

NEWS & RELEASE

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Office Space per Person 2013

Space per person remained flat at about 4 tsubo (13 sqm).

Offices with more female workers tend to have more space per person.

(1 tsubo=approx. 3.3 sqm)

Xymax Real Estate Institute conducts the office tenant survey on the size of the leased space and the number of workers working in the location. Below are our survey results for 2013. With the data we obtained, the size of the office space per person at a typical office has been analyzed. We have compared the results by location and by type of the tenants' business and also studied whether the ratio of female workers makes any difference in the size of office space per person.

Our previous survey issued on September 17, 2013 is available online:

Office Space per Person 2012 in Tokyo 23 Wards <http://www.xymax.co.jp/english/research/release/130917.html>

Key Findings

- **Office space per person continued to remain flat at 3.93 tsubo in Tokyo 23 Wards in 2013.**
- **Office space per person varies depending on the location of the building and type of business of the tenants.**
- **Offices with more female workers tend to have more office space per person.**

Survey Outline

Survey Period	2009 - 2013 (surveyed annually)
Target Respondents	Office tenants occupying the office buildings in the Greater Tokyo area
Valid Response	Tokyo 23 Wards: 4,490 tenants (accumulated total in 2009–2013) 829 (2009), 871 (2010), 894 (2011), 909 (2012), 987 (2013) Greater Tokyo (excl. 23 Wards): 309 tenants (2013)
Calculation	The median of the surveyed tenants' office spaces derived by dividing the net rentable area by the number of workers in the office.
Notes	Office space: net rentable area (net usable area) including the office area, entrance (reception), conference room, restrooms, document rooms, storage rooms, and exclusive-use corridors. Number of office workers: the number responded by tenants as "users" of the office spaces.

Office Space per Person Distribution and Changes

Figure 1 shows the distribution of office space per person in Tokyo 23 Wards. The median was 3.93 tsubo, meaning the space per person for half of the surveyed tenants is smaller than 3.93 tsubo while that of the remaining half is larger than 3.93 tsubo.)

Figure 1: Office Space per Person 2013 (Tokyo 23 Wards)

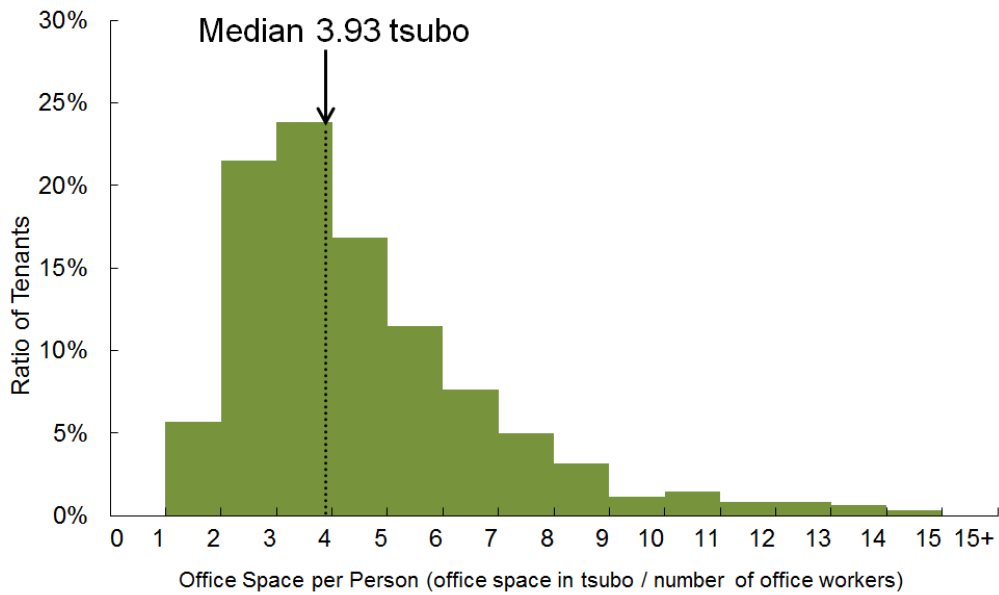
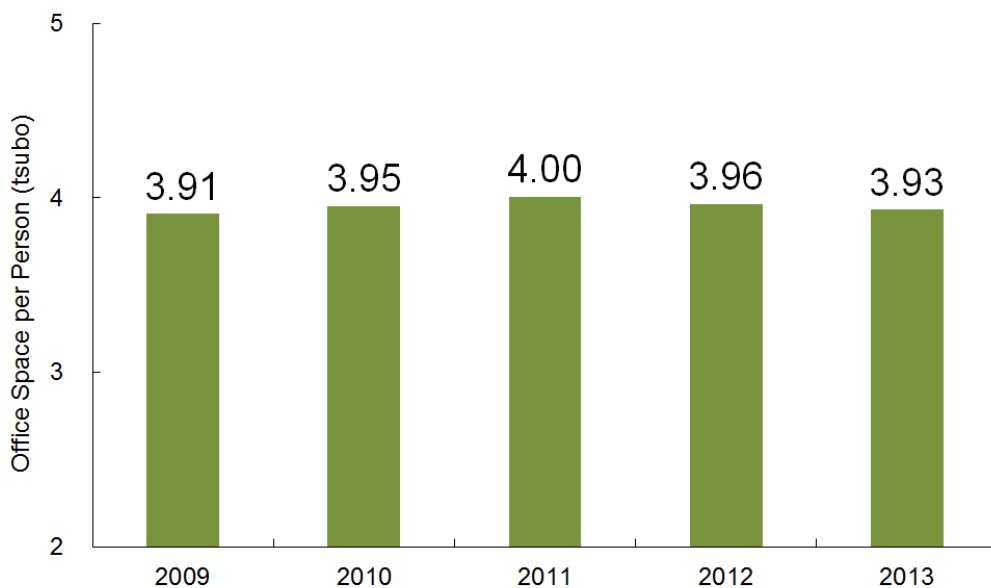


Figure 2 shows the historical changes in the office space per person. The office space remained at around 4 tsubo with no significant changes from 2009 to 2013.

Figure 2: Office Space per Person 2009-2013 (Tokyo 23 Wards)

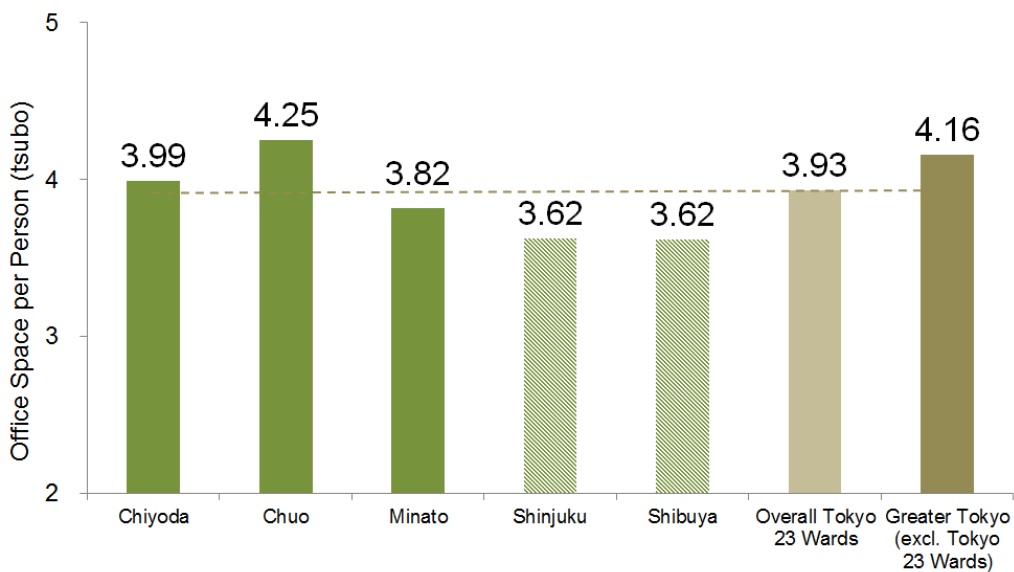


Office Space per Person by Location

As mentioned above, office space per person remains flat at around 4 tsubo in the overall Tokyo 23 Wards, but the space per person by location shows differences (Figure 3). Similar to our previous report, the office space per person in the central three wards (Chiyoda, Chuo and Minato) is around 4 tsubo as office buildings in these wards are occupied by various types of companies. In contrast, Shinjuku and Shibuya Wards have smaller office spaces per person than the overall Tokyo 23 Wards as there are more staffing companies and information technology companies which use relatively smaller space per person.

In this report, we have extended our analysis to include the Greater Tokyo area (including outskirts of Tokyo, Kanagawa, Chiba and Saitama Prefectures, excluding Tokyo 23 Wards). The office space per person in the Greater Tokyo was larger than that for the overall Tokyo 23 Wards (See Figure 3). This is because the office rent is more affordable in the suburbs and tenants therefore tend to occupy larger spaces.

Figure 3: Office Space per Person by Location 2013



	Chiyoda	Chuo	Minato	Shinjuku	Shibuya	Overall Tokyo 23 Wards	Greater Tokyo (excl. Tokyo 23 Wards)
2009	4.25	3.95	3.93	3.77	3.53	3.91	-
2010	4.25	4.14	4.02	3.42	3.45	3.95	-
2011	4.00	4.28	4.04	3.20	3.85	4.00	-
2012	4.39	4.00	4.02	3.40	3.52	3.96	-
2013	3.99	4.25	3.82	3.62	3.62	3.93	4.16

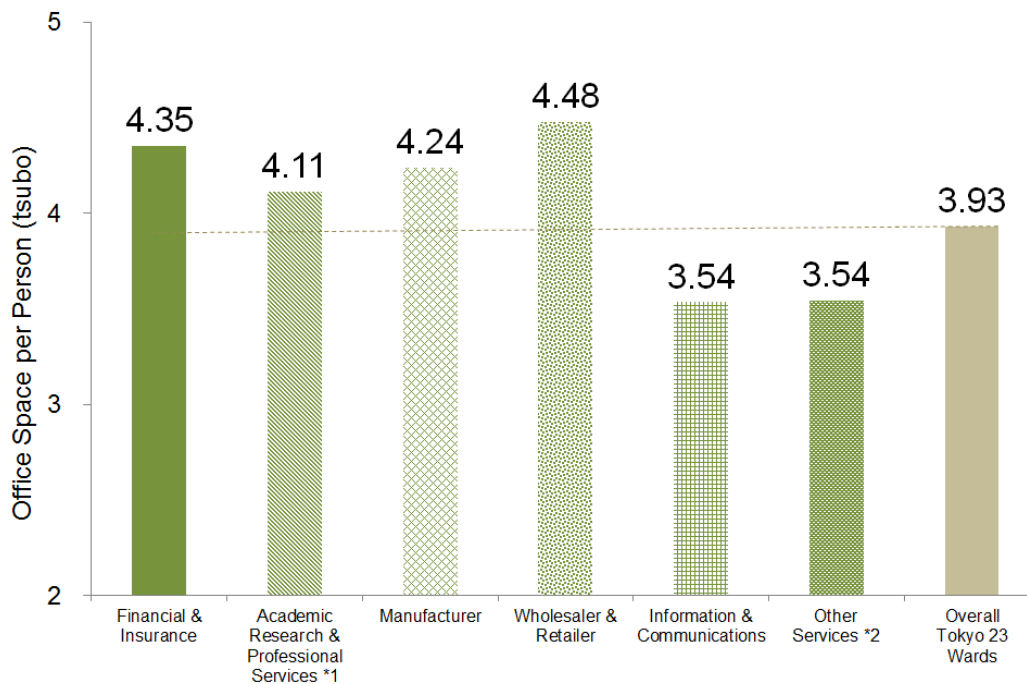
Office Space per Person by Type of Business

Based on the Japan Standard Industry Classification, we have divided the tenants by types of business and compared the office space per person in 2013 (Figure 4).

The trend in 2013 resembles the trend in the previous year: The office space per person of the Financial & Insurance tenants (4.35 tsubo), Academic Research & Professional Services tenants (4.11 tsubo) and Manufacturer tenants (4.24 tsubo) are larger than that for the overall Tokyo 23 Wards while the office space per person of the Information & Communications tenants (3.54 tsubo) and Other Services tenants (3.54 tsubo) are smaller.

The Wholesaler & Retailer tenants, which were added to our coverage from this report, posted a larger office space per person than the overall Tokyo 23 Wards at 4.48 tsubo. The Wholesaler & Retailer tenants require spaces, for the same reason as the Manufacturer tenants, for the conference room and to keep goods such as company products.

Figure 4: Office Space per Person by Type of Business (2013, Tokyo 23 Wards)



*1 Academic Research & Professional Services: legal firm, accounting firm, advertising agency, business consulting, etc.

*2 Other Services: recruiting agent, temporary staffing, political, economic and cultural organization, security, building maintenance, etc.

	Financial & Insurance	Academic Research & Professional Services *1	Manufacturer	Wholesaler & Retailer	Information & Communications	Other Services *2	Overall Tokyo 23 Wards
2009	4.11	3.96	4.30	-	3.29	3.99	3.91
2010	4.52	4.16	4.23	-	3.10	3.66	3.95
2011	4.38	4.41	4.13	-	3.20	3.51	4.00
2012	4.36	4.41	4.16	-	3.36	3.48	3.96
2013	4.35	4.11	4.24	4.48	3.54	3.54	3.93

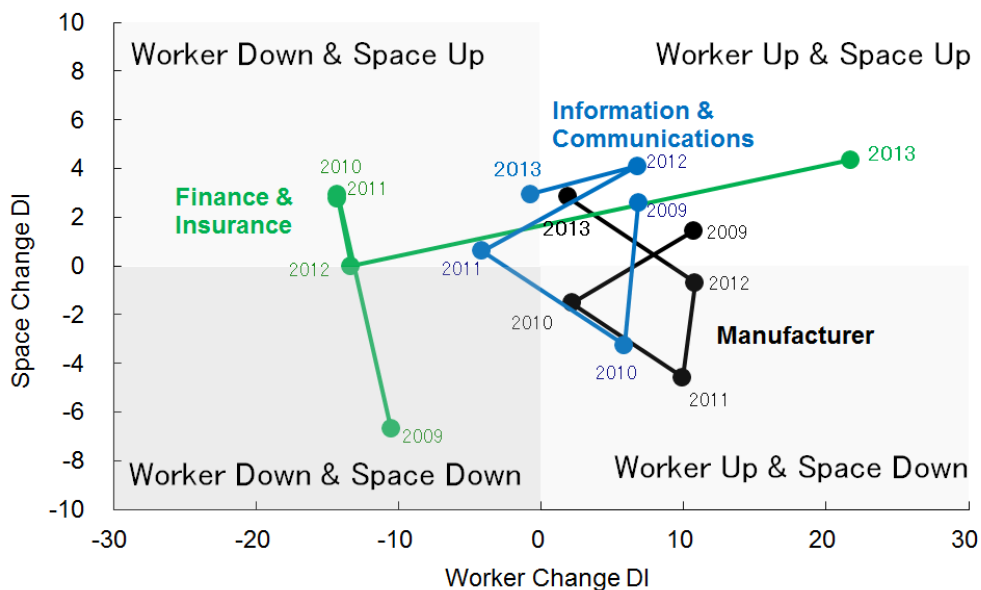
We have also focused on the changes in the office space per person and the number of workers of three representative business types (Manufacturer; Financial & Insurance; Information & Communications).

Year-on-year changes in the office space per person (Space Change DI *) and the number of workers in the office (Worker Change DI *) are plotted on Figure 5. The four quadrants represent: Worker Up & Space Up; Worker Down & Space Up; Worker Down & Space Down; and Worker Up & Space Down. The central point represents no changes in both the office space per person and the number of workers in the office.

As of 2013, the Information & Communications tenants are in the quadrant “Worker Down & Space Up” while the Financial & Insurance tenants and Manufacturer tenants are in “Worker Up & Space Up”. The Financial & Insurance tenants show a particularly strong increase in the number of office workers notably driven by the great increases in the workforce in mega banks and foreign insurance firms.

* Space Change Diffusion Index (DI) and Worker Change Diffusion Index (DI) are based on the year-on-year changes in the office space per person and the number of workers in the office, respectively. Each year-on-year change is divided into “Increase”, “No Change” or “Decrease”. The DI is estimated by subtracting the ratio of tenants with “Decrease” from the ratio of tenants with “Increase”. Please note that tenants are generally more likely to reduce/increase the number of workers than the size of the office space therefore our graph has a wider space for Worker Change DI.

Figure 5: Changes in Office Space per Person and Number of Workers by Type of Business (2009-2013, Tokyo 23 Wards)



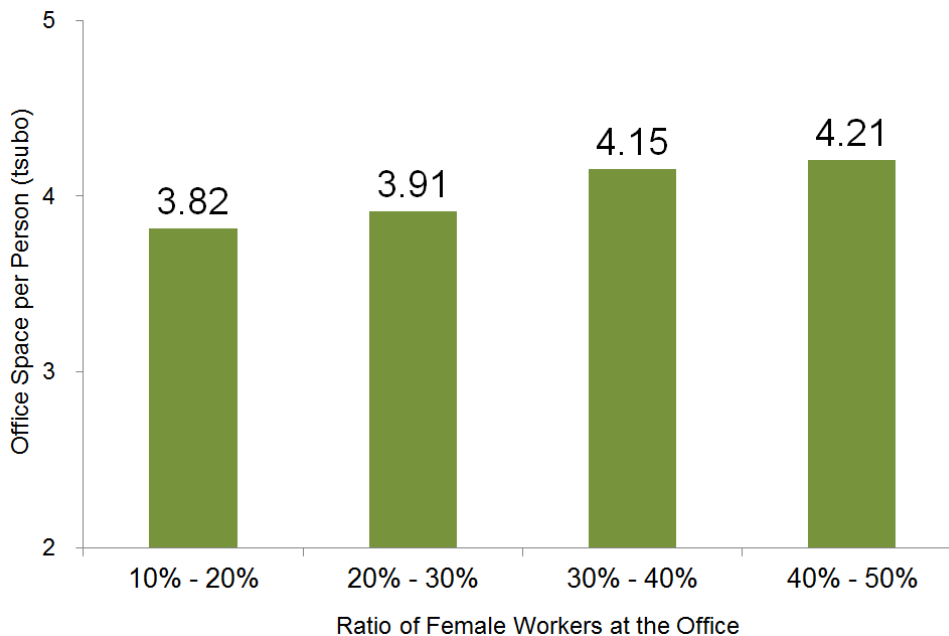
Office Space (Net Rentable Area)						Number of Workers in the Office					
	Year	Decrease	No Change	Increase	DI		Year	Decrease	No Change	Increase	DI
Manufacturer	2009	4%	91%	5%	1.4	Manufacturer	2009	32%	25%	43%	10.7
	2010	5%	91%	4%	-1.5		2010	37%	23%	40%	2.2
	2011	5%	94%	1%	-4.6		2011	34%	23%	44%	9.9
	2012	3%	95%	2%	-0.7		2012	33%	23%	44%	10.8
	2013	4%	90%	7%	2.8		2013	42%	15%	43%	1.9
Financial & Insurance	2009	7%	93%	0%	-6.7	Financial & Insurance	2009	47%	16%	37%	-10.5
	2010	0%	97%	3%	2.9		2010	46%	23%	31%	-14.3
	2011	0%	97%	3%	2.8		2011	46%	23%	31%	-14.3
	2012	3%	94%	3%	0.0		2012	43%	27%	30%	-13.3
	2013	0%	96%	4%	4.3		2013	30%	17%	52%	21.7
Information & Communications	2009	5%	87%	8%	2.6	Information & Communications	2009	37%	19%	44%	6.8
	2010	8%	86%	5%	-3.2		2010	36%	23%	42%	5.8
	2011	4%	92%	4%	0.6		2011	42%	20%	38%	-4.1
	2012	1%	94%	5%	4.1		2012	37%	20%	44%	6.7
	2013	3%	91%	6%	2.9		2013	43%	15%	42%	-0.7

Ratio of Female Workers and Office Space per Person

Figure 6 shows the comparison of the office space per person and the ratio of female workers in the office.

The office space per person gets larger as more women are working in the office. This is because companies with a higher ratio of female workers are pursuing efforts to make their office friendly for female workers probably requiring more spaces for locker rooms, lunchtime tables and refreshment area.

Figure 6: Comparison of Office Space per Person and Ratio of Female Workers (2013, Tokyo 23 Wards)



Offices with less than 10% and over 50% female worker ratio are excluded from our graph because such offices are mainly used for special purposes (e.g. computing room, call center).