

FOR IMMEDIATE RELEASE

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Representative:	Representative Director President and Chief Executive Officer
Securities Code:	8804 (Prime Market of Tokyo Stock Exchange) Munetoshi Harunaga
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Notice Regarding a Change (Share Transfer) in a Consolidated Subsidiary

Tokyo Tatemono Co., Ltd. (Head Office: Chuo-ku, Tokyo; President & Chief Executive Officer: Hitoshi Nomura; hereinafter “Tokyo Tatemono”) hereby announces that it has entered into a share transfer contract (hereinafter “Share Transfer”) with Sakurajyuji Co., Ltd. (hereinafter “Sakurajyuji”) to transfer its entire equity stake (100% of all issued shares) in Tokyo Tatemono Staffing Co., Ltd. (hereinafter “Tokyo Tatemono Staffing”), a consolidated subsidiary of Tokyo Tatemono.

1. Reasons for the Share Transfer

With the goal of ensuring a stable supply of nursing care staff as part of the company’s involvement in the development and operation of facilities for the elderly, Tokyo Tatemono bought Care Like Co., Ltd. (later in June 2018 renamed Tokyo Tatemono Staffing Co., Ltd.) in April 2017, and developed a temporary staffing business mainly focused on dispatching nursing care staff to facilities for the elderly in urban centers throughout the country, but particularly in the Tokyo area (hereinafter, “temporary nursing staff business”).

While we still see continued strong demand for nursing care staff, our December 2020 withdrawal from the business of operating facilities for the elderly and other factors led us to reassess our position in the temporary nursing staff business in terms of our future business development. We determined that for Tokyo Tatemono Staffing to further develop, it needed synergies with other businesses and an environment in which it could pursue a business of scale, and therefore we have enacted this Share Transfer.

Sakurajyuji operates housing and fitness facilities for the elderly, and is expanding its business in seniors-related sectors. Also, as the Sakurajyuji Group, it also manages a number of hospitals, and has a significant track record in the medical sector. Sakurajyuji continues to be a customer of Tokyo Tatemono Staffing for temporary nursing care staff, and a high level of synergy is seen to exist between the two companies. Therefore, we have determined that this Share Transfer to Sakurajyuji is the best way for Tokyo Tatemono Staffing to achieve sustained, well-supported growth.

Tokyo Tatemono is progressing with the optimization of its business portfolio, including the implementation of the Share Transfer, based on its Medium-Term Business Plan. It will continue to engage in this optimization to enhance corporate value.

2. Profile of subsidiary undergoing change

(1) Company name		Tokyo Tatemono Staffing Co., Ltd.	
(2) Head office address		4-3-18 Nihonbashi Muromachi, Chuo-ku, Tokyo	
(3) Representative		Ayumu Nishimura, President and Chief Executive Officer	
(4) Business		Dispatching of nursing care staff to facilities for the elderly, etc.	
(5) Capital		JPY 7 million	
(6) Establishment		May 1, 2008	
(7) Major shareholder and shareholding ratio		Tokyo Tatemono Co., Ltd.: 100%	
(8) Relationship between the listed company and the subsidiary	Capital	Tokyo Tatemono holds 100% of the shares of the subsidiary	
	Personnel	Tokyo Tatemono has dispatched five Directors, including a Representative Director and one Audit & Supervisory Board member (including concurrent and part-time service) to the subsidiary	
	Trading	Tokyo Tatemono has intra-group transactions with the subsidiary relating to matters such as the lease of buildings and the loan of funds	
(9) Consolidated business results and consolidated financial position of the subsidiary for the past three years			
Fiscal year	FYE Dec. 2020	FYE Dec. 2021	FYE Dec. 2022
Net assets	JPY 186 million	JPY 237 million	JPY 325 million
Total assets	JPY 476 million	JPY 574 million	JPY 816 million
Net assets per share	JPY 26	JPY 33	JPY 46
Net sales	JPY 2,323 million	JPY 2,455 million	JPY 3,091 million
Operating profit	JPY 41 million	JPY 60 million	JPY 132 million
Ordinary profit	JPY 44 million	JPY 62 million	JPY 134 million
Profit	JPY 36 million	JPY 50 million	JPY 88 million
Profit per share	JPY 5	JPY 7	JPY 12
Dividend per share	-	-	-

3. Overview of the transferee of shares

(1) Name		Sakurajyuji Co., Ltd.
(2) Head office address		1-1-1 Miyukikibe, Minami-ku, Kumamoto-shi, Kumamoto Prefecture
(3) Representative		Masato Kaji, Representative Director
(4) Business		Operation of housing and fitness facilities for the elderly, medical corporation consulting, etc.
(5) Capital		JPY 3 million
(6) Establishment		July 1, 2005
(7) Net assets		JPY 10,357 million
(8) Total assets		JPY 42,083 million
(9) Major shareholder and shareholding ratio		Sakurajyuji Holdings Co., Ltd.: 100%
(10) Relationship between the listed company and the transferee	Capital	Not applicable
	Personnel	Not applicable
	Trading	Not applicable
	Status of applicability to related parties	Not applicable

4. Number of shares to be transferred, and status of shareholding before and after the transfer

(1) Number of shares owned before the transfer	7,000,005 shares (Number of voting rights: 7,000,005, percentage of voting rights: 100%)
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(2) Number of shares to be transferred	7,000,005 shares (Number of voting rights: 7,000,005, percentage of voting rights: 100%)
(3) Number of shares owned after the transfer	0 share (Number of voting rights: 0, percentage of voting rights: 0%)

5. Schedule

(1) Date of conclusion of Share Transfer contract	August 17, 2023
(2) Effective date of Share Transfer	October 2, 2023 (planned)

6. Future outlook

The effect of the Share Transfer on the consolidated financial results of Tokyo Tatemono will be immaterial, and the consolidated earnings forecasts for the fiscal year ending December 31, 2023, announced on February 13, 2023, remain unchanged.