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November 10, 2022

## Outline of Consolidated Financial Statements for the First Three Quarters of the Fiscal Year Ending December 2022 <under Japanese GAAP>

Name of Company Listed: Tokyo Tatemono Co., Ltd. Exchange: Prime Market of Tokyo Stock Exchange  
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Scheduled date for submission of quarterly report: November 11, 2022  
 Scheduled date for commencement of dividend payment: —  
 Supplementary documents for quarterly results: Yes  
 Quarterly results briefing: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest one million yen.)

### 1. Consolidated Results of Operations for the First Three Quarters of Fiscal Year Ending December 2022 (January 1, 2022 to September 30, 2022)

#### (1) Consolidated business results (on a cumulative basis)

(The percentage figures indicate the percentage increase/decrease compared with the previous fiscal year.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2022 3Q	268,455	20.3	55,050	32.2	56,670	44.7	39,391	25.3
FY2021 3Q	223,176	4.8	41,632	54.3	39,151	59.7	31,445	86.9

Note: Comprehensive income FY2022 3Q ¥42,618 million (3.9%)  
 FY2021 3Q ¥41,029 million (—%)

	Profit per share	Profit per share after adjusting for dilution
	Yen	Yen
FY2022 3Q	188.57	—
FY2021 3Q	150.49	—

Note: The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the first quarter of the consolidated fiscal year ending December 2022 and the figures for the third quarter of the consolidated fiscal year ending December 2022 represent those after the relevant standard has been applied.

#### (2) Consolidated financial status

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2022 3Q	1,675,089	457,770	26.7	2,141.38
FY2021	1,650,770	427,661	25.3	1,996.52

Reference: Equity capital FY2022 3Q ¥447,311 million  
 FY2021 ¥417,055 million

Note: The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the first quarter of the consolidated fiscal year ending December 2022 and the figures for the third quarter of the consolidated fiscal year ending December 2022 represent those after the relevant standard has been applied.

## 2. Dividend Status

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2021	—	24.00	—	27.00	51.00
FY2022	—	29.00	—		
FY2022 (Forecast)				33.00	62.00

Note: Revisions to dividend forecasts published most recently: None

## 3. Forecast of Consolidated Results of Operations for Fiscal Year Ending December 2022 (January 1, 2022 to December 31, 2022) (The percentage figures indicate the percentage increase/decrease compared with the previous fiscal year)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	355,000	4.3	61,500	4.6	61,500	32.9	41,500	18.7	198.67

Note: Revisions to consolidated results forecast of operations published most recently: None

### \*Notes

- (1) Significant changes in subsidiaries accompanied by a change in the scope of consolidation during the period: No
- (2) Application of particular accounting practices to the preparation of quarterly consolidated financial statements: None
- (3) Changes in the accounting principles and changes or restatement of accounting estimates
  - (i) Changes in the accounting principles due to amendment of accounting standard, etc.: Yes
  - (ii) Changes in the accounting principles other than (i): None
  - (iii) Changes in the accounting estimates: None
  - (iv) Restatement: None

Note: Refer to page 9, “2. Quarterly Consolidated Financial Statements and Key Notes; (3) Notes on Quarterly Consolidated Financial Statements; (Changes in accounting policies)” for details.

### (4) Number of shares outstanding (common shares)

- (i) Number of shares outstanding (including treasury shares) at the end of the period

As of September 30, 2022:	209,167,674 shares	As of December 31, 2021:	209,167,674 shares
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- (ii) Number of shares of treasury shares at the end of the period

As of September 30, 2022:	277,969 shares	As of December 31, 2021:	276,104 shares
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- (iii) Average number of shares during the period (cumulative consolidated quarterly periods)

FY2022 3Q:	208,890,730 shares	FY2021 3Q:	208,951,140 shares
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\* The Company has introduced a stock compensation plan, “Board Benefit Trust (BBT).” The shares of the Company held by the trust are included in the number of shares of treasury shares at the end of the period and the treasury shares deducted in the calculation of the average number of shares during the period

\* Outline of Quarterly Financial Statements is not subject to quarterly review by a certified public accountant or audit corporation.

### \* Explanation Regarding the Appropriate Use of Business Performance Forecasts, and Other Items to Note

The performance forecasts and other statements regarding the future in these materials are based on information currently available to the Company and on certain assumptions deemed to be rational. Actual performance may differ materially depending on various factors. Refer to page 4, “1. Qualitative Information on Consolidated Operating Results, Etc. for the Period Under Review; (3) Description of Consolidated Earnings Forecasts and Other Forward-Looking Statements” for matters regarding the performance forecasts

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## 1. Qualitative Information on Consolidated Operating Results, Etc. for the Period Under Review

The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the first quarter of the consolidated fiscal ending December 2022.

The details are as stated in “2. Quarterly Consolidated Financial Statements and Key Notes; (3) Notes on Quarterly Consolidated Financial Statements; (Changes in accounting policies).”

### (1) Description of Operating Results

In the nine months ended September 30, 2022 (first three quarters of the fiscal year ending December 31, 2022 (FY2022)), advances in countermeasures against COVID-19 infection and relaxation of restrictions on behavior resulted in the Japanese economy showing signs of picking up, such as economic and social activities moving toward normalization. Meanwhile, as monetary tightening continues worldwide, it is necessary to monitor effects of factors such as the prolonged Ukraine situation, restriction on economic activities in China, depreciation of yen and rising raw material prices, which makes the overall economic outlook to remain uncertain.

Amid this business environment, as to the consolidated results for the first three quarters of FY2022, with factors such as an increase in property sales to investors in the Commercial Properties business and the Asset Service business and an increase in sales volume in the Residential business, operating revenue was ¥268,455 million (up 20.3% from ¥223,176 million for the same period last year), operating profit was ¥55,050 million (up 32.2% from ¥41,632 million for the same period last year), business profit was ¥58,095 million (up 39.2% from ¥41,740 million for the same period last year), ordinary profit was ¥56,670 million (up 44.7% from ¥39,151 million for the same period last year), and profit attributable to owners of parent was ¥39,391 million (up 25.3% from ¥31,445 million for the same period last year).

The Tokyo Tatemono Group has set “business profit,” which is the sum of operating profit and share of profit (loss) of entities accounted for using equity method, as a profit indicator.

See below for an outline of consolidated results by business segment.

#### (i) Commercial Properties Business

In the first three quarters of FY2022, revenue largely increased from the same period last year with the sales of “T-LOGI Kuki” (Kuki-shi, Saitama Prefecture) and “Tokyo Tatemono Higashi Shibuya Building” (Shibuya-ku, Tokyo) recorded as property sales to investors in sales of real estate and other factors.

Consequently, operating revenue was ¥114,675 million (up 22.1% from ¥93,884 million for the same period last year), operating profit was ¥33,527 million (up 11.5% from ¥30,056 million for the same period last year), and business profit was ¥33,732 million (up 11.3% from ¥30,311 million for the same period last year).

Item	First three quarters of FY2021		First three quarters of FY2022	
	Quantity, etc.	Operating revenue (million yen)	Quantity, etc.	Operating revenue (million yen)
Leasing of buildings, etc.	Leased area of buildings 881,851m <sup>2</sup> (Of which, subleased area 87,662m <sup>2</sup> )	56,287	Leased area of buildings 897,388m <sup>2</sup> (Of which, subleased area 87,516m <sup>2</sup> )	57,578
Sales of real estate	3 properties	11,285	2 properties	29,387
Building management service, etc.	—	26,311	—	27,710
Total operating revenue	—	93,884	—	114,675
Operating profit	—	30,056	—	33,527
Business profit	—	30,311	—	33,732

(ii) Residential Business

In the first three quarters of FY2022, residential sales were posted, including those for “Brillia City Nishiwaseda” (Toshima-ku, Tokyo) and “SHINTO CITY (Blocks II and III)” (Omiya-ku, Saitama-shi), and sales of real estate were posted, including rental apartments such as “Brillia ist Ryogoku” (Sumida-ku, Tokyo) and “Brillia ist Shinjuku Akebonobashi” (Shinjuku-ku, Tokyo), as property sales to investors.

Consequently, operating revenue was ¥99,675 million (up 19.6% from ¥83,373 million for the same period of the previous fiscal year), and operating profit and business profit were both ¥20,962 million (up 46.7% from ¥14,284 million for the same period of the previous fiscal year).

Item	First three quarters of FY2021		First three quarters of FY2022	
	Quantity, etc.	Operating revenue (million yen)	Quantity, etc.	Operating revenue (million yen)
Residential sales	689 units	44,690	1,034 units	65,522
Sales of real estate	—	18,354	—	14,200
Residence leasing	Leased area of buildings 151,630m <sup>2</sup>	4,390	Leased area of buildings 116,644m <sup>2</sup>	3,918
Condominium management service	Number of managed units 97,668 units	9,656	Number of managed units 97,345 units	9,897
Other	—	6,282	—	6,136
Total operating revenue	—	83,373	—	99,675
Operating profit	—	14,284	—	20,962
Business profit	—	14,284	—	20,962

(iii) Asset Service Business

In the first three quarters of FY2022, due to factors including property sales to investors increasing largely in the asset solution business and heightened occupancy of existing facilities and an increase in revenue due to new opening in parking lot operations, operating revenue was ¥37,048 million (up 21.1% from ¥30,587 million for the same period last year), and operating profit and business profit were both ¥5,483 million (up 107.9% from ¥2,637 million for the same period last year).

Item	First three quarters of FY2021		First three quarters of FY2022	
	Quantity, etc.	Operating revenue (million yen)	Quantity, etc.	Operating revenue (million yen)
Brokerage	830 properties	3,418	793 properties	3,467
Asset solution (Note)	—	9,363	—	14,037
Management service, etc.	—	3,349	—	3,434
Parking lot operations	Number of parking spaces 74,641 spaces	14,455	Number of parking spaces 77,083 spaces	16,108
Total operating revenue	—	30,587	—	37,048
Operating profit	—	2,637	—	5,483
Business profit	—	2,637	—	5,483

Note: This business mainly improves the added value of acquired real estate for the purpose of resale.

(iv) Other

In the first three quarters of quarter of FY2022, due to factors including the improvement of operation of resort facilities in the Leisure & Child Care business and an increase in revenue in other asset management business, operating revenue was ¥17,054 million (up 11.2% from ¥15,331 million for the same period last year), and operating profit was ¥2,152 million (up 60.8% from ¥1,338 million for the same period last year). Furthermore, business profit was ¥4,992 million (up 318.7% from ¥1,192 million for the same period last year) due to factors such as recording a share of profit of entities accounted for using equity method in other overseas businesses.

Item	First three quarters of FY2021	First three quarters of FY2022
	Operating revenue (million yen)	Operating revenue (million yen)
Leisure & Child Care business	12,252	13,404
Other	3,078	3,650
Total operating revenue	15,331	17,054
Operating profit	1,338	2,152
Business profit	1,192	4,992

(2) Description of Financial Position

(Assets)

Total assets at the end of the third quarter of FY2022 were ¥1,675,089 million, up ¥24,318 million from the end of the previous fiscal year. This was primarily attributable to increase in real estate for sale (including real estate for sale in process and real estate for development).

(Liabilities)

Total liabilities at the end of the third quarter of FY2022 were ¥1,217,318 million, down ¥5,791 million from the end of the previous fiscal year. This was primarily attributable to a decrease in interest-bearing debt. The balance of interest-bearing debt (excluding lease obligations) was ¥940,137 million, down ¥16,699 million from the end of the previous fiscal year.

(Net assets)

Total net assets at the end of the third quarter of FY2022 were ¥457,770 million, up ¥30,109 million from the end of the previous fiscal year. This was primarily attributable to increase in retained earnings and revaluation reserve for land.

(3) Description of Consolidated Earnings Forecasts and Other Forward-Looking Statements

Business results for the third quarter of FY2022 were mostly steady and the Company has not revised the earnings forecasts for FY2022 stated in the “Outline of Consolidated Financial Statements for the First Two Quarters of the Fiscal Year Ending December 2022” that it released on August 10, 2022.

## 2. Quarterly Consolidated Financial Statements and Key Notes

### (1) Quarterly Consolidated Balance Sheet

(Million yen)

	End of FY2021 (December 31, 2021)	End of FY2022 3Q (September 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	87,010	66,278
Trade notes and accounts receivable	14,041	—
Trade notes, accounts receivable, and contract assets	—	12,971
Real estate for sale	133,251	158,897
Real estate for sale in process	139,389	147,583
Real estate for development	71,579	78,317
Other	36,004	38,049
Allowance for doubtful accounts	(58)	(84)
Total current assets	481,217	502,013
Non-current assets		
Property, plant and equipment		
Buildings and structures	383,995	388,892
Accumulated depreciation	(160,377)	(169,775)
Buildings and structures, net	223,618	219,117
Land	539,786	539,977
Construction in progress	38,536	44,986
Other	30,098	30,835
Accumulated depreciation	(18,788)	(19,992)
Other, net	11,309	10,843
Total property, plant and equipment	813,251	814,925
Intangible assets		
Leasehold interests in land	128,730	130,133
Other	2,149	2,680
Total intangible assets	130,880	132,813
Investments and other assets		
Investment securities	128,586	127,998
Investments in silent partnerships	8,128	3,692
Deferred tax assets	2,148	2,163
Leasehold and guarantee deposits	21,261	21,994
Retirement benefit asset	2,215	2,196
Other	63,178	67,360
Allowance for doubtful accounts	(97)	(68)
Total investments and other assets	225,421	225,337
Total non-current assets	1,169,553	1,173,075
Total assets	1,650,770	1,675,089

(Million yen)

	End of FY2021 (December 31, 2021)	End of FY2022 3Q (September 30, 2022)
Liabilities		
Current liabilities		
Short-term borrowings	83,726	53,035
Commercial papers	40,000	80,000
Current portion of bonds payable	—	10,000
Accounts payable - other	13,849	9,366
Income taxes payable	11,094	3,029
Provisions	1,015	3,024
Deposits received under real estate specified joint enterprise law	4,500	4,500
Other	58,316	74,759
Total current liabilities	212,502	237,714
Non-current liabilities		
Bonds payable	255,000	245,000
Long-term borrowings	575,676	549,871
Deferred tax liabilities	19,861	18,351
Deferred tax liabilities for land revaluation	23,663	27,274
Provisions	285	334
Leasehold and guarantee deposits received	78,381	76,253
Retirement benefit liability	12,955	12,967
Deposits received under real estate specified joint enterprise law	19,076	19,684
Other	25,708	29,866
Total non-current liabilities	1,010,607	979,603
Total liabilities	1,223,109	1,217,318
Net assets		
Shareholders' equity		
Share capital	92,451	92,451
Capital surplus	66,587	66,587
Retained earnings	166,356	185,829
Treasury shares	(439)	(442)
Total shareholders' equity	324,955	344,425
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	54,276	51,752
Deferred gains or losses on hedges	(17)	—
Revaluation reserve for land	34,959	43,187
Foreign currency translation adjustment	2,144	7,354
Remeasurements of defined benefit plans	736	590
Total accumulated other comprehensive income	92,099	102,885
Non-controlling interests	10,605	10,458
Total net assets	427,661	457,770
Total liabilities and net assets	1,650,770	1,675,089



(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income  
(Quarterly consolidated statement of income)  
(Consolidated first three quarters)

(Million yen)

	FY2021 3Q (January 1, 2021 to September 30, 2021)	FY2022 3Q (January 1, 2022 to September 30, 2022)
Operating revenue	223,176	268,455
Operating costs	157,281	186,505
Operating gross profit	65,894	81,949
Selling, general and administrative expenses	24,262	26,899
Operating profit	41,632	55,050
Non-operating income		
Interest income	10	20
Dividend income	2,916	3,136
Share of profit of entities accounted for using equity method	108	3,045
Other	994	850
Total non-operating income	4,030	7,053
Non-operating expenses		
Interest expenses	5,007	4,570
Borrowing fee	777	641
Dividends paid on real estate specified joint enterprise law	52	73
Other	673	146
Total non-operating expenses	6,510	5,433
Ordinary profit	39,151	56,670
Extraordinary income		
Gain on sale of non-current assets	6	394
Gain on sale of investment securities	5,288	50
Gain on sale of investments in capital of subsidiaries and associates	1,538	—
Gain on liquidation of subsidiaries and associates	367	—
Total extraordinary income	7,201	445
Extraordinary losses		
Loss on sale of non-current assets	3	9
Loss on retirement of non-current assets	140	77
Impairment losses	27	186
Loss on sale of investment securities	2	—
Loss on valuation of investment securities	28	56
Loss on COVID-19	129	—
Total extraordinary losses	332	330
Profit before income taxes	46,020	56,785
Income taxes - current	14,284	13,239
Income taxes - deferred	(385)	3,442
Total income taxes	13,898	16,682
Profit	32,121	40,102
Profit attributable to non-controlling interests	676	711
Profit attributable to owners of parent	31,445	39,391

(Quarterly consolidated statement of comprehensive income)  
(Consolidated first three quarters)

(Million yen)

	FY2021 3Q (January 1, 2021 to September 30, 2021)	FY2022 3Q (January 1, 2022 to September 30, 2022)
Profit	32,121	40,102
Other comprehensive income		
Valuation difference on available-for-sale securities	7,051	(2,566)
Foreign currency translation adjustment	223	243
Remeasurements of defined benefit plans, net of tax	(57)	(145)
Share of other comprehensive income of entities accounted for using equity method	1,689	4,983
Total other comprehensive income	8,907	2,515
Comprehensive income	41,029	42,618
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	40,184	41,948
Comprehensive income attributable to non-controlling interests	844	669

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on going assumptions)

Not applicable

(Notes on cases where there was a substantial change in the amount of shareholders' equity)

Not applicable

(Significant changes in subsidiaries during the period under review)

Not applicable

(Changes in accounting policies)

(Application of the accounting standard for revenue recognition, etc.)

The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the first quarter of the fiscal year ending December 2022 and has recognized revenue from goods or services which the Company promised to provide at an amount expected to be received in exchange for the goods or services at the time when control over the promised goods or services has been transferred to a customer.

The application of the Accounting Standard for Revenue Recognition, etc. is in accordance with the transitional treatment stipulated in the proviso of paragraph 84 of the Accounting Standard for Revenue Recognition. The cumulative effects in the case of retroactively applying the new accounting policy to before the beginning of the first quarter of the fiscal year ending December 2022 are adjusted in retained earnings at beginning of the first quarter of the fiscal year ending December 2022, and the new accounting policy is applied from this initial balance. However, in applying the method stipulated in paragraph 86 of the Accounting Standard for Revenue Recognition, the Company does not retroactively apply the new accounting policy to the contracts for almost all of which revenue was recognized in compliance with the conventional method before the beginning of the first quarter of the fiscal year ending December 2022.

The impact of the application of the Accounting Standard for Revenue Recognition on profit (loss) and beginning-of-period retained earnings of the first three quarters of the fiscal year ending December 2022 will be minor.

As the Accounting Standard for Revenue Recognition, etc. was applied, "trade notes and account receivable" that had been stated in current assets are stated as part of "trade notes, accounts receivable, and contract assets" as of the first quarter of the fiscal year ending December 2022. Based on the transitional treatment set out in Article 89-2 of the Accounting Standard for Revenue Recognition, no reclassification was performed by the new method for the previous fiscal period.

(Application of the accounting standard for fair value measurement, etc.)

The Company has applied the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019), etc. from the beginning of the first quarter of the fiscal year ending December 2022 and in accordance with the transitional treatment stipulated in paragraph 19 of the Accounting Standard for Fair Value Measurement and Article 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019), the Company decided to apply the new accounting policies stipulated in the Accounting Standard for Fair Value Measurement into the future.

The impact of the application of the Accounting Standard for Fair Value Measurement on the financial statements for the first three quarters of the fiscal year ending December 2022 will be minor.

(Additional information)

(Accounting estimates with the COVID-19 pandemic)

There is no significant change to the assumptions for accounting estimates regarding the COVID-19 pandemic stated in the securities report for FY2021.