

# NEWS & RELEASE

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## Office Space per Person 2012 in Tokyo 23 Wards

Approximately 4 tsubo (13 sqm) per person but varies depending on type of business  
(1 tsubo=approx. 3.3 sqm)

Xymax conducted an office tenant survey in Tokyo 23 Wards on the size of lease space and number of workers in the office and analyzed the size of office space per person in typical office buildings using the data obtained in the survey.

### Key Findings

**Respondents: 3,503 tenants of Tokyo 23 Wards office buildings (accumulated total of 2009-2012 surveys)**

- **The office space per person has remained flat at around 4 tsubo in recent years. (Page 3)**

3.91 tsubo in 2009      3.95 tsubo in 2010      4.00 tsubo in 2011      3.96 tsubo in 2012

- **The office space per person varies depending on type of business. (Page 3)**

Financial & Insurance: 4.36 tsubo      Academic Research & Professional Services: 4.41 tsubo

Manufacturer: 4.16 tsubo      Information & Communications: 3.36 tsubo

Other Services: 3.48 tsubo      (Note: all numbers are 2012 survey result)

- **Tenants expand or downsize their office spaces to achieve appropriate space per person. (Page 5)**

Expansion: before 3.05 tsubo → after 3.72 tsubo

Downsizing: before 4.24 tsubo → after 3.38 tsubo

Tenants who expanded or downsized their office space within the same building. (Tenants who relocated to other buildings are excluded.)

Most companies are aware of the importance of the best and highest use of their corporate real estate (CRE) management in achieving appropriate resource allocation and maximizing corporate value. We hope that our findings in this study will be a useful guide for companies when they consider effective use of their office space.

Xymax will expand the coverage of this study and use the findings to provide tenant consulting services and landlord advisories to maintain and improve their rental income, and analyze the office market trends.

## Survey Outline

Survey Period	2009–2012 (surveyed annually)
Target Respondents	Office tenants in Tokyo 23 Wards office buildings
Valid Response	3,503 tenants (accumulated total in 2009–2012) 829 tenants in 2009    871 tenants in 2010 894 tenants in 2011    909 tenants in 2012
Notes	Size of lease space: effective area including office spaces, entrance, meeting rooms, restrooms, book rooms, storage rooms, and exclusive-use corridors.  Number of office workers: the number responded by tenants as “users” of the office spaces

## Calculation of Office Space per Person

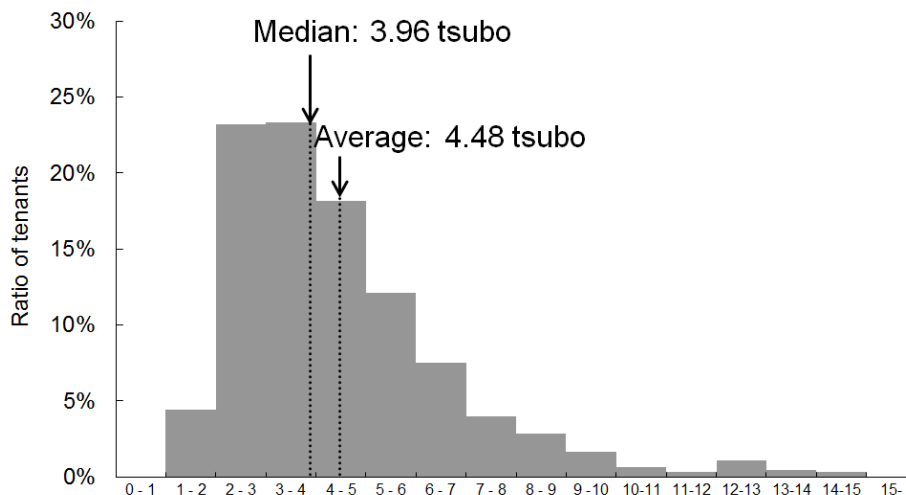
Figure 1 shows the distribution of the office space per person which was calculated by dividing the lease space by the number of office workers of the surveyed tenants (909 tenants in 2012). The horizontal axis shows the size of space per person, and the vertical axis shows the ratio of tenants for each class.

The office space per person of about a half of the respondents was 2-4 tsubo while that for about 10% of the respondents was over 7 tsubo, bringing the average to 4.48 tsubo. This, however, sounds somewhat too large from the standpoint of experienced office building managers.

In this study, therefore, the median (\*1) is regarded as the typical office space per person, which was 3.96 tsubo for 2012. (This means that the space per person for 50% or 454 of the respondents was less than 3.96 tsubo, and that for the rest of 50% or 454 of the respondents was larger than 3.96 tsubo.)

(\*1) Median: The numerical value separating the higher half of a data sample from the lower half. The importance of outliers is reduced. It is often used as asymmetric representative value in the annual income distribution. (If it is symmetric, then the average = median.)

Figure 1: Office Space per Person 2012 (Tokyo 23 Wards)

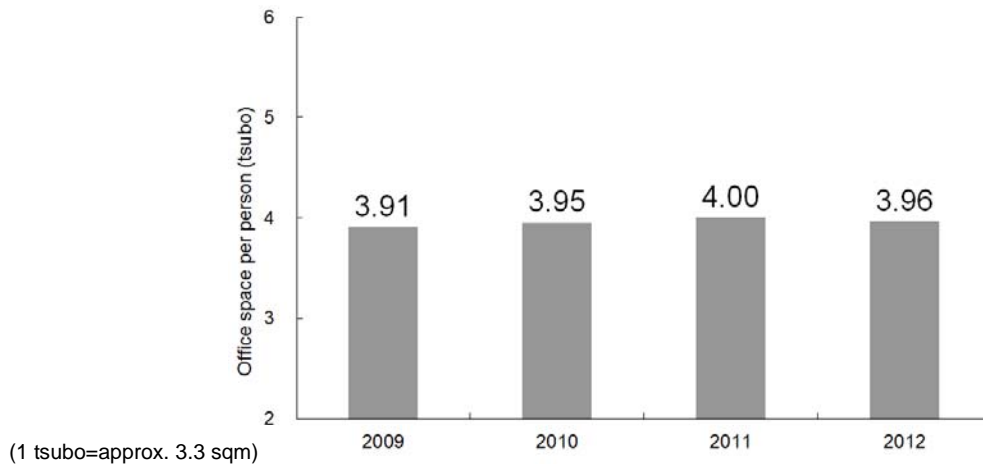


(1 tsubo=approx. 3.3 sqm)

Office space per person (lease area/office workers) (tsubo/person)

The changes in office space per person are shown in Figure 2. The space has been roughly flat at around 4 tsubo in 2009-2012.

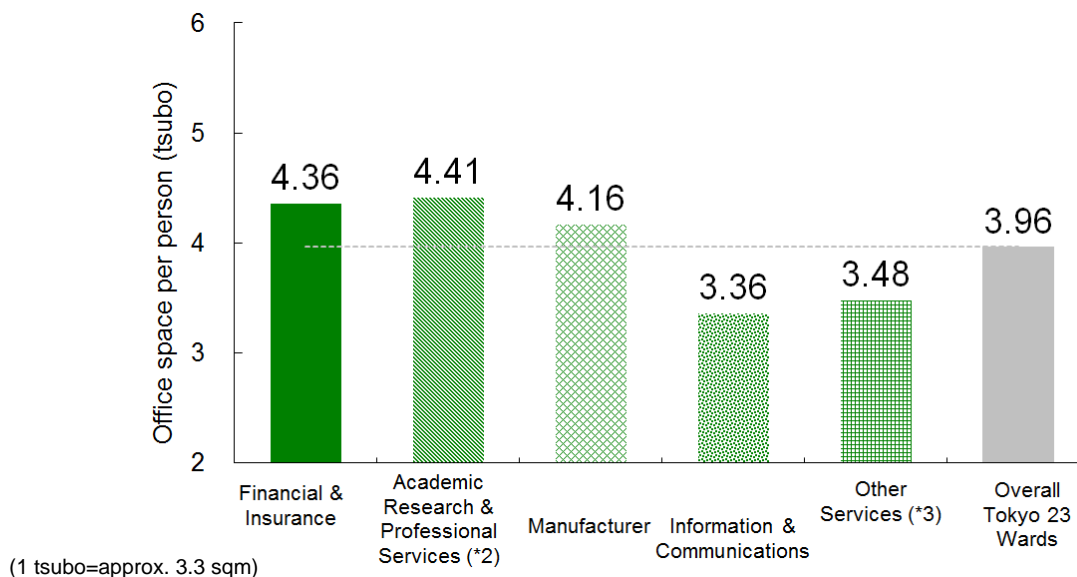
Figure 2: Office Space per Person 2009-2012 (Tokyo 23 Wards)



### Office Space per Person by Type of Business

As shown in Figure 1, the office space per person differs by tenants. To analyze this, we divided the tenants into five types based on the Japan Standard Industry Classification and calculated the office space per person by type of business as in Figure 3.

Figure 3: Office Space per Person by Type of Business (Tokyo 23 Wards)



(\*2) Academic Research & Professional Services: legal firm, accounting firm, advertising agency, business consulting, etc.

(\*3) Other Services: recruiting agent, temporary staffing, political, economic and cultural organization, security, building maintenance, etc.

	Financial & Insurance	Academic Research & Professional Services	Manufacturer	Information & Communications	Other Services	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

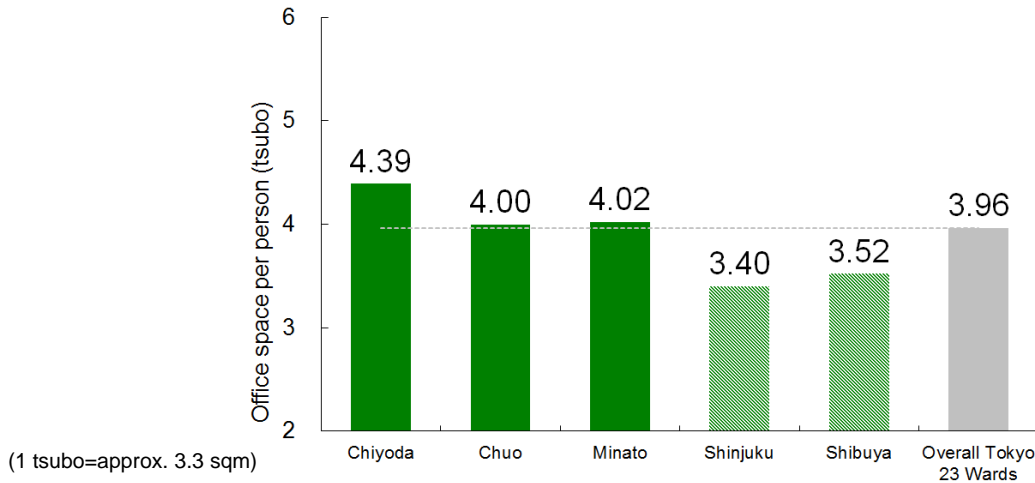
Compared to the overall Tokyo 23 Wards (3.96 tsubo in 2012), the office space per tsubo was larger for Financial & Insurance (4.36 tsubo), Academic Research & Professional Services (4.41 tsubo), and Manufacturer (4.16 tsubo) and smaller for Information & Communications (3.36 tsubo) and Other Services (3.48 tsubo).

This is probably because Financial & Insurance companies and Academic Research & Professional Services companies tend to have large entrance area and reception room because they think the image of their office is important when clients and business partners visit them. Manufacturer companies also require relatively large spaces in their office to store their products, which is pushing up the size of office space per person.

In contrast, Information & Communications companies and Other Services companies tend to have smaller office space per person because they have introduced advanced computer technology for office works and require only small desks and small storages for documents and products.

The comparison of Tokyo's central five wards (Chiyoda, Chuo, Minato, Shinjuku, and Shibuya) also shows differences depending on the location: compared to the overall Tokyo 23 Wards, the office space per person is 10% larger in Chiyoda Ward, 15% smaller in Shinjuku Ward, and 11% smaller in Shibuya Ward (Figure 4). This may be due to the type of business in each ward. Financial & Insurance companies and Academic Research & Professional Services companies are concentrated in Chiyoda Ward whereas Other Services companies are in Shinjuku Ward and Information & Communication companies are in Shibuya Ward.

Figure 4: Office Space per Person by Location 2012 (Tokyo 23 Wards)



Ward	Chiyoda	Chuo	Minato	Shinjuku	Shibuya	Overall 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

### Before and After Office Expansion and Downsizing

Figure 5 shows the changes in size of space per person before and after office expansion or downsizing within the same building in 2009-2012 surveys.

The small space per person (3.05 tsubo) were increased by 20% to 3.72 tsubo after expansion while the large space per person (4.24 tsubo) were decreased by 20% to 3.38 tsubo after downsizing, indicating that tenants made adjustments to improve their smaller or larger office space per person.

Figure 5: Office Expansion and Downsizing 2009-2012 (Tokyo 23 Wards)

