3 FΥ 239,925 227,259 219,176 214,552 185,287 201,765 ЗQ 104,749 99,318 170,144 143,743 2Q 167,696 113,708 63,811 106,481 57,939 1Q 90,238 25,334 11,313 65,848 33,763 FΥ 93,388 69.532 65.711 76.784 77.766 3Q 65.702 49.913 31.273 27.701 51.069 20 38 895 57.569 18 982 18.859 21.627 10.507 1Q 31,105 10.728 5.423 15,091 333,313 296,792 284,888 291,337 263,053

Operating Income

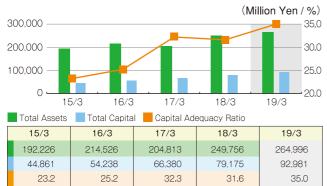


Profit Attributable to Owners of Parent (Quarter) / Net Income Per Share



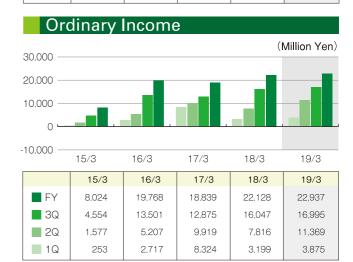
*Net income is presented as profit attributable to owners of parent since FY3/16.

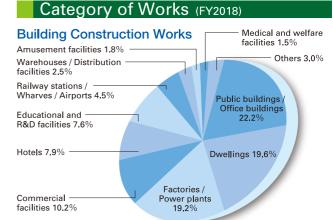
Total Assets/Total Capital/Capital Adequacy Ratio

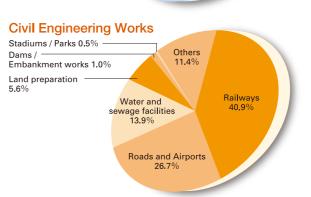


*2nd Quarter represents an aggregate of the 1st to 2nd quarters. *3rd Quarter represents an aggregate of the 1st to 3rd quarters.

Net Sales (Million Yen) 400 000 300.000 200,000 100.000 0 15/3 16/3 17/3 18/3 19/3 15/3 16/3 17/3 18/3 19/3 FY 262,815 296,393 243,618 320,711 331,437 **3**Q 177,570 199,292 149,160 209,076 229,816 2Q 106 096 115 009 103 448 125 938 154 697 1Q 44,317 52,308 60,448 55,004 61,131







The Principles of Our Corporate Governance

Tokyu Construction defines its corporate image in terms of the company's raison d'être, management principles, and principles of conduct. We endeavor to contribute to society as well as to achieve sustainable growth and increase the mid- and long-term value of our business. We constantly work to make our corporate governance more efficient and effective, knowing that the strengthening and enhancement of those capabilities is indispensable to our objectives.

Governance System

Board of Directors

The Board of Directors consists of 11 members (including 4 outside directors and 3 independent directors). Directors serve a 1 year term in order to clarify management responsibilities for each fiscal year and to build a dynamic and responsive management structure. The Company invites as outside directors business executives who have extensive knowledge and experience, as well as attorneys who have specialized insight and work experience in the real estate industry. Outside directors provide necessary perspective in deliberation of agenda items and ensure a robust checking system to verify directors are carrying out their responsibilities in a legal manner.

Executive Officers

In order to expedite decision making in business operations and strengthen the functions of each division, the Board of Directors appoints 31 fulltime executive officers who serve 1 year terms as do the directors.

Establishment of Management Committee

In order to discuss and decide on important management policies and issues, the Management Committee, composed of 7 directors, 1 executive officer, and chaired by the president, is convened as needed (51 times during fiscal 2018).

Audit Committee and Auditors

The Board of Corporate Auditors consists of 5 auditors (including 3 external and independent appointees) with management, finance and accounting, or legal background to audit the suitability of management practice. Each auditor, in accordance with the duties for which he is responsible and in order to assess the process of decision making on important issues and monitor various business operations, by attending Board of Directors meetings and other important meetings, perusing important decision-making documents, conducting surveys on responsible business operations, and, if deemed necessary, receiving business reports from affiliated or other business entities. The auditors submit reports to the Board of Directors. The Board of Corporate Auditors retains a fulltime staff to support these operations.

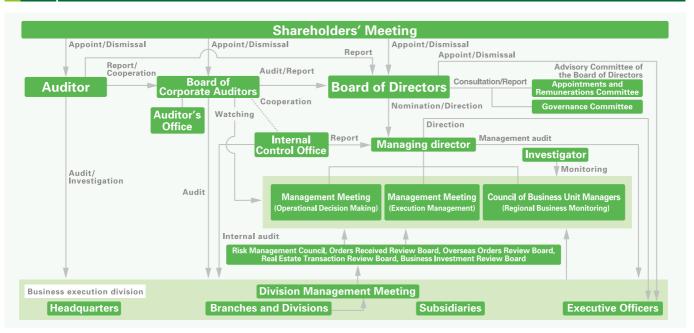
Appointments and Remunerations Committee

As an advisory organ of the Board of Directors regarding the selection and payment of directors, auditors, and executive officers, the Appointments and Remunerations Committee is composed mainly of the independent external director to ensure the autonomy and objectivity as well as accountability functions of the Board of Directors regarding the appointment and payment of company directors.

Governance Committee

As an advisory organ of the Board of Directors on general issues of corporate governance, the Governance Committee is composed mainly of the external directors and external auditors. The committee ensures the continued improvement of the company's corporate governance and enhancement of the value of the business.

Corporate Governance Structure



History

1946 Mar.	Established as Tokyo Construction Industry Co., Ltd.
1954 Aug.	Merged with Tokyu Land Corp. to become Construction Div. of Tokyu Land Corp.
1959 Nov.	Parting from Tokyu Land Corp. as Tokyu Construction Co., Ltd.
1961 Dec.	Sapporo Branch
1963 Sep.	Listed on the Tokyo Stock Exchange
1964 Apr.	Yokohama and Nagoya Branches
1966 Apr.	Osaka Branch
1968 Apr.	Chiba Branch
Aug.	Kyusyu Branch
1971 Jun.	Tokyo Branch and Institute of Technology
1975 Oct.	Tohoku Branch
1976 May	Overseas Division
1977 Aug.	Housing Construction Division
1980 Jun.	Singapore Office
1981 Jul.	Bangkok Office Established Ch.Karnchang - Tokyu Construction Co., Ltd.
1992 Apr.	Jakarta Office

1993 A	pr.	East Japan Branch
2000 Ju	ul.	Introduction of Corporate Officer System
2002 A	pr.	Railroad Construction Division Solution Business Division
2003 A	pr.	Established TC Holdings Co., Ltd.
0	ct.	TC Holdings takes over the operations of the construction division of the former Tokyu Construction, and is named Tokyu Construction; it makes a new listing on the First Section of the Tokyo Stock Exchange
		Former Tokyu Construction with the remaining real estate operations is renamed TC Properties Co., Ltd.
2011 M	lar.	Established PT. Tokyu Construction Indonesia
2013 A _I	pr.	With the compacting of the company's headquarters functions, the Tokyo Office, Yokohama Office, and Railway Construction Division were merged to form Metropolitan Area Construction Office and Metropolitan Area Architecture Office.
N	ov.	Established Golden Tokyu Construction Co.,Ltd.
2014 Ju	ın.	Shibuya Development Project Branch
2015 Ja	an.	Yangon Office
2016 M	lar.	Dhaka Office
0	ct.	Hanoi Office

Major Shareholders (as of Mar. 31 2019)

Name	Holding (thousands)	Ratio of voting rights
Tokyu Corp.	15,362	14.40%
The Master Trust Bank of Japan, L (Trust Account)	_td. 4,732	4.44%
Mizuho Trust & Banking Co., Ltd.	4,000	3.75%
Japan Trustee Services Bank, Ltd (Trust Account)	. 3,520	3.30%
Japan Trustee Services Bank, Ltd. (Trust Account)	3,177	2.98%

Name	Holding (thousands)	Ratio of voting rights
Shimizu Corp.	3,000	2.81%
Sumitomo Mitsui Trust Bank, Ltd.	2,945	2.76%
MUFG Bank, Ltd.	2,550	2.39%
Japan Trustee Services Bank, Ltd. (Trust Account)	2,200	2.06%
KINDEN Corp.	1,924	1.80%
Total Amount	43,410	40.69%

Affiliated Companies



1-24-8, Shibuya, Shibuya-ku, Tokyo 150-0002, Japan TEL.03-5466-9511 http://www.token-sangyo.co.jp/

Tokyu Renewal Co., Ltd.

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-0002, Japan TEL.03-6369-8600 http://www.tokyu-renewal.co.jp/

Plantaardig farm Co., Ltd.

1306-1, Tsuchiura, Mino-mura, Inashiki-gun, Ibaraki 300-0404, Japan TEL.03-5466-6247 http://www.vege-innovation.jp/



CH, KARNCHANG-TOKYU CONSTRUCTION CO., LTD.

587 Viriyathavorn 7th Floor, Sutthisarn Road, Sub-District Ratchadaphisek, District Dindaeng, Bangkok 10400, Thailand TEL.66-2-275-3655



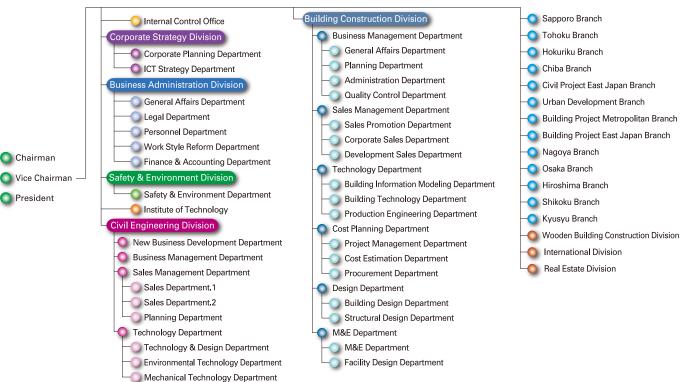
PT. TOKYU CONSTRUCTION INDONESIA

2nd Floor, Wisma Haka Building Jalan K.H. Wahid Hasyim No.71, Jakarta 10350, Indonesia TEL.62-21-314-7613



Room No-04-01&04-02 (Level-4), Crystal Tower, No - 37 (G), Kyun Taw Street, (7) Quarter, Kamayut Township, Yangon, Myanmar TEL.95-1-933-9281

Organization Chart



Location of Offices

Head Office

Auditor

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-8340, Japan Representative TEL. 03-5466-5020

 Safety & Environment Div.
 TEL. 03-5466-5159

 Civil Engineering Div.
 TEL. 03-5466-5152

 Building Construction Div.
 TEL. 03-5466-6186

Institute of Technology

3062-1, Tana, Chuo-ku, Sagamihara-shi, Kanagawa 252-0244, Japan TEL. 042-763-9511

Sapporo Branch

1-1-1, Kitasanjo-nishi, Chuo-ku Sapporo-shi, Hokkaido 060-0003, Japan TEL. 011-221-0511

Tohoku Branch

3-6-1, Kokubunji-cho, Aoba-ku, Sendai-shi, Miyagi 980-8565, Japan TEL. 022-217-9625

Hokuriku Branch

2-5-8, Higashi-Odori, Chuo-ku, Niigata-shi, Niigata 950-0087, Japan TEL. 025-241-1530

Chiba Branch

18-10, Shin-machi, Chuo-ku, Chiba-shi, Chiba 260-0028, Japan TEL. 043-238-7531

Civil Project East Japan Branch

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-8340, Japan TEL, 03-5466-5006

Urban Development Branch

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-8340, Japan TEL. 03-5466-5106

Building Project Metropolitan Branch

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-8340, Japan TEL. 03-5466-5201

Building Project East Japan Branch

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-8340, Japan TEL. 03-5466-5300

Nagoya Branch

3-22⁻24 Maruno-uchi, Naka-ku, Nagoya-shi, Aichi 460-0002, Japan TEL. 052-957-5810

Osaka Branch

3-19-3, Toyosaki, Kita-ku, Osaka-shi, Osaka 531-8519, Japan TEL. 06-6377-6518

Hiroshima Branch

4-17, Kanayamacho, Naka-ku Hiroshima-shi, Hiroshima 730-0022, Japan TEL. 082-244-1481

O Auditor's Office

Shikoku Branch

16-18, Chuo-ku, Takamatsu-shi, Kagawa 760-0007, Japan TEL. 087-832-5351

Kyushu Branch

2-1, Gion-cho, Hakata-ku, Fukuoka-shi, Fukuoka 812-8608, Japan TEL. 092-282-6110

Wooden Building Construction Div.

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-8340, Japan TEL. 03-5466-5470

Real Estate Div.

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-8340, Japan TEL. 03-5466-5145

International Div.

1-16-14, Shibuya, Shibuya-ku, Tokyo 150-8340, Japan TEL. 03-5466-5497

Bangkok Office

587 Viriyathavorn 7th Floor, Sutthisarn Road, Sub-District Ratchadaphisek, District Dindaeng, Bangkok 10400, Thailand TEL. 66-2-276-1909

Yangon Office

Room No-04-01&04-02 (Level-4), Crystal Tower, No – 37 (G),Kyun Taw Street, (7) Quarter, Kamayut Township, Yangon, Myanmar TEL.95-1-933-9281

(7) Quarter,

3rd Floor, Crystal Palace, House No.SE(D) 22, Road No.140, Gulshan, South Avenue, Gulshan-1, Dhaka-1212, Bangladesh TEL. 880-17-3431-7649

Hanoi Office

2nd Floor, N04B-T1 Lanmak Tower, Diplomatic Area, Xuan Tao Ward, North Tu Liem District, Hanoi, Vietnam TEL. 84-24-3201-0525

Jakarta Office

2nd Floor, Wisma Haka Building Jalan K.H. Wahid Hasyim No.71, Jakarta 10350, Indonesia TEL. 62-21-314-7613

Singapore Office

456 Alexandra Road #05-05 Fragrance Empire Building Singapore 119962 TEL. 65-6294-3811

