Grow with Local Communities by Creating New Value

Have the key to portfolio transformation

The Developer Business in the Group consists of the real estate rental business that develops properties and the design and construction contracting business that undertakes interior construction work in commercial facilities, hotels, etc. It is promoting a business strategy in domestic real estate development with the aim of being an “urban lifestyle developer” that delivers diverse proposals for urban living and helps create highly attractive urban districts. We are also taking on the challenge of redeveloping large-scale complexes in the Group’s strategic priority areas including the Sakae area in Nagoya and the Shinsaibashi area in Osaka in which the Group’s department stores and Parco stores are located as the cores of the areas, tackling diverse applications not limited to retail, and using development mechanisms like fund and asset management business schemes to create new formats and categories.

For the growth of the Group in the future, the Developer Business will promote large-scale complex development in the prime locations in which the Group’s stores are located and also develop diverse applications including non-commercial ones such as residence, hotels, and offices as well as its strong commercial ones.

In order to strongly promote them, the CRE Planning Division was created in the holding company. It will strive to maximize the value of real estate holdings by developing CRE strategies concerning the real estate development and real estate holdings of the entire Group and strengthening collaboration with Parco’s real estate-related division. Thereby we will promote the CRE strategy by revising property portfolio, develop plans concerning the acquisition, disposal, and sale of the real estate held by each company in the Group, and build and promote new property development schemes to realize the developer strategy. At the same time, it will play a role in leading the Developer Strategy Committee.

For the dramatic growth of the Group for fiscal 2024 and beyond, the Developer Business was positioned as one of the key businesses and ¥13.0 billion investment will be made in it during the term of the current Medium-term Business Plan. Parco and the CRE Planning Division will work together to promote the strategy.

**ZERO GATE**

**BINO**

**Condominium development projects are also in progress**

With respect to the development of real estate applications not limited to commercial ones, in April 2022, we entered the residence business and announced the plans to develop condominiums for lease and sale in Nagoya, Yokohama, and other cities.

**Beginning the construction of “(tentative name) Nishiki 3-chome District 25 project” with opening scheduled for 2026**

Five companies including Mitsubishi Estate Co., Ltd., Parco Co., Ltd., Japan Post Real Estate Co., Ltd., Meiji Yasuda Life Insurance Company, and The Churchil Shimbun Publishing Co., Ltd. held a groundbreaking ceremony for the construction of the “(tentative name) Nishiki 3-chome District 25 project” at Nishiki 3-chome, Naka-ku, Nagoya in June 13, 2022 and began the construction in July 1, 2022. With the concept of a “domestic and overseas center for creating cultural and exchange value as a new landmark of Nagoya,” it aims to strengthen the urban function of the Sakae area. The construction is planned to be completed in March 2026 and its opening is scheduled for around summer 2026.

The five companies will attract more crowds to its surrounding area by promoting multi-tiered urban function development of the Sakae area such as the invitation of a luxury hotel, which will contribute to the improvement of urban brand power promoted by Aichi Prefecture and Nagoya City, and contribute to strengthening global competitiveness of Nagoya City in the two core areas including the Nagoya Station area.

**Announced “(tentative name) Shinsaibashi project” with completion scheduled for 2026**

The “(tentative name) Shinsaibashi project” is promoted by four companies including Hulic Co., Ltd., Takenaka Corporation, JR West Real Estate & Development Company, and Parco Co., Ltd. It is located in a highly visible place at the intersection of Midosuji, which is the main street of Osaka, and Nagahoridori in Shinsaibashi. By rebuiding Shinsaibashi Plaza Building and Shinsaibashi Fuji Building, which have long helped attract crowds to the Shinsaibashi area, we will develop a complex with stores, a hotel, and offices as a new landmark. We are planning to invite luxury brands to open (two- to three-floor) duplex boutiques on its lower floors facing the streets of Midosuji and Nagahori-dori. By merging diverse applications including stores, a hotel, and offices, we aim to attract more crowds to it and further revitalize its surrounding area.