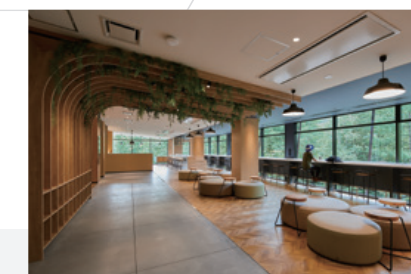
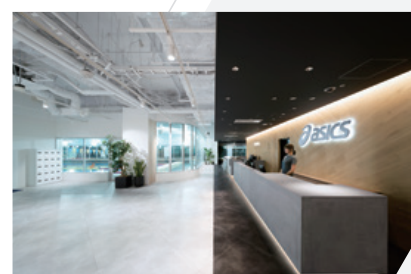


**Creating space for  
imaginations to grow.**

## TANSEISHA Co., Ltd.

Shinagawa Season Terrace 19F, 1-2-70 Konan, Minato-ku, Tokyo 108-8220, Japan  
Tel +81-3-6455-8100



### Disclaimer regarding forward-looking statements

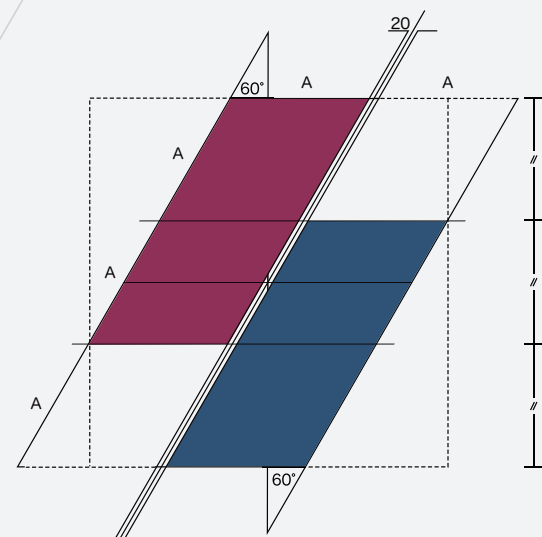
The forward-looking statements contained in this integrated report are based on estimates made in light of information available at the time of publication. These forward-looking statements are subject to both known and unknown risks and uncertainties. Please be aware that actual results may differ significantly due to changes in various factors.

Furthermore, under no circumstances does the Company guarantee any of the results of the forecasts presented in this integrated report.



**Tanseisha Integrated Report 2022**

# Creating space for imaginations to grow.



Company logo design specifications  
(Design of our founder, WATANABE Masaji)

丹青不<sub>レ</sub>知老將<sub>レ</sub>至  
富貴於<sub>レ</sub>我如<sub>二</sub>浮雲<sub>一</sub>

Ancient seven-character  
verse from Du Fu's "Ode on  
Paintings to General Ca Bao"

### Derivation of Tansei

"丹青", a term originating from China, consists of 2 basic colors – Red and Blue – and denotes "an abundance of color." This word also broadly refers to painting, painters and painted artwork. Dedicated to artistic creation, Tanseisha invests its enthusiasm and creativity in creating rich, comfortable spaces in each and every project.

"丹青" is also a much-beloved word from ancient poetry. The famous Tang Dynasty poet Du Fu draws on the word "Tansei" to describe someone who is wholly absorbed in artistic creation. Tanseisha founder WATANABE Masaji loved the poem tremendously for its dedication to artistic creation.

"丹青", also meaning diligence, is etched in the minds of everyone at Tanseisha who is wholeheartedly devoted to creating spaces. We also embrace the well-balanced symmetry of "Red and Blue" as colors of "passion and wisdom" in our company logo.

### Our Philosophy

Tanseisha aims to contribute to the enrichment of society and people's lives by creating better spaces.

### Our Vision

Together with our customers, our employees and society, we will continue to create space for imaginations to grow.

Spaces that touch, inspire and relax the user. Spaces that are user-friendly, tell your company's story, and contribute to its success. Spaces, that help offer solutions to the important issues in your communities and to society as a whole. As space creation specialists, we at Tanseisha create space for imaginations to grow.

As times change, so do the needs of our customers and of society. That's why we're constantly growing and evolving as a company—adding to our know-how and refining our creativity—so as to better respond to those needs.

In order to realize an enriched and sustainable society, we strive to not only think of all stakeholders in it with sincere consideration, but to think with them, and to grow together. That's the kind of company we are. That's Tanseisha.

### Area of Operations

Spaces for social interaction between people, people and things, and people and information.

### Corporate Statement

Creating space for imaginations to grow.

### The Value: Creating space for imaginations to grow

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Editorial policy TANSEISHA Co., Ltd. publishes an integrated report that summarizes financial and non-financial information with the aim of providing shareholders, investors and all other stakeholders with a better understanding of the Group's medium- to long-term value creation. For detailed information not included in this integrated report, please visit our website (<https://www.tanseisha.co.jp/en/>).

Period of the report February 1, 2021 through January 31, 2022 (with some information from February 2022 and afterward)

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**Provided value**  
**1 Ability to pinpoint business and customer needs**  
Moving forward together with business owners, we explore ideas on the best format for commercial facilities and ideal sales approaches, identifying changes in the business environment and emerging needs from a medium- to long-term perspective. We devise the optimum concepts that customers need and design spaces perfectly matched to business purposes.

**Provided value**  
**2 Design capabilities boasting both creativity and efficiency**  
We implement spatial designs that balance high creativity with layout efficiency. We realize spaces that both customers and employees find pleasant and comfortable.

**Provided value**  
**3 Realization capabilities underpinned by high technology**  
We draw on techniques and experience accumulated through the creation of spaces in various specialized fields to realize designs driven by innovative concepts that transcend business borders. We bring creative concepts to life by utilizing diverse presentation technologies and enhance the experience that these spaces offer.



A

# Commercial

## Spaces exciting for sales activities

**With planning and realization capabilities matched to business needs, we guide customers to success.**  
For large commercial facilities and hotels, we propose pleasant commercial spaces brimming with excitement. We help build connections between products and services and their end users. We realize unique concepts through diverse presentation techniques that produce deep impressions and satisfaction by enhancing the experience that these spaces offer.



C

	Project name	Business owner	Scope of work	Photographer
A	Yamaha Ginza Store 1F, 2F Brand Experience Area NOTES BY YAMAHA	Yamaha Corporation	Design, Layout, Production, Construction, Project Management	Taichi Misonoo
B	SWEETS BANK	Shunkado Co., Ltd.	Facility Concept Planning, Design, Layout, Production, Construction, Consulting	Taichi Misonoo
C	Grand Nikko Tokyo Bay Maihama	Hulic Hotel Management Co., Ltd. Operator: Okura Nikko Hotel Management Co., Ltd.	Design, Layout, Production, Construction	Kenichi Suzuki



**FUKAYA Toru**  
General Manager,  
Commercial Space Business Unit



B

This business unit covers a vast array of commercial spaces, including specialty shops, department stores, shopping centers and other commercial facilities, as well as the hospitality field, public spaces and offices. Our role is to utilize all Tanseisha resources to create solutions that meet the diversifying needs of each market, including digital applications, and solutions for social issues typified by issues related to goals for sustainable development.

**Provided value**  
**1 Driving force powered by knowledge**  
We accumulate multifaceted knowledge about design, quality, cost, speed and other components of space creation. Teams with a thorough understanding of the business promote multiple projects at the same time and provide consistent quality for store openings even under time constraints and other special conditions.

**Provided value**  
**2 Response capability matched to business needs**  
We offer proposals matched to the business strategies of business owners, addressing aspects such as construction period, quality and cost. We handle procurement and delivery of construction materials geared to the needs of each store by drawing on accumulated know-how and a network of manufacturers and manufacturing facilities.

**Provided value**  
**3 Fully integrated support capability**  
Our support is comprehensive, from planning, design and construction to follow-up services and maintenance, throughout Japan. We consider solutions to issues that come to light during a continuing progression of store openings and constantly make improvements to create better spaces.



A

# Chain Store

## Spaces connecting with customers in real-world business

**We provide total support to deal with issues and problems that accompany multistore development.**  
As a pioneer in the chain store sector, whose ideas continue to evolve, we have built a portfolio of space design proposals that lead to solving issues that challenge chain stores. With an extensive track record and insights accumulated through these results, we proactively identify management issues faced by business owners and encourage business innovation.



B



C

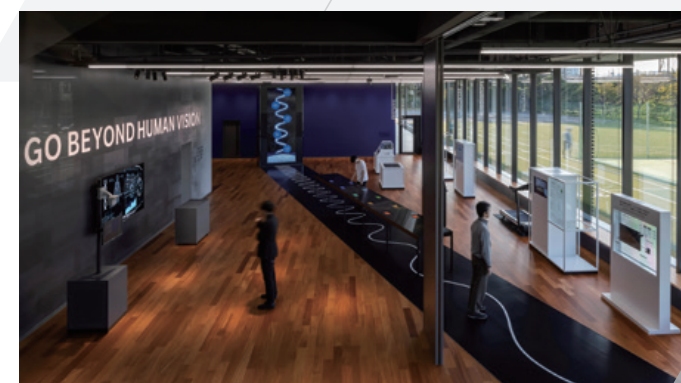
	Project name	Business owner	Scope of work	Photographer
A	JIICHIRO NISHINOMIYA GARDENS	Yataro Co., Ltd.	Design, Layout, Production, Construction	PIPS
B	ASICS Sports Complex TOKYO BAY	ASICS Sports Complex Corporation	Design, Layout, Production, Construction	Taichi Misonoo
C	Châteraisé Marche Kofuushiroya	Chateraise Co., Ltd.	Design, Layout, Production, Construction	YOSHITERU BABA

This business unit seeks to be a partner to customers working to develop multiple points in a national chain store network, particularly for merchandise sales and restaurant locations. Our role is to provide a fully integrated approach to safe and secure store creation that supports customers for as long as the store stands, through planning, design, construction and maintenance after the store begins operations.

**YAMADA Takashi**  
General Manager,  
Store Engineering Business Unit







### Provided value

#### 1 Power to imagine vibrant spaces and venues

We merge a variety of media in a space to embody a corporate or service identity and make the message more appealing. Our designs enrich communication between business owners' and site visitors to create new value within a space.

### Provided value

#### 2 Crowd-attracting, business-driving proposal capabilities

We pinpoint end-user needs and suggest spaces for imaginations to grow, using all possible media and leading-edge digital technology and techniques to raise the crowd-drawing potential of a space. We also consider operations and utilize the entire space to address management issues faced by business owners.

### Provided value

#### 3 Production capabilities using ICT and display technology

We optimize various technologies and ideas to convey to maximum effect the messages that our customers want to communicate. We implement presentation techniques based on extensive experience and leverage total production capabilities that maximize the value a space has to offer.

# Communication

## Spaces evoking empathy and increasing admirers

**We convey information and messages that underpin successful sales promotion and public relations in the most effective ways possible.**

We utilize all types of media as well as leading-edge digital technology and techniques for such events as exhibitions, expositions, sales promotions and other business spaces, including corporate museums, factory tour facilities and showrooms. These efforts help our customers execute successful branding and marketing communication strategies. We create spaces well matched to public venues that acknowledge diversity.



Project name	Business owner	Scope of work	Photographer
<b>A</b> Dubai Expo 2020 Japan Pavilion	[Organizer] Ministry of Economy, Trade and Industry [Co-organizers] Ministry of Internal Affairs and Communications, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Agriculture, Forestry and Fisheries, Ministry of Land, Infrastructure, Transport and Tourism [Participating Organization] Japan External Trade Organization [General Production] Dentsu Live Inc.	[Services Provided] Display Construction, Maintenance (Tanseisha & Murayama Consortium)	Jon Wallis Photography
<b>B</b> MIRAIKEN studio	BANDAI NAMCO Entertainment Inc.	Facility Concept Planning, Design, Layout, Logo Design, Production, Construction, System Direction	Taichi Misonoo
<b>C</b> Innovation Garden OSAKA Center Exhibition area	Konica Minolta, Inc.	Display Planning, Design, Layout, Production, Construction	TAKUMI HAYASHI
<b>D</b> Shinhotaka Ropeway Shirakabadaira Station	Okuihi Kanko Kaihatsu Co., Ltd. / Nagoya Railroad Co., Ltd.	Design, Layout, Production, Construction	Nacasa & Partners Inc.
<b>E</b> Osaka International Airport, Commercial Area in South Terminal and North Terminal	Kansai Airports	Merchandising Consulting, Interior Design Supervision, Design, Layout, Production, Construction (Commercial Environment, Sign)	Taichi Misonoo

This business unit's forte is creating spaces where companies foster communication and nurture innovation with each other and where makers attract potential users to their brand—spaces that present that kind of business scene or one where people enjoy entertainment or other events that produce a sensory response. We are always looking to use digital technology, without which any desired expression and experience would be impossible, to take to the next level the know-how gained at numerous real-world venues and our capability for spatial production.

**NOMURA Eiichi**  
General Manager,  
Communication Space Business Unit







A



A

# Culture

## Spaces conveying and utilizing culture

**We put a shine on cultural resources and interconnect these assets to convey cultural value.**

We introduce elements of experience that inspire and make learning fun in cultural spaces, such as history museums, archives, art museums and environment-related, disaster-prevention and children's experience-based facilities, creating spaces that satisfy intellectual curiosity. In addition, we utilize a system that enables us to provide integrated solutions, from research and planning to design, production and operation, and make suggestions based on plans for continuous activity following a facility's opening.



B



C



D



D



E

Project name	Business owner	Scope of work	Photographer
<b>A</b> The Waseda International House of Literature (The Haruki Murakami Library)	Waseda University	Display Planning, Design, Layout, Production, Construction	PEP PHOTOGRAPH Inc.
<b>B</b> Romancecar Museum Diorama Park	Odakyu Electric Railway Co., Ltd.	Planning, Operation, Design Supervision: UDS Ltd. Display Planning, Design, Layout, Production, Construction: Tanseisha Co., Ltd.	Nacása & Partners Inc.
<b>C</b> KOSEKI YUJI MEMORIAL HALL	Fukushima City	Design, Layout, Production, Construction	FOCUS.inc
<b>D</b> The Great Hanshin-Awaji Earthquake Memorial Disaster Reduction and Human Renovation Institution East Building 3F "BOSAI SCIENCE FIELD"	Hyogo Prefecture	Display Planning, Design, Layout, Production, Construction	TAKUMI HAYASHI
<b>E</b> Hitachi Civic Center Museum of Science Sacrea	Hitachi City	Design, Layout, Production, Construction	Taichi Misonoo

### Provided value

#### 1 Power to rework historical and cultural assets

We create new forms of cultural space by arranging appealing aspects of historical and cultural assets into story-centered exhibits with flexible concepts. We consistently pass on valuable cultural assets to future generations through design considerations and technical measures based on the characteristics and condition of the cultural assets.

### Provided value

#### 2 Ability to create resource value

We reassess from new angles various community-rooted tangible and intangible resources, such as local nature, history and culture, drawing out inherent appeal. We also support efforts to create a lively atmosphere from the perspective of cultural tourism that utilizes local resources.

### Provided value

#### 3 Ability to present display spaces

We encourage the introduction of digital technology that attractively showcases exhibition space and the development of communication tools using ICT that enhances experience value. We help create facilities brimming with fun experiences that prompt repeat visits.

This business unit is involved in projects for museums, including history museums and art museums, as well as facilities showcasing topics common in society, such as disaster prevention, the environment and children, and provides integrated services, from research and planning through design, production and construction, all the way to operation. We have a high degree of specialization, built on a strong track record and considerable experience, and we present solutions that address various issues. Of note, from perspectives of regional revitalization and cultural tourism, we lead the next generation through our efforts in creating places bustling with excitement, places that showcase activities that will remain for future generations to enjoy. In this way, we also contribute to regional renaissance and the development of human resources.



**SUMIDA Masahiro**  
General Manager,  
Cultural Space Business Unit

## Sources of Value Creation + Business Domains

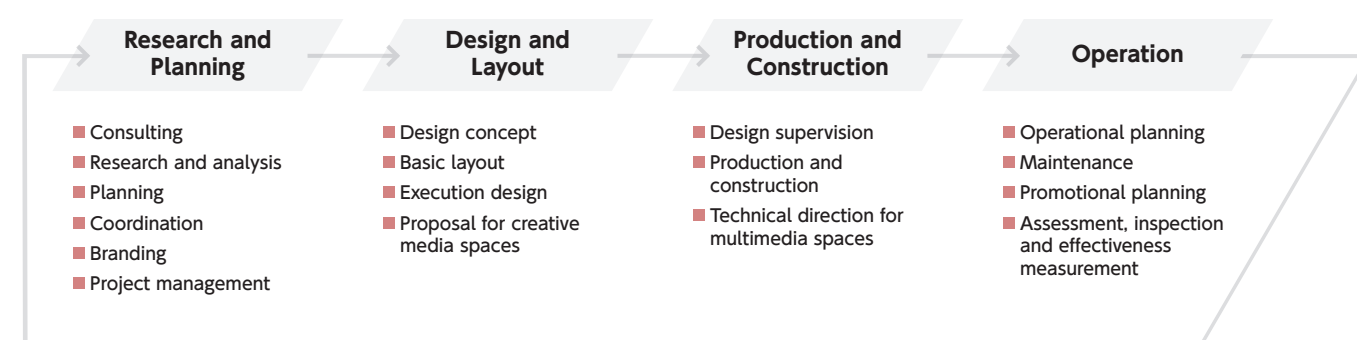
The value that Tanseisha provides is the capability of solving issues by creating spaces.

### Business segments



### Tanseisha offers total-support solutions.

Tanseisha helps its customers find solutions to issues and generates new value by combining various elements through professional expertise in creating spaces, an extensive network and free thinking.



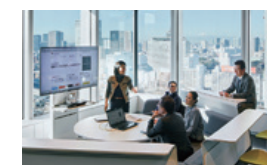
### Tanseisha's strengths

#### 1 A comprehensive display design company

Tanseisha's greatest advantage is the capability to expand our business to accommodate facilities in any sector. We support our customers as a business partner, offering solutions that draw from the spatial design expertise we have gained across a wide range of fields. We provide comprehensive support, covering the entire process of spatial design.

#### 2 Excellent talent and technical capabilities to support spatial design

Creativity is the engine behind our spatial design. Tanseisha has 494 production staff members, including 268 planners and designers, as well as first-class architects and first-class construction management engineers.



#### 3 A robust production base and supplier network

Providing a one-stop service enabling us to execute projects tailored to customer needs requires a strong and well-developed production base. Tanseisha has a network of approximately 1,000 continuing client companies, including 245 partner companies.

Supplier network	
Continuing client companies	About 1,000
Partner companies	245

#### 4 Competitive excellence and top-level share

Having started out as an interior decorator for department stores, Tanseisha has expanded the scope of its business over the past seven decades. In the chain store business, which we commercialized ahead of other companies, we have used our position as a pioneer to establish a competitive advantage. Also, in the cultural facilities business, we have a specialized think tank and boast top-level market share.

### Display industry fundamentals

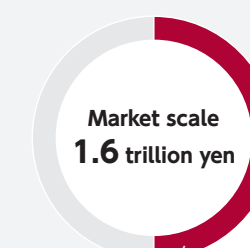
#### What is a display?

A display is a means of communication that uses space as a medium. The word derives from the Latin verb *displacere*, which means to open up something that has been folded and, by extension, presentation and exhibition. A display is a means of directly communicating a message to people over time and through a specific space. As a medium for conveying information, a display is unique, facilitating encounters between the communicator and the audience in the exhibition space, where they can enter into direct, interactive communication.

#### Definition of the display industry

The display business is an all-encompassing business that creates welcoming spaces and environments, typically for purposes such as marketing, educating or raising awareness. It focuses not only on producing displays of objects or constructions but also on providing spaces for people to interact and communicate. An important role of the display business is to design and produce displays that enrich people's lives and culture as a whole. We aim to help improve people's lives by enabling meaningful communication and experiences at exhibition venues, commercial facilities, cultural facilities and events.

#### Target projects in the display industry



About half or 800 billion yen for projects targeted by Tanseisha



Path of Value Creation

1940s–1960s

The Beginning: Established Display Industry

**1946**  
WATANABE Masaji founded display and decorative design business in Yanaka Shimizu-cho, Shitaya-ku, Tokyo  
Tanseisha opened Kenpoten, the first department store event of the post-World War II era, inside Mitsukoshi Department Store in Nihonbashi

**1949**  
Sanko Co., Ltd., official surviving company, was established, later taking name Nikki Co., Ltd.

**1956**  
First overseas construction project for Japan Products Exhibition, held in Beijing and Shanghai, China

**1959**  
Reorganized and reestablished as Tanseisha Co., Ltd. (in effect, surviving company)

**1960**  
Put in charge of exhibit "National Treasures of Japan" and since then an officially designated contractor for Tokyo National Museum

**1962**  
Put in charge of planning, constructing and operating Japan Railways Fair, which celebrated 90th anniversary of opening of train service in Japan

**1966**  
Registered as general contractor (Tokyo Governor's Registration)

**1967**  
Established Tanseisha Kosakusho Co., Ltd. (now, Tansei TDC Co., Ltd.)

1970s–1990s

Period of Rapid Growth: Challenge and Pursuit of Creativity

**1970**  
Received the most contracts—53 pavilions—among industry peers at Osaka Expo, driving significant expansion in net sales, to ¥3 billion  
Set up Scientific Molding Lab, focused energy into construction and displays for exhibitions at museums, art museums and archival records museums

**1973**  
In 50th-anniversary year, topped net sales of ¥5 billion for first time

**1975**  
Registered as first-class architect office (Tokyo Governor's Registration)

**1978**  
Constructed a company building at Ueno, Taito-ku, Tokyo and relocated the headquarters

**1979**  
Launched Production Center under combined structure reintegrating design and production management divisions  
Net sales exceeded ¥10 billion

**1980**  
Created independent Planning Center to focus on long-term work, looking two to three years ahead

**1983**  
Became first company in display industry to register stock over the counter

**1984**  
Established Tansei Information Institute Co., Ltd. (now, Tansei Institute Co., Ltd.) to strategically promote shift toward better use of information  
Opened Central Technology Center in Mitsukaido, Ibaraki Prefecture, and pushed forward on improvement in design, production and construction technology, and development of new technologies and new products

**1985**  
Became first company ever to win triple crown of Minister of International Trade and Industry Award, Display Design Grand Prize and Asahi Shimbun Prize at Tsukuba Expo

**1987**  
Listed on Second Section of Tokyo Stock Exchange

**1989**  
Unveiled corporate slogan: "Tanseisha is design and technology"

**1990**  
Established design institute as part of efforts to reinforce level of design and technical expertise

**1995**  
Defined basic concepts—customer priority, fundamental priority, action priority, on-site priority and core business priority—to underpin management direction in 38th business year and set up 21st-Century Vision Statement Committee

2000s

Second Beginning: Road to the Future

**2000**  
Listed on First Section of Tokyo Stock Exchange

**2001**  
Obtained ISO 14001 environmental management system certification

**2002**  
Strengthened Group's overall revenue structure and specialized capabilities through expansion, including addition of Game Co., Ltd. (now, JDN Inc.) as a consolidated subsidiary, and pursued entry into new fields of business

**2003**  
Eyeing China as a new market, established Tansei Creative Design Co., Ltd., in Shanghai

**2005**  
Established Beijing Tansei Co., Ltd.

**2006**  
Opened Tansei Europe Representative Office in Paris, France, to help Japanese companies operating in Europe expedite local promotional activities and function as a Japan-Europe information hub  
Obtained permission to use PrivacyMark

**2011**  
Unveiled new management vision: "Professionals who create spaces for imaginations to grow"

**2015**  
Relocated head office to Konan, Minato-ku, Tokyo

**2016**  
Transitioned to company with an audit and supervisory committee

**2022**  
Transitioned to Prime Market, new market segment of Tokyo Stock Exchange



Yokohama Red Brick Warehouse Warehouse No. 2 (2002)



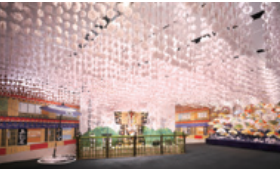
Osaka Kita Yard Knowledge Capital Trial 2009 (2009)



Nagasaki Prefectural Archaeological Center - IKI CITY IKIKOKU MUSEUM (2010)



Yurakucho Blood Donation Room (2011)



Kabukiza Gallery "Elegance of Kabuki SPRING" (2013)



New headquarters in Shinagawa Creative Meets and Mobile Museum (2015)

Notable Events in Japan and Overseas

<b>1946</b> Promulgation of the Constitution of Japan	<b>1964</b> Tokyo hosted the 18th Olympic Summer Games	<b>1970</b> Japan World Exposition (Osaka Expo) held	<b>1982</b> Tohoku Shinkansen and Joetsu Shinkansen commenced operation	<b>2002</b> Soccer World Cup held at sites in South Korea and Japan	<b>2010</b> Expo 2010 Shanghai China
<b>1951</b> First NHK Kohaku Utagassen (Red & White Year-end Song Festival) at year-end	<b>1972</b> Tokaido Shinkansen (bullet train) commenced operation	<b>1972</b> Okinawa was returned to Japan, and Okinawa Prefecture was formally established	<b>1985</b> International Science and Technology Exposition (Tsukuba Expo) held	<b>2003</b> Digital terrestrial television broadcasting started in Japan	<b>2012</b> TOKYO SKYTREE completed
<b>1953</b> Nippon TV began first full-scale commercial broadcasting	<b>1968</b> GNP eclipsed that of West Germany, becoming second largest in the world	<b>1973</b> Sapporo hosted the 11th Olympic Winter Games	<b>1988</b> Seikan Tunnel—world's longest—opened	<b>2005</b> The 2005 World Exposition, Aichi, Japan (EXPO 2005 AICHI JAPAN) held	<b>2021</b> Tokyo hosted the 32nd Olympic Summer Games
<b>1962</b> Population of Tokyo exceeded 10 million people, the first city of this size in the world	<b>1969</b> <i>Apollo 11</i> successfully landed on the moon	<b>1973</b> First oil shock	<b>1989</b> Berlin Wall came down		
		<b>1975</b> Okinawa International Ocean Exposition (Okinawa Ocean Expo) held	<b>1993</b> Japan professional soccer league J.League debuted		
		<b>1979</b> Second oil shock	<b>1998</b> Nagano hosted the 18th Olympic Winter Games		

## Process for Value Creation

Tanseisha has always focused on creating spaces that meet the needs of the times. As spatial design professionals, we deliver creative ideas backed by reliable technology that brings spaces to life. We will continue to contribute to the enrichment of society and people's lives by creating space for imaginations to grow.

### Opportunities

- Rapid advances in digitalization
- Increase in urban redevelopment projects
- Changes to office environments due to work-style reforms
- Regional development and revitalization
- Growing demand from public-private partnerships (PPPs) and private-finance initiatives (PFIs)
- Heightened interest in reducing the environmental impact

### Our Philosophy

Tanseisha aims to contribute to the enrichment of society and people's lives by creating better spaces.

### Risks

- COVID-19 pandemic-related cancellation and postponement of and withdrawal from events, etc.
- Reductions in capital expenditure
- Declining birthrate and aging population
- Disasters, climate change

### Allocation of Management Resources

#### Position as a comprehensive display design company

Our outstanding comprehensive strength and professional ability enable us to expand our business to accommodate facilities in any sector.

#### Excellent talent and technical capabilities

We have a strong team of creative people—the engine behind our spatial design.

- Planners and designers: 268
- Production staff: 494

Note: Figures include 61 first-class architects and 245 first-class construction management engineers.

#### Robust production base

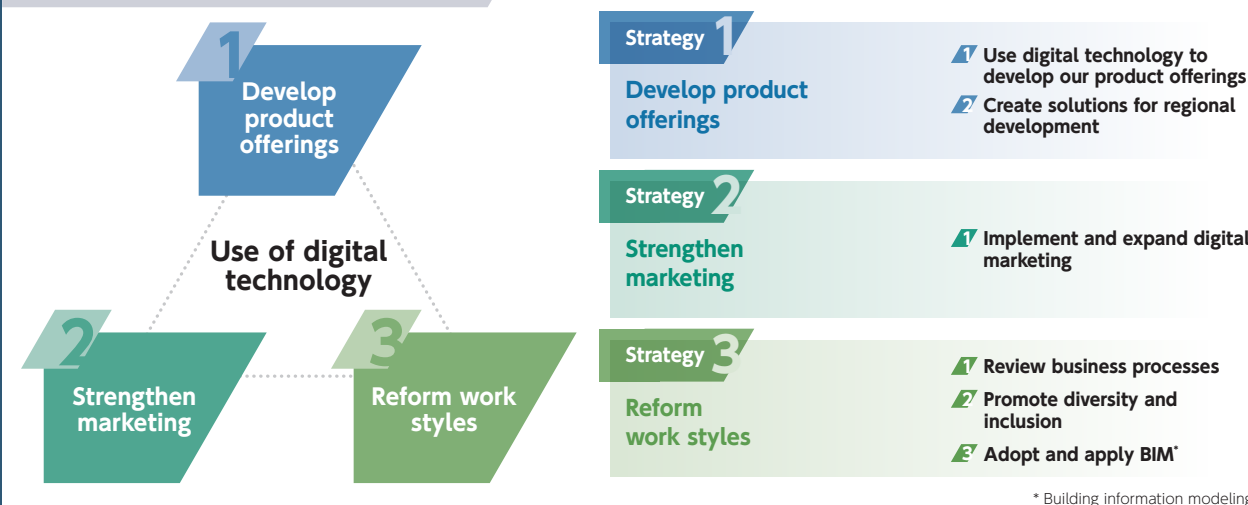
We have a robust and extensive production base with approximately 1,000 client companies and 245 partner companies.

#### Overwhelming competitive advantage

We have built up unique competitive advantages with our chain store business—a pioneer in the industry—and our cultural facility business, with a leading market share in its field.

### Medium-Term Management Plan (Fiscal 2021–Fiscal 2023)

#### Strategies and measures



#### E

##### Environmental

Work to reduce our environmental impact throughout our business activities, including those in our supply chain. In our spatial design operations, implement environmentally friendly design and construction, while working to reduce industrial waste generation.

#### S

##### Social

Pursue solutions to customer and social issues and innovation throughout our operations, including the creation of vibrancy and regional revitalization. Respect the diversity of our employees and create an environment where all employees can play active roles, making full use of their abilities.

#### G

##### Governance

Ensure that our decision making is transparent and fair. Maintain the highest ethical standards as a company, always pursuing strong corporate governance to earn the wide-ranging trust of society.

### Our Vision

#### Financial targets

Consolidated net sales	¥80.0 billion
Consolidated operating income ratio	5.5%
Consolidated ROE	10%
Consolidated dividend payout ratio	50% or more

#### Non-financial targets

Work styles	<ul style="list-style-type: none"> <li>■ Our employees work energetically. They do not feel exhausted, instead derive satisfaction and enjoyment from their work.</li> <li>■ Total working hours have been reduced.</li> </ul>
Diversity	Our organization has increasing diversity, with the right mind-set and communication for the inclusion firmly in place.
Environment	We are continuously improving and developing initiatives to reduce the environmental impact.
Solving customer and social issues	We provide solutions to customers and society based on an accurate understanding of their needs and changes.

Together with our customers, our employees and society, we will continue to create space for imaginations to grow.



## Progress in the Medium-Term Management Plan (Fiscal 2021–Fiscal 2023)

Overall market demand continues to contract due to the prolonged impact of the COVID-19 pandemic, including the cancellation or postponement of exhibitions and events, restraint in corporate capital investment and the postponement or reduction of government-related plans. As a result, progress in the medium-term management plan (fiscal 2021–fiscal 2023) has been delayed. Therefore, we have revisited the plan and revised our performance targets.

### View of the business environment for fiscal 2021 when the plan was formulated

The Tokyo Olympic and Paralympic Games were to be held as scheduled, with COVID-19 to be brought under control by the end of fiscal 2021

### Current view of the business environment

- 1 Prolonged pandemic-related restrictions on economic activity have continued to stifle consumer spending, tourism investment and corporate investment in sales promotion.
- 2 Price competition in all segments has intensified.
- 3 The pace of economic recovery has slowed due to increasing COVID-19 case numbers driven by the emergence of variants.
- 4 Due to the nature of our business, our performance tends to lag behind economic trends.

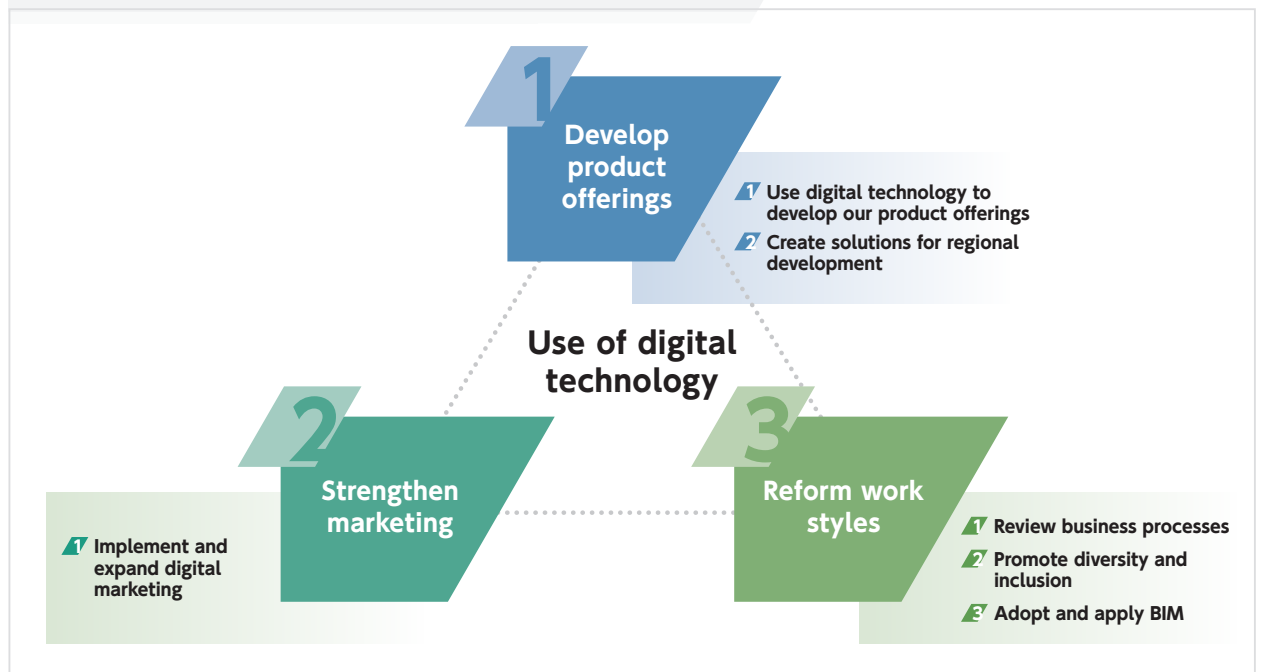
### Overview of the medium-term management plan (fiscal 2021–fiscal 2023)

We will achieve recovery in business results diminished by the pandemic while promoting evolution in business and work styles hinging on the use of digital technology and fueling our own transformation into the Tanseisha Group matched to a new era.

Targets for fiscal 2023 (financial/non-financial)			
Consolidated net sales	¥80.0 billion	Work styles	<ul style="list-style-type: none"> <li>Our employees work energetically. They do not feel exhausted, instead derive satisfaction and enjoyment from their work.</li> <li>Total working hours have been reduced.</li> </ul>
Consolidated operating income ratio	5.5%	Diversity	Our organization has increasing diversity, with the right mind-set and communication for the inclusion firmly in place.
Consolidated ROE	10%	Environment	We are continuously improving and developing initiatives to reduce the environmental impact.
Consolidated dividend payout ratio	50% or more	Solving customer and social issues	We provide solutions to customers and society based on an accurate understanding of their needs and changes.

ESG-related targets and KPIs				
ESG	Desired state	KPI	Progress in FY2021	FY2023 target
S	<ul style="list-style-type: none"> <li>Our employees work energetically. They do not feel exhausted, instead derive satisfaction and enjoyment from their work.</li> <li>Our organization has increasing diversity, with the right mind-set and communication for the inclusion firmly in place.</li> </ul>	Results of employee awareness survey	Planned for FY2022	Exceed previous survey results
		Reduction of total working hours	Implementation of reduction measures	No employee exceeding total internal working-hour specification
		Percentage of women newly appointed to management positions	Implementation of policies for appointments	50% or more
	<ul style="list-style-type: none"> <li>We provide solutions to customers and society based on an accurate understanding of their needs and changes.</li> </ul>	Percentage of managers attending diversity training		100%
		Results of customer evaluation survey	Initial survey conducted	Exceed previous survey results every year
E	<ul style="list-style-type: none"> <li>We are continuously improving and developing initiatives to reduce the environmental impact.</li> </ul>	Creation of solutions for regional development		¥3.0 billion in business creation
		Maintain EMS (environmental management system) certification		Achieve activity goals
G	<ul style="list-style-type: none"> <li>Enhanced business management and financial base</li> <li>Increased shareholder returns</li> </ul>	Consolidated net sales	¥62.7 billion	¥80.0 billion
		Consolidated operating income ratio	3.2%	5.5%
		ROE	4.9%	10%
		Dividend payout ratio	86.3%	50% or more

### Strategies and measures in the medium-term management plan



Strategy 1

Develop product offerings

Measures

Use digital technology to develop our product offerings

1 Create customer experiences through a "real × digital" combination

- Design and deliver integrated customer experiences that seamlessly connect online and real spaces for imaginations to grow
- Use our strength in physical experience design capabilities

2 Encourage "spatial × data" initiatives

- Create new value using spatial design data

3 Co-create and collaborate with external companies

Business tie-ups (in no particular order)

- NTT DOCOMO, INC.
- ITOCHU Techno-Solutions Corporation
- PRISM CO., LTD.
- HARTi Inc.
- Pixie Dust Technologies, Inc., etc.

4 Develop talent with expertise in digital technology and data analysis

- Implementation of companywide training to deepen understanding of digital transformation
- Implementation of a digital transformation talent development program for sales employees

Targets

Digital application-related net sales

FY2021 results

¥11.8 billion

FY2023 target

¥28.0 billion

Strategy 2

Strengthen marketing

Measures

Implement and expand digital marketing

1 Strengthen online communication with customers

2 Improve the accuracy of marketing activities by accumulating, maintaining and analyzing data

Strategy 3

Reform work styles

Measure 1

Review business processes

Review each business process and use digital tools to streamline and simplify

Measure 2

Promote diversity and inclusion

Improve the environment to promote the activities of a diverse range of people

Measure 3

Adopt and apply BIM

Streamline design and production work to increase productivity

Fiscal 2021 BIM application and deployment

- Increased BIM adoption rate to 58.3% (based on head count)
- Increased BIM-based projects
- Deployed in-house and at partner companies, etc., conducted skills improvement seminars

## Message from the President



**TAKAHASHI Takashi**  
President and Chief Executive Officer

**As space creation specialists, we will continue to present new ideas and embrace opportunities to produce experiences matched to the changing times.**

### COVID-19 had impact beyond initial estimates

Management prepared a medium-term management plan to run from fiscal 2021, which ended January 31, 2022, through fiscal 2023, which ends January 31, 2024, and the Tanseisha Group had been working through measures to achieve its stated goals. The measures in this medium-term management plan were based on the assumptions that COVID-19 would come under control during fiscal 2021 and that economic activity would begin to recover sometime in 2021.

But in fact, COVID-19 is still a problem, with the consequences of this prolonged pandemic continuing to have an impact. This situation is exerting significant pressure on business results, and economic activity remains dull, dampened by lackluster consumer spending, tourism investment, company investment for sales promotion and other drivers of an otherwise thriving economy. Given the characteristics of the space creation business, results tend to lag behind trends, which means conditions are likely to remain challenging for a while yet.

Add in overseas geopolitical risks as well as skyrocketing prices for materials, oil and semiconductors—an issue compounded by supply instability—and our business activities are being battered from all directions. In addition to higher prices for building materials, points of

particular concern are rising transportation costs and import-related costs. Also, the shortage of semiconductors has been a major obstacle to scheduled production of lighting, video, air-conditioning units and other equipment, which are indispensable to the kind of space creation that the Tanseisha Group provides. Because the situation impacts not only prices but also delivery, we are now carefully watching economic trends for signs of changes that we should address.

Concerns are never ending, but on some fronts, signs of recovery are beginning to appear. Nearing the second half of fiscal 2021, we received more inquiries from customers anticipating an end to the pandemic. Gradually improving orders are heralding better days ahead.

Given this market environment and the conditions that the Group faces, management felt the medium-term management plan needed to be retuned to align with reality. Discussions were held repeatedly in-house, leading to the announcement of revisions when the fiscal 2021 results were disclosed. Expecting the pandemic to wind down in fiscal 2022, ending January 31, 2023, and economic activity and the market environment where we operate to be in recovery mode, we reset targets on a new timeline delayed by about a year from the original plan. The plan itself may have been pushed back, but our attitude is definitely forward-looking, as we embark once again on a committed effort to reach stated targets.



## Seeking to provide new value fine-tuned to needs of society coexisting with COVID-19

What conditions are necessary for the pandemic to be seen as over? Discussions have been repeatedly held at the national level on just this topic. It is highly unlikely that anyone would still believe the world will return completely to a pre-COVID normal. For that reason, conversations are needed to determine how to reopen the economy and spur economic recovery with COVID-19 still in the picture and how to reimagine work styles and life styles that include measures preventing COVID-19 infection as standard practice.

Also, a key point in any consideration of economic recovery in Japan is inbound demand, or more precisely, capturing this demand. In our original medium-term management plan, we assumed the rescheduled Tokyo Olympic and Paralympic Games would take place as planned in 2021. While the games did go ahead, the venues were essentially empty of spectators, and corporate sponsors, mainly, were unable to hold events connected to the games, open pavilions or host other activities. Inbound demand, driven by the games themselves and anticipated crowd-drawing opportunities in areas near sports venues, failed to materialize, which had a hugely adverse effect on the economy and overall business conditions.

Restrictions on gathering are gradually being eased now in 2022. Overseas, many places are allowing sports fans to watch games in person with no restrictions on crowd size, and procedures for international travel—that is, entering and leaving a country—are being simplified. If these trends take hold in Japan too, we can expect all sorts of trickle-down effects.

And then, we are looking ahead to Expo 2025 Osaka, Kansai, which could be the spark that truly ignites economic activity in Japan. Tanseisha was involved as a representative company of the consortium for the Japan Pavilion at Expo 2020 Dubai, experience that we will utilize as a foothold for participation at Expo 2025. At present, we are collecting information and working on marketing activities, with more concrete moves to follow.

## Results by business segment and outlook beyond fiscal 2022

A look back on fiscal 2021 shows that a downturn in the commercial and other facility business had a huge impact on business results. We saw a decrease in refurbishing and remodeling projects, including spaces at commercial facilities, entertainment facilities, airport-related facilities and corporate sales promotion facilities, which pulled business results below the level recorded in fiscal 2020. The Tokyo Olympic and Paralympic Games did not unfold as planned, but we were still able to forge ties with new customers. Now we must translate these connections into next-time opportunities that will lead to expanded business results. In addition, various plans for business spaces, amusement spaces and redevelopment are now gearing up, and we will actively pursue order activity and aim to broaden our market share.

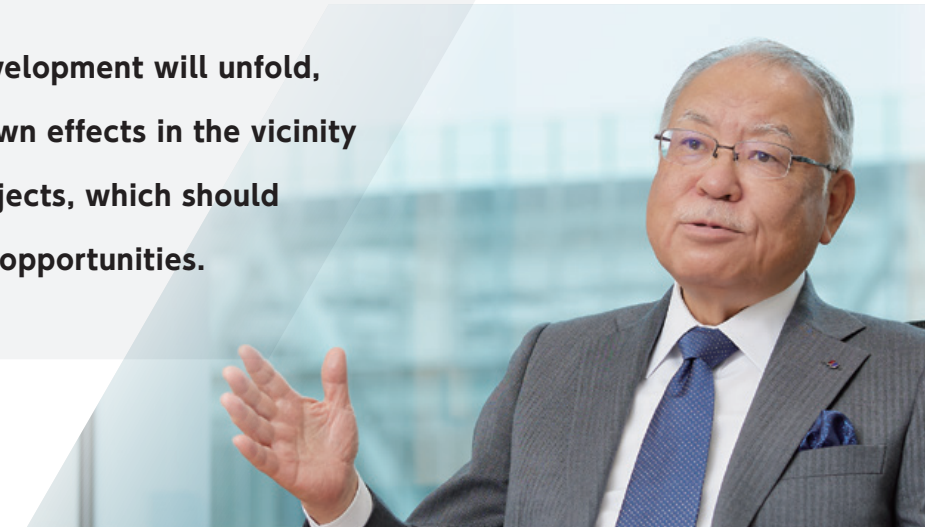
In the chain store business, sales were on a year-on-year par, but segment income was down from that of the previous fiscal year. It was quite evident that business plans were either positive or negative depending on the customer industry and sector. Domains such as outdoor and fitness showed growth even during the pandemic and could certainly lead to future business opportunities for the chain store business.

The cultural facility business marked year-on-year improvement in sales but suffered a year-on-year drop in segment income, reflecting such factors as a decrease in highly profitable projects. This segment does see some rise and fall from year to year, but results are tracking in a favorable direction overall. Regional renaissance through public-private partnerships and other culture-oriented projects will be attracting considerable attention, and going forward, the segment will strive to actively capitalize on emerging opportunities.

A shrinking market—a consequence of the pandemic—inevitably leads to intense price competition and a challenging business environment. But even in this environment, the Tanseisha Group will always offer proposals and make every effort possible to be the choice of customers.

In the medium to long term, we predict that urban redevelopment will become a major trend. In Tokyo,

**Large-scale development will unfold, with trickle-down effects in the vicinity of the core projects, which should promote many opportunities.**



redevelopment projects are already under way in the Shinagawa and Shibuya areas, and construction activity will begin in Shinjuku and other districts as well. In Nagoya, the area that fronts the city's namesake station as well as the Sakae district, an entertainment hub, are the focal points of redevelopment. In Kansai, which awaits Expo 2025, the second phase of redevelopment in front of Osaka Station is moving rapidly ahead, as is redevelopment dubbed the Tenjin Big Bang Project in Fukuoka. Between 2025 and 2027 or so, large-scale development will unfold, with trickle-down effects in the vicinity of the core projects, which should promote many opportunities for the Tanseisha Group. Delays have emerged on some projects, largely a consequence of the pandemic, but rather than a sudden recovery that causes a project bubble, a slightly distributed approach probably offers the advantage of easier overall forecasting.

## Potential for new business driven by digitalization

Environmental changes triggered by the pandemic have also been a catalyst for noticeable progress in the use of digitalization and digital transformation. Digital technology

is advancing at an incredible speed, and to respond effectively to new circumstances, the Tanseisha Group too must continue to evolve. In addition, domains are expanding to such an extent that even if we want to respond, perfect coverage is simply impossible. For these reasons, we have to explore various forms of joint creation and business cooperation.

From our early days, we have promoted measures to achieve a digital shift, but by highlighting the process in our medium-term management plan, we clarified our direction more concretely. Various examples continue to emerge, showcasing the fusion of the physical and digital worlds. For example, B-OWND, a virtual marketplace for Japanese craft works as pieces of art, not only digitally links creators with buyers but also enables users to purchase artwork with a digital certificate of authenticity utilizing blockchain technology. Such features will turn B-OWND into a platform transcending modern art scenes. We are also embracing various new opportunities such as projects using technology to realize innovative spaces to experience art and initiatives to improve provided value with space-related sensing data. This approach allows us to apply insights accumulated in the design of physical spaces to make proposals for virtual spaces, allowing us to serve our customers in unprecedented new ways.

In addition, a review of in-house business processes is vital if we are to use digital technology to strengthen the development of product offerings. Building information modeling (BIM)—solutions and work flow based on 3D modeling—is part of this approach, and the platform reached an employee adoption rate of 58.3%, as of fiscal 2021. The speed at which BIM has been adopted exceeds our initial estimate, substantiated by a steady increase in Tanseisha-produced projects using the platform. The positive effect of BIM adoption extends in multiple directions, not only using digital technology to verify plans in 3D but also in facilitating communication with customers and people responsible for the next stage of space creation and in having data available for use in maintenance and even operations. Of course, efficiency may temporarily decrease until technicians become familiar with operating the platform, but I expect that once properly implemented, BIM will deliver bigger successes and contribute to the realization of better work styles. It is precisely because the environment is so challenging that we are engaged in these kinds of preparations now for future growth. I believe we must be ready with a structure that allows us to immediately ramp up when the market moves into real recovery.



### Sound ESG initiatives will be blocks of stronger business foundation

In principle, non-financial ESG targets highlighted in the medium-term management plan are the original targets from the prerevision plan.

Going forward, customer expectations and requests related to E (environmental) in particular are bound to grow. Customers are naturally concerned about the impact of skyrocketing energy costs and other factors impacting operations, and they are asking for such things as operations with a reduced environmental footprint and decarbonization to be incorporated right from the proposal stage.

In addition, an initiative linked to our core business is “4earth,” an e-commerce site that went into full-scale operation in April 2021 that specializes in discontinued products such as construction materials and interior materials. A couple of months later, in June, we launched a program that allocates a portion of sales to be donated to bodies such as non-profit organizations and non-governmental organizations that work to benefit society. In May 2021, we kick-started the R2 Project, a new business for

renovating and revitalizing old real estate. We draw on accumulated space creation know-how and the network we have cultivated so far to turn old, small and medium-sized buildings in the Tokyo urban core into offices with a more comfortable work environment. The goal is to increase the value of old real estate. Through this approach, we go beyond scrap and build and contribute to the realization of a circular economy and sustainable cities and communities.

On the S (social) front, our emphasis is on how to best invest in human capital. To the Tanseisha Group, our people are our most valuable form of capital. We believe that investing in human resources and improving their skills are the keys to making better proposals to our customers, and we are accelerating our efforts. For example, we are constantly engaged in forward-looking training and business foundation enhancement, including a shift of personnel to the Cross Media Innovation Headquarters, a team of spatial production professionals who maximize and optimize the value of spatial experience. In addition, as part of our focus on diversity, we aim to boost the ratio of women newly promoted to management positions, and we are using an employment awareness survey to pinpoint actual conditions that will allow us to make adjustments where necessary.

Regarding G (governance), we welcomed an additional outside director in fiscal 2021, establishing an environment better primed for accurate and highly specialized advice. I know Tanseisha will benefit from the diverse experience of the three outside directors, who are Audit and Supervisory Committee members, and that they will contribute to a well-balanced supervisory function. By forging a solid management structure, we will be better placed to achieve our financial and non-financial targets going forward.

### As a partner in step with customers to realize a bright and hopeful society

Right now, the Tanseisha Group is focused on achieving recovery in business results diminished by the pandemic while promoting evolution in business and work styles hinging on the use of digital technology and fueling our own transformation into the Tanseisha Group matched to a new era. Against a backdrop of intense change, the right outlook is important. We must maintain our strengths and values while boldly and flexibly adapting where transformation is required. Robust investment in digital domains and in human capital is a sign of our perspective on change. It may take time for all aspects of success to appear, but I believe such investment will certainly become a powerful driving force for the Group to demonstrate results in the future.

The pandemic has exacted a heavy toll worldwide, but it has also prompted various changes that continue to unfold, such as new businesses and new culture. We will work with our customers to give shape to evolving opportunities and strive to be a company—and by extension, a corporate group—that customers choose as a partner that constantly brings to the world ideas for new value.

As always, you can expect even greater things from the Tanseisha Group.

August 2022

#### TAKAHASHI Takashi

President and Chief Executive Officer



## Message from the Chief Financial Officer



**Especially in difficult times,  
we will actively embrace challenges,  
develop our human resources and  
deliver new value through joint  
business pursuits.**

**TODAKA Hisayuki**

Managing Director

### Overcome difficulties when circumstances are hard to predict and build a stronger structure

Fiscal 2021 saw a drop in demand, reflecting prolonged restrictions on economic activity paralleling the spread of COVID-19 and a weaker-than-expected recovery. As a result, sales and income were down from those of fiscal 2020, and orders accepted dipped slightly.

Gross profit fell ¥2,551 million year on year, owing to the impact of lower sales caused by a deteriorating market environment. The gross profit margin slipped 1.9 percentage points year on year, to 18.5%.

The medium-term management plan was prepared on the assumptions that the Tokyo Olympic and Paralympic Games would take place as scheduled and that the pandemic would end during fiscal 2021.

However, the pandemic continued to have consequences, with Olympic and Paralympic venues essentially empty of spectators while coinciding events and exhibitions had restrictions on the number of visitors allowed and strict measures to prevent infections. These conditions clearly indicated that the pandemic was far from over. At the first-half mark, in July 2021, business results were down steeply. With no signs of market recovery in

sight and a longer-than-anticipated delay to a return in demand, Tanseisha had no choice but to revise the medium-term management plan.

In Japan, there is a sense of forward momentum toward economic recovery, and yet global circumstances, notably, Russia's invasion of Ukraine and soaring prices for crude oil and other raw materials, have created major upheavals. Previously, we were able to absorb a certain level of price hikes on resources and also passed on higher costs in prices to customers. But our customers are struggling in challenging operating environments of their own, and we too have to try harder to deal with the evolving situation. By providing proposals that are of value to customers, we are seen as offering added value, and by emphasizing profitability and steady order activity, we will achieve stated income targets.

### Build relationships of trust with partner companies and shape new proposals through joint creation

The medium-term management plan, after review and revision, pushes original targets back by about a year. Consolidated financial targets for fiscal 2023, ending January 31,

2024, are net sales of ¥80 billion, an operating income margin of 5.5%, ROE of 10% and a payout ratio of at least 50%. It is impossible to predict if conditions will ever return completely to a pre-COVID state, and given the unlikelihood of such a scenario, the achievement of the aforementioned targets requires that we continue to provide proposals that exceed customers' expectations and create work that addresses the new normal and inherent needs. Toward these ends, it is imperative for us to strengthen not only our marketing capabilities but our production base as well.

In the Kanto region, we have built a solid infrastructure, underpinned by long-standing relationships with partner companies. That is a commendable achievement. Going forward, we will strive to establish an infrastructure that can support customers nationwide in the same way that we support customers in the Kanto region. The Kansai region, in particular, should see an increase in demand, fueled by the upcoming Expo 2025 Osaka, Kansai. The capabilities of partner companies are absolutely essential if we are to consistently capture this demand. The Tanseisha Group will strive to evenly distribute and stabilize transactions with partner companies, prepare a stable production system for peak times and further strengthen our production base. In addition, we will take into account measures to prevent overwork by the employees of partner companies as well as work-style reform, fulfill our obligations as the prime contractor and prepare systems that ensure high quality and efficiency, while building codependent relationships with our partner companies. Toward these ends, a vital step is to convince customers to accept our cost and delivery projections. Through each step of this journey, we must highlight the appeal of the industry overall.

In conjunction, a robust approach to future investment is required in-house. Investment in education, such as training for digitalization, is an obvious focus, but business process reform is also crucial for realizing substantial labor savings and efficiency. An improvement in mission-critical systems is vital for achieving a fully remote work setup. As a reflection of this trend, we plan to incur higher selling, general and administrative expenses under the medium-term management plan. This may seem like a cost increase, but the upward change should be viewed as robust investment that will drive future growth.

Also, recently we have actively pursued an initiative of nurturing businesses while promoting joint creation and

partner operations with start-ups and other entities possessing various technologies. A particular focus has been on the digital domain, populated by many promising companies that have audio and video technologies as well as NFT\* and other diverse new technologies but an insufficient number of locations to utilize their technologies. The Tanseisha Group assists these companies by providing actual venues where they can introduce their technologies under our overall direction, increasing the number of actual examples of new technology in finished products to offer to customers. Along with access to venues, we create jobs and sometimes are impressed enough with a company to take an equity stake or pursue the M&A route, while developing the ability to identify new technology and put it to practical use.

\* Non-fungible tokens that create unique "one-of-a-kind in the world" value. Utilize blockchain technology to turn assets into digital data that reduces the possibility of fraud

### Solidify future business foundation through robust investment in personnel and new technology

With the support of these diverse activities, we will endeavor to show a clear recovery in orders accepted in fiscal 2022. The first half started on a challenging note, but we expect the economy to rally in the second half and for customers to be more inclined toward investment. We will capitalize on latent demand to steadily rebuild the number of orders.

Presenting customers with appealing, high-value-added proposals is paramount to success, and we have to deliver the most effective displays while keeping in mind consumer behavior and value perceptions. This means we have to hire personnel and so develop their skills that they can accurately identify the issues facing customers and, more broadly, society, and provide assistance in solving such issues. We want our diverse individuals to thrive, and we want customers to see Tanseisha people as interesting and engaging.

I am confident that the Group can increase its overall value by cementing trust with customers and increasing personnel who can make proposals that exceed expectations. A little time is needed before the results of investment will appear, but we will leverage robust measures to clearly demonstrate success with the next medium-term management plan.

## Overview of Business

(Fiscal 2021)

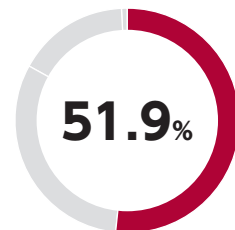
### Commercial and Other Facility Business

- Business description** Interior design (design and construction) of all commercial facilities (excluding those related to the chain store business)
- Main facilities** Department stores, large shopping centers, various kinds of specialty stores, restaurants, event and sales promotion facilities, amusement facilities, offices, hotels, other public facilities, etc.

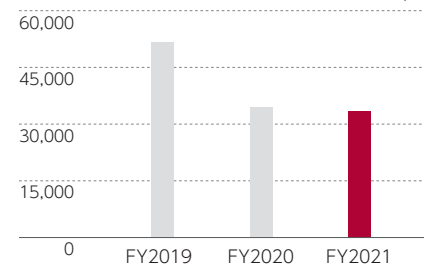
Consolidated net sales **¥32,547 million**

Consolidated operating income **¥982 million**

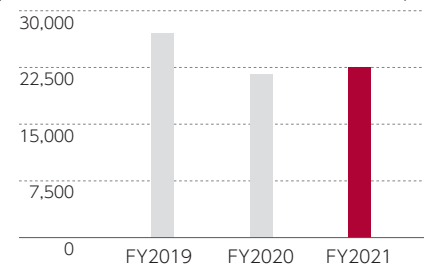
Net sales composition ratio



Orders accepted (Millions of yen)



Order backlog (Millions of yen)



Dubai Expo 2020 Japan Pavilion

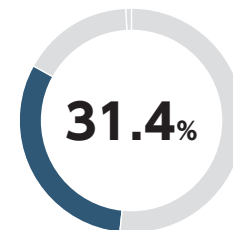
### Chain Store Business

- Business description** Interior design (design and construction) of chain store facilities
- Main facilities** Chain-type restaurants, apparel stores, convenience stores, etc.

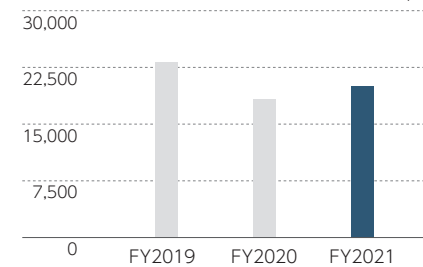
Consolidated net sales **¥19,726 million**

Consolidated operating income **¥582 million**

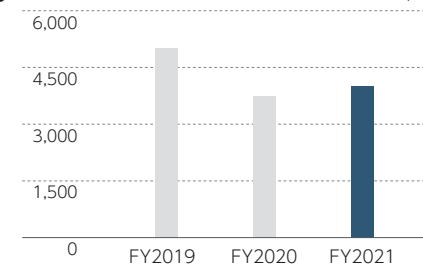
Net sales composition ratio



Orders accepted (Millions of yen)



Order backlog (Millions of yen)



Châteraisé Marche Kofuushiroya

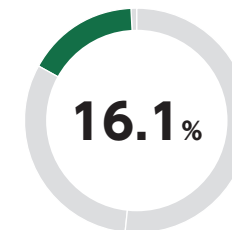
### Cultural Facility Business

- Business description** Interior design (design and construction) of museums, art galleries, corporate museums, etc.
- Main facilities** Museums, art galleries, corporate museums, etc.

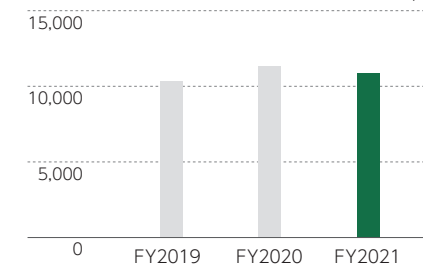
Consolidated net sales **¥10,089 million**

Consolidated operating income **¥384 million**

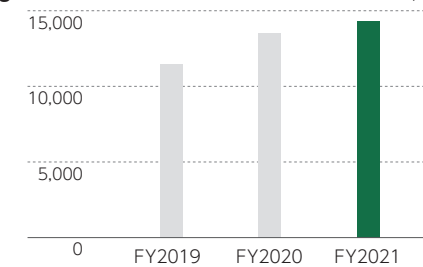
Net sales composition ratio



Orders accepted (Millions of yen)



Order backlog (Millions of yen)



The Waseda International House of Literature  
(The Haruki Murakami Library)

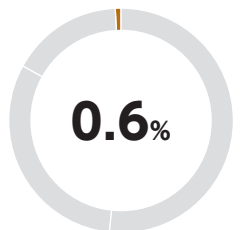
### Other

- Business description** Administrative services, online information services

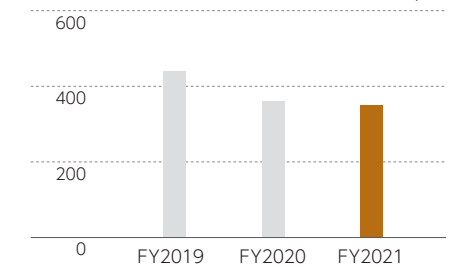
Consolidated net sales **¥350 million**

Consolidated operating income **¥71 million**

Net sales composition ratio



Orders accepted (Millions of yen)





## Commercial and Other Facility Business



**KOBAYASHI Osamu**

Senior Managing Director in charge of Commercial and Other Facility Business

**We aim to more quickly differentiate ourselves from competitors and add value using new digital experiences and value creation.**

### Strengths

- The ability to create solutions that combine space with the full range of media and techniques
- Creating communication media that engage the five senses

### Risks and opportunities

- Prolonged restrictions on economic activity due to the impact of the COVID-19 pandemic
- Creating needs for spaces that integrate real and digital technologies through rapid advances in digitalization
- Increase in demand for redevelopment projects in the Tokyo metropolitan area and other cities
- Growth in demand in the Kansai area from Expo 2025, Osaka, Kansai, Japan, integrated resort (IR) plans, etc.

### Key measures of the medium-term management plan

- Combining real and digital elements to create customer experiences
- Using big data on spatial design to create new value
- Aggressive use of digital technology to differentiate ourselves from competitors and add value

### Market conditions and business performance in fiscal 2021

In the commercial and other facility business segment, demand fell because of prolonged restrictions on economic activity due to the impact of the COVID-19 pandemic. Both net sales and segment income decreased from those of the previous year. This was mainly due to a decline in new renovation projects for commercial and entertainment facilities, airport-related facilities and corporate sales promotion facilities. As a result, net sales were ¥32,547 million (down 18.7% year on year), while segment income was ¥982 million (down 72.9% year on year).

Conditions remain challenging, with demand recovery weaker than expected due to the continuing impact of the COVID-19 pandemic.

### Initiatives going forward

Recovery of inbound demand remains uncertain due to the lingering impact of the COVID-19 pandemic. For events and exhibitions, earnings have been slow to recover. This is due to higher costs stemming from reductions in scale and restrictions on visitor numbers as events are held with COVID-19 preventive measures in place. An overall market recovery remains elusive as businesses curb their capital investments and store-opening plans are revised.

However, expectations for increased demand are growing. Various office space plans are being developed to adapt to rapid changes in work styles. There has also been movement in investment plans for entertainment facilities in anticipation of the postpandemic era. Going forward, we will strive to increase orders and market share by focusing on growing expectations for creating a wide variety of new spaces adapted for life with COVID-19. In fiscal 2022, the commercial and other facility business is expected to achieve net sales of ¥38.9 billion and segment income of ¥1,240 million.

## Chain Store Business



**SHINOHARA Ikunori**

Director in charge of Chain Store Business

**We aim to expand market share in western Japan, focusing on strengthening relationships with existing customers.**

### Strengths

- Planning ability tailored to business needs and highly creative spatial design
- Competitive advantage as a pioneer in the industry, having launched our business ahead of our competitors

### Risks and opportunities

- Deterioration in market conditions and intensification of price competition due to the impact of the COVID-19 pandemic
- With some exceptions, an improved demand environment and an increase in renovation projects
- Acceleration of e-commerce; expansion of the store maintenance and facility support markets

### Key measures of the medium-term management plan

- Expand market share of existing customers and develop new customers
- Strengthen relationships with existing customers and improve productivity to expand market share in western Japan
- Target growth in the maintenance sector, where demand is expected to increase; develop new customers

### Market conditions and business performance in fiscal 2021

In the restaurant sector of the chain store business, demand is generally returning, except for certain business categories. Although demand for new renovation projects faces a downward trend, the number of remodeling projects is on the rise. In the apparel sector, our analysis indicates continuing constraints on capital investment in new store openings and renovations. Meanwhile, in the maintenance sector, the markets for store maintenance and facility support are expanding.

Under these circumstances, although sales in fiscal 2021 were on a par with those of the previous year, price competition intensified due to changes in the market environment caused by the impact of the COVID-19 pandemic. As a result, segment income was lower than that of the previous year.

As a result, net sales were ¥19,726 million (up 0.7% year on year), and segment income was ¥582 million (down 38.0% year on year).

### Initiatives going forward

In the restaurant sector, although interest in capital investment has varied depending on the business type, investment is increasing in certain areas. Investment is also on the rise at large grocery, daily goods, sports and outdoor goods stores. The maintenance sector saw a fall in demand for some store maintenance and other services because of restaurant closures and shorter hours due to the impact of the COVID-19 pandemic. However, demand is growing for maintenance and facility support in the digital sector.

We will work to expand our share of existing customers and develop new customers. Particularly in western Japan, we plan to strengthen relationships with existing customers to boost market share and also increase productivity. In addition, we will work to expand the maintenance sector, where demand is expected to increase, and develop new customers. For fiscal 2022, we forecast net sales of ¥21.5 billion and segment income of ¥1.1 billion in the chain store business.

## Cultural Facility Business



**NAKAJIMA Minoru**

Director in charge of Cultural Facility Business

**We will strive to increase orders in public-private partnership projects, in pursuit of regional development and revitalization.**

### Strengths

- Full support from protection of cultural assets to improvement of cultural resource value including planning, design, construction and operation
- Hold top-level market share, backed by a specialized think tank

### Risks and opportunities

- Postponement of plans due to the COVID-19 pandemic
- Increasing needs relating to regional development and revitalization

### Key measures of the medium-term management plan

- Target increase in orders with focus on projects relating to regional development and public-private partnerships
- Stabilize and grow the cultural exhibition business by utilizing the exhibition experience we have cultivated over many years

## Market conditions and business performance in fiscal 2021

In our cultural facility business, which provides exhibition services for cultural operations such as museums and science museums, demand recovery has been weaker than expected due to the impact of the COVID-19 pandemic. The business environment remains challenging. Under these circumstances, although net sales increased from those of the previous year, segment income decreased from that of the previous year, mainly due to a decrease in profitable projects.

As a result, net sales were ¥10,089 million (up 9.1% year on year), and segment income was ¥384 million (down 1.0% year on year).

## Initiatives going forward

In the business environment, we see continued growth in the need for the design and construction of exhibition space to achieve regional development and revitalization. Although the operational productions that we handle are limited, we have an increasing number of active initiatives for public-private partnership projects.

Considering this situation, we intend to expand orders with a focus on projects relating to regional development and public-private partnerships. In addition, we will leverage the exhibition expertise we have accumulated over the years to ensure the stable growth of our cultural exhibition business.

For fiscal 2022, we forecast net sales of ¥9.2 billion and segment income of ¥0.1 billion in the cultural facility business.

## Initiatives for further growth

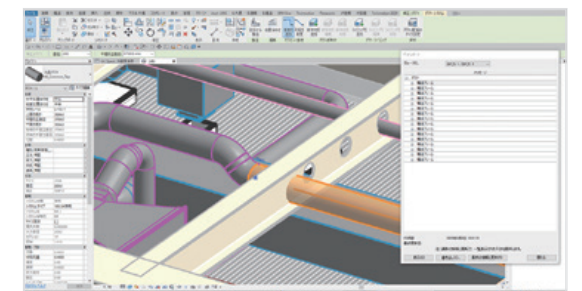
### Enhancing value with BIM

Building information modeling (BIM) uses a computer-generated 3D model with added attribute data such as information on the specifications, performance and finish of materials and components and management information. This enables various kinds of information to be used in all processes, from design and construction to maintenance and management, dramatically increasing operational efficiency. Tanseisha has established the BIM Promotion Committee, a companywide cross-sectional body dedicated to actively promoting the use of BIM. Since BIM was introduced in 2016, it has been used in the planning and proposal of a wide variety of projects, as well as in design and layout, production and construction, and maintenance.

### Benefits of BIM utilization

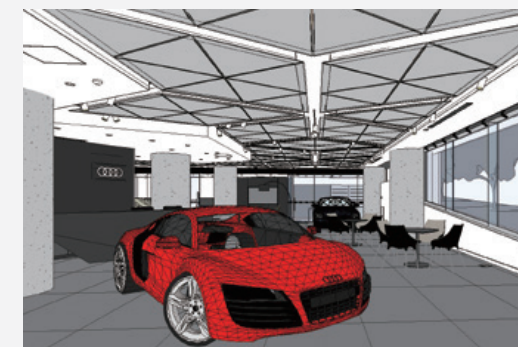
One major advantage of BIM is that it offers the capability of sharing visual concepts, which accelerates decision making. Combining this with 3D modeling and rendering software enables the sharing of 3D perspectives and other easy-to-understand visual concepts from an early stage. It facilitates communication, creating an environment that allows customers to make decisions quickly.

BIM also uses 3D models to make possible accurate fitting verification and interference checks. Problems can be identified and resolved in advance, preventing rework in the construction process. In addition, since drawings are prepared from a 3D model, information management is always current and correct. This contributes significantly to ensuring and improving the quality of the work site. Information on facilities and equipment that has been added to the 3D model can be used to plan for repairs, and maintenance can be notified in reasonable time.



Problems difficult to notice on a floor plan, such as the positional relationship between devices and their installation, can be detected in advance with a 3D model.

### Use case [Audi City Kioicho]



3D perspective



Actual store



# Corporate Social Responsibility

Our philosophy and vision as a company here at Tanseisha are reflected in our efforts and responsibility to realize a sustainable society.

## Our Philosophy

Tanseisha aims to contribute to the enrichment of society and people's lives by creating better spaces.

## Our Vision

Together with our customers, our employees and society, we will continue to create space for imaginations to grow.

## Tanseisha Group Standards of Practice

Every company in the Tanseisha Group respectfully upholds social standards and completes services with sound judgment and responsibility, according to the law, in order to realize a sustainable society. To this end, we have set the following 12 criteria to be followed by directors and employees of each Group company.

- |                                                                                                                |                                                                                |
|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| <b>1</b> Contribute to a sustainable society                                                                   | <b>7</b> Protect intellectual property and personal information                |
| <b>2</b> Abide by the law                                                                                      | <b>8</b> Create a better work environment                                      |
| <b>3</b> Fair business practices                                                                               | <b>9</b> Conserve the natural environment                                      |
| <b>4</b> Appropriate information management and disclosure, as well as constructive dialogue with stakeholders | <b>10</b> Contribute to social participation and development                   |
| <b>5</b> Respect human rights, prohibit discrimination                                                         | <b>11</b> Thorough risk management                                             |
| <b>6</b> Relationships of trust with customers and users                                                       | <b>12</b> Measures against misconduct by business executives and top officials |

## Materiality issues

In February 2019, Tanseisha identified six materiality issues in its CSR efforts. We are promoting initiatives to address these issues throughout our corporate activities and periodically review our materiality to reflect changes in the circumstances of the Company and of society.



**Contributing to social and cultural development and solutions for related issue**



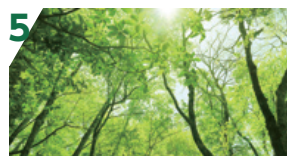
**Promoting innovation**



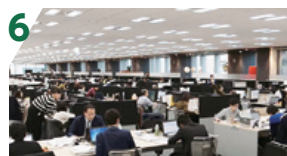
**Supporting diversity**



**Promoting supply-chain management**



**Conserving the natural environment**



**Enhancing corporate governance**

## Initiatives for SDGs

We have defined target SDGs based on our CSR materiality issues. Throughout our business activities, we are pursuing initiatives aligned with these targets.

Materiality issues	SDGs	Our main initiatives and direction
<b>Contributing to social and cultural development and solutions for related issues</b>	<b>4</b> Quality Education	■ In creating spaces, our main business, we plan and design social education facilities (museums, etc.) centered on various themes.
	<b>8</b> Decent Work and Economic Growth	■ We contribute to the improvement of economic productivity and the creation of added value such as customer problem-solving practices through spatial creation and the instilling of liveliness.
	<b>11</b> Sustainable Cities and Communities	■ We contribute to the development and promotion of the appeal of local regions (regional development) and sustainable tourism through space creation projects.
<b>Promoting innovation</b>	<b>9</b> Industry, Innovation and Infrastructure	■ We create safe and secure spaces.
		■ We practice creating inclusive spaces with consideration of users rich in diversity, including people with disabilities and the elderly (practice of universal design).
<b>Supporting diversity</b>	<b>13</b> Climate Action	■ We contribute to the conservation and handing down of culture and nature through spatial creation.
		■ We pursue innovation by engaging in various types of research, including the utilization of technology, and creating added value.
<b>Promoting supply-chain management</b>	<b>4</b> Quality Education	■ We provide continuous educational opportunities for employees and support their growth.
	<b>8</b> Decent Work and Economic Growth	■ We place importance on the education and enlightenment of workers and foster culture to promote understanding and acceptance of diversity, as well as the talents of our employees.
<b>Conserving the natural environment</b>	<b>12</b> Responsible Consumption and Production	■ In addition to hiring diverse talented people, including women, the elderly and people with disabilities, we make efforts to enhance the motivation and diversity of our employees.
	<b>12</b> Responsible Consumption and Production	■ We contribute to the realization of a circular economy by promoting the reduction, reuse and recycling of waste.
	<b>13</b> Climate Action	■ We thoroughly manage waste such as chemical substances.
	<b>12</b> Responsible Consumption and Production	■ We contribute to the realization of a circular economy by promoting the reduction, reuse and recycling of waste.
	<b>13</b> Climate Action	■ We thoroughly manage waste such as chemical substances.
	<b>13</b> Climate Action	■ We practice environmentally friendly design.
	<b>13</b> Climate Action	■ We keep electricity use in offices to a minimum.

## CSR Committee

Tanseisha has assembled a CSR Committee headed by the President and composed of all directors (excluding Audit and Supervisory Committee members and outside directors). The committee establishes and inspects crucial guidelines, regularly reviews the Company's CSR efforts and assesses methods for enhancing CSR projects in each category and field.

## Outside assessment

### Received numerous awards at the 40th Display Industry Awards (2021)

At the 40th Display Industry Awards (2021), Toshima City Tokiwaso Manga Museum was selected for the Display Industry Special Award. Many other Tanseisha projects were also honored with awards such as the Display Industry Gold Award and the Display Industry Silver Award.

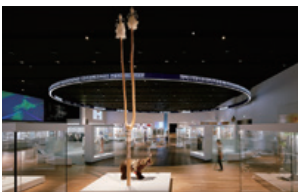
**Display Industry Special Award**  
Toshima City Tokiwaso Manga Museum



**Display Industry Gold Award**  
Kadokawa Musashino Museum



**Display Industry Silver Award**  
National Ainu Museum



Overall supervision: Seigo Matsuoka,  
Bookshelf design: Kengo Kuma and Associates

## Contributing to Social and Cultural Development and Solutions for Related Issues by Creating Spaces

By creating spaces for imaginations to grow, Tanseisha provides places and opportunities to energize and deepen the scope of various social activities, contributing to the creation and continuity of rich and diverse culture. In addition, we help solve issues that concern customers and society as a whole by such measures as creating places bustling with excitement, promoting regional revitalization, perpetuating history and culture and conveying that information to coming generations.

### Solving issues through space creation

Our involvement in the creation of various spaces that foster social interaction enables us to help our customers, communities and society as a whole deal with issues of concern.

### Hiraizumi World Heritage Information Center



Business owner: Iwate Prefecture  
Scope of work: Basic planning, facility concept planning, display planning, design, layout, production, construction, project management, consulting

#### Facility acts as guardian of cultural assets of Hiraizumi—World Heritage Site—and hub for area sightseeing

The facility uses historical artifacts and digital technology to enable visitors to easily acquire an understanding of the philosophy and value of Hiraizumi as a World Heritage Site and also functions as an information center and starting point for sightseeing in the area. We framed the story to provide an overview of Hiraizumi and its historical background and, anticipating visitors from around the world, we created a non-verbal, twin-track video that relies on visual input rather than language to give everyone a glimpse into the worldview of Pure Land Buddhism.

#### In pursuit of universal design and designs that protect cultural assets

We applied diversity-conscious universal design, including multilingual audio guides at 30 points within the permanent exhibition area as well as corner summaries in braille, tactile maps and touchable models. In addition, to ensure a secure environment for the display and protection of important cultural assets, the cases for basic, wall-mounted and single-item displays in permanent and special exhibitions are airtight. Also of note, the center opted for power-efficient, long-life, highly durable LED lighting as an energy-saving measure.

### Initiatives in regional renaissance

Aiming to solve community issues, Tanseisha creates spaces that contribute to regional revitalization. In addition, led by the Regional Revitalization Office, we take a multifaceted approach in verifying issues affecting communities and engaging with them as a partner from the initial stage of defining a business concept to drafting an operating plan.

### SWEETS BANK



Business owner: Shunkado Co., Ltd.  
Scope of work: Facility concept planning, design, layout, production, construction, consulting

#### Point of cultural value creation becomes area symbol embodying happy family gatherings

Architecture can take the shape of a gigantic dining table 13 times normal size to provide a wonderful surprise for visitors. This commercial complex was designed on the themes of happy family gatherings and anniversaries. "Happy family gatherings" is the product concept of Unagi Pie, a confection made by Shunkado Co., Ltd. (hereafter, Shunkado), which is recognized nationwide as a specialty of Hamamatsu, Shizuoka Prefecture. As a point of cultural value creation that has become a hub for the community, employees and tourists, the building is home to the Shunkado head office, the Morita Branch of the Hamamatsu Iwata Shinkin Bank, the rebranded SWEETS BANK SHOP Shunkado and TORAtO FUSEN café and bakery, operated directly by Shunkado. The building is a beloved symbol of the community.

#### Created office building unlike any other to mark a 130th anniversary

For many years, Tanseisha has worked on Shunkado buildings, including nicoe, a commercial facility that opened in 2014, and the company's head office building, Tanseisha's third project for Shunkado. The goal was to create an office building unlike any other—one that evoked the character of Shunkado on its 130th anniversary—and we were involved right from the concept stage. In addition to construction of the head office, whose functions include connecting better with the area, we had total oversight, from a suggestion to create a landmark symbolizing the area to the interior layout. We enlarged everyday items that might be placed on a dining table as objects of art to link building tenants, that is, the Shunkado offices, a bank and a café.

### Efforts to create safe, secure spaces

At Tanseisha, we strive as a team to create a better space—one that is safe, secure, comfortable and accessible to all. In addition, we constantly promote measures to enhance technical quality through approaches such as holding construction technology study meetings.

#### Employee education to improve technical expertise

For production-oriented jobs, we offer production-specific, skill-improvement programs through e-learning, seminars and other platforms to enhance technical expertise related to laws, safety and construction. We also provide risk-assessment e-learning, primarily to facilitate a deeper understanding of risk assessment. In addition, we offer technical seminars for designers where designers as well as planners can improve their understanding of important points related to laws, structures and equipment, thereby averting trouble spots and risks right from the design stage and expediting work flow.

#### Promoting awareness through production-related seminars

We seek to enhance our services from both quality and technology perspectives by raising awareness of safety and quality control at the planning stage and on-site, and we offer various classes aimed at improving our ability to meet customer needs and boost customer satisfaction.

#### Analyzing and sharing information to create safe, secure spaces

Working to improve quality, with an emphasis on shorter construction phases, reduced industrial waste and confirmation of laws, Tanseisha holds construction technology study meetings. In addition, the Safety Committee, which meets monthly, analyzes and shares information on customer complaints requiring maintenance or repair and strives to prevent any reoccurrence. The committee also gathers information on ways to enhance technical quality and coordinates, instructs and guides relevant divisions in implementing improvements. Other tasks of the committee are to regularly review the safety handbook and develop various programs such as short courses for general managers.

#### Promoting universal design

We promote the creation of universal design spaces that are comfortable and accessible to a variety of users, including the elderly, children, people with disabilities and visitors to Japan. In addition to the hard and soft aspects of universal design, we strive to implement a universal design of the heart. We constantly gather information on universal design and make it available over the intranet and through other methods.

#### Maintenance and repair initiatives

We support the facility life of shops by utilizing a nationwide network of partner companies that provide fast, high-quality maintenance and repair services. We set up a reception system that operates 24 hours a day, 365 days a year and strive for fast team deployment and response in emergencies to minimize the possibility of lost business opportunities. In addition, we use regular maintenance services to contribute to the stable operation and long life of shops.



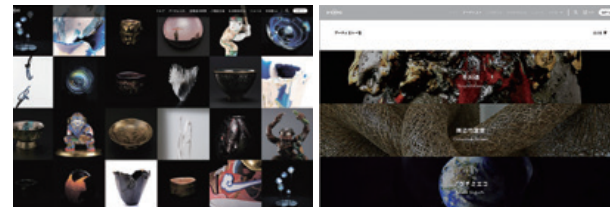
## Promoting Innovation

At Tanseisha, we are always learning how to better respond to the changing society and evolving technology and maintain our reputation as professionals of space creation. We also actively embrace new initiatives such as various research plans and demonstration experiments. We refine our know-how and originality in space creation and bring new value to the spaces we create.

### Develop and leverage new businesses

#### Operating B-OWND, artwork platform using blockchain technology

Tanseisha operates B-OWND, a platform for selling and distributing to buyers worldwide Japanese artwork produced by traditional methods. This service utilizes blockchain technology to issue a digital certificate guaranteeing authenticity of the work and added value in the fine arts market, where value creation through the reciprocal influence of primary and secondary distribution as well as ownership history are crucial, thereby facilitating the process of buying and selling through e-commerce.

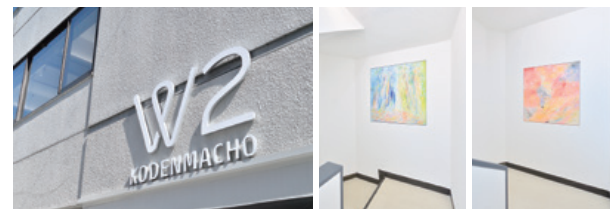


By conscientiously introducing artists and their art, we will turn this platform into a link between artists and buyers.

#### The R2 Project—revitalizing old real estate to create bustling environments

Through the R2\* Project, Tanseisha promotes activities to revitalize small and medium-sized buildings in the Tokyo urban core. Through renovation utilizing accumulated know-how and our network, we turn these tired, old properties into small, new offices with a more comfortable work environment. By increasing the value of old real estate, we help realize a circular economy, create a new vibrancy in the area and help build sustainable cities and communities.

\* Real Estate Revitalization



Under the concept of W2—Wellbeing Workplace®—our basic policy highlights the following five aspects: health and comfort, a pleasant work environment, corporate branding, business continuity plans and Sustainable Development Goals.

#### Operating 4earth, e-commerce site specializing in discontinued products such as construction and interior materials

Tanseisha operates an e-commerce site—4earth—that specializes in discontinued products and aims to effectively utilize construction materials, lighting fixtures, interior materials and other products no longer being sold due to advances in technology and changing trends. We are involved in creating spaces for clients in various fields, which leads to the use of products of many manufacturers. We work with these manufacturers to select and consolidate discontinued products from a spatial design perspective and reintroduce them into commercial distribution for widespread use (with 22 manufacturers participating as of January 2022). In addition, by actively encouraging the use of discontinued products in creating spaces, we help limit consumption of raw materials and resources needed to make current products and also reduce CO<sub>2</sub> emissions generated in the manufacturing process.

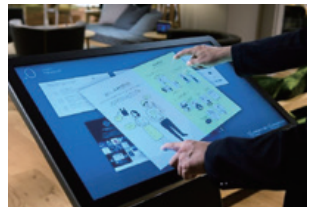


### Initiatives with digital applications

#### Initiatives to strengthen ICT and presentation technology

Seeing space as the only type of media that presents an experience, Tanseisha creates spaces that combine accumulated technology and know-how in space creation with the latest technologies, including information and communications technology (ICT), virtual reality (VR), augmented reality (AR), interactive technology and video and audio technology, to deliver a moving experience for visitors. We collaborate with professionals in different fields to generate new value in spaces, with efforts hinging on the CMI Headquarters\*, a team of spatial production professionals who maximize and optimize the value of spatial experience.

\* Cross Media Innovation Headquarters

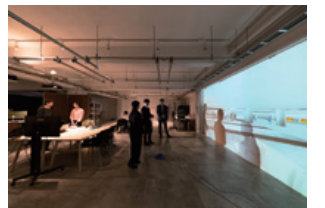


We develop and bring to market proprietary products such as the digital signage system VisualTiles.

#### Konan Lab “Mk\_3” (“Mark three”)

Konan Lab “Mk\_3”—pronounced “Mark three”—is run by the CMI Headquarters, a specialized team of spatial production professionals. Here, the focus is on R&D related to spatial presentation, spatial communication and testing and verification to optimize technology.

Under the theme “Space x Technology (synergy of space and technology),” the team seeks to create new value by integrating space and technology and works with companies and creators with leading-edge technology and content in the pursuit of new spatial possibilities.



Konan Lab Mk\_3 tests and verifies new designs and technology to bring ideas to life in a real space.

### Promoting corporate partnerships, alliances and research

#### Collaboration with NTT DOCOMO

Tanseisha is working with NTT DOCOMO, Inc. to create spatial value by leveraging digital transformation, dubbed DX. By combining our know-how in space creation with NTT DOCOMO’s ICT technologies and solutions, notably, Mobile Spatial Statistics [Mobile Kuukan Tokei®], we aim to create spaces that deliver a richer, higher-quality experience for business operators and customers.

#### Participating in “point 0 marunouchi” future office space demonstration experiment

Tanseisha is participating in a demonstration experiment for “point 0 marunouchi,” a member-based co-working space—the first project under CRESNECT\*—that aims to realize the future of office space. We bring an ability to give shape to ideas as well as know-how in space creation, including design, production and construction. Through co-creation with companies in different fields and sectors, we promote new space creation utilizing data from partner companies.

\* A joint project aimed at creating “the future of office spaces” by using CRESNECT, a spatial data co-creation platform announced on July 30, 2018 by co-creators Okamura Corporation, SoftBank Corp., Daikin Industries, Ltd., Tokio Marine & Nichido Fire Insurance Co., Ltd., Mitsui & Co., Ltd. and Lion Corporation.

#### Joint efforts with Mitsui Chemicals

Tanseisha pursues collaboration in an effort to provide a richer spatial experience through joint development focusing on sensitivity. The first collaboration was with Mitsui Chemicals, Inc., using that company’s Kukkirī™ Shikiso (clear pigment) technology to develop Posica® Kukkirī™ Film for a more beautiful world. Going forward, we will promote various solutions that lead to enhanced spatial value.

#### Teaming up with Pixie Dust Technologies

Tanseisha formed a business alliance with Pixie Dust Technologies, Inc. (hereafter, PxDT), to improve provided value by promoting the digital transformation of spaces. Using KOTOWARI™\*, a spatial data platform of PxDT, we are working together to develop and offer one-stop services, from pinpointing issues in a space to proposals on how to solve these issues, through the analysis and use of collected sensing data related to that space.

\* KOTOWARI and the associated logo are trademarks or registered trademarks of Pixie Dust Technologies, Inc.

## Supporting Diversity

Tanseisha respects human diversity and aims to realize a society based on universal values. To do so, we create an environment in which our diverse team of employees can fully demonstrate their abilities and play active roles in the Company. We work to create a place where diversity is recognized and a corporate culture is fostered to make full use of various perspectives, knowledge and know-how.

### Fostering a culture of diversity and inclusion

#### Diversity training

Since 2017, we have been providing diversity training to executives and employees to help them deepen their understanding of diversity. Since 2021, we have been providing training for managers, who play an important role in human resources development and management.

These programs deepen participants' understanding of diversity and provide them opportunities to learn and gain insights into their work and work styles. Such training helps foster a corporate culture that supports diversity and accommodates a variety of work styles.

#### Securing information and consideration for the hearing impaired

In addition to introducing a corporate plan for UD Talk®, a communication support and conversation app, we have created a work environment where it is easier for employees with disabilities to work by hiring sign language interpreters. The Company also implements various other measures to promote an inclusive organizational culture. These include sharing methods and procedures for information security on our internal portal site and holding internal exchange meetings with hearing-impaired employees using sign language.

### External initiatives

#### Participation in the Art and Sign Language Project

Since 2011, we have participated in the Art and Sign Language Project. This project addresses various obstacles that people with hearing challenges encounter when engaging in the appreciation of art, placing special importance on art, museums, sign language and the hearing-challenged.



Venue: Contemporary Art Gallery, Art Tower Mito



Venue and photo courtesy of Chigasaki City Museum of Art

#### Cooperation in Universal Camp in Hachiojima

We have participated in and cooperated with Universal Camp in Hachiojima since it began in 2005. Organized by the NPO Universal Event Association, this exchange event brings together participants of all ages, disabilities and nationalities. It aims to realize a society where everyone leads active lives together based on the concepts of normalization and diversity.



Diversity programs

#### Co-sponsored the Super Welfare Expo and cooperated in the Super Welfare School @ SHIBUYA

We co-sponsored the Super Welfare Expo (official name: "2020, Shibuya. Let's experience the daily life of super welfare") with the NPO People Design Institute. Held mainly at Shibuya Hikarie from 2014 through 2020, the exhibition aimed to remove mental barriers against minorities, including people with disabilities, and against welfare itself. We have cooperated in the Super Welfare Exhibition since its predecessor event in 2012, co-sponsoring the event since 2017. We also cooperated in the Super Welfare School @ SHIBUYA in 2021, one of the After Super Welfare Expo projects.



Venue (Shibuya Hikarie)

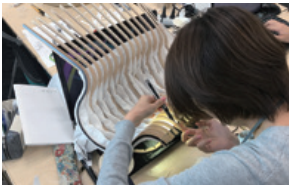
### Initiatives supporting diverse work styles

#### Human resources policy

The diverse individuality and creativity of employees are our most important management resources, and we respect the autonomy and individuality of our employees. Recognizing that employee health is the foundation of creativity and growth, we strive to create a comfortable work environment that considers the health and safety of employees. By developing work styles that take the human body and mind into consideration, as well as human resources development (education, training and career development), we strive to be a company where all employees and the team organization grow sustainably and demonstrate their full potential through a variety of work styles.

#### Human resources development initiatives

We help employees acquire the skills they need as space creation professionals at each level and in each job category. To accomplish this, we plan and offer education and training for young employees, mid-career employees and managers. For new employees, every year we conduct the Human Resources Development Project, a practical training program in which employees work with outside collaborators. In addition, we support employees in their career development in various other ways. We provide partial subsidies to support employees acquiring qualifications designated by the Company such as licenses for architects and construction management engineers. We also conduct career interviews to encourage employees in their growth as managers or specialists.



In the Human Resources Development Project, new employees in all positions engage in product creation.

#### Diverse work styles and work-life balance

To enable work flexibility, we have introduced a remote work system for all employees and established shifts that allow employees to change their start time each day.

In addition, we have established systems that increase the rate of employees taking childcare leave, shorten hours for employees with small children and encourage employees to take annual paid leave. We are also partnering with corporate-led nursery schools. In 2005, we formulated the General Business Owner Action Plan, based on the Act on Advancement of Measures to Support Raising Next Generation Children. In 2007, we obtained the Next Generation Certification Mark.

Furthermore, we have established our Family-Friendly Promotion Committee to promote work-life balance, workplace creation and work-style reform that make it easier for diverse human resources to demonstrate their abilities.

#### Promoting work-style reform

We have set a goal of preventing excessive labor and are taking steps companywide to achieve it. In addition, we have established the Work-Style Reform Promotion Committee to review our work styles and office environment.

We are enhancing our IT environment to streamline operations and improve productivity by providing work terminals tailored to work styles, deploying RPA and AI chatbots and adopting a paperless purchasing transaction system.

We are also improving our office environment. Besides adopting a free-address work-space system at the head office and all branch offices, we have set up satellite offices to create a distributed network.

#### Health care and welfare initiatives

In addition to regular health checkups and stress checks based on the Occupational Safety and Health Act, we provide comprehensive health examinations, medical examinations to prevent illnesses specific to women, influenza vaccinations, interviews with industrial physicians and online counseling. We also raise awareness with self-care training for all employees and career-track training for managers.

We have introduced Group Long-Term Disability Income Compensation Insurance and Group Medical Insurance to protect employees and their families from unexpected work-related disabilities. These systems allow employees to focus on medical treatment with peace of mind and support their early return to work.

#### Initiatives in response to the Act on the Promotion of Female Participation and Career Advancement in the Workplace

We are implementing an action plan to create an employment environment that supports women in their careers.

We have set a target for the percentage of female managers, provide diversity-related training and career training and promote the use of childcare leave by both male and female employees.

#### Tanseisha non-financial data

<b>Percentage of female managers*</b> (as of January 31, 2022) *Section manager and above, excluding director	6.8%
<b>Monthly average for overtime work*</b> (fiscal 2021) *Including legal working hours on holidays Excluding managers and supervisors	24 hours, 46 minutes
<b>Annual paid leave</b> (January 1, 2021 through December 31, 2021)	9.5 days
<b>Percentage of employees with disabilities</b> (as of January 31, 2022)	2.2%
<b>Percentage of mid-career hires</b> (fiscal 2021)	44%



Promoting Supply-Chain Management

We have established a foundation for creating value, including quality and safety, through the expansion of our network of partner companies and the building of trusting relationships, all the while promoting CSR initiatives throughout the entire supply chain.

Procurement policy

Following our management philosophy of contributing to the enrichment of society and people’s lives by creating better spaces, we build strong relationships of trust with our business partners. We conduct procurement based on the following policies.

- 1

Compliance with laws and regulations
- 2

Fair and equitable transactions
- 3

Maintenance and improvement of health and safety
- 4

Ensuring quality and safety
- 5

Respect for human rights
- 6

Consideration for the environment
- 7

Protection of intellectual property rights
- 8

Information management and security
- 9

Contributions to a sustainable society

Examples of initiatives

Safety and Health Committee (managed by monthly emphasized themes)

Every month, we hold a Safety and Health Committee (Safety Committee) to promote safety management and quality control activities to eliminate accidents and disasters at construction sites by sharing information on health and safety activities such as health and safety reports and reports of close calls and near misses at work sites.

Safety Convention and production seminars (conducting educational and awareness-raising activities)

The Tanseisha Safety Convention is held with Group companies and partner companies in conjunction with National Safety Week every year in July. To strengthen safety, we give special lectures on safety by both in-house and outside professionals, and employees share safety management experiences to raise and strengthen safety awareness at construction sites.

Corporate cooperation

We have organized the Seiwakai, a group consisting of members of the Company and our partner companies, to conduct safety and health and quality improvement activities centered on the Safety and Education Subcommittee and other subcommittees. Besides sharing our procurement policies, we conduct joint patrols each month. We also provide education and information to improve the safety awareness and skills of members and to support them in obtaining qualifications. In addition, we have set up the Disaster Prevention Council for studying the awareness of danger.

Quality, safety and environmental efforts

Safe construction, high quality and environmental considerations are the fundamentals of all company practices. We have established various policies and priorities when working together with Tanseisha Group companies and partner companies across a vast spectrum of company activities.

- Safety:

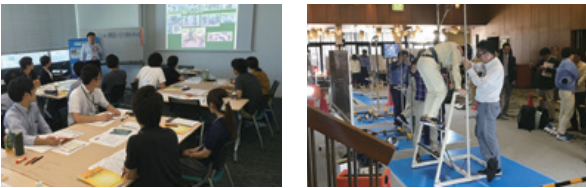
Basic policy  
—We make prevention the basis of safety and aim for zero disasters and accidents.  
Priority items for disaster and accident prevention  
—The prevention of fires, disasters affecting third parties, crashes and accidental falls at work sites, prevention of vehicular accidents and loading/unloading accidents
- Environment:

Environmental policy  
—Reduction of greenhouse gas emissions, environmentally friendly design, reduction of industrial waste, consideration for facility users, compliance
- Quality:

Compliance with quality control priorities, prohibitions and special management matters

Industrial Waste Management Committee (monitoring industrial waste disposal)

Twice a year, the Industrial Waste Management Committee is held to check the amount of industrial waste we dispose of and the status of waste separation done by each subcontractor. We deeply take into consideration how to reduce the amount of our industrial waste and improve our disposal percentage. Furthermore, we properly and thoroughly scrutinize our subcontractors before selection and hold work-site inspections.



Conserving the Natural Environment

To protect the natural environment and pass it on to posterity, we work to reduce the environmental impact in our corporate activities, especially during our spatial creation phase.

Environmental policy

In the Tanseisha Group, like society as a whole, we have a strong sense of urgency about climate change. We have established an environmental policy to protect the environment in a sustainable way, while working to improve intellectual creativity and operational efficiency. We hope to inspire continuous change in awareness and behavior, as we work to create spaces for social interaction that enriches people’s lives.

Environmentally friendly design

In addition to striving to reduce the amount of resources and energy consumed and waste disposed of in our space development business, we aim to create spaces that are friendly both to people and the environment. We think of space for social interaction—the main target of our business activities—as part of the environment. We adhere to six specific principles in our environmentally friendly design.

Healthy design		3R design	
Energy-saving design		Universal design	
Safe design		Design for preservation of cultural properties	

Environmental considerations at construction sites

For industrial waste management, we have established items of practice in our own procedures and developed a management plan to reduce the generation of industrial waste. We also record the details of implementation, their effects, the type and amount of waste generated, compliance status with laws, etc., after construction. Feedback is

referenced in construction plans to manage industrial waste and produce continuous improvement. To prevent health problems arising from sick building syndrome, we implement environmentally friendly design and construction plans (analyzed by construction review committees), select certified materials and manage the use of certified materials on-site.

Items of practice in our procedures

- Use of factory production parts (precut and knock-down method)

■ Rental (reused) materials and fixtures

■ Reduction of overprocuring materials and guidance on how to return surplus materials
- Reduction of excessive packaging at the time of delivery of materials

■ Reduction of generation of waste offcuts by using economic dimensions

■ Reduction of mixed waste by separate collection

Environmental management system

Tanseisha’s environmental management system is integrated into our business activities and aims to create a comfortable environment for spaces for social interaction. We take into consideration everything from the design stage to the operational aspects of the facility after construction. In July 2017, we renewed our environmental management system certification registration in accordance with the revised version of ISO 14001, expanding the scope of application to our main sites.

Environmental activities at our offices

We curb electricity consumption with “Cool Biz” and “Warm Biz” programs, through which we conserve energy by adjusting temperature settings and by encouraging workers to dress casually. We have consolidated our servers to data centers with higher power efficiency and use energy-saving settings for office equipment. In addition, we cooperate with the eduCycle Eco Craft Pack Project, which provides discarded sample products as education materials for children. We also support the aims of the Ministry of the Environment’s Fun to Share project.

Enhancing Corporate Governance

We will adapt to changes in society, constantly pursuing the best corporate governance and continuously working to ensure its improvement. We will make certain of transparency and fairness in decision making and maintain high ethical standards as a company. In doing so, we will continue to earn the wide-ranging trust of society. Further details are provided on page 42.

## Dialogue: A Conversation with Outside Directors



(Honorable titles omitted)  
From left

**YOSHII Kiyonobu**  
Outside Director  
(Audit and Supervisory Committee Member)

**MATSUZAKI Yasushi\***  
Outside Director  
(Audit and Supervisory Committee Member)

**NIJIMA Yumiko**  
Outside Director  
(Audit and Supervisory Committee Member)

**ITAYA Toshimasa**  
Outside Director

\* Retired upon conclusion of the 64th Ordinary General Meeting of Shareholders, held on April 26, 2022

**Tanseisha has four outside directors active in different fields who bring great insight to their roles. They were asked to reflect on fiscal 2021 and talk about their expectations for Tanseisha going forward.**

### Trust in and expectations for Tanseisha more obvious during challenging times

**MATSUZAKI:** The spread of COVID-19 had very large consequences in fiscal 2021, but Tanseisha steadily performed well despite the challenges. This reaffirmed my feeling about the need for spaces that can brighten moods when people feel down and my thinking that the space creation Tanseisha offers is definitely in demand. Maybe Tanseisha should present innovative proposals that include digital content to fully capitalize on this demand.

**YOSHII:** Achieving the ¥2-billion operating income target under these conditions is certainly the result of constant efforts to improve profitability and the profit ratio. On the flip side, the order backlog at year-end was weak amid socioeconomic conditions that were only halfway to recovery.

**NIJIMA:** The pandemic has had a huge impact on work styles too. It fueled a rapid uptick in the number of employees taking advantage of telework, and working from home and at satellite offices became more widespread. There were issues with communication and security, but I think

the realization of diverse work styles matched to individual lifestyles has had a positive effect.

**ITAYA:** After being appointed as an outside director and visiting a few facilities and spaces that Tanseisha had a hand in creating, I have acquired a better sense that Tanseisha is a company that enriches the soul and provides inspiration. For many years, the Company has been working hard to create spaces for imaginations to grow. It is precisely this commitment that has earned the Company the trust and loyalty of so many businesses. For this reason, amid great changes in the need for space today, knowing what kind of new proposals are possible will probably be the key to corporate growth. I think Tanseisha must continue to be a company that can present inspiration in ways that customers have not yet considered. This includes a digital strategy.

### Delve deeper into concrete discussions and translate into steady action

**MATSUZAKI:** I have served as an outside director for seven years and a member of the Audit and Supervisory Committee for six years. During this time, I have seen initiatives implemented in various formats with corporate governance in mind. Management takes our comments into consideration and steadily enhances its approach to decisive action.

**ITAYA:** Over the past year, I have participated in Board of Directors meetings and various committees. I feel that the Company has laid the foundation for true dialogue through

all-out efforts to build a corporate governance structure. We outside directors have access to information—nothing is held back from us. From now, conversations will move to a phase in which we examine the specific content of action plans for initiatives such as developing the next generation of corporate leaders and supporting diversity.

**NIJIMA:** With the addition of Mr. Itaya to the Board of Directors, I feel it now delves into discussions more vigorously than ever.

**ITAYA:** I am not a member of the Audit and Supervisory Committee, and I have come to realize that my role is to actively comment on aspects related to future business, such as competitive strategies, marketing and the use of IT. I think there has been a tendency during the pandemic of the past couple of years to take a protective, or defensive, attitude, but going forward, management should engage more in proactive dialogue, including business strategies, to which I would like to contribute.

**YOSHII:** A sense of speed is vital to steady action. For example, there is the issue of the time needed to meet the target for the percentage of female managers. Through activities such as providing information related to in-house personnel to the Nominating and Compensation Advisory Committee, the process might be accelerated. Some discussion on this and other possible activities would be useful.

**NIJIMA:** In fiscal 2021, a companywide risk assessment was performed, risks were clarified and discussions on how to respond unfolded. This was a major event. It is important to recognize that this process was a first step and that it must be recurring in the future. Also, regarding Group governance, one particular issue that arose during the pandemic was the inability to directly monitor and support overseas subsidiaries. I think future conversations must address early understanding of risk information within the Group and measures to strengthen communication.

**YOSHII:** My impression is that information from overseas is scarce, compared with that from Group companies in Japan. I receive the financial numbers, but there's no structure to help put the data in the context of prevailing conditions. Establishing such a structure would be beneficial.

### Create environment where everyone constantly embraces new opportunities

**ITAYA:** The pandemic created challenging conditions for Tanseisha, but urban redevelopment is now taking place throughout Japan, which presents a golden opportunity for future business. The opportunity is not just to create the interior of a box already made but rather to create appealing spaces from the earliest stage of planning. If Tanseisha can do that, it will be able to play a part in building communities as well.

**NIJIMA:** When I visit spaces that Tanseisha created, I get a renewed perspective on the in-person experience. This is something that can be felt only by being there. In addition, at museums and other recently created venues where Tanseisha has produced new impressions by merging digital and real worlds, I really sense the concept of creating spaces for imaginations to grow. As outside directors, we must strive to be gatekeepers of governance from a protective perspective that supports new pursuits.

**YOSHII:** Faced with economic and social conditions that defied common sense, Tanseisha leveraged digitalization, flexibly modified work styles and made moves to meet the changing times. Tanseisha must now deepen dialogue on such issues as the human resources system, the employee evaluation system and investment in human capital. As it takes excellent human resources to create new value and perform tasks where no precedent has been set, it is vital for Tanseisha to build the structure necessary to retain its human resources.

**MATSUZAKI:** Since Tanseisha is a company that hinges on people, it must maintain a work environment where everyone subscribes to the idea of creating something of quality. Therefore, I was immensely pleased during discussions for drawing up the medium-term management plan when President Takahashi said that he wanted to highlight the importance of our employees. I hope that each and every employee as well as everyone else connected to Tanseisha feels appreciated and that Tanseisha remains a company that embraces new things with forward-looking enthusiasm.



# Corporate Governance

## Basic approach

We always pursue the best corporate governance and work continuously to ensure its improvement.

We believe that the keys to corporate governance are to ensure transparency and fairness in decision making, to make full and effective use of our management resources and to increase the vitality of management through swift and accurate decision making, in order to achieve sustainable growth and long-term enhancement of our corporate value. We will work to enhance our corporate governance, in accordance with the following basic approaches.

- We will respect the rights of our shareholders and ensure their equality.
- We will consider the interests of stakeholders and cooperate with them appropriately.
- We will appropriately disclose corporate information and ensure transparency.
- We will establish a system of self-discipline to ensure the effectiveness of the Board of Directors' function of supervising business execution.
- We will engage in constructive dialogue with shareholders who have investment policies that are consistent with the interests of the shareholders over the medium to long term.

## Outline of the corporate governance system

Main items	Details
Organizational structure	A company with an audit and supervisory committee
Number / term of Directors (excluding Directors who are Audit and Supervisory Committee Members)	8 persons / 1 year
Number / term of Directors who are Audit and Supervisory Committee Members	4 persons / 2 years
Number of Outside Directors	4 persons
Voluntary committee	Nominating and Compensation Advisory Committee
Number of Outside Directors designated Independent Officers	4 persons
Accounting auditor	Deloitte Touche Tohmatsu LLC

## Initiatives to strengthen corporate governance

2006	Decided the basic policy on the development of an internal control system
	Transitioned to a company with an audit and supervisory committee
2016	Established the basic policy on corporate governance Reviewed the basic policy on the development of an internal control system
2019	Introduced a performance-linked stock compensation plan for Directors (excluding Directors who are Audit and Supervisory Committee Members)
2020	Abolished takeover defense measures
2021	Establish the policy for determining the compensation, etc., of Directors

## Corporate governance system diagram

(As of April 26, 2022)



## Board of Directors

The Board of Directors of the Company, which is chaired by the President and Chief Executive Officer, consists of 12 Directors, including eight internal Directors and four Outside Directors, and meets once a month as a rule. Each Director, as a member of the Board of Directors, makes decisions swiftly and accurately, and the President and Chief Executive Officer oversees the Company's business operations as the person with the highest responsibility for business execution, on the basis of management policies determined by the Board of Directors.

Some Directors are also in charge of business execution, and information on the status of their business execution is shared, as appropriate, at the Business Execution Committee. On the other hand, to obtain appropriate opinions and advice on management from an objective standpoint, we have appointed four Outside Directors to enhance the transparency and objectivity of management. All Outside Directors have been designated Independent Officers, as stipulated by the Tokyo Stock Exchange.

## Audit and Supervisory Committee

The Company has an Audit and Supervisory Committee, chaired by a Full-Time Audit and Supervisory Committee Member, which consists of four Directors, including one internal Director and three Outside Directors, and meets once a month as a rule.

In addition to attending Board of Directors meetings, a Director who is a Full-Time Audit and Supervisory Committee Member attends other important meetings, expresses opinions and collaborates with the internal audit department to enhance the effectiveness and efficiency of audits.

## Nominating and Compensation Advisory Committee

To strengthen the independence, objectivity and accountability of the functions of the Board of Directors related to the nomination and compensation of Directors, the Company has established a voluntary Nominating and Compensation Advisory Committee as an advisory body to the Board of Directors. The Nominating and Compensation Advisory Committee is chaired by a Full-Time Audit and Supervisory Committee Member and consists of five Directors, including one internal Director and four Outside Directors.

The Nominating and Compensation Advisory Committee, which performs the functions of both a nominating committee and a compensation committee, examines matters related to the appointment and dismissal of Directors, as well as policies related to the compensation of Directors and details of individual compensation, and submits its opinions and advice to the Board of Directors.

## Evaluations of the effectiveness of the Board of Directors

The Company requests a third-party evaluation of the effectiveness of the Board of Directors at regular intervals (approximately every three years), and a third-party evaluation was conducted for fiscal 2021. We confirmed that the Company's Board of Directors is generally effective in terms of the following: composition and operation; management and business strategies; corporate ethics and risk management; performance monitoring and management evaluation and compensation; and dialogue and collaboration with shareholders and other stakeholders.

## Reasons for appointment and activities of Outside Directors

Name	Reasons for appointment	Activities
NIIJIMA Yumiko	Ms. NIIJIMA Yumiko is qualified as an attorney-at-law. The Company has appointed her in the expectation that she will exercise her auditing function from an objective standpoint, based on her high level of insight into corporate legal affairs.	Board of Directors: Attended 16 of 16 meetings (Took office in April 2018)
YOSHII Kiyonobu	Mr. YOSHII Kiyonobu has experience as a representative of a consulting group, as well as professional knowledge of finance and accounting, and is qualified as a certified public accountant and certified tax accountant. Therefore, the Company has appointed him in the expectation that he will exercise his auditing function from an objective standpoint.	Board of Directors: Attended 16 of 16 meetings (Took office in April 2020)
ITAYA Toshimasa	Mr. ITAYA Toshimasa has abundant experience and broad insight into corporate management as chairman of Property Data Bank, Inc., and also has expertise in digital utilization, which the Company is promoting. Therefore, the Company has appointed him in the expectation that he will provide management advice and contribute to the improvement of the supervisory function of the Company's management from an objective standpoint.	Board of Directors: Attended 13 of 14 meetings (Took office in April 2021)
MAKIHARA Kotaro	Mr. MAKIHARA Kotaro has a wide variety of experience in the public administration field, and is qualified as a certified tax accountant. Therefore, the Company has appointed him in the expectation that he will exercise his auditing function from an objective standpoint, using his deep insight into finance and accounting.	Board of Directors: — (Took office in April 2022)

### Planning for the succession of the CEO and other executives

Although we do not currently have a specific plan for the succession of the CEO and other executives, we recognize that succession planning is an important issue for improving corporate value. We conduct our own in-house education and external training every year to develop the next generation of managers on the basis of our philosophy and management strategy. The status of implementation is reported to the Board of Directors regularly.

### Executive compensation

#### ■ Basic policy

The Company pays compensation to Directors in an amount commensurate with their performance, after taking into consideration the levels at other companies and other

factors, with the primary aim of motivating Directors to improve the performance of the Group and increase corporate value.

The compensation of Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) consists of fixed compensation and variable compensation (short-term incentive (bonus) and medium- to long-term incentive (stock-based compensation)), as they are responsible for improving business performance each fiscal year and increasing corporate value over the medium to long term.

Outside Directors and Directors who are Audit and Supervisory Committee Members are paid fixed compensation only, due to their independence from business execution.

#### ■ Policy for determining individual compensation, etc.

The amount of fixed compensation paid to each Director (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) is determined by

### Composition of executive compensation

	Basic compensation	Performance-linked compensation	
	Fixed compensation	Short-term incentive (bonus)	Medium- to long-term incentive (stock-based compensation)
Recipients	Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members), Outside Directors and Directors who are Audit and Supervisory Committee Members	Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members)	Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members)
Form of compensation	Cash	Cash	Stock and cash
Evaluation indicator	—	Consolidated orders accepted, consolidated operating income, consolidated operating income ratio and net income	Linked to management indicators stressed in the medium-term management plan (fluctuates in a range from 0% to 200%, depending on the achievement of targets)
Method of provision	Payment in cash in monthly installments	Payment in cash after the General Meeting of Shareholders	Shares corresponding to the number of points acquired during the target period and the converted cash equivalent of company shares

### Total amount of compensation, etc., by executive category, total amount by type of compensation, etc., and number of executives in each category

Executive category	Total amount of compensation, etc.	Total amount by type of compensation, etc.					Number of executives in category
		Fixed compensation	Performance-linked compensation		Retirement benefits	Of the left, non-financial compensation, etc.	
		Basic compensation	Bonus	Stock-based compensation			
Directors (excluding Audit and Supervisory Committee Members and Outside Directors)	302,106	197,925	37,224	66,957	—	66,957	8 persons
Outside Directors (excluding Audit and Supervisory Committee Members)	5,850	5,850	—	—	—	—	1 person
Directors (Audit and Supervisory Committee Members, excluding Outside Directors)	19,200	19,200	—	—	—	—	1 person
Outside Directors (Audit and Supervisory Committee Members)	23,400	23,400	—	—	—	—	3 persons

Notes: 1. Directors who concurrently serve as employees do not receive employee salaries.

2. Bonus and stock-based compensation represent the amounts recorded as expenses during fiscal 2021.

3. The cumulative amount of stock-based compensation expensed during the evaluation period (from fiscal 2021 through fiscal 2023) was ¥66,957 thousand.

the Board of Directors on the basis of the position of each Director (expected roles and responsibilities), after it takes into consideration the levels at other companies and other factors, the opinions and advice of the Nominating and Compensation Advisory Committee, whose majority is composed of independent Outside Directors, and the opinions of the Audit and Supervisory Committee, if any.

In addition, a representation allowance, a Chairman of the Board of Directors' allowance, etc., are added based on the fixed compensation.

The amount of fixed compensation paid to each Outside Director (excluding Directors who are Audit and Supervisory Committee Members) is determined by the Board of Directors based on the expected roles and responsibilities, after it takes into consideration the levels at other companies and other factors, the opinions and advice of the Nominating and Compensation Advisory Committee, whose majority is composed of independent Outside Directors, and the opinions of the Audit and Supervisory Committee, if any.

The total amount of fixed compensation paid to Directors who are Audit and Supervisory Committee Members is determined within the limit determined at the General Meeting of Shareholders, after the Company's business performance and earnings status are taken into consideration. The allocation of the total amount of compensation to each Director who is an Audit and Supervisory Committee Member is calculated in accordance with his or her respective duties and determined through discussions among the Directors who are Audit and Supervisory Committee Members.

### Internal control system

The Company adopted a resolution on the basic policy regarding the development of an internal control system at the Board of Directors meeting held on May 12, 2006. The basic policy regarding the development of an internal control system was reviewed at the Board of Directors meeting held on April 26, 2016.

### Compliance

The system to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation will be in accordance with the Basic Compliance Regulations. The Representative Director has the ultimate authority and responsibility for the execution of compliance programs at the Company and each Group company, and is assisted by the Director in charge of compliance. In addition, education and training related to compliance are conducted on an ongoing basis to raise the Directors' and employees' awareness of legal compliance, etc., and to enhance corporate ethics.

### Internal audits and audits by the Audit and Supervisory Committee

Internal audits of the Company are conducted by the Auditing Office, currently consisting of four members, under the direct control of the Representative Director. Following the internal audit plan formulated at the beginning of each fiscal year, the Auditing Office conducts internal audits of all aspects of the Company's operations and reports the audit results to the Representative Director and the Audit and Supervisory Committee at the same time in the form of an internal audit report. We ensure the effectiveness of internal audits by instructing the audited departments to improve their operations as necessary and by having the audited departments report their improvement plans.

Directors who are Audit and Supervisory Committee Members attend Board of Directors meetings to monitor the execution of duties by Directors and also conduct audits based on audit reports from the accounting auditor and the internal audit department. In addition, they aim to improve the effectiveness and efficiency of audits by working closely with the Auditing Office and the accounting auditor, through such measures as the mutual exchange of information and opinions, whenever necessary.

### Information disclosure

To ensure timely and appropriate information disclosure for the entire Group, we have established internal regulations (Group Insider Trading Prevention Regulations), and in accordance with these regulations, we have appointed a person in charge of information handling (executive in charge) and established a department in charge of information handling.

The person in charge of information handling determines whether reported information falls under the category of corporate information requiring disclosure under the Timely Disclosure Rules, after consulting with the department in charge of information handling. If such information falls under the category of corporate information requiring disclosure, the person in charge of information handling or the department in charge of information handling under the direction and order of the person in charge of information handling will disclose the information without delay. If it is difficult to determine whether timely disclosure is required, the Tokyo Stock Exchange is consulted in advance, to ensure that no terms of disclosure are omitted. Applicable information is posted on the Company's website immediately after disclosure.



Board of Directors

(As of April 26, 2022)



**TAKAHASHI Takashi**  
President and Chief Executive Officer

**Number of Board of Directors  
meetings attended:**  
16/16

Apr. 1974 Joined the Company  
Jun. 1999 Executive Officer and Senior Manager of First Public Space Dept. of Production Div.  
Apr. 2010 Director, Executive Officer and General Manager of Production Div. of Commercial Space Div.  
Feb. 2013 Director in charge of Design and Production in general, and Quality, Technology, Safety and Business Partners  
Feb. 2015 Managing Director in charge of Design and Production in general  
Feb. 2016 Executive Vice President  
Apr. 2017 President and Chief Executive Officer (current position)



**TOKUMASU Teruhiko**  
Senior Managing Director

**Number of Board of Directors  
meetings attended:**  
16/16

Apr. 1981 Joined the Company  
Apr. 2010 Executive Officer and General Manager of Marketing Div. II of Commercial Space Div.  
Apr. 2012 Director and General Manager of CS Business Unit  
Feb. 2015 Director in charge of Commercial and Other Facility Business and Chain Store Business  
Feb. 2016 Managing Director in charge of Design  
Feb. 2018 Managing Director and General Manager of Design Center, in charge of Design  
Feb. 2021 Senior Managing Director and General Manager of Design Center, in charge of Design  
Feb. 2022 Senior Managing Director in charge of Design (current position)



**NAKAJIMA Minoru**  
Director

**Number of Board of Directors  
meetings attended:**  
15/16

Apr. 1982 Joined the Company  
Apr. 2007 General Manager of Production Div. 3 of Production Headquarters  
Feb. 2009 Deputy General Manager of Cultural Space Business Unit  
Feb. 2013 General Manager of Cultural Space Business Unit  
Apr. 2016 Director and General Manager of Cultural Space Business Unit, in charge of Cultural Facility Business  
Feb. 2019 Director in charge of Cultural Facility Business (current position)



**MORINAGA Tomoo**  
Director

**Number of Board of Directors  
meetings attended:**  
16/16

Apr. 1986 Joined the Company  
Apr. 2006 General Manager of Production Div. 1  
Feb. 2008 Deputy General Manager of IMC Business Div.  
Feb. 2013 Deputy General Manager of CS Business Unit  
Feb. 2017 General Manager of Safety/Technology Promotion Center  
Apr. 2017 Director and General Manager of Safety/Technology Promotion Center, in charge of Production  
Feb. 2018 Director and General Manager of Technical Center, in charge of Production (current position)



**KOBAYASHI Osamu**  
Senior Managing Director

**Number of Board of Directors  
meetings attended:**  
16/16

Apr. 1984 Joined the Company  
Apr. 2006 General Manager of IMC Business Unit 1 of Sales Headquarters  
Feb. 2008 General Manager of IMC Business Div.  
Feb. 2011 Deputy General Manager of CS Business Unit  
Feb. 2015 General Manager of CS Business Unit  
Apr. 2016 Director and General Manager of CS Business Unit, in charge of Commercial and Other Facility Business  
Feb. 2017 Director in charge of Commercial and Other Facility Business  
Feb. 2019 Managing Director in charge of Commercial and Other Facility Business  
Feb. 2021 Managing Director in charge of Sales Operations and Commercial and Other Facility Business  
Feb. 2022 Senior Managing Director in charge of Sales Operations and Commercial and Other Facility Business (current position)



**TODAKA Hisayuki**  
Managing Director

**Number of Board of Directors  
meetings attended:**  
16/16

Apr. 1981 Joined the Company  
Apr. 1999 Senior Manager of Corporate Planning Dept. of Corporate Planning Office  
Feb. 2008 General Manager of Corporate Planning Div.  
Feb. 2014 General Manager of General Management Div.  
Apr. 2015 Director in charge of Corporate Planning, General Management, Business Management and Groups in general  
Feb. 2017 Managing Director in charge of Corporate Planning, General Management and Groups in general (current position)



**SHINOHARA Ikunori**  
Director

**Number of Board of Directors  
meetings attended:**  
16/16

Jan. 1987 Joined the Company  
Apr. 2002 Senior Manager of Sales Dept. 2 of SE Div.  
Feb. 2008 General Manager of PM Div. 2 of SE Div.  
Feb. 2012 General Manager of SE Div.  
Apr. 2016 Director and General Manager of SE Div., in charge of Chain Store Business  
Feb. 2019 Director in charge of Chain Store Business (current position)



**ITAYA Toshimasa**  
Outside Director

**Number of Board of Directors  
meetings attended:**  
13/14 (Took office in April 2021)

Apr. 1989 Joined SHIMIZU CORPORATION  
Oct. 2000 Established Property Data Bank, Inc. and assumed position of President  
Apr. 2021 Outside Director of the Company (current position)  
Apr. 2022 Chairman of Property Data Bank, Inc. (current position)



**KAWAHARA Hideshi**  
Director  
(Full-Time Audit and Supervisory Committee Member)

**Number of Board of Directors  
meetings attended:**  
16/16

Aug. 1995 Joined the Company  
Apr. 1996 Senior Manager of Accounting Dept. of Corporate Management Div.  
Apr. 2006 Senior Manager of Business Process Reengineering Office  
Feb. 2010 General Manager of General Management Div. of Administrative Headquarters  
Feb. 2014 General Manager of Corporate Planning Div.  
Apr. 2016 Director (Full-Time Audit and Supervisory Committee Member) (current position)



**YOSHII Kiyonobu**  
Outside Director  
(Audit and Supervisory Committee Member)

**Number of Board of Directors  
meetings attended:**  
16/16

Feb. 1990 Joined Natsume Audit Corporation  
Apr. 1995 Registered as certified public accountant  
Jul. 2002 Established accounting firm  
Mar. 2004 Managing Partner of NTS Sogo Tax Corporation (former Akasakamitsuke Sogo Tax Corporation) (current position)  
Feb. 2008 Managing Partner of Iris Audit Corporation (current position)  
Sep. 2016 Representative of NTS Sogo Consulting Group (current position)  
Apr. 2020 Outside Director of the Company (Audit and Supervisory Committee Member) (current position)



**NIIJIMA Yumiko**  
Outside Director  
(Audit and Supervisory Committee Member)

**Number of Board of Directors  
meetings attended:**  
16/16

Dec. 2009 Registered as an attorney-at-law (Tokyo Bar Association)  
Jan. 2010 Joined Yamada Law & Patent Office (current position)  
Apr. 2018 Outside Director of the Company (Audit and Supervisory Committee Member) (current position)  
Jun. 2021 Outside Director (Audit Committee Member) of Nomura Micro Science Co., Ltd. (current position)  
Sep. 2021 Registered as a certified fraud examiner



**MAKIHARA Kotaro**  
Outside Director  
(Audit and Supervisory Committee Member)

**Number of Board of Directors  
meetings attended:**  
— (Took office in April 2022)

Apr. 1986 Joined National Tax Agency  
Jul. 1993 District Director of Ichinoseki Tax Office of Sendai Regional Taxation Bureau  
Jul. 2007 Deputy Commissioner (Large Enterprise Examination and Criminal Investigation) of Kanazawa Regional Taxation Bureau  
Jul. 2012 Assistant Regional Commissioner of Management and Co-ordination Department of Fukuoka Regional Taxation Bureau  
Jul. 2014 Director (Public Relations) of Commissioner's Secretariat of National Tax Agency  
Apr. 2017 Qualified as certified tax accountant  
Jul. 2019 Regional Commissioner of Hiroshima Regional Taxation Bureau  
Jul. 2020 Deputy Commissioner of Collection Dept. of National Tax Agency  
Apr. 2022 Outside Director of the Company (Audit and Supervisory Committee Member) (current position)

Expected roles as members of the Board of Directors

	Position	Name	Corporate management	Finance and accounting	Human resources development	Risk management and compliance	Social environment and safety	Digital advanced technology	Sales	Creative design	Quality and technical production	Audit and supervision
	President	TAKAHASHI Takashi	○									
	Senior Managing Director	KOBAYASHI Osamu	○						○			
	Senior Managing Director	TOKUMASU Teruhiko	○					○		○		
	Managing Director	TODAKA Hisayuki	○	○	○	○	○					
	Director	NAKAJIMA Minoru	○						○			
	Director	SHINOHARA Ikunori	○						○			
	Director	MORINAGA Tomoo	○				○				○	
	Outside Director	ITAYA Toshimasa	○					○				○
	Full-Time Audit and Supervisory Committee Member	KAWAHARA Hideshi		○		○						○
	Audit and Supervisory Committee Member (Outside Director)	NIIJIMA Yumiko				○						○
	Audit and Supervisory Committee Member (Outside Director)	YOSHII Kiyonobu		○		○						○
	Audit and Supervisory Committee Member (Outside Director)	MAKIHARA Kotaro		○		○						○

## Compliance and Risk Management

**We have established a Risk Compliance Committee in accordance with the Tanseisha Group Standards of Practice and the Basic Compliance Regulations. Together with the Director in charge, the committee is working to raise ongoing awareness by conducting activities such as training.**

### Compliance training

Tanseisha has established the Tanseisha Group Standards of Practice to ensure compliance with laws and regulations, uphold social standards and complete our services with sound judgment and responsibility. In addition, in light of the importance of compliance, we provide ongoing education and training on compliance. Specifically, we ensure compliance awareness by conducting annual e-learning compliance training for all executives and employees of the Tanseisha Group, as well as compliance seminars for part-time executive officers of subsidiaries (head office executives).

### Compliance hotline (Internal reporting window)

The Tanseisha Group has established a reporting and consultation window based on the Whistleblower Protection Act. The window is outsourced to outside lawyers and is open not only to employees but also to business partners of Group companies, allowing them to report misconduct, such as a violation of laws and regulations that has occurred or may occur in connection with the business practices of Group companies. By establishing an internal reporting system, we strive to prevent and detect legal violations early, and take prompt and appropriate action for any legal violation.

### Establishment of harassment consultation

In accordance with our Anti-Harassment Regulations, we have established an external harassment consultation desk to offer consultations and receive complaints from employees about harassment.

### Information security measures

Tanseisha works continuously to improve information security, including strengthening the security of client computers with remote work as the premise. In addition, the IT Service Management Committee assesses security risks and issues a decision prior to the implementation of initiatives such as large-scale system installations.

Regarding personal information, we have set up the Personal Information Protection Management Systems (PMS) Committee to promote initiatives for protecting personal information using a PDCA cycle, including management reviews, mainly through committee activities. In addition, we have obtained PrivacyMark, which proves that personal information is appropriately protected, in accordance with management systems to safeguard personal information.

### Initiatives for BCP (business continuity plan)

As part of our BCP initiatives, we participate regularly in disaster drills at tenant buildings, conduct safety confirmation drills and carry out initial response drills. In addition, we maintain complete stocks of supplies for any disaster, replacing inventory as necessary.

### Refusal to do business with antisocial forces

In line with our basic policy on corporate governance, Tanseisha refuses to have any connection with antisocial forces. In addition, we resolutely reject any unjust demands from antisocial forces. The General Affairs Department, as the corresponding department, takes legal action, both civil and criminal, while seeking guidance from our legal counsel and the police, as necessary. Furthermore, we raise the awareness of all employees by holding regular in-house seminars on how to deal with antisocial forces.

### Initiatives for protecting intellectual property rights

In addition to conducting educational programs to acquire knowledge on intellectual property, we actively engage in initiatives to protect intellectual property rights by such measures as holding online seminars on the revised Design Act.

### Business and other risks

The Group constantly identifies, evaluates and analyzes circumstances and takes measures against events that could significantly affect its operating results or financial position or that could impede the smooth operation and growth of its business.

These business risks are identified primarily by the Risk Compliance Committee, which oversees and promotes risk management activities based on the Regulations on Management of Risk of Loss, and are assessed by criteria such as the likelihood of an occurrence of a risk event and the

degree of impact of such an event. On the basis of the assessment results, we identify risks that management should specifically keep in mind, determine risk measures whose implementation is particularly important from an overall perspective and monitor the implementation status of these measures.

Any important choices, decisions, etc., made in identifying risks, assessing them and determining the countermeasures stated above are reported to the Board of Directors and linked to management judgment and decision making.

#### 1 Uncertainty risks

The Group's business consists of meeting the diverse requests of customers and users through spatial design and providing solutions to their problems. Due to these characteristics, the Group's business is subject to economic trends and changes in the needs and demands of the market and society, which could significantly affect operating results and the realization of corporate value.

#### 2 Safety and security damage risks

The business of the Group focuses on spaces, the most familiar environments that surround users and occasionally interact with them. The safety and security of users and other concerned parties are paramount and cannot be compromised. The ability to maintain safety not only in the space the Group has created but also during the creation of that space could significantly affect the credibility and trust of the Group and the smooth execution of its business.

#### 3 Fairness and legal compliance risks

In conducting its business, the Group is subject to various laws and regulations. As a sensible company group that fulfills its social responsibility, it is required not only to comply with such laws and regulations but also to conduct fair corporate activities in conformity with various social standards. Any occurrence of events that runs contrary to such compliance could significantly affect the Group's credibility, its social reputation and the smooth continuation of its business.

#### 4 Information-handling risks

The Group's business is to provide solutions to customers' problems. As such, it receives various types of information, including confidential information, from its customers for use in its work. The Group also holds a wide range of other important information, including business partner information, personal information and technical information. Failure to handle this information properly could significantly affect the credibility and trust of the Group and the smooth execution of its business.

#### 5 Personnel risks

The Group's business is the provision of intangible software services in the form of solutions through spatial design. Much of the value it provides depends on the personal skills of its employees. People are the assets from which value creation and profit generation originate. As such, the condition and performance of the Group's personnel significantly affect the smooth promotion and growth of the business.

#### 6 Disaster and epidemic risks

The occurrence of unavoidable crises such as a large-scale natural disaster or an epidemic could have a significant and compounding impact on the stability and continuity of the Group's business, including repercussions for each of the above risks and their manifestation.



## Consolidated Financial and Non-Financial Highlights for the Past 10 Years

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
<b>Financial results (millions of yen)</b>										
Net sales	53,571	57,074	63,373	67,612	70,781	75,156	82,677	81,678	69,225	62,714
Gross profit	8,090	9,392	10,765	11,916	12,337	13,364	14,163	15,406	14,133	11,582
Selling, general & administrative expenses	6,700	7,330	8,015	8,697	8,407	8,777	9,138	9,729	9,084	9,557
Operating income	1,390	2,061	2,749	3,218	3,929	4,587	5,025	5,677	5,049	2,024
Net income	1,149	2,565	3,936	4,379	2,626	3,221	4,206	4,074	3,437	1,434
Orders accepted	58,060	60,471	72,510	67,139	72,883	80,490	83,173	85,639	64,615	64,589
Total assets	28,388	31,198	36,506	41,550	41,205	43,968	43,622	46,761	42,557	45,244
Net assets	11,203	14,098	17,488	21,422	23,110	25,510	26,922	28,276	29,248	29,059
Depreciation and amortization	179	253	263	468	318	301	218	185	266	171
Free cash flow	495	1,674	1,626	9,163	5,275	263	4,929	(500)	6,209	(171)
<b>Financial indicators (%)</b>										
Gross profit margin	15.1	15.5	17.0	17.6	17.4	17.8	17.1	18.9	20.4	18.5
Operating income ratio	2.6	3.6	4.3	4.8	5.6	6.1	6.1	7.0	7.3	3.2
Net income ratio	2.1	4.5	6.2	6.5	3.7	4.3	5.1	5.0	5.0	2.3
SG&A ratio	12.5	12.8	12.6	12.9	11.9	11.7	11.1	11.9	13.1	15.2
ROA (ordinary income to total assets ratio)	5.4	7.3	8.7	8.5	9.9	11.1	11.9	13.0	11.8	5.0
ROE (net income to equity ratio)	10.9	20.3	24.9	22.5	11.8	13.3	16.0	14.8	12.0	4.9
Equity ratio	39.5	45.2	47.9	51.6	56.1	58.0	61.7	60.5	68.7	64.2
Dividend payout ratio	16.8	12.5	14.7	16.8	40.3	53.8	43.4	49.1	55.4	86.3
<b>Per share data* (yen)</b>										
Net income	35.77	79.89	81.81	91.03	54.58	66.96	87.63	85.53	72.19	30.13
Net assets	348.62	439.47	363.46	445.28	480.37	530.28	562.70	594.83	613.53	613.11
Annual dividend	6.00	10.00	12.00	18.00	22.00	36.00	38.00	42.00	40.00	26.00
<b>Non-financial data (persons)</b>										
Number of employees	Male	907	904	937	941	945	976	980	976	1,048
	Female	154	167	181	190	212	258	293	320	362
	Total	1,061	1,071	1,118	1,108	1,131	1,157	1,234	1,296	1,410

\* The Company conducted a 1.3-for-1 share split of common stock effective February 1, 2014. Net assets per share and net income per share are calculated based on the assumption that the share split was carried out at the beginning of the fiscal year ended January 31, 2013. In addition, the Company conducted a 1.5-for-1 share split of common stock effective August 1, 2015. Net assets per share and net income per share are calculated based on the assumption that the share split was carried out at the beginning of the fiscal year ended January 31, 2015. Furthermore, the annual dividend per share for the fiscal year ended January 31, 2016 is the sum of ¥8 per share of the interim dividend paid before the share split and ¥10 per share of the year-end dividend paid after the share split.

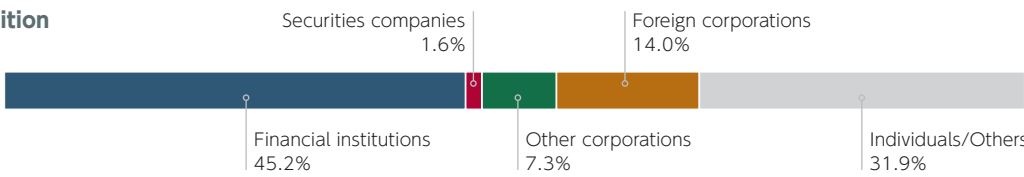
Corporate Information/Investor Information

(As of January 31, 2022)

Company name	TANSEISHA Co., Ltd.																										
Founded	October 1946																										
Established	October 14, 1949 Incorporated: December 25, 1959 (Reestablished under the current effective name)																										
Capital	¥4,026 million (as of January 31, 2022)																										
Number of employees	Consolidated: 1,410 Non-Consolidated: 1,040																										
Description of business	Research, planning, design, layout, production, construction and operation of commercial, hospitality, public, event, business and cultural spaces																										
Head office address	Shinagawa Season Terrace 19F, 1-2-70 Konan, Minato-ku, Tokyo 108-8220, Japan Tel +81-3-6455-8100																										
Major group companies	<table><tr><th>Name</th><th>Capital or equity capital</th><th>Main businesses</th></tr><tr><td>Tansei TDC Co., Ltd.</td><td>¥100 million</td><td>Building, carpentry and interior-finishing work</td></tr><tr><td>Tansei Display Co., Ltd.</td><td>¥50 million</td><td>Display design business</td></tr><tr><td>Tansei Institute Co., Ltd.</td><td>¥50 million</td><td>Information collection, research and study of cultural facilities</td></tr><tr><td>JDN Inc.</td><td>¥20 million</td><td>Information-provision services utilizing websites, advertisement sales and contest planning</td></tr><tr><td>Tansei Business Co., Ltd.</td><td>¥40 million</td><td>Extensive services business including sale and rental of office supplies and equipment, insurance agency and factoring transactions</td></tr><tr><td>Tansei Humanet Co., Ltd.</td><td>¥70 million</td><td>Worker-dispatching business, fee-charging employment placement business and education business mainly for the construction industry</td></tr><tr><td>Tansei Creative Design Co., Ltd. (Shanghai, P.R. China)</td><td>US\$650 thousand</td><td>Design and consulting related to commercial facilities, exhibition facilities and promotion facilities</td></tr></table>			Name	Capital or equity capital	Main businesses	Tansei TDC Co., Ltd.	¥100 million	Building, carpentry and interior-finishing work	Tansei Display Co., Ltd.	¥50 million	Display design business	Tansei Institute Co., Ltd.	¥50 million	Information collection, research and study of cultural facilities	JDN Inc.	¥20 million	Information-provision services utilizing websites, advertisement sales and contest planning	Tansei Business Co., Ltd.	¥40 million	Extensive services business including sale and rental of office supplies and equipment, insurance agency and factoring transactions	Tansei Humanet Co., Ltd.	¥70 million	Worker-dispatching business, fee-charging employment placement business and education business mainly for the construction industry	Tansei Creative Design Co., Ltd. (Shanghai, P.R. China)	US\$650 thousand	Design and consulting related to commercial facilities, exhibition facilities and promotion facilities
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Stock data	Total number of shares authorized to be issued	187,200,000
	Total number of shares issued	48,424,071
	Number of shareholders	13,234
	Stock exchange listing	The Prime Market of the Tokyo Stock Exchange
	Securities code	9743
	Shareholder registry administrator/ account management institution of special accounts	Mitsubishi UFJ Trust and Banking Corporation 4-5, Marunouchi 1-Chome, Chiyoda-ku, Tokyo

Shareholder composition



Major shareholders

Names of shareholders	Number of shares (thousands of shares)	Percentage of shares (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	7,043	14.64
Custody Bank of Japan, Ltd. (Trust account)	2,835	5.89
Tanseisha's Client Stock Ownership	2,363	4.91
The Dai-ichi Life Insurance Company, Limited	1,907	3.96
Sumitomo Mitsui Banking Corporation	1,500	3.11
MUFG Bank, Ltd.	1,482	3.08
Nippon Life Insurance Company	1,446	3.00
Tanseisha's Employee Stock Ownership	1,431	2.97
The Nomura Trust and Banking Co., Ltd. (Investment trust account)	1,424	2.96
GOVERNMENT OF NORWAY	1,159	2.40

Note: Percentages of shareholdings are calculated by excluding 317,550 shares of treasury stock.

Tanseisha's websites



https://www.tanseisha.co.jp/en

	2021	2020	2019	2018	2017
Net sales (million yen)	55,364	55,160	55,671	51,208	50,248
Operating income (million yen)	3,589	4,587	5,583	5,277	5,249
Operating income (million yen)	35	41	47	52	53
Operating income (million yen)	5,115	4,764	5,274	5,245	5,249
Operating income (million yen)	55	63	63	72	74
Operating income (million yen)	5,089	4,681	5,244	4,976	4,967
Operating income (million yen)	57	63	67	72	74
Operating income (million yen)	41,289	40,881	40,881	40,791	40,287
Operating income (million yen)	55,712	55,671	55,671	55,671	55,671
Operating income (million yen)	481	481	481	481	481
Operating income (million yen)	55,671	55,671	55,671	55,671	55,671
Operating income (million yen)	481,07	481,07	481,07	481,07	481,07
Operating income (million yen)	5,769	56	4,877	486	4,769
Operating income (million yen)	2,770	885	719	685	70
Operating income (million yen)	23,885	23,885	23,885	23,885	23,885
Operating income (million yen)	55,364	55,364	55,364	55,364	55,364

https://www.tanseisha.co.jp/en/ir/financial