



Electric Power Consumption by Office Tenants (June 2016)

The average of Apr-Jun 2016 was 32.9 kW/tsubo; YoY decrease of 3.5%.

September 7, 2016

Xymax Real Estate Institute has been studying the volume of electricity consumed by office tenants in Japan on a continuous basis. The quarterly reports have been released since June 2013. The latest report, which covers the results for the period ending June 2016, is available now.

Findings from Research

The areas where electricity is supplied by Tokyo Electric Power Company (TEPCO)

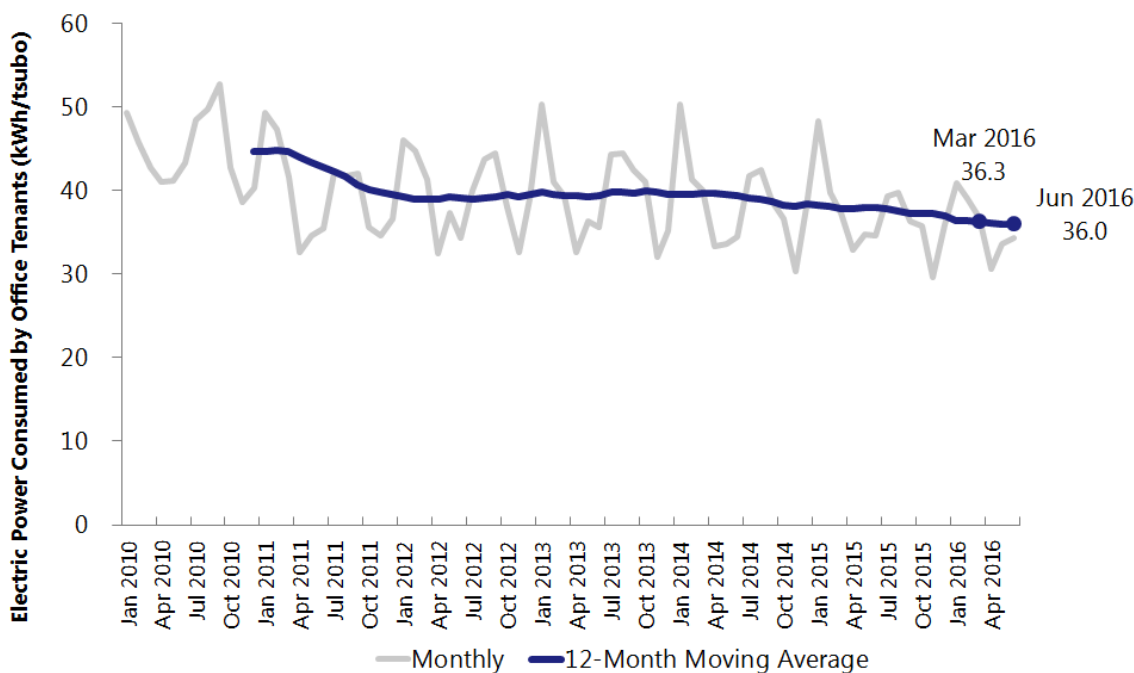
- The average consumption in the April-June 2016 quarter was 32.9 kWh/tsubo; a decrease of 1.2 kWh/tsubo or 3.5% from 34.1 kWh/tsubo in the same quarter previous year.

1. Electric Power Consumption

Figure 1 shows the electric power consumed by office tenants in the period between January 2010 and June 2016. The consumption was 30.7 kWh/tsubo in April, 33.6 kWh/tsubo in May and 34.4 kWh/tsubo in June.

The 12-month moving average of the period between July 2015 and June 2016 was 36.0 kWh/tsubo; a decrease of 0.3 kWh/tsubo from 36.3 kWh/tsubo for the period between April 2015 and March 2016. The volume fell sharply after the earthquake in 2011 and remained roughly flat since then. In the past few years, however, it is slowly decreasing.

Figure 1: Electric Power Consumed by Office Tenants (TEPCO Areas)



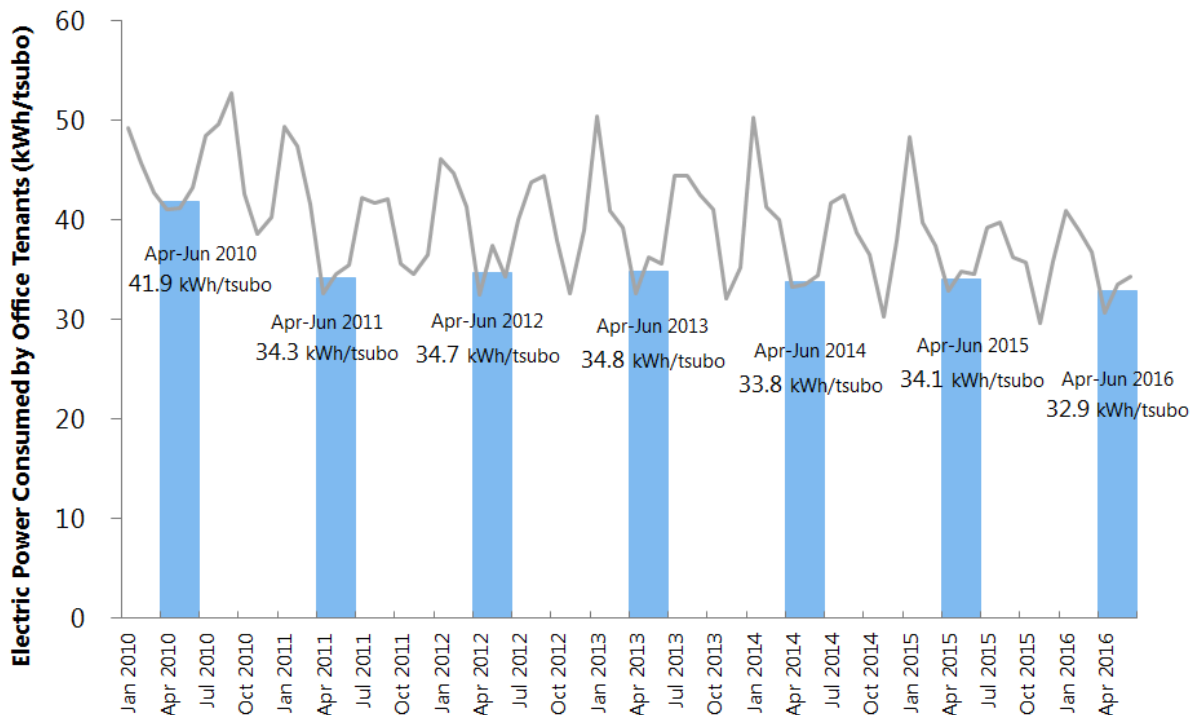
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2. April-June Average Decreased Year-on-Year

The average electric power consumed by office tenants in the TEPCO areas in the April-June 2016 quarter was 32.9 kWh/tsubo; continued to remain roughly flat but marked a record low, decreasing slightly year-on-year by 1.2 kWh/tsubo (3.5%) (Figure 2). This is because of the low electric consumption in April due to the somewhat high temperature compared to the April last year.

Figure 2: April-June Average Electric Power Consumed by Office Tenants (TEPCO Area)



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Research Overview

Definition	Electric power per tsubo (3.3 sqm) consumed by a tenant in office buildings in a month.
Period	January 2010 – June 2016 (data was collected every month)
Subject Data	Of office tenants of office buildings managed by Xymax Group, we obtained valid data from approx. 3,000 tenants in approx. 300 buildings.
How to Calculate	<ol style="list-style-type: none"> 1) Collect the monthly electric power consumption (kWh) of each tenant. 2) Adjust the preceding data to a five-day business week excluding Saturdays, Sundays and national holidays. 3) Calculate the electric power consumption per tsubo (kWh/tsubo) by dividing the preceding data by the rentable area (tsubo). 4) Calculate the average amount for each electric power company.
Notes	<ul style="list-style-type: none"> • Non-office tenants such as retail, warehouse and computer room tenants are excluded. • Electricity consumed for the area other than the tenant's exclusive area, such as the common area lights and elevators, are excluded. • Energy consumed for centrally-controlled air conditioners and gas heat pumps, where tenant-by-tenant calculation is impossible, is excluded. • The month of the data is the month of the meter reading, which is generally the 20th day of each month. • Extraordinary amounts (too high, too low) are identified as outlier and excluded. • The number of tenants varies month by month as tenants move in and out.

For the previous research, please refer to the report Electric Power Consumption by Office Tenants (March 2016) released on June 3, 2016.

For questions on this report, please contact us.

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