

Presentation Material for the First Three Quarters of FY2022 (Ending December 31, 2022)

November 10, 2022

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Business Results for the First Three Quarters of FY2022

- In addition to increases in sales and gross profit from for-sale condominiums and property sales to investors, solid performance of leasing of buildings, recording a share of profit of entities accounted for using equity method in overseas businesses, etc. resulted in increased revenue and profit.

Topics

- Completed the Tokyo Tatemono Shijo Karasuma Building EAST, the first new office building in the Shijo Karasuma of Kyoto for approximately 10 years (August)
- Completed the Sustainable Setup Office on the 12th floor of Tokyo Square Garden (September)
- Opened xBridge-Global, a new hub for global startup companies (October)
- GRESB Real Estate Assessment results: received the top-rated “5-star” for the sixth consecutive year, selected for the first time as a “Sector Leader” (October)

Consolidated Statement of Income for the First Three Quarters of FY2022

- In addition to increases in sales and gross profit from for-sale condominiums and property sales to investors, solid performance of leasing of buildings, recording a share of profit of entities accounted for using equity method in overseas businesses, etc. resulted in increased revenue and profit.

				2022/8 Announced		
Unit: ¥ billion	2021/12 3Q actual	2022/12 3Q actual	Increase/ Decrease	Main factors for increase/decrease	2022/12 Full-year Forecasts	Achievement rate
Operating revenue	223.1	268.4	45.2	• Operating revenue; Business profit See Business Results by Segment	355.0	76%
Commercial properties	93.8	114.6	20.7		148.0	77%
Residential	83.3	99.6	16.3		131.0	76%
Asset service	30.5	37.0	6.4		53.5	69%
Other	15.3	17.0	1.7		22.5	76%
Operating profit	41.6	55.0	13.4		61.5	90%
Share of profit (loss) of entities accounted for using equity method	0.1	3.0	2.9		3.0	102%
Business profit*	41.7	58.0	16.3		64.5	90%
Commercial properties	30.3	33.7	3.4		40.5	83%
Residential	14.2	20.9	6.6		23.0	91%
Asset service	2.6	5.4	2.8	Recording of share of profit of entities accounted for using equity method, etc. Effects of hybrid bond issuance costs posted in the previous period, etc.	7.0	78%
Other	1.1	4.9	3.7		4.0	125%
Elimination/Corporate	(6.6)	(7.0)	(0.3)		(10.0)	-
Non-operating income	4.0	7.0	3.0		7.5	94%
Non-operating expenses	6.5	5.4	(1.0)		7.5	72%
Interest expense	5.0	4.5	(0.4)	Decrease in gain on sales of investment securities, etc.	61.5	92%
Ordinary profit	39.1	56.6	17.5		2.0	22%
Extraordinary income	7.2	0.4	(6.7)		2.0	17%
Extraordinary loss	0.3	0.3	(0.0)		61.5	92%
Profit before income taxes	46.0	56.7	10.7		41.5	95%
Profit attributable to owners of parent	31.4	39.3	7.9			

* Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method

Consolidated Balance Sheet for the First Three Quarters of FY2022

- Total assets increased by ¥24.3 billion due to an increase in real estate for sale as a result of the acquisition of land for development of properties for sale to investors.

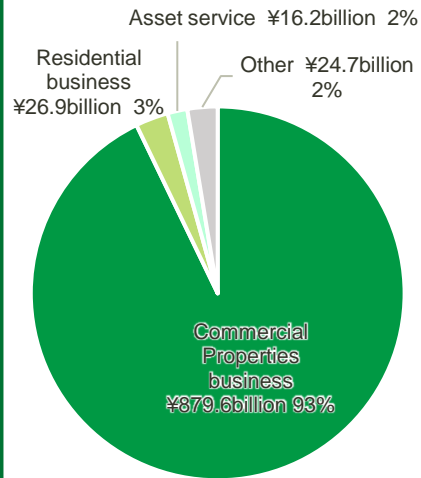
Unit: ¥ billion	2021/12-end	2022/9-end	Increase/ Decrease	Main factors for increase/decrease
Total assets	1,650.7	1,675.0	24.3	
Current assets	481.2	502.0	20.7	<ul style="list-style-type: none"> Real estate for sale Increased as a result of further acquisition of land for development of logistics properties, commercial facilities, and for-sale condominiums despite the progress in sales of for-sale condominiums and property sales to investors.
Cash and deposits	87.0	66.2	(20.7)	
Real estate for sale	344.2	384.7	40.5	
Other	49.9	50.9	0.9	
Non-current assets	1,169.5	1,173.0	3.5	
Property, plant and equipment	813.2	814.9	1.6	
Intangible assets	130.8	132.8	1.9	
Investments and other assets	225.4	225.3	(0.0)	
Total liabilities	1,223.1	1,217.3	(5.7)	
Interest-bearing debt	956.8	940.1	(16.6)	<ul style="list-style-type: none"> Interest-bearing debt Decrease due to repayments of borrowings, etc.
Other liabilities	266.2	277.1	10.9	
Total net assets	427.6	457.7	30.1	
Shareholders' equity	324.9	344.4	19.4	<ul style="list-style-type: none"> Shareholders' equity Profit attributable to owners of parent +¥39.3 billion, dividends paid -¥11.7 billion, land reevaluation reversal -¥8.2 billion <ul style="list-style-type: none"> Accumulated other comprehensive income Revaluation difference for land +¥8.2 billion
Accumulated other comprehensive income	92.0	102.8	10.7	
Non-controlling interests	10.6	10.4	(0.1)	
Capital adequacy ratio	25.3%	26.7%	1.4p	
Debt equity ratio ^{*1}	2.3	2.1	(0.2)	<ul style="list-style-type: none"> Net debt equity ratio: 2.0x
Interest-bearing debt / EBITDA multiple ^{*2}	13.3	-	-	

^{*1} Debt equity ratio = Interest-bearing debt / Equity capital

^{*2} Interest-bearing debt / EBITDA multiple = Interest-bearing debt / (Operating income + Interest & dividend income + Share of profit (loss) of entities accounted for using equity method + Depreciation expense + Goodwill amortization expense)

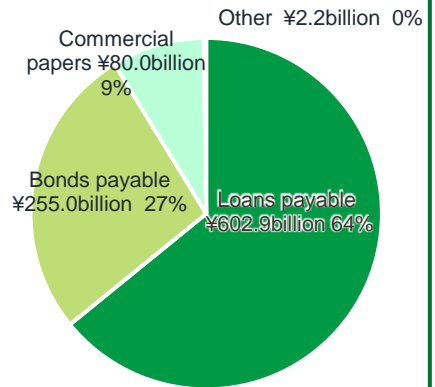
Consolidated Balance Sheet for the First Three Quarters of FY2022

Breakdown of Property, Plant and Equipment and Intangible Assets

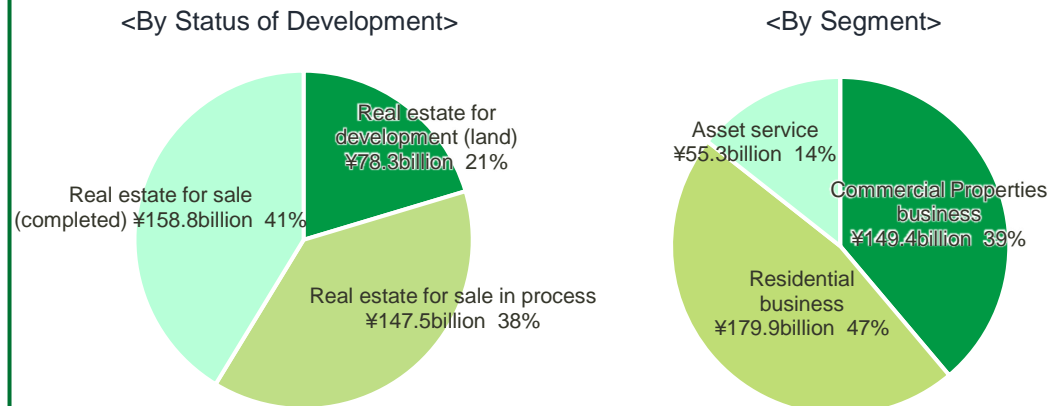


Total assets: ¥1,675.0 billion				
Current assets		502.0	Liabilities	1,217.3
Cash and deposits	66.2		Interest-bearing debt	940.1
Real estate for sale	384.7		Loans payable	602.9
Real estate for sale	158.8		Bonds payable	255.0
Real estate for sale in process	147.5		Commercial papers	80.0
Real estate for development	78.3		Other	2.2
Other	50.9		Other liabilities	277.1
Non-current assets		1,173.0		
Property, plant and equipment	814.9			
Intangible assets	132.8			
Investments and other assets	225.3		Net assets	457.7
			Shareholders' equity	344.4
			Accumulated other comprehensive income	102.8
			Non-controlling interests	10.4

Breakdown of Interest-Bearing Debt



Breakdown of Real Estate for Sale



Status of Debt Equity Ratio

	2022/9-end	
		Taking into account hybrid loans/bonds ³
Debt equity ratio ^{*1}	2.1x	1.7x
Net debt equity ratio ^{*2}	2.0x	1.6x

*1 Debt equity ratio = Interest-bearing debt / Equity capital

*2 Net debt equity ratio = (Interest-bearing debt - Cash and deposits) / Equity capital

*3 Calculated by taking into account the total equity credit of ¥60 billion concerning ¥120 billion of the total amount procured from the hybrid bonds payable

Balance of Real Estate for Sale

- In the first three quarters, the balance of real estate for sale increased to ¥384.7 billion as a result of further acquisition of land for logistics properties, commercial facilities, and for-sale condominiums despite the progress in sales of for-sale condominiums and property sales to investors.
(An increase of ¥40.5 billion from the end of the previous fiscal year.)
- Properties for sale to investors increased by approximately ¥40.0 billion to approximately ¥425.0 billion based on decisions made.

Condominiums for sale of approximately 9,100 units were secured with steady increase in land bank.

<Balance of Real Estate for Sale>

(Unit: ¥ billion)

Asset type, etc.	Segment	Balance of real estate for sale	Total investment amount ^{*1}	
Logistics, hotels, retail facilities and offices	Commercial properties	149.4	Approx. 295.0	→p.15
For-rent condominiums	Residential	40.8	Approx. 70.0	→p.26
Asset solution	Asset service	55.3	55.3	→p.28
Properties for sale to investors		245.7	Approx. 425.0	
For-sale condominiums, etc.		139.0	—	

Property sales to investors (Commercial properties, for-rent condominiums, asset solution)

- ◆ Total investment amount^{*1} (based on decisions made):
Approx. ¥425.0 billion (up ¥40.0 billion from the end of 2021)
⇒ Estimated gain on sale^{*2}: **Approx. ¥87.0 billion**

[Projects to be acquired in 2022]
5 logistics properties, 2 commercial facilities, 1 mid-sized office, 9 for-rent condominiums, 14 asset solutions

[Projects already sold in 2022]
1 office, 1 logistics property, 5 for-rent condominiums, 16 asset solutions

For-sale condominiums

- ◆ Land bank (including 1,450 units scheduled to be posted in 2022):
Approx. 9,100 units (1,300 units acquired in FY2022 3Q total)

Transfer from non-current assets to real estate for sale

End of 2018
Offices and condominiums for rent:
Total of approx. ¥35.0 billion

End of 2019
Offices: approx. ¥10 billion
Senior residences: ¥13 billion

End of 2020
Offices: approx. ¥24 billion

^{*1} Calculated by aggregating total investment amount, in which construction costs, etc. that arise after the acquisition are added to the book value of each property at the time of acquisition.
^{*2} Calculated by subtracting the "total investment amount" from the total estimated sales amount, which is provisionally calculated based on the estimated income and expenditure and the estimated cap rate at the time of sale for the property assumed to be sold. Copyright © Tokyo Tatemono Co., Ltd. All Rights Reserved.

Assessment of the Market Environment and Future Policies

- It is necessary to monitor events that have an impact on profitability such as rising construction costs and energy costs.
- In the real estate trading market, investors continue to be eager to invest in real estate.
Profitability of acquisitions of and investments in new projects is determined by taking into account the trend of rising prices.
- We will promote the planning of new products with a view to diversification of work styles and living styles based on changes in the external environment centered on the Commercial Properties business and Residential business.

Recognition of the overall business environment and impact on the Company

Construction expenses	<ul style="list-style-type: none"> • The trend of rising construction expenses continues. Acquired projects Started: Almost no impact. Before starting: Construction expenses are rising compared to when the sites were acquired. We will focus on cost management and endeavor to secure the initially anticipated profit. Projects before starting: decisions on investment value will be made based on trends in construction expenses.
Energy costs	<ul style="list-style-type: none"> • It is particularly necessary to monitor rising electricity charges, but the impact on performance will be minor due to their percentage in total expenses being limited.
Interest rates	<ul style="list-style-type: none"> • Interest rates are rising, but the impact is minor because steps have been taken in financing (borrowing, etc.) to lengthen loan durations and maturity dates and to use fixed interest rates. • Although the cap rate in real estate transactions has not shown any signs of significant change recently, it is necessary to monitor future trends.

Recognition of the environment in each segment and the Company's initiatives

Commercial properties	<ul style="list-style-type: none"> • The continuing deterioration of the market vacancy rate must be monitored. • The likelihood of vacancy rates and rent levels significantly deteriorating is expected to be low because the Company has a superior portfolio in terms of size and location and there has been little impact recently, and the Company will not complete any major projects until 2025. • In addition to excellent locations and high specs, the Company's policy is to respond to changing and diversifying customer needs such as improvement of productivity, well-being and flexibility. • Urban hotels are expected to continue to be affected by the renewed spread of COVID-19, but the impact on performance is expected to be minor.
Residential	<ul style="list-style-type: none"> • Demand for for-sale condominiums remains excellent among real consumers in central Tokyo and suburban areas despite anticipation of a rise in mortgage rates. • The Company will promote product plans that meet rising demand for balancing a comfortable work environment with relaxing living space.
Asset service	<ul style="list-style-type: none"> • Parking business: Revenue is expected to decrease compared to the level anticipated at the beginning of the fiscal year due to the renewed spread of COVID-19. In the immediate future, focus will be on acquiring new projects with an emphasis on profitability and improving the profitability rate of existing facilities, and growth is expected in the medium to long term due to a recovery in occupancy due to the flow of people returning and an increase in the number of parking spaces. • Brokerage: The brokerage business is expected to continue to perform well backed by a solid real estate transaction market.
Other	<ul style="list-style-type: none"> • Leisure business: Although occupancy of some facilities may decline due to the renewed spread of COVID-19, the impact on performance is minor.

Full-Year Earnings Forecast for FY2022

(Not updated from the time of announcement of financial results for the second quarter)



- In FY2022, revenue and profit are expected to increase due to the increase in sales and gross profit from condominiums, increase in sales of properties to investors in the asset services business, and recording a share of profit of entities accounted for using equity method in overseas businesses, etc.

Announced in August
2022

Unit: ¥ billion	2021/12 Full-year Actual	2022/12 Full-year forecast	Increase/ Decrease
Operating revenue	340.4	355.0	14.5
Commercial properties	155.6	148.0	(7.6)
Residential	120.5	131.0	10.4
Asset service	42.6	53.5	10.8
Other	21.5	22.5	0.9
Operating profit	58.7	61.5	2.7
Share of profit (loss) of entities accounted for using equity method	(10.8)	3.0	13.8
Business profit ^{*1}	47.9	64.5	165.0
Commercial properties	44.8	40.5	(4.3)
Residential	17.0	23.0	5.9
Asset service	4.3	7.0	2.6
Other	(9.1)	4.0	13.1
Elimination/Corporate	(9.1)	(10.0)	(0.8)
Non-operating income	6.8	7.5	0.6
Non-operating expenses	19.3	7.5	(11.8)
Ordinary profit	46.2	61.5	15.2
Extraordinary income	10.7	2.0	(8.7)
Extraordinary loss	0.7	2.0	1.2
Profit before income taxes	56.2	61.5	5.2
Profit attributable to owners of parent	34.9	41.5	6.5

Main factors for increase/decrease

- Operating revenue
Increase due to higher sales of condominiums for sale and higher sales of properties to investors in the asset services business.
- Breakdown of share of profit (loss) of entities accounted for using equity method: ¥0.5 billion for commercial properties (+¥0.1 billion), ¥2.5 billion for other business (+¥13.6 billion).
- Business profit
Profit increased due to an increase in gross profit of for-sale condominiums and recording a share of profit of entities in overseas businesses.
- Share of profit (loss) of entities accounted for using equity method turned into the black.

Cash flows from operating activities	65.8	(70.0)
Cash flows from investing activities	(1.6)	(50.0)
Cash flows from financing activities	(32.1)	70.0

* Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method

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Shareholder Returns

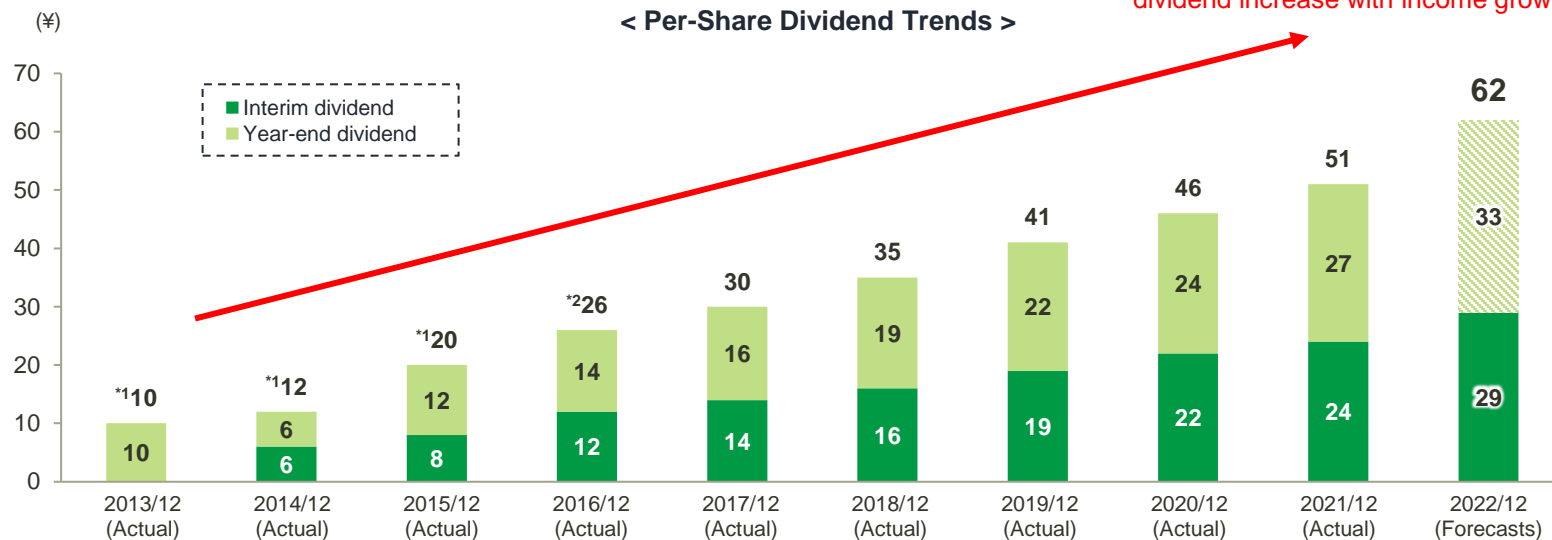
(Not updated from the time of announcement of financial results for the second quarter)



- The forecast for dividend per share in the fiscal year ending December 31, 2022, has been revised upward by ¥3 from ¥59 to ¥62.
- The dividend will be increased by ¥11 from the ¥51 dividend implemented in the previous fiscal year, and the payout ratio is scheduled to be 31.2%.

< Per-Share Dividend Trends >

To be the ninth consecutive year of dividend increase with income growth



Profit attributable to owners of parent	¥10.1billion	¥82.9billion	¥16.3billion	¥19.7billion	¥22.5billion	¥27.2billion	¥29.7billion	¥31.7billion	¥34.9billion	¥41.5billion
Profit per share ^{*1}	¥47.10	¥386.24	¥75.91	¥91.00	¥104.17	¥125.79	¥141.59	¥152.12	¥167.35	¥198.67
Consolidated payout ratio	21.2%	3.1%	26.3%	28.6%	28.8%	27.8%	29.0%	30.2%	30.5%	31.2%
Consolidated total return ratio	21.2%	3.1%	26.3%	28.6%	28.8%	27.8%	62.5%	30.2%	30.5%	-
Stock price at end of period ^{*1}	¥2,336	¥1,762	¥1,323	¥1,563	¥1,522	¥1,140	¥1,709	¥1,415	¥1,680	-
Dividend yield ^{*3}	0.4%	0.7%	1.5%	1.7%	2.0%	3.1%	2.4%	3.3%	3.0%	-

Shareholder returns policy

During the period of the medium-term business plan (FY2020–FY2024), establish a baseline consolidated payout ratio of 30% or more and aim to increase shareholder returns continuously through sustainable growth.

Consider whether to repurchase company shares based on the business environment and financial situation, among other factors.

^{*1} A 1-for-2 reverse stock split was implemented on July 1, 2015. The figures for 2013 to 2015 are calculated by factoring in the reverse stock split.

^{*2} The interim and year-end per-share dividend for FY2016 both include a ¥2 commemorative dividend to celebrate the 120th anniversary of the Company's founding.

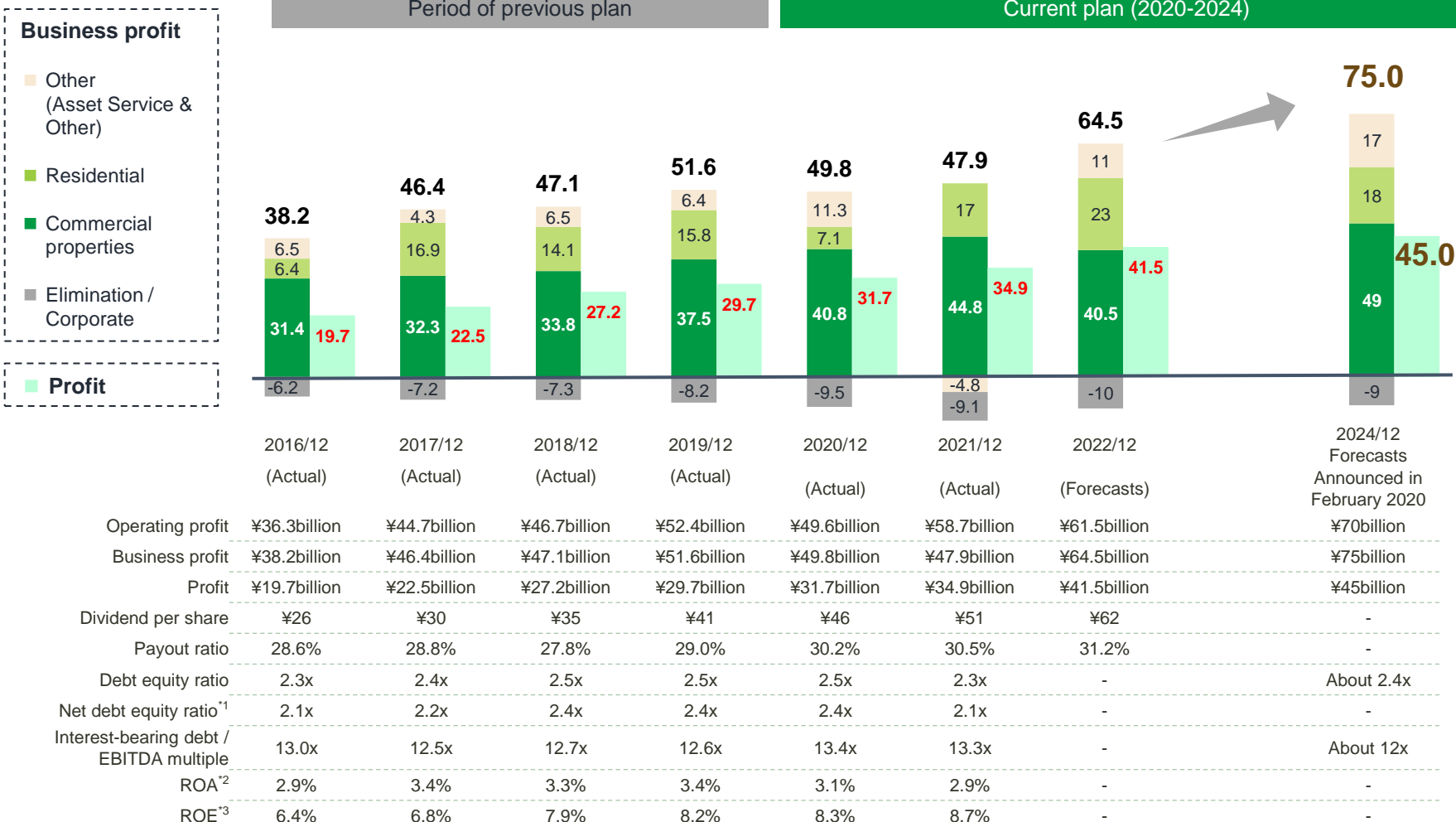
^{*3} Dividend yield is calculated based on the closing price at the end of each fiscal period.

Changes in Major Indicators

(Not updated from the time of announcement of financial results for the second quarter)



- The trends in business profits and key indicators for the previous fiscal year are as follows: We aim to steadily grow toward the target of business profit of ¥75.0 billion in FY2024.



*1 Net debt equity ratio = (Interest-bearing debt - Cash and deposits) / Equity capital

*2 ROA = Business profit / Average of total assets at beginning of period and total assets at end of period

*3 ROE = Profit attributable to owners of parent / Average of equity capital at beginning of period and equity capital at end of period

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Business Results by Segment

(1) Commercial Properties Business: Business Results for the First Three Quarters of FY2022 and Full-Year Earnings Forecast for FY2022 TOKYO TATEMONO

- In the first three quarters, revenue and profits increased due to an increase in property sales to investors and a robust business of leasing of office buildings.

Unit: ¥ billion	2021/12 3Q Actual	2022/12 3Q Actual	Increase/ Decrease	Main factors for increase/decrease	Announced in August 2022	
					2022/12 Full-year Forecasts	Achievement rate
Operating revenue	93.8	114.6	20.7		148.0	77%
Leasing of buildings	56.2	57.5	1.2	New operations +¥0 billion; Full-year operations +¥1.1 billion; Sale, reconstruction, etc. -¥1.7 billion; Existing buildings +¥1.7 billion	76.5	75%
Sales of real estate	11.2	29.3	18.1	Property sales to investors +¥18.1 billion	32.0	92%
Building management service, etc.	25.7	27.2	1.4		39.0	70%
Dividends	0.5	0.5	(0.0)		0.5	101%
Operating profit	30.0	33.5	3.4	Property sales to investors +¥3.9 billion (FY2021 3Q: ¥4.5 billion; FY2022 3Q: ¥8.4 billion)	40.0	84%
Business profit	30.3	33.7	3.4		40.5	83%

Announced in
August 2022

Unit: ¥ billion	2021/12 Actual	2022/12 Full-year Forecasts	Increase/ Decrease	Main factors for increase/decrease
Operating revenue	155.6	148.0	(7.6)	
Leasing of buildings	75.7	76.5	0.7	New operations +¥0.2 billion; Full-year operations +¥1.3 billion; Sale, reconstruction, etc. -¥2.4 billion; Existing buildings +¥1.5 billion
Sales of real estate	43.2	32.0	(11.2)	Property sales to investors -¥11.2 billion
Building management service, etc.	35.8	39.0	3.1	
Dividends	0.8	0.5	(0.3)	
Operating profit	44.4	40.0	(4.4)	Property sales to investors -¥0.5 billion (FY2021 cumulative total: ¥10.5 billion; FY2022 cumulative total: ¥10.0 billion)
Business profit	44.8	40.5	(4.3)	

New and full-year operations

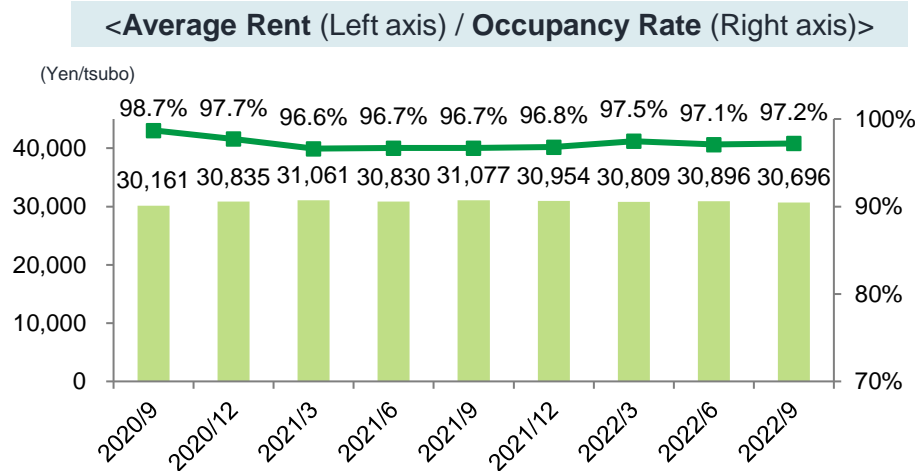
- New operation in 2022: T-LOGI Yokohama Aoba (completed in January 2022) and seven other logistics facilities, FUNDES Tenjin Nishidori (completed in March 2022), and T-PLUS Nihonbashi Kodenmacho (completed in April 2022)
- 2022 full-year operation: Candeo Hotels Kyoto Karasuma Rokkaku (completed in March 2021) and eight Expert Office locations (acquired in August 2021)

* New operations: Impact of increase in revenue attributable to the buildings that were completed or acquired in the current fiscal year; Full-year operations: Impact of increase in revenue attributable to the buildings that were completed or acquired in the previous fiscal year contributing to full-year operations;
Sale, reconstruction, etc.: Impact of decrease in revenue attributable to decrease in buildings in operation due to sale, reconstruction, etc.
Existing buildings: Total amount of the effects of rent revisions, end of rent-free periods, occupancy rate changes, etc. at buildings other than those of new operations, full-year operations and sale, reconstruction, etc.

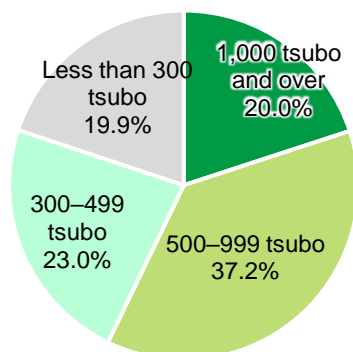
(1) Commercial Properties Business: Office Building Portfolio

- At the end of September, average rent was ¥30,696 per tsubo and the occupancy rate remained high at 97.2%.

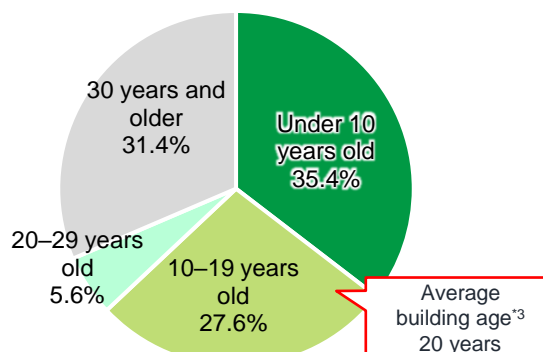
As of the end of September 2022	Number of buildings	Leasable area
Owned office buildings*1 *2	45	499,556㎡
Subleased buildings	—	87,516㎡
Hotels, retail facilities, logistics properties, etc.	—	310,316㎡
Total leasable area of commercial properties business	—	897,388㎡



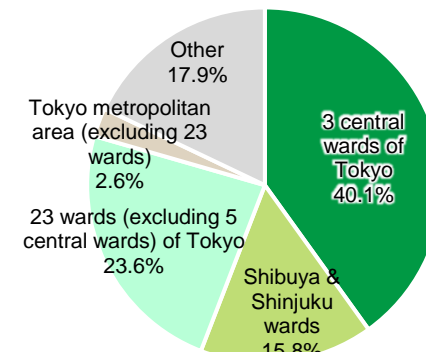
<Breakdown of Leasable Area by Standard Floor Space>



<Breakdown of Leasable Area by Building Age>



<Breakdown of Leasable Area by Area of Location >



*1 Please refer to the note on page 49 for the definition for the subject of calculation of the number of owned office buildings, average rent and occupancy.

The following criteria is added as of the end of March 2022: Properties included in a redevelopment business area shall be excluded from the owned office buildings with the establishment of an urban redevelopment consortium or the obtaining of project approval.

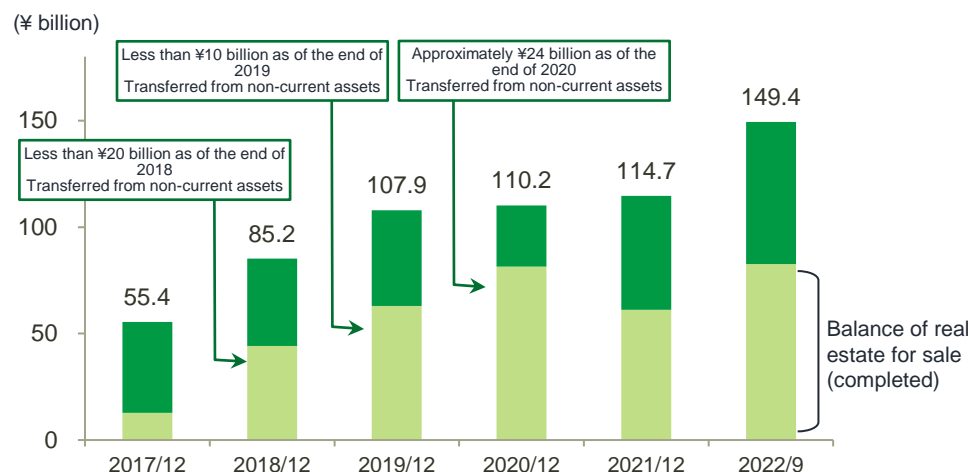
2 DNP Gotanda Building, which was acquired at the end of September 2019, is not included in "Owned office buildings" nor in areas subject to calculation of average rent, occupancy rate and breakdown of leasable area.

*3 The weighted average based on leasable area.

(1) Commercial Properties Business: Initiatives for Property Sales to Investors

- In the first three quarters, the Company secured new projects for 5 logistics properties, 2 commercial facilities and 1 medium-sized office building.
- The balance of real estate for sale increased by ¥34.7 billion from the end of FY2021 to ¥149.4 billion and the value of stock in terms of total investment amount increased by approximately ¥30.0 billion to approximately ¥295.0 billion.

<Commercial Properties Business: Balance of Real Estate for Sale>



Unit: ¥ billion

Asset type	Number of properties	
	Balance of real estate for sale	Total investment amount*
Logistics properties	72.3	Approx.190.0
Urban hotels, commercial facilities, mid-sized offices, etc.	77.1	Approx.105.0
Total	149.4	Approx.295.0

Asset type	Number of properties		
	Sold during the term	In operation	Under development
Logistics properties	1	5	18
Urban hotels, commercial facilities, mid-sized offices, etc.	1	16	13



T-LOGI Narashino II
(Completed in June 2022)



Candeo Hotels Tokyo Roppongi



FUNDES Tenjin Nishidori
(Completed in March 2022)



T-PLUS Nihonbashi Kodenmachi
(Completed in April 2022)

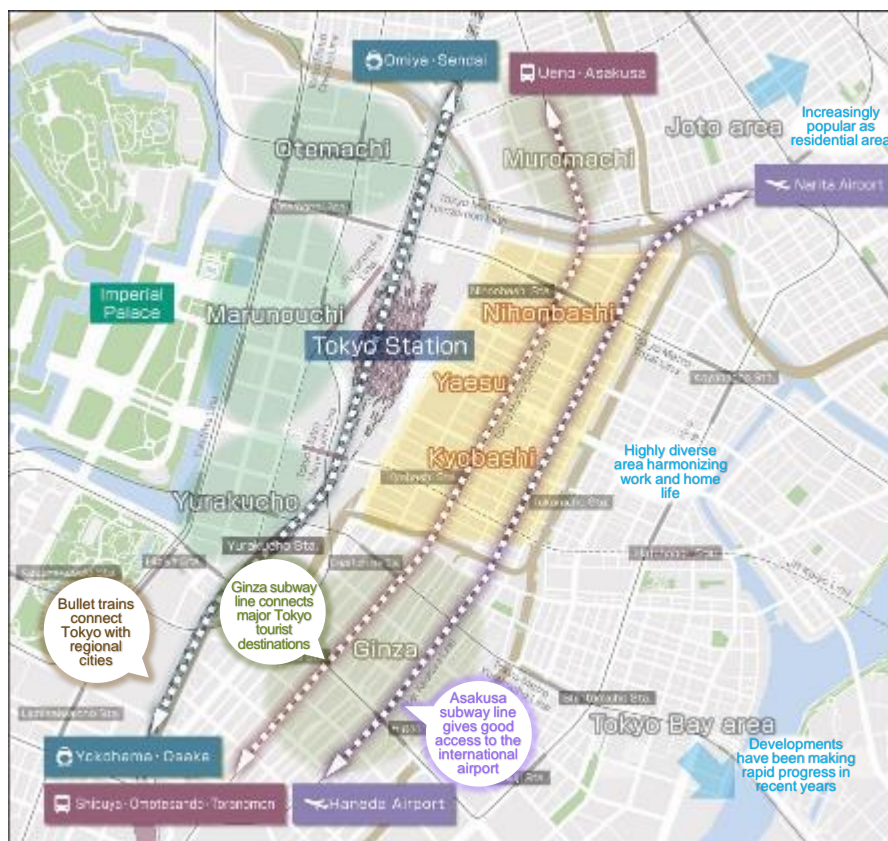


T-PLUS Sendai Hirose Dori
(Scheduled for completion in April 2023)

* Calculated by aggregating the total investment amount, in which construction costs, etc. that arise after the acquisition are added to the book value of each property at the time of acquisition

Features of Yaesu, Nihonbashi, and Kyobashi (Yaesu-Nihonbashi-Kyobashi) Areas

- Access to various locations including regional cities, areas in Tokyo and international airports is excellent due to the existence of bullet trains, existing JR lines and multiple subway lines, giving the area **phenomenal transportation convenience**, its main feature.
- Nearby are business areas, commercial/tourist areas and areas popular for residential purposes. Urban development that utilizes **diverse regional features** including the rich cultural resources and gathering of long-established corporations is expected.
- With highly diverse properties suitable for startups and several innovation hubs, the area's **innovativeness** has been accelerating in recent years.
- The land value and suitability for offices lag behind the Otemachi-Marunouchi-Yurakucho area, but the value of the area as a whole is expected to increase significantly going forward with the various redevelopment projects planned.



Diverse Regional Features and Potential of the Yaesu-Nihonbashi-Kyobashi Area^{*1}

Phenomenal transportation convenience

Gathering of leading firms

Excellent halls and meeting room facilities

Highly diverse small and medium-size properties

Rich cultural resources transmitting culinary and craftsmanship traditions

^{*1} Nominal designation for the Yaesu, Nihonbashi and Kyobashi areas

Comparison of Rent and Land Price of Large-Scale Office Buildings (200 tsubo or more)

	Yaesu/Nihonbashi/ Kyobashi	Marunouchi/Otemachi
Market rent of large-scale office buildings (200 tsubo or more) ^{*2}	¥34,375 per tsubo	¥39,632 per tsubo
Land price ^{*3}	¥18,800 thousand per m ² (Sotobori-dori Avenue / in front of Tokyo Station)	¥25,520 thousand per m ² (Daimyo-Koji Avenue / in front of Marunouchi Building)

^{*2} Source: Tokyo 5 Central Wards Office Market List by Sanko Estate (as of the end of December 2021)

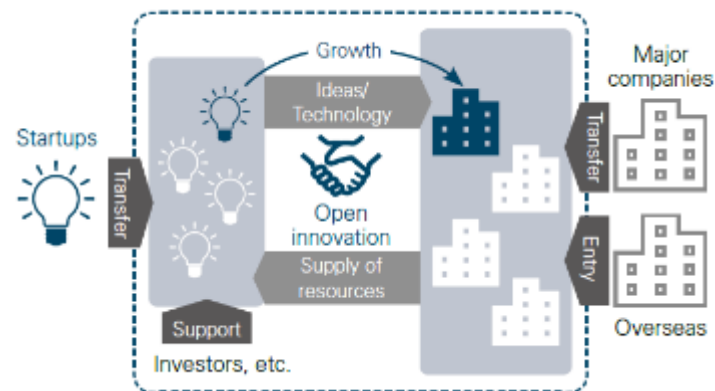
^{*3} Land price of inheritance tax (fiscal 2021)

Initiatives in the Yaesu-Nihonbashi-Kyobashi Area (1)

- Tokyo Tatemono owns many office buildings in the area around Tokyo Station, a key area, and several large-scale redevelopment projects are scheduled to be completed by around 2030.
- Utilizing the properties it owns in the area, Tokyo Tatemono is promoting the formation of a business environment (innovation ecosystem) where venture firms, leading companies, investors, research institutions and other players from the fields of industry, academics and government come together and collaborate for coexistence and mutual prosperity, thereby nurturing cutting-edge industries and giving rise to positive economic growth cycles.

Promotion of an Innovation Ecosystem

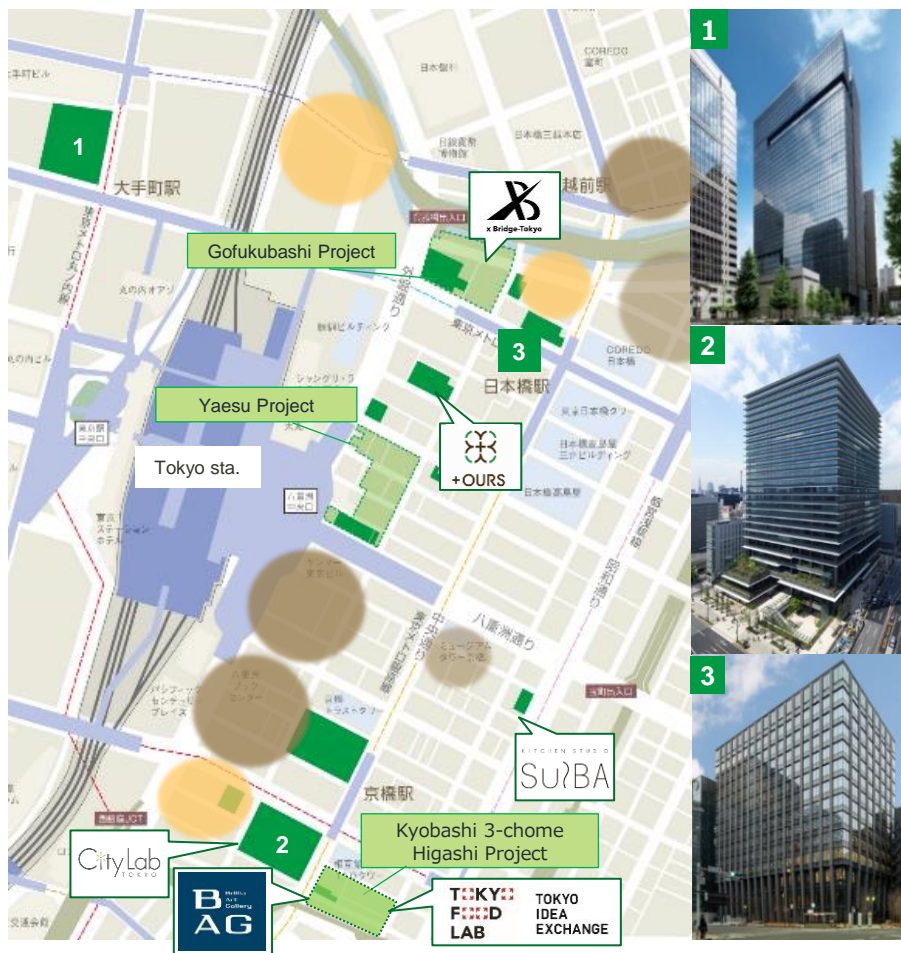
Promising startups will be attracted to the Yaesu-Nihonbashi-Kyobashi area by utilizing the diverse regional features and properties owned by Tokyo Tatemono. An initiative with focal categories of business topics and growth fields of leading companies such as x-tech, SDGs, food, craftsmanship, etc. is being promoted.







2020 Innovation Ecosystem Promotion Support Project Yaesu-Nihonbashi-Kyobashi Area Certified for the Regional Council by Authorized Regions (August 2020)

The Tokyo Metropolitan Government is aiming to form an innovation ecosystem where various players come together and cooperate and is providing support in dispatching personnel and information.

As the leading company in the Regional Council by Authorized Regions, Tokyo Tatemono is engaged in various initiatives such as bringing in startups, promotion of open innovation with existing industries, active information dispatch, etc.



-  : Redevelopment with Tokyo Tatemono's participation
-  : Redevelopment with Tokyo Tatemono's involvement
-  : Buildings owned by Tokyo Tatemono
-  : Redevelopment with other companies' participation

* Balloons indicate initiatives at properties owned by Tokyo Tatemono.

Major Development Projects in Progress

- The redevelopment projects in which we are participating or involved are progressing smoothly. Redevelopment projects with an estimated leasable area* (owned by the Company) of approximately 320,000 square meters are slated for completion one after another by around 2030.

■ Project period (construction start to completion)

Current status	Name of project	Area	2020	• • •	2024	2025	• • •	2030	• •	Estimated leasable area* (owned by Tokyo Tatemono)
Rights conversion plan (District B) Establishment of urban redevelopment consortium (District A)	Yaesu Project	Chuo Ward								Approx. 120,000 m ² in total
Establishment of urban redevelopment consortium	Gofukubashi Project	Chuo Ward								
Preparation consortium established Urban development plan decided	Shibuya 2-chome Project	Shibuya Ward								Approx. 200,000 m ² in total
Preparation consortium established Urban development plan proposed	Kyobashi 3-chome Higashi Project	Chuo Ward								
Preparation consortium established	No name	Minato Ward								
Preparation consortium established	No name	Minato Ward								
Under discussion	No name	Minato Ward								

Total leasable area
Approx.
320,000 m²

Estimated investment amount:
About **¥230.0 billion**

Estimated investment amount:
About **¥330.0 billion**

* Estimated leasable area includes leasable area of non-office space, such as conference and retail facilities

Development Projects in the Yaesu-Nihonbashi-Kyobashi Area (1)

- Promoting “Urban Redevelopment Project for Yaesu 1-Chome East Area in Front of Tokyo Station,” in front of Tokyo Station and “Urban Redevelopment Project for Yaesu 1-Chome North Area” along Nihonbashi River.
- Aiming to realize urban development that generates new added value for the entire area through various efforts that increase global competitiveness, reduce the environmental load, etc. while also securing stable leasing revenue.

Urban Redevelopment Project for Yaesu 1-Chome East Area in Front of Tokyo Station (Yaesu Project)

- Large redevelopment project in front of Tokyo Station, including Tokyo Tatemono’s former headquarters building
- Accumulation of sophisticated urban functions worthy for the land entrance of Tokyo, an international city
- Formation of prosperity that passes down Yaesu’s history and tradition to the future
⇒ **October 2021 District B Start of construction**
⇒ **February 2022 District A Approval of establishment of urban redevelopment consortium**

[Total floor area]	District A: about 12,000 m ² District B: 225,000 m ²
[Main uses]	District A: offices, shops, etc. District B: offices, medical facilities, bus terminal, conference halls, etc.
[No. of floors]	District A: 10 floors above ground, 2 below District B: 51 floors above ground, 4 below
[Construction start]	District A: Scheduled for FY2023 District B: FY2021
[Completed]	Fiscal year 2025 (planned)



Value Created by the Project

Enhancement of traffic node function in front of Tokyo Station

- Establishment of large-scale bus terminal connecting to international airports and regional cities
- Establishment of above- and below-ground pedestrian network connecting Tokyo Station and nearby urban districts

Introduction of city functions that increase global competitiveness

- Establishment of primary care in collaboration with sophisticated medical facilities
- Increase of urban appeal and vibrancy through implementation of area management

Strengthening of disaster preparedness and reduction of environmental burden

- Establishment of space for those stranded during disasters and storage for disaster prevention
- Enhancement of business continuation functions through establishment of cogeneration systems and emergency power generation facilities

Urban Redevelopment Project for Yaesu 1-Chome North Area (Gofukubashi Project)

- Large redevelopment project directly connected to Nihombashi subway station in an excellent location
- Formation of cityscape worthy for the gate of the area alongside Nihonbashi River
- Accumulation of city functions forming a sophisticated financial hub
⇒ **November 2021 Approval of establishment of urban redevelopment consortium**

[Total floor area]	South Block: about 178,000 m ² North Block: about 1,100 m ²
[Main uses]	Offices, shops, lodging facility, parking lot, etc.
[No. of floors]	South Block: 44 floors above ground, 3 below North Block: 2 floors above ground, 1 below
[Construction start]	Fiscal year 2024 (planned)
[Completed]	South Block: Fiscal year 2029 (planned) North Block: Fiscal year 2032 (planned)



Value Created by the Project

Formation of financial hub that contributes to enhancement of global competitiveness

- Establishment of support facility for sophisticated financial personnel that assist international finance and urban MICE

Establishment of waterfront space and pedestrian network

- Various types of cooperation for moving the Metropolitan Expressway belowground
- Establishment of plaza space that represents the bustling space on the Nihonbashi River
- Establishment of above- and below-ground pedestrian network that connects Tokyo Station, Otemachi Station and Nihombashi Station

Strengthening of disaster preparedness and reduction of environmental burden

- Establishment of space for those stranded during disasters and storage for disaster prevention
- Promotion of greater energy efficiency in the entire area through establishment of regional heating/cooling plant and cooperation with existing plants

Development Projects in the Yaesu-Nihonbashi-Kyobashi Area (2)

- The Kyobashi 3-chome Higashi District Urban Redevelopment Project (Kyobashi 3-chome Higashi Project) is being promoted in the Kyobashi area.
An urban development plan was proposed in May 2022.

Kyobashi 3-chome Higashi District Urban Redevelopment Project (Kyobashi 3-chome Higashi Project)

- Urban development linked to the Tokyo Expressway (KK Line) Revitalization Policy
- Directly connected to Kyobashi Station, forming an underground pedestrian network from Tokyo Station
- Creation of continuity of the bustle of Chuo-dori connecting Kyobashi and Ginza

⇒ Urban development plan
proposed in May 2022

[Total area]	Approximately 6,820 m ²
[Total floor area]	Approximately 164,000 m ²
[Main uses]	Offices, hotel, shops, etc.
[No. of floors]	35 floors above ground, 4 below
[Construction start]	Fiscal year 2025 (planned)
[Completion date]	Fiscal year 2029 (planned)



Value Created by the Project

Establishment of urban infrastructure contributing to the strengthening of the ability to widely move throughout the Kyobashi area

- Formation of a multi-level pedestrian network connecting the station, town and Tokyo Sky Corridor
- Creation of extensive pedestrian space generating bustle and movement
- Establishment of Tokyo Sky Corridor, etc.

Introduction of urban functions supporting the creation of bustle in the Kyobashi area

- Establishment of communication, education and interaction functions contributing to the development of the culture of art and craftsmanship
- Establishment of world-class accommodation facilities

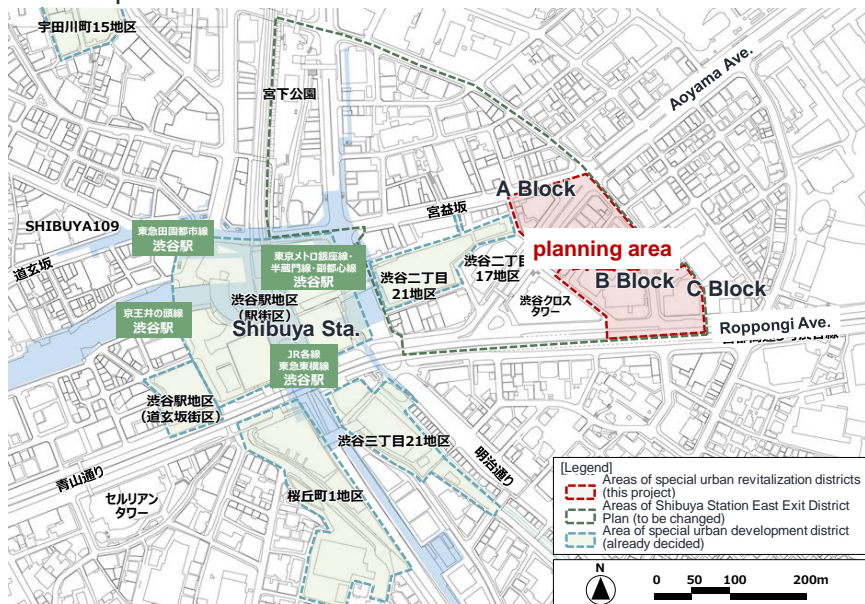
Strengthening of disaster preparedness and reduction of environmental burden

- Efforts to strengthen disaster preparedness of the area
- Efforts to reduce environmental burden



Shibuya 2-Chome West Area Redevelopment (Shibuya 2-Chome Project)

- In the Shibuya Station East Exit area, the Shibuya 2-chome West Area Redevelopment (Shibuya 2-chome Project) is being promoted.
- We aim for urban development that creates new added value in the area through various initiatives that contribute to urban infrastructure development, international competitiveness improvement, and environmental impact reduction that will create an expanse of the town.



Value Created by the Project

Strengthening Shibuya's wide-area transportation functions and developing urban infrastructure to create an expanse of the town in the east exit area

- Development of bus terminals to enhance Shibuya's wide-area transportation functions
- Improvement of pedestrian network and road environment spreading from station to town
- Creation of plaza space, a center of the bustling and relaxation

Introduction of urban functions that contribute to strengthening international competitiveness

- Development of STEAM human resource development base to contribute to next-generation innovation
- Development of residential and accommodation to meet the diverse needs of foreigners, etc.

Strengthening of disaster preparedness and reduction of environmental burden

- Efforts to strengthen disaster preparedness of the area
- Efforts to reduce environmental burden

[Total area]	Total:	Approx. 18,800 m ²
	A Block:	Approx. 1,700 m ²
	B Block:	Approx. 12,800 m ²
	C Block:	Approx. 4,300 m ²
[Total floor area]	Total:	Approx. 322,200 m ²
	A Block:	Approx. 4,200 m ²
	B Block:	Approx. 255,000 m ²
	C Block:	Approx. 63,000 m ²
[Main uses]	Offices, shops, hotels, human resource development facilities, bus terminals, housing, life support facilities, etc.	
[No. of floors]	A Block:	5 floors above ground, 1 below
	B Block:	41 floors above ground, 4 below
	C Block:	41 floors above ground, 2 below
[Construction start]	Fiscal year 2025 (planned)	
[Completion date]	Fiscal year 2029 (planned)	

* A and B blocks are assumed to be type 1 urban redevelopment projects, and C block is assumed to be voluntary joint rebuilding project.

March 2022 Urban development plan decided

(2) Residential Business: Business Results for the First Three Quarters of FY2022 and Full-Year Earnings Forecast for FY2022



- In the first three quarters, although sales and gross profit from property sales to investors decreased, revenue and profit increased due to the increase in sales and gross profit from for-sale condominiums.

Unit: ¥ billion	2021/12 3Q Actual	2022/12 3Q Actual	Increase/ Decrease	Main factors for increase/decrease	2022/12 Full-year Forecasts	Achievement rate
Operating revenue	83.3	99.6	16.3		131.0	76%
Sales of condominiums	44.6	65.5	20.8	Number of condo sales posted: 1,034 units; Condo unit price: ¥63.39 million; Gross margin: 36.1%	86.0	76%
Sales of residential houses	-	-	-		-	-
Sales of real estate	18.3	14.2	(4.1)	Sale of for-rent condominiums -¥4.7 billion (FY2021 3Q: ¥17.4 billion; FY2022 3Q: ¥12.6 billion)	17.0	84%
Residence leasing	4.3	3.9	(0.4)		5.0	78%
Fee from sales outsourcing services	1.0	1.0	0.0		1.5	73%
Building management service, etc.	14.9	14.9	0.0		21.5	69%
Operating profit	14.2	20.9	6.6	Sale of for-rent condominiums -¥2.6 billion (FY2021 3Q: ¥6.0 billion; FY2022 3Q: ¥3.4 billion)	23.0	91%
Business profit	14.2	20.9	6.6		23.0	91%

Announced in August
2022

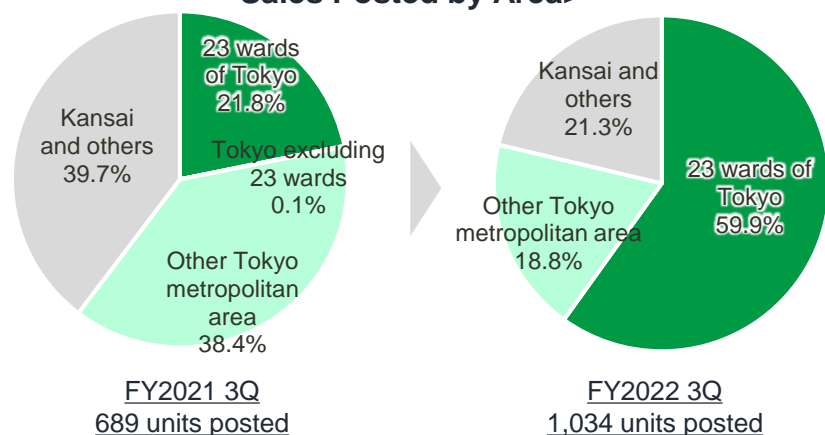
Unit: ¥ billion	2021/12 Actual	2022/12 Full-year Forecasts	Increase/ Decrease	Main factors for increase/decrease
Operating revenue	120.5	131.0	10.4	
Sales of condominiums	71.9	86.0	14.0	Number of condo sales posted: 1,450 units; Condo unit price: ¥59.40 million; Gross margin: 32%
Sales of residential houses	-	-	-	
Sales of real estate	20.5	17.0	(3.5)	Sale of for-rent condominiums -¥3.9 billion (FY2021 cumulative total: ¥19.4 billion; FY2022 cumulative total: ¥15.5 billion)
Residence leasing	5.8	5.0	(0.8)	
Fee from sales outsourcing services	1.1	1.5	0.3	
Building management service, etc.	21.0	21.5	0.4	
Operating profit	17.0	23.0	5.9	Sale of for-rent condominiums -¥2.3 billion (FY2021 cumulative total: ¥6.3 billion; FY2022 cumulative total: ¥4.0 billion)
Business profit	17.0	23.0	5.9	

(2) Residential Business: For-Sale Condominiums

– Main Operating Indicators

- The gross margin for the first three quarters of FY2022 maintained a favorable level at 36.1%.
- Against the backdrop of a strong market, our sales activities are progressing more than expected, so we have revised the number of units scheduled to be recorded for the current fiscal year from the initial plan of 1,430 units to 1,450 units (implemented in August 2022).
- Inventory of completed condos decreased to 72 units. The achievement rate at the end of the first three quarters against the revised number of units planned to be posted for the period stood at 97% and contracts progressed smoothly.

<Breakdown of Number of Condominium Sales Posted by Area>

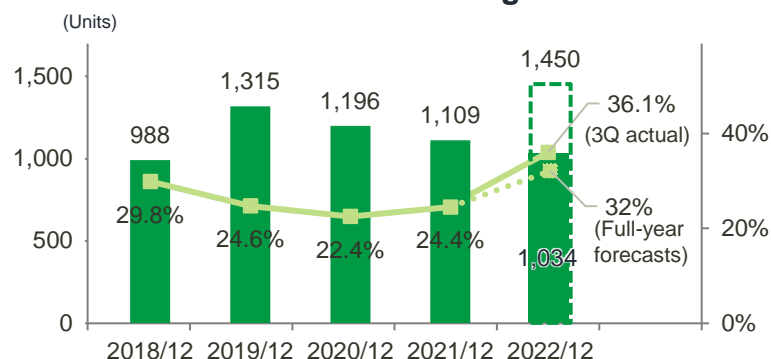


<Achievement Rate Against Number of Condominium Sales Posted>

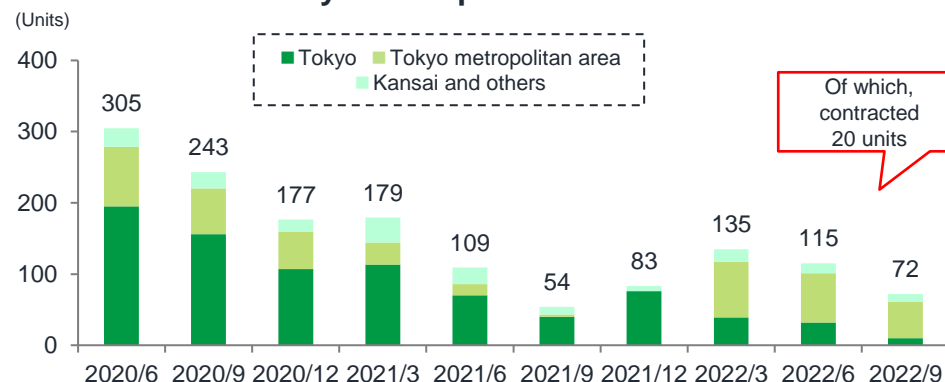
	2019/12	2020/12	2021/12	2022/12
At beginning	83%	73%	67%	75% *
At end of 1Q	89%	83%	78%	83% *
At end of 2Q	94%	87%	92%	92% *
At end of 3Q	98%	95%	97%	97% *
Number of condo sales posted	1,315units	1,196units	1,109units	1,450units * (Scheduled)

* The contract progress rate has also been revised due to the correction of the number of units scheduled to be recorded this fiscal year.

<Number of Condominium Sales Posted and Gross Margin>



<Inventory of Completed Condominiums>



(2) Residential Business: For-Sale Condominiums – Main Posting Results/Schedule

- Profitable properties, such as Brillia City Nishi-Waseda and SHINTO CITY were posted in FY2022.
- Acquired land for approximately 1,300 units in the first three quarters, securing a land bank for approximately 9,100 units (including the number of units scheduled to be posted in 2022).

<Main Properties Posted in 2022>

	Main properties to be posted	Total no. of Units	Tokyo Tatemono's stake
Completed in 2022 (including plans)	Grand Maison Shin Umeda Tower THE CLUB RESIDENCE	874	87
	Brillia Kyoto Matsugasaki	109	109
	SHINTO CITY (District II)	395	99
	SHINTO CITY (District III)	411	103
	Brillia City Nishi-Waseda	454	454
	Brillia Tower Seiseki Sakuragaoka BLOOMING RESIDENCE	520	312
	Brillia City Fujimino	708	283
To be completed in 2023	Brillia Nerima-Kasugacho	65	65
	SHIROKANE The SKY	1,247	310
	Brillia Shiki Garden	151	151
	Brillia City Shakujikoen ATLAS	844	204
To be completed in 2024 or later	Brillia Tower Hamarikyū	420	144
	Brillia Tower Ikebukuro West	231	92
	HARUMI FLAG	4,151	490
	Brillia Tower Dojima	463	463
	Brillia Tower Maebashi	203	162
	Brillia Tower Minoh Semba TOP OF THE HILL	397	202
	Brillia Meguro Ohashi	114	97
	Nishishinjuku 3-chome West District Urban Redevelopment Project	Approx. 3,200	TBD



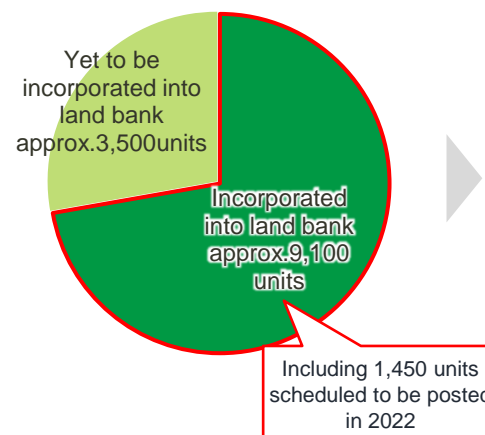
Brillia City Nishi-Waseda



SHINTO CITY (District II and III)

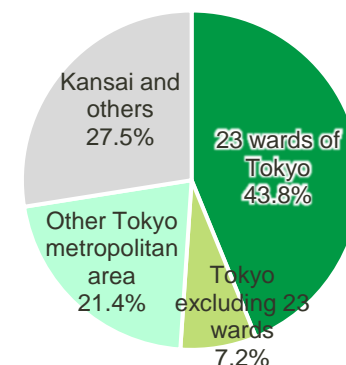
<Projects Promoted Under the Company's Business>

Approx. 12,600 units



<Land Bank>

Approx. 9,100 units



*1 Total number of units in total, including landowners' units

(2) Residential Business: For-Sale Condominiums – Main Property Sales Posting Schedule

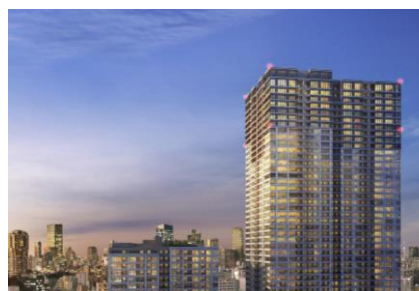
- The plan is to continue posting sales of properties that draw great attention every fiscal year, such as large-scale redevelopment projects in central Tokyo and large-scale tower condominiums in central areas of regional cities.
- Of the land bank of approximately 9,100 units, approximately 4,500 units are scheduled to be posted by FY2024, the final fiscal year of the Medium-Term Business Plan.



SHINTO CITY (District II and III)
(Total units: 806; Units to be posted: 202)



**Brillia Tower Seiseki Sakuragaoka
BLOOMING RESIDENCE**
(Total units: 520; Units to be posted: 312)



SHIROKANE The SKY
(Total units: 1,247; Units to be posted: 310)



Brillia Tower Dojima
(Total units: 463; Units to be posted: 463)



Brillia City Nishi-Waseda
(Total units: 454; Units to be posted: 454)



Brillia City Fujimino*1
(Total units: 708; Units to be posted: 283)



Brillia Tower Hamarikyu
(Total units: 420; Units to be posted: 144)



HARUMI FLAG
(Total units: 4,151; Units to be posted: 490)

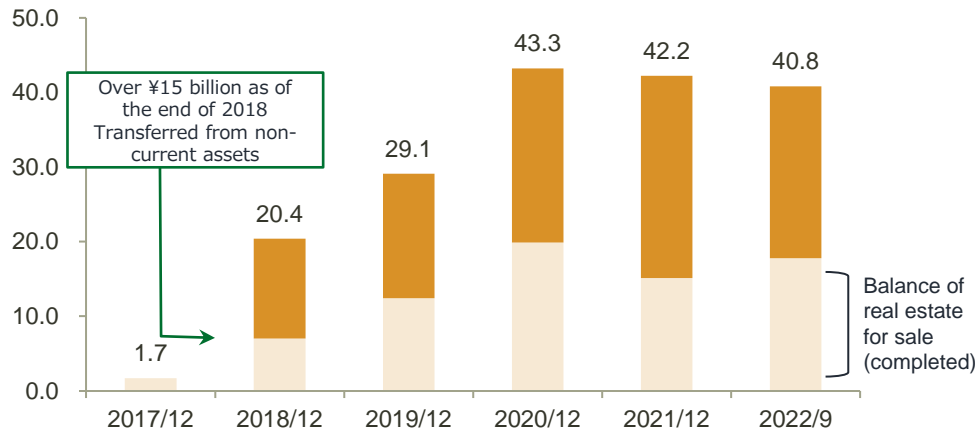
*1 Scheduled completion:
District 1: 2022, District 2: 2023, District 3: 2024

(2) Residential Business: For-Rent Condominiums

- In the first three quarters, 9 for-rent condominium projects were acquired.
- Although the balance of real estate for sale decreased by ¥1.3 billion from the end of FY2021 to ¥40.8 billion due to the progress in sales, on a total investment basis, stock increased by approximately ¥5.0 billion to approximately ¥70 billion.

<For-Rent Condominiums: Balance of Real Estate for Sale>

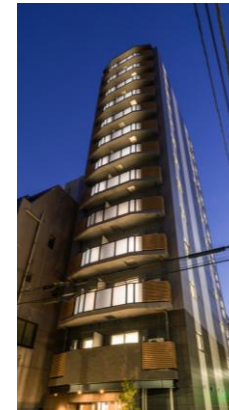
(¥ billion)



Brillia ist Akabane
(Completed in 2021)



Brillia ist Asakusabashi
(Completed in 2021)



Brillia ist Ueno
(Completed in 2022)



Brillia ist Machiya
(Completed in 2022)

(Unit: ¥ billion)

Asset type	Number of properties	
	Balance of real estate for sale	Total investment amount*
For-rent condominiums	408	Approx.700

Asset type	Number of properties		
	Sold during the term	In operation	Under development
For-rent condominiums	5	11	24

* Calculated by aggregating the total investment amount, in which construction costs, etc. that arise after the acquisition are added to the book value of each property at the time of acquisition

(3) Asset Service Business: Business Results for the First Three Quarters of FY2022 and Full-Year Earnings Forecast for FY2022

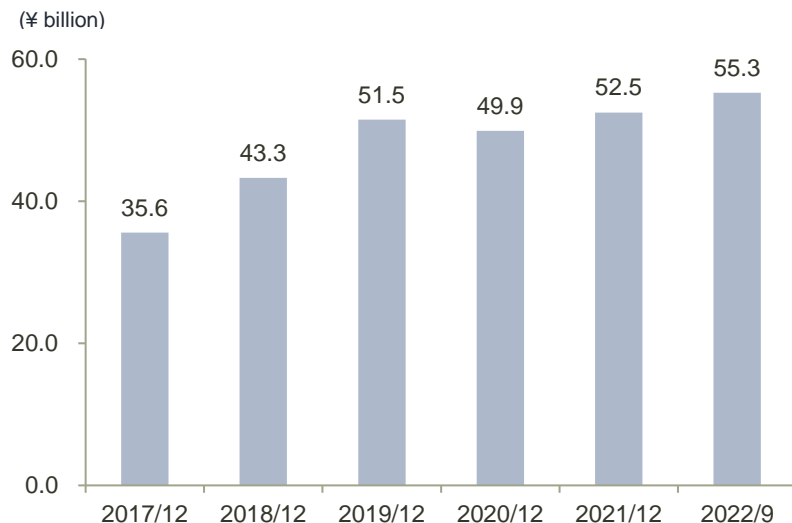
- In the first three quarters, revenue and profits increased due to increased property sales to investors and gross profit therefrom in the asset solution business and increased revenue in the parking business.

				Announced in August 2022		
Unit: ¥ billion	2021/12 3Q Actual	2022/12 3Q Actual	Increase/ Decrease	Main factors for increase/decrease	2022/12 Full-year Forecasts	Achievement rate
Operating revenue	30.5	37.0	6.4	Property sales to investors +¥4.2 billion (FY2021 3Q: ¥6.8 billion; FY2022 3Q: ¥11.1 billion)	53.5	69%
Brokerage	3.4	3.4	0.0		5.0	69%
Asset solution	9.3	14.0	4.6		22.0	64%
Management service, etc.	3.3	3.4	0.0	Recovery of occupancy, etc.	4.5	76%
Parking business	14.4	16.1	1.6		22.0	73%
Operating profit	2.6	5.4	2.8		7.0	78%
Business profit	2.6	5.4	2.8	Property sales to investors +¥0.9 billion (FY2021 3Q: ¥2.0 billion; FY2022 3Q: ¥3.0 billion), Parking business +¥1.6 billion	7.0	78%
				Announced in August 2022		
Unit: ¥ billion	2021/12 Full-year Actual	2022/12 Full-year Forecasts	Increase/ Decrease	Main factors for increase/decrease		
Operating revenue	42.6	53.5	10.8	Property sales to investors +¥7.6 billion (FY2021 cumulative total: ¥10.3 billion; FY2022 cumulative total: ¥18.0 billion)		
Brokerage	4.4	5.0	0.5			
Asset solution	13.7	22.0	8.2			
Management service, etc.	4.4	4.5	0.0	Recovery of occupancy, etc.		
Parking business	19.9	22.0	2.0			
Operating profit	4.3	7.0	2.6			
Business profit	4.3	7.0	2.6	Property sales to investors +¥1.0 billion (FY2021 cumulative total: ¥2.9 billion; FY2022 cumulative total: ¥4.0 billion), Parking business +¥1.1 billion		

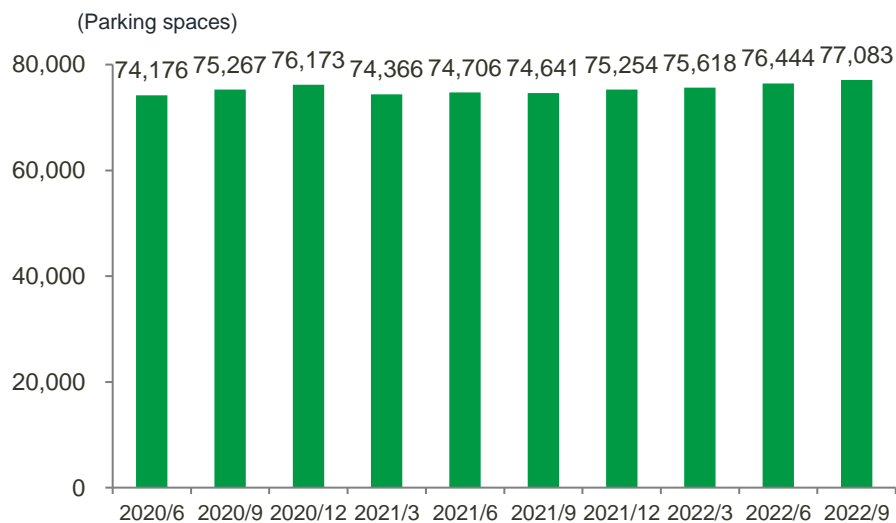
(3) Asset Service Business: Main Operating Indicators

- Asset solution: Securing stock mainly in central Tokyo through selective investment that utilizes sharp real estate assessment abilities.
- Parking business: The number of parking spaces increased by 1,829 from the end of 2021 to 77,083.

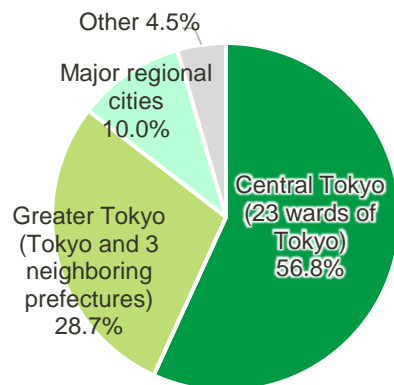
<Asset Solution Business: Balance of Assets Owned>



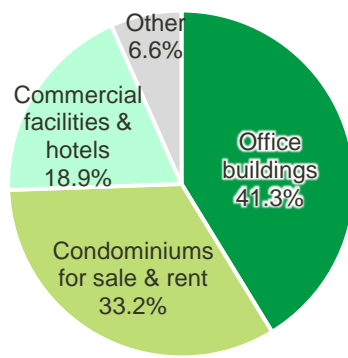
<Parking Business: Number of Parking Spaces>



<Asset Solution Business: Breakdown of Balance of Assets Owned>



Breakdown by Area of Location



Breakdown by Asset Type

(4) Other: Business Results for the First Three Quarters of FY2022 and Full-Year Earnings Forecast for FY2022

- In the first three quarters, revenue and profit increased in the leisure business as part of the leisure & childcare business due to an upward trend in revenues, an increase in revenues from the fund business and posting a share of profit of entities accounted for using equity method in overseas businesses, though application of a new revenue recognition standard caused revenues to fall.

				Announced in August 2022		
Unit: ¥ billion	2021/12 3Q Actual	2022/12 3Q Actual	Increase/ Decrease	Main factors for increase/decrease	2022/12 Full-year Forecasts	Achievement rate
Operating revenue	15.3	17.0	1.7	Recovery of leisure business revenue +¥2.5 billion, Application of the new revenue recognition standard -¥1.9 billion	22.5	76%
Leisure & childcare business	12.2	13.4	1.1		17.8	75%
Fund business	2.9	3.5	0.5		4.5	79%
Other	0.1	0.0	(0.0)		0.2	47%
Operating profit	1.3	2.1	0.8	Effect of application of the new revenue recognition standard -¥0.3 billion	1.5	143%
Business profit	1.1	4.9	3.7		4.0	125%
Share of profit (loss) of entities accounted for using equity method	(0.1)	2.8	2.9	Profitability of share of profit of entities accounted for using equity method in overseas businesses	2.5	114%
Announced in August 2022						
Unit: ¥ billion	2021/12 Actual	2022/12 Full-year Forecasts	Increase/ Decrease	Main factors for increase/decrease		
Operating revenue	21.5	22.5	0.9	Recovery of leisure business revenue +¥2.3 billion, Application of the new revenue recognition standard -¥2.4 billion		
Leisure & childcare business	17.3	17.8	0.4			
Fund business	4.0	4.5	0.4			
Other	0.1	0.2	0.0			
Operating profit	2.0	1.5	(0.5)	Effect of application of the new revenue recognition standard -¥0.3 billion		
Business profit	(9.1)	4.0	13.1			
Share of profit (loss) of entities accounted for using equity method	(11.1)	2.5	13.6	Posting a share of profit of entities accounted for using equity method in overseas businesses		

* Operating revenue in overseas businesses is disclosed under "Other."

(4) Other: Initiatives for Fund Business

- Under the medium-term business plan, further expansion of profit opportunities for the Group will be pursued through sales of developed/owned properties to REITs and such sponsored by the Company.
- Japan Prime Realty Investment Corporation (JPR), which has entrusted asset management to the consolidated subsidiary Tokyo Realty Investment Management, Inc. (TRIM), as well as private funds and private REITs operated by Tokyo Tatemono Investment Advisors Co., Ltd. have steadily expanded their assets.



Japan Prime Realty Investment Corporation

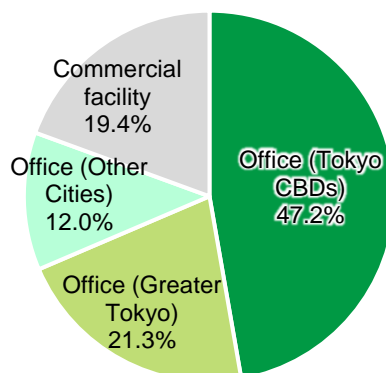
A J-REIT with a combined portfolio of office and urban retail properties, etc.

Total acquisition price : ¥492.2 billion
Appraisal value : ¥593.1 billion

Portfolio Overview

Number of properties	Leasable area	Occupancy rate	NOI yield	Average building age
67	502,000 m ²	97.5%	4.5%	24.1 years

<Investment Ratio by Use/Area>



* As of June 30, 2022

Tokyo Tatemono Private REIT, Inc.

A diversified private REIT investing in various asset types

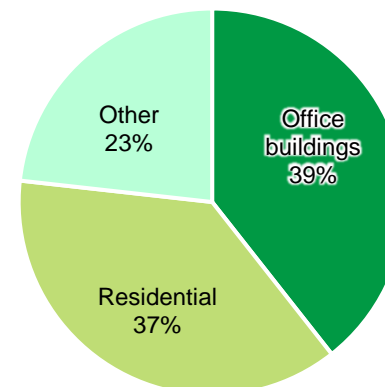
Total acquisition price : ¥81.1 billion
Appraisal value : ¥85.4 billion

Portfolio Overview

Number of properties	Total floor area ^{*1}	Occupancy rate	Average building age
35	313,000 m ²	96.5%	14.4 years

*1 Sum total of total floor area of each entire building, and thus includes areas that are not owned

<Investment Ratio by Use>



(4) Other: Initiatives for Overseas Business

- To gain business opportunities in growth markets, invested in businesses in China and Asia.
- As for new investments, we will continue to adopt our policy of conducting selective investments based on the current market environment, including the impact of the COVID-19 pandemic.
- Balance on the balance sheet for the overseas business was approximately ¥47.0 billion at the end of September 2022.

Basic Strategy

- Conduct business centering on partnerships with local partners who are familiar with the local market and have superior development and sourcing capabilities.
- Dispatch resident officers from the Company to the area in order to manage risks based on the Company's view and enhance relationship with the partners.
- Invest mainly in for-sale condominium projects with quick turnover primarily in China and countries in Asia in which the Company has invested before.

<Main Projects Under Way>

	Name of project	Location	Main uses	Scale (Total number of units/total floor area)	FY of construction completion	Status
China	Yangzhou Chengxi Project	Yangzhou City	Residential, commercial	Approximately 1,500 units	2022 onward	Residences sold out
	Yangzhou-East Project	Yangzhou City	Residential, commercial	Approximately 1,000 units	2024 onward	On sale
	Xuzhou Chengbei Project	Xuzhou City	Residential	Approximately 1,500 units	2023 onward	On sale
	Wenzhou Ouhai Project	Wenzhou City	Residential, commercial	Approximately 400 units	2023	Before sale
Asia	79 Robinson Road	Singapore	Offices	Approximately 57,400 m ²	2020	Sold
	Old museum site Redevelopment project	Yangon, Myanmar	Office, commercial, hotel	Approximately 92,000 m ²	Construction Interruption	
	Sukhumvit 26 Project	Bangkok, Thailand	Residential	Approximately 150 units	2022	On sale
	Sathorn 12 Project		Residential	Approximately 250 units	2023	On sale
	Onnut Project		Residential	Approximately 1,100 units	2024	On sale
	Sukhumvit 38 Project		Residential	Approximately 300 units	2026	Before sale
	Dharmawangsa Project	Jakarta, Indonesia	Office, residential	Office building : Approximately 47,000 m ² Residence: Approximately 90 units	2025	Sales to be resumed
	Loggia Project			Approximately 500 units	2027	Before sale



(4) Other: Initiatives for Overseas Business

79 Robinson Road

A rare, high-grade office was developed in Singapore's central business district, Tanjong Pagar. Sale completed in 2022 2Q.

Total project cost: Approx.
¥75.0 billion
Tokyo Tatemono's stake:
Approx. 15%



Xuzhou Chengbei Project in China

The Company's second housing development project in Xuzhou, a Tier-3 city where infrastructure and entry of foreign capital advancement are rapidly progressing. A location that has excellent transportation convenience close to a subway station that has good access to the city center.

Total project cost:
Approx. ¥35.0 billion
Tokyo Tatemono's
stake: Approx. 30%



For-sale condominiums development projects in Bangkok, Thailand (4 projects)

Development of four for-sale condominiums such as in the Sukhumvit Area and the Sathorn Area located in the central district of Bangkok.

Total project cost: Approx.
¥57.0 billion
Tokyo Tatemono's stake:
Approx. 50%

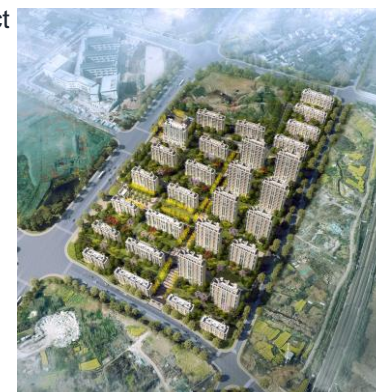


Sukhumvit 26 Project

Yangzhou Chengxi Project in China

A residential development project in Yangzhou, a Tier 3 city where the needs of actual demand are strong, marking the Company's fifth project in the city. There are large commercial facilities and educational facilities around the project site, and it is characterized by a location with high convenience of living.

Total project cost: Approx.
¥37.0 billion
Tokyo Tatemono's stake:
Approx. 25%



ESG-related Initiatives

ESG-related Initiatives (1)

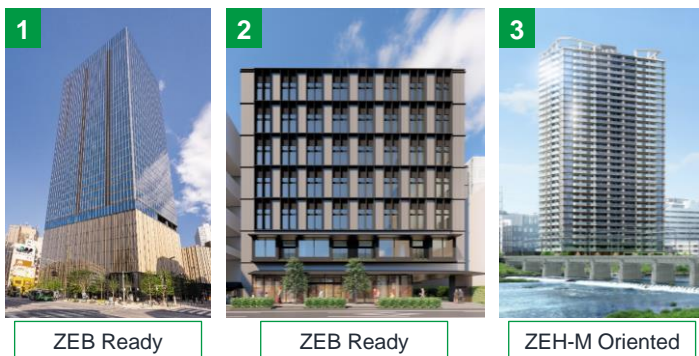
Medium- to long-term targets for reducing greenhouse gas emissions

CO₂ Emissions

40% reduction by FY2030 (compared with FY2019)

Net zero by FY2050

Development of ZEB and ZEH*



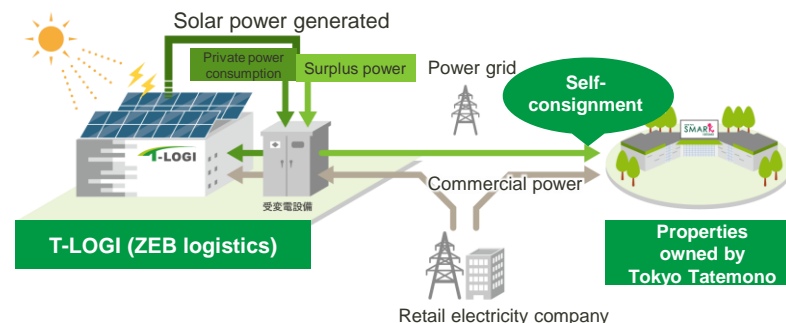
1 Hareza Tower

2 Tokyo Tatemono Shijo Karasuma Building EAST

3 Brillia Tower Seiseki Sakuragaoka BLOOMING RESIDENCE

* ZEB includes "ZEB" (reduction by 100% or more through energy saving + energy creation) as well as Nearly ZEB (energy saving of 75% or more), ZEB Ready (energy saving of 50% or more), ZEB Oriented (10,000 m² or more of total floor area, more than 40% energy saving for offices, 30% or more for hotels, etc.).
ZEH includes Nearly ZEH-M (energy saving of 75% or more), ZEH-M Ready (energy saving of 50% or more), and ZEH-M Oriented (energy saving of 20% or more), etc.

Development of "ZEB" logistics, creation and utilization of renewable energy



1 The company consumed electricity generated by solar panels installed at the T-LOGI logistics facilities on the premises of the facility and obtained **the highest rating of ZEB** as an environmentally friendly property. The entire T-LOGI series was developed as **"ZEB" logistics**.

Acquisition of "ZEB" certification: **6** properties (as of September 30, 2022)

2 Surplus power is subject to **self-consignment** to the SMARK Iseaki retail facilities owned by the Company as well as **owned facilities**.

Condominium development using wooden CLT



Senzokuike Project (provisional name)

Selected as the "Fiscal 2021 Leading Project for Sustainable Buildings (Wooden Leading Project)" which was publicly offered by the Ministry of Land, Infrastructure, Transport and Tourism. CLT construction method to be used.

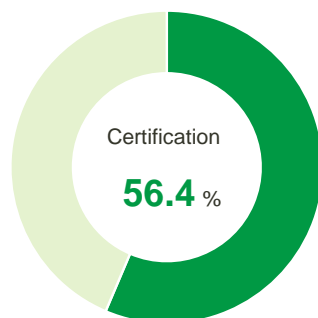
- **Approximately 700 m³ of timber** will be used for the main structural parts
- The amount of **carbon storage converted into CO₂** using timber is **approximately 450 tons**

ESG-related Initiatives (2)

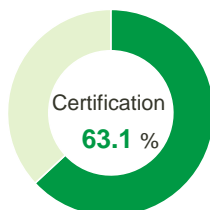
External evaluation and certification on green buildings

■ Percentage of certification (as of December 2021)

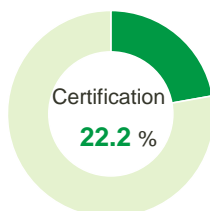
- All properties owned and managed by the Company



- Leasable office area



- Leasable residential area



■ Main properties newly obtaining certification in 2022



1 Brillia ist Nakano Central Park (5 stars)



2 Brillia ist Motoasakusa (4 stars)



ESG finance (Bonds payable issued)

■ March 2019: Issuance of green hybrid bonds

- First issuance of green hybrid bonds in Japan (world-first in the real estate sector)
- Received the Minister for the Environment's Award (Silver Award) in the Bond Section of the "ESG Finance Awards Japan" established by the Ministry of the Environment
- Issuance period: 40 years
Amount issued: ¥50 billion



■ July 2020: Issued sustainability bonds

- Japan's first in the real estate sector
- Received the gold award, the highest award given by the Minister of the Environment in the fundraiser section of the "ESG Finance Awards Japan." Awarded for the second consecutive year, the only company in the section
- Issuance period: 5 years
Amount issued: ¥20 billion
- Issuance period: 10 years
Amount issued: ¥20 billion



■ February 2021: Issued sustainability hybrid bonds

- Issuance period: 40 years
Amount issued: ¥40 billion

■ July 2021: Issued sustainability bonds for individual investors

- First in Japan for a general operating company in the real estate sector
- Issuance period: 7 years
Amount issued: ¥10 billion

ESG-related Initiatives (3)

ESG-related external evaluation and participation in ESG-related initiatives

“GRESB Real Estate Assessment” 2022

- “GRESB Standing Investment Benchmark,” an assessment of real estate management portfolios

- The only real estate developer in Japan who received the top-rated “5-star” for the sixth consecutive year**
- Selected for the first time as a “Sector Leader” in Listed, Asia Region, Diversified**



G R E S B
★★★★★ 2022



G R E S B
REAL ESTATE
sector leader 2022

RE100

CLIMATE
GROUP



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



2022
健康経営優良法人
Health and productivity
ホワイト500

2022 CONSTITUENT MSCIジャパン
ESGセレクト・リーダーズ指数

Field	Rating agencies and Initiatives	Rating, etc.
ESG (Real Estate)	GRESB Standing Investment Benchmark	5-star
Climate change	CDP	B
	RE100	Participated
	SBT	Certified
	TCFD	Agreed
Social (Human Resources)	UN Global Compact	Participated
	Health and Productivity Management Organization	White 500
Index	MSCI Japan Empowering Women Index (WIN)	Selected
	S&P/JPX Carbon Efficient Index	
	MSCI Japan ESG Select Leaders Index	
	FTSE Blossom Japan Sector Relative Index	

* Red text added in 2022

Appendix

Long-Term Vision and Medium-Term Business Plan

- In February 2020, announced a long-term vision for 2030, “Becoming a Next-Generation Developer,” and the Medium-Term Business Plan for FY2020-FY2024.
- Aim to achieve goals of Medium-Term Business Plan and realize the long-term vision through initiatives that contribute to the evolution of ESG management and the promotion of our five key strategies.

* For details, please refer to “Long-Term Vision, Medium-Term Business Plan” announced on February 12, 2020.

<Long-Term Vision for 2030>

“Becoming a Next-Generation Developer”

Achieve the dual goals of “solving social issues” and “company growth” at higher levels

**Target for 2030:
Consolidated business
profit* of ¥120.0 billion**

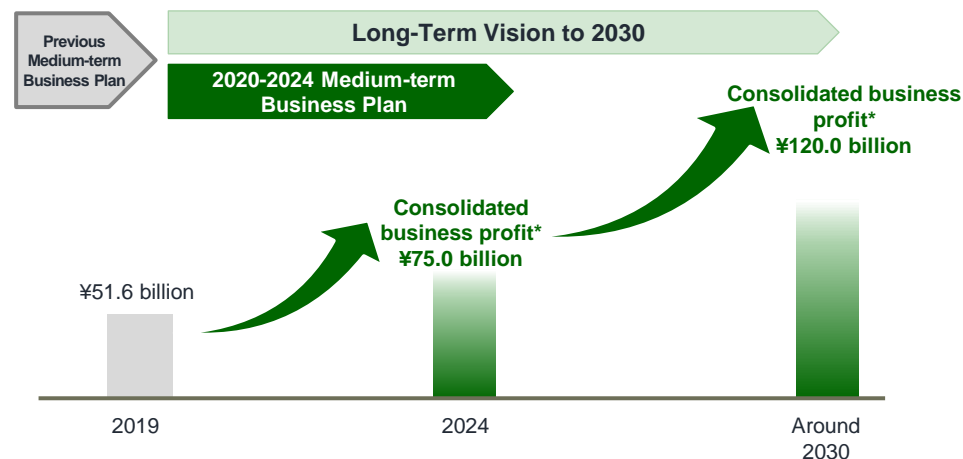
**Contributing to the
achievement of the SDGs**

<Basic Profit Growth Policy>

Steadily expand stable rental profits and aim for a well-balanced profit structure with an awareness of capital efficiency, which is central to profit composition

* Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method

<Positioning of the Medium-Term Business Plan>



<Key Strategies in the Medium-Term Business Plan>

(1) Promotion of large-scale redevelopment

(2) Further strengthening of for-sale condominium business

(3) Expansion of property sales to investors

(4) Strengthening of brokerage, fund, and parking businesses

(5) Growth in overseas business

Materiality of the Tokyo Tatemono Group

- In order to achieve our long-term vision, we reviewed important issues that need to be addressed, mindful of the values to be shared with society through our business. In this process, 14 material issues were identified

	Important issues	Shared value with society	Contribution to SDGs
Creation of social value	 Strengthening Tokyo's competitiveness as an international city  Contributing to a safe and secure society  Community building and revitalization  Wellbeing  Addressing diverse needs of customers and society  Value co-creation and innovation  Social implementation of technology  Revitalizing and utilizing real estate stock	 Creating value of place and value of experience	         
	 Promoting a decarbonized society  Promoting a recycling-oriented society		
	 Improve employee growth and job satisfaction  Diversity & inclusion		
	 Advancement of governance  Strengthen risk management framework		
		 Coexistence with the earth and the environment	
		 Value-creating talent	
		 Realizing sustainability management	
			     

“Integrated Report 2022” and “Sustainability Report 2022” were released









“Integrated Report 2022” and “Sustainability Report 2022” can be downloaded from our website.

Integrated Report 2022
<https://tatemono.com/english/ir/library/ar.html>

Sustainability Report 2022
https://tatemono.com/csr/english/reports/pdf/2022susrepo_e.pdf

ESG Management KPIs and Goals Based on Materiality

Materiality	Item	KPIs and Goals	Range	Target Year	Target
Promoting a decarbonized society 	Reduction of greenhouse gas emissions	Rate of reduction of CO ₂ emissions	Scope 1,2,3	2030	40% reduction compared with 2019
				2050	Net zero
	Introduction of renewable energy	Rate of introduction of renewable energy for electricity consumed in business activities	Real estate held in Commercial Properties business	2030	40%
			All business activities	2050	100%
	Promotion of development of ZEB and ZEH	ZEB development rate in new development projects	Office buildings and logistics properties	2030	100% in principle
		ZEH development rate in new development projects	For-sale condominiums	2030	100% in principle
Promoting a recycling-oriented society 	Acquisition of green building certification	Rate of acquisition of green building certification in new development projects	Office buildings and logistics properties	2030	100% in principle
	Reduction of waste output	Rate of reduction of waste output intensity	Buildings owned long-term	2030	20% reduction compared with 2019
	Promotion of waste recycling	Rate of reuse of waste	Buildings owned long-term	2030	90%
	Reduction of water usage	Rate of reduction of water usage intensity	Buildings owned long-term	Every year	Reduction from previous year
Promoting a decarbonized society Promoting a recycling-oriented society  	Promotion of use of wood	Rate of use of domestic materials and certified materials in common area interior and furnishings in new development projects	Buildings owned long-term and condominiums for sale & rent	2030	100%
			Condominiums for sale & rent	2030	100%
		Use of CLT in main structural parts in new development projects	Condominiums for sale & rent	2023	—
	Partnership and co-creation with customers	Rate of communication on sustainability with tenants being implemented four or more times per year	Buildings owned long-term	Every year	100%
		Drafting and implementation of sustainability measures through communication with residents	Condominiums for sale & rent	Every year	—
Improve employee growth and job satisfaction 	Promotion of capacity development	Average training hours per employee	Tokyo Tatemono	Every year	15 hours or more
		Career training attendance rate	Tokyo Tatemono	Every year	100%
		Health checkup attendance rate	Tokyo Tatemono	Every year	100%
	Promotion of health management	Reexamination attendance rate	Tokyo Tatemono	Every year	100%
		Smoking rate	Tokyo Tatemono	2022	12% or less
Diversity & Inclusion 	Respect for human rights	Dissemination of Human Rights Policy	Tokyo Tatemono Group	Every year	—
	Work-life balance	Average rate of taking annual paid leave	Tokyo Tatemono	Every year	70% or more
		Percentage of male employees taking childcare leave	Tokyo Tatemono	2025	30% or more
	Promoting the active participation of diverse human resources	Percentage of female managers	Tokyo Tatemono	2030	10% or more
		Employment rate of persons with disabilities	Tokyo Tatemono	Every year	2.3% or more

* See pages 8 and 9 of the Sustainability Report 2022 for definitions of terms.

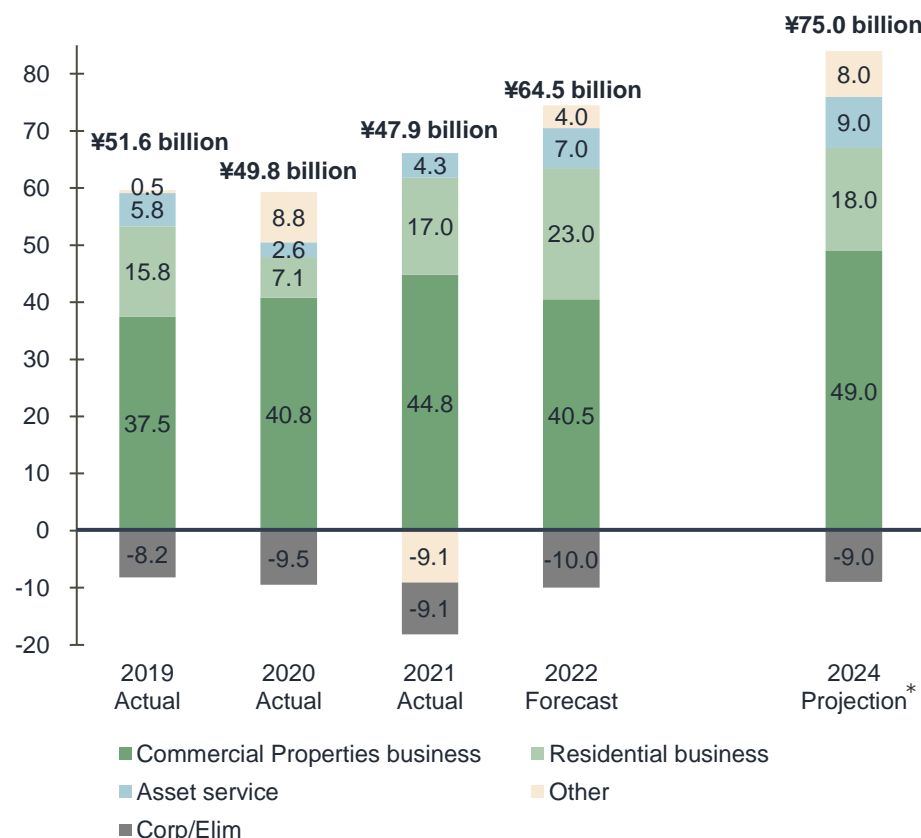
Quantitative Plan in Medium-Term Business Plan

- In the Medium-Term Business Plan, we have set a profit target of ¥75 billion in business profit for FY2024. In addition, we have set targets for ROE, the debt-equity ratio, and the interest-bearing debt to EBITDA multiple in order to optimize the business portfolio in consideration of capital efficiency and fiscal discipline.
- Looking towards 2024, we plan to increase profit on property sales centering on property sales to investors.

<Profit/Financial Plan – Figures for FY2024>

Profit Target	Consolidated business profit: ¥75.0 billion
Capital Efficiency	ROE: 8-10%
Financial Indicators	Debt-equity ratio: Appr. 2.4X Interest-bearing debt / EBITDA multiple: Appr. 12X
Reference Figures	Consolidated operating profit: ¥70.0 billion Profit attributable to owners of parent: ¥45.0 billion EPS: ¥215

<Consolidated Business Profit Trend by Segment>



* Breakdown assumed at time of announcement of Medium-Term Business Plan in February 2020

Business Profit (Breakdown by Segment)

(Unit: ¥ billion)

Announced in August 2022

Segment: Item		2020/12 actual	2021/12 actual	2022/12 full-year forecast
	Total for all segments (Excluding properties sales to investors)	41.6	37.3	56.5
	Commercial properties: Building leasing, etc.	33.6	34.2	30.5
	Residential: For-sale condominiums, etc.	6.9	10.7	19.0
	Asset service: Parking business, brokerage, etc.	(0.1)	1.3	3.0
	Other: Leisure & childcare, fund, overseas	1.2	(9.1)	4.0
	Total property sales to investors*1	17.7	19.8	18.0
	Commercial properties	7.2	10.5	10.0
	Residential	0.2	6.3	4.0
	Asset service	2.8	2.9	4.0
	Other	7.3	—	—
Elimination / Corporate		(9.5)	(9.1)	(10.0)
Total business profit*2		49.8	47.9	64.5

*1 Figures for property sales to investors are the gross profit

*2 Business profit = Operating profit + Share of profit (loss) of entities accounted for using equity method

■ Business Portfolio Concepts (1)

- Our business portfolio can be classified into three categories based on their profit characteristics: leasing, property sales (for-sale condominiums/sales), and services. We manage each segment with a focus on the value chain.
- We promote five key strategies with a focus on the balance between profitability, efficiency, and stability.

Business classification and management by profit characteristics, with awareness of the balance between profitability, efficiency, and stability

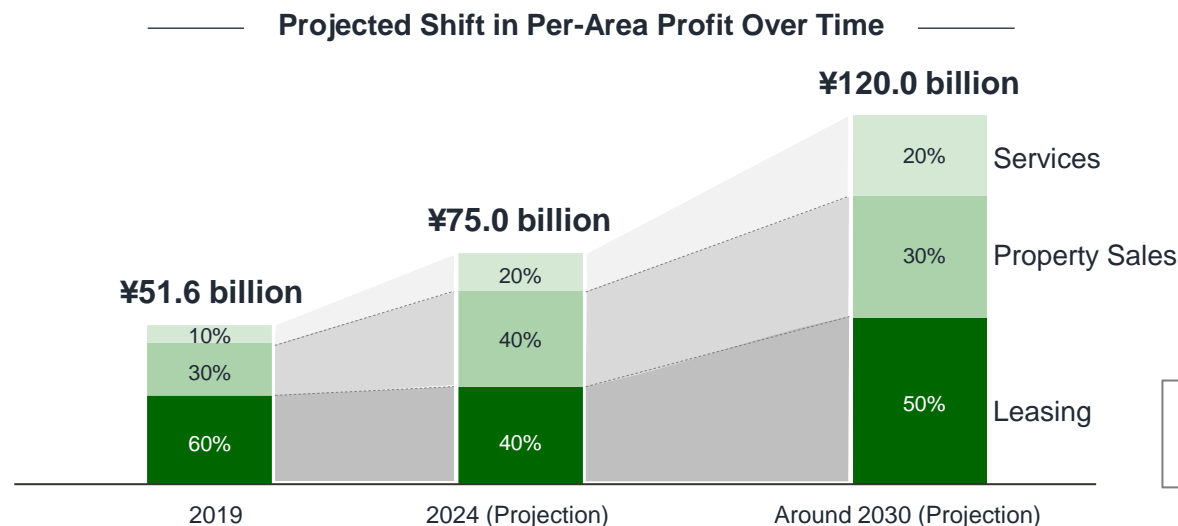
	Profit Type	Characterized by
Leasing	Profit from leasing offices, condominiums, etc.	Highly stable profit Requires significant investment
Property Sales	Development profit, acquired from sale of properties held	Highly volatile profit High capital efficiency
Services	Fee revenue from facility management/operation, provision of services	Highly stable profit Does not involve significant investment

— Key Strategies and Their Profit Sources —

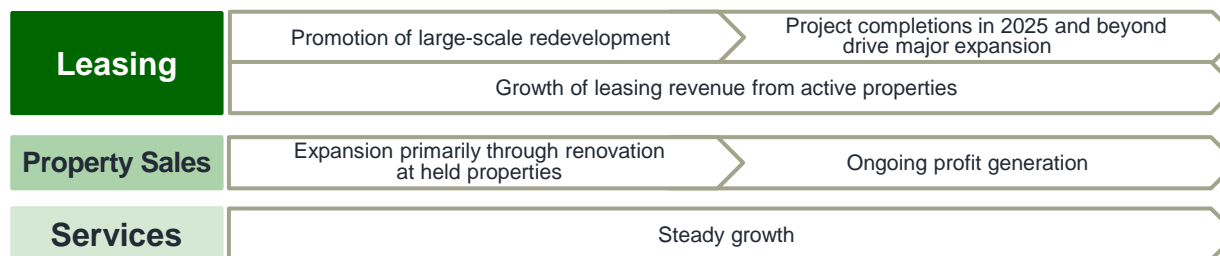
Key Strategy	Profit Source
(1) Promotion of large-scale redevelopment	Leasing
(2) Further strengthening of for-sale condominium business	Property sales
(3) Expansion of property sales to investors	Property sales
(4) Strengthening of brokerage, fund, and parking businesses	Services
(5) Growth in overseas business	Property sales

■ Business Portfolio Concepts (2)

- Working under our five key strategies, we are steadily growing our Services area, with profit growth driven especially by the Property Sales area through 2024 and expansion of Leasing in 2025 and beyond, achieving a well-balanced profit structure mindful of capital efficiency.



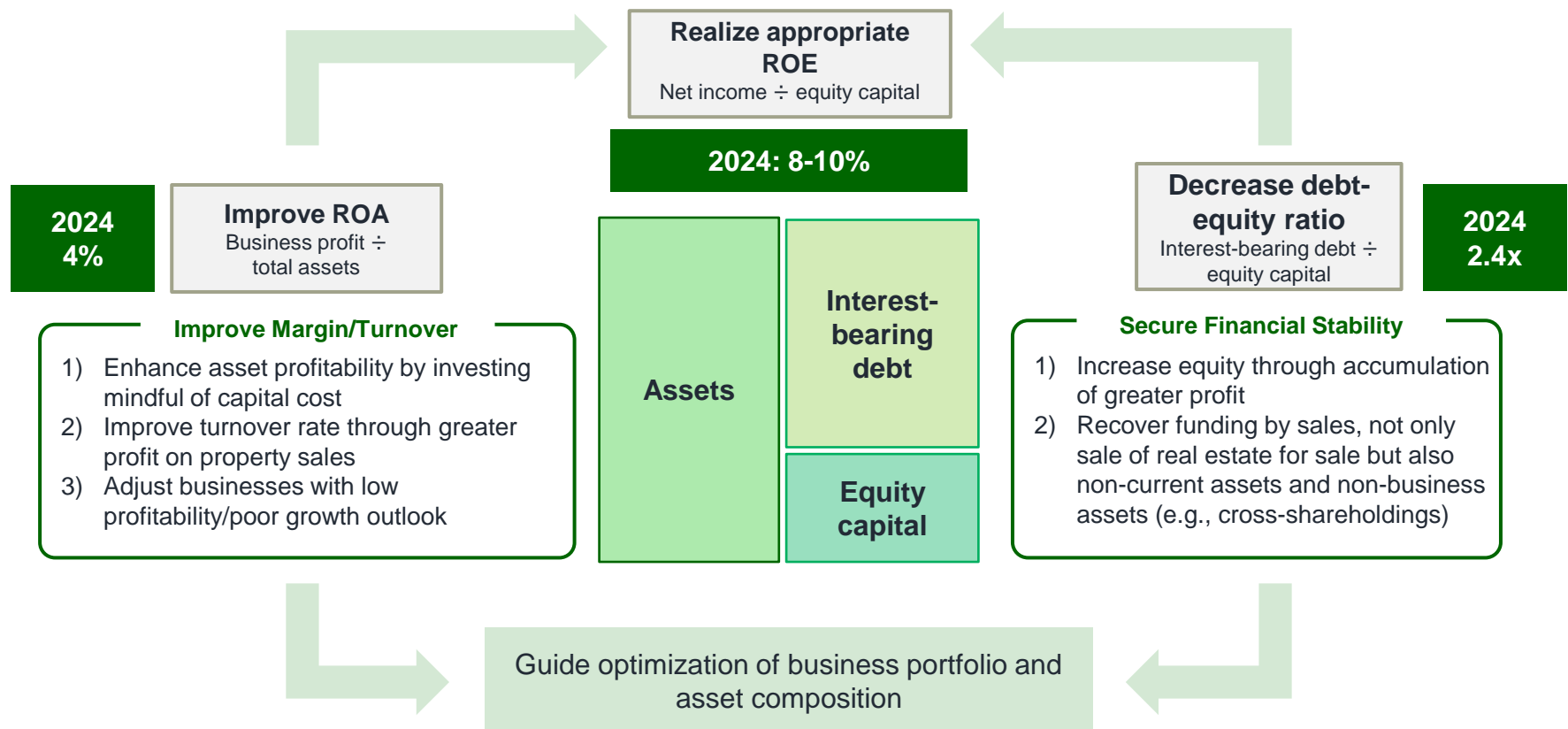
* The percentages in the graph show the approximate composition ratio



Well-balanced profit structure focused on leasing profit and mindful of capital efficiency

■ Management Mindful of Capital Efficiency

- We will target enhancement of ROA by improving margin and turnover, appropriate control of the debt-equity ratio through earnings growth and asset sales, realization of ROE of 8% to 10%, and optimization of our business portfolio and asset composition.



Long-Term Vision, Medium-Term Business Plan Material

(announced in February 2020) (Excerpt)



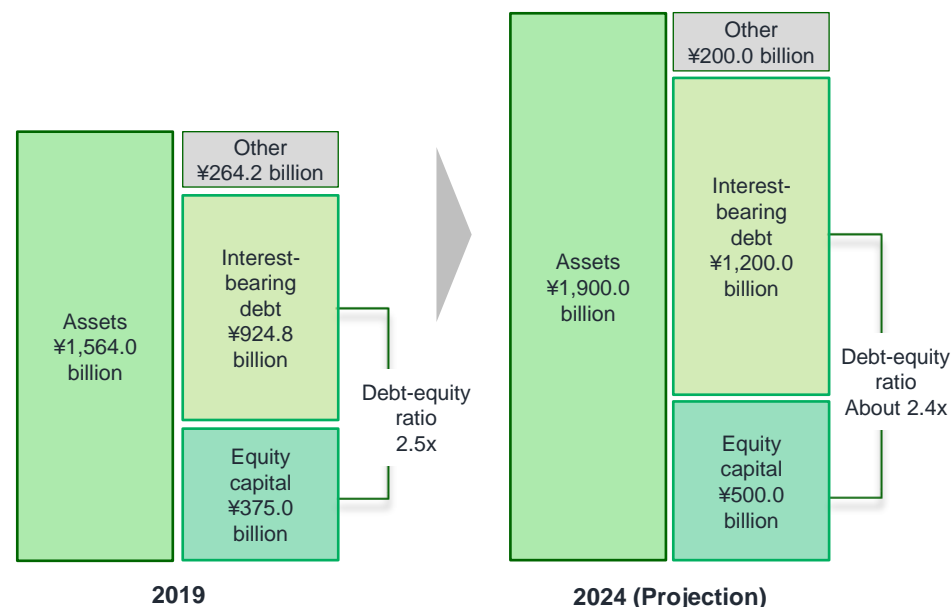
■ Investment Plan

- Estimated net investment of ¥500.0 billion in total over five years.
- In addition to enhancing equity capital through stable profit growth, we aim to optimize our asset composition by selling non-current assets in consideration of profitability and reducing cross-shareholdings in order to either maintain or reduce the debt-equity ratio and simultaneously control the balance sheet in an appropriate fashion.

Medium-Term Investment Plan (Cumulative)

	Unit: ¥ billion
Gross investment	1,400.0
Investment in large-scale redevelopment	230.0
Investment in for-sale condominium projects	430.0
Investment in properties for sale to investors	550.0
Investment in the overseas business	70.0
Other	120.0
Recovered	900.0
Net investment	500.0

Balance Sheet Changes



Investment Plan for FY2022

(No update from the time of announcement of financial results)

- In FY2022, the gross amount of investment is expected to be ¥290.0 billion due to expenditure on construction costs for progressively developing logistics properties and for-sale condominium projects.

<Investment Plan of Medium-Term Business Plan (2020–2024) and Results>

Unit: ¥ billion	5-year Plan	2020 - 2021 Actual
Gross investment	1,400.0	318.0
Investment in large-scale redevelopment	230.0	13.8
Investment in for-sale condominium projects	430.0	110.5
Investment in properties for sale to investors	550.0	121.5
Investment in the overseas business	70.0	5.0
Other ^{*1}	120.0	67.2
Recovered	900.0	241.9
Net investment	500.0	76.1

<Investment Plan for FY2022>

2022 Plan
290.0
0.0
115.0
120.0
15.0
40.0

^{*1} Inclusive of such amounts as expenditures to CAPEX, etc., and reserves for acquisition of seed-lot buildings for large-scale redevelopment and income-producing real estate.

Fair Value of Rental Properties

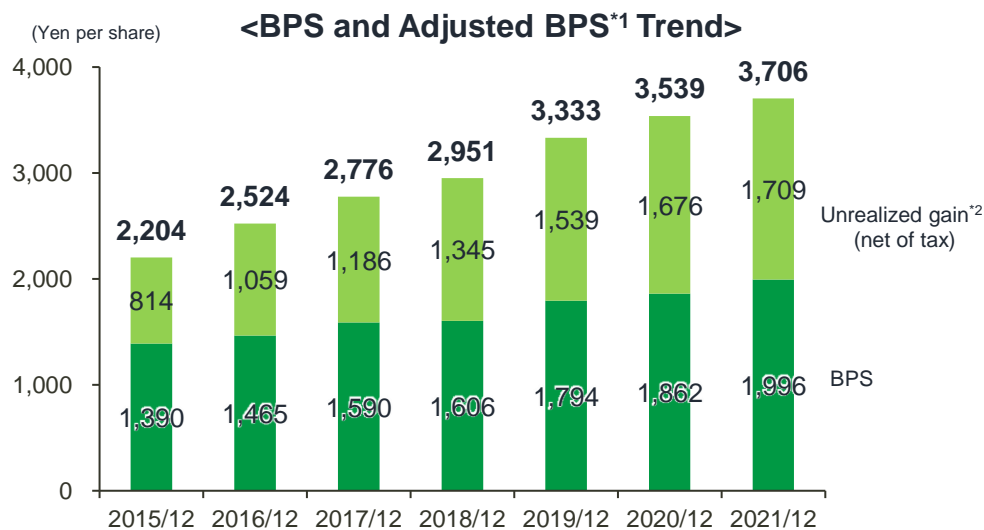
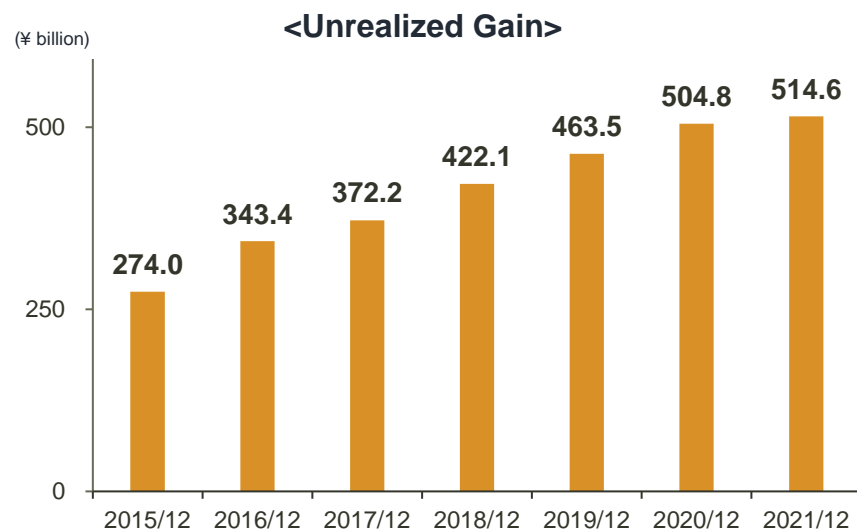
(No update from the time of announcement of financial results)

- Unrealized gain remained at a high level of ¥514.6 billion.

Unit: ¥ billion	2020/12-end	2021/12-end	Increase/ Decrease
Fair value at end of period	1,389.7	1,407.2	17.5
Amount on B/S (carrying value)	884.8	892.5	7.7
Amount of difference	504.8	514.6	9.7

◆ <Subject properties> Of non-current assets, properties that are currently leased or properties under development that are scheduled to be leased after completion to third parties by the Company and its subsidiaries (including properties where a portion is used by the Company and its group companies) are subject to calculation

◆ <Method of calculation> For properties newly acquired during the period or properties under development at the end of the fiscal year, the book value at the end of the fiscal year is taken as the fair value



*1: Adjusted BPS = BPS + (Unrealized gain, net of tax) / Number of shares issued and outstanding at end of period, excluding treasury stock

*2: Unrealized gain, net of tax = Unrealized gain × (1 – Statutory tax rate applicable to each fiscal year)

Quarterly Segment Data

Commercial Properties business*1	2019/12	2020/3	2020/6	2020/9	2020/12	2021/3	2021/6	2021/9	2021/12	2022/3	2022/6	2022/9
Number of office buildings	48	46	45	45	46	46	46	46	47	45	45	45 *2
Leasable area of office buildings (thousand m ²)	494	490	520	520	511	514	514	514	514	496	496	500 *2
Vacancy rate	1.1%	1.0%	2.0%	1.3%	2.3%	3.4%	3.3%	3.3%	3.2%	2.5%	2.9%	2.8% *2
Average rent (Unit: yen/tsubo)	30,583	30,846	30,288	30,161	30,835	31,061	30,830	31,077	30,954	30,809	30,896	30,696 *2
Residential business	2019/12	2020/3	2020/6	2020/9	2020/12	2021/3	2021/6	2021/9	2021/12	2022/3	2022/6	2022/9
Number of sales posted (cumulative)	1,316	646	872	955	1,196	520	634	689	1,109	390	963	1,034
For-sale condominiums	1,315	646	872	955	1,196	520	634	689	1,109	390	963	1,034
Housing and residential land	1	0	0	0	0	0	0	0	0	0	0	0
Gross margin ratio of condo sales (cumulative)	24.6%	21.7%	22.9%	22.8%	22.4%	29.9%	28.6%	28.4%	24.4%	28.2%	36.7%	36.1%
Inventory of completed condos	216	321	305	243	177	179	109	54	83	135	115	72
Of which, contracted	18	40	31	43	27	41	36	24	37	29	35	20
Condo units supplied (cumulative)	1,301	201	286	499	948	297	760	1,036	1,684	277	647	908
Condo units contracted (cumulative)	1,285	200	275	527	962	288	794	1,045	1,759	245	639	941
Condo units contracted but yet to be posted	1,547	1,101	950	1,118	1,314	1,081	1,474	1,669	1,968	1,837	1,658	1,890
Number of condo buildings for rent	9	12	14	14	14	13	12	11	12	11	14	14
Number of managed condo units	94,319	95,401	95,958	95,581	95,720	97,152	97,738	97,668	98,789	96,761	97,272	97,345
Asset service	2019/12	2020/3	2020/6	2020/9	2020/12	2021/3	2021/6	2021/9	2021/12	2022/3	2022/6	2022/9
Brokerage: Number of deals (cumulative)	1,081	259	458	687	1,018	277	540	830	1,152	250	532	793
Of which, sales (cumulative)	1,044	250	448	671	991	271	526	810	1,124	243	521	778
Of which, rentals (cumulative)	37	9	10	16	27	6	14	20	28	7	11	15
Parking lots: Number of locations	1,767	1,751	1,805	1,837	1,867	1,859	1,863	1,864	1,861	1,852	1,856	1,845
Parking lots: Number of parking spaces	69,401	69,683	74,176	75,267	76,173	74,366	74,706	74,641	75,254	75,618	76,444	77,083
Other	2019/12	2020/3	2020/6	2020/9	2020/12	2021/3	2021/6	2021/9	2021/12	2022/3	2022/6	2022/9
Ofuro no Osama (Spa facility)	9	9	9	9	9	9	9	9	10	10	10	10
Golf Courses	12	12	12	12	12	12	12	12	12	12	12	12
Pet-Friendly Hotels (Regina Resort with DOGS)	9	8	8	8	8	8	8	8	8	8	8	8
Ohayo Child Care Centers/after-school childcare facilities	11	11	14	15	15	15	16	16	16	16	17	17

*1: Standards for areas subject to calculation are as follows.

1. Office buildings owned by group companies are included.

2. Since the area of retail facilities accounts for a large proportion under total leased floor area at GRAND FRONT OSAKA, the area of retail facilities is excluded from calculation.

3. With regard to buildings owned by consolidated SPCs, the equivalent areas of the SPCs' equity holdings in other companies have been included along with areas subject to recording of leasing revenue.

4. The following criteria is added as of the end of March 2022: Properties included in a redevelopment business area shall be excluded from the owned office buildings with the establishment of an urban redevelopment consortium or the obtaining of project approval.

*2: "DNP Gotanda Building," which was acquired at the end of September 2019, is not included in areas subject to calculation.

List of Facilities (Leisure Business)

	Pet-Friendly Hotels (Regina Resort with DOGS)	Location	Number of guestrooms	Opening
1	Regina Resort Fuji	Minamitsuru-gun, Yamanashi	21	Nov. 2013
2	Regina Resort Hakone Ungaiso	Ashigarashimo-gun, Kanagawa	10	Jul. 2014
3	Regina Resort Izu Murin	Ito-shi, Shizuoka	8	Mar. 2016
4	Regina Resort Karuizawa Mikage Yosui	Kitasaku-gun, Nagano	26	Jul. 2016
5	Regina Resort Kyu-Karuizawa	Kitasaku-gun, Nagano	26	Nov. 2017
6	Regina Resort Biwako Nagahama	Nagahama-shi, Shiga	15	Jun. 2018
7	Regina Resort Kamogawa	Kamogawa-shi, Chiba	25	Jul. 2018
8	Regina Resort Hakone Sengokuhara	Ashigarashimo-gun, Kanagawa	22	Oct. 2018

	Golf Courses	Location
1	Kawaguchiko Country Club	Minamitsuru-gun, Yamanashi
2	J-Golf Tsurugashima	Hidaka-shi, Saitama
3	River Fuji Country Club	Fuji-shi, Shizuoka
4	Holon Golf Club	Kikugawa-shi, Shizuoka
5	J-Golf Kasumigaura	Itako-shi, Ibaraki
6	Byron Nelson Country Club	Iwaki-shi, Fukushima
7	Miyako Golf Club	Tsuru-shi, Yamanashi
8	Washu Golf Club	Kurashiki-shi, Okayama
9	Tojo Golf Club	Kato-shi, Hyogo
10	Akasaka Country Club	Akaiwa-shi, Okayama
11	Tohnosho Golf Club	Katori-gun, Chiba
12	Shirakawa Kogen Country Club	Nishishirakawa-gun, Fukushima

	Bathing Facilities	Location	Opening
1	Ofuro no Osama Shiki	Shiki-shi, Saitama	Jan. 2003
2	Ofuro no Osama Konandai	Yokohama-shi, Kanagawa	Mar. 2005
3	Ofuro no Osama Hana Koganei	Kodaira-shi, Tokyo	Nov. 2006
4	Ofuro no Osama Tama Mogusa	Tama-shi, Tokyo	Jul. 2008
5	Ofuro no Osama Ooimachi	Shinagawa-ku, Tokyo	Mar. 2011
6	Ofuro no Osama Ebina	Ebina-shi, Kanagawa	Acquired in Feb. 2014
7	Ofuro no Osama Seya	Yokohama-shi, Kanagawa	Acquired in Feb. 2014
8	Ofuro no Osama Kouza-Shibuya Ekimae	Yamato-shi, Kanagawa	Acquired in Feb. 2014
9	Ofuro no Osama Machida	Sagamihara-shi, Kanagawa	Jun. 2015
10	Ofuro no Osama Wako	Wako-shi, Saitama	Dec. 2021



Regina Resort Fuji



Regina Resort Hakone Sengokuhara

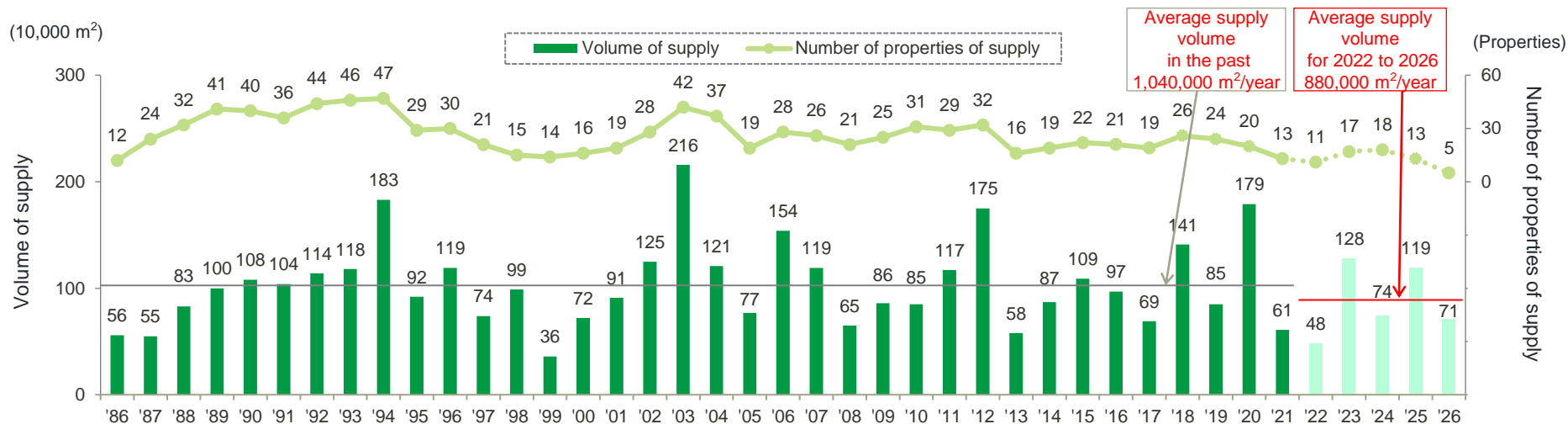


Ofuro no Osama Ooimachi

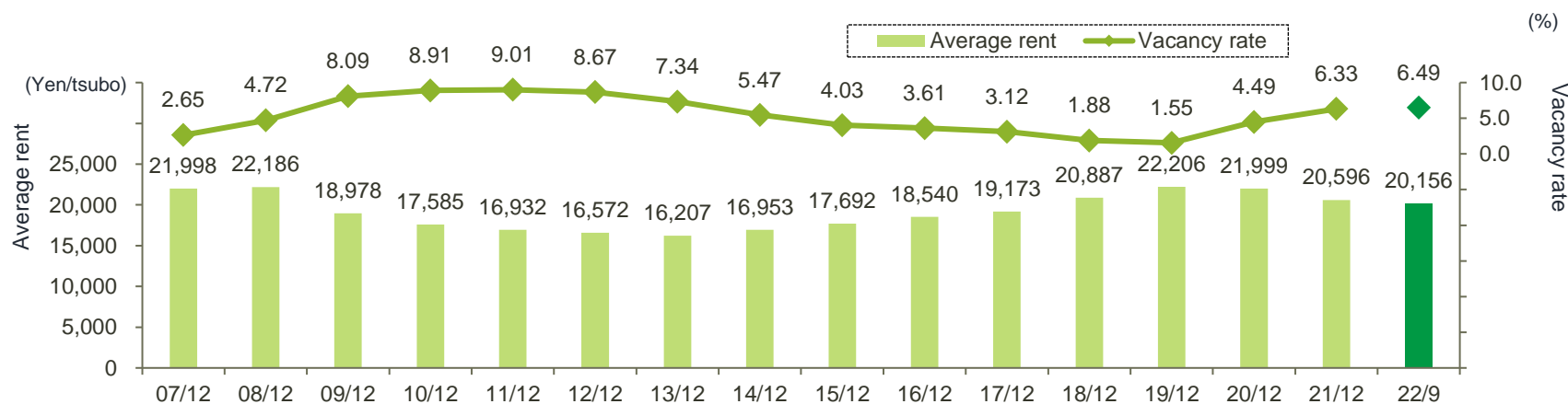
Market Data

(1) Office Building Market

Large-Scale Office Building Supply Volume Trends in Tokyo's 23 Wards



Average Rent and Vacancy Rate Trends in Tokyo's Central Business District (Chiyoda, Chuo, Minato, Shinjuku, and Shibuya)

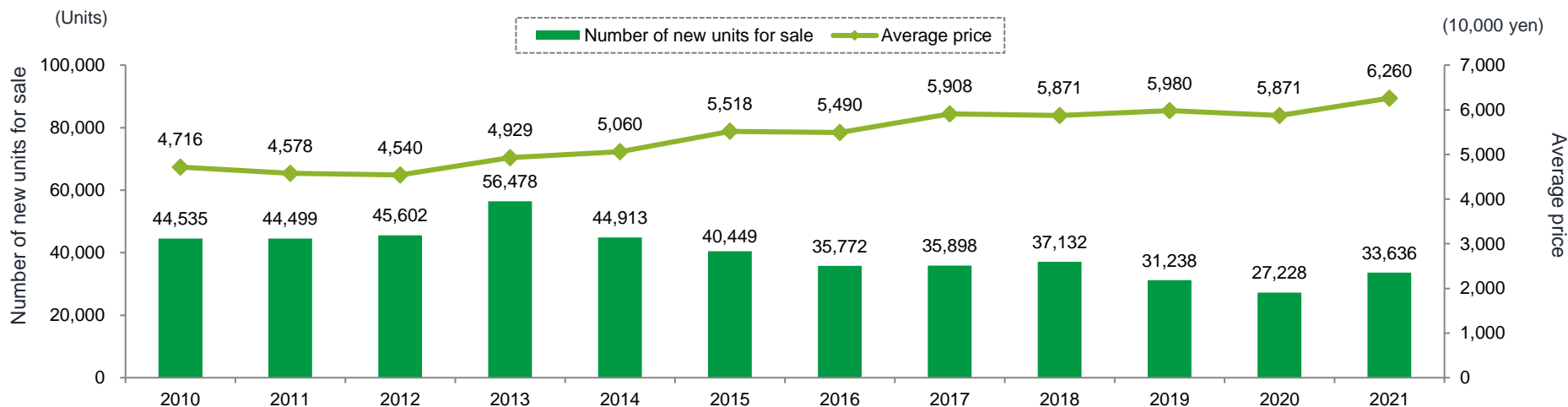


Source: Mori Buildings' "Survey of Large-scale Office Building Market in Tokyo's 23 Wards 2022"; Miki Shoji
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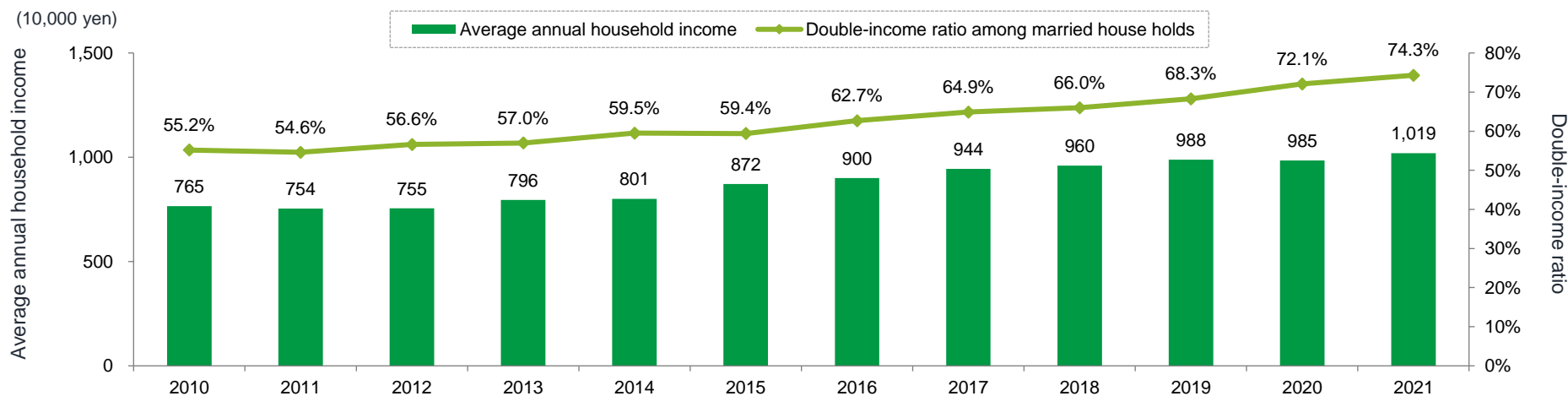
Market Data

(2) For-Sale Condominium Market

Number of New Condominium Units for Sale and Average Price Trends in the Tokyo Metropolitan Area (Tokyo, Kanagawa, Saitama, and Chiba)



Trends in Double-Income Ratio and Average Annual Household Income Among Buyers of Condominium Units



Source: Real Estate Economic Institute; Recruit's 2021 survey on contract trend of new condominium units in the Tokyo Metropolitan Area

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