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NTT Urban Development Corporation  
(Tokyo Stock Exchange (First Section) Code No. 8933)

## Notice of Development of “Medium-Term Vision 2018 – For Further Growth –”

NTT Urban Development Corporation (the Group) have been taking steps to restructure the business base and pursue growth in consideration of financial soundness, with the aim of achieving the financial targets they initially set, strengthening the revenue base in each business, and creating stable profits under the “NTT Urban Development Group Medium-Term Management Plan 2012”.

Meanwhile, the market environment is changing significantly, reflecting the continuing low birth rate and aging of the population, rising awareness of BCP and disaster prevention, and response to environmental and energy problems and other factors. In terms of the economy, a recovery is expected against the backdrop of an improving environment for exports associated with the correction of the strong yen, the effect of monetary and fiscal policies and other factors.

Given this business environment, the Group has developed the “Medium-Term Vision 2018 – For Further Growth –”, a new medium-term vision that begins in fiscal 2013. The Group will take measures for medium and long term growth through fully enforcing a customer and market-centered orientation and the pursuit of innovations.

Main contents in the new medium-term vision are as described below. For more details, please refer to the “Medium-Term Vision 2018 – For Further Growth –”.

1. In this plan, the Group has developed strategies for future growth by setting two-phased stages.

Stage 1 (FY2013 - FY2015)	Strengthening and expansion of the business base for future growth
Stage 2 (FY2016 - FY2018)	Further growth

<Business Policies, etc.>

i) Strengthening the revenue base in the leasing business

The Group will strengthen its revenue base in the leasing business with fully enforcing a customer-orientation and promoting development strategies that capture changes in the social environment, while further strengthening sales capabilities and cost competitiveness and working to diversify development methods and promote asset replacement.

ii) Expanding the business scale for the future growth

In the residential property sales business, the Group will strive to expand business mainly in the Tokyo metropolitan area by enhancing the WELLITH brand.

In global business, the Group will aim to achieve a stable income base through the acquisition of office buildings in Europe and the United States, centered on London, the United Kingdom. The Group will also step up efforts to create business opportunities in growth markets, mainly in Southeast Asia.

iii) Promoting thorough financial control

The Group aims to maintain its financial balance through the careful selection of investments and the implementation of strategic asset replacement, while promoting investments for future growth. The Group will also strengthen its financial base by controlling interest-bearing debt and others.

vi) Enhancing the management platform

The Group will take steps to enhance its management resources and will fully enforce corporate governance to establish a management infrastructure that can keep pace with business expansion.

It will also promote shareholder-oriented management as it has done in the past.

2. Financial Targets, etc.

(1) Financial targets for fiscal 2015 and forecasts for fiscal 2018 are as follows:

Financial Indicators	Actual results FY2012	Stage 1 Quantitative targets	Stage 2 Forecasts
		FY2015	FY2018
Operating income	¥27.4 billion	¥30.0 billion	About ¥40.0 billion
Interest-bearing debt/EBITDA multiple <sup>(*)</sup>	9.6x	10x range	9x range

(\*) Interest-bearing debt is on a net basis minus cash, etc.

[Calculation formula]

Interest-bearing debt - Cash and cash equivalents - Time deposits whose deposit term exceeds three months

EBITDA= Operating income + Depreciation and amortization

(2) The investment plan is as follows:

Investment plan	Actual results FY2010 - FY2012	Stage 1	Stage 2
		FY2013 - FY2015	FY2016 - FY2018
Investment	¥153.5 billion	¥270.0 billion	¥300.0 billion
Capital investment	¥105.6 billion	¥200.0 billion	
Overseas <sup>(*)</sup>	¥15.2 billion	¥40.0 billion	
Inventories (Land purchases)	¥47.9 billion	¥70.0 billion	

(\*) Amount of overseas is restated.