

MARKETBEAT RETAIL SNAPSHOT



TOKYO, JAPAN

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ECONOMIC OVERVIEW

Japan's GDP grew in the previous quarter by 0.4% (quarter-on-quarter, seasonally adjusted), led by the recovery in private consumption and investment. In this quarter, GDP is forecast to continue its upward

trend as corporate investment activity remained brisk after increasing by 2.8% (year-on-year) in the previous quarter against the backdrop of strong corporate performance, according to the Ministry of Finance's Policy Research Institute. Going forward, the Japanese economy would undergo an uplift as strong corporate performance is expected to translate to more investment, employment and an increase in wages. Notably, after the enforcement of consumption tax exemption on October 1, 2014, on tourists' personal consumption items such as food, beverages, drugs and cosmetics, the monthly consumption of tourists skyrocketed for consecutive months, increasing year-on-year by 180.8% in January and 235.8% in February, according to the Japan Department Store Association (JDSA).

Nonetheless, effective stimulus packages are expected so that the overall private consumption can get back on a recovery track.

RETAIL MARKET OVERVIEW

'Food & Drink'—the drivers for attracting new customers.

According to the official January 1 announcement on land prices, which is viewed as the prevailing benchmark of land prices, the commercial land prices stopped declining nation-wide, and were flat for the first time since the global financial crisis in 2008.

Commercial land prices increased, led by brisk property transactions by the corporate sector and J-REITs. Seventy percent of the prices of the plots in Tokyo, Osaka and Nagoya rose. We saw a sign of recovery of sales in department stores as witnessed by the rise in the nation-wide sales in February by 1.1% year-on-year. It was the first positive reading since the hike in consumption tax in April 2014, and in the past eleven months. The factors contributing to the recovery were the inbound consumption of tourists spurred by the Lunar New Year, and luxury brand demands from high net-worth individuals. However, sales in cities outside Tokyo and Osaka lacked strength because such cities benefitted less from the inbound demands than Tokyo and Osaka. Recovery was not yet seen in these cities. At the category level, there was an emergence of clear winners and losers among apparel suppliers. Regardless of domestic or foreign origin, company or

business category whose sales remained lackluster due to dwindling popularity among consumers, withdrew from the market. For example, Topshop closed its five domestic shops at the end of January. Eland, which expanded with SPAO and MIXXO, closed all its shops in Japan, although it had only entered the market two years ago. Brands that were caught in a business slump, especially on the high streets where they could not withstand the recent surge in rents, had to reconsider their business plan including the closing of shops. On the other hand, sports brands' businesses were brisk with the upcoming Tokyo Olympic Games 2020 and the recent health-conscious boom. These brands will actively evolve from now on and create new business category of apparel fields.

On the flip side, many foreign 'Food & Drink' brands expanded and increased their presence significantly. American hamburger chain restaurant Carl's Jr. and Shake Shack, Dominique Ansel Bakery, and Mexican diner Guzman Gomez launched one business expansion after another, usually in partnership with local companies. Going forward, we expect new entrants, as landlords of retail premises are keen to invite these tenants who are able to attract new customers. They also serve as a special feature for new or freshly renovated retail premises.

OUTLOOK

Sustained by the inbound demands aforementioned, commercial lands in Tokyo and Osaka remained buoyant, and continued an upward trend in rents. This trend is expected to continue, as there are no opposing factors so far. However, rents have hiked far beyond the level where tenants can afford to pay, driven by expectations of investors or landlords. As such, the market may have peaked. Moreover, a slump in business is anticipated due to an oversupply of premises for the apparel sector amid ongoing new developments in the heart of Tokyo. Endurance and a highly versatile strategy would be the key to business survival.

ECONOMIC INDICATORS

NATIONAL	2013	2014	2015F
GDP Growth	1.6%	0%	1.1%
CPI Growth	0.3%	2.8%	1.7%
Private Final Expenditure Growth	2.1%	-1.2%	1.2%
Govt. Final Expenditure Growth	1.9%	0.3%	0.4%

Source: Cabinet Office, Govt. of Japan, Roubini Global Economics

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PRIME RETAIL RENTS					
MAIN STREETS	JPY TSUBO*/MO	EURO SF/YR	US\$ SF/YR	Q-Q-Q CHANGE	Y-Q-Y CHANGE
Ginza	320,000	825.13	901.20	3.2%	10.3%
Omotesando	250,000	644.64	704.06	0.0%	0.0%
Shinjuku	220,000	567.28	619.58	0.0%	0.0%
Shibuya	150,000	386.78	422.44	0.0%	0.0%

NOTE: * 1 Tsubo is approximately 3.3sqm and 35.58sqft

1 Euro = 130.786 JPY, 1 US\$ = 119.747 JPY as at Mar. 23 2015

% changes are calculated on the basis of JPY

Source: Cushman & Wakefield Research

SIGNIFICANT PROJECTS COMING ONTO THE MARKET			
PROPERTY	LOCATION	*SQUARE FEET	COMPLETION DATE
Q Plaza Harajuku	Harajuku	651,066	Mar. 2015
Harajuku ALTA	Harajuku	168,009	Mar. 2015
NAGOYA PARCO midi	Nagoya	N/A	Mar. 2015

NOTE: * Gross Floor Area

SIGNIFICANT PROJECTS UNDER CONSTRUCTION			
PROPERTY	LOCATION	*SQUARE FEET	COMPLETION DATE
Futakotamagawa rise SC terraces market	Futakotamagawa	118,407	April 2015
Log Road Daikanyama	Daikanyama	20,452	April 2015
Lala Port Fujimi	Fujimi City	861,141	April 2015

NOTE: * Shop Area

SIGNIFICANT LEASING TRANSACTIONS			
TENANT	LOCATION	PROPERTY	*SQUARE FEET
Ermenegildo Zegna	Ginza	Zegna Ginza Bldg.	7,535
Burberry	Osaka	Shinsaibashi Square	12,519
Onitsuka Tiger	Shibuya	Shibuyajinnan Kyodo Bldg.	1,945

NOTE: * Shop Area

ECONOMIC OVERVIEW

2014 年第 4 四半期、GDP は 0.4% の増加（対前四半期比、季節調整済み）となり、同第 1 四半期以来再び上昇を開始した。個人消費と設備投資の回復に支えられた形である。設備投資が増加していることは、景況感に先行する指標として知られる工作機械販売額が堅調に伸びていることから裏付けられている（1 月 20.4%、2 月 28.9%、前年同月比）。企業業績の好調を背景に、設備投資は 2014 年第 4 四半期に前年同期比で 2.8% 増加した。企業の設備投資は引き続き活況をみせている。2015 年第 1 四半期の GDP は上昇基調となり、今後の日本経済の景気回復が予測される。好調な企業業績が、さらなる設備投資、雇用拡大及び賃金上昇に繋がっていくと期待される。特筆すべきは、昨年 10 月施行の外国人観光客による消費を対象とした消費税非課税枠の拡大（食品、飲料、薬品、化粧品等の個人消費商品が新たに非課税となった）に呼応し、外国人観光客による月間消費が連続して青天井のように上昇したことである（1 月は 180.8% 上昇、2 月は 235.8% 上昇）。そうは云えども、民間消費全体を正常な回復軌道に戻す為には、効き目のある景気刺激策が期待される。

RETAIL MARKET OVERVIEW

外資系の飲食が新たな集客の牽引役

国土交通省が 3 月 18 日に発表した 2015 年 1 月 1 日時点での公示地価は、全国の商業地が前年比 0.0% と 7 年ぶりにマイナス圏を脱して下げ止まった。都市部の商業地では、企業や REIT の取引が活発で、地価を押し上げている。とりわけ、東京、大阪、名古屋の三大都市圏平均では、商業地の 7 割の地点が上昇した。

また、百貨店に関しても回復の兆しがあり、2 月の全国売上高は前年同月比 1.1% 増と 11 ヶ月ぶりのプラスになった。前年実績超は消費税増税後で初めてである。2 月は中国の「春節」もあり、この訪日観光客のインバウンド消費と富裕層による高額品需要が押し上げた要因と分析される。しかしながら、このインバウンド需要を享受できる東京、大阪を除けば、地方都市の販売動向は力強さに欠けており、全体に波及しているとはいえない状況になっている。

業種毎に目を移すと、不動産的な視点からもアパレルは優勝劣敗が鮮明になってきている。消費者の指示を得られずに売上が低迷した企業/業態は日系、外資問わず閉鎖している。例えば、Topshop が 1 月末に国内 5 店舗を突如閉鎖した。SPAO や MIXXO を展開した Eland も進出わずか 2 年で日本の全店舗を閉鎖した。特に主要商業地のハイストリートでは、昨今高騰した賃料に耐え切れず、不振なブランドは日系外資を問わず、今後も店舗の閉鎖を含めた見直しを進めていくものと考えられる。

一方、スポーツ系ブランドは昨今の健康志向とオリンピックを数年先に控え盛り上がり、アパレル分野の業態開発も含めて積極的な展開が今後も見られそうである。

上記のファッションを代表する物販と対比して、出店意欲が旺盛で元気なのは、外資系の飲食である。

日本のパートナーと組んでの日本進出を相次いで表明している。アメリカのハンバーガーチェーンの「Carl's Jr.」や「Shake Shack」、また「Dominique Ansel Bakery」、メキシカンダイナー「Guzmany Gomez」などが出店を表明しており、今後も日本進出を目指すテナントが続くと見られる。

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商業施設側としても、これらのテナントは、新たな集客の牽引役として積極的に誘致に動いており、今後の新規開発や改装の目玉として期待されている。

OUTLOOK

東京、大阪の主要商業地は、前述のようなインバウンド需要に支えられ、好調を持続し、賃料も引き続き上昇基調が続いている。今のところ、大きなネガティブ要素が見られないため、この傾向は続くと考えられる。しかしながら、投資家・ビルオーナー側の思惑で上昇した賃料は、テナントにとっては負担できる賃料比率をはるかに上回るところまで上昇してきており、ピーク感が漂い始めている。今後も都中心に商業施設の開発が当分続く中で、アパレル店舗の過剰による不振が目立ち始め、企業体力や出店戦略の優劣が問われてくる。

レポートに関するお問合せは以下にご照会ください。

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建設企業で大規模商業施設の設計、みずほ信託銀行で証券化不動産実務、CBREで調査・分析業務に従事。オックスフォードブルックス大学国際不動産学修士、早稲田大学国際不動産研究所招聘研究員、日本不動産金融工学学会会員、一級建築士。

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Profile

Keisuke began his career at a construction company designing shopping malls. After he got a Master's degree in the UK, Keisuke joined Mizuho Trust & Banking where he got hands on experience in the Japanese property securitization market. Following that he moved to CBRE and analyzed the investment market and various property indexes.

(Visiting researcher of Waseda University, Member of the Japanese Association of Real Estate Financial Engineering, First Class Architect)

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2013年に入社。日本における商業用不動産の専門家として19年を超える経験を持ち、現在、リテールサービスの分野に携わる。当社入社前はCBREにてリテール、オフィス等のリーシングを経験。主要マーケットの路面店舗のリーシングに注力し、日本に進出、拡張を計画する外資系リテイラーのインバウンドビジネスをサポートした。

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Profile

He joined Cushman & Wakefield in 2013 and has over 19 years of extensive experience in the commercial real estate field in Japan. Prior to joining C&W, Hiroki was involved in Retail and Office Leasing in CBRE. His expertise in retail services include securing flagship stores in major cities of Japan, and supporting the inbound business for foreign companies expanding into the Japan market.

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